Westside Regional Center Board of Directors TRAINING Roberts Rules presented by Christofer Arroyo, State Council Tuesday October 20, 2020 6:30pm ZOOM Video 5901 Green Valley Circle, Culver City, CA 90230

AGENDA



Boardsmanship 101: The Role of a Regional Center Board & How to Conduct Business

Christofer Arroyo

State Council on Developmental Disabilities • Los Angeles Office 818/543-4631 • www.scdd.ca.gov

Westside Regional Center

Board of Directors TRAINING

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ATTENDANCE

Board Members	Attended?
Joseph Allen, Jr.	Yes
JoanElaine Anderson, SPAC Representative	Yes
Nilo Choudhry, Vice President	Yes
Elizabeth Espinosa	Yes
Zoe Adams Giesberg, ARCA Representative	Yes
Myra Mezquita	Excused absence
Betty Pearson-Grimble, President	Yes
Todd Rubien, Secretary	Yes
Russell Tanner	Yes
Sofia Vergara	Yes
David Wyles	Yes
Vanda Yung, Treasurer	Yes

Other Attendees
Christofer Arroyo, SCDD (Host)
Roschell Ashley, Executive Director WRC
Noelle Bensussen, Esq.
Judith Enright, Esq.
Tresa Oliveri, DDS Consultant



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Tuesday, January 21, 2020

What is the Lanterman Act?



- Defines the right and responsibilities of people with developmental disabilities and their families
- Establishes a network of regional centers and identifies the role of regional centers
 - To provide community services for people with developmental disabilities
- Identifies the role of the Council

Basic Principles of the Lanterman Act



- **Entitlement** to services
- Identifies the role of regional centers service coordination, advocacy, interagency collaboration, specialists, etc.
- Services based on <u>individual</u> needs
- Services focused on helping people to be more independent and participate in their communities
- Services to help children remain with their families

Role of the Board



- Strategic planning
- Supervision, hiring, and termination of the Executive Director
- Review financials and approve contracts over \$250k
- Review and/or set policies
- Performance contracts
- Engage with the public and public relations
- Ensure the quality of services WRC provides

Role of the Board (cont.)



- Review and ensure WRC staff are providing linguistically and culturally appropriate services
- Self-governance
 - Operate transparently, recruitment, ethics
- Report conflicts of interest
- Recruit and train new board members
 - Submit to DDS that the composition of the board is in compliance with the law
- The bylaws are current and followed

Board Vs. Staff Responsibilities



Board

- Be inclusive
- Make and review policies
- Ensures the law and bylaws are being followed, agency properly managed
- Evaluates, hires, & fires ED
- Strategic planning
- Represents agency to public

<u>Staff</u>

- Be inclusive
- Implements policies, provides info to the board to make & revise them
- Compiles info, regularly reports to the board, alerts board if illegal or unethical issues may occur
- Hires & evaluates all other personnel
- Helps and participates with strategic planning
- Represents agency to public

Board Member Obligations



- Make sure the regional center is following all rules and laws
- Attend meetings
- Read your packets, get the information you need
 - Ask questions
- Share your ideas, opinions, and feelings
- Know the WRC Bylaws
 - http://tinyurl.com/zwyjd88

Avoiding Conflicts



- Ethics
- Conflicts of Interest
- How to handle it
 - Disclose it
 - Recuse yourself
 - Leave the room
 - Do not vote
- What if you are unsure?

Committees



- The job of committees
- Standing committees
- Advisory committees
- Executive committees
- Set goals and action plans
- How many committees?

Complaints



- Fair hearings
 - DRC's Fair Hearing Packet: <u>http://tinyurl.com/h3ba6gu</u>
- §4731 Complaints
 - http://tinyurl.com/zcyp68t
- Whistleblower Complaints
 - http://tinyurl.com/zepvbww
- Grievances

Officers



Board Chair

- Chairs the meetings, enforces bylaws, ensures board receives training, recognizes those who wish to speak
- Works closely with the ED, works with the board to evaluate the ED
- The face to the community
- Appoints committee members, ensures they work effectively
- Vice Chair
 - Helps the Chair, serves as Chair in their absence
 - Succession planning
- Secretary
 - Maintains records, agenda, board attendance

A Note on Working with Others



- Make expectations clear
- Start with self-advocates
- Be nice!
- Embrace respectful disagreement
 - Focus on the issues, don't personalize debate
- Be inclusive
- Summarize choices, actions, discussions
- Parliamentary procedure is supposed to serve the interest and work of the board

A Note on Working with Others (cont.)



- Gain consensus
- Advocate for EVERYONE
- Onboarding
- When you speak, try to be:
 - Dignified
 - Logical
 - Accurate
 - Useful
 - Short
- Choose your tone carefully
- Clear and concise



- WIC §4660-4669
- All meetings must be open to the public
 - Except retreats [§4660(b)]
- Public must be given the opportunity to give input before any board action
 - Also, for any item **not** on the agenda during public input
- Keep a mailing list of those who want the agenda sent to them



- All materials distributed at or prior to the meeting are public documents and must be made available to the public
- Recording the meeting must be permitted
 - What if it's disruptive?
- Can do emergency meetings
 - Any activity which severely impairs public health, safety, or both as determined by a majority of the members of the regional center board
 - Must notify SCDD Los Angeles



- Closed sessions are permitted only for:
 - Real estate negotiations
 - The appointment, employment, evaluation of performance, or dismissal of a regional center employee
 - Employee salaries and benefits
 - Labor contract negotiations
 - Pending litigation
 - Any matter specifically dealing with a particular regional center client except when it is requested that the issue be discussed publicly by the client/client's conservator/parent if the client is a minor



- Closed session procedures
 - Must indicate before and after the closed session for what purpose was the closed session held
 - Must keep minutes, but they're not public

Parliamentary Principles



- Order there must be orderly procedure
- Equality all members are equal before the rule or law
- Justice that is, "justice for all"
- Right of the minority to be heard
- Right of the majority to rule the organization
 - Consensus, respect, & differing opinions





- Provides the right to know what will be discussed in advance
- Motions are used to make decisions and take formal action
- Nothing else can be done until the motion is considered





- Must be seconded before any action can be taken
 - Take public comment before voting on a motion
- Motion should include who, what, and when
- Should be precise
- Motions should always be in the affirmative

Resources



- WRC Governance Page
 - http://tinyurl.com/gs8yvtz
- WRC Bylaws
 - http://tinyurl.com/zwyjd88
- WRC Staff!



THE END THANK YOU FOR JOINING US!

Please feel free to join our email newsletter list by contacting us at losangeles@scdd.ca.gov. Thank you again!



How To Do Things¹ Under Robert's Rules of Order Plain Language

- 1. You want to bring up a new idea before the group.
 - In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by the Chair.
 - <u>Take a New Action ("Make a Motion")</u>:

After being called on by the chair, tell people what you think the Council should do and what action it should take.

Be specific. Sometimes it helps to write out the motion and read it.

A Second Person Must Agree:

A second person must agree with you and say that he or she "**seconds**" your idea or motion in order for the group to talk about and consider your motion.

