



EXECUTIVE DIRECTORS REPORT

**TONY ANDERSON
EXECUTIVE DIRECTOR
VALLEY MOUNTAIN REGIONAL CENTER
JUNE 2018**

- Director's Activities Highlights
- Department Directives
- Budget Update



DIRECTORS ACTIVITIES HIGHLIGHTS

- Organizational Activities
- Activities with Community Partners
- Board Development
- Communications



ORGANIZATIONAL & PROFESSIONAL DEVELOPMENT (PAGE 1)

- ❑ Senior leadership and the person-centered thinking coaches met for a day long training to review the types of changes necessary build a person-centered organization across VMRC functions and improve the IPP process.
- ❑ The training and Development subcommittees are now reviewing the course listing in the learning management and are increasing their focus on the policies and procedures related to their subcommittee.



ORGANIZATIONAL & PROFESSIONAL DEVELOPMENT (PAGE 2)

- ❑ Together with Cindy Mix our Director of Consumer Services we attended an onsite daylong meeting with our resource development team to discuss the expectation VMRC management has for our this team, began work on a mission statement, and discuss clarification of policies and procedures relevant to the team. One of the issues that came up was the need for better tracking and technology tools to better serve case management with forward thinking planning and development of resources.
- ❑ Continued work with Mary Sheehan and Melissa Claypool to build a ConstantContact registration system for our class "Keep Your Child Safe in the Community" which teaches parents and caregivers how to keep their children of all ages safe in the community. The course is taught by a Board Certified Behavior Analyst (BCBA)



ORGANIZATIONAL & PROFESSIONAL DEVELOPMENT (PAGE 3)

- ☐ Continued work on our website development committee with our contractor Project 2 and discussed support needed for our other applications with providers and our staff.
- ☐ We continued to meet with Mary Sheehan on the needs of the clinical department and ways to improve clinical services in the long term as she transition in retirement next year.
- ☐ Our safety committee continues to work on ways to make the workplace safer. They are working on improving policies and procedures, training, and recommendations for structural building enhancements.



ORGANIZATIONAL & PROFESSIONAL DEVELOPMENT (PAGE 4)

- ☐ I attended the all staff meeting for the San Andreas office I provided an upcoming and statewide and organizational developments and answered several questions from staff. We will make this a regular meeting and I will establish similar check-in meetings with the Modesto and San Joaquin offices.
- ☐ We had a great opportunity to speak with several new staff during the orientation meeting. My themes are welcome to great place to work, reach out to your colleagues for support you can't do this alone, it is a hard job yet very rewarding, everyone plays a role in case management, we accomplish our purpose through the work of quality providers, supporting families is support to people with IDD, and the bigger picture of what we do here is support and defend the civil rights of people with IDD.



ACTIVITIES WITH COMMUNITY PARTNERS (PAGE 1)

- ❑ We held a transition fair in Tuolumne County at Sonora high school, it was the last in a series of 5 transition fairs, for students with developmental disabilities. After the event I met with school officials and toured a new classroom recently developed to meet the unique unmet needs of some of our shared students in the region.
- ❑ Claire Lazaro arranged for two days of training on Self-Determination by the Department of Developmental Services in Stockton (80 people attended) and Modesto (45 people attended). We now have over 100 people on our self-determination list with DDS and prior to the training we had 45 (our SDP can serve up to 95 people).
- ❑ On June 7th we sent out an announcement to the community that the Self-Determination waiver was approved by the federal government. This announcement as followed with one of our best attended SDP advisory group meetings.

ACTIVITIES WITH COMMUNITY PARTNERS (PAGE 2)

- ❑ Barbara Johnson (VMRC Psychologist), Wanda Farinelli-Mikita (Program Manager) and I met to review a few of the outstanding planning issues for our upcoming Mental Health Regional Center joint conferences. A webpage and registration tools still need to be developed ASAP.
- ❑ Met with Brian White of MediSked who is interested in providing a small conference with other technology providers in our area with well known developmental services national speakers. This could be a great opportunity for our providers and staff - we're projecting October 2018 details to come...
- ❑ Met with the CLASP leadership and responded to questions regarding the purpose of QA, definition of technical assistance and substantial inadequacies, vendor rights, and appeal issues.



ACTIVITIES WITH COMMUNITY PARTNERS (PAGE 3)

- ☐ Met with CLASP membership. One of the main activities coming up for CLASP is their upcoming elections for officers and the selection of the nominating committee.
- ☐ Attended the SCDD Regional Advisory Committee meeting held at The Arc Amador and Calaveras in Calaveras County.
- ☐ Met with a group of family members advocates regarding the activities they are planning for our community to address the disparities of engagement with their regional center. It was a good meeting and they offered to provide many trainings and support.
- ☐ Met with a local group of parents organized by Carlos Hernandez (VMRC Cultural Specialist) in a meet and greet described as "Cafecito con el Jefe" ("Coffee with the Boss"). It was a productive meeting and a good opportunity to be pro-active in discussing family supports.



ACTIVITIES WITH COMMUNITY PARTNERS (PAGE 4)

- ☐ Site visit to see two homes owned by Steve and Marika Campbell in the Linden area of San Joaquin county.
- ☐ Anthony Hill, VMRC Legal Affairs Advisor, and I had a very positive meeting with the San Joaquin public defenders office. The purpose was an introductory meeting and discovery discussion to determine what's working now during times of collaboration how to get better understanding of one another during times of conflict or disagreement.
- ☐ Met with Heather Flores, Executive Director of the Central Valley Regional Center and toured a joint project between the two regional centers soon to open.
- ☐ Attended the SAC6 meeting in Stockton on Saturday June 9th were they updated their membership on several exciting events and activities recently completed and held elections for officers which included candidates speeches.



BOARD DEVELOPMENT

- ❑ Nominating committee met and had a thorough discussion of the candidates for consideration of serving as officers and single year appointments for members completing their sixth year (7 years is the maximum). The committee developed a slate of officers and recommendation to be brought forward by Chris Varella the committee chair.
- ❑ The Legislative Committee met and reviewed the governor's May Revise items for developmental services, then assigned members to review various topics in our bill file: Autism, Children, Criminal Justice, Dental, Early Start, Education, Employment, Financial, General, Health, Housing, Mental Health, Operations, and Providers.



COMMUNICATION/OUTREACH

- ❑ Last 28 days Facebook: 21 posts, 1473 total followers / LinkedIn: 2 posts and 158 impressions / Tweeter: 7 Tweets 1306 impressions and 96 total followers. Instagram and YouTube not active yet.
- ❑ Constant Contact Email Outreach: 4444 contacts, 5 announcements, 55% on mobile devices, 45% computers, 35% open rate.





DEPARTMENT CORRESPONDENCE



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OVERSIGHT ACTIVITIES FOR COMPLIANCE WITH THE CENTERS FOR MEDICARE AND MEDICAID SERVICES' SETTLEMENT AGREEMENTS

“The agreements, effective on July 1, 2016, require the Department to provide comprehensive oversight of the transition process for consumers moving from Fairview Developmental Center (FDC) and Porterville Developmental Center (PDC). Oversight includes monitoring the incident and complaint reporting process for individuals identified on the “Client List”. ...”



CONFLICT OF INTEREST REPORTING STATEMENTS FOR BOARD MEMBERS AND EXECUTIVE DIRECTORS

Welfare and Institutions Code (WIC) section 4626 (Enclosure A) requires that each regional center board member and each regional center employee, as specified in Title 17 regulations (Enclosure B), complete and file a conflict of interest (COI) reporting statement, form DS 6016 (Enclosure C) by August 1 of each year.



GOVERNOR'S "DROWNING PREVENTION" MESSAGE

I urge all Californians to enjoy the summer fun, but to follow important drowning prevention practices to protect themselves and their community. These life-saving steps include constant supervision of children in and around water, the use of pool fencing and personal floatation devices, and learning to perform cardiopulmonary resuscitation (CPR).



