



NOTICE/AGENDA

**STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
EXECUTIVE COMMITTEE MEETING
POSTED AT: www.scdd.ca.gov**

This is a teleconference and zoom meeting only. There is no physical location being made available to the public per [Government Code Section 11133](#). Therefore, Committee members are not required to list their remote locations and members of the public may participate telephonically or by Zoom from any location. Accessible formats of all agenda and materials can be found online at www.scdd.ca.gov.

JOIN ZOOM MEETING: <http://bit.ly/ExecCmteOct2021>

MEETING ID and PASSCODE: **942 2200 9806, Code 586180**

OR

JOIN BY TELECONFERENCE: (VOICE ONLY)

CALL IN NUMBER: (888) 475-4499

MEETING ID and PASSCODE: **942 2200 9806, Code 586180**

DATE: October 19, 2021

TIME: 10:30 AM – 3:00 PM

COMMITTEE CHAIR: Lee Bycel

Item 1. CALL TO ORDER

Item 2. ESTABLISH QUORUM

Item 3. WELCOME AND INTRODUCTIONS

Item 4. PUBLIC COMMENTS

This item is for members of the public to provide comments and/or present information to this body on matters not listed on the agenda. There will be up to 20 minutes allocated to hear from the public with each person allotted up to 3 minutes to comment.

Additionally, there will be up to 10 minutes allocated to hear from the public on each Council agenda item, with each person allotted up to 1 minute to comment.

Item 5. SCDD STAFF SPOTLIGHT: BRIAN WEISEL

Page 4

Item 6. APPROVAL OF AUGUST 2021 MINUTES



All

Page 5

Item 7. CONFLICT OF INTEREST WAIVERS



Brian Weisel, SCDD Attorney

Page 10

- A. Howard Kraus, Board Member, Tri-Counties Regional Center*
 - B. Michelle Ramirez, Board Member, Alta California Regional Center*
 - C. Adam Beals, Board Member, Far Northern Regional Center*
 - D. Nicole Turofsky, Board Member, Tri-Counties Regional Center*
-

Item 8. EXECUTIVE DIRECTOR REPORT

Page 46

Aaron Carruthers, Executive Director

- A. Budget Update*
 - B. Year of Optimizing*
-

Item 9. 2022 COUNCIL MEETING SURVEY RESULTS

Page 63

Aaron Carruthers, Executive Director

Item 10. CLOSED SESSION: PERSONNEL

Page 64

Pursuant to Government Code Section 11126(a)(1), the Council will have a closed session to determine the evaluation of a public employee.

Item 11. RECONVENE OPEN SESSION

Page 65

Pursuant to Government Code Section 11126.3 (f), there will be an announcement of any publicly reportable actions taken during closed session.

Item 12. ADJOURNMENT AND NEXT MEETING DATE

Page 66

The next meeting of the Executive Committee will be in February 2022.

Accessibility:

Pursuant to Government Code Sections 11123.1 and 11125(f), individuals with disabilities who require accessible alternative formats of the agenda and related meeting materials and/or auxiliary aids/services to participate in this meeting should contact Yaritza Sanchez at (916)-207-2856 or yaritza.sanchez@scdd.ca.gov. *Please provide at least 3 business days prior to the meeting to allow adequate time to respond to all requests.*

All times indicated and the order of business are approximate and subject to change.

OCTOBER 19, 2021

**AGENDA ITEM 5.
INFORMATION ITEM**

**EXECUTIVE COMMITTEE
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**

SCDD Staff Member Spotlight: Brian Weisel

The Executive Committee would like to recognize a member of the SCDD staff team on a regular basis. This will provide Committee members with an opportunity to learn more about SCDD's staff, their roles throughout the organization and some of their personal interests or aspirations. This month's Spotlight will feature a short presentation from staff member Brian Weisel.

OCTOBER 19, 2021

AGENDA ITEM 6.

ACTION ITEM

**EXECUTIVE COMMITTEE
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**

Approval of August 2021 Minutes

Minutes from the August 17, 2021 Executive Committee meeting are included in the packet for review. Committee members will vote on whether to approve the minutes.

Attachment

August 2021 Executive Committee meeting minutes

Action Recommended

Approve the August 2021 Minutes.



DRAFT
Executive Committee Meeting Minutes
August 17, 2021

Members Attending

Julie Austin
Kilolo Brodie
Lee Bycel, Chair
Jeana Eriksen
Kara Ponton
Wesley Witherspoon

Members Absent

Maria Marquez
Jonathan Nelson

Others Attending

Rihana Ahmad
Sandra Aldana
Aaron Carruthers
Bridget Kolakosky
Elizabeth Laugeson
Robin Maitino-Erben
Douglas Sale
Victoria Schlussler
Brian Weisel

1. CALL TO ORDER

Executive Committee Chair Lee Bycel called the meeting to order at 10:32 A.M.

2. ESTABLISH QUORUM

A quorum was established.

3. WELCOME/INTRODUCTIONS

Members and others in attendance introduced themselves.

4. PUBLIC COMMENTS

Ms. Sandra Aldana provided public comment on the makeup of the Executive Committee, how SCDD budget items are reported, and the Executive Director evaluations.

Specifically, Ms. Aldana requested that the Committee consider appointing up to two more individuals to serve on the Executive Committee; that staff report how much is being spent on each Budget line item, and whether money can be moved to other line items. Lastly, Ms. Aldana requested that any questions asked of staff during the Executive Director evaluation process should be related to management and should not be comingled with Councilmember feedback.

5. SCDD STAFF SPOTLIGHT

This month's SCDD Staff Spotlight was presented by Douglas Sale, Deputy Director of Administration. Deputy Director Sale shared stories and details about his personal and professional journey that included pictures from various stages of his life. He expressed gratitude for his time with the Council and wished everyone well as he prepared for his retirement.

6. APPROVAL OF THE JUNE 2021 MEETING MINUTES

Action 1

It was moved/seconded (Witherspoon [S.A.]/Eriksen [S.A.]) and carried to approve the June 2021 meeting minutes as presented. (Unanimously accepted by members present, see page one for list of members present.)

7. SPONSORSHIP REQUEST

Deputy Director Sale presented two Sponsorship requests for the Committee's consideration.

The first request for \$999, was from the University Center for Excellence in Developmental Disabilities (CEDD), MIND Institute, at the University of California, Davis. If approved, the requested funding would be used to offset the costs of translation services for the Institute's Neurodevelopmental Disabilities virtual webinar event held on August 6, 2021.

The second request for \$1,500, was from the San Diego Committee on Employment for People with Disabilities. If approved, the requested funding would be used to offset the costs of a virtual platform, advertising, and the technology associated with the 22nd Annual Jobtoberfest taking place on October 13, 2021.

Action 2

It was moved/seconded (Ponton [S.A.]/Eriksen [S.A.]) and carried to approve both Sponsorship requests in the amount requested. (Unanimously accepted by members present, see page one for list of members present.)

8. SCDD BUDGET UPDATE

Deputy Director Douglas Sale presented SCDD's recent budget updates. The budget is in good standing and SCDD is benefiting from reduced

costs of not traveling, state employee salary reductions, and staffing vacancies. Applicant pools for vacant positions are strong, and SCDD will be hiring in the coming months.

9. EXECUTIVE DIRECTOR REPORT

Executive Director Aaron Carruthers provided Committee members with a report on recent Council activities and priorities that included the status of the Council’s sponsored bill, SB 639 (Durazo). If signed, SB 639 would do away with subminimum wage in California. Executive Director Carruthers reported that the bill was moving along remarkably and is likely to be signed.

Executive Director Carruthers followed up with the results of the July 2021 SCDD Future of Work Survey. He stated that the survey focused on how SCDD will conduct its work going forward and the changes SCDD needs to make given the changes the world is going through. 97% of employees participated and the overall input received from the survey was good. Next steps include implementation of recommendations, such as the need for more equipment, teambuilding, forums for the CPSII’s, staff recognition and more.

10. EXECUTIVE DIRECTOR EVALUATION PROCESS

Deputy Director Douglas Sale and Chair Lee Bycel provided a brief update stating that no substantive changes to the evaluation criteria or process is being recommended and that Councilmembers should be receiving the evaluations to complete soon.

11. UNDERSTANDING AND ADDRESSING COUNCILMEMBER NEEDS AS COVID CONTINUES

Chair Lee Bycel led the Committee in a discussion on understanding and addressing Councilmember needs as COVID continues. Members shared concerns and thoughts about feeling tired, uncertain, scared, and hopeful. The pandemic was and continues to be a very challenging experience, often filled with loss and grief. Many people in the community continue to express apprehension about getting the vaccine.

Committee members discussed ways to stay connected between meetings, as well as pressing issues that continue to affect Californians with I/DD such as inequalities in housing and transportation, mental health, etc.

The discussion concluded with Executive Director Carruthers agreeing to work with legal counsel on approaches that personalize Councilmember connections while adhering to the requirements of Bagley Keene and not placing extra work on Council staff.

12. **ADJOURNMENT AND NEXT MEETING DATE**

The next Executive Committee meeting will be held on October 19, 2021. Meeting adjourned at 1:12 P.M.

OCTOBER 19, 2021

AGENDA ITEM 7.

ACTION ITEM

EXECUTIVE COMMITTEE

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

Conflict of Interest Waiver Requests

Staff attorney Brian Weisel will present Conflict of Interest waiver requests from the following regional center board members:

- A. Tri-Counties Regional Center – Howard Kraus
- B. Alta California Regional Center – Michelle Ramirez
- C. Far Northern Regional Center – Adam Beals
- D. Tri-Counties Regional Center – Nicole Turofsky

Committee members will vote on whether to approve these requests.

Attachments

Staff analysis details and Conflict of Interest mitigation plans for Regional Center Board Members Howard Kraus, Michelle Ramirez, Adam Beals, and Nicole Turofsky.

Action Recommended

Approve the Conflict of Interest waiver requests.

COUNCIL AGENDA ITEM DETAIL SHEET

ISSUE: Regional Center Conflict of Interest (COI)

BACKGROUND: Codified in Welfare and Institutions (W&I) Code sections 4500 et seq., the Lanterman Act requires regional centers to submit conflict of interest statements and proposed resolution plans to the Department of Developmental Services (DDS) and the Council.¹ The Director of DDS may waive conflict of interest requirements of a contracting agency (i.e., a regional center) with approval of the State Council.²

The Council is being presented with information reviewed under the existing SCDD criteria and process approved by the Council. This approach provides for staff analysis of regional center conflict of interest issues.

Howard Kraus, Board Member, Tri-Counties Regional Center:

Howard Kraus was appointed to the Board of Directors of the Tri-Counties Regional Center (TCRC) on July 19, 2021. Mr. Kraus currently is served by TCRC. He also works for a Pathpoint, a TCRC vendor that provides support services to other TCRC clients.

The TCRC Board of Directors has a public member recruitment and appointment process which is subject to public review and engagement. TCRC recruits perspective board members by advertising their recruitment efforts within the agency, with their community partners, and using public forums, i.e. community meetings/networks/county coordinating councils, websites and E-Blast notifications. Where there are County Coordinating Councils, the Councils make recommendations to the County Board of Supervisors who make the actual appointment. For Counties without a County Coordinating Council, final appointments are decided by the membership committee of the TCRC Board of Directors which completes the appointment process.

This is the first time Mr. Kraus has presented a conflict to the Council.

¹ Welf. & Inst. Code § 4626, subd. (I).

² Welf. & Inst. Code § 4628.