¹Adapted from Cornell University Faculty publication: http://theuniversityfaculty.cornell.edu/meetings/RobertsRulesSimplified.pdf

2. You want to change some of the wording in a motion already being discussed	scussed	being d	already	in a motion	the wording	ge some of	chang	u want to	2. You
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In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by the Chair.

 Suggest a Change ("Move to Amend): After being called on by the chair, suggest a change by saying "I move to amend," AND

 Tell How Your Change Will Be Made Tell the group, you wish to amend by:

- adding words,
- removing words, or
- removing and inserting words.

A Second Person Must Agree:

Another person must "second" your idea.

3. You want more study and/or investigation given to the idea being discussed.

In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by the Chair.

• "Move to refer to a committee." Try to be specific and explain exactly what you think the

responsibility of the committee should be.

A Second Person Must Agree: Another person must "second" your idea.

4. You want more time personally to study the proposal being discussed.

In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by the Chair.

 "Move to postpone" to a definite time or date. Provide an exact time later on during the meeting, or at a future meeting on a specific date, to continue discussion

on the proposal.

• A Second Person Must Agree: Another person must "second" your idea.

5. You have heard enough discussion.

In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by the Chair.

"Move the previous question."

This cuts off discussion and brings the group to a vote on the question being discussed **only**.

★ Robert's Rules of Order require a 2/3rds vote for this motion. However, your Bylaws may say that **only a majority vote is necessary.** You should follow your Bylaws

 Or "move to close the debate" in order to end the discussion. ★ Robert's Rules of Order require a 2/3rds vote for this motion. However, your Bylaws may say that **only a majority vote is necessary.** You should follow your Bylaws.

A Second Person Must Agree:

Another person must "second" each of the above motions.

6. You believe the discussion has drifted away from the agenda and want to bring it

- In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by the Chair.
 - "Call for orders of the day."

This motion asks the group to follow its agenda or order of business. It does not require a second. The Chair may then go back to the scheduled business.

⇒No second is required.

7. You are confused about what is being discussed and want clarification.

- In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by the Chair.
- "Call for a point of information."

The Chair will ask you what your question is and attempt to clarify the situation.

⇒No second is required.

8. You want to take a short break.

In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by the Chair.

 "Move to recess" for a set period of time. Tell the group how long of a recess you are requesting.

The Chair must call on you before you make this motion. The motion requires a second and a majority vote. If the group votes for a recess, it goes into effect immediately.

A Second Person Must Agree:

Another person must "second" this motion.

9. You want to end the meeting before the scheduled end time or before agenda is finished.

In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by the Chair.

"Move to adjourn."

If the Chair has called on you, you make a motion to close the meeting even if there is still business pending This motion requires a second and a majority vote. The Chair announces adjournment.

• A Second Person Must Agree: Another person must "second" this motion.

10. You have changed your mind about something that was voted on earlier in the meeting and you were on the winning side.

In order to make a motion or talk during the discussion, you must be "given the floor" by being called on by teChair.

"Move to reconsider."
 You can make a motion to reconsider a decision

made by the group, but only if you were on the

winning side.

If this motion is approved by a majority vote, the decision can be discussed and voted on again as

though a vote had not been taken before.

A Second Person Must Agree: Another person must "second" this motion.

You may INTERRUPT a speaker for these reasons only:

- To get information about business point of information
- To get information about rules parliamentary inquiry
- If you can't hear, safety reasons, comfort, etc. question of privilege
- If you see a breach of the rules point of order

- 4622. The state shall contract only with agencies, the governing boards of which conform to all of the following criteria:
- (a) The governing board shall be composed of individuals with demonstrated interest in, or knowledge of, developmental disabilities.
- (b) The membership of the governing board shall include persons with legal, management, public relations, and developmental disability program skills.
- (c) The membership of the governing board shall include representatives of the various categories of disability to be served by the regional center.
- (d) The governing board shall reflect the geographic and ethnic characteristics of the area to be served by the regional center.
- (e) A minimum of 50 percent of the members of the governing board shall be persons with developmental disabilities or their parents or legal guardians. No less than 25 percent of the members of the governing board shall be persons with developmental disabilities.
- (f) Members of the governing board shall not be permitted to serve more than seven years within each eight-year period.
- (g) (1) The regional center shall provide necessary training and support to these board members to facilitate their understanding and participation, including issues relating to linguistic and cultural competency.
- (2) As part of its monitoring responsibility, the department shall review and approve the method by which training and support are provided to board members to ensure maximum understanding and participation by board members.
- (3) Each regional center shall post on its Internet Web site information regarding the training and support provided to board members.
- (h) The governing board may appoint a consumers' advisory committee composed of persons with developmental disabilities representing the various categories of disability served by the regional center.
- (i) The governing board shall appoint an advisory committee composed of a wide variety of persons representing the various categories of providers from which the regional center purchases client services. The advisory committee shall provide advice, guidance, recommendations, and technical assistance to the regional center board in order to assist the regional center in carrying out its mandated functions. The advisory committee shall designate one of its members to serve as a member of the regional center board.
- (j) (1) The governing board shall annually review the performance of the director of the regional center.
- (2) The governing board shall annually review the performance of the regional center in providing services that are linguistically and culturally appropriate and may provide recommendations to the director of the regional center based on the results of that review.
- (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 client 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.

- 4622.5. By August 15 of each year, the governing board of each regional center shall submit to the department detailed documentation, as determined by the department, demonstrating that the composition of the board is in compliance with Section 4622.
- 4623. In the event that the governing board of the regional center is not composed of individuals as specified in subdivisions (a) to (f), inclusive, of Section 4622, such governing board shall establish a program policy committee which is composed of such individuals. The program policy committee shall appoint one of its members to serve as an ex officio member of the governing board.
- 4624. When the governing board of the regional center is not composed of individuals as specified in subdivisions (a) to (f), inclusive, of Section 4622, the program policy committee to the regional center shall be responsible for establishing the program policies of the regional center. All program policies adopted by a program policy committee shall conform to the provisions of this division and the contract between the department and the governing board.
- 4625. The department shall not contract with any new regional center contracting agency unless the governing board of the agency is composed of individuals as specified in subdivisions (a) to (f), inclusive, of Section 4622.

This section shall become operative on July 1, 1999.

- 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 decisionmaking 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.
- (1) 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.

