



INLAND REGIONAL CENTER

...valuing independence, inclusion and empowerment

P. O. Box 19037, San Bernardino, CA 92423

Telephone: (909) 890-3000

Fax: (909) 890-3001

REQUEST FOR PROPOSALS

January 7, 2016

To All Interested and Qualified Parties:

Inland Regional Center (IRC) is conducting a Request For Proposal (RFP) to award Community Placement Plan (CPP) funding to qualified service providers. The provider(s) ultimately selected, must embrace IRC's core values of independence, inclusion and empowerment. CPP is designed to assist regional centers to provide the necessary supports and services for individuals with challenging service needs. The goal is to transition individuals from the developmental centers to the community utilizing state allocated funds.

The current funding available is for four (4) specialized residential facilities. IRC strongly encourages all interested and qualified parties to submit a proposal in response to items included in this RFP. IRC is looking forward to a collaborative relationship with vendors who will provide creative and innovative services. Behavioral approaches utilized will emphasize systematic learning opportunities and focus on a whole-person approach. IRC reserves the right to suspend or defer development of any of these projects depending on the funding availability, suitability or proposals received. Please refer to the General Information and Proposal Guideline for submission requirements.

If you have any questions, feel free to contact Meredith Gage at (909)890-3392 or via e-mail, Mgage@Inlandrc.org.

Sincerely,

Tesa Patterson
Program Manager
Resource Development and Transportation Unit

MG:TP



INLAND REGIONAL CENTER

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Community Placement Plan (CPP) 2015-2016

Request for Proposal

IRC CPP Projects #4 and #8

TYPE OF PROGRAM: Two (2) Adult Specialized Residential Facility (SRF), in close proximity

GEOGRAPHIC LOCATION: Riverside County; Nuevo, Perris or surrounding cities

CONTRACT AWARD AMOUNT: Startup funding UP TO \$250,000 (\$125,000 for each facility)

SERVICE DESCRIPTION: Crisis services are needed in Southern California to support individuals with possible forensic involvement and mental health diagnosis. These individuals will require evidence based, therapeutic intervention and services to help stabilize the person pursuant to transition to a less restrictive living arrangement. Services including assessment and intervention, should be provided directly by licensed or certified, experienced clinician consultants or by DSP staff highly trained in implementation of the specified support plan. Individuals may exhibit institutional behaviors and severe behavioral challenges which may include all or some of the following: active and/or history of inappropriate sexual behavior, verbal aggression, physical aggression, property destruction, self-abuse, substance abuse and high risk of elopement. Individuals require a highly structured setting that supports them in learning emotional self-regulation and effective, pro-social interpersonal skills. These homes will serve as an alternative to Institution for Mental Disease (IMD) facilities, Mental Health Rehabilitation Centers (MHRC), out of state facilities and developmental centers.

CRITERIA FOR PROJECT APPLICANTS:

- Please review item three (3) found under “Selection Process” on the General Information attachment
- The applicant must employ/contract with a Board Certified Behavioral Analyst (BCBA) to provide on-going consulting hours. BCBA must have experience supporting individuals with developmental disabilities, forensic histories, and/or mental health disorders and meets the requirements outlined in the California Code of Regulations, Title 17, Chapter 3, Subchapter 2, Article 3, and Section 54342(a) (11).
- The applicant must employ/contract with a Registered Nurse to provide on-going consultant hours including writing Restricted Health Condition Care Plans and DSP training related to those plans. RN must have experience supporting individuals with developmental disabilities and mental health disorders including those taking psychotropic medications and needing complex health care case management.
- The applicant must be willing to:
 - Develop and support a trans-disciplinary team of skilled consultants that will assess and design therapeutic supports to achieve the goals identified in the Individual Program Plan (IPP);
 - Be vendored to provide additional components, such as transportation to and from residents’ place of work, school or day program as identified in the IPP;
 - Work with Southern California Integrated Health and Living Project (SCIHLP) who will help support the development and quality assurance tracking of these projects; and
 - Work with a Non-Profit Housing Developer who will acquire, renovate and provide property management for the home.

FACILITY REQUIREMENTS:

- Physical Plant to include delayed egress system;
- Residential Facilities must offer single bedrooms with a minimum of a full-sized bed; and
- Be Community Care Licensed for a maximum of four individuals; at least two rooms should accommodate individuals who are non-ambulatory.

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GENERAL INFORMATION for Project #4 & #8

RFP Timeline:

Friday, January 8, 2016 - RFP Released

Thursday, January 21, 2016 - RFP Questions Due via Email (no later than 4pm)

Friday, January 22, 2016 – RFP Questions and Answers Posted to Website

Friday, February 5, 2016 - Proposals Due (no later than 4pm)

Monday, February 8, 2016 - Selection Committee Meeting #1- Orientation and RFP distribution*

Monday, February 29, 2016 - Selection Committee Meeting #2- Applicant Scoring and Selection*

Monday, March 7, 2016 - Award Letters mailed**

Thursday, March 31, 2016 - Start-up contract signed**

*subject to applicant interviews if required²

**subject to change due to scheduling

In lieu of an Applicants Conference, please send all questions via email to mgage@inlandrc.org no later than 4:00 PM, Thursday, January 21, 2016. All questions and answers will be posted to the IRC website by 5:30 PM on Friday, January 22, 2016.