DISCUSSION:

Conflict of Interest: Department of Developmental Services (DDS) Regulation³ 54520 provides in part that a conflict of interest exists when the board member, or a family member of a regional center board member, holds any of the below positions for a provider:

- (1) a governing board member;
- (2) a board committee member;
- (3) a director;
- (4) an officer;
- (5) an owner;
- (6) a partner;
- (7) a shareholder;
- (8) a trustee;
- (9) an agent;
- (10) an employee;**
- (11) a contractor;
- (12) a consultant;
- (13) a person who holds any position of management; or
- (14) a person who has decision or policy making authority.

Mr. Kraus's conflict of interest arises because he is employed by Pathpoint, a TCRC vendor.⁴ To address the conflict, TCRC and Mr. Kraus submitted the following Conflict of Interest Resolution Plan (Plan):

1. Mr. Kraus will fully disclose the existence and nature of the conflict of interest to TCRC's Board and have it noted in the official Board records;
2. Mr. Kruas will abstain from voting on any matter pertaining to Pathpoint;
3. Mr. Kraus will not use his position as a Board member to exert influence on decision-making regarding Pathpoint;
4. Mr. Kraus will not participate in the preparation, presentation, formulation, or approval of reports, plans, policies, analyses, opinions or recommendations regarding his conflict of interest when the

³ DDS' current regulations are published at California Code of Regulations, title 17, § 50201 et seq.

⁴ Cal. Code Regs., title 17, § 54520(a)(10).

exercise of judgment is required, and the purpose is to influence the decision;

5. Mr. Kraus will not be involved in the negotiation, obligation, or commitment of TCRC to a course of action involving his conflict of interest; and
6. TCRC's Board President and Board members will be responsible for ensuring that Mr. Kraus complies with this Plan.

The proposed Plan submitted by Mr. Kraus appears to mitigate concerns over a conflict of interest that could result based upon his employment with a TCRC vendor. Mr. Kraus has reported no other conflicts of interest. Accordingly, the staff recommendation is to approve Mr. Kraus's waiver renewal request.

STAFF RECOMMENDATION: Approve Mr. Kraus's waiver renewal request.

ATTACHMENT: Mr. Kraus's COI reporting statement and Plan.

PREPARED BY: Legal Counsel Brian Weisel – September 8, 2021.

Tri-Counties Regional Center

Conflict Resolution Plan

Objective: The proposed Conflict Resolution Plan shall be a written, detailed plan to eliminate, or mitigate and manage, the present or potential conflict of interest, along with any necessary supporting documents.

The following is the Conflict Resolution Plan for a Board member of Tri-Counties Regional Center (TCRC). TCRC's responses to the regulatory components of the conflict resolution plan are in bold below. Any questions regarding this plan are to be directed to Michael Nagel, TCRC Director of Human Resources and Organizational Development , at 805-884-7217.

Date: **July 19, 2021**

Name of Board member: **Howard Kraus**

Title: **TCADD Board member**

Potential conflict as stated by the Board member: **Howard currently serves on the TCADD Board and is served by TCRC. Howard also currently works for a vendor of TCRC, Pathpoint, who receives POS funding from TCRC.**

The proposed Conflict Resolution Plan shall contain the following:

- (1) Describe the precise nature of the present or potential conflict of interest or activity and give a detailed description of the conflict:
 - (A) The type of interest creating the present or potential conflict; and

The potential conflict of interest is created by Howard's position on the TCADD Board and his employment relationship with a vendor of TCRC.

- (B) The identity and relationship between the individual(s) and/or entity(ies) involved; and

Howard is the employee of a TCRC vendor.

- (C) The roles and duties of each individual and/or entity, that gives rise to the present or potential conflict of interest.

Howard holds a TCADD Board position and works as a barcode labeler for Pathpoint. As a Board member, Howard votes on Board matters including contracts over \$250k.

(2) State the action(s) that the regional center governing board, regional center and/or the individual(s) will take, including the necessary timeframes, to eliminate or mitigate and manage the present or potential conflict of interest. Actions to eliminate, or mitigate and manage, the present or potential conflict of interest, may include, but are not limited to, one or more of the following:

(A) Resignation of the individual(s) from the position or activity creating the conflict of interest

(B) Refraining from participation, or limiting the individual's ability to act, in a particular matter or category of matters

(C) Change of assignment, duties, or position

(D) Divestiture of financial interests that give rise to the conflict of interest

(E) Terminating or refraining from relationships that give rise to conflicts of interest

Howard understands and TCRC has made it clear, that he is not to involve himself in any business dealings involving Pathpoint. Also, it is understood by the TCADD Board President, Mark Wolfe, and the TCRC Executive Director, Omar Noorzad, that Howard is not to be involved in any potential business dealings involving Pathpoint. Howard understands he is to recuse himself from voting on any Board matters involving any decisions specifically involving Pathpoint including voting, contract reviews, etc. of their services.

Howard is not involved in the individual selection of vendors who will work with TCRC. Howard understands he is not to allow any decisions he makes in the course of his duties as a Board member to be influenced by the fact that he is employed with a vendor of TCRC. If such an occasion did occur, he understands he is to remove himself from any decision making involving this vendor. He shall not participate either individually or as part of a group, in the presentation, preparation, formulation or approval of reports, plans, policies, analysis, or opinions regarding Pathpoint.

(3) Provide a detailed explanation of how each of the proposed actions, will actually eliminate or mitigate and manage the present or potential conflict of interest.

The actions described above will eliminate or mitigate any present or potential conflict of interest as Howard's actions are visible by the TCADD Board President and TCRC Executive Director.

(4) Provide the name, position and duties of the individual(s) who will be responsible for ensuring that any actions, limitations, or restrictions, included in the Conflict Resolution Plan, if approved by the Department, will be taken, applied, followed, and monitored. Explain any

oversight and monitoring mechanism in enough detail to allow the Department to ascertain that the mechanism is sufficient to eliminate, or mitigate and manage, the present or potential conflict of interest.

The TCADD Board President and the TCRC Executive Director ensure that all confidential matters related to the status of Pathpoint will not be discussed with Howard. The TCADD Board President and TCRC Executive Director will be responsible for ensuring the plan and its safeguards are applied and monitored.

(5) A proposed Conflict Resolution Plan shall be signed by the individual(s) subject to the Conflict Resolution Plan, in addition to the person in the designated position or committee responsible for reviewing the Conflict of Interest Reporting Statement, and the person in the designated position or committee responsible for monitoring performance under the proposed Plan, if approved.

_____	_____	_____	_____
Board member	Date	TCADD Board President	Date
_____	_____	_____	_____
Executive Director	Date	Director of HR & OD	Date

COUNCIL AGENDA ITEM DETAIL SHEET

ISSUE: Regional Center Conflict of Interest (COI)

BACKGROUND: Codified in Welfare and Institutions (W&I) Code sections 4500 et seq., the Lanterman Act requires regional centers to submit conflict of interest statements and proposed resolution plans to the Department of Developmental Services (DDS) and the Council.¹ The Director of DDS may waive conflict of interest requirements of a contracting agency (i.e., a regional center) with approval of the State Council.²

The Council is being presented with information reviewed under the existing SCDD criteria and process approved by the Council. This approach provides for staff analysis of regional center conflict of interest issues.

Michelle Ramirez, Board Member, Alta California Regional Center: Michelle Ramirez is a member of the Alta California Regional Center (ACRC) Board of Directors. Ms. Ramirez is a Vendor Advisory member and co-chair of ACRC's Provider Advisory Committee.

Information regarding the ACRC Board's recruitment and appointment process is available at <https://www.altaregional.org/board-directors>.

Ms. Ramirez has a potential conflict with her Board position at ACRC. Ms. Ramirez also serves as the Chief Executive Officer of On My Own Community Services and On My Own Independent Living Services (On My Own). Ms. Ramirez has directly negotiated a Supported Living Services contract with ACRC as a vendor.

Ms. Ramirez also recently became President of the California Disability Services Association (CDSA) Board. CDSA is a statewide association representing over 100 community-based organizations supporting I/DD individuals and their families.

This conflict has been previously approved in February 2021 by the Council, the only change since that time is that Ms. Ramirez is now the President of CDSA, not President-elect

¹ Welf. & Inst. Code § 4626, subd. (I).

² Welf. & Inst. Code § 4628.

DISCUSSION:

Conflict of Interest: Department of Developmental Services (DDS) Regulation³ 54520 provides in part that a conflict of interest exists when the board member, or a family member of a regional center board member, holds any of the below positions for a provider:

- (1) a governing board member;
- (2) a board committee member;
- (3) a director;
- (4) an officer;
- (5) an owner;
- (6) a partner;
- (7) a shareholder;
- (8) a trustee;
- (9) an agent;
- (10) an employee;
- (11) a contractor;
- (12) a consultant;
- (13) a person who holds any position of management; or
- (14) a person who has decision or policy making authority.

Ms. Ramirez's conflict of interest arises because she is the President and governing board member of CDSA, and Chief Executive Officer of On My Own.⁴ To address and mitigate the conflict, ACRC submitted the following Conflict of Interest Resolution Plan (Plan):

1. Ms. Ramirez shall not serve as an officer of the ACRC Board.
2. As an ACRC board member, Ms. Ramirez will not participate in any discussion or vote on any matter involving CDSA or On My Own, including but not limited to: any discussions, recommendations, or decisions about contracts, service agreements, or any other fiduciary related items that may apply to CDSA or On My Own.

³ DDS' current regulations are published at California Code of Regulations, title 17, § 50201 et seq.

⁴ Cal. Code Regs., title 17, § 54520(a)(1) and (4).

3. Ms. Ramirez would disclose the existence and nature of the conflict of interest to ACRC's Board and have it noted in the Board records.
4. Ms. Ramirez would abstain from voting on any matter pertaining to CDSA or On My Own.
5. Should matters related to CDSA or On My Own arise during an ACRC Board or committee meeting, Ms. Ramirez will refrain from participating in the discussion.
6. Ms. Ramirez will refrain from discussion and voting on any of the following matters: contracts to be entered into between ACRC and CDSA, legislative positions the CDSA Board may take which are different than those of ACRC's Board, decisions related to any lawsuits involving both ACRC and CDSA, decisions related to ACRC campaigns or media efforts which might differ from the message of CDSA.
7. Ms. Ramirez will refrain from participating in any ACRC campaigns or media efforts which might present a message different from the message presented by CDSA.
8. ACRC's Board President and members are responsible for ensuring Ms. Ramirez complies with Welfare and Institutions Code section 4622(k)(2).
9. ACRC's Board President and members are responsible for ensuring that the plan and its safeguards are applied and monitored.

The proposed Plan appears to mitigate concerns over a conflict of interest that could result based upon Ms. Ramirez's position as President-elect of the CDSA Board, and as CEO of an ACRC vendee. Accordingly, staff recommends reapproval of Ms. Ramirez's waiver request.

STAFF RECOMMENDATION: Approve Ms. Ramirez's waiver request.

ATTACHMENT: Ms. Ramirez's COI reporting statement and Plan.

PREPARED BY: Legal Counsel Brian Weisel – September 8, 2021.

Reset Form

**CONFLICT OF INTEREST REPORTING STATEMENT
DS 6016 (Rev. 08/2013)**

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A "conflict of interest" generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

A. INFORMATION OF REPORTING INDIVIDUAL

Name: Michelle Ramirez Regional Center: ACRC

Regional Center Position/Title: Governing Board Member Executive Director
 Vendor Advisory Committee sitting on Board Employee
 Contractor Agent Consultant

Reporting Status: Annual New Appointment (date): _____
 Change of Status¹

If a change in status, date and circumstance of change in status:

1. Please list your job title and describe your job duties at the regional center.

I am a Vendor Advisory Member and serve as the Co-Chair of the committee. I am the Board Representative for the Vendor Advisory Committee. I am employed by On My Own Independent Living Services (OMO) and On My Own Community Services (OMOCS). I serve as their Chief Executive Officer (CEO).