WELFARE AND INSTITUTIONS CODE SECTION 4660-4669

- 4660. All meetings of the board of directors of each regional center shall be scheduled, open, and public, and all persons shall be permitted to attend any meeting, except as otherwise provided in this section. Regional center board meetings shall be held in accordance with all of the following provisions:
- (a) Each regional center shall provide a copy of this article to each member of the regional center governing board upon his or her assumption of board membership.
- (b) As used in this article, board meetings include meetings conducted by any committee of the governing board which exercises authority delegated to it by that governing board. However, board meetings shall not be deemed to include board retreats planned solely for educational purposes.
- (c) At each regional center board meeting, time shall be allowed for public input on all properly noticed agenda items prior to board action on that item. Time shall be allowed for public input on any issue not included on the agenda.
- (d) Any person attending an open and public meeting of a regional center shall have the right to record the proceedings on a tape recorder, video recorder, or other sound, visual, or written transcription recording device, in the absence of a reasonable finding of the regional center governing board that such recording constitutes, or would constitute, a disruption of the proceedings.
- 4661. (a) Regional centers shall mail notice of their meetings to any person who requests notice in writing. Notice shall be mailed at least seven days in advance of each meeting. The notice shall include the date, time, and location of, and a specific agenda for, the meeting, which shall include an identification of all substantive topic areas to be discussed, and no item shall be added to the agenda subsequent to the provision of this notice. The notice requirement shall not preclude the regional center board from taking action on any urgent request made by the department, not related to purchase of service reductions, for which the board makes a specific finding that notice could not have been provided at least seven days before the meeting, or on new items brought before the board at meetings by members of the public.
- (b) The regional center shall maintain all recordings and written comments submitted as testimony on agenda items for no less than two years. These materials shall be made available for review by any person, upon request.
- (c) Any action taken by a board that is found by a court of competent jurisdiction to have substantially violated any provision of this article shall be deemed null and void.
- 4662. In the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of regional center services, an emergency meeting may be called without complying with the advanced notice requirement of

Section 4661. For the purposes of this article, "emergency situation" means any activity which severely impairs public health, safety, or both, as determined by a majority of the members of the regional center board. In these situations, advance notice shall be provided if practicable. In addition, the state council shall be notified by telephone of each emergency meeting. The minutes of an emergency meeting, including a description of any actions taken at the meeting, shall be mailed immediately to those persons described in Section 4661.

- 4663. (a) The governing board of a regional center may hold a closed meeting to discuss or consider one or more of the following:
 - (1) Real estate negotiations.
- (2) The appointment, employment, evaluation of performance, or dismissal of a regional center employee.
 - (3) Employee salaries and benefits.
 - (4) Labor contract negotiations.
 - (5) Pending litigation.
- (b) Any matter specifically dealing with a particular regional center client must be conducted in a closed session, except where it is requested that the issue be discussed publicly by the client, the client's conservator, or the client's parent or guardian where the client is a minor. Minutes of closed sessions shall be kept by a designated officer or employee of the regional center, but these minutes shall not be considered public records. Prior to and directly after holding any closed session, the regional center board shall state the specific reason or reasons for the closed session. In the closed session, the board may consider only those matters covered in its statement.
- 4664. The governing board of a regional center may hold a closed session regarding pending litigation when discussion in open session concerning those matters would prejudice the position of the regional center in the litigation. Litigation shall be considered pending when any of the following circumstances exist:
- (a) An adjudicatory proceeding to which the regional center is a party has been initiated formally.
- (b) A point has been reached where, based upon existing facts and circumstances and the advice of legal counsel, it is determined that there is a significant exposure to litigation against the regional center
- (c) Based on existing facts and circumstances, the regional center has decided to initiate or is deciding whether to initiate litigation.

Prior to holding a closed session pursuant to this section, the regional center governing board shall state publicly to which subdivision it is pursuant.

4665. Agendas and other writings or materials distributed prior to or during a regional center board meeting for discussion or action at the meeting shall be considered public records, except those materials distributed during, and directly related to, a closed session authorized under Section 4663. Writings which are distributed prior to commencement of a board meeting shall be made available for

public inspection upon request prior to commencement of the meeting. Writings which are distributed during a board meeting shall be made available for public inspection at the time of their discussion at the meeting. A reasonable fee may be charged for a copy of a public record distributed pursuant to this section.

- 4666. No regional center shall conduct any meeting, conference, or other function in any facility that prohibits the admittance of any person, or persons, on the basis of ancestry or any characteristic listed or defined in Section 11135 of the Government Code.
- 4667. All regional center board meetings shall be held in facilities accessible to persons with physical disabilities.
- 4668. (a) Any action taken by a regional center governing board in violation of this article is null and void. Any interested person may commence an action by mandamus, injunction, or declaratory relief for the purpose of obtaining a judicial declaration that an action taken in violation of this article is null and void.
- (b) A court may award court costs and reasonable attorney's fees to the plaintiff in an action brought pursuant to this section where it is found that a regional center board has violated the provisions of this article.
- (c) This section does not prevent a regional center governing board from curing or correcting an action challenged pursuant to this section.
- 4669. The provisions of this article shall not apply to the corporate affairs of the governing board of a regional center which have no relationship to the role and responsibility of a regional center set forth in this chapter.

Simplified Parliamentary Procedure

Based on Robert's Rules of Order Newly Revised

League of Women Voters

The application of parliamentary law is the best method yet devised to enable assemblies of any size, with due regard for every member's opinion, to arrive at the general will on a maximum number of questions of varying complexity in a minimum time and under all kinds of internal climate ranging from total harmony to hardened or impassioned division of opinion.

From the Introduction to Robert's Rules of Order Newly Revised.*

Organizations

An organization and the way it functions are governed by its charter (if it is incorporated), its bylaws, and parliamentary rules or rules of order. Nothing in the bylaws may conflict with the corporate charter; the bylaws, in turn, supersede the rules of order. Bylaws are considered so important that special requirements are set for changing them. These usually include advance notice and a larger-than-majority vote for the adoption of amendments.

Most organizations use as their parliamentary authority a published manual, such as Robert's Rules of Order Newly Revised, which they may modify to meet their particular needs by adopting special rules of order.

Governing an organization

In any organization, final authority rests with the members assembled in regular or annual meetings or conventions, though they may not, of course, take any action that conflicts with the charter or bylaws.

The business of most organizations is managed by a board of directors that is responsible to the membership and acts under its general instructions and guidance. The officers and members of the board are usually elected at an annual meeting, although the board is sometimes empowered to choose some of its own members. Other members may serve *ex officio* because of another position they hold. Ex officio members have all privileges, including the right to vote and make motions.

Work is often carried on by committees that are either provided for in the bylaws (standing committees) or appointed for a special purpose (ad hoc committees). Their powers are limited to those specifically given them by the bylaws or by direction of the board or the members. Usually they report to the

^{*}Robert's Rules of Order Newly Revised, the most commonly used parliamentary manual, is published by Scott, Foresman and Company, Glenview, Illinois, and can be obtained through most bookstores.

^{© 1979} League of Women Voters of the United States

board or to the membership meeting and are not authorized to act on their own in the name of the organization.

Officers

The president

□ supervises the conduct of the organization's business and activities;

□ serves, *ex officio*, on all but the nominating committee; and

☐ presides at meetings.

The vice-president

acts in place of the president when necessary and presides at meetings when the president temporarily vacates the chair. In the absence of the president, the vice-president should not change rules, cannot fill vacancies required to be filled by the president and does not serve as an *ex officio* member of committees:

upon the death or retirement of the president, assumes all the duties and privileges of the president, unless the bylaws provide another method of filling the vacancy.

In organizations with more than one vicepresident, these duties and responsibilities are assumed by the first vice-president.

The secretary

- ☐ is the recording officer;
- ☐ handles correspondence;
- ☐ issues notices of meetings;
 ☐ informs those elected or appointed to office or committees;
- receives and files committee reports; and
- □ keeps the minutes of meetings.