Submission Information:

1. Response to the Request for Proposals must be received by IRC, **NO LATER THAN 4pm, Friday, February 5, 2016**. No exceptions.
2. No late submissions will be accepted, no exceptions
3. If submitting by mail, please provide **six (6) copies** of your proposal packet
4. Delivery options:
 - a. EMAIL to: mgage@inlandrc.org
SUBJECT: RFP Project # (include project number)
 - b. MAIL to:
ATTN: Meredith Gage, CPP & Affordable Housing Specialist
P.O. Box 19037, San Bernardino, CA 92423-9037

Selection Process:

1. Qualified proposals will be forwarded from Resource Development and transportation Unit (RDTU) to the Selection Committee.
2. Selection Committee will convene for the purpose of reviewing and ranking the submitted proposals and will be comprised of one (1) individual from each of the following 5 categories:
 - a. Consumer/Family Representative
 - b. Community Representative
 - c. Consumer Services Division
 - d. Administrative/Financial Services
 - e. Community Services Division

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GENERAL INFORMATION for Project #4 & #8

3. Proposals will be reviewed and ranked based on the following areas:

A. Agency Description (20 total points)
1. Application is complete (Complete RFP Application, Description of Service Proposal not exceeding 10 pages, 3 professional letters of reference, Resumes of applicant and proposed consultants, Verified Financial Statement, Projected Start Up Budget, and Monthly Operational Budget)
2. The applicant has prior relevant experience in successfully operating specialized residential facilities for persons with developmental disabilities.
3. The applicant's mission, vision and values are positive, person centered and appropriate to the goals of the project.
B. Project Description (40 total points)
1. The applicant's projected service outcomes for residents are clear and consistent with the stabilization and transition goals of the proposed project.
2. The applicant discusses individual choice, independence, self-advocacy, and community integration?
3. The applicant demonstrates an understanding of evidence based approaches to mental health treatments and supports, ABA, motivation, the role of communication and importance of meaningful activity? Does applicant discuss specific methods of influencing behavior change, e.g., a discussion of positive behavioral supports, trauma focused therapy, cognitive behavioral therapies or other clinical approaches?
4. Staff recruitment: does the applicant have a plan for how to mitigate staff burnout, promote staff from within, train and retain staff
5. Quality Assurance: Does the applicant have a plan for assuring continual quality improvement through the collection and analysis of data including outcomes, satisfaction, and other mandated reporting (e.g., incident reports)
C. Procedures of Development/ Work Plan/Timelines (15 total points)
1. Does the applicant demonstrate understanding of development pragmatics, e.g. finding service sites that are appropriate for the proposed service; working with CCL, the NPO, and IRC?
2. The timeline for project development is realistic and meets deadlines?
D. Financial/ Proposal Budgets (25 total points)
1. Verified statement or audit? Statement permitting verification?
2. Ability to complete project (at least 3 months operating expenses for Residential and Day Programs)?
3. Proposal Budgets; start up budget is reasonable and demonstrates a good appraisal of actual costs involved in completing the project; includes breakout/explanation?
4. Ongoing monthly rate; the estimate for on-going service rates reflects actual costs, is cost-effective and consistent with funding guidelines set by DDS for crisis services programs?

4. Applicant Interviews: All applicants within a proposal category may be required to participate in an interview.

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GENERAL INFORMATION for Project #4 & #8

Notice to Applicants:

1. The final decision of the Selection Committee is not subject to appeal.
2. In the event that no proposal is selected for one of the services being solicited, IRC may elect to not develop the service or may issue a new RFP to attempt to expand the pool of the potential applicants.
3. IRC reserves the right to withdraw this RFP and/or any item at any time without notice.
4. Applicants can be disqualified for any of the following:
 - a. Received a CAP, Sanction or Immediate Danger findings.
 - b. Failure to disclose any history of deficiencies or confirmed reports of consumer abuse.
 - c. Does not adhere to RFP guidelines (i.e. incomplete applications, no verification of financial statements; incomplete budget information, etc.)
 - d. Has previously failed to perform or is not willing to comply with Title 17 and IRC best practices.
 - e. Does not qualify for vendorization (Applicant/Vendor Disclosure Statement DS1891 form)
5. Applicant must be willing to submit and fund a background check, should it be deemed necessary.

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PROPOSAL GUIDELINES for Project #4 & #8

1. **Request for Proposal (RFP) Affirmation** -See attachment A. This attachment reflects your acknowledgement of submitting a proposal to Inland Regional Center, the items contained in your proposal are not falsified and you understand the terms of this proposal.
2. **Request for Proposal (RFP) Application**- See Attachment B.
3. **Current Financial Standing** -See attachment C. There are three items required in this section.
4. **Monthly (Ongoing) Operational Costs** -See attachment D. This is a line item description of anticipated ongoing monthly operational costs of the proposed program.
5. **Projected Start- Up Costs** -See attachment E. This is a line item description of anticipated start-up (projected) costs of the proposed program.
6. **Applicant Business Model**- Describe your organization's structure, to include founders, owners and/or investors. Please provide an organization chart, incorporation documents and an annual report that describes your agency goals and outcomes that are pertinent to the project. Describe your commitment to the project during the start-up phase as well as ongoing operations.
7. **Resume(s)** for all identified staff and consultants, including administrators if known.
8. **A minimum of three (3) professional letters of reference for the applicant.** They are required to be on letterhead, signed by the individual providing the reference. References from members of the applicant's family, staff, or governing board will not be accepted.
9. **Service Description**- Not to exceed ten (10) pages and to include the following:
 - A. A brief description of your experience in developing the type of project for which you are submitting a proposal.
 - B. A Mission, Vision and Values Statement.
 - C. A description of the services that you will provide including specific methods and procedures to be utilized in providing this service and project outcomes for individuals served through this project. Service description must reflect evidence that the applicant has an understanding of the considerations involved in providing clinically appropriate, evidence based services in the least restrictive manner possible. Methods and procedures should describe how the provider will: Address the mental health treatment needs of the residents. Therapeutic approaches, use of trauma focused and other evidence-based therapies should be described.
 - Address the development of positive behavioral support plans for residents with an emphasis on functional behavioral analysis and evidence based practices.
 - Provide the close supervision these residents will require with an emphasis on mitigating risk to the community, the individual, other residents, and to staff.

- Address education and treatment approaches for substance abuse issues frequently presented by the individuals who will utilize these resources.
- Teach social skills to assist the individual in learning pro-social behaviors as alternatives to sexual/physical aggressive or assaultive behaviors.
- Train staff to support individuals who have involvement with the criminal justice system.
- Systematically address resident motivation issues through the use of incentive systems to promote cooperation and participation in the treatment and educational aspects of the services.
- Utilize the delayed egress features that will be built into the physical plant, as a part of the therapeutic milieu of the residence.
- Describe how psychiatric needs of individuals will be addressed through therapy, and how staff will be trained to recognize, support, document and report symptoms of psychiatric conditions and medication effectiveness

D. Staff Recruitment and Retention: Describe your plan to recruit, and retain quality staff. Include:

- Desired characteristics for all staff positions.
- Staffing procedures to mitigate staff burnout and provide staff support in stressful work environments.
- Health and criminal background screening procedures.
- Initial and ongoing training, including required certifications. Include any specialized training for providing behavior support and crisis intervention to individuals who have potentially dangerous behaviors.