DDS MESSAGE ENCOURAGING RATE STUDY SURVEY PARTICIPATION

To assist with this, regional centers should work with stakeholders including providers and provider organizations, on strategies to help inform providers about the survey, its importance to the rate study, and ways to facilitate responses, including but not limited to:

- ☐ Posting notifications in e-billing
- ☐ Posting survey and rate study information on the regional center website and social media accounts
- ☐ Encouraging staff who have routine contact with providers to discuss the importance of the rate study and survey
- ☐ Coordinating with the Vendor Advisory Committee or others to identify volunteers who are available to provide assistance to other providers
- ☐ Setting aside dedicated times at the regional center or elsewhere for providers to obtain support in completing the survey





BUDGET UPDATES

- Final Agreements for the 2018-2019 Budget



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VALLEY MOUNTAIN REGIONAL CENTER BUDGET UPDATE

PASSED: \$25 million is recommended for approval for provider wage enhancements for one year.

PASSED: The Uniform Holiday Schedule is recommended for rejection for one year.

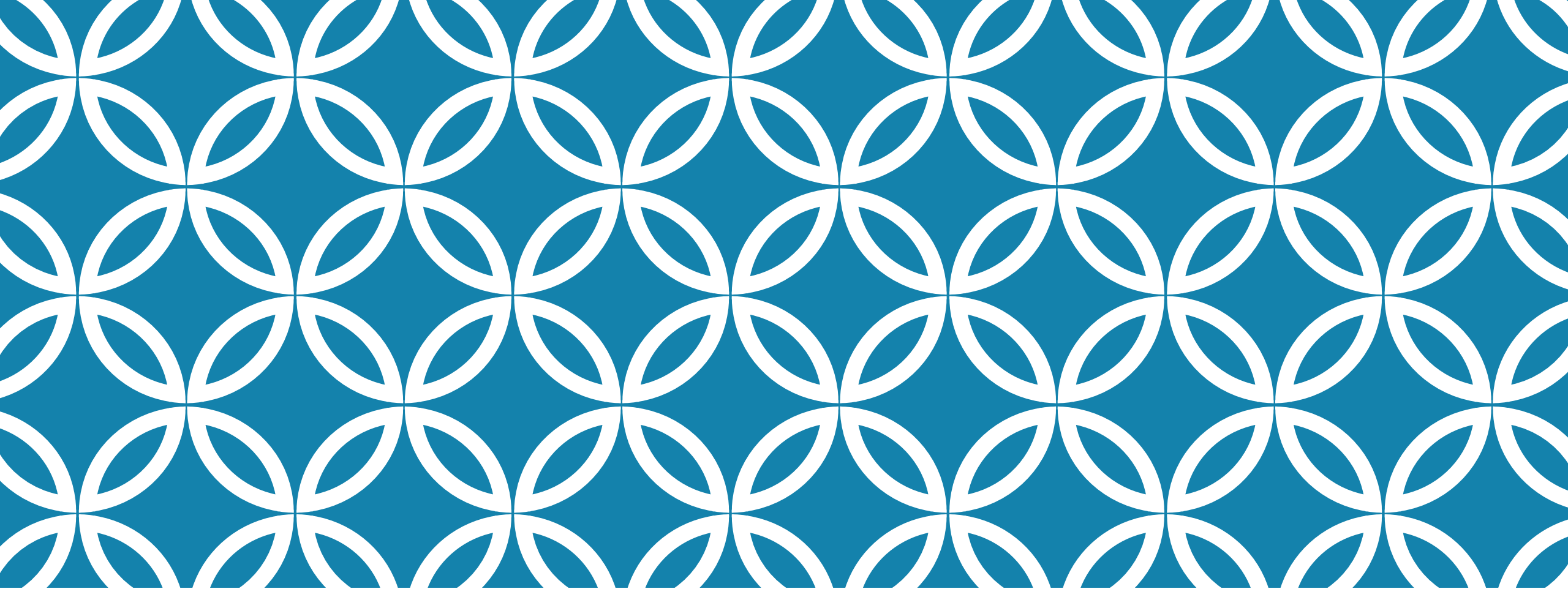
REJECTED: The restoration of camp and social recreation is recommended for rejection.

REJECTED: Additional funds for additional safety net projects are recommended for rejection.

REJECTED: DRC's proposed Trailer Bill Language related to individuals in locked psychiatric facilities is recommended for rejection.

PASSED: \$1.5 million for Best Buddies is recommended for approval.

PASSED: A one-time allocation of \$300,000 for Kern Regional Center along with supplemental reporting and legislative oversight is recommended for approval.



QUESTIONS?



**VALLEY
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DEPARTMENT OF DEVELOPMENTAL SERVICES

1600 NINTH STREET, Room 320, MS 3-9
SACRAMENTO, CA 95814
TTY (916) 654-2054 (For the Hearing Impaired)
(916) 654-1958



May 30, 2018

TO: TONY ANDERSON, EXECUTIVE DIRECTOR

SUBJECT: OVERSIGHT ACTIVITIES FOR COMPLIANCE WITH THE
CENTERS FOR MEDICARE AND MEDICAID SERVICES'
SETTLEMENT AGREEMENTS

This correspondence is regarding the Department of Developmental Services' (Department) compliance with the settlement agreements with the Centers for Medicare and Medicaid Services (CMS). The agreements, effective on July 1, 2016, require the Department to provide comprehensive oversight of the transition process for consumers moving from Fairview Developmental Center (FDC) and Porterville Developmental Center (PDC). Oversight includes monitoring the incident and complaint reporting process for individuals identified on the "Client List". A list of consumers on the Client List from Valley Mountain Regional Center, as of May 29, 2018, is enclosed (Enclosure 1).

Continued federal funding through CMS for FDC and PDC is contingent on the Department's compliance with the settlement agreements until closure of the facilities. The agreements require the Department to submit reports on incidents, which include regional center and vendor follow-up, to CMS bi-annually and to the California Health and Human Services Agency quarterly.

Oversight of Incidents and Complaints for Consumers on the Client List

The Department continues its oversight functions for special incident reports (SIR) for consumers on the Client List. Oversight is focused on assurance that the immediate health and safety is protected for consumers and that proper action is taken to prevent or reduce similar occurrences in the future. In addition, incidents and complaints must be triaged and given priority based on circumstances and/or severity.

Upon reviewing a SIR, Department staff contacts regional center staff to obtain information needed to comply with the requirements of the settlement agreement. This may include information that confirms the following:

- Vendors and long-term health care providers reported the incident or complaint to the regional center within 24 hours, and submitted a written report within 48 hours. (California Code of Regulations (CCR), Title 17, §54327)

"Building Partnerships, Supporting Choices"

- The regional center reported the incident or complaint to the Department within two working days following notification of the incident, and follow-up dates, and information are identified. (CCR, Title 17, §54327.1)
- Outcomes were identified for the incident or complaint that were reported to outside agencies.
- Regional center and vendor actions were sufficient to remove risks and ensure consumer health and safety is protected.
- Additional follow-up or protective actions were taken when an incident or complaint was substantiated by the investigating party.
- Any systemic policy, procedural changes or other actions taken by the regional center and/or vendor to prevent future incidents.

New Processes for Regional Center Reporting to the Department

In an effort to assist regional centers in providing necessary information to the Department when following up on SIRs, a list of questions to be used in the completion of SIRs submitted to the Department is enclosed (Enclosure 2). These questions will be helpful to regional center staff in the efficient completion of SIRs, and could minimize follow-up contacts from Department staff.

