LOS ANGELES COUNTY DEVELOPMENTAL SERVICES FOUNDATION, INC.

Board of Directors

June 27, 2012

MINUTES

PRESENT

Mark Higgins, Chair
Mary Bakchachyan
Larry DeBoer
Marjorie Heller
Al Marsella
Howard McBroom
Zulma Mena
Brian Newkirk
Dina Richman
Ana Villasenor

NOT PRESENT

Anila Guruji
Ray Lemus
Gary Pancer
Kelly White

STAFF

Diane Anand
Patrick Aulicino
Karen Ingram
Melinda Sullivan

GUESTS

Priscilla Vergara

CALL TO ORDER

Mr. Higgins called the meeting to order at 6:00 PM.
PUBLIC INPUT

No public input.

ANNOUNCEMENTS

No announcements were made.

APPROVAL OF MINUTES

The minutes of May 23, 2012 were approved by consensus.

BOARD EDUCATION

Presentation on Assistive Technology Program

Ms. Anand introduced Ms. Rose Chacana, Director of the Koch-Young Resource Center. Ms. Chacana gave a focused presentation on the assistive technology program in partnership with ATEC/Goodwill of Orange County as part of continuing Board Education. The presentation and exhibit was originally prepared for the NASDDDS (the National Association of State Directors of Developmental Disability Services) meeting in Sacramento and was well received. The Board was given the opportunity to ask questions about the presentation and discussion followed.

ARCA REPORT

Ms. Anand advised the Board that she attended the ARCA meeting on June 21 – 22, 2012 in Sacramento. Ms. Anand reported that the focus of the meeting was on budget, trailer bill language, and cash flow. Please see “Budget Update” under the Executive Director’s Report for details.

EXECUTIVE DIRECTOR’S REPORT

Budget Update

Ms. Anand reminded the Board that she has been sending various updates regarding the FY 2012-13 budget via email and that Mr. Aulicino would summarize the current budget situation as of today. Mr. Aulicino distributed AB 1472 Budget Trailer Bill Highlights reported that the budget and relevant trailer bill remains the most critical issue for the year ending and for FY 2012-13. For the fiscal year ending 2011-12, DDS and regional centers are far apart on their projections. DDS is of the opinion that the system will squeak by, but the most recent projections from the centers estimate a $70 million deficit. DDS staff are reporting that they
have minimal cash to distribute for fiscal year 2011-12 until the federal CMS approves the
State’s 1915i Waiver and the State gets reimbursed retroactively. Until then the system is
virtually out of cash which means that minimal funding will be received by any regional center
for this fiscal year, even for a center like Lanterman that is well within its budget allocation and
is ending the year with a surplus. For regional centers that find themselves in deficit and
beyond their contract authority, they may not be able to borrow from their banks to meet fiscal
year 2011-12 obligations. The DDS is proposing that either regional centers or providers
submit their claims to the Board of Control for payment. For fiscal year 2012-13, each month’s
cash advance does not cover one month’s worth of spending for a Center, but Lanterman will be
able to access its line of credit with City National.

**Adjournment for Executive Session**

- The meeting was adjourned for executive session at 7:14 pm to discuss pending
  litigation.
- The meeting was reconvened at 7:49 pm for the general session.

**EXECUTIVE COMMITTEE**

FY 2012-13 Placeholder Contract

Mr. Higgins advised the Board that the Committee took action to authorize the President to sign
the FY 2012-13 placeholder contract with DDS. He explained that it was necessary to do this
prior to the board meeting so that DDS could begin the process of distributing the cash advances
to the regional centers. The placeholder contract was in the board packet for review. Mr. Higgins noted that there are no languages changes at this stage. The ARCA Contract Negotiating Committee and DDS will be meeting to update the language of the contract in accordance with the budget trailer bill.

Approval of Resource Development Contract over $250,000

Mr. Higgins advised the Board that in accordance with the Approval of Contracts Policy, they
could find in their Board packet a summary checklist for a contract of $600,000 to Anka
Behavioral Health, Inc.; a community provider that specializes in serving individuals at risk of
being institutionalized owing to challenging behaviors. Anka will develop 2 homes; one crisis
and one step-down for adolescents with challenges behaviors who can no longer be supported in
the family home and are at risk of being placed in an institution. The funding is for home
modification and startup. No monies have been allocated for acquisition. Lanterman has been
permitted to revise its Community Placement Plan in order to develop these homes. This project has been fast tracked in order to have a signed contract before June 30, 2012.

Ms. Anand reminded the Board that they received a presentation a number of months ago on the crisis in Lanterman’s catchment area of having no resources to serve these children and were placing children outside of our catchment area as a result. Anka is well known to the Center and is an experienced provider in the San Gabriela-Pomona Regional Center area.