¹ Change of status includes a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, change in regional center, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

<input type="checkbox"/>	Governing Board Member
<input checked="" type="checkbox"/>	Vendor Advisory on Board
<input type="checkbox"/>	Executive Director
<input type="checkbox"/>	Employee/Other

2. Do you or a family member² work for any entity or organization that is a regional center provider or contractor?
 yes no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local governmental entity, provide the specific name of the state or local governmental entity and describe your job duties at the state or local governmental entity.

OMO and OMO CS provides a variety of services vendored by ACRC: supportive living services, independent living services, job coaching, community integrated employment, parenting services, vocational services, in-home respite services, community based day services. I am employed as the CEO of both companies.

3. Do you or a family member own or hold a position³ in an entity or organization that is a regional center provider or contractor? yes no -- If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest.

See question #2

4. Are you a regional center advisory committee board member? yes no -- If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? yes no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.

See question #2

5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? yes no -- If yes, please explain.

² Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, parent-in-laws, brother-in-laws, sister-in-laws, son-in-laws and daughter-in-laws. See California Code of Regulations, title 17, sections 54505(f).

³ For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

<input type="checkbox"/>	Governing Board Member
<input checked="" type="checkbox"/>	Vendor Advisory on Board
<input type="checkbox"/>	Executive Director
<input type="checkbox"/>	Employee/Other

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member⁴? [Note: Governing board members do not have to answer "yes" to this question if the financial benefit would be available to regional center consumers or their families generally].
 yes no -- If yes, please explain.

7. Are you responsible for negotiating, making,⁵ executing or approving contracts on behalf of the regional center? yes no -- If yes, please explain.

8. Do you have a financial interest in any contract⁶ with the regional center? yes no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? yes no -- If yes, please explain.
 I negotiated On My Own Independent Living Services SLS contract.

9. Do any of your family members have a financial interest in any contract with the regional center? yes no
 If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? yes no
 If yes, please explain.

My children are reliant on my income and the income may be contingent by the negotiated contract (see question #8).

⁴ Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

⁵ California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

⁶ For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

<input type="checkbox"/>	Governing Board Member
<input checked="" type="checkbox"/>	Vendor Advisory on Board
<input type="checkbox"/>	Executive Director
<input type="checkbox"/>	Employee/Other

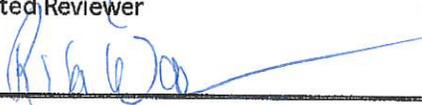
10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?
 yes no -- If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? yes no -- If yes, please explain.

B. ATTESTATION

I Michelle Ramirez (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature  Date 08/05/2021

INTERNAL USE ONLY	
Date this Statement was received by Reviewer: _____	
The reporting individual <input type="checkbox"/> does <input type="checkbox"/> does not have a <input checked="" type="checkbox"/> present <input checked="" type="checkbox"/> potential conflict of interest	
Signature of Designated Reviewer <u></u>	Date Review Completed <u>8/6/21</u>

Mitigation Plan

WIC section 4622(k): No member of the board who is an employee or member of the governing board of a provider from which the regional center purchases services shall do any of the following:

- (1) Serve as an officer of the board.
- (2) Vote on any fiscal matter affecting the purchase of services from any regional center provider.
- (3) Vote on any issue other than as described in paragraph (2), in which the member has a financial interest, as defined in Section 87103 of the Government Code, and determined by the regional center board. The member shall provide a list of his or her financial interests, as defined in Section 87103, to the regional center board.

Nothing in this section shall prevent the appointment to a regional center governing board of a person who meets the criteria for more than one of the categories listed above.

In serving as a member of the ACRC Board while I am the CDSA President or while I hold any other officer position on CDSA's Board, I, Michelle Ramirez, agree that:

1. I will refrain from discussion and voting on any of the following matters:
 - Contracts to be entered into between ACRC and CDSA
 - Legislative positions the CDSA Board may take which are different than those of ACRC's Board
 - Decisions relating to lawsuits involving both ACRC and CDSA
 - Decisions relating to ACRC campaigns or media efforts which might differ from the message of CDSA

2. I will refrain from:
 - Participating in any ACRC campaigns or media efforts which might present a message different from the message presented by CDSA
 - Disclosing any confidential information regarding ACRC to CDSA or any other individual or entity, unless required in the course of my work on ACRC's board.

I will resign from membership on the ACRC Board if at any time I have concerns about my ability to refrain from these activities or if I believe I am otherwise unable to continue to fulfill my fiduciary duty of loyalty to ACRC.



Michelle Ramirez
ACRC Board Member



Rita Walker
ACRC Board President

COUNCIL AGENDA ITEM DETAIL SHEET

ISSUE: Regional Center Conflict of Interest (COI)

BACKGROUND: Codified in Welfare and Institutions (W&I) Code sections 4500 et seq., the Lanterman Act requires regional centers to submit conflict of interest statements and proposed resolution plans to the Department of Developmental Services (DDS) and the Council.¹ The Director of DDS may waive conflict of interest requirements of a contracting agency (i.e., a regional center) with approval of the State Council.²

The Council is being presented with information reviewed under the existing SCDD criteria and process approved by the Council. This approach provides for staff analysis of regional center conflict of interest issues.

Adam Beals, Board Member, Far Northern Regional Center:

Adam Beals is a member of the Board of Directors of the Far Northern Regional Center (FNRC). Mr. Beals is employed on a part time basis in the mail room and Marble Project for the Siskiyou County Opportunity Center, a FNRC vendor that provides employment services to FNRC consumers.

The FNRC Board of Directors has a public member recruitment and appointment process which is subject to public review and engagement. FNRC recruits perspective board members by advertising their recruitment efforts within the agency, with their community partners, and using public forums, i.e. community meetings/networks/county coordinating councils, websites and E-Blast notifications. Where there are County Coordinating Councils, the Councils make recommendations to the County Board of Supervisors who make the actual appointment. For Counties without a County Coordinating Council, final appointments are decided by the membership committee of the FNRC Board of Directors which completes the appointment process.

This is a waiver renewal. The Council approved previous conflict waivers submitted by Mr. Beals in 2017, 2018, and 2019.

¹ Welf. & Inst. Code § 4626, subd. (I).

² Welf. & Inst. Code § 4628.

DISCUSSION:

Conflict of Interest: Department of Developmental Services (DDS) Regulation³ 54520 provides in part that a conflict of interest exists when the board member, or a family member of a regional center board member, holds any of the below positions for a provider:

- (1) a governing board member;
- (2) a board committee member;
- (3) a director;
- (4) an officer;
- (5) an owner;
- (6) a partner;
- (7) a shareholder;
- (8) a trustee;
- (9) an agent;
- (10) an employee;**
- (11) a contractor;
- (12) a consultant;
- (13) a person who holds any position of management; or
- (14) a person who has decision or policy making authority.

Mr. Beals' conflict of interest arises because he is employed on a part-time basis for a FNRC employment service provider.⁴ To address the conflict, Mr. Beals resubmitted the following Conflict of Interest Resolution Plan (Plan):

1. Mr. Beals will not make any recommendation, participate in any decision or vote on any contract regarding Siskiyou County Opportunity Center.
2. Should issues involving FNRC's contract with Siskiyou County Opportunity Center arise during the course of a FNRC Board meeting, Mr. Beals will excuse himself from the meeting room;
3. Mr. Beals will not access any files kept by FNRC relating to Siskiyou County Opportunity Center;

³ DDS' current regulations are published at California Code of Regulations, title 17, § 50201 et seq.

⁴ Cal. Code Regs., title 17, § 54520(a)(10).

4. Mr. Beals will not participate individually, or as part of a group, in the preparation, presentation, formulation, or approval or reports, plans, policies, analyses, opinions or recommendations pertaining to Siskiyou County Opportunity Center.

W&I Code Section 4622 Requirements: In addition to the requirements of Regulation 54520, Welfare and Institutions Code Section 4622(k) says that a member of a board who is also an employee of a regional center provider shall not:

- (1) Serve as an officer of the board;
- (2) Vote on any fiscal matter affecting the purchase of services from any regional center provider;
- (3) Vote on any issue in which the member has a financial interest under Government Code Section 87103 and determined by the regional center board.

The proposed Plan appears to mitigate concerns over a conflict of interest that could result based upon Mr. Beals' part-time employment with a FNRC employment service provider. The prior Plan submitted by Mr. Beals that was approved by the Council contained the same provisions to address the potential conflict. Furthermore, Welfare & Institutions Code section 4262(c) provides that a person with a developmental disability who receives employment services through a regional center provider shall not be precluded from serving on the regional center's board based solely on receipt of employment services. Mr. Beals has reported no other conflicts of interest. Accordingly, the staff recommendation is to approve Mr. Beals' waiver request.

STAFF RECOMMENDATION: Reapprove Mr. Beals' waiver request on the condition that he also comply with the requirements of Welfare & Institutions Code § 4622(k).

ATTACHMENT: Mr. Beals' COI reporting statement and Plan.

PREPARED BY: Legal Counsel Brian Weisel - September 23, 2021.



Far Northern Regional Center

Providing services and supports that allow persons with developmental disabilities to live productive and valued lives

Melissa Gruhler
Executive Director

June 30, 2021

State Council on Developmental Disabilities
3831 North Freeway Blvd. #125
Sacramento, CA 95834

Attention: Aaron Carruthers, Executive Director

Re: Conflict of Interest, FNCC Board Member, Adam Beals

Dear Mr. Carruthers:

Enclosed, please find the following documents regarding the potential Conflict of Interest of FNRC/FNCC Board Member, Adam Beals:

- Request for Waiver of Potential Conflict of Interest
- Proposed Conflict of Interest Resolution Plan
- Conflict of Interest Reporting Statement

These documents have been sent to the Department of Developmental Services for review.

Thank you for your consideration in this matter.

Sincerely,



Cynthia Presidio
Executive Assistant

Enclosures

cc: Phil Perez, Department of Developmental Services
FNCC Executive Committee
Adam Beals

www.farnorthernrc.org



Far Northern Regional Center

Providing services and supports that allow persons with developmental disabilities to live productive and valued lives

Melissa Gruhler
Executive Director

June 24, 2021

Phil Perez
Regional Center Operations Section
Department of Developmental Services
1600 Ninth Street, Room 320 (MS 3-9)
Sacramento, CA 95814

Re: Request for Waiver of Potential Conflict of Interest –
FNCC Board Member Adam Beals

Dear Mr. Perez:

FNCC Board member Adam Beals has disclosed a potential conflict of interest under California Code of Regulations, Title 7, sections 54500, *et seq.* He is requesting a conflict waiver.

Mr. Beals serves on the Board of Directors as a consumer representative from Siskiyou County. In his annual Conflict of Interest Reporting Statement for 2021-22, he disclosed that he is currently working at least three days per week on the mail machine at Community Endeavors, A For Northern Regional Center vendor specializing in Community Integration Training.

Under Welfare and Institutions Code section 4626(c): “A person with a developmental disability who receives employment services through a regional center provider shall not be precluded from serving on the governing board of a regional center based solely upon receipt of these employment services.” Aside from his employment with Community Endeavors CIT, Mr. Beals has not disclosed any other potential conflict.

As a FNCC Board member, Adam Beals has not had the opportunity or authority to approve any contract with Community Endeavors CIT. However, in light of the potential conflict of interest raised by his employment, Mr. Beals has prepared a plan to avoid or mitigate an actual conflict of interest. (See proposed conflict resolution plan, attached).