 At each meeting the secretary should have

At each meeting the secretary should have the minute book, a copy of the bylaws, a book on parliamentary procedure and a list of the unfinished business from the previous meeting.

The treasurer

☐ receives funds;

Minutes should reflect what was done, not what was said, at a meeting. The common tendency is to report in too much detail. Minutes should contain:

- the date, place, time and type of meeting (regular, special);
- the names of the presiding officer, the secretary and, in boards and committees, the names of those present;
- action taken on the minutes of the previous meeting and corrections, if any;
- exact wording of each motion, the name of the maker and the disposition;
- the name and topic of guest speakers (their speeches need not be summarized);
- time of adjournment.

☐ deposits them in banks approved by the board; and

☐ pays bills for expenses that have been authorized.

If any appreciable sums of money are involved, the treasurer should be bonded to protect the organization from loss. It is customary for the treasurer to report to the board at each of its meetings and to make a full financial report to the annual meeting or convention. (In larger organizations this report should be reviewed by an independent auditor. If the auditor's report is available at the time of the annual meeting or convention, it should be presented immediately after the treasurer's report. Adoption of the auditor's report, on motion, signifies acceptance of the treasurer's report.)

Meetings

At all meetings (referred to in Robert's Rules as "assemblies") it is up to the presiding officer to use the rules of parliamentary procedure appropriately so that good order and reasonable decorum are maintained and the business of the meeting goes forward. At times, the technical rules of parliamentary

procedure may be relaxed as long as the meeting accomplishes its purpose and the rights of absentees and minorities are protected. Conventions and large meetings are conducted more formally than the meetings of small boards and committees.

The role of the presiding officer

The presiding officer (chair) should:

- \square Be ready to call the meeting to order at the time set.
- ☐ Follow the agenda and clarify what is happening and what is being voted on at all times.
- ☐ Deal firmly with whispering, commotion and frivolous or delaying debate and motions.
- ☐ See that debate is confined to the merits of the question and that personal comments are avoided. No one should speak more than twice on a subject, and no one should speak a second time until all who wish to speak have had a chance to do so.
- ☐ Talk no more than necessary. Except in small boards and committees, the presiding officer should not enter the debate without giving up the chair to a substitute until the motion under debate has been voted on.
- ☐ Remain calm and deal fairly with all sides regardless of personal opinion. To preserve this impartiality, the presiding officer abstains from voting except by ballot or to cast the deciding vote on an issue.

Order of business

A minimum number (quorum), as prescribed in the bylaws, must be present before business can be legally transacted. The presiding officer should determine that there is a quorum before beginning the meeting. Every organization is free to decide the order in which its business will be conducted, but most agendas follow a standard pattern:

1. Call to order.

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- **2. Minutes** are read by the secretary and corrections requested. The presiding officer says: *If there are no corrections the minutes stand approved as read.*
- 3. Treasurer's Report is given and questions called for: The Treasurer's Report will be filed.
- 4. Reports of officers, the board and standing committees. Recommendations in reports should be dealt with as motions at this point.
- 5. Reports of special committees.
- **6.** Unfinished business. Items left over from the previous meeting are brought up in turn by the presiding officer.
- 7. New business: Is there any new business?
- **8. Program.** The program chairperson is called upon to introduce a speaker, film or other presentation.
- 9. Announcements.
- 10. Adjournment: Is there any further business? (Pause) The meeting is adjourned.

Motions

Business is conducted by acting on motions. A subject is introduced by a main motion. Once this has been seconded and stated by the presiding officer, nothing else should be taken up until it is disposed of. Long and involved motions should be submitted in writing. Once a motion has been stated, the mover may not withdraw it without the consent of the meeting. Most motions must be seconded.

While a main motion is being considered, other parliamentary motions, which affect either the main motion or the general conduct of the meeting, may be made. The ones most frequently used are described in general below, but it should be noted that there are exceptions and modifications that cannot be included in this brief text.

1. Amend. Debatable; majority vote Used when the intention is to change, add or

omit words in the main motion. Amend the amendment: Used to change, add or omit words in the first amendment. This motion cannot itself be amended.

Method: The first vote is on the amendment to the amendment. The second vote is on the first amendment either as changed or as originally proposed, depending on the first vote. The third vote is on the main motion either as introduced or as amended.

- 2. Refer. Debatable: majority vote If a motion becomes too complicated through amendments or if more information is needed, a motion may be made to refer it to a committee for study or redrafting. This committee must report back or act as instructed.
- Debatable; majority vote 3. Postpone. Consideration of a motion can be delayed until a more suitable time, until other decisions have been made or until more information is available by a motion to postpone to a stated future time.
- Not debatable: 4. Lay on the table. majority vote I move that we table this motion. This post-

pones consideration in such a way that the motion can be taken up again in the near future if a majority decides to "take it from the table."

5. The previous question. Not debatable; two-thirds vote

I move the previous question. This motion is used to end debate that has become lengthy or repetitious. When it is seconded, the presiding officer immediately puts the question on closing debate. If this receives a twothirds vote, the pending motion is voted on at once without further discussion.

Usually debatable; 6. Reconsider. majority vote A vote may be reconsidered through this

motion, which must be made on the same day or the day following the vote by someone who voted on the prevailing side. A motion can be reconsidered only once. The first vote is on whether the motion should be reconsidered. If this passes, the second vote is on the motion itself.

7. Point of order and appeal.

A member who feels the rules are not being followed may call attention to the breach by rising and saying: Point of order. The chair says: State your point of order. Upon hearing it, the chair may say: Your point is well taken, or Your point is not well taken.

One dissatisfied with the ruling may appeal to the meeting for a final decision: Shall the decision of the chair be sustained? This appeal is debatable, and the presiding officer may enter the debate without giving up the chair. A majority of no votes is necessary to reverse the ruling; a tie sustains it.

8. Questions and inquiries.

Whenever necessary, advice may be asked as to correct procedures (parliamentary inguiry), facts may be requested (point of information), or a change may be sought for comfort or convenience (question of privilege). The presiding officer responds to the question or refers it to the proper person.

9. Adjourn. Usually not debatable; majority vote

If the time set for adjournment has arrived or there is no further business, the presiding officer declares the meeting adjourned without waiting for a formal motion. A member may move to adjourn at any time except when a speaker has the floor or a vote is in process. If the motion carries, the meeting is immediately adjourned.

Voting

The vote needed to pass a motion or elect an official is based on the votes actually cast,

unless the bylaws or rules provide otherwise. Thus, a majority is more than half of those voting; abstentions and blank ballots are disregarded.

☐ By using general consent, a formal vote can be avoided on routine matters where there is no opposition. The presiding officer says: If there is no objection (pause) . . . and declares the decision made.

☐ A voice vote (ave and no) is common practice but should not be used where more than a majority is needed.

☐ A show of hands is a good alternative in small groups.

☐ If unsure of the result, the presiding officer should order a rising vote or an actual count. If this is not done, a member can insist upon a rising vote by calling out "division": a count can be forced only by a motion made, seconded and approved by a majority

A motion for a ballot (secret written vote) can be made if the bylaws do not already require one. This motion is not debatable and requires a majority vote.