E. Quality Assurance: Describe your agency approach to quality assurance to include:

- How data collected on agency outcomes, satisfaction and incident reports is used to troubleshoot problems
- How processes such as methods and procedures are examined for revision when problem patterns emerge.
- Explain the role of consultants in the quality assurance process.

F. Schedule of Development: The schedule is a step-by-step action plan which includes measurable, time-limited activities by which to develop the proposed service or facility. The project objectives should be realistically achievable within the time frames.

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Attachment A: REQUEST FOR PROPOSAL AFFIRMATION

- ☐ Attachment A: Completed RFP Affirmation
- ☐ Attachment B: Completed RFP Application
- ☐ Attachment C: Current Financial Standing
- ☐ Attachment D: Monthly (Ongoing) Operational Costs
- ☐ Attachment E: Projected Start Up Costs
- ☐ Attachment F: Conflict of Interest Statement
- ☐ Attachment G: Applicant/Vendor Disclosure Statement (DS1891)
- ☐ Three (3) Professional Letters of Reference
- ☐ Resumes
- ☐ Description of Service Proposal, Not to exceed seven (7) pgs.
(For Projects #4 & #8, not to exceed ten (10) pages)

I affirm that the information presented in this application and proposal is true and that this proposal was developed and authored by the person(s) indicated. I understand that any falsification of information or failure to disclose any history of deficiencies or abuse will be cause for immediate disqualification. I also understand that failure to meet minimum qualifications as stated in the RFP, late proposal submissions, facsimile proposal copies, any missing information (e.g., sections), and any proposals in excess of the maximum page allowance will also be cause for immediate disqualification. I further understand that, in the event that my proposal is selected for development, the proposal itself is not approved conclusively. **My signature below authorizes IRC to verify references and bank statements.**

Applicant Signature

Date

Applicant Signature

Date

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Attachment B: REQUEST FOR PROPOSAL APPLICATION

1. Date Submitted:
2. Type of Service (as stated in RFP):
3. Applicant Name (as it would appear on license/ contract):
Address:
City, State Zip Code:
Telephone # (s):
Facsimile (Fax) #
4. Contact Person (s):
Telephone # (s):
5. Is applicant an individual, a partnership, or a corporation?
6. If a corporation, is it non-profit or profit?
7. Is applicant a current vendor with any regional center? If yes, list vendorized name(s) and types of services (include levels of residential facilities, if applicable.
8. Have you provided services to persons with severe behavioral challenges? If yes, what types of services and how many years? Which Regional Centers?
9. Have you or any member of your organization, received a Corrective Action Plan (CAP), Sanction, an Immediate Danger, an "A" or "B" citation, or any citation from a Regional Center or State Licensing Agency? If yes, please explain:
10. Have you, any member of your organization, or your staff ever received a citation from any agency for child abuse or adult abuse? If yes, please explain:
11. Did you have a consultant for this project? If yes, list name, type, and license (include resume):
12. RESIDENTIAL APPLICANTS: Have you completed the Inland Regional Center New Residential Service Provider Orientation? If yes, what was the date of completion and please include a copy of your certificate.
13. Please include proof (certificates, transcripts, etc.) of any additional trainings, education and/or certifications that you feel will assist you with working with individuals who display challenging behaviors.

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Attachment C: CURRENT FINANCIAL STANDING

Attach the following:

- 1) Verifiable bank statements
 - a. Copies of bank statements must be attached (most current 3 months).
 - b. Must submit a signed letter that gives IRC permission to contact your banker should your statements require verification.
- 2) ONE OF THE FOLLOWING
 - a. Most current audited financial statement that expresses an unqualified opinion; **OR**
 - b. Compiled financial statements prepared by a Certified Public Accountant that adhere to Generally Accepted Accounting Principles.

Please note that financial statements that are based upon representations from the applicant, and do not adhere to Generally Accepted Accounting Principles, are not acceptable.

- 3) Assets, Liabilities, Income and Lines of Credit (can be in this format):
 - a. Current Assets (to include):
 - Cash in Banks
 - Accounts Receivable
 - Notes Receivable
 - Equipment/Vehicles
 - Inventories
 - Deposits/Prepaid Expenses
 - Life Insurance (Cash Value)
 - Investments Securities (Stocks and Bonds)
 - b. Fixed Assets (to include):
 - Building and/or Structure
 - Real Estate Holdings
 - Long-Term Investments
 - Potential Judgments and Liens
 - c. Current Liabilities:
 - Accounts Payable
 - Notes Payable (Current Portion)
 - Taxes Payable
 - d. Long-Term Liabilities:
 - Notes/Contracts Payable
 - Real Estate Mortgages
 - e. Other Income: Wages or Revenue from other sources (Specify):
 - f. Line of Credit Amount Available:

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Attachment D: MONTHLY (Ongoing) OPERATIONAL COSTS

Item	Projected Ongoing Cost
Administrator's Salary	_____
Auto Gas and Oil	_____
Auto Lease	_____
Auto License/Insurance	_____
Consumer Activities	_____
Employee Wages, Benefits, and Insurance	_____
Employee/Payroll Taxes (FICA/Unemployment)	_____
Electric/Gas	_____
Food	_____
Furniture/Equipment/Appliances	_____
Household Supplies/Linens	_____
Insurance (General and Professional)	_____
Lease or Mortgage Payments	_____
Licensing Fees	_____
Maintenance/Repairs	_____
Mileage (if paid to employees)	_____
Program Consultants	_____
Program Supplies	_____
Telephone	_____
Other (Specify)	_____
TOTAL PROJECTED MONTHLY COSTS	\$ _____

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Attachment E: PROJECTED START UP COSTS

Include a description of how each line item was constructed. Include only those items applicable to your proposed project. If not applicable, mark N/A.

