

CalPACE

Board of Directors Meeting

January 27, 2021 | 9:00AM-10:30AM | Zoom

To join the meeting by smart phone, tablet, or computer, click this link:

<https://calpace.zoom.us/j/98547434618?pwd=NXBuOTZUU3ZJaUIPNVZLT0xpaERBdz09>

To listen by phone, use one tap mobile +16699006833,,98547434618# or call (669) 900-6833 and enter:

Meeting ID: 985 4743 4618 | Passcode: 763248

AGENDA

1. Welcome
2. Approval of minutes of November 18, 2020 board meeting – *discussion and action item*
3. Brandman Centers for Senior Care designation of Susie Fishenfeld as board representative – *discussion and action item*
4. North East Medical Services designation of Diana Kawasaki-Yee as board representative – *discussion and action item*
5. Review and approval of audited financial statements for year ended June 30, 2020– *discussion and action item*
6. Executive committee actions -- *discussion item*
 - Board orientation materials and plans for board member orientation
 - Committee workplan
 - Contract with Paschal Roth Public Relations
7. 2021 retreat update – *discussion item*
8. Other business
9. Adjourn

ATTACHMENTS

- A. Minutes of November 18, 2020 CalPACE board meeting
- B. Meeting Notes of December 10, 2020 and January 12 Executive Committee meetings (2)
- C. Letter designating board member – Brandman
- D. Letter designating board member – North East Medical Services
- E. Audited financial statements for year ended June 30, 2020
- F. Draft list of CalPACE board orientation materials
- G. CalPACE board policies – Non-board member participation in board meetings; Day in Capitol; Board representation for organizations operating more than one PACE organization (3)
- H. Executive Committee workplan
- I. Paschal Roth proposal for public relations work and performance goals (2)

Board Members

•AltaMed PACE, Maria Zamora -Treasurer

- Brandman Centers for Senior Care, Susie Fishenfeld
- CalOptima, Elizabeth Lee
- Center for Elders' Independence, Vacant
- Central Valley PACE, Tony Weber
- Family Health Centers of San Diego, Jeff Gering
- Gary and Mary West PACE, Tim Lash

•Innovative Integrated Health, Phil Tsunoda

- North East Medical Services – Diana Kawasaki-Yee
- On Lok PACE, Eileen Kunz - Chair
- Redwood Coast PACE, Melissa Hooven
- San Diego PACE, Kevin Mattson - Secretary
- St. Paul's PACE, Cheryl Wilson – Vice Chair
- Sutter SeniorCare PACE, Julie Erdmann



Minutes of CalPACE Board Meeting

November 18, 2020

Zoom Meeting

Attendees

Board members:

Arnold Possick, Brandman Centers for Senior Care
Cheryl Wilson, St. Paul's PACE
Eileen Kunz, On Lok Lifeways
Jeff Gering, Family Health Centers of San Diego
Julie Erdmann, Sutter SeniorCare PACE
Maria Zamora, AltaMed PACE
Phil Tsunoda, Innovative Integrative Health
Tim Lash, Gary and Mary West PACE
Tony Weber, Central Valley PACE
Elizabeth Carty, WelbeHealth
Elizabeth Lee, CalOptima PACE

CalPACE staff:

Peter Hansel, Chief Executive Officer
Jennifer Blankenship, Vice President of Operations
Lucas Evensen, Public Policy Analyst
Fred Main, CalPACE Counsel

Guests:

Bev Dahan, InnovAge
Carol Hubbard, St. Paul's PACE
Jackie Mark, CalOptima PACE
Jay West, Central Valley PACE
Maria Lozzano, InnovAge
Pamela Ansley, Sutter SeniorCare PACE
Rena Smith, Gary and Mary West PACE
Sharon Melancon, Innovative Integrative Health
Susie Fishenfeld, Brandman Centers for Senior Care

Board members/officers absent:

Bing Isenberg, Center for Elders' Independence
Kevin Mattson, San Diego PACE
Melissa Hooven, Redwood Coast PACE
Vacant, Center for Elders' Independence

Note: These minutes are confidential and privileged and should not be circulated outside of the CalPACE Board.