Nominations and elections

Normally, a nominating process is used for elections, although any eligible member may be elected whether nominated or not. Most organizations use a nominating committee to prepare a slate of nominees for the offices to be filled. Service on a nominating committee does not prevent a member from becoming a nominee.

After presentation of the nominating committee's report to the assembly, the presiding officer calls for nominations from the floor. Many organizations require that the consent of the nominee be obtained in advance to avoid a futile election. Seconds are not necessary for either committee nominations or nominations from the floor.

When all nominations appear to have been made, the presiding officer declares that nominations are closed—or a motion to this effect may be made. It is not debatable and requires a two-thirds vote. A motion to reopen nominations requires a majority vote.

The method of voting is usually fixed in the bylaws. A ballot is the normal procedure if there is more than one nominee for an office. If there are several nominees and the bylaws do not provide for election by a plurality vote (that is, the largest number, but not necessarily more than half of the votes cast), several ballots or votes may be needed before one candidate achieves a majority.

Where election is by ballot, the presiding officer appoints tellers (or an election committee) to collect and count the votes. The tellers' report, giving the number of votes cast for each nominee, is read aloud and handed to the presiding officer. The presiding officer rereads the report and declares the election of each official separately.

A postscript to the presiding officer:

The rules of parliamentary procedure are meant to help, not hinder. Applied with common sense, they should not frustrate the meeting or entangle it in red tape. Retain control at all times, give clear explanations, and keep things as simple as possible. Good advice from the chair as to the wording of motions and the best way to proceed will avoid needless complications. When in doubt, your rule should be: Respect the wishes of the majority, protect the minority and do what seems fair and equitable.

Order from League of Women Voters of the United States, 1730 M Street, NW, Washington, DC 20036. Pub #138,\$1.00(50@ for members).

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3. Parliamentary Procedures

GENERAL PRINCIPLES OF PARLIAMENTARY PROCEDURE



Every member of an organization should be familiar with the following simple rules and customs:

All members have equal rights, privileges, and obligations; rules must be administered impartially.

The minority has rights which must be protected.

Full and free discussion of all motions, reports, and other items of business is a right of all members.

In doing business the simplest and most direct procedure should be used.

Logical precedence governs introduction and disposition of motions.

Only one question can be considered at a time.

Members may not make a motion or speak in debate until they have risen and been recognized by the chair and thus have obtained the floor.

No one may speak more than twice on the same question on the same day without permission of the assembly. No member may speak a second time on the same question if anyone who has not spoken on that question wishes to do so.

Members must not attack or question the motives of other members. Customarily, all remarks are addressed to the presiding officer.

In voting, members have the right to know at all times what motion is before the assembly and what affirmative and negative votes mean.

Parliamentary Procedure chart

TO DO THIS	YOU SAY THIS	May you interrupt the speaker?	Must you be Seconded?	Is the motion debatable?	What vote is required?
INTRODUCE business (a primary motion)	"I move to"	No	Yes, unless the motion comes from a committee	Yes	Majority
AMEND a motion	"I move to amend this motion by"	No	Yes, unless the amendment is minor and the person who made the primary motion is agreeable to the change	Yes	Majority
AMEND an amendment* NOTE: Roberts allows only 1 amendment to an amendment. If that does not resolve the issue, the main motion should be withdrawn or defeated and a new motion introduced.	"I move to amend the amendment by"	No	Yes, unless as above. NOTE: An amendment to an amendment may only seek to change the amendment and not the main motion.	Yes	Majority
CALL for a vote NOTE: This motion, by itself, does not end debate. A 2/3 majority vote in the affirmative is required to end debate.	"I move the previous question"	No	Yes	No	2/3 Majority

TO DO THIS	YOU SAY THIS	May you interrupt the speaker?	Must you be Seconded?	Is the motion debatable?	What vote is required?
TABLE a motion for consideration at the next meeting* NOTE: A tabled motion not taken	"I move to table this motion"	No	Yes	No	Majority
up during the meeting is unfinished business and dies as unfinished business					
STUDY an issue	"I move to refer this motion to committee"	No	Yes	Yes	Majority
RECONSIDER a motion already disposed* NOTE: To make this motion, one must have voted on the prevailing side. This motion must occur before the meeting at which the motion was made and disposed is adjourned. This motion only reopens debate, another vote must be taken to dispose of the matter again.	"I move we reconsider our action relative to"	Yes	Yes	Yes	Majority

TO DO THIS	YOU SAY THIS	May you interrupt the speaker?	Must you be Seconded?	Is the motion debatable?	What vote is required?
RESCIND a decision made at a previous meeting*	"I move to rescind the motion previously made relative to"	No	Yes	Yes	Majority
VERIFY a voice vote	"I call for a division of the house"	No	No	No	No vote
SUSPEND the rules	"I move to suspend the rules and consider"	No	Yes	No	2/3 Majority
OBJECT to a procedure or personal affront*	"Point of order"	Yes	No	No	No vote
REQUEST information*	"Point of information"	Yes	No	No	No vote
RECESS the meeting	"I move that we recess until"	No	Yes	No	Majority
ADJOURN the meeting	"I move that we adjourn"	No	Yes	No	Majority

^{*} these motions are not amendable



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Westside Regional Center BOARD 'BYLAWS' TRAINING # 1 Conducted by Enright & Ocheltree Judith Enright; Noelle Bensussen

Wednesday, February 17, 2021 6 PM - 8:05 PM

Summary: A review of a draft of the 'Third Reinstatement of Bylaws' for Westside Regional Center (WRC) was completed at the training. Prior to the training, a review of the Bylaws in plain language was conducted for board members who are supported by WRC. During the training, a staff member was also present to provide support to everyone to ensure areas not covered in the pre-training was discussed in plain language. During the Board's Bylaws training, edits were suggested and recommended regarding eliminating the requirement of the Consumer Advisory Committee (CAC) Members to complete an application and interview. Instead, a document reflective of a sign-in sheet used at CAC meetings with necessary information was proposed. The names of the CAC members would be placed on a slate for Board review and approval. This recommendation will be taken to the Executive Committee for consideration before Board approval of the Bylaws.

In addition, prior to this training, various sessions were held to go over the Bylaws and the proposed revisions to comply with WRC's Special Contract Language. These sessions were attended by the Board of Directors and hosted by Enright and Ocheltree. Additional sessions for CAC members or those individuals supported by WRC were hosted by Director Dr. Sofia Vergara, and staff members Roschell Ashley, Megan Mendes and Rhiannon Maycumber.

Currently, there are 12 members of WRC's Board of Directors. The following board members were present at the Bylaws training held via Zoom video conferencing on February 17, 2021:

Joseph Allen, Jr, Director Nilo Choudhry, Vice President Elizabeth Espinosa, Director Zoey Giesberg, Director Todd Rubien, Secretary Russell Tanner, Director
Dr. Sofia Vergara, Ex-Officio Director
David Wyles, Director
Vanda Yung, Interim Treasurer

The following board members were not present at the training held via Zoom video conferencing on February 17, 2021:

Joan Elaine Anderson, SPAC Rep Myra Mezquita, Director (on leave) Betty Pearson-Grimble, President

Note: Revised Bylaws are set for approval at February 24th Board Meeting. If approved, the Bylaws would be the Third Reinstatement of Bylaws for Westside Regional Center.