Item	Projected Cost
Administrator's Salary or Overhead (Maximum 15% of contract amount)	_____
Advertising	_____
Auto Gas	_____
Auto Lease (First 3 months)	_____
Auto Insurance	_____
Electric/Gas	_____
Employee Wages and Benefits (For Training)	_____
Fingerprints	_____
Furniture and Major Equipment	_____
Household Supplies/Linens	_____
Improvements to Bring Facility to Standard	_____
Insurance (General and Professional)	_____
Kitchen Equipment/Small Appliances	_____
Lease/Mortgage (First 3 Months)	_____
Licensing Fees	_____
Office Supplies	_____
Program Consultants	_____
Program Supplies/Recreation Equipment	_____
Telephone/TV Cable	_____
Other (Specify)	_____
TOTAL PROJECTED START-UP COSTS	\$ _____

CONFLICT OF INTEREST STATEMENT

Applicant Name: _____

Service Description: _____ Svc Code: _____

Service Address: _____

Owner, Director or Other Contact Person: _____ Phone #: _____

Name of Governing Body or Management Organization (if any): _____

1. Have you ever been vendored by the Department of Developmental Services through this or any other Regional Center?

☐ YES

☐ NO

Under the name of: _____

Service category: _____ Regional Center: _____

2. Are you, or any members of your family, employed by any of the following agencies? If so, please specify the name, relationship and agency that you or your family member works with.

☐ YES (PLEASE SPECIFY)

☐ NO

Department/Unit:

Relationship:

___ Department of Developmental Services

___ Regional Center (specify)

___ State Development Center

___ Board of Directors of a Regional Center

___ State of California

If yes, please include the name of the family member and their job title: _____

(see reverse side)

3. The vendor and the agents or employees of the vendor in the performance of the contracts, are independent contractors and are not officers or employees of the State of California, consistent with the Public Contract Code, Sections 10410 and 10411. Title 17 Regulations, Section 54314, gives the following examples of individuals and entities who are not eligible for vendorization. Does your service fall into any of these categories?

[] YES (PLEASE SPECIFY) _____ [] NO

- a) Any officer or employee of the State of California;
- b) Any individual or entity in which an officer or employee of the State of California has a financial interest, as defined in the Government Code, Section 87103;
- c) Employees and board members of any regional center with a conflict of interest pursuant to Title 17, Sections 54522 through 54525;
- d) Any individual or entity in which the regional center employee or board member has a relationship which creates a conflict of interest pursuant to Title 17, Sections 54500 through 54525, unless the conflict is eliminated or a waiver is obtained pursuant to Title 17, Sections 54522 through 54525;
- e) Clients, to transport or provide services for, or to themselves; and
- f) Except as specified in Section 54318 of Title Regulations, any individual or entity located outside the state.

4. Do you feel there would be a conflict of interest in your provision of service to Regional Center consumers?

[] YES (PLEASE SPECIFY) _____ [] NO

CERTIFICATION:

I have read the attached Title 17 Regulations, Sections 54500 through 54522, and I certify compliance and understanding of the above Conflict of Interest Statement.

Applicant's Signature

Date

In accordance with the information provided on this form and Title 17 Regulations, Sections 54500 through 54522, a conflict of interest DOES NOT EXIST. The employee and/or regional center board member will have no participation in any decisions related to regional center funding or placements.

Kevin Urtz, Co-Executive Director

Date

cate of Compliance must be transmitted to OAL 3-4-92 or emergency language will be repealed by operation of law on the following day.

5. Amendment of section heading, subsections (a), (a)(5)(b) and NOTE refiled 3-4-92 as an emergency; operative 3-4-92 (Register 92, No. 25). A Certificate of Compliance must be transmitted to OAL 7-2-92 or emergency language will be repealed by operation of law on the following day.
6. Certificate of Compliance as to 3-4-92 order including amendment of section heading and text transmitted to OAL 6-25-92 and filed 8-6-92 (Register 92, No. 33).
7. Amendment of section filed as an emergency 6-17-93; operative 6-17-93. Submitted to OAL for printing only pursuant to SB485 (Chapter 722, Statutes of 1992) Section 147(a) (Register 93, No. 26).
8. Amendment of subsections (a)(10)(H), (c) and (d) filed 4-22-94; operative 4-22-94. Submitted to OAL for printing only (Register 94, No. 16).
9. Amendment of subsections (d)(1)-(5) and new subsections (e)-(e)(8) filed 6-20-94 as an emergency; operative 6-20-94. Submitted to OAL for printing only pursuant to Chapter 722, Statutes of 1992, Section 147 (Register 94, No. 25).
10. Certificate of Compliance as to 6-17-93 order transmitted to OAL 6-20-94 and filed 8-2-94 (Register 94, No. 31).
11. New subsections (a)(10)(I) and (c)-(c)(7), subsection relettering and amendment of NOTE filed 7-24-95 as an emergency; operative 7-24-95 (Register 95, No. 30). A Certificate of Compliance must be transmitted to OAL by 11-21-95 or emergency language will be repealed by operation of law on the following day.
12. New subsection (a)(10)(H), subsection relettering and amendment of NOTE filed 8-14-95 as an emergency; operative 8-14-95 (Register 95, No. 33). A Certificate of Compliance must be transmitted to OAL by 12-12-95 or emergency language will be repealed by operation of law on the following day.
13. New subsections (a)(10)(I) and (c)-(c)(7), subsection relettering and amendment of NOTE refiled 11-14-95 as an emergency; operative 11-14-95 (Register 95, No. 46). A Certificate of Compliance must be transmitted to OAL by 3-13-96 or emergency language will be repealed by operation of law on the following day.
14. New subsection (a)(10)(H), subsection relettering and amendment of NOTE refiled 12-4-95 as an emergency; operative 12-12-95 (Register 95, No. 49). A Certificate of Compliance must be transmitted to OAL by 4-10-96 or emergency language will be repealed by operation of law on the following day.
15. Certificate of Compliance as to 7-24-95 order including new subsection (a)(10)(H) and subsection relettering transmitted to OAL 1-8-96 and filed 2-22-96 (Register 96, No. 8).
16. Certificate of Compliance as to 6-20-94 order, including amendment of subsections (a)(10)(I), (d) and (e) and repealer of subsections (f)-(f)(8), transmitted to OAL 2-20-96 and filed 3-29-96 (Register 96, No. 13).
17. Editorial correction of HISTORY 12 and HISTORY 14 (Register 96, No. 15).
18. New subsection (a)(10)(H), subsection relettering and amendment of NOTE refiled 4-8-96 as an emergency; operative 4-10-96 (Register 96, No. 15). A Certificate of Compliance must be transmitted to OAL by 8-6-96 or emergency language will be repealed by operation of law on the following day.
19. Certificate of Compliance as to 8-14-95 order transmitted to OAL 8-8-96 and filed 9-20-96 (Register 96, No. 38).
20. Change without regulatory effect amending subsection (e) filed 1-17-97 pursuant to section 100, title 1, California Code of Regulations (Register 97, No. 3).