Vice Chair Cheryl Wilson announced the appointment of Julie Erdmann to the Executive Committee as an at-large member and welcomed new Chair Eileen Kunz, who convened the meeting at 10:06 A.M.

DECISIONS

Minutes. Minutes of the September 15, 2020 board meeting were approved on a 11-0 vote (Wilson/Lash).

Executive Committee Recommendations. The Executive Committee at its October 27, 2020 meeting made a recommendation to the CalPACE Board of Directors to consolidate the Executive Committee and the Governance, Dues, and Bylaws Committee, as well as establish a workgroup to review CalPACE bylaws that would be appointed and led by Chair Kunz in coordination with Fred Main, legal counsel. Mr. Main reviewed the original formation and purpose of formation of the Governance, Dues, and Bylaws Committee and the Executive Committee. A motion to consolidate the Executive Committee and the Governance, Dues, and Bylaws Committee and to create a workgroup to review the bylaws was approved on a 12-0 vote (Wilson/Zamora).

CalPACE 2021 Policy Priorities. Fred Main provided an overview of the proposed 2021 policy priorities. A motion was made to approve the 2021 policy priorities document as presented, with amendments to move the vaccine recommendations to the top priority, prioritize within the PACE integration item subitem that expand PACE as an enrollment option and increase awareness of PACE, and for Peter Hansel and Fred Main to to distribute a revised version to board members . A substitute motion was offered to bring a revised version of the policy priorities back to the board for approval, which was defeated on a 2 - vote (Elizabeth Carty and Elizabeth Lee voting aye). Following the failure of the substitute motion, the main motion was approved on a 9-3 vote with Elizabeth Carty, Elizabeth Lee, and Phil Tsunoda voting no (Wilson/Lash).

DISCUSSION

Contract with Simple QI for Data Platform to Support Data Collection. Due to time restrictions, a discussion about contracting with Simple QI for a data platform to support data collection was deferred. Staff will provide an update at a future member meeting and will seek board member approval via email.

2021 Retreat Update. Due to time restrictions, the retreat update was deferred. Staff will provide an update by email or at a future member meeting.

Other business. On behalf of the board, Cheryl Wilson thanked board members for the engagement and efforts over the past several months. She and Eileen Kunz expressed the board's heartfelt condolences to Peter Hansel on the passing of his daughter and thanked CalPACE staff for their leadership in his absence.

The meeting adjourned at 11:06 A.M.

Respectfully submitted,

Kevin Mattson, Secretary

Prepared by:

- Peter Hansel, Chief Executive Officer
- Jennifer Blankenship, Vice President of Operations



CalPACE Executive Committee

December 10, 2020 | Zoom
Meeting Notes

Attendees: Bing Isenberg, Center for Elders' Independence
Cheryl Wilson, St. Paul's PACE
Eileen Kunz, On Lok Lifeways
Kevin Mattson, San Diego PACE
Maria Zamora, AltaMed
Julie Erdman, Sutter SeniorCare

CalPACE Staff: Peter Hansel, CalPACE
Jennifer Blankenship, CalPACE
Lucas Evensen, CalPACE
Fred Main, Clear Advocacy

Committee Chair Eileen Kunz convened the meeting at 4:10 PM.

Report on member engagement. CalPACE counsel and advocate Fred Main provided a report on discussions about CalPACE governance and decision-making processes with three non-committee board members following the November 18, 2020 board meeting. The board members indicated that there was a lack of clarity in the motion and voting process on the 2021 policy priorities. Some expressed a desire to better understand how decisions are made on what is brought to the board for approval and suggested that CalPACE have more formal committees for developing board recommendations, similar to NPA. Some also indicated that they had a substantive disagreement with one specific policy proposal dealing with auto referral of beneficiaries to PACE. Committee members discussed the pluses and minuses of having a more formal committee structure for developing recommendations. There was general consensus on the need to develop a more formal process for developing recommendations and to devote time to developing it as part of the committee's workplan.