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Westside Regional Center BOARD TRAINING #2 – Legal and Ethical Responsibilities Conducted by Enright & Ocheltree Judith Enright; Noelle Bensussen

Wednesday, March 24, 2021 6:00PM – 7:09PM

Summary:

A review for Westside Regional Center (WRC) of the Legal and Ethical Responsibilities. During the training, Felicia Ford, was present as facilitator to those who we support who serve on our Board. Board Advisors Tresa Oliveri of Regional Center of Orange County and David Hadacek of San Diego Regional Center were both present for training. All of what was discussed is listed in the Bylaws, but this training provided a more specific and practical approach to understanding. The duties are to the regional center and to the clients, but not to run or operate the regional center. The Board of Directors job is to protect and operate in the best interest of the regional center.

Currently, there are 12 members of WRC's Board of Directors. The following board members were present at the Board Training held via Zoom video conferencing on March 24, 2021:

Joseph Allen, Jr, Director
Russell Tanner, Director
Nilo Choudhry, Vice President
Dr. Sofia Vergara, Ex-Officio Director
David Wyles, Director
Zoey Giesberg, Director
Vanda Yung, Interim Treasurer
Betty Pearson-Grimble, President
Todd Rubien, Secretary

The following board members were not present at the training held via Zoom video conferencing on March 24, 2021:

Elizabeth Espinosa, Director Joan Elaine Anderson, SPAC Rep Myra Mezquita, Director (on leave)

Summary of Presentation on Board Duties, Roles and Responsibilities and Laws Applicable to the Operation of a Non-Profit

March, 2021

Board Structure

- Board Composition and Recruitment
- Board Committees
- Ad Hoc Committees

Board Roles and Responsibilities

- Board Accountability
- Set Organizational Direction and Policies
- Provide Corporate Oversight
- Monitor Resources
- Oversee Major Goals and Strategies
- □ Meet with DDS
- Individual Board Member Responsibilities

Duties of Directors of Non-Profit Public Benefit Corporation

- Fiduciary Duties
 - Duty of Care
 - Duty of Loyalty
 - Business Judgment Rule
- Reasonable Reliance on Others for Information,
 Opinions and Reports

Remember Your Role

- Directors need to
 - Remember their roles and operate within their authority
 - Demonstrate sensitivity to ethnic and cultural issues
 - Maintain Confidentiality
 - Avoid Conflicts of Interest

Confidentiality

- Confidentiality in Closed Meetings/Executive Session
 - Matters for discussion in Executive Session
 - Pending Litigation
 - Confidentiality in Client Information

Conflicts of Interest Statutes & Regulations

- □ WIC 4626- Conflicts of Interest for Board members
- □ Title 17, Section 54520(a), CCR— Conflicts of Interest for Board members and Executive Director
- Conflict of Interest Disclosures
 - Annual Reporting Statements
 - Elimination or mitigation of conflicts through a Conflict Resolution Plan approved by the State Council and DDS or Resignation of Position

No Personal Liability

- Freedom from liability for unpaid (volunteer) Board members who act in their official capacity, in good faith, in the best interests of the Corporation, and in the exercise of policymaking judgment.
 - Exceptions to Freedom from Liability (No insurance coverage)— selfdealing transaction, conflicts of interest, actions brought by AG, intentional/reckless/grossly negligent actions, fraud
- Ways for Directors to protect themselves from potential Board actions which cause concern
- Insurance Coverage- Directors' and Officers' coverage with additional coverage for employment practices liability

Contracts of \$250,000 or More

- Contracts of \$250,000 or More- WIC 4625.5- Not valid unless approved by the full Board in compliance with its written policy.
 - Exclusions
 - Vendor approval letters issued by regional centers pursuant to 17 CCR Section 54322
 - POS authorizations for individuals served
 - Exception- When Contract requires immediate review and approval- Valid if Executive Committee votes to approve the contract and the approval is expressly ratified by resolution by the Board

Federal Laws Governing Non-Profits

- Internal Revenue Code section 501(a) and 501(c)(3) [26 USCS 501(a) and 501(c)(3)]-- To be exempt from taxation:
 - Entity must be organized and operated exclusively for exempt purposes set forth in section 501(c)(3) (e.g., charitable, religious, educational etc. purposes)
 - None of its earnings may benefit any private shareholder or individual.
 - It may not be an action organization, i.e., it may not attempt to influence legislation (i.e., lobby) as a substantial part of its activities and
 - It may not participate in any campaign activity for or against political candidates.

The Restriction of Political Campaign Intervention

- Prohibited from directly or indirectly participating in/intervening in political campaign on behalf of (or in opposition to) candidate for elective public office.
 - Cannot Contribute to political campaign on behalf of the organization
 - Cannot issue public statements of position (verbal or written) made on behalf of the organization in favor of or in opposition to any candidate
 - Violations may result in denial or revocation of tax-exempt status and the imposition of taxes.
- Exceptions
 - Voter education activities conducted in a non-partisan, neutral manner
 - Voter registration and get-out-the-vote drives, conducted in a non-partisan manner.
- Practical Application- Examples

The Restriction of Lobbying

- Prohibited from attempting to influence legislation (i.e., lobbying) as a substantial part of its activities.
 - Prohibition includes <u>direct</u> and <u>grassroots</u> lobbying
- Permitted to involve themselves in issues of public policy without the activity being considered lobbying by
 - Conducting educational meetings or preparing and distributing educational materials
 - Examining and discussing broad social, economic, and similar policy issues whose resolution would require legislation

Returns By Exempt Organizations Form 990

- Internal Revenue Code section 6033- Tax-exempt organizations are required to file annual tax return (IRS Form 990)
 - Mandatory Electronic filing of all Returns (26 USCS 6033(n).)
- Loss of Tax-Exempt Status for Failure to File Return
 - Revocation if fail to file annual return for 3 consecutive years (26 USCS 6003(j)(1)(B).)
 - May make Application for reinstatement if tax-exempt status is revoked (26 USCS 6033(j)(2).)
 - Retroactive reinstatement if reasonable cause shown for failure. (26 USCS 6033(j)(3).)

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Westside Regional Center BOARD TRAINING #3 – Financial Oversight Conducted by Jim Burton

Wednesday, April 21, 2021 6:00PM – 8:00PM

Summary:

A review for Westside Regional Center (WRC) of the Financial Oversight Responsibilities. During the training, Felicia Ford, was present as facilitator to those who we support who serve on our Board. The training included information relative to how Regional Center budgets are formed and the purposes of audits, as well as the Board of Directors role in understanding compliance and the financial health of the Regional Center.