The Board Chairperson, with support from the remaining Board members, will be responsible for ensuring that the conditions stated in the plan are applied.

www.farnorthernrc.org

REDDING MAIN OFFICE: P. O. Box 492418 Redding, CA 96049-2418 1900 Churn Creek Rd, Suite 114 Redding, CA 96002-0277 (530) 222-4791 Fax (530) 222-8908

CHICO OFFICE: 1377 East Lassen Ave. Chico, CA 95973-7824 (530) 895-8633 FAX (530) 332-1497

REGIONAL OFFICES in: Lake Almanor, Mount Shasta and Yreka

Phil Perez
June 21, 2021
Page 2

This letter, with its attachments, serves as a Request for Waiver as prescribed by California Code of Regulations, Title 7, section 54533.

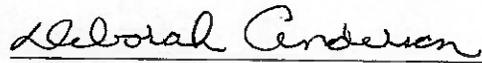
Please contact Executive Director Melissa Gruhler if you have any questions concerning this matter.

Thank you for your assistance.

Sincerely,



MELISSA GRUHLER
Executive Director



DEBORAH ANDERSON
Chairperson, FNCC Board of Directors

Encls: Conflict of Interest Reporting Statement – Adam Beals
Proposed Conflict of Interest Resolution Plan – Adam Beals

cc: State Council on Developmental Disabilities
FNCC Executive Committee
Adam Beals

June 16, 2021

Board of Directors and
Melissa Gruhler, Executive Director
Far Northern Regional Center
P.O. Box 492418
Redding, CA 96049-2418

Re: Proposed Conflict of Interest Resolution Plan –
Board of Directors Member Adam Beals

TO THE BOARD OF DIRECTORS AND EXECUTIVE DIRECTOR OF FAR NORTHERN REGIONAL CENTER:

I am a member of Far Northern Regional Center's Board of Directors, a consumer representative for Siskiyou County.

On June 16, 2021 I have completed my annual Conflict of Interest Reporting Statement for 2021-22, disclosing a potential conflict of interest I may have as a member of the Board of Directors. The purpose of this letter is to propose a plan to resolve the potential conflict, and to ask for approval of a conflict waiver.

I am currently working at least three days per week on the mail machine at Community Endeavors, a Far Northern Regional Center vendor specializing in Community Integration Training.

Welfare and Institutions Code section 4626(c) provides: "A person with a developmental disability who receives employment services through a regional center provider shall not be precluded from serving on the governing board of a regional center based solely upon receipt of these employment services."

Aside from my employment with Community Endeavors CIT, I do not have any other involvement that would present a possible conflict.

However, under the circumstances, there may be situations when a conflict of interest could come up. As a result, I have prepared a plan to avoid any actual conflict:

1. As a member of FNRC's Board of Directors I will not make any recommendation, participate in any discussion or vote on any contract regarding Community Endeavors, CIT;
2. Should these issues arise during the course of a FNRC Board of Directors' meeting, I will excuse myself from the room;

Proposed Conflict of Interest Resolution Plan – Adam Beals

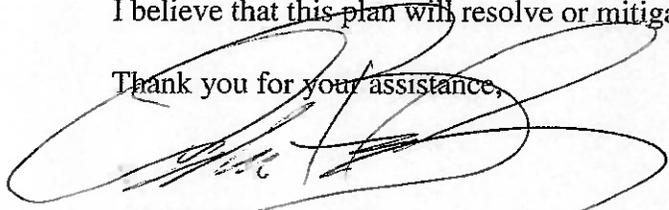
June 16, 2021

Page 2

3. I will not access any files kept by FNRC relating to Community Endeavors CIT;
4. I will not participate individually, or as part of a group, in the preparation, presentation, formulation or approval of plans, policies, analyses, or recommendations pertaining to Community Endeavors CIT.

I believe that this plan will resolve or mitigate any potential conflict of interest.

Thank you for your assistance,

A large, stylized handwritten signature in black ink, appearing to read 'Adam Beals', is written over the text 'Thank you for your assistance,'.

ADAM BEALS

Member, FNRC Board of Directors

Reset Form

**CONFLICT OF INTEREST REPORTING STATEMENT
DS 6016 (Rev. 08/2013)**

The duties and responsibilities of your position with the regional center require you to file this Conflict of Interest Reporting Statement. The purpose of this statement is to assist you, the regional center and the Department of Developmental Services (DDS) to identify any relationships, positions or circumstances involving you which may create a conflict of interest between your regional center duties and obligations, and any other financial interests and/or relationships that you may have. In order to be comprehensive, this reporting statement requires you to provide information with respect to your financial interests.

A "conflict of interest" generally exists if you have one or more personal, business, or financial interests, or relationships that would cause a reasonable person with knowledge of the relevant facts to question your impartiality with respect to your regional center duties. The specific circumstances and relationships which create a conflict of interest are set forth in the California Code of Regulations, title 17, sections 54500 through 54530. You should review these provisions to understand the specific financial interests and relationships that can create a conflict of interest.

Please answer the following questions to the best of your knowledge. If you find a question requires further explanation and/or there is not enough space to thoroughly answer the question, please attach as many additional sheets as necessary, and refer to the question number next to your answer. If the regional center identifies a conflict involving you, it will be required to prepare a conflict resolution plan. Some relevant definitions have been provided in the footnotes to assist you in responding to this statement.

You are required to file this Reporting Statement within 30 days of beginning your employment with the regional center or from the date that you are appointed to the regional center board or advisory committee board. You are then required to file an annual Reporting Statement by August 1st of every year while you remain employed with the regional center or while you are a member of the regional center board or advisory committee board. You must also file a Reporting Statement within 30 days of any change in your status that could result in a conflict of interest. Circumstances that can constitute a change in your status that can require you to file an updated Reporting Statement are described below in footnote one.

A. INFORMATION OF REPORTING INDIVIDUAL

Name: Adam Beals Regional Center: Far Northern

Regional Center Position/Title: Governing Board Member Executive Director
 Vendor Advisory Committee sitting on Board Employee
 Contractor Agent Consultant

Reporting Status: Annual New Appointment (date): _____
 Change of Status¹

If a change in status, date and circumstance of change in status:

1. Please list your job title and describe your job duties at the regional center.

¹ Change of status includes a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in financial interest, familial relationship, legal commitment, change in regional center position or duties, change in regional center, or change to outside position or duties. See California Code of Regulations, title 17, sections 54531(d) and 54532(d).

<input checked="" type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

2. Do you or a family member² work for any entity or organization that is a regional center provider or contractor?
 yes no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers. If the provider or contractor is a state or local governmental entity, provide the specific name of the state or local governmental entity and describe your job duties at the state or local governmental entity.

This Board member is a consumer who is employed by a provider of employment services and falls within Welfare & Institutions Code section 4626(c), which provides: "A person with a developmental disability who receives employment services through a regional center provider shall not be precluded from serving on the governing board of a regional center based solely upon receipt of these employment services." - Continue to #3 below -

3. Do you or a family member own or hold a position³ in an entity or organization that is a regional center provider or contractor? yes no -- If yes, provide the name of the entity or organization, describe what services it provides for the regional center or regional center consumers, and describe your or your family member's financial interest.

I am currently working at least three days per week on the mail machine at Community Endeavors, a Far Northern Regional Center vendor specializing in Community Integration Training.

4. Are you a regional center advisory committee board member? yes no -- If yes, are you a member of the governing board or owner or employee of an entity or organization that provides services to the regional center or regional center consumers? yes no -- If yes, provide the name of the entity or organization and describe what services it provides for the regional center or regional center consumers.

5. If you are a regional center advisory committee board member and answered yes to all the questions in Question 4 above, do any of the following apply to you: (a) are you an officer of the regional center board; (b) do you vote on purchasing services from a regional center provider; or (c) do you vote on matters where you might have a financial interest? yes no -- If yes, please explain.

N/A

² Family member includes your spouse, domestic partner, parents, stepparents, grandparents, siblings, stepsiblings, children, stepchildren, grandchildren, parent-in-laws, brother-in-laws, sister-in-laws, son-in-laws and daughter-in-laws. See California Code of Regulations, title 17, sections 54505(f).

³ For purposes of this question, hold a position generally means that you or a family member is a director, officer, owner, partner, employee, or shareholder of an entity or organization that is a regional center provider or contractor. For a specific description of positions that create a conflict of interest in a regional center provider or contractor see the California Code of Regulations, title 17, sections 54520 and 54526.

<input checked="" type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

6. Do any of the decisions you make when performing your job duties with the regional center have the potential to financially benefit you or a family member⁴? [Note: Governing board members do not have to answer "yes" to this question if the financial benefit would be available to regional center consumers or their families generally].
 yes no -- If yes, please explain.

7. Are you responsible for negotiating, making,⁵ executing or approving contracts on behalf of the regional center? yes no -- If yes, please explain.
 I am a voting member of the Board of Directors pursuant to Welfare & Institutions Code section 4625.5 and related provisions.

8. Do you have a financial interest in any contract⁶ with the regional center? yes no -- If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? yes no -- If yes, please explain.

9. Do any of your family members have a financial interest in any contract with the regional center? yes no
 If yes, did you negotiate, make, execute or approve the contract on behalf of the regional center? yes no
 If yes, please explain.

⁴ Generally, a decision can financially benefit you or a family member if the decision can either directly or indirectly cause you or a family member to receive a financial gain or avoid a financial loss. For a specific description of the types of decisions that can result in a financial benefit to you or a family member see the California Code of Regulations, title 17, sections 54522 and 54527.

⁵ California Code of Regulations, title 17, sections 54523(b)(2) and 54528(b)(2) describes the types of conduct which constitute involvement in the making of a contract.

⁶ For purposes of questions 8 and 9, a financial interest in a contract generally means any direct or indirect interest in a contract that can cause you or a family member to receive any sort of financial gain or avoid any sort of financial loss irrespective of the dollar amount. California Code of Regulations, title 17, sections 54523 and 54528 define when financial interests in a contract will occur.

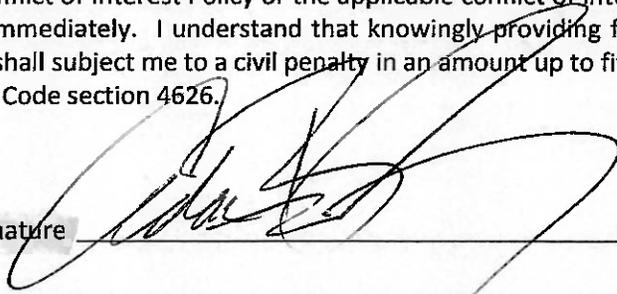
<input checked="" type="checkbox"/> Governing Board Member
<input type="checkbox"/> Vendor Advisory on Board
<input type="checkbox"/> Executive Director
<input type="checkbox"/> Employee/Other

10. Do you evaluate employment applications or contract bids that are submitted by your family member(s)?
 yes no -- If yes, please explain.

11. Your job duties require you to act in the best interests of the regional center and regional center consumers. Do you have any circumstances or other financial interests not already discussed above that would prevent you from acting in the best interests of the regional center or its consumers? yes no -- If yes, please explain.

B. ATTESTATION

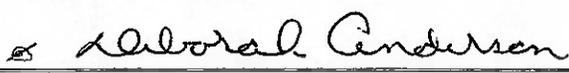
I Adam Beals (print name) HEREBY CONFIRM that I have read and understand the regional center's Conflict of Interest Policy and that my responses to the questions in this Conflict of Interest Reporting Statement are complete, true, and correct to the best of my information and belief. I agree that if I become aware of any information that might indicate that this statement is not accurate or that I have not complied with the regional center's Conflict of Interest Policy or the applicable conflict of interest laws, I will notify the regional center's designated individual immediately. I understand that knowingly providing false information on this Conflict of Interest Reporting Statement shall subject me to a civil penalty in an amount up to fifty thousand dollars (\$50,000) pursuant to Welfare and Institutions Code section 4626.