CalPACE 2021 policy priorities. Committee members discussed the tradeoffs involved in pursuing the auto referral process as part of the policy priorities. There was general consensus to maintain the priorities as adopted by the board but to allow any board member to request to have further discussion of the priorities at a future board meeting.

2021 Committee workplan. Mr. Hansel presented potential topics for the committee workplan for 2021, which include CalPACE bylaws changes, new board member orientation, board officer responsibilities, and committee charter revisions. There was consensus that some of the topics can be dealt with through the development of proposed board policies that committee members can review electronically, while others, such as the board officer election process and committee charter, require more discussion among committee members. There was consensus that conducting board member orientation sessions on a regular basis and developing a set of

board member responsibilities are important priorities for the organization. There was consensus that a first phase board orientation should be conducted as part of the CalPACE retreat in February 2021 and that a small workgroup, including some non-committee members, be created to develop more complete materials and a process for future board orientation sessions. Initial board orientation items, including the bylaws, will be circulated to committee members prior to the next committee meeting, which will be scheduled for early January, as well as a draft committee workplan. The committee's goal will be to meet two weeks prior to each board meeting. Board meeting packets will be provided to board members five days in advance of each board meeting.

Adjournment. Chair Kunz adjourned the meeting at 5:10 PM.

Committee Members

Chair: Eileen Kunz, On Lok

Vice Chair: Cheryl Wilson, St. Paul's PACE

Treasurer: Maria Zamora, AltaMed PACE

Secretary: Kevin Mattson, San Diego PACE

At Large Member: Julie Erdman, Sutter SeniorCare

At Large Member: Vacant



CalPACE Executive Committee

January 12, 2021 | Zoom
Meeting Notes

Attendees: Bing Isenberg, Center for Elders' Independence
Cheryl Wilson, St. Paul's PACE
Eileen Kunz, On Lok Lifeways
Kevin Mattson, San Diego PACE
Maria Zamora, AltaMed
Julie Erdman, Sutter SeniorCare

CalPACE Staff: Peter Hansel, CalPACE
Jennifer Blankenship, CalPACE
Fred Main, Clear Advocacy

Committee Chair Eileen Kunz convened the meeting at 1:05 PM.

Committee workplan and board member orientation. CEO Peter Hansel reviewed a draft committee workplan outlining proposed committee work products in the areas of governance, membership dues and benefits, and board policies, and a proposed process and timeline for developing them. Committee members also reviewed a proposed list of board member orientation items. There was general consensus that board member orientation materials and plan and development of a set of board member responsibilities are the highest priority for the organization. Suggestions were made to conduct a basic board orientation session first, evaluate it before making further revisions, to have committee and board members review current board policies before they are incorporated in the first board orientation session, and to have the board review an updated list of board orientation materials at its next meeting. A suggestion was also made to gather further suggestions from board members at the upcoming retreat on creation of new committees and peer groups and to include in the workplan the proposed role or action of the board for each item and to adjust the timeline accordingly. There was consensus to adopt the proposed workplan as a working document with the changes discussed.

Contract with Paschal Roth PR. Mr. Hansel and Jennifer Blankenship, VP of Operations, reviewed a proposal from Paschal Roth for public relations work for CalPACE. The work would include media work and earned media, social media management and strategy, and other PR tasks. Committee members noted while there are some funds in the current year budget for this, the proposal could exceed them and that while the funding is month to month, CalPACE should evaluate whether it will be able to continue the level of spending required through the next fiscal year. Committee members noted that there will be a need to coordinate with and utilize members' PR and social media efforts which could reduce the amount of work needed. Concerns were expressed that better goals and metrics need to be included in the proposal and shared with the board. Following discussion a motion to approve moving forward with the proposal, with revisions to incorporate

performance metrics which will be presented to the board and an evaluation at the end of five months, was approved on a unanimous vote (Mattson/Zamora).