To ensure accurate information is contained in the Department's reports, a summary of incident narratives will be forwarded to the SIR Coordinator for each regional center during the first week of the second and third months of each quarter. The information contained in the narratives must be verified within five working days and returned to the Department. In an excel format, the summary will contain the following incident details requiring verification by each regional center:

- Incident summary
- Findings (substantiated, unsubstantiated, or pending)
- Policy or protective actions taken by the regional center and/or vendor
- Status (complete or pending)
- Supplemental information requested by the Department that is still pending

Tony Anderson, Executive Director
May 30, 2018
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- Confirmation that the details provided are accurate
- Additional and/or updated information

In June and December of each year, the Department will provide a list of consumer Unique Client Identifiers to each regional center to confirm their Client Lists are accurate, and whether any of the listed consumers have been incarcerated within the past six months. The information must be provided to the Department within five working days.

Regional Center Risk Mitigation to Address Systemic Concerns

CCR, Title 17, §54327.2, requires regional centers to have a process to review individual and aggregate special incident data to identify trends and unusual patterns that may require regional center action. The settlement agreement requires the Department to report information regarding changes in policy and/or procedures in the development and implementation of incident prevention, proactive accident/safety planning, risk assessment, legal obligations of abuse reporting, etc. When your regional center makes changes to policies and/or procedures, this information should be forwarded on a flow basis to the Department staff listed below.

If you have questions regarding this correspondence, please contact Rapone Anderson, Regional Center Branch Manager, at (916) 654-3722, or by email, at rapone.anderson@dds.ca.gov, or Tom Blythe, Assistant Chief, Appeals, Complaints and Projects Section, at (916) 654-2426, or by email, at tom.blythe@dds.ca.gov.

Sincerely,

Original signed by

BRIAN WINFIELD
Deputy Director
Community Services Division

Enclosures

cc: Cindy Mix, Valley Mountain Regional Center
Christian Mitchell, Valley Mountain Regional Center

Tony Anderson, Executive Director
May 30, 2018
Page four

bcc: Rapone Anderson, Department of Developmental Services
Tom Blythe, Department of Developmental Services

Special Incident Report Questions

Q#	Incident Category	Question. For each request/question, please explain your response (provide relevant dates, details, etc.).
1	All Categories	Confirm the incident date; vendor and regional center transmission dates for accuracy.
2	All Categories	Was SIR reported in a timely manner by the vendor and the regional center?
3	All Categories	If SIR was not reported timely, why and what action was taken to address reporting timeliness?
4	All Categories	Track and confirm any action to be taken, i.e., staff training, QA investigations, follow-up appointments, discharge plans, change in medications; also was there an existing behavior plan and was the plan revised?
5	All Categories	Provide an update (outcomes) regarding the regional center's interaction with the vendor.
6	All Categories	Did the regional center and/or vendor focus on staff training, and/or procedures to mitigate a reoccurrence of the incident?
7	All Categories	Were there actions taken against staff involved in the incident?
8	All Categories	Are staff training needs identified?
9	All Categories	Is the regional center satisfied with the action/outcomes taken by the vendor?
10	All Categories	What action(s) were taken to reduce the risk of this incident type occurring again?
11	All Categories	[CCL ONLY] Was CCL contacted about the incident? Why or why not?
12	All Categories	Are any other investigative agencies involved (e.g., APS, law enforcement, ombudsman, etc.)?
13	Medication Error	What were the medication(s) and time(s) missed?
14	Medication Error	How long did consumer go without the prescribed medication(s)?
15	Medication Error	Were the prescribing doctor(s) notified of the medication issue? If so, what were the recommendations/orders?
16	Medication Error	What date were the consumer's medication(s) (re)filled?
17	Medication Error	Were the medications (re)filled in a timely manner?
18	Medication Error	On what date did the consumer continue medications as prescribed?
19	Medication Error	Was there a follow-up appointment/meeting? What was the date? What was the result (new services, change in medication)?
20	Medication Error	What are the current medications and why are they prescribed?
21	Medication Error	Did the consumer need to go to the physician? If so, when? Any follow-up scheduled?
22	Medication Error	Did consumer go to the ER?
23	Medication Error	Was consumer admitted to the hospital?
24	Medication Error	SIR should reflect when the consumer is/was released (from the ER, hospital or psych facility) and whether there were any specific recommendations for treatment/discharge plans upon release.
25	Medication Error	What steps will the vendor take to ensure that the consumer's medications are (re)filled timely?
26	Medication Error	What other actions will the provider take to reduce medication errors?
27	Medication Error	Were there any funding/insurance issues?
28	Medication Error	What was the reason insurance did not cover the consumer's medication(s)?
29	Medication Error	When was the provider notified of insurance funding issue?
30	Medication Error	What action(s) did the provider take knowing that insurance would not cover the medication?

Special Incident Report Questions

Q#	Incident Category	Question. For each request/question, please explain your response (provide relevant dates, details, etc.).
31	Medication Error	When was the regional center notified about the insurance issue?
32	Injury	Was treatment received at the hospital?
33	Injury	Was the consumer admitted into a hospital because of the incident?
34	Injury	What was the discharge date?
35	Injury	What were the discharge orders?
36	Injury	What are the date(s) of any follow-up appointments for this incident?
37	Injury	With whom were the follow-up appointments?
38	Injury	What are the outcomes of follow-up appointments?
39	Injury	What is the health status as of <Date>?
40	Injury	Did the consumer require any new or modified services/supports because of the incident? If so, what were they?
41	Suspected Abuse	Was APS notified of the incident?
42	Suspected Abuse	Any recommendations by APS?
43	Suspected Abuse	What was the result of the APS/police investigation (substantiated, unfounded, inconclusive), if shared with you?
44	Suspected Abuse	Any recommendations or services offered by law enforcement?
45	Suspected Abuse	Will the consumer continue to reside in the same residence?
46	Suspected Abuse	If moving, when and where?
47	Suspected Abuse	Other than relocation, will the consumer require any new or modified services/supports because of the incident?
48	Suspected Abuse	If so, what are the new or modified services/supports?
49	Suspected Abuse	What actions, if any, were taken against the alleged perpetrator?
50	Suspected Abuse	Any recommendations, CAP, letters, technical assistance, etc., by the regional center?
51	Suspected Abuse	What will the regional center do to assist the vendor? When?
52	Suspected Abuse	Is the regional center investigating the incident? Outcomes?
53	Psych. Hospitalization	Admission and discharge dates?
54	Psych. Hospitalization	What was the diagnosis received at the hospital?
55	Psych. Hospitalization	What was the treatment received at the hospital?
56	Psych. Hospitalization	Any changes to the consumer's medication regimen?
57	Psych. Hospitalization	If so, what specific changes to the consumer's medication regimen?
58	Psych. Hospitalization	What are the discharge orders?
59	Psych. Hospitalization	What are the date(s) of any mental health or psychiatric follow-up appointments for this incident?
60	Psych. Hospitalization	With whom were the follow-up appointments?

Special Incident Report Questions

Q#	Incident Category	Question. For each request/question, please explain your response (provide relevant dates, details, etc.).
61	Psych. Hospitalization	Outcomes of follow-up appointments?
62	Psych. Hospitalization	What is the mental health and/or behavioral status update as of <DATE>?
63	Psych. Hospitalization	Did the consumer require any new or modified services/supports because of this incident?
64	Psych. Hospitalization	If so, what are the new or modified services/supports?
65	Psych. Hospitalization	What will the regional center do to assist the provider? Dates?
66	Psych. Hospitalization	Are planning team meetings scheduled regarding this incident? Dates? Outcomes?
67	Psych. Hospitalization	Will the regional center and provider be reviewing the consumer's current behavior plan? Why or why not? Dates? Outcomes? Recommendations?
68	Medical Hospitalization	What was the treatment received at the hospital?
69	Medical Hospitalization	How was the consumer transported to the hospital?
70	Medical Hospitalization	Was the consumer admitted into a hospital because of this incident?
71	Medical Hospitalization	What was the discharge date?
72	Medical Hospitalization	What are the discharge orders?
73	Medical Hospitalization	What are the date(s) of any medical follow-up and with who?
74	Medical Hospitalization	Outcomes of follow-up medical appointments?
75	Medical Hospitalization	What is the health status as of <DATE>?
76	Medical Hospitalization	Did the consumer receive a diagnosis at the hospital because of this incident?
77	Medical Hospitalization	Were there any changes to the consumer's medication regimen?
78	Medical Hospitalization	Were there any changes to the consumer's health care plan? Why or why not?
79	Medical Hospitalization	What is the consumer's usual frequency of seizures? Have seizures increased?
80	Medical Hospitalization	Was the consumer's physician notified of the seizure?
81	Medical Hospitalization	Were any specific tests ordered (e.g. anticonvulsant blood levels, EEG, head CT scan, etc.)?
82	Medical Hospitalization	Was there any obvious precipitating cause for the incident, such as forgetting to take medications, observed fevers, etc.?
83	Victim of Crime	Was police contacted? When?
84	Victim of Crime	What was the result of the police investigation?