Signature  Date 2021-06-16

INTERNAL USE ONLY

Date this Statement was received by Reviewer:

The reporting individual does does not have a present potential conflict of interest

Signature of Designated Reviewer 	Date Review Completed <u>6/22/21</u>
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COUNCIL AGENDA ITEM DETAIL SHEET

ISSUE: Regional Center Conflict of Interest (COI)

BACKGROUND: Codified in Welfare and Institutions (W&I) Code sections 4500 et seq., the Lanterman Act requires regional centers to submit conflict of interest statements and proposed resolution plans to the Department of Developmental Services (DDS) and the Council.¹ The Director of DDS may waive conflict of interest requirements of a contracting agency (i.e., a regional center) with approval of the State Council.²

The Council is being presented with information reviewed under the existing SCDD criteria and process approved by the Council. This approach provides for staff analysis of regional center conflict of interest issues.

Nicole Turofsky, Board Member, Tri-Counties Regional Center: Nicole Turofsky is a member of the Board of Directors of Tri-Counties Regional Center (TCRC). Ms. Turofsky receives services from TCRC and is currently employed by Pathpoint, a TCRC vendor. Ms. Turofsky works for the Community Access Project for Pathpoint. In that capacity, she assists individuals served by the day program. As a member of the TCRC Board, Ms. Turofsky is not involved in the individual selection of vendors who will work with TCRC.

TCRC has a public member recruitment and appointment process which is subject to public review and engagement. Candidates for the TCRC board may be recommended by organizations representing individuals with developmental disabilities and/or their family members, service providers, the general public or self-referral.

This is a waiver renewal. The Council approved a conflict waiver in June 2019 under the same circumstances.

///

¹ Welf. & Inst. Code § 4626, subd. (l).

² Welf. & Inst. Code § 4628.

DISCUSSION:

Conflict of Interest: Department of Developmental Services (DDS) Regulation³ 54520 provides in part that a conflict of interest exists when the board member, or a family member of a regional center board member, holds any of the below positions for a provider:

- (1) a governing board member;
- (2) a board committee member;
- (3) a director;
- (4) an officer;
- (5) an owner;
- (6) a partner;
- (7) a shareholder;
- (8) a trustee;
- (9) an agent;
- (10) an employee;**
- (11) a contractor;
- (12) a consultant;
- (13) a person who holds any position of management; or
- (14) a person who has decision or policy making authority.

Ms. Turofsky's conflict of interest arises because she is employed by Pathpoint, a TCRC vendor.⁴ To address the conflict, Ms. Turofsky submitted the following Conflict of Interest Resolution Plan (Plan):

1. Ms. Turofsky shall not involve herself in any business dealings, or potential dealings, with Pathpoint.
2. Ms. Turofsky shall not allow any decisions she makes in the course of her duties as a TCRC Board member be influenced by the fact she is employed with Pathpoint.
3. If such an occasion did occur, Ms. Turofsky understands she must remove herself from any decision making involving Pathpoint.
4. Ms. Turofsky shall not participate either individually, or as part of a group, in the presentation, preparation, formulation or approval of reports, plans, policies, analyses, or opinions regarding Pathpoint.

³ DDS' current regulations are published at California Code of Regulations, title 17, § 50201 et seq.

⁴ Cal. Code Regs., title 17, § 54520(a)(10).

5. The TCRC Board President and Executive Director shall ensure that all confidential matters related to the status of Pathpoint will not be discussed with Ms. Turofsky and will be responsible for ensuring this Plan and its safeguards are applied and monitored.

The proposed Plan appears to mitigate concerns over a conflict of interest that could result based upon Ms. Turofsky's employment with a TCRC vendor. Furthermore, Ms. Turofsky's membership on the WRC Board appears to help WRC meet the composition requirements set forth in W&I Code section 4622. Accordingly, staff recommends approval of this waiver request.

STAFF RECOMMENDATION: Approve Ms. Turofsky's waiver request.

ATTACHMENT: Ms. Turofsky's COI reporting statement and Plan.

PREPARED BY: Legal Counsel Brian Weisel – September 23, 2021.

Tri-Counties Regional Center

Conflict Resolution Plan

Objective: The proposed Conflict Resolution Plan shall be a written, detailed plan to eliminate, or mitigate and manage, the present or potential conflict of interest, along with any necessary supporting documents.

The following is the Conflict Resolution Plan for a Board member of Tri-Counties Regional Center (TCRC). TCRC's responses to the regulatory components of the conflict resolution plan are in bold below. Any questions regarding this plan are to be directed to Michael Nagel, TCRC Director of Human Resources and Organizational Development , at 805-884-7217.

Date: **July 26, 2021**

Name of Board member: **Nicole Turofsky**

Title: **TCADD Board member**

Potential conflict as stated by the Board member: **Nicole currently serves on the TCADD Board and is served by TCRC. Nicole also currently works for a vendor of TCRC, Pathpoint, who receives POS funding from TCRC.**

The proposed Conflict Resolution Plan shall contain the following:

- (1) Describe the precise nature of the present or potential conflict of interest or activity and give a detailed description of the conflict:
 - (A) The type of interest creating the present or potential conflict; and

The potential conflict of interest is created by Nicole's position on the TCADD Board and her employment relationship with a vendor of TCRC.

- (B) The identity and relationship between the individual(s) and/or entity(ies) involved; and

Nicole is the employee of a TCRC vendor.

- (C) The roles and duties of each individual and/or entity, that gives rise to the present or potential conflict of interest.

Nicole holds a TCADD Board position and works as DSP (Direct Service Provider) and changes and feeds others for Pathpoint. As a Board member, Nicole votes on Board matters including contracts over \$250k.

(2) State the action(s) that the regional center governing board, regional center and/or the individual(s) will take, including the necessary timeframes, to eliminate or mitigate and manage the present or potential conflict of interest. Actions to eliminate, or mitigate and manage, the present or potential conflict of interest, may include, but are not limited to, one or more of the following:

(A) Resignation of the individual(s) from the position or activity creating the conflict of interest

(B) Refraining from participation, or limiting the individual's ability to act, in a particular matter or category of matters

(C) Change of assignment, duties, or position

(D) Divestiture of financial interests that give rise to the conflict of interest

(E) Terminating or refraining from relationships that give rise to conflicts of interest

Nicole understands and TCRC has made it clear, that she is not to involve herself in any business dealings involving Pathpoint. Also, it is understood by the TCADD Board President, Mark Wolfe, and the TCRC Executive Director, Omar Noorzad, that Nicole is not to be involved in any potential business dealings involving Pathpoint. Nicole understands she is to recuse herself from voting on any Board matters involving any decisions specifically involving Pathpoint including voting, contract reviews, etc. of their services.

Nicole is not involved in the individual selection of vendors who will work with TCRC. Nicole understands she is not to allow any decisions she makes in the course of his duties as a Board member to be influenced by the fact that he is employed with a vendor of TCRC. If such an occasion did occur, she understands he is to remove herself from any decision making involving this vendor. She shall not participate either individually or as part of a group, in the presentation, preparation, formulation or approval of reports, plans, policies, analysis, or opinions regarding Pathpoint.

(3) Provide a detailed explanation of how each of the proposed actions, will actually eliminate or mitigate and manage the present or potential conflict of interest.

The actions described above will eliminate or mitigate any present or potential conflict of interest as Nicole's actions are visible by the TCADD Board President and TCRC Executive Director.

(4) Provide the name, position and duties of the individual(s) who will be responsible for ensuring that any actions, limitations, or restrictions, included in the Conflict Resolution Plan, if approved by the Department, will be taken, applied, followed, and monitored. Explain any

oversight and monitoring mechanism in enough detail to allow the Department to ascertain that the mechanism is sufficient to eliminate, or mitigate and manage, the present or potential conflict of interest.

The TCADD Board President and the TCRC Executive Director ensure that all confidential matters related to the status of Pathpoint will not be discussed with Nicole. The TCADD Board President and TCRC Executive Director will be responsible for ensuring the plan and its safeguards are applied and monitored.

(5) A proposed Conflict Resolution Plan shall be signed by the individual(s) subject to the Conflict Resolution Plan, in addition to the person in the designated position or committee responsible for reviewing the Conflict of Interest Reporting Statement, and the person in the designated position or committee responsible for monitoring performance under the proposed Plan, if approved.

_____	_____	_____	_____
Board member	Date	TCADD Board President	Date

_____	_____	_____	_____
Executive Director	Date	Director of HR & OD	Date

7/27/21 WAIVER OF CONFLICT OF INTEREST EVALUATION PROCESS

Nicole Turofsky

I, David Grady, SCDD, Central Coast Office Regional Manager, **support** the Tri-Counties Regional Center Conflict Of Interest (COI) Waiver for **Nicole Turofsky** for the following reasons:

- a. Tri-Counties Regional Center has a public member recruitment and appointment process which is subject to public review and engagement. Candidates for the Board of Directors may be recommended by organizations representing individuals with developmental disabilities and/or their family members, the SCDD CC, service providers, the general public or self-referral.
- b. This request has been made by **Nicole Turofsky** by completing a Conflict of Interest Report Statement on July 27, 2021, that disclosed a potential conflict of interest she may have as a member of the Board of Directors. **Ms. Turofsky** works for Pathpoint, a vendor organization of TCRC. She is a direct service provider. TCRC states **Ms. Turofsky** is a recipient of Regional Center Services. Title 17, Section 54520 applies to **Ms. Turofsky**. *A conflict of interest exists when a regional center governing board member, executive director, or a family member of such person is any of the following for a business entity, entity, or provider....(1)an employee.*
- c. A mitigation plan has been written and the plan addresses avoidance of the identified conflict of interest. The plan provides assurances that **Ms. Turofsky** will not participate in any discussion, participation or vote on any matter involving the Pathpoint Services. She will not be involved in any potential business dealings with Pathpoint. She will not be involved in any decision making nor planning, preparing, or approval of reports, plans or

policies regarding Pathpoint.. Tri-Counties Executive Director, Omar Noorzad and TCADD Board President are aware of the conflict and have agreed to oversee the plan to ensure that its safeguards are applied.

- d. The mitigation plan did not describe the response of Tri-Counties Regional Center if plan is not approved.
- e. **Ms. Turofsky** serves on the Tri-Counties Association for the Developmentally Disabled (TCADD) Board of Directors (the formal name for the directors overseeing Tri-Counties Regional Center.) She states having the responsibility of voting on contracts over \$250,000.

This statement prepared by,
David Grady,
Regional Manager
SCDD CC

OCTOBER 19, 2021

**AGENDA ITEM 8.
INFORMATION ITEM**

**EXECUTIVE COMMITTEE
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**

Executive Director Report

Executive Director Aaron Carruthers will provide Committee members with an update on the Council's budget, and will report on the plans for a year of optimizing, recent Council activities, and upcoming goals.

Attachments

SFY 20/21 Budget Update
SFY 21/22 Budget Update

Handouts

Year of Optimizing PowerPoint



SFY 20/21 Budget Update Cover Page

The package before the Committee includes the final budget expenditure report and statement of activities for State Fiscal Year (SFY) 2020/21 expenditures through June 2021. As a reminder, on May 12, 2020, the Council approved the SFY 20/21 BSG budget.