Board Effect board governance tool. Ms. Blankenship provided an overview of the Board Effect board governance tool which could be implemented by spring or early summer at a cost of \$5,500 per year. This tool would assist board members with accessing and storing board meeting materials and items. There was consensus that this could be a useful tool to assist board members. Board members shared information about other similar tools their organizations use. Following discussion, there was consensus to have staff develop the pro's and cons of alternative tools and systems and to bring this back to the committee at its next meeting.

Other business. Marie Zamora announced that she is leaving AltaMed to become CEO of CEI effective in early March. Bing Isenberg announced that she is leaving CEI to become Sr. VP of Finance for InnovAge. Fred Main, CalPACE counsel, will develop information and options for CalPACE to consider for continuing and filling board officer positions for Ms. Zamora and Ms. Isenberg.

Adjournment. Chair Kunz adjourned the meeting at 2:15 PM.

Committee Members

Chair: Eileen Kunz, On Lok

Vice Chair: Cheryl Wilson, St. Paul's PACE

Treasurer: Maria Zamora, AltaMed PACE

Secretary: Kevin Mattson, San Diego PACE

At Large Member: Julie Erdman, Sutter SeniorCare

At Large Member: Vacant



BrandmanCenters
FOR SENIOR CARE

Comprehensive quality care for seniors

November 18, 2020

CalPACE Board of Directors
1315 I Street, Suite 100
Sacramento, CA 95814

Dear Eileen and Peter,

I would like to nominate Susie Fishenfeld, Executive Director of the Brandman Centers for Senior Care PACE Program (BCSC) to replace me as the representative of BCSC on the CalPACE Board of Directors. Susie has deep knowledge of PACE and decades of experience in senior level management of health care organizations.

I will continue to participate in CalPACE member meetings but my other responsibilities at the Los Angeles Jewish Home do not leave me sufficient time to participate in a meaningful way as a CalPACE Board member.

Thank you,

Arnold Possick
Chief Strategy Officer
Los Angeles Jewish Home

cc: Peter Hansel, CEO, CalPACE
Eileen Kunz, Board Chair, CalPACE
Jennifer Blankenship, Vice President of Operations, CalPACE



728 Pacific Avenue, Suite 200, San Francisco, CA 94133

January 5, 2021

CalPACE
Attention: Peter Hansel, Executive Director
1315 Street, Suite, 100
Sacramento, CA 95814

Dear Mr. Hansel,

NEMS is pleased to advance from an Associate Member to a Fully Operational Member with CalPACE. With this advancement, we understand CalPACE Bylaws appoint the CEO as the default board member. NEMS kindly requests our CalPACE board representation be designated to the following:

Diana Kawasaki-Yee, Chief Operating Officer
2171 Junipero Serra Blvd, Suite 700
Daly City, CA 94014
(415) 391-9686 x5927

Thank you for accepting this request and for your continuous advocacy and support of PACE.

Sincerely,

A handwritten signature in blue ink that reads "Eddie Chan".

Eddie Chan, President & CEO

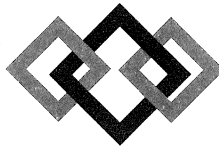
Cc: Diana Kawasaki-Yee
Sharon Raver-Villanueva

CALPACE

FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 2020
WITH
INDEPENDENT CERTIFIED PUBLIC
ACCOUNTANTS' AUDIT REPORT

CALPACE
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JUNE 30, 2020

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INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS' AUDIT REPORT

To the Board of Directors
CalPACE
Sacramento, California

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of CalPACE, which comprise the statement of financial position as of June 30, 2020, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Auditors' Responsibility, continued...

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of CalPACE as of June 30, 2020, and the changes in their net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink, consisting of a large, stylized initial 'R' followed by a series of connected loops and a final horizontal stroke.

