

## The Regional Center Core Staffing Formula

The “Core Staffing Formula” was developed around 1978, as a model for budgeting regional center operations (OPS) costs, including, staff salaries and benefits. The salaries were established using comparable point in time State of California (State) classifications and wages, with the assumption that as salaries increased for State classifications, salaries for comparable regional center classifications would increase similarly.

Throughout the years, the regional center system has grown tremendously in size and complexity, but the core staffing model has not been maintained/updated, and the assumptions used in developing the formulas in the model have become outdated. Overall, the Core Staffing Formula salary and wage levels have not changed since 1989-90\*, and in 1990, regional center salaries were "decoupled" from State cost-of-living adjustments through the State budget process, resulting in frozen regional center salaries. The regional centers' inability to offer competitive, market rate salaries has resulted in making business decisions regarding staffing practices. Regional centers have reported that they have had to, among other actions:

- Reduce staff educational and qualifications levels;
- Compensate for low recruitment and retention levels; and,
- Use funds allocated in the Core Staffing Formula for alternative staffing purposes or for staffing needs not addressed in the formula.

Additionally, the Lanterman Act requires regional centers to maintain specified service coordinator to consumer caseload ratios. This aligns with a key federal mandate to help ensure continued federal funding to the State through the Home and Community-based Services Waiver (HCBS Waiver). The inability to recruit and retain staff has resulted in regional centers experiencing difficulty meeting the mandated caseload ratios, which, in turn, negatively impacts the quality of case management services provided to consumers and families and could have a negative impact on federal compliance with the HCBS Waiver.

In 1998-99, due to concerns with the Core Staffing Formula, the Department of Developmental Services engaged Citygate, an independent contractor, to conduct a study to address the type, classification number, qualification, and compensation required for regional centers to meet their State and federal mandates and to be consistent with good professional and business practices. The study suggested that the Core Staffing Formula understated wage rates and provided insufficient budgeting for non-case management functions impacting the regional centers' ability to meet the case management levels stated in the core staffing model. It was noted that regional centers had substantial infrastructure needs, such as staff training, consumer records management and information systems training and support, which directly affect the ability of case managers and others to provide direct services to consumers. In addition, the study noted that regional centers were not budgeted for all the classifications needed to operate a nonprofit of the size (both caseload and budget) and complexities of the regional centers.

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\* Adjustments were made in the late 1990's to service coordinator salaries to respond to federal audit issues.