Special Incident Report Questions

Q#	Incident Category	Question. For each request/question, please explain your response (provide relevant dates, details, etc.).
85	Victim of Crime	Was the suspect identified?
86	Victim of Crime	What actions were taken against the alleged perpetrator?
87	Victim of Crime	Has the consumer been referred to victim-witness assistance by law enforcement?
88	Victim of Crime	Did the consumer receive any new or modified services/supports because of this incident?
89	Rights Violation	RESTRAINT - Was the restraint used in this incident approved in the consumer's behavior plan? If not, please explain what the regional center and provider will do to address this incident.
90	Rights Violation	Is staff training planned because of this incident? If so, please provide a date and outcomes of the training.

DEPARTMENT OF DEVELOPMENTAL SERVICES

1600 NINTH STREET, Room 320, MS 3-9
SACRAMENTO, CA 95814
TTY (916) 654-2054 (For the Hearing Impaired)
(916) 654-1958



May 29, 2018

TO: REGIONAL CENTER BOARD PRESIDENTS AND EXECUTIVE DIRECTORS

SUBJECT: CONFLICT OF INTEREST REPORTING STATEMENTS FOR BOARD MEMBERS AND EXECUTIVE DIRECTORS

Welfare and Institutions Code (WIC) section 4626 (Enclosure A) requires that each regional center board member and each regional center employee, as specified in Title 17 regulations (Enclosure B), complete and file a conflict of interest (COI) reporting statement, form DS 6016 (Enclosure C) by August 1 of each year. Please note:

- A conflict may exist if the individual completing the form, or a family member, receives funding from the regional center; please refer to questions 2 and 3 in the reporting statement.
- Pursuant to WIC section 4625.5(b), no regional center contract of \$250,000 or more shall be valid unless approved by the governing board of the regional center; please refer to question 7 in the reporting statement.
- The review of each reporting statement and the Internal Use Only section on page 4 should be completed by the regional center Executive Director, Board President, or his/her designee.

Regional centers shall submit a copy of the completed COI reporting statements for their board members and Executive Directors to the Department of Developmental Services (Department) within 10 days from receipt of the statements. This information is to be provided to the Department on an annual basis. Your timely and complete response is important to ensure regional center compliance with this requirement. Please email the COI reporting statements to:

Maxine Milam
Department of Developmental Services
maxine.milam@dds.ca.gov

“Building Partnerships, Supporting Choices”

Regional Center Board Presidents and Executive Directors
May 29, 2018
Page two

If you have any questions regarding this correspondence, please contact Maxine Milam, Community Program Specialist III, Regional Center Operations Section, at (916) 654-2177, or by email at maxine.milam@dds.ca.gov.

Sincerely,

Original signed by

BRIAN WINFIELD
Deputy Director
Community Services Division

Enclosures

cc: Association of Regional Center Agencies
Regional Center Administrators
Regional Center Chief Counselors

Welfare and Institutions Code § 4625.5 and 4626

4625.5(a) The governing board of each regional center shall adopt and maintain a written policy requiring the board to review and approve any regional center contract of two hundred fifty thousand dollars (\$250,000) or more, before entering into the contract.

(b) No regional center contract of two hundred fifty thousand dollars (\$250,000) or more shall be valid unless approved by the governing board of the regional center in compliance with its written policy pursuant to subdivision (a).

(c) For purposes of this section, contracts do not include vendor approval letters issued by regional centers pursuant to Section 54322 of Title 17 of the California Code of Regulations

4626(a) The department shall give a very high priority to ensuring that regional center board members and employees act in the course of their duties solely in the best interest of the regional center consumers and their families without regard to the interests of any other organization with which they are associated or persons to whom they are related. Board members, employees, and others acting on the regional center's behalf, as defined in regulations issued by the department, shall be free from conflicts of interest that could adversely influence their judgment, objectivity, or loyalty to the regional center, its consumers, or its mission.

(b) In order to prevent potential conflicts of interest, a member of the governing board or member of the program policy committee of a regional center shall not be any of the following:

- (1) An employee of the State Department of Developmental Services or any state or local agency that provides services to a regional center consumer, if employed in a capacity which includes administrative or policymaking responsibility, or responsibility for the regulation of the regional center.
- (2) An employee or a member of the state council or a state council regional advisory committee.
- (3) Except as otherwise provided in subdivision (h) of Section 4622, an employee or member of the governing board of any entity from which the regional center purchases consumer services.
- (4) Any person who has a financial interest, as defined in Section 87103 of the Government Code, in regional center operations, except as a consumer of regional center services.

(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.

(d) The department shall ensure that no regional center employee or board member has a conflict of interest with an entity that receives regional center funding, including, but not limited to, a nonprofit housing organization and an organization qualified under Section 501(c)(3) of the Internal Revenue Code, that actively functions in a supporting relationship to the regional center.

(e) The department shall develop and publish a standard conflict-of-interest reporting statement.

The conflict-of-interest statement shall be completed by each regional center governing board member and each regional center employee specified in regulations, including, at a minimum, the executive director, every administrator, every program director, every service coordinator, and every employee who has decision making or policymaking authority or authority to obligate the regional center's resources.

(f) Every new regional center governing board member and regional center executive director shall complete and file the conflict-of-interest statement described in subdivision (e) with his or her respective governing board within 30 days of being selected, appointed, or elected. Every new regional center employee referenced in subdivision (e) and every current regional center employee referenced in subdivision (e) accepting a new position within the regional center shall complete and file the conflict-of-interest statement with his or her respective regional center within 30 days of assuming the position.

(g) Every regional center board member and regional center employee referenced in subdivision (e) shall complete and file the conflict-of-interest statement by August 1 of each year.

(h) Every regional center board member and regional center employee referenced in subdivision (e) shall complete and file a subsequent conflict-of-interest statement upon any change in status that creates a potential or present conflict of interest. For the purposes of this subdivision, a change in status includes, but is not limited to, a change in financial interests, legal commitment, regional center or board position or duties, or both, or outside position or duties, or both, whether compensated or not.

(i) The governing board shall submit a copy of the completed conflict-of-interest statements of the governing board members and the regional center executive director to the department within 10 days of receipt of the statements.

(j) A person who knowingly provides false information on a conflict-of-interest statement required by this section shall be subject to a civil penalty in an amount up to fifty thousand dollars (\$50,000), in addition to any civil remedies available to the department. An action for a civil penalty under this provision may be brought by the department or any public prosecutor in the name of the people of the State of California.

(k) The director of the regional center shall review the conflict-of-interest statement of each regional center employee referenced in subdivision (e) within 10 days of receipt of the statement. If a potential or present conflict of interest is identified for a regional center employee that cannot be eliminated, the regional center shall, within 30 days of receipt of the statement, submit to the department a copy of the conflict-of-interest statement and a plan that proposes mitigation measures, including timeframes and actions the regional center or the employee, or both, will take to mitigate the conflict of interest.