Sacramento, California
December 18, 2020

CALPACE
STATEMENT OF FINANCIAL POSITION
JUNE 30, 2020

ASSETS

Current Assets

General Checking	321,233.10
Receivables - Other	7,350.00
Prepaid Expenses	701.78

Total Current Assets	329,284.88
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Fixed Assets

Furniture & Equipment	14,455.00
Less: Accumulated Depreciation	(6,195.09)

Net Fixed Assets	8,259.91
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Total Assets	337,544.79
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LIABILITIES & NET ASSETS

Current Liabilities

Accounts Payable	53,460.00
Accrued Expenses	27,586.68
Deferred Revenue	16,700.39

Total Current Liabilities	97,747.07
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Net Assets

Unrestricted	239,797.72
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Total Net Assets	239,797.72
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Total Liabilities & Net Assets	337,544.79
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CALPACE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

	YEAR-TO-DATE AMOUNT	Y-T-D RATIO
Revenues		
Membership	575,625.00	78.21
Sponsorship	4,575.00	0.62
Strategic planning & brand development	87,900.00	11.94
Membership events	61,900.00	8.41
ISAT Fees	6,000.00	0.82
Total Revenues	736,000.00	100.00
 Expenditures		
Program activities	543,548.03	73.85
Supporting activities	166,171.03	22.58
Total Expenditures	709,719.06	96.43
 Increase (Decrease) in Unrestricted Net Assets	 26,280.94	 3.57
 Net Assets:		
Beginning of year	213,516.78	
End of year	239,797.72	

CALPACE
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2020

	<u>CalPACE</u>	<u>Management and General</u>	<u>Total</u>
Accounting	10,260.00	0.00	10,260.00
Catering	0.00	15,649.96	15,649.96
Contractual	35,714.82	0.00	35,714.82
Contributions	0.00	1,127.30	1,127.30
Depreciation	1,713.21	428.30	2,141.51
Insurance	0.00	2,798.50	2,798.50
Legal	39,000.00	0.00	39,000.00
License and fees	2,112.85	0.00	2,112.85
Lobbying	88,644.00	0.00	88,644.00
Management contract	5,100.00	0.00	5,100.00
Membership	0.00	8,429.57	8,429.57
Miscellaneous	0.00	48.23	48.23
Payroll taxes and fringes	30,914.01	7,728.51	38,642.52
Postage & Printing	0.00	250.20	250.20
Public relations	4,900.00	0.00	4,900.00
Rent	0.00	11,145.00	11,145.00
Retreat	0.00	45,426.47	45,426.47
Salaries & employee leasing	216,529.02	49,259.62	265,788.64
Strategic planning	91,151.35	0.00	91,151.35
Supplies	0.00	1,879.72	1,879.72
Technology	0.00	5,096.99	5,096.99
Telephone	0.00	4,725.65	4,725.65
Training and conference	2,467.20	0.00	2,467.20
Travel & meetings	13,861.57	12,177.01	26,038.58
Website	1,180.00	0.00	1,180.00
Total	543,548.03	166,171.03	709,719.06

CALPACE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

Cash Flows from Operating Activities:

Change in Net Assets	26,280.94
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by (Used in) Operating Activities:	
Depreciation	2,141.51
Change in Operating Assets and Liabilities:	
Receivables	(5,085.98)
Prepaid Expenses	(8.50)
Accounts Payable	(26,275.57)
Accrued Expenses	5,855.15
Deferred Revenue	(10,800.00)

Net Cash Provided by (Used in) Operating Activities (7,892.45)

Cash Flows from Investing Activities:

Purchase of Property and Equipment	(8,434.60)
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Net Cash Provided by (Used in) Investing Activities (8,434.60)

Net Increase (Decrease) in Cash (16,327.05)

Cash, Beginning of Year 337,560.15

Cash, End of Year 321,233.10

Taxes Paid	0.00
Interest	0.00

Note 1 - Nature of Organization

CalPACE, the California PACE Association, is a California nonprofit mutual benefit corporation and is granted tax-exemption status under Internal Revenue Code Section 501(c)(6) and California Revenue and Taxation Code Section 23701e. The specific purpose of CalPACE is to promote expansion of comprehensive health care services to the frail and elderly in the State of California through the Program of All-inclusive Care for Elderly (PACE). CalPACE additional purposes are to support, maintain, safeguard and promote through education and advocacy the PACE model of care and to promote quality health care services for the elderly in the state of California.