BSG Highlights

Personal Services

- We finished the year 9.4% under budget due to salary savings from vacancies and 9.23% salary reductions due to the Personal Leave Program.
- Vacancy rate is up to 18% with 6 of 9 vacancies in the process of being filled.

Operating Expense and Equipment (OE&E)

- We finished the year 19.1% under budget.
- In-State Travel was extremely minimal due to the pandemic with a \$300,000 savings.
- Information Technology shows overspent because of Fi\$Cal charge code changes. This was discussed at previous meetings.

Community Development Program Grants (Cycle Grants)

- The credit balance reflects cycle grants originally charged to SFY 20/21 that were later corrected to SFY 19/20. In September 2020, the Council approved \$90,000 in Cycle 43 grants and approved \$150,000 be spent evenly on two information technology projects.

Unallocated Funds

- These reallocation funds were unspent.

Year End Result

- We finished the year 19.6% under budget (\$1,547,219 savings).

QA Highlights

- Personal Services finished the year 14.1% under budget due to salary savings from vacancies and 9.23% salary reductions due to the Personal Leave Program.
- OE&E finished the year 40.5% under budget.

CRA/VAS Highlights

- Personal Services finished the year 17.1% under budget due to the closure of Sonoma and Fairview Developmental Centers, two retirements and 9.23% salary reductions due to the Personal Leave Program.
- OE&E finished the year 38.3% under budget also due to the closure of Sonoma and Fairview Developmental Centers.



State Council on Developmental Disabilities

Council Report for FY 20-21

Expenditure through June 2021

Based on State Fiscal Year

July 1 through June 30

Updated 10/8/21

FEDERAL GRANT (BSG)

BSG	Annual Grant Award	Monthly Expenditures	Year-To-Date Expenditures	Balance	Positions
Personal Services & Benefits	\$ 5,513,000	\$ 420,680	\$ 4,996,491	\$ 516,509	# Positions 50
Operating Expenses	\$ 1,757,000	\$ 392,883	\$ 1,420,972	\$ 336,028	# Vacancies 9
Grants / Special Items	\$ 240,000	\$ 65,483	\$ -73,682	\$ 313,682	- -
Unallocated Funds	\$ 381,000	\$ -	\$ -	\$ 381,000	- -
Total	\$ 7,891,000	\$ 879,046	\$ 6,343,781	\$ 1,547,219	Vacancy % 18%

QUALITY ASSESSMENT (QA)

QA	Annual Budget	Monthly Expenditure	Year-To-Date Expenditure	Balance	Positions
Personal Services & Benefits	\$ 2,060,000	\$ 131,455	\$ 1,769,262	\$ 290,738	# Positions 18
Operating Expenses	\$ 1,538,000	\$ 238,428	\$ 914,436	\$ 623,564	# Vacancies 3
Total	\$ 3,598,000	\$ 369,883	\$ 2,683,698	\$ 914,302	Vacancy % 17%

Client's Rights Advocates/Volunteer Advocacy Services

CRA/VAS	Annual Budget	Monthly Expenditure	Year-To-Date Expenditure	Balance	Positions
Personal Services & Benefits	\$ 1,368,000	\$ 89,663	\$ 1,133,548	\$ 234,452	# Positions 9
Operating Expenses	\$ 472,000	\$ 111,458	\$ 291,042	\$ 180,958	# Vacancies 2
Total	\$ 1,840,000	\$ 201,121	\$ 1,424,590	\$ 415,410	Vacancy % 22%

Total	
# Positions	77
# Vacancies	14
Vacancy %	18%



State Council on Developmental Disabilities

Council Report for FY 20-21

June-21

FEDERAL GRANT (BSG)	Budgeted Base	Current Month Expenditure	YTD Expenditure	Remaining Balance	Remaining Percentage
PERSONAL SERVICES (PS & PB)					
Salaries & Wages w/ Benefits	5,513,000	420,680	4,996,491	516,509	9.4%
OPERATING EXPENSE (OE&E)					
General Expense (Meeting/Conf)	75,000	3,552	58,168	16,832	22.4%
Printing	45,000	28,121	37,963	7,037	15.6%
Communications	100,000	819	46,824	53,176	53.2%
Postage	20,000	1,687	15,821	4,179	20.9%
Travel-in-State :	335,000	1,833	36,665	298,335	89.1%
Out-of-State Travel	20,000	-	(10)	20,010	100.1%
Training (Tuition and Registration)	25,000	4,397	20,611	4,389	17.6%
Facilities Operations (Rent)	600,000	49,824	518,396	81,604	13.6%
Facilities Plng/Maint. & Utilities	6,000	475	5,776	224	3.7%
Interdepartmental Services	411,000	203,580	269,478	141,522	34.4%
External Contract Services	75,000	37,093	79,339	(4,339)	-5.8%
Information Technology (Computer, Software)	15,000	19,820	226,809	(211,809)	-1412.1%
SWCAP	25,000	-	25,000	-	0.0%
Other Items/ Client Services	5,000	41,682	80,132	(75,132)	-1502.6%
Subtotal OE&E	1,757,000	392,883	1,420,972	336,028	19.1%
SPECIAL ITEM (PROGRAM 20)	240,000	65,483	(73,682)	313,682	130.7%
UNALLOCATED FUNDS	381,000	-	-	381,000	100.0%
TOTAL	7,891,000	879,046	6,343,781	1,547,219	19.6%

Quality Assessment (QA)	Budgeted Base	Current Month Expenditure	YTD Expenditure	Remaining Balance	Remaining Percentage
PERSONAL SERVICES (PS & PB)					
Salaries & Wages w/ Benefits	2,060,000	131,455	1,769,262	290,738	14.1%
OPERATING EXPENSE (OE&E)					
General Expense (Meeting/Conf)	21,000	864	8,672	12,328	58.7%
Printing	45,000	-	9,399	35,601	79.1%
Communications	30,000	4,146	22,799	7,201	24.0%
Postage	23,000	5,740	10,715	12,285	53.4%
Travel-in-State :	40,000	-	1,512	38,488	96.2%
Training (Tuition and Registration)	3,000	-	-	3,000	100.0%
Facilities Operations (Rent)	255,000	25,631	245,879	9,121	3.6%
Facilities Plng/Maint. & Utilities	2,000	791	3,957	(1,957)	-97.9%
Interdepartmental Services	174,000	111,930	128,989	45,011	25.9%
External Contract Services	1,000	70	1,792	(792)	-79.2%
Information Technology	15,000	7,671	32,776	(17,776)	-118.5%
Other Items/ Client Services	929,000	81,585	447,946	481,054	51.8%
Subtotal OE&E	1,538,000	238,428	914,436	623,564	40.5%
TOTAL	3,598,000	369,883	2,683,698	914,302	25.4%

Clients' Rights Advocates/Volunteer Advocacy Services (CRA/VAS)	Budgeted Base	Current Month Expenditure	YTD Expenditure	Remaining Balance	Remaining Percentage
PERSONAL SERVICES (PS & PB)					
Salaries & Wages w/ Benefits	1,368,000	89,663	1,133,548	234,452	17.1%
OPERATING EXPENSE (OE&E)					
General Expense (Meeting/Conf)	75,000	792	17,754	57,246	76.3%
Printing	9,000	-	2,946	6,054	67.3%
Communications	25,000	-	6,400	18,600	74.4%
Postage	14,000	-	374	13,626	97.3%
Travel-in-State :	64,000	1,558	2,095	61,905	96.7%
Training (Tuition and Registration)	1,000	-	-	1,000	100.0%
Facilities Operations (Rent)	24,000	5,111	56,936	(32,936)	-137.2%
Interdepartmental Services	134,000	92,040	95,394	38,606	28.8%
External Contract Services	17,000	-	-	17,000	100.0%
Information Technology	18,000	4,484	18,754	(754)	-4.2%
Other Items/ Client Services	91,000	7,473	90,389	611	0.7%
Subtotal OE&E	472,000	111,458	291,042	180,958	38.3%
TOTAL	1,840,000	201,121	1,424,590	415,410	22.6%

State Council on Developmental Disabilities
State Council Budgeted Base
Fiscal Year 2020/21 Budget

Categories	Basic State Grant (BSG)	Client's Rights Advocates/ Volunteer Advocacy	Quality Assessment	TOTAL
	Federal Grant	State Reimbursement	State Reimbursement	
1. Personal Services				
Net Salaries & Wages	\$3,569,000	\$927,000	\$1,393,000	\$5,889,000
Temporary Help / Honorarium	\$87,000	\$0	\$0	\$87,000
Worker's Compensation	\$55,000	\$5,000	\$5,000	\$65,000
Staff Benefits	<u>\$1,802,000</u>	<u>\$436,000</u>	<u>\$661,000</u>	<u>\$2,917,000</u>
Total Personal Services	<u>\$5,513,000</u>	<u>\$1,368,000</u>	<u>\$2,060,000</u>	<u>\$8,941,000</u>
2. Operating Expense and Equipment				
General Expense	\$75,000	\$75,000	\$21,000	\$171,000
Printing	\$45,000	\$9,000	\$45,000	\$99,000
Communications	\$100,000	\$25,000	\$30,000	\$155,000
Postage	\$20,000	\$14,000	\$23,000	\$57,000
Travel In-State	\$335,000	\$64,000	\$40,000	\$439,000
Travel Out-of-State	\$20,000	\$0	\$0	\$20,000
Training (Tuition & Registration)	\$25,000	\$15,000	\$3,000	\$43,000
Facilities Operations (Rent)	\$600,000	\$24,000	\$255,000	\$879,000
Utilities	\$6,000	\$0	\$2,000	\$8,000
Interdepartmental Services	\$411,000	\$134,000	\$174,000	\$719,000
External Contract Services	\$75,000	\$3,000	\$1,000	\$79,000
Data Processing (Software, licenses, etc.)	\$15,000	\$18,000	\$15,000	\$48,000
Statewide Cost Allocation Plan (SWCAP)	\$25,000	\$0	\$0	\$25,000
Other Items of Expense	<u>\$5,000</u>	<u>\$91,000</u>	<u>\$929,000</u>	<u>\$1,025,000</u>
Total Operating Expense and Equipment	<u>\$1,757,000</u>	<u>\$472,000</u>	<u>\$1,538,000</u>	<u>\$3,767,000</u>
3. Community Program Development Grants	<u>\$240,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$240,000</u>
4. Total Council Budget (1 + 2 + 3)	<u>\$7,510,000</u>	<u>\$1,840,000</u>	<u>\$3,598,000</u>	<u>\$12,948,000</u>
5. Total Basic State Grant Award	\$7,521,523			
6. Reallotment Award Received 8/10/2020 - Unallocated	\$369,774			
7. Total BSG Award + Reallotment Award	\$7,891,297			
8. Difference between Total Council Budget and Basic State Grant Award + Reallotment Award	\$381,297			
9. Prior Year's Unexpended Balance as of December 31, 2020	\$941,000			



FINAL SFY 20/21 EXPENDITURE REPORTS STATEMENT OF ACTIVITIES AND PROJECTIONS

This is a narrative description of the final year-end expenditure reports, which are attached.

SFY 2020/21 BSG Expenditures and Unexpended Funds

Total BSG award including a reallocation award received in August 2020 was \$7,891,297. With 0% of the SFY remaining, total expenditures of \$6,343,781 reflect a remaining balance of \$1,547,219 (19.6%). The remaining balance does not reflect outstanding encumbrances that have not yet been paid. The final unexpended SFY 2020/21 carryforward amount will be provided with the 2nd Quarter SFY 2021/22 expenditure report.