(l) The department and the regional center governing board shall review the conflict-of-interest statement of the regional center executive director and each regional center board member to ensure that no conflicts of interest exist. If a present or potential conflict of interest is identified for a regional center director or a board member that cannot be eliminated, the regional center governing board shall, within 30 days of receipt of the statement, submit to the department and the state council a copy of the conflict-of-interest statement and a plan that proposes mitigation measures, including timeframes and actions the regional center governing board or the individual, or both, will take to mitigate the conflict of interest.

California Code of Regulations
Title 17, Division 2
Chapter 3 - Community Services
SubChapter 3 - Regional Center Administration Practices and Procedures
Article 1 - Regional Center Conflict of Interest Standards and Procedures

§54500. Authority and Scope.

These regulations prescribe conflict-of-interest standards and procedures for all members of the regional center governing boards, employees, and those acting on the regional center's behalf to ensure that such persons make decisions relative to the regional center which are in the best interests of the center's consumers and families pursuant to authority provided in section 4627 of the Welfare and Institutions Code.

§54505. Definitions.

As used in this article, the following words and phrases have the specified meanings:

- (a) "Area Board" means the organization of individuals established and constituted according to Welfare and Institutions Code section 4546 et seq.
- (b) "Business Entity, Entity or Provider" means any individual, business venture, or state or local governmental entity from whom or from which the regional center purchases, obtains, or secures goods or services to conduct its operations. These entities or providers include, but are not limited to, residential facilities, intermediate care facilities, skilled nursing facilities, supported and independent living services, hospitals, medical groups, activity centers, housing providers, entities formed in support of the regional center, infant programs, clinics, laboratories, pharmacies, drug stores, ambulance services, furniture stores, equipment and supply stores, physicians, psychologists, nurses, therapists, teachers, social workers, and contract case managers. For purposes of these conflict-of-interest regulations "business entity, entity or provider" does not include a consumer or family member of a consumer who receives vouchers for consumer services.
- (c) "Consumer" means an individual who has been determined by a regional center to meet the eligibility criteria of Welfare and Institutions Code section 4512 and title 17, California Code of Regulations, sections 54000, 54001 and 54010, or Government Code section 95014 and title 17, California Code of Regulations, sections 52020 and 52022, and for whom the regional center has accepted responsibility.
- (d) "Decision or Policy-Making Authority" means the authority an individual possesses whenever the individual:

(1) exercises discretion or judgment, without significant intervening substantive review, in making, advising, or recommending a decision or in making a final decision; or

(2) may compel a decision or may prevent a decision either by reason of an exclusive power to initiate the decision or by reason of a veto which may or may not be overridden; or

(3) makes substantive recommendations which are, and over an extended period of time have been, regularly approved without significant amendment or modification by another person or entity or provider; or

(4) votes on matters, obligates or commits his or her entity to any course of action, or enters into, modifies, amends, or renews any contractual agreement on behalf of his or her entity, or has authority to obligate resources; or

(5) votes to approve, appoint or ratify, or approves, appoints, ratifies, assigns, elects, selects, designates, names, creates, confirms, contracts or hires any director, trustee, member of the board, member of a board committee, officer, agent, employee, contractor, or consultant for his or her entity or any other business entity or provider.

Decision or policy-making authority does not include actions of individuals which are solely ministerial, secretarial, or clerical.

(e) "Department" means the Department of Developmental Services.

(f) "Family Member" includes the individual's spouse, domestic partner, parents, stepparents, grandparents, siblings, step-siblings, children, stepchildren, grandchildren, parents-in-law, brothers-in-law, sisters-in-law, sons-in-law, and daughters-in-law.

(g) "Member" means an individual serving as a member of the governing board, board of directors, or board committee of a business entity, entity, or provider as defined herein.

(h) "Potential Conflict of Interest" means a situation which, based upon circumstances reasonably expected to occur at a point in the future, may result in a conflict of interest, as specified in these regulations.

(i) "Present Conflict of Interest" means a conflict of interest, as specified in these regulations, which currently exists.

(j) "Regional Center" means a diagnostic, counseling, and service coordination center for persons with developmental disabilities and their families which is established and operated pursuant to chapter 5 of division 4.5 of the Welfare and Institutions Code and title 14 of the Government Code by a private nonprofit corporation acting as a contracting agency.

(k) "Regional Center Employee" means any person who performs services for wages, salary or a fee under a contract of employment, express or implied, with the regional

center. For purposes of these regulations, a business entity, entity or provider as defined herein is not a regional center employee.

(l) "Regional Center Governing Board" means the board of directors of a private nonprofit corporation which contracts with the state for the purpose of establishing and operating a regional center and which is constituted in accordance with section 4622 of the Welfare and Institutions Code.

(m) "Regional Center Operations" means those activities or services which regional centers are required by law, regulation, or contract with the state to provide, obtain, or purchase. Such activities include, but are not limited to, case finding, outreach, prevention, intake and assessment, individual program planning, case management, community programs, program development, and consumer advocacy and protection.

(n) "State Council" means the organization of individuals established and constituted pursuant to Welfare and Institutions Code section 4520 et seq.

§54520. Positions Creating Conflicts of Interest for Regional Center Governing Board Members and Executive Directors.

(a) 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 as defined in section 54505 of these regulations, except to the extent such position is permitted by Welfare and Institutions Code sections 4622 and 4626.

- (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

(b) A regional center board member or family member of such person who is an employee or contractor of a state or local governmental entity that provides services to regional center consumers and who works in a position having no relation to providing those services to regional center consumers does not have a conflict of interest as a result of his or her position. This exception does not apply to an employee of the Department of Developmental Services, who is still precluded from being a board member under Welfare & Institutions Code section 4626, subdivision (b)(1).

(c) There is no conflict of interest for purposes of these regulations where a consumer receives employment services through a regional center provider and the consumer's family member is a governing board member or executive director of the regional

center, or the consumer's family member holds a position described in subsection (a)(1) to (14) with the provider providing the employment services, if the employment service is made equally available to all eligible consumers of the regional center in question.

(d) These conflict of interest provisions are in addition to those conflicts identified in Welfare and Institutions Code sections 4622 and 4626.

§54521. Conflicts of Interest for Regional Center Advisory Committee Board Members.

(a) A conflict of interest exists when a regional center advisory committee board member, appointed pursuant to Welfare and Institutions Code section 4622(i), is:

(1) in any of the following positions for a business entity, entity, or provider from which the regional center purchases, obtains or secures consumer services:

- (A) member of the governing board
- (B) board committee member
- (C) owner
- (D) partner
- (E) shareholder
- (F) agent
- (G) manager
- (H) employee
- (I) contractor
- (J) consultant; and

(2) that person does any of the following:

- (A) Serves as an officer of the regional center board; or
- (B) Votes on any fiscal matter affecting the purchase of services from any regional center provider; or
- (C) Votes on any matters in which the member has a financial interest as that term is defined in section 54522(b).

Fiscal Matter, as used in subdivision (a)(2)(B), includes setting purchase of service priorities, making any fiscal commitments, transferring purchase of service funds, and establishing policies and procedures with respect to payment of services.

§54522. Financial Interests in Decisions Creating a Conflict of Interest for Regional Center Governing Board Members and Executive Directors.

(a) A regional center governing board member or regional center executive director shall not make, participate in making, or in any way attempt to use his or her position to

influence a regional center or board decision in which he or she knows or has reason to know that he or she or a family member has a financial interest.

(b) Financial interest, as used in this section, includes any current or contingent ownership, equity, or security interest that could result, directly or indirectly, in receiving a pecuniary gain or sustaining a pecuniary loss as a result of the interest in any of the following:

- (1) business entity worth two thousand dollars (\$2,000) or more.
- (2) real or personal property worth two thousand dollars (\$2,000) or more in fair market value.
- (3) stocks or bonds worth two thousand dollars (\$2,000) or more.
- (4) intellectual property rights worth five hundred dollars (\$500) or more.
- (5) sources of gross income aggregating five hundred dollars (\$500) or more within the prior 12 months.
- (6) future interests for compensation of five hundred dollars (\$500) or more.
- (7) personal finances of two hundred fifty dollars (\$250) or more.