**Mr. McBroom moved to approved the contract as presented in accordance with the Approval of Contracts Policy, Mr. Newkirk seconded the motion, and it passed unanimously.**

**Board Diversity**

Mr. Higgins reminded the Board there was discussion at the May Board meeting on the letter received from DDS regarding the 2011 Board Composition Survey. DDS reports that it appears that the board’s composition may not be in compliance with one or more requirements contained in WIC section 4622. The Executive Committee was charged with responding to the letter. The Committee reviewed a draft letter at its June meeting and authorized the sending of the letter. A copy of the letter along with an attachment was included in Board packet for review.

**Disparities Trailer Bill Language (TBL)**

*For Information Only –*

Ms. Anand shared with the Board the TBL language related to the POS Diversity issue negotiated between key legislative staff, DDS and ARCA. The language is in response to placeholder language in the Senate and the Assembly and will serve as the final language to be included in the trailer bill on this subject.

**The Way Forward Update**

Ms. Anand advised the Committee that participation in the survey for “The Way Forward” is promising. To date, approximately 1000 returns have been received statewide. The Way Forward group will meet as a whole sometime in the Summer.

**Board Self Assessment Update**

Mr. Higgins advised the Board that the online board self assessment survey is closed with all but 2 or 3 board members participating. Boardsource will analyze the results and send us a report. The Executive Committee will review the results at their next meeting and share it with the Board in August.
ADMINISTRATIVE AFFAIRS COMMITTEE

Proposal to Reimburse Staff for Co-Pay for Health Insurance

Ms. Heller advised the Board that the Administrative Affairs Committee is bringing forward a year-end operations proposal to reimburse staff for co-pay for health insurance. Ms. Heller explained that with the remaining dollars in the 2011-12 operating budget, the Committee is recommending to refund dollars that staff have paid into the cost of their medical coverage for this year. This is identical to what the Board has adopted in the prior two years when sufficient funds were also available.

Ms. Mena moved to approve the proposal to reimburse staff for co-pay for health insurance as presented, Mr. Mc Broom seconded the motion, and it passed unanimously.

Review Of Financial Statements

Ms. Heller reviewed the financial statements through the month of April 30, 2012 as follows:

Fiscal Year 2011-12
In Operations (main contract), we have spent 79.3% of our C-2 budget allocation. In Purchase of Services (main contract), we have spent 82.2% of our C-2 budget allocation, before we add in projected late bills. Including projected late bills, we have spent 82.2% of our C-2 allocation.

Fiscal Year 2010-2011
This month we recorded $21,326 in OPS and $4,252 in POS. To date, we have spent 98.9% of our OPS and 97.8% of our POS allocations. We are currently expecting a small surplus in OPS and about $2 million surplus in POS, due to substantial cost savings, minimal caseload growth, and some relinquishment of excess funds.

Fiscal Year 2009-2012
This month we recorded ($7,672) in POS. To date, we have spent 98.9% of our OPS and 96.1% of our POS allocations. We are currently expecting a small surplus in OPS and about a $4.1 million surplus in POS.

NOMINATING COMMITTEE

Ms. Heller presented the Slate of Officers and Directors for election as follows:

Slate of Directors for Election

- Louis Mitchell
- Eduardo Solis
Slate of Directors for Re-Election

- Anila Guruji
- Mark Higgins
- Al Marsella
- Zulma Mena
- Brian Newkirk
- Dina Richman

Ms. Heller brought forward the recommendation from the Nominating Committee to elect the Slate of Directors as presented, Mr. Marsella seconded the motion, and it passed unanimously.

Slate of Officers for Election

- President - Mark Higgins
- 1st Vice President - Al Marsella
- Treasurer - Marjorie Heller
- Secretary - Anila Guruji

Ms. Heller brought forward the recommendation from the Nominating Committee to elect the Slate of Officers as presented, Ms. Backchachyan seconded the motion, and it passed unanimously.

RECOGNITION OF OUTGOING MEMBERS

Mr. Higgins thanked the outgoing members, Mary Bakchachyan, Larry DeBoer, and Ray Lemus, for their commitment and service to the Board. Mr. DeBoer will continue to serve as an advisor to the Board in the capacity of Immediate Past President.

ADJOURNMENT

The meeting was adjourned at 8:19 pm.

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Anila Guruji, Secretary

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# BOARD OF DIRECTORS

## ACTION LOG

**June 27, 2012**

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<tr>
<th>DESCRIPTION</th>
<th>ACTION</th>
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<tr>
<td>Approval of May 23, 2012 minutes</td>
<td>● Approved</td>
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