- **Personal Services:** With 0% of the SFY remaining, total expenditures of \$4,996,491 reflect a remaining balance of \$516,509 (9.4%). Compared to FY 2019/20, salaries and benefits costs were @\$350,000 lower (7%). This was due to the Personal Leave Program that reduced state employee salaries by 9.23%. The vacancy rate of 18% was higher than the goal of 10% due to an increase in staff retirements and difficulty recruiting due to the pandemic. There are two vacancies in headquarters (Personnel Analyst and Business Services Analyst) and seven vacancies in the field (one SSM II Regional Manager, three AGPAs and three Office Technicians).

OE&E: With 0% of the SFY remaining, total expenditures of \$1,420,972 reflect a remaining balance of \$336,028 (19.1%). This savings was due to the COVID-19 travel restrictions and no in-person Council and committee meetings for the entire year. The Governor also mandated all state departments to make 5% permanent OE&E reductions, which SCDD met easily with travel savings of \$298,635 (89.1%). General Expenses were lower due to no hotel and meeting room contracts for in-person Council and committee meetings. The over-expenditure in the Information Technology line item is due to the re-allocation of IT expenses from the Interdepartmental Services line item. The over-expenditure in the Other Items of Expense line item reflects expenditures that have not yet been posted to the proper line item by DSS Accounting.

- **Program Development Grants:** With 0% of the SFY remaining, total expenditures of (\$73,682) reflect a balance of \$313,682 (130.7% remaining). The credit balance reflects cycle grants originally charged to SFY 20/21 that were later corrected to SFY 19/20. In September 2020, the Council approved \$90,000 in Cycle 43 grants and approved \$150,000 be spent evenly on two projects.
- **Unallocated:** There is an unallocated line item of \$381,297 due to the reallocation award received in August 2020 and was not spent. This money will carry forward into SFY 21/22.
- **Unexpended Funds Available for the Council to Spend:** In April 2021, the Committee agreed to commit \$450,000 towards activities that will help the Council emerge from COVID-19 and adapt to the “new normal” post-COVID environment. None of these funds were spent in SFY 20/21 and will carry forward to SFY 21/22.

SFY 20/21 Quality Assurance (QA) Reimbursements from DDS

Total QA dollars available are \$3,598,000. With 0% of the SFY remaining, total reimbursements from DDS for QA Program expenses reflect a remaining balance of \$914,302 (25.4%).

- Personal Services: With 0% of the SFY remaining, total expenditures of \$1,769,262 reflect a remaining balance of \$290,738 (14.1%). Compared to FY 2019/20, salaries and benefits costs were @\$150,000 lower (8%). This was due to the Personal Leave Program that reduced state employee salaries by 9.23%. The vacancy rate is 17% with two AGPA vacancies and one Office Technician vacancy. These vacancies did not negatively impact SCDD's ability to meet the QA contract deliverables.
- OE&E: With 0% of the SFY remaining, total expenditures of \$914,436 reflects a remaining balance of \$623,564 (40.5%). This savings was due to the COVID-19 travel restrictions and no in-person surveys for the entire year. Surveys were conducted remotely using Zoom. The Governor also mandated all state departments to make 5% permanent OE&E reductions, which QA met easily with travel savings of \$38,488 (96.2%). The largest savings occurred in Other Items/Client Services due to delays in the posting of contract interviewer stipends for surveys conducted from May-August.

SFY 20/21 Client's Rights Advocates/Volunteer Advocacy Services (CRA/VAS) Reimbursements from DDS

Total CRA/VAS dollars available are \$1,840,000. With 0% of the SFY remaining, total reimbursements from DDS for CRA/VAS Program expenses reflect a balance of \$415,410 (22.6%).

- Personal Services: With 0% of the SFY remaining, total expenditures of \$1,333,658 reflects a balance of \$234,452 (17.1%). Compared to FY 2019/20, salaries and benefits costs were @\$50,000 lower. This was due to the Personal Leave Program that reduced state employee salaries by 9.23%. There were two retirements with cash payouts of accrued leave time, which made the savings smaller than BSG and QA. There are two vacancies with one AGPA and one Office Technician .
- OE&E: With 0% of the SFY remaining, total expenditures of \$291,042 reflects a balance of \$180,958 (38.3% remaining). This savings was due to the COVID-19 travel restrictions for the entire year. The Governor also mandated all state departments to make 5% permanent OE&E reductions, which CRA/VAS met easily with travel savings of \$61,905 (96.7%). OE&E expenses are significantly lower due to the permanent closure of Sonoma and Fairview Developmental Centers and the elimination of four CRA/VAS positions.



SFY 21/22 Budget Update Cover Page

The package before the Committee includes the budget expenditures through August 2021. As a reminder, on May 25, 2021, the Council approved the SFY 21/22 BSG budget.

BSG Highlights

Personal Services

- We are within budget and expect to finish the year under budget due to salary savings from vacancies
- Vacancy rate remains 18% with difficulty recruiting due to the pandemic and higher than expected retirements and staff departures partially attributed to the pandemic.

Operating Expense and Equipment (OE&E)

- We are 8% over budget but expect to finish the year under budget due to expected COVID-related savings in travel and hotel/meeting rooms for Council/committee meetings.
- In-State Travel is expected to be extremely minimal due to the pandemic at least through December and the post-holiday COVID spike.
- Other Items/Client Services is skewing the numbers. Staff expects accounting adjustments will be made in the coming months.

Community Development Program Grants (Cycle Grants)

- Too early for expenditures in this line item.

Unallocated Funds

- These reallocation funds are projected to be undspent at this early stage of the year.

Year End Projection

- We are currently less than 1% under budget and it is too early to predict how we will finish the year.

QA Highlights

- Personal Services are 4% under budget.
- OE&E is 2% under budget.

CRA/VAS Highlights

- Personal Services are 2.7% under budget.
- OE&E is 9% under budget for the year.



State Council on Developmental Disabilities

Based on State Fiscal Year

July 1 through June 30

Updated 10/8/21

Council Report for FY 21-22

Expenditure Through August 2021

FEDERAL GRANT (BSG)

BSG	Annual Grant Award	Monthly Expenditure	Year-To-Date Expenditure	Balance	Positions
Personal Services & Benefits	\$ 5,537,000	\$ 490,905	\$ 947,658	\$ 4,589,342	# Positions 50
Operating Expenses	\$ 1,897,000	\$ 229,685	\$ 472,624	\$ 1,424,376	# Vacancies 9
Grants / Special Items	\$ 260,000	\$ -	\$ -	\$ 260,000	
Unallocated Funds	\$ 251,000	\$ -	\$ -	\$ 251,000	
Total	\$ 7,945,000	\$ 720,590	\$ 1,420,282	\$ 6,524,718	Vacancy % 18%

QUALITY ASSESSMENT (QA)

QA	Annual Budget	Monthly Expenditure	Year-To-Date Expenditure	Balance	Positions
Personal Services & Benefits	\$ 2,131,000	\$ 141,087	\$ 281,639	\$ 1,849,361	# Positions 18
Operating Expenses	\$ 1,579,000	\$ 130,105	\$ 287,590	\$ 1,291,410	# Vacancies 2
Total	\$ 3,710,000	\$ 271,192	\$ 569,229	\$ 3,140,771	Vacancy % 11%

Client's Rights Advocates/Volunteer Advocacy Services

CRA/VAS	Annual Budget	Monthly Expenditure	Year-To-Date Expenditure	Balance	Positions
Personal Services & Benefits	\$ 1,368,000	\$ 98,070	\$ 195,797	\$ 1,172,203	# Positions 9
Operating Expenses	\$ 369,000	\$ 18,999	\$ 30,036	\$ 338,964	# Vacancies 2
Total	\$ 1,737,000	\$ 117,069	\$ 225,833	\$ 1,511,167	Vacancy % 22%

Total	
# Positions	77
# Vacancies	13
Vacancy %	17%



State Council on Developmental Disabilities
Council Report for FY 21-22

August-21

FEDERAL GRANT (BSG)	Budgeted Base	Current Month Expenditure	YTD Expenditure	Remaining Balance	Remaining Percentage
PERSONAL SERVICES (PS & PB)					
Salaries & Wages w/ Benefits	5,537,000	490,905	947,658	4,589,342	82.9%
OPERATING EXPENSE (OE&E)					
General Expense (Meeting/Conf)	75,000	291	3,505	71,495	95.3%
Printing	45,000	1,982	2,059	42,941	95.4%
Communications	100,000	8,316	15,706	84,294	84.3%
Postage	20,000	521	1,894	18,106	90.5%
Travel-in-State :	300,000	3,220	6,333	293,667	97.9%
Out-of-State Travel	20,000	-	-	20,000	100.0%
Training (Tuition and Registration)	35,000	250	2,225	32,775	93.6%
Facilities Operations (Rent)	600,000	82,293	88,016	511,984	85.3%
Facilities Plng/Maint. & Utilities	6,000	149	960	5,040	84.0%
Interdepartmental Services	225,000	-	25,785	199,215	88.5%
External Contract Services	301,000	1,990	(1,011)	302,011	100.3%
Information Technology (Computer, Software)	465,000	13,177	31,808	433,192	93.2%
SWCAP	25,000	-	-	25,000	100.0%
Other Items/ Client Services	5,000	117,496	295,344	(290,344)	-5806.9%
Less Previously Approved 1-Time Projects	(325,000)				
Subtotal OE&E	1,897,000	229,685	472,624	1,424,376	75.1%
SPECIAL ITEM (PROGRAM 20)	260,000	-	-	260,000	100.0%
UNALLOCATED FUNDS	251,000	-	-	251,000	100.0%
TOTAL	7,945,000	720,590	1,420,282	6,524,718	82.1%

Quality Assessment (QA)	Budgeted Base	Current Month Expenditure	YTD Expenditure	Remaining Balance	Remaining Percentage
PERSONAL SERVICES (PS & PB)					
Salaries & Wages w/ Benefits	2,131,000	141,087	281,639	1,849,361	86.8%
OPERATING EXPENSE (OE&E)					
General Expense (Meeting/Conf)	18,000	81	1,378	16,622	92.3%
Printing	520,000	1,982	1,982	518,018	99.6%
Communications	40,000	-	(1,825)	41,825	104.6%
Postage	267,000	273	1,234	265,766	99.5%
Travel-in-State :	5,000	-	-	5,000	100.0%
Training (Tuition and Registration)	3,000	-	-	3,000	100.0%
Facilities Operations (Rent)	255,000	32,242	32,242	222,758	87.4%
Facilities Plng/Maint. & Utilities	2,000	451	816	1,184	59.2%
Interdepartmental Services	164,000	15,885	32,863	131,137	80.0%
External Contract Services	30,000	936	(14,949)	44,949	149.8%
Information Technology	50,000	5,906	10,750	39,250	78.5%
Other Items/ Client Services	225,000	72,349	223,099	1,901	0.8%
Subtotal OE&E	1,579,000	130,105	287,590	1,291,410	81.8%
TOTAL	3,710,000	271,192	569,229	3,140,771	84.7%

Clients' Rights Advocates/Volunteer Advocacy Services (CRA/VAS)	Budgeted Base	Current Month Expenditure	YTD Expenditure	Remaining Balance	Remaining Percentage
PERSONAL SERVICES (PS & PB)					
Salaries & Wages w/ Benefits	1,368,000	98,070	195,797	1,172,203	85.7%
OPERATING EXPENSE (OE&E)					
General Expense (Meeting/Conf)	5,000	20	399	4,601	92.0%
Printing	9,000	-	-	9,000	100.0%
Communications	10,000	-	(668)	10,668	106.7%
Postage	1,000	-	-	1,000	100.0%
Travel-in-State :	32,000	610	2,039	29,961	93.6%
Training (Tuition and Registration)	15,000	-	-	15,000	100.0%
Facilities Operations (Rent)	24,000	6,726	6,726	17,274	72.0%
Interdepartmental Services	134,000	-	-	134,000	100.0%
External Contract Services	3,000	-	-	3,000	100.0%
Information Technology	45,000	3,743	6,190	38,810	86.2%
Other Items/ Client Services	91,000	7,900	15,350	75,650	83.1%
Subtotal OE&E	369,000	18,999	30,036	338,964	91.9%
TOTAL	1,737,000	117,069	225,833	1,511,167	87.0%