Currently, there are 11 members of WRC's Board of Directors. The following board members were present at the Board Training held via Zoom video conferencing on April 21, 2021:

Joseph Allen, Jr, Director
Russell Tanner, Director
Nilo Choudhry, Vice President
David Wyles, Director
Zoey Giesberg, Director
Vanda Yung, Interim Treasurer
Betty Pearson-Grimble, President
Todd Rubien, Secretary
Elizabeth Espinosa, Director
Joan Elaine Anderson, SPAC Rep

The following board members were not present at the training held via Zoom video conferencing on April 21, 2021:

Myra Mezquita, Director (on leave)

Regional Center Financial Oversight

Jim Burton

Retired Executive Director

Regional Center of the East Bay

Monthly Financial Performance Review

- Purchase of Service Expenditure Projection (PEP)
- Monthly reporting to Board of Directors
 - % of year elapsed compared to % of funds spent
 - Remaining contract balance

Audits

- Audits are generally conducted by independent parties (Auditors, Funders, Government Agencies Etc.) The Goal of each audit is o investigate certain aspects of the business and provide an independent opinion as to the overall functioning of the business.
 - Annual Independent Financial Audit Statute WIC § 4639(a)
 - Biannual fiscal audits conducted by the department: Statute WIC §4629.5(b)(2) & WIC §4648.2
 - Biannual Home and Community–Based Services Waiver program reviews conducted by the department and the Department of Health Care Services

Annual Independent Financial Audit Statute WIC §4639(a)

- Financial reports, also called financial statements, demonstrate an organization's financial position over a specific period of time.
- Most organizations provide financial reports to their Boards of Directors on a monthly, quarterly or annual basis.
- They are reviewed to identify trends, successes, and problems within a company's finances.
- These reports are often prepared by accountants or financial teams, but they are not complicated to read.
- Read a financial report by paying attention to the balance sheet, income, and cash flow.
- Two examples can be found here (<u>link</u>) and (<u>link</u>)

Balance Sheet

- The balance sheet lists the assets, liabilities & equity of the organization.
- Read the assets. Assets include cash, receivables, Prepaid Expense, investments, property and other things owned by the company that have value. The assets are listed in order of liquidity (how easily it can be converted to cash). The most liquid assets, such as cash, are presented first.
- Review the liabilities. Liabilities are debts or obligations that the company owes to others. These include rent, payroll, taxes, loan payments and money owed to other vendors or contractors. The equity section gives a break down of the value of money invested and re-invested in the business. The liabilities and equity section are combined to produce a balance with the asset component.
- A balance sheet must always balance that is, the sum of assets must be equal to the sum of liabilities and equities. If that is not the case, it is usually the first sign of a badly reported financial Statement.

Income statement

- The Income Statement or P&L shows:
 - Dollars earned or allotted to a company/organization over the specified period of time (Revenue)
 - Dollars expended, directly or Indirectly to earn business revenue (Expenses). These include the costs of doing business, such as salaries, advertising, administrative cost and miscellaneous expenses
 - The bottom line of any income statement is operating profit (loss), which is the amount of money the company made after the operating expenses are deducted

Cash Flow Statement

The cash flow statement will tell you the following:

- How much cash the organization has available
- It will also track the money coming in and out of the organization during the specified time. This reports tracks cash in 3 sections:
 - 1) Operating activities This section analyzes how the organization's cash was used in order to reach its net profit or loss
 - 2) Investment activities This part of the cash flow statement shows any income from investments or assets that were sold
 - 3) Financing activities This tracks what the company did to pay back or acquire things such as bank loans

Review Narratives & Supporting Documents

- Accounting professionals/Auditor will often provide a final audit letter that provides an overview of the financial report
 - Very important to review even before looking at the financial statements
- Other key items to review
 - Understand key Organizational Accounting Policies
 - Organizational contracts
 - Legislative and policy changes that affect business operations (change in rates, service codes, billing process etc.)
 - Benefits and Pension plans (how those changes affect the organization's income and cash utilization)
 - Operating leases
 - Other contingencies

Biannual fiscal audit by DDS

- Biannually, DDS performs an audit of regional centers to ensure compliance with requirements set forth in Lanterman Developmental Disabilities Service Act and related Welfare & Institutions Code and California Code of Regulations (CCR), Title 17. These audits provide assurance to the Department of Health & Human Services, and Centers for Medicare and Medicaid (CMS) that services by through HCBS Waiver programs meet the criteria set forth for receiving these funds.
- DDS fiscal audits provide draft finding reports to the regional center
- By statute RCs have the option the appeal or accept findings by DDS
- Some findings may result in reimbursement payment to DDS in the case of an overpayment or duplicate payments
- An example can be found here (<u>link</u>)

Biannual fiscal audit by DDS Continued

- Key Objectives of these audits include:
 - Determine compliance with W&I Code
 - Determine compliance with the provisions of HCBS waiver program for Developmentally Disabled
 - Determine compliance with CCR, Tittle 17 Regulations
 - Determine compliance with OMB circulars A-122 and A-133 and
 - Determine that costs claimed were in compliance with the provisions of the States contracts with DDS

Biannual fiscal audit by DDS Continued

- These audits are performed for in the following areas:
 - Purchase of service
 - Regional Center Operations
 - Targeted Case Management (TCM)
 - Service Coordinator Caseload Survey
 - Early Intervention Program (EIP: Part C funding)
 - Family Cost Participation Program (FCPP)

Biannual Home and Community–Based Services Waiver Program Reviews

- This audit is conducted by DDS with oversight of DHCS to ensure that all regional centers implement the HCBS wavier in accordance with Medicaid statute and regulations.
- An example can be found here (<u>link</u>)

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Westside Regional Center BOARD TRAINING #4 – Board Governance Conducted by David Lester

Wednesday, June 16, 2021 6:00PM – 8:00PM

Summary:

A review for Westside Regional Center (WRC) Board of the responsibilities of Board Governance. During the training, Felicia Ford, was present as facilitator to those who we support who serve on our Board. The training included information relative to the division of responsibilities of the Board and the Executive Director, effective Board meeting strategies, and obligations, duties, and rights of Directors.

Currently, there are 12 members of WRC's Board of Directors. The following board members were present at the Board Training held via Zoom video conferencing on April 21, 2021:

Joseph Allen, Jr, Director
Nilo Choudhry, Treasurer
Zoey Giesberg, Director
Vanda Yung, Director
Betty Pearson-Grimble, President
Todd Rubien, Secretary
Elizabeth Espinosa, Director
Joan Elaine Anderson, SPAC Rep
Kyle Jones, Director
Godwin Orkeh, Director
Jennifer Cohen, Director

The following board members were not present at the training held via Zoom video conferencing on June 16, 2021:

David Wyles, Vice-President



WRC BOARD GOVERNANCE

PRESENTED BY:

David M. Lester Partner



BOARD GOVERNANCE



RESPONSIBILITIES OF GOVERNING BOARD

- Establish, disseminate, and keep current the Regional Center's Mission and ensure compliance with Lanterman Act
- Ensure policies, processes, and bylaws are current and properly implemented
- Recruit new members and provide them training
- Recruit, support, and evaluate Executive Director
- Ensure Regional Center fiscal integrity through financial audits
- Ensure quality of programs through reviews and report of senior management
- Conduct Board's business in exemplary fashion with transparency
- Periodically assess performance of Board, committees, and its members



RESPONSIBILITIES OF EXECUTIVE DIRECTOR

- Oversee day-to-day operations, including ensuring appropriate staffing
- Establish practices and procedures to implement Board policies
- Ensure compliance with Dept. Of Developmental Services "DDS" contract
- Provide leadership to WRC staff and create positive organization culture
- Act as representative of WRC by creating community presence
- Ensure WRC's fiscal integrity
- Provide Board with necessary information related to policy, WRC activities, strategic decisions, and performance outcomes
- Serve as principal liaison between the Board and WRC staff members



EFFECTIVE BOARD MEETINGS



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EFFECTIVE BOARD MEETINGS

- Stay on topic - only address items on the agenda
- Use consent calendars - item can be removed by director or public
- Avoid overflowing agendas
- Refer major topics to committees
- Board chair should not be afraid to call the question
- Be prepared by reviewing Board packet before the meeting
- Limit public comment to three minutes
- Don't micromanage - heavy lifting should be done in committees
- Everyone attends and stays engaged for the entirety of the meeting



BOARD RESPONSIBILITIES

The Most Important Board Member Responsibilities





board meetings.