§ 54312. Applicants Exempted from the Application Process.

NOTE: Authority cited: Chapter 93, Statutes of 1991, Section 2(g); Sections 4405 and 4648(b), Welfare and Institutions Code; and Section 11152, Government Code. Reference: Chapter 93, Statutes of 1991, Section 2(g); and Sections 4631 and 4648(b), Welfare and Institutions Code.

HISTORY

1. New section filed 6-26-90 as an emergency; operative 7-1-90 (Register 90, No. 36). A Certificate of Compliance must be transmitted to OAL by 10-29-90 or emergency language will be repealed by operation of law on the following day.
2. Certificate of Compliance as to 6-26-90 order transmitted to OAL 9-28-90 and filed 10-29-90 (Register 90, No. 46).
3. Amendment of subsection (a)(1) filed 9-26-91; operative 9-26-91 pursuant to Government Code section 11346.2(d) (Register 92, No. 10).
4. Amendment of section heading, subsections (a), (a)(2)-(4), repealer of subsection (b) and new subsections (b)-(c), and amendment of NOTE filed 11-5-91 as an emergency; operative 11-5-91 (Register 92, No. 21). A Certificate of Compliance must be transmitted to OAL 3-4-92 or emergency language will be repealed by operation of law on the following day.
5. Amendment of section heading, subsections (a), (a)(2)-(4), repealer of subsection (b), and new subsections (b)-(c), and amendment of NOTE refiled 3-4-92 as an emergency; operative 3-4-92 (Register 92, No. 25). A Certificate of Com-

pliance must be transmitted to OAL 7-2-92 or emergency language will be repealed by operation of law on the following day.

6. Certificate of Compliance as to 3-4-92 order including amendments transmitted to OAL 6-25-92 and filed 8-6-92 (Register 92, No. 33).
7. Repeal of section filed as an emergency 6-17-93; operative 6-17-93. Submitted to OAL for printing only pursuant to SB485 (Chapter 722, Statutes of 1992) Section 147(a) (Register 93, No. 26).

§ 54314. Ineligibility for Vendorization.

(a) The following applicants shall not be vendored:

- (1) Any officer or employee of the State of California;
- (2) Any applicant in which an officer or employee of the State of California has a financial interest, as defined in the Government Code, Section 87103, except as permitted by Public Contract Code, Section 10430(g), effective January 1, 1992;
- (3) Employees and board members of any regional center with a conflict of interest pursuant to Title 17, Sections 54500 through 54525, unless the conflict is eliminated or a waiver is obtained pursuant to Title 17, Sections 54522 through 54525;
- (4) Any applicant in which the regional center employee or board member has a relationship which creates a conflict of interest pursuant to Title 17, Sections 54500 through 54525, unless the conflict is eliminated or a waiver is obtained pursuant to Title 17, Sections 54522 through 54525;
- (5) Consumers, to provide services for, or to, themselves except to:
 - (A) Provide transportation services to themselves as specified in Section 54355(g)(5); and
 - (B) Serve as their own Supported Living Service vendors as specified in Title 17, Section 58616.
- (6) Except as specified in Section 54318 of these regulations, any applicant located outside the state.

NOTE: Authority cited: Sections 4405, 4648(a) and 4689, Welfare and Institutions Code; and Section 11152, Government Code. Reference: Sections 4626, 4627, 4631, 4648(a), 4648.1(d), and 4689(a)(1), Welfare and Institutions Code; and Section 10430(g), Public Contract Code.

HISTORY

1. New section filed 6-26-90 as an emergency; operative 7-1-90 (Register 90, No. 36). A Certificate of Compliance must be transmitted to OAL by 10-29-90 or emergency language will be repealed by operation of law on the following day.
2. Certificate of Compliance as to 6-26-90 order transmitted to OAL 9-28-90 and filed 10-29-90 (Register 90, No. 46).
3. Amendment of subsection (a)(5) filed 9-26-91; operative 9-26-91 pursuant to Government Code section 11346.2(d) (Register 92, No. 10).
4. Amendment of subsection (a)(2) and NOTE filed 11-5-91 as an emergency; operative 11-5-91 (Register 92, No. 21). A Certificate of Compliance must be transmitted to OAL 3-4-92 or emergency language will be repealed by operation of law on the following day.
5. Amendment of subsection (a)(2) refiled 3-4-92 as an emergency; operative 3-4-92 (Register 92, No. 25). A Certificate of Compliance must be transmitted to OAL 7-2-92 or emergency language will be repealed by operation of law on the following day.
6. Certificate of Compliance as to 3-4-92 order including amendment of text and NOTE transmitted to OAL 6-25-92 and filed 8-6-92 (Register 92, No. 33).
7. Amendment of section filed as an emergency 6-17-93; operative 6-17-93. Submitted to OAL for printing only pursuant to SB485 (Chapter 722, Statutes of 1992) Section 147(a) (Register 93, No. 26).
8. Amendment of subsection (a)(5)(A) filed 6-20-94 as an emergency; operative 6-20-94. Submitted to OAL for printing only pursuant to Chapter 722, Statutes of 1992, Section 147 (Register 94, No. 25).
9. Certificate of Compliance as to 6-17-93 order transmitted to OAL 6-20-94 and filed 8-2-94 (Register 94, No. 31).
10. Amendment of subsections (a)(5)-(a)(5)(A), new subsection (a)(5)(B) and amendment of NOTE filed 8-14-95 as an emergency; operative 8-14-95 (Register 95, No. 33). A Certificate of Compliance must be transmitted to OAL by 12-12-95 or emergency language will be repealed by operation of law on the following day.
11. Amendment of subsections (a)(5)-(a)(5)(A), new subsection (a)(5)(B) and amendment of NOTE refiled 12-4-95 as an emergency; operative 12-12-95 (Register 95, No. 49). A Certificate of Compliance must be transmitted to OAL by 4-10-96 or emergency language will be repealed by operation of law on the following day.
12. Certificate of Compliance as to 6-20-94 order transmitted to OAL 2-20-96 and filed 3-29-96 (Register 96, No. 13).
13. Amendment of subsections (a)(5)-(a)(5)(A), new subsection (a)(5)(B) and amendment of NOTE refiled 4-8-96 as an emergency; operative 4-10-96 (Reg-