§54523. Financial Interests in Contracts Creating a Conflict of Interest for Regional Center Governing Board Members and Executive Directors.

(a) The purpose of this section is to make certain that regional center governing board members and regional center executive directors are guided solely by the interests of the regional center and its consumers and not by their personal financial interests when participating in the making of contracts in their official capacity.

(b) Regional center governing board members and regional center executive directors shall not be financially interested in any contract in which they participate in making in their official capacity.

(1) Financially interested, for purposes of this section, means any financial interest regardless of the dollar amount, and includes aiming to achieve a financial gain or avoid a financial loss. The financial interest may be direct or indirect and includes any monetary or proprietary benefit, gain of any sort, or the contingent possibility of monetary or proprietary benefits, and extends to expectations of economic benefit. Certainty of financial gain is not necessary to create a conflict of interest.

(A) The financial interest is direct when the individual, in his or her official capacity, does business with himself or herself in his or her private capacity.

(B) The financial interest is indirect if a regional center board member or executive director enters into a contract in his or her official capacity with an individual or entity, and because of the relationship between the individual or entity to the board member or executive director, the individual or entity is in a position to render actual or potential pecuniary benefits to the board member or executive director based on that contract.

(2) Participation in the making of a contract includes any act involving preliminary discussions, development, negotiations, compromises, reasoning, planning, drawing of plans and specifications, solicitation for bids, approval and execution.

(c) If a regional center governing board member, regional center executive director, or his or her family member has a financial interest in a potential contract that creates a present or potential conflict of interest, the regional center board member or executive director shall do all of the following prior to the first consideration of the potential contract:

(1) fully disclose the existence and nature of the conflicting financial interest to the regional center board;

(2) have it noted in the official board records;

(3) recuse himself or herself from making, participating in making, or in any way attempting to use his or her position to influence a decision on the matter;

(4) leave the room during any discussion or deliberations of the matter and shall not return until disposition of the matter is concluded; and

(5) shall not cast his or her vote upon any matter or contract concerning the financial interest or be counted for purposes of a quorum.

(d) Subdivision (c) does not apply if a board member, who is a regional center consumer, has a financial interest in a contract that will provide him or her with a financial benefit, if that benefit will be available to any regional center consumer.

(e) Regional center governing board members and executive directors shall not make any contract which is financially beneficial to a family member of such person, unless the benefits associated with the contract are available to regional center consumers or their families generally. When benefits associated with the contract are available to regional center consumer or their families generally, subdivision (c) does not apply.

(f) The regional center board may not avoid a conflicting financial interest in a contract by delegating its decision-making authority to another individual or body.

§54524. General Prohibition of Conflicts of Interest for Regional Center Governing Board Members and Executive Directors.

(a) In addition to the specific conflict-of-interest requirements and restrictions set forth above, regional center governing board members and executive directors are obligated to discharge their responsibilities with integrity and fidelity, and are prohibited from placing themselves in a position where their private, personal interests may conflict with their official duties.

(b) Governing board members and executive directors are impliedly bound to exercise the powers conferred on them with disinterested skill, zeal and diligence and for the benefit of the regional center and the consumers.

(c) If a situation arises that has not been specifically addressed in these regulations, where a governing board member, executive director, or his or her family member's personal or pecuniary interest conflicts with the individual's duty to act in the best interest of the regional center or the consumers, the governing board member or executive director is disqualified from taking any part in the discussion or from making any recommendation or decision regarding the transaction or decision.

(d) In interpreting and applying this section, the common law doctrine against conflict of interest and the authorities interpreting that doctrine shall govern.

§54525. Necessity of Conflict Resolution Plan for Conflicts of Interests for Regional Center Governing Board Members and Executive Directors.

(a) The regional center governing board or executive director shall not allow the regional center to refer a consumer to any business entity, entity or provider in which a board member or executive director has a conflict of interest as set forth in these regulations, unless the board member or executive director has eliminated the conflict of interest or obtained an approved Conflict Resolution Plan prior to the referral.

(b) No regional center governing board member or executive director who has a conflict of interest shall continue to serve as a board member or executive director in violation of these provisions, unless the individual has eliminated the conflict of interest or obtained an approved Conflict Resolution Plan. This subdivision does not apply to the extent it is permitted by Welfare and Institutions Code sections 4622 and 4626.

§54526. Positions Creating Conflicts of Interests for Employees, Contractors, Agents and Consultants.

(a) A conflict of interest exists when a regional center employee with decision or policy making authority, or contractor, agent or consultant with authority to act on behalf of the regional center, or family member of such person, is any of the following for a business entity, entity, or provider as defined in these regulations:

- (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 employee
- (10) an agent
- (11) a contractor
- (12) a consultant
- (13) holds any position of management
- (14) has decision or policy making authority

(b) A regional center employee, contractor, agent, or consultant, or a family member of such person, who is an employee, contractor, agent, or consultant of a state or local governmental entity that provides services to regional center consumers, and that

individual works in a position that does not relate to providing services to regional center consumers, does not have a conflict of interest as a result of his or her position with the state or local governmental entity. However, a regional center employee, contractor, agent, or consultant cannot be an employee of the Department of Developmental Services.

§54527. Financial Interests in Decisions Creating a Conflict of Interest for Employees, Contractors, Agents or Consultants.

(a) A regional center employee, contractor, agent or consultant shall not make, participate in making, or in any way attempt to use his or her position to influence a regional center decision in which he or she knows or has reason to know that he or she, or his or her family member, has a financial interest.

(b) Financial interest, as used in this section, includes any current or contingent ownership, equity, or security interest that could result directly or indirectly in receiving a pecuniary gain or sustaining a pecuniary loss as a result of the interest in any of the following:

- (1) business entity worth two thousand dollars (\$2,000) or more.
- (2) real or personal property worth two thousand dollars (\$2,000) or more in fair market value.
- (3) stocks or bonds worth two thousand dollars (\$2,000) or more.
- (4) intellectual property rights worth five hundred dollars (\$500) or more
- (5) sources of gross income aggregating five hundred dollars (\$500) or more within prior 12 months
- (6) future interests for compensation of five hundred dollars (\$500) or more.
- (7) personal finances of two hundred fifty dollars (\$250) or more.

§54528. Financial Interests in Contracts Creating a Conflict of Interest for Regional Center Employees, Contractors, Agents and Consultants.

(a) The purpose of this section is to make certain that regional center employees, contractors, agents and consultants are guided solely by the interests of the regional center and its consumers and not by their financial interests when participating in the making of contracts in their official capacity.

(b) Regional center employees, contractors, agents and consultants shall not be financially interested in any contract in which they participate in making in their official capacity.

(1) Financially interested, for purposes of this section, means any financial interest regardless of the dollar amount, and includes aiming to achieve a financial gain or avoid a financial loss. The financial interest may be direct or indirect and includes any monetary or proprietary benefit, gain of any sort, or the contingent possibility of monetary or proprietary benefits, and extends to expectations of economic benefit. Certainty of financial gain is not necessary to create a conflict of interest.

(A) The financial interest is direct when the individual, in his or her official capacity, does business with himself or herself in his or her private capacity.

(B) The financial interest is indirect if an employee, contractor, agent or consultant enters into a contract in his or her official capacity with an individual or entity, and because of the relationship between the individual or entity to the employee, contractor, agent or consultant, the individual or entity is in a position to render actual or potential pecuniary benefits to the employee, contractor, agent or consultant based on that contract.

(2) Participation in the making of a contract includes any act involving preliminary discussions, development, negotiations, compromises, reasoning, planning, drawing of plans and specifications, solicitation for bids, approval and execution.

(c) Regional center employees, contractors, agents or consultants shall not make any contract which is financially beneficial to a family member of such person, unless the benefits associated with the contract are available to regional center consumers or their families generally.

§54529. General Prohibition of Conflicts of Interest for Regional Center Employees, Contractors, Agents and Consultants.