Fulfill legal and fiduciary responsibilities.



Advance the organization's mission.





communication tools.



Serve on committees.



OBLIGATIONS OF DIRECTORS

- Oversee the Management of the WRC: Cal. Corp. Code § 5210
 - Encourage a strategic planning process and monitor the plan's implementation.
 - Understand and review WRC's policies
 - Ensure WRC has adequate information, control, and audit systems in place to tell the Board and senior staff whether WRC is meeting its objectives and complying with legal, contractual, and ethical standards
 - Ensure maintenance of accounting, financial, and other controls
- Formulating Policy vs. Implementing Policy
 - Board role to formulate policy
 - Management and staff role to implement Policy
 - Board members risk liability, under Cal. Corp. Code § 5239, if they engage in day-to-day implementation of policy



SPECIAL RULES APPLICABLE TO DIRECTORS OF REGIONAL CENTERS



SPECIFIC OBLIGATIONS

- Election of Directors Cal. Corp. Code §§ 5220-5227
 - Length of Service (7 out of 8 years) § 4622(f)
- Selection of Corporate Officers Cal. Corp. Code § 5213 (a) and (b)
- Adopt or Change Bylaws Cal. Corp. Code § 5150
- Approve Regional Center Contracts in Excess of \$250,000 Welfare & Institution Code § 4625.5 (i.e. Lender's Loan and Executive Director Contracts)
- Documentation to DDS concerning composition of Board W&I § 4622.5
- Annual review of Executive Director Wel. & Inst. Code § 4622(8)
- Conflict of Interest Statement when chosen to Board and on annual basis
- Contract with independent accounting firm annually for audit W&I § 4639



RIGHTS OF DIRECTORS



RIGHTS OF DIRECTORS

- Meetings Right to attend and participate in meetings
- <u>Information</u> Right to inspect books to extent permitted by law, contract, or confidentiality rights
- <u>Communication</u> Right to communicate with key executives, key advisers, and when appropriate legal counsel, accountants, and consultants
- Inspection Right to inspect facilities
- Limitations on Rights
 - Reasonable notice
 - Conflict of Interest prohibitions
 - Duty of confidentiality



DUTIES AND SOURCES OF LIABILITY

The 3 Core Board Member Duties





DUTY OF CARE

Board members should fulfill their roles to the best of their abilities. This means proactively participating and communicating.



DUTY OF LOYALTY

All activities should be done in the best interest of the organization, not in the best interest of individual board members.



DUTY OF OBEDIENCE

The board should follow organizational rules as defined in the nonprofit's governance documents.



DUTY OF CARE

- <u>Duty of Care</u>: Must use such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. Cal.. Corp. Code § 5231
 - Must attend meetings and spend adequate time on Board duties like committee meetings and ensure using reasonable diligence and making reasonable inquiry
 - So long as acting in good faith, and acting after reasonable inquiry, directors are not personally liable for the decisions made in reliance upon information and reports by Officers or employees, committees or experts like lawyers, accountants, and consultants
 - Keep generally informed about WRC's business and policies
 - Ensure that all questionable actions are investigated and satisfactorily resolved by management



DUTY OF CARE CONTINUED

• There is no personal liability to a third party for a director's negligent act or omission, so long as the director's act was within the scope of his or her duties, the act was performed in good faith, the act was not reckless, and the damages are covered by liability insurance. Cal. Corp. Code § 5239(a)



DUTY OF LOYALTY

- Act in good faith, with fair dealing, and in the best interests of the corporation, taking care not to create liability for the corporation. Cal. Corp. Code § 5231
 - Do not engage in conflict of interest
 - Do not compete with Regional Center
 - Do not take personal advantage of Regional Center opportunities
 - Act as a body, not as individuals
 - Comply with laws, regulations, contracts
 - Share information with full Board
 - Conduct business at the formal meetings, not in private



OTHER DUTIES

- Fiduciary Duty: To act and speak "in the best interests of the corporation" and not to act out of self-interest.
- <u>Duty of Inquiry</u>: Exercise reasonable inquiry and ensure management investigates when evidence exists for the need to examine additional information
- <u>Duty of Obedience</u>: Ensure the Board is following its rules and policies



PRINCIPAL SOURCES OF DIRECTOR PROTECTION



PRINCIPAL SOURCES OF DIRECTOR PROTECTION

- <u>Business Judgment Rule</u>: Court generally will not evaluate or disturb business decisions where director is disinterested and independent, sufficiently informed, reasonably diligent, acted in good faith, and has rational basis for decisions
- Indemnification
- **DDS Requirements Regarding Insurance**: The contract with the State requires insurance including DNO liability insurance
 - DNO typical coverage is 5 million per claim
 - CGL typical coverage is 4 million per claim and 7 million in aggregate
- Statutory Right to rely on reliable source of information. Cal. Corp Code § 5131(b)



OBLIGATIONS OF BOARD ARISING FROM CONTRACT WITH STATE





OBLIGATIONS OF BOARD ARISING FROM CONTRACT WITH STATE

- Obligations under contract with state generally met by management
- Contract provisions requiring direct action by Board
 - Board approved policy regarding transparency and access to public information on the Contractor's internet web site
 - Posting of a Board approved conflict-of-interest policy on the web site
 - Post Board approved policy specifying the circumstances under which the Regional Center will issue requests for proposals to address a service need
 - Contractor's policy for disbursement of start-up monies must be approved by Board
 - Adopt a written policy that Board must approve any contract of \$250,000 or more
 - Properly established trust accounts that are approved by the Board for administering employee benefits does not have to be in the name of the State provided State has the power of reviewing trust records



OPEN MEETING LAWS AND BOARD MEETINGS





OPEN MEETING LAWS AND BOARD MEETINGS

- Welfare and Institution Code § 4660
 - Board members violate this requirement when they conduct business in private, outside of open meeting, whether by email, telephone, or in person discussions
- Exceptions that permit Closed Sessions
 - Real estate negotiation
 - Employment issues with Regional Center employee
 - Employee salaries and benefits
 - Labor contract negotiations
 - Pending litigation
 - Any matter specifically dealing with Regional Center client except when it is requested that the issue be discussed publically by the client, conservator, or parent or guardian for a minor



Question Answer Session

Thank You

For questions or comments, please contact:

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