Subchapter 3. Regional Center Administrative 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 and employees of the regional center to ensure that such persons make decisions relative to the regional center which are in the best interests of the center's clients and families pursuant to authority provided in Section 4627 of the Welfare and Institutions Code. Members serving on the governing board of a regional center on January 1, 1982 are subject to these regulations to the extent not prohibited by Welfare and Institutions Code, Section 4626.

§ 54520. Conflict of Interest Standards for Regional Center Governing Board Members.

(a) The following constitute conflicts of interest for regional center governing board members:

(1) A conflict of interest exists when a member of the governing board or a family member of such person is a director, officer, owner, partner, shareholder, trustee or employee of any business entity or provider, holds any position of management in any business entity or provider, or has decision or policy-making authority in such an entity or provider, except to the extent permitted by Welfare and Institutions Code, Section 4626(a)(3) and (b). These conflict of interest provisions are in addition to those stated in Welfare and Institutions Code, Sections 4622(a)(9) and 4626.

(2) A conflict of interest exists when the advisory committee board member, appointed pursuant to Welfare and Institutions Code, Section 4622(a)(7), is an employee or member of the governing board of a provider from which the regional center purchases client services and engages in the activities prescribed in Welfare and Institutions Code Section 4622(a)(9). Such member is therefore prohibited from serving as an officer of the regional center governing board and from voting on the matters or issues described in Section 4622(a)(9). Furthermore, the member is subject to disclosure under Section 54522 of these regulations in addition to providing a list of his or her financial interests, as defined in Government Code Section 87103. Fiscal matters, as used in Welfare and Institutions Code Section 4622(a)(9) include, but are not limited to, setting purchase of service priorities, transferring funds to the purchase of service budget, and establishing policies and procedures with respect to payment for services.

(3) A conflict of interest exists when a governing board member is any individual described in Welfare and Institutions Code Section 4626. A financial interest in regional center operations, as used in Welfare and Institutions Code Section 4626(a)(4), exists if it is reasonably foreseeable that the member's interest, or the member's decision regarding that interest, will have a material financial effect, on the board member's interest in, or relationship with, the business entity or provider pursuant to Government Code, Section 87103. The financial effect is material if the decision will result in a benefit, detriment, gain, loss or profit to the member, entity or provider.

(b) The regional center governing board shall not enter or authorize the regional center to enter into any contract or any other type of agreement for pecuniary gain with any entity or provider in which a member has a conflict of interest as set forth in subsection (a)(1) and (a)(3) above, nor shall the board or board member allow the regional center to refer a client or prospective client to such an entity or provider.

(c) No regional center governing board member who has a conflict of interest shall continue to serve as a board member in violation of these provisions unless the board member has eliminated the conflict of interest or obtained a waiver pursuant to these regulations. This prohibition does not apply to the extent it is precluded by Welfare and Institutions Code, Sections 4626(a)(3) and (b).
NOTE: Authority cited: Chapter 722, Statutes of 1992, Section 147; Sections 4622, 4626, 4627 and 4791(i), Welfare and Institutions Code. Reference: Sections 4622, 4626, 4627 and 4791, Welfare and Institutions Code and Section 87103, Government Code.

§ 54521. Conflict of Interest Standards for Regional Center Employees.

(a) The following constitute conflicts of interest for regional center employees:

(1) A conflict of interest exists when a regional center employee or a family member of such person is a governing board member, director, officer, owner, partner, shareholder, trustee, or employee of any business entity or provider, holds any position of management in any business entity or provider, or has decision or policy-making authority in such an entity or provider, or makes a decision regarding regional center operations involving a business entity or provider in which he or she has a financial interest.

For the purpose of this section, an employee has a financial interest in regional center operations if it is reasonably foreseeable that the employee's interest or the employee's decision regarding that interest will have a material financial effect, as distinguished from its effect on the regional center's clients and/or their families generally, on:

(A) Any business entity or provider in which the employee has a direct or indirect investment worth more than one thousand dollars (\$1000).

(B) Any real property in which the employee has a direct or indirect interest worth more than one thousand dollars (\$1000).

(C) Any source of income, other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to employee status, aggregating two hundred fifty dollars (\$250) or more in value provided to, received by or promised to the employee within 12 months prior to the time when the decision is made.

For purposes of this section, "indirect investment" or "interest" means any investment or interest owned by the spouse or dependent child of an employee, by an agent on behalf of an employee, or by a business entity or provider or trust in which the employee, the employee's agent, spouse, or dependent children own directly, indirectly, or beneficially a ten percent interest or greater.

The financial effect is material if it will result in a benefit, detriment, gain, loss, or profit to the employee, entity, or provider.

(2) A conflict of interest exists when a regional center employee devotes less than his or her full-time attention and effort to his or her regional center employment for that period for which he or she is being reimbursed.

(3) A conflict of interest exists when a regional center employee provides services for salary, honorarium, or compensation of any kind in such fashion that the employee is receiving dual compensation for the same period of time. This subsection does not apply to regional center employees while officially off duty.

(4) A conflict of interest exists when a regional center employee participates in the evaluation of an application for employment at the regional center when the applicant is a member of the employee's family, or when an employee acts as a supervisor of another regional center employee who is a member of the supervisor's family.

§ 54522. Conflict of Interest Disclosure — Content of Statements, Procedures, and Actions Required for Resolution.