State Council on Developmental Disabilities

Based on State Fiscal Year

July 1 through June 30

Updated 10/8/21

Council Report for FY 21-22

Expenditure Through August 2021

EXPAND COVID 19 ACCESS TO VACCINES

ACL Federal Award	Award	Monthly Expenditure	Year-To-Date Expenditure	Balance
Personal Services & Benefits	\$ 7,557	\$ -	\$ -	\$ 7,557
Operating Expenses	\$ 450,000	\$ -	\$ -	\$ 450,000
Total	\$ 457,557	\$ -	\$ -	\$ 457,557

STATEWIDE DISASTER FIRE PREPAREDNESS GRANT

CA Community Foundation Grant	Award	Monthly Expenditure	Year-To-Date Expenditure	Balance
Personal Services & Benefits	\$ -	\$ -	\$ -	\$ -
Operating Expenses	\$ 365,000	\$ -	\$ -	\$ 365,000
Total	\$ 365,000	\$ -	\$ -	\$ 365,000

State Council on Developmental Disabilities
State Council Budgeted Base
State Fiscal Year 2021-22 Budget

Categories	Basic State Grant (BSG)	Client's Rights Advocates/ Volunteer Advocacy	Quality Assessment	TOTAL
	Federal Grant	State Reimbursement	State Reimbursement	
1. Personal Services				
Net Salaries & Wages	\$3,748,000	\$927,000	\$1,438,000	\$6,113,000
Temporary Help / Honorarium	\$87,000	\$0	\$0	\$87,000
Worker's Compensation	\$55,000	\$5,000	\$3,000	\$63,000
Staff Benefits	\$1,938,000	\$436,000	\$690,000	\$3,064,000
Less 5% Salary Savings From Vacancies	(<u>\$291,000</u>)			(<u>\$291,000</u>)
Total Personal Services	<u>\$5,537,000</u>	<u>\$1,368,000</u>	<u>\$2,131,000</u>	<u>\$9,036,000</u>
2. Operating Expense and Equipment				
General Expense	\$75,000	\$5,000	\$18,000	\$98,000
Printing	\$45,000	\$9,000	\$520,000	\$574,000
Communications	\$100,000	\$10,000	\$40,000	\$150,000
Postage	\$20,000	\$1,000	\$267,000	\$288,000
Travel In-State	\$300,000	\$32,000	\$5,000	\$337,000
Travel Out-of-State	\$20,000	\$0	\$0	\$20,000
Training (Tuition & Registration)	\$35,000	\$15,000	\$3,000	\$53,000
Facilities Operations (Rent)	\$600,000	\$24,000	\$255,000	\$879,000
Utilities	\$6,000	\$0	\$2,000	\$8,000
Interdepartmental Services	\$225,000	\$134,000	\$164,000	\$523,000
External Contract Services	\$301,000	\$3,000	\$30,000	\$334,000
Information Technology	\$465,000	\$45,000	\$50,000	\$560,000
Statewide Cost Allocation Plan (SWCAP)	\$25,000	\$0	\$0	\$25,000
Other Items of Expense	\$5,000	\$91,000	\$225,000	\$321,000
Less Previously Approved One-Time Projects	(<u>\$325,000</u>)			(<u>\$325,000</u>)
Total Operating Expense and Equipment	<u>\$1,897,000</u>	<u>\$369,000</u>	<u>\$1,579,000</u>	<u>\$3,845,000</u>
3. Community Grants	<u>\$260,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$260,000</u>
4. Total Council Budget (1 + 2 + 3)	<u>\$7,694,000</u>	<u>\$1,737,000</u>	<u>\$3,710,000</u>	<u>\$13,141,000</u>
5. Reallotment Award (Puerto Rico)	\$186,000			
6. Total Basic State Grant Award	\$7,945,000			
7. Difference between Total Council Budget and Basic State Grant Award	\$251,000			
8. Cash Reserve	\$1,750,000			
9. Estimated Unexpended Funds Available for the Council to Spend	\$445,000			

FFY 2021 BSG Award received 2/22/2021 and 4/23/2021.

Reallotment Award received 9/11/2021.

QA Budget Revised 9/10/2021.

State Council on Developmental Disabilities
External Income Sources
State Fiscal Year 2021-22 Budget

Categories	Expanding Disabilities Access to COVID-19 Vaccines	Statewide Disaster/Fire Preparedness Grant
	ACL Federal Award	CA Community Foundation Grant
<u>1. Personal Services</u>		
Net Salaries & Wages	\$4,383	\$0
Temporary Help / Honorarium	\$0	\$0
Worker's Compensation	\$0	\$0
Staff Benefits	\$3,174	\$0
Total Personal Services	<u>\$7,557</u>	<u>\$0</u>
<u>2. Operating Expense and Equipment</u>		
General Expense	\$0	\$0
Printing	\$0	\$0
Communications	\$0	\$0
Postage	\$0	\$0
Travel In-State	\$0	\$0
Travel Out-of-State	\$0	\$0
Training (Tuition & Registration)	\$0	\$0
Facilities Operations (Rent)	\$0	\$0
Utilities	\$0	\$0
Interdepartmental Services	\$0	\$0
External Contract Services	\$450,000	\$0
Information Technology	\$0	\$0
Statewide Cost Allocation Plan (SWCAP)	\$0	\$0
Other Items of Expense	<u>\$0</u>	<u>\$365,000</u>
Total Operating Expense and Equipment	<u>\$450,000</u>	<u>\$365,000</u>
3. Community Grants	<u>\$0</u>	<u>\$0</u>
4. Total Council Budget (1 + 2 + 3)	<u>\$457,557</u>	<u>\$365,000</u>

COVID Vaccine Award received 4/29/2021 and Disaster Preparedness Award received 4/16/2021.

Approved by Council 05/25/2021



SFY 21/22 FIRST QUARTER EXPENDITURE REPORTS STATEMENT OF ACTIVITIES AND PROJECTIONS

This is a narrative description of the year-to-date expenditure reports, which are attached. It is important to understand that these projections are based on an analysis of expenditure data at a specific point in time-August 2021-and are subject to change.

SFY 2021/22 BSG Expenditures

Total estimated BSG grant award plus reallocation award is \$7,945,000. With 83% of the SFY remaining, total expenditures of \$1,420,282 reflect a remaining balance of \$6,524,718 (82.1%).

- **Personal Services:** With 83% of the SFY remaining, total expenditures of \$947,658 reflect a remaining balance of \$4,589,342 (82.9%). The vacancy rate is 18%. There is one vacancy in headquarters (Public Information Officer) and eight vacancies in the field (one Regional Manager, four CPS II/AGPAs, and three Office Technicians). Based on analysis of the salaries, benefits and estimated duration of each vacant position, staff projects a salary savings of approximately \$291,000 for the year (5.25%). We are seeing increased staff turnover and difficulty recruiting due to the COVID-19 pandemic. The vacancy rate is expected to remain above 10% through December 2021.
- **OE&E:** With 83% of the SFY remaining, total expenditures of \$472,624 reflect a remaining balance of \$1,424,376 (75.1%). While it is typically too early to project line item savings estimates, staff can predict with certainty that the In-State Travel line item will be significantly underspent this year due to the fact that members and staff are not traveling due to the pandemic. It is possible that we could see a \$250,000 savings in In-State Travel this year. The Other Items/Client Services line item is abnormally overspent. It is important to understand that all program expenses are initially charged to BSG and DSS Accounting distributes these charges to the proper programs as non-federal funds are received. At this early stage of the year, staff believes that these charges will be posted to other programs in the coming months.
- **Program Development Grants:** With 83% of the SFY remaining, total expenditures of \$0 reflect a remaining balance of \$260,000 (100%). The Cycle 43 grants will begin 10/1/2021.
- **Unallocated:** There is an unallocated line item of \$251,000 due to reallocation award received in September 2021. At this early stage staff projects this line item will not be spent.
- **Approved Projects:** Dating back to March 2019, the Executive Committee/Council approved \$620,000 for the following projects:
 - SCDD Website Redesign (\$25,000)
 - ~~Regional Office firewall and switch project (\$150,000)~~. Cancelled
 - Online Training Portal (\$75,000)
 - Online Regional Center Service Code Directory (\$75,000).
 - Post-COVID emergence activities (\$445,000)

SFY 21/22 Quality Assurance (QA) Reimbursements from DDS

Contract negotiations with DDS took longer than expected and the contract was not executed until September 7, 2021. As a result, there were slight changes to the QA budget. These changes have been incorporated into this report. Total QA dollars available are \$3,710,000. With 83% of the SFY

remaining, total reimbursements from DDS for QA Program expenses reflect a remaining balance of \$3,140,771 (84.7%).

- Personal Services: With 83% of the SFY remaining, total expenditures of \$281,639 reflect a remaining balance of \$1,849,361 (86.8%). The vacancy rate is 11% consisting of one AGPA and one Office Technician vacancy charged to the QA project.
- OE&E: With 83% of the SFY remaining, total expenditures of \$287,590 reflects a remaining balance of \$1,291,410 (81.8%). The major expense has been \$223,099 in stipends paid to contract interviewers who conducted approximately 2000 consumer surveys in July and August. This was expected and DDS added an additional \$200,000 to this line item specifically for this purpose.

SFY 21/22 Client's Rights Advocates/Volunteer Advocacy Services (CRA/VAS) Reimbursements from DDS

Total CRA/VAS dollars available are \$1,737,000. With 83% of the SFY remaining, total reimbursements from DDS for CRA/VAS Program expenses reflect a remaining balance of \$1,511,167 (87%).

- Personal Services: With 83% of the SFY remaining, total expenditures of \$195,797 reflects a remaining balance of \$1,172,203 (85.7%). The vacancy rate is 22% consisting of two vacancies at Porterville Developmental Center. The closure of Sonoma and Fairview Developmental Centers has reduced the CRA/VAS staff levels as services are being provided only at Porterville Developmental Center and Canyon Springs Community Facility.
- OE&E: With 83% of the SFY remaining, total expenditures of \$30,036 reflects a remaining balance of \$338,964 (91.9%).

OCTOBER 19, 2021

**AGENDA ITEM 9.
INFORMATION ITEM**

**EXECUTIVE COMMITTEE
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**

2022 Council Meeting Survey Results

Executive Director Aaron Carruthers will provide Committee members with a report on the 2022 Council meeting survey results.

Attachments

None

OCTOBER 19, 2021

AGENDA ITEM 10.

ACTION ITEM

EXECUTIVE COMMITTEE

STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

Closed Session: Personnel

Pursuant to Government Code Section 11126(a)(1), the Council will have a closed session to determine the evaluation of a public employee.

OCTOBER 19, 2021

**AGENDA ITEM 11.
INFORMATION ITEM**

**EXECUTIVE COMMITTEE
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**

Reconvene Open Session

Pursuant to Government Code Section 11126.3 (f), there will be an announcement of any publicly reportable actions taken during closed session.

OCTOBER 19, 2021

**AGENDA ITEM 12.
INFORMATION ITEM**

**EXECUTIVE COMMITTEE
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES**

Next Meeting Date and Adjournment

The next meeting of the Executive Committee is scheduled for February 2022.