(a) In addition to the specific conflict-of-interest requirements and restrictions set forth above, regional center employees, contractors, agents and consultants are obligated to discharge their responsibilities with integrity and fidelity, and are prohibited from placing themselves in a position where their private, personal interests may conflict with their official duties.

(b) A regional center employee, contractor, agent or consultant is impliedly bound to exercise the powers conferred on him or her with disinterested skill, zeal and diligence and for the benefit of the regional center and its consumers.

(c) If a situation arises that has not been specifically addressed in these regulations, where a present or potential personal conflict of interest exists as to a particular transaction or decision, the employee, contractor, agent or consultant is disqualified from taking any part in the discussion or from making any recommendation or decision regarding the particular matter.

(d) In interpreting and applying this section, the common law doctrine against conflict of interest and the authorities interpreting that doctrine shall govern.

§54530. Employees, Contractors, Agents and Consultants Conflicts with Regional Center Duties.

(a) A conflict of interest exists when a regional center employee, contractor, agent or consultant participates in the evaluation of an application for employment or bid for position or contract at the regional center that is submitted by a family member of such person.

(b) A potential conflict of interest exists when a regional center supervisor who is an employee, contractor, agent or consultant acting on behalf of the regional center supervises his or her family member who is a regional center employee, contractor, agent or consultant..

§54531. Conflict of Interest Reporting Statements for Employees, Contractors, Agents and Consultants, Time for Filing.

(a) Each regional center employee, contractor, agent, and consultant who has authority to act on behalf of the regional center or who has decision or policy-making authority as defined in section 54505 of these regulations shall complete and file a standard Conflict of Interest Reporting Statement (Rev. 8/2013), hereby incorporated by reference.

(b) Each regional center employee, contractor, agent, and consultant shall complete and file an annual Conflict of Interest Reporting Statement with his or her respective regional center, whether or not the individual has identified a present or potential conflict of interest, by August 1 of each year.

(c) Each newly appointed regional center employee, contractor, agent, and consultant shall complete and file a Conflict of Interest Reporting Statement with the individual's respective regional center within 30 calendar days of assuming the position.

(d) Each regional center employee, contractor, agent, and consultant shall complete and file a new Conflict of Interest Reporting Statement within 30 calendar days of any change in status that creates a present or potential conflict of interest. For purposes of this subdivision, a change of status includes a previously unreported activity that should have been reported, change in the circumstance of a previously reported activity, change in a financial interest, familial relationship, or legal commitment(s), change in regional center position or duties, or change to outside position or duties. This requirement is in addition to the annual August 1 submission of a Conflict of Interest Reporting Statement required by this section.

(e) The executive director or the acting executive director of the regional center shall review the completed Conflict of Interest Reporting Statement of each regional center employee, contractor, agent, and consultant required to file a Conflict of Interest Reporting Statement within 10 calendar days of receipt of the completed Conflict of Interest Reporting Statement and shall determine whether the statement identifies a present or potential conflict of interest.

§54532. Conflict of Interest Reporting Statements for Regional Center Governing Board Members and Regional Center Executive Directors, Time for Filing.

(a) Each regional center governing board member and regional center executive director shall complete and file an annual Conflict of Interest Reporting Statement with his or her respective regional center governing board, whether or not the individual has identified a present or potential conflict of interest, by August 1 of each year.

(b) Each new candidate for the regional center governing board and each new candidate for regional center executive director shall disclose any present or potential conflicts of interest to the regional center governing board, prior to being appointed, elected, or approved for hire by the regional center or the regional center governing board.

(c) Each new regional center governing board member and each new regional center executive director shall complete and file a Conflict of Interest Reporting Statement with

his or her respective regional center board within 30 calendar days of being selected, appointed, elected, or approved for the position.

(d) Each regional center governing board member and each regional center executive director shall complete and file a new Conflict of Interest Reporting Statement with his or her respective regional center board within 30 calendar days of any change in status that creates a present or potential conflict of interest. For purposes of this subdivision, a 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, or legal commitment(s), change in regional center, or change to outside position or duties. This requirement is in addition to the annual August 1 submission of a Conflict of Interest Reporting Statement required by this section.

(e) The regional center governing board shall submit a copy of each completed Conflict of Interest Reporting Statement of the governing board member(s) and the regional center executive director to the Department within 10 calendar days of receipt of the completed Conflict of Interest Reporting Statement.

(f) The Department and the regional center governing board shall review the Conflict of Interest Reporting Statement of each regional center governing board member and each regional center executive director and shall determine whether the statement identifies a present or potential conflict of interest.

§54533. Present or Potential Conflict of Interest Identified, Proposed Conflict Resolution Plan Content, Timelines for Submission of Proposed Conflict Resolution Plan.

(a) When a present or potential conflict of interest is identified for a regional center board member, executive director, employee, contractor, agent or consultant, the present or potential conflict shall be either eliminated or mitigated and managed through a Conflict Resolution Plan, or the individual shall resign his or her position with the regional center or regional center governing board.

(b) When a present or potential conflict of interest has been identified by the regional center executive director for a regional center employee, contractor, agent or consultant, the regional center shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict to the Department within 30 calendar days of receipt of the completed conflict of interest statement from the employee, contractor, agent or consultant.

(c) When a present or potential conflict of interest has been independently identified by the Department for a regional center employee, contractor, agent or consultant, the Department shall notify the regional center executive director, in writing, of the present or potential conflict. The regional center executive director shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict to the Department within 30 calendar days of receipt of the Department's notification.

(d) When a present or potential conflict of interest has been identified by the regional center governing board for a regional center governing board member or regional center executive director, the regional center governing board shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict to the Department, to the area board in the respective area, and to the State Council within 30 calendar days of receipt of the completed Conflict of Interest Reporting Statement.

(e) When a present or potential conflict of interest has been independently identified by the Department for a regional center governing board member or regional center executive director, the Department shall notify the regional center governing board, in writing, of the present or potential conflict. The regional center governing board shall submit a copy of the completed Conflict of Interest Reporting Statement and a proposed Conflict Resolution Plan for eliminating or mitigating and managing the present or potential conflict to the Department, to the area board in the respective area, and to the State Council within 30 calendar days of receipt of the Department's notification.

(f) To promote transparency, the regional center shall post on its internet website each completed Conflict of Interest Reporting Statement that identifies a present or potential conflict of interest that cannot be resolved within 30 calendar days of receipt by the regional center governing board or the regional center executive director, or within 30 calendar days of receipt of the Department's notification that it has independently identified a present or potential conflict of interest.

The completed Conflict of Interest Reporting Statement shall remain on the regional center's Internet website until the present or potential conflict of interest has been eliminated, or the individual has resigned his or her regional center position.

(g) 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 proposed Conflict Resolution Plan shall:

(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

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

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

(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.

(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.

(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.

(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.

§54534. Conflict Resolution Plan Review, Procedures.

(a) Not later than 90 calendar days after the area board in the respective area and the State Council receive copies of the completed Conflict of Interest Reporting Statement and the proposed Conflict Resolution Plan for a regional center governing board member or regional center executive director, the area board and the State Council shall each provide to the Department their written approval or disapproval of the proposed Conflict Resolution Plan. If either the area board or the State Council fails to provide the Department with its written approval or disapproval of the proposed Plan within 90 calendar days of receipt of the Conflict of Interest Reporting Statement and the proposed Plan, the Department alone may make the decision to disapprove the proposed Plan. The Department shall not approve a proposed Conflict Resolution Plan without the approval of both the area board and the State Council.

(b) The Department shall determine whether a proposed Conflict Resolution Plan is sufficient or needs to be modified to adequately eliminate, or mitigate and manage, the present or potential conflict of interest. The Department may impose additional restrictions and additional obligations to the proposed Conflict Resolution Plan and/or make a determination that further information is required.