(a) Within 60 calendar days of the effective date of this Article, each regional center employee who has decision or policy-making authority, as defined in Section 54505(e) herein, and each member of the governing board, including the board member designated by the regional center provider advisory committee pursuant to Welfare and Institutions Code, Section 4622(a)(7), shall prepare and file an initial conflict of interest statement pursuant to these regulations. Employees shall file their statements with their respective regional center and governing board members shall file their statements with their regional center governing board. Subsequent statements shall be filed thereafter whenever a change in status would create a present or potential conflict of interest situation as defined in these regulations. Individuals serving in any capacity under a waiver granted pursuant to Section 54523 of these regulations shall be required to file a conflict of interest statement with each waiver renewal as required pursuant to Section 54524(b)(3) of these regulations. The regional center and governing board shall designate the individual who is responsible for receiving, processing, and maintaining the initial and subsequent annual statements for their own respective agency. Such individual, however, may not review his or her own filed statement. The initial conflict of interest statement and all subsequent annual statements shall be dated, signed, and contain a declaration, under penalty of perjury, that the governing board member or employee has:

- (1) No present or potential conflict of interest;
- (2) A present conflict of interest; or
- (3) A potential conflict of interest pursuant to these regulations.

The individual shall specify the factual basis for that determination and provide full and complete disclosure relative to any present or potential conflict of interest, including a description of the nature of the conflict of interest. For the board member designated by the regional center provider advisory committee pursuant to Welfare and Institutions Code, Section 4622(a)(7), the disclosure shall include, to the extent not otherwise disclosed, a list of the member's financial interest as required by Welfare and Institutions Code, Section 4622(a)(9)(C).

(b) If a present or potential conflict of interest exists, the statements of regional center employees and governing board members, including the board member designated by the regional center provider advisory committee pursuant to Welfare and Institutions Code, Section 4622(a)(7), shall if desired by the governing board member or regional center employee, also contain a request for waiver of the prohibitions of any present or potential conflict of interest, and a suggested plan of action for resolution of the present or potential conflict of interest, including limitations on the governing board member or regional center employee which will enable him or her to avoid actions involving the conflict of interest during the period the waiver request is being reviewed pursuant to Section 54523 of these regulations.

(c) The regional center or regional center governing board shall review, respectively, the waiver requests of all regional center employees and governing board members, and determine, in its discretion, whether to submit the request pursuant to the regulations, or require the individual to eliminate the conflict of interest or resign his or her position as stated therein.

(d) If a present or potential conflict of interest exists and no waiver is requested, or if the regional center or regional center governing board elects not to submit such a request in accordance with these regulations, the regional center employee or governing board member, and the board member designated by the regional center provider advisory committee pursuant to Welfare and Institutions Code, Section 4622(a)(7), shall have thirty (30) calendar days from the date of filing the conflict of interest statement or the date of notification by the regional center or its governing board in which to either take whatever action is necessary to eliminate the conflict of interest, or resign his or her position as a regional center employee or governing board member. During the thirty (30) calendar day period, the employee or board member shall avoid all involvement with or participation in regional center activities involving the conflict of interest in question.

(e) If no conflict of interest is declared at the time of filing the initial statement or subsequent statements, no further action is required by the governing board member or regional center employee unless or until such time as that individual's status changes, so that he or she is in a present or potential conflict of interest situation. Upon such a change in status, a new statement shall be filed immediately with the member's governing board or the employee's regional center, specifying the factual basis for that determination and providing full and complete disclosure relative to the present or potential conflict of interest in accordance with provisions of subsection (a) above.

NOTE: Authority cited: Chapter 722, Statutes of 1992, Section 147; and Sections 4627 and 4791(i), Welfare and Institutions Code. Reference: Sections 4622, 4626, 4627 and 4791, Welfare and Institutions Code.

APPLICANT/VENDOR DISCLOSURE STATEMENT

GENERAL INSTRUCTIONS

Every applicant or vendor must complete and submit a current Applicant/Vendor Disclosure Statement, DS 1891 (disclosure statement) as part of a complete application packet for vendorization or upon request of the vendoring regional center. The following instructions are designed to clarify certain questions on the form. Instructions are listed in order of question for easy reference. See 42 CFR 455.101 for additional definitions.

Overall Authority: Code of Federal Regulations (CFR), Title 42, Part 455; California Code of Regulations, Title 17, Section 54311. Welfare and Institutions Code, Section 4648.12.

Important:

- **IT IS ESSENTIAL THAT ALL APPLICABLE QUESTIONS BE ANSWERED ACCURATELY AND THAT ALL INFORMATION BE CURRENT.**
- **Parents and consumers of Vouchers, Participant-Directed Services, or Purchase Reimbursements:** Complete Part 1 on page 2 and Part 3 on page 3, then proceed to **Applicant/Vendor Signature** on page 4 to sign and date.
- Failure to disclose complete and accurate information will result in a denial of enrollment and/or may be cause for termination of vendorization.
- Read **ALL** instructions when completing the disclosure statement.
- Type or print clearly in ink.
- If applicant or vendor must make corrections, please line through, date, and initial in ink. Do not use correction fluid.
- Answer all questions as of the current date.
- If additional space is needed, attach a sheet referencing the part and question being completed.
- Return this completed statement with the complete application package to the regional center to which you are applying.

Part 1: Identifying Information

- A. Specify name of the applicant or vendor, agency, facility or organization, vendor number and service code, business address, and telephone number of applicant or vendor submitting the vendor application.
- B. Specify in what capacity the applicant or vendor is doing business. For example: The name of the corporation under which they are doing business. This name must match the license name, if applicable.
- C. List the National Provider Identifier, of the applicant or vendor, if any.
- D. List the Social Security Number, Date of Birth, and/or the Federal Employer Identification Number (EIN) of the applicant or vendor, if any. Enter Vendor's nine-digit EIN assigned by the IRS in the following format: XX-XXXXXXX.
 - An EIN is used to identify the accounts of employers and certain others who have no employees.
 - For more information about an EIN, please check <http://www.irs.gov> for "Employer Identification Numbers" or "EIN".Whenever this Disclosure Statement requests an EIN about an individual or entity, it has the same meaning.
- E. Check the entity type that best describes the structure of your organization.

Part 2: Ownership and Control Interests. Use the following definitions to identify the individuals you should enter in A, B and C of this section. See 42 CFR 455.101 for additional definitions.

- "Indirect Ownership Interest" means an ownership interest in an entity that has an ownership interest in the applicant or vendor. This term includes an ownership interest in any entity that has an indirect ownership interest in the applicant or vendor;
- "Managing Employee" means a general manager, business manager, administrator, director, or other individual who exercises operational or managerial control over, or who directly or indirectly conducts the day-to-day operation of an institution, organization, agency or business entity;
- "Ownership Interest" means the possession of equity in the capital, the stock, or the profits of the applicant or vendor.
- "Person with an Ownership or Control Interest" means a person or corporation that:
 - A) Has an ownership interest totaling 5 percent or more in an applicant or vendor;
 - B) Has an indirect ownership interest equal to 5 percent or more of an applicant or vendor;
 - C) Has a combination of direct or indirect ownership interests equal to 5 percent or more in an applicant or vendor;
 - D) Owns an interest of 5 percent or more in any mortgage, deed of trust, note, or other obligation secured by the applicant or vendor if that interest equals at least 5 percent of the value of the property or assets of the applicant or vendor;
 - E) Is an officer or director of an applicant or vendor that is organized as a corporation; or
 - F) Is a partner in an applicant or vendor that is organized as a partnership.
- "Significant Business Transaction" means any business transaction or series of transactions that, during any one fiscal year, exceed the lesser of \$25,000 and 5 percent of an applicant or vendor's total operating expenses.

- Part 3: Excluded Individuals or Entities.** (See page 3. *Must be disclosed if applicable.*)

**Title 17, California Code of Regulations, Section 54311(a)(6)
(Criteria for Excluded Individuals or Entities)**

(C) Entered into a settlement in lieu of conviction involving fraud or abuse in any government program.

PLEASE FILL OUT

Part 1. Applicant/Vendor Information

A. Name of applicant or vendor, entity, agency, facility, or organization as reported to IRS:

Vendor Number and Service Code:

Business Address:

Telephone number (with area code):

B. Name registered with California Secretary of State, if any:

C. National Provider Identifier (NPI), if any:

D. Social Security Number (SSN), Date of Birth (DOB), and/or Federal Employer Identification Number (EIN), if any:

E. Check the entity type that best describes the structure of the applicant or vendor individual, business entity, agency, facility or organization: Check **only one** box:

- 2

Part 2. Ownership, indirect ownership, and managing employee interests (If not applicable, please indicate.)

A. List the name(s), title(s), address(es), SSNs, and DOBs of individuals for organizations having direct or indirect ownership interests, and/or managing employees in the applicant/vendor (see instructions for definitions). Also list all members of a group practice. Attach additional pages as necessary to list all officers, owners, management and ownership individuals and entities.

Name	Title	Address	SSN	DOB

B. List those persons named in 'A' above or 'Part 4. A' below, that are related to each other as spouse, parent, child, or sibling.

Name	Relationship	Address

C. List the name, address, vendor number and service code, SSN, NPI and/or EIN of any other applicant or vendor in which a person with an ownership or controlling interest in the applicant or vendor also has an ownership or control interest of at least 5 percent or more. For example: Are any owners of the applicant or vendor also owners of Medicare or Medicaid facilities? (Example: sole proprietor, partnership or members of Board of Directors.)

Name	Address	Vendor Number and Service Code	SSN, NPI and/or EIN

Part 3. Excluded Individuals or Entities (If not applicable, please indicate.)

List the name, title, and address of any person, as applicant or vendor, or entity with an ownership or control interest, any agent, director, officer, or managing employee of the applicant or vendor who is an excluded individual or entity, as defined on page 2.

Name	Title	Address

Part 4. Subcontractor (If not applicable, please indicate.)

A. List the name, title, address, SSN, NPI and/or EIN of each person or entity with an ownership or control interest in any subcontractor in which the applicant or vendor has direct or indirect ownership of 5 percent or more. State percentage.

Name	Title	Address	Percentage	SSN, NPI and/or EIN

B. List the name, title, address, SSN, NPI and/or EIN of each subcontractor or wholly owned supplier in which the applicant or vendor has had any significant business transactions within 5 years of the application or request.

Name	Title	Address	SSN, NPI, and/or EIN

APPLICANT/VENDOR SIGNATURE

Knowingly and willfully failing to fully and accurately disclose the information requested may result in denial of a request to become vendored, or if the service provider already is vendored, a termination of its vendorization.

By signing this disclosure statement, you hereby certify and swear under penalty of perjury that (a) you have knowledge concerning the information above, and (b) the information above is true and accurate. You agree to inform the vendoring Regional Center, in writing, within 30 days of any changes or if additional information becomes available.

Name of Applicant/Vendor or Authorized Representative

Title

Signature

Date

Recordkeeping and Access to Records

Subject to the provisions of Title 17, California Code of Regulations, Section 54311 and Code of Federal Regulations, Title 42, Part 455.105, an applicant or vendored provider agrees to provide access for the review of any and all ownership disclosure information and/or documentation upon written request by the vendoring regional center, the Department of Developmental Services, the State Medicaid Agency, Department of Health Care Services, any State survey team, the Secretary of the United States Department of Health and Human Services, or any duly authorized representatives of the above named entities.

Privacy Statement

All information requested on the application and the disclosure statement is mandatory with the exception of the social security number for any person other than the person or entity for whom an IRS Form 1099 must be provided by the Department of Developmental Services pursuant to 26 USC 6041. This information is required by the authority of Welfare and Institutions Code, Section 4648.12 and Title 17, California Code of Regulations, Section 54311. The consequences of not supplying the mandatory information requested are denial of vendorization as a regional center vendor or termination of vendorization. Any information may also be provided to the State Controller's Office, the California Department of Justice, the Department of Consumer Affairs, other state or local agencies as appropriate, fiscal intermediaries, managed care plans, the Federal Bureau of Investigation, the Internal Revenue Service, Medicare Fiscal Intermediaries, Centers for Medicare and Medicaid Services, Office of the Inspector General, Medicaid, or licensing programs in other states.