(c) The Department is responsible for making the final decision as to what conditions, restrictions, obligations, or actions, if any, shall be imposed or taken by the regional center governing board, regional center, and/or the individual(s), to eliminate, or mitigate and manage, the present or potential conflict of interest.

(d) The submission of a proposed Conflict Resolution Plan does not authorize an individual with a present or potential conflict of interest to engage in any activity that constitutes a present or potential conflict of interest. The proposed Conflict Resolution Plan shall be approved, in writing, by the Department, and the Conflict Resolution Plan fully implemented prior to the individual engaging in otherwise prohibited conduct. Department approval is not granted until the regional center receives such determination in writing. Individuals shall not engage in activities in which there is a present or potential conflict of interest except in accordance with the terms of an approved Conflict Resolution Plan.

(e) Department approval of a proposed Conflict Resolution Plan is not valid unless it is based upon full disclosure of all relevant information by the regional center governing board, regional center, and/or the individual(s) with the present or potential conflict of interest. Nondisclosure or misrepresentation of present or potential conflicts of interest or of material information bearing on the proposed Conflict Resolution Plan decision shall result in the Department's rescission of its approval and/or immediate denial of the proposed Conflict Resolution Plan, in addition to any civil penalties imposed pursuant to Welfare and Institutions Code section 4626.

(f) The Department shall issue its modification, approval, or denial of the proposed Conflict Resolution Plan, in writing, to the regional center governing board or the regional center's designated party within 30 calendar days of receiving the written approval or disapproval of the proposed Conflict Resolution Plan from the area board and the State Council for regional center governing board members or executive directors, and within 30 calendar days of receipt of the proposed Conflict Resolution Plan, for employees, contractors, agents and consultants, unless the Department determines there is good cause for extending the time to respond.

(g) If the proposed Conflict Resolution Plan of an employee, contractor, agent or consultant is denied by the Department, the individual shall have 30 calendar days from the date of receipt of the Department's written denial in which to take the necessary action to eliminate the conflict of interest or resign his or her position as an employee, contractor, agent, or consultant. The Department may, in exercise of its discretion, grant the individual and/or the regional center an extension in which to complete any actions necessary to eliminate the conflict of interest.

(h) If the proposed Conflict Resolution Plan of a regional center governing board member or executive director is denied by the Department and/or the State Council or area board in the respective area, the governing board member or executive director shall have 30 calendar days from the date of receipt of the Department's written denial in which to take the necessary action to eliminate the conflict of interest or resign his or her position as a regional center governing board member or executive director. The Department may, in exercise of its discretion, grant the regional center governing board, governing board member, executive director or regional center, an extension in which to complete any actions necessary to eliminate the conflict of interest.

(i) If the proposed Conflict Resolution Plan is approved by the Department, the approved Conflict Resolution Plan shall be implemented not later than 30 calendar days after written notification is mailed by the Department, unless the Department grants the regional center governing board, the regional center and/or the individual(s) an

extension in which to complete any actions necessary to implement the approved Conflict Resolution Plan.

(j) The regional center governing board, the regional center, and/or the covered individual(s) shall fully comply with all elements set forth in the approved Conflict Resolution Plan. When required by the terms of the approved Plan, the regional center governing board, the regional center, and the individual(s) shall provide documentation demonstrating compliance with the approved Plan to the Department.

(k) A new proposed Conflict Resolution Plan shall be submitted to the Department on an annual basis and upon any change of status that creates a present or potential conflict of interest.

(l) The regional center governing board and/or the regional center shall retain a copy of each Conflict of Interest Reporting Statement and any approved Conflict Resolution Plan for the period of time consistent with the record retention requirements in its state contract.

§54535. Sanctions.

(a) If the Department finds a regional center governing board, board member, executive director, employee, contractor, agent, or consultant, in violation of any of the provisions of this article, the Department shall:

(1) Immediately inform the party or parties in writing of such violation, including the supporting facts or information upon which determination of violation was made; and

(2) Require that the party or parties take appropriate action, within 30 calendar days of the notice of violation, to resolve the conflict of interest or otherwise eliminate the violation. The Department may extend this 30-day period only once and for a period not to exceed 30 calendar days.

(b) If the violation is not resolved or eliminated within the 30 calendar days as herein provided, and no extension of time has been granted by the Department, the Department may take immediate action to commence procedures for termination or nonrenewal of the regional center contract pursuant to Welfare and Institutions Code section 4635. The area board in the respective area and the State Council shall be notified of the above action.



OFFICE OF THE GOVERNOR

May 2018

Drowning Prevention

Throughout the summer season, many Californians enjoy activities involving swimming at a pool, river, waterpark or beach. Careful vigilance can prevent tragedy, especially drowning.

According to the Centers for Disease Control and Prevention, about 10 people die from unintentional drownings every day in the United States. Drowning is a leading cause of injury-related deaths among children ages five and under, with an average of 51 new deaths per year in California. Children and adults who survive a near-drowning accident often suffer permanent brain damage. The California Department of Developmental Services currently provides services to 748 survivors of near-drowning accidents who require lifelong support for their disabilities.

I urge all Californians to enjoy the summer fun, but to follow important drowning prevention practices to protect themselves and their community. These life-saving steps include constant supervision of children in and around water, the use of pool fencing and personal floatation devices, and learning to perform cardiopulmonary resuscitation (CPR).

Sincerely,


EDMUND G. BROWN JR.

(EMAIL MAY 24, 2018)

Dear Regional Center Executive Directors,

The purpose of this email is to provide an update on the rate study required by Welfare and Institutions Code Section [4519.8](#).

The Department's contractor for this study, Burns and Associates (B&A) has worked with stakeholders to finalize a survey that providers will be asked to complete. B&A plans to email the survey to providers tomorrow, May 25th with an expected due date of July 6th. With the exception of family providers, all providers of services with rates set through negotiation with the regional center, or by the Department, are encouraged to complete the survey, even if they do not receive an email from B&A. Tomorrow, we will send each regional center an email that includes, a list of providers who received the survey from B&A, notification that the surveys have been emailed, and a link to the Department's website where survey information can be found, including a phone number and email address for technical assistance from B&A.

This survey will provide critical information to help inform the rate study. Therefore, it is important that as many providers as possible respond to the survey, even if they are only able to provide some of the information requested. To assist with this, regional centers should work with stakeholders including providers and provider organizations, on strategies to help inform providers about the survey, its importance to the rate study, and ways to facilitate responses, including but not limited to:

- Posting notifications in e-billing
- Posting survey and rate study information on the regional center website and social media accounts
- Encouraging staff who have routine contact with providers to discuss the importance of the rate study and survey
- Coordinating with the Vendor Advisory Committee or others to identify volunteers who are available to provide assistance to other providers
- Setting aside dedicated times at the regional center or elsewhere for providers to obtain support in completing the survey

Along with the technical assistance available through B&A, the Department is also available to assist by email, vendorsurvey@dds.ca.gov or phone, (916)-654-2300. Additionally, frequently asked questions and answers will be posted on the Department's website and updated periodically. We will provide routine updates to regional centers via email on the number of survey responses received throughout the survey period. This information will also be available on the Department's website.

It is important to note that this survey is just one component of the overall rate study that must be submitted to the Legislature by March 1, 2019. The rate study will also incorporate other information, including but not limited to costs for comparable services provided outside the regional center system, to help in developing recommendations for

proposed rate models. The outcome of these efforts, including findings and draft recommendations, will be presented to the Developmental Services Task Force for review and comment before the final rate study is submitted to the Legislature.

While the Department understands the time commitment required related to completion of this survey, we look forward to collectively working with regional centers and providers in getting as much information as possible through this survey to help inform the overall rate study.

Thank you for your assistance. If you have any questions regarding this correspondence, please contact Tamara Kidwell at Tamara.Kidwell@dds.ca.gov or (916) 651-6311.

*Brian Winfield
Deputy Director
Community Services Division
Department of Developmental Services
1600 Ninth Street
Sacramento, CA 95814
916-654-1958*