CalPACE was officially incorporated in August 2007 by four existing California PACE programs, which have been in operation for several years. Currently there are sixteen operational PACE programs in California and they are:

- AltaMed PACE – Los Angeles
- Brandman Centers for Senior Care – Los Angeles
- CalOptima PACE – Orange County
- Center for Elders' Independence – Alameda, Contra Costa
- Family Health Centers of San Diego – San Diego
- Gary & Mary West PACE – San Diego
- InnovAge Greater CA PACE – Riverside, San Bernardino
- Innovative Integrated Health – Fresno, Kern, Tulare
- LA Coast – Los Angeles
- On Lok PACE – San Francisco, Alameda, Santa Clara
- Pacific Pace – Los Angeles
- Redwood Coast PACE – Eureka
- San Diego PACE – San Diego
- St. Paul's PACE – San Diego
- Stockton PACE – San Joaquin, Stanislaus
- Sutter SeniorCare PACE – Sacramento

CalPACE has three categories of membership: (1) Full membership is available to fully operational organizations that have been designated as a PACE program by the state of California, operates in California and is a member of the National PACE association; (2) Allied Organization membership, which is available to fully operational organizations that have been designated as a PACE program by the state of California, operates in California and is not a member of the National PACE Association; and (3) Associate membership is available to organizations that are in the process of becoming a PACE provider or have demonstrated interest in becoming a PACE provider, with this category being further split into (a) Associates exploring PACE and (b) PACE application approved.

Cash and Cash Equivalents

For cash flow reporting purposes, cash and cash equivalents include highly liquid investments with maturities of three months or less when purchased.

Note 2 - Summary of Significant Accounting Policies

Cash and Cash Equivalents

For cash flow reporting purposes, cash and cash equivalents include highly liquid investments with maturities of three months or less when purchased.

Liquidity Management

The Association's financial assets available within one year of the balance sheet date for general expenditure are as follows:

Cash in Bank	321,233.10
Accounts Receivable	7,350.00
Accounts Payable	(53,460.00)
<hr/>	
Total	275,123.10
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As part of the Association's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due. The Association has a goal to maintain reserves, which consist of cash and short-term investments, on hand to meet 90 days of normal operating expenses, which are, on average approximately \$145,000.00. To help manage unanticipated liquidity needs the Association maintains credit cards which can be used in the event of an unanticipated liquidity need.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts based on its assessment of current status of collectability. Management has assessed based on past experience and member correspondence that all receivables are collectible, and as such no allowance for doubtful accounts has been accrued.

Property, Equipment and Leasehold Improvements

Any assets purchased with a useful life of over one year and a purchase price greater than \$1,000.00 are capitalized. Property and equipment are valued at cost and depreciated using the straight-line method over the estimated useful lives of the assets. Depreciation expense charged to operations in the accompanying financial statements for the year ended June 30, 2020 was \$2,141.51.

Note 2 - Summary of Significant Accounting Policies (continued)

Income Taxes

The Association is exempt from income taxes under Internal Revenue Code Section 501(c)(6) and California Revenue and Taxation Code Section 23701e. CalPACE is required to file annual information returns with the Internal Revenue Service and the California Franchise Tax Board. Management has considered its tax positions and believes that all the positions taken on its federal and state returns are more likely than not to be sustained upon examination. The federal and state taxing authorities generally can examine the tax returns for three years and four years after they are filed.

Financial Statement Presentation

The Association presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification Topic 958, Subtopic 205, *Not-for-Profit Entities - Presentation of Financial Statements* (FASB ASC 958-205). On August 18, 2016 the FASB issued ASU 2016-14 Not-for-Profit Entities (Topic 958) Presentation of Financial Statements of Not-for-Profit Entities. Under the amended FASB ASC 958-205, the Association is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restriction and net assets with donor restriction. The Association has no net assets with donor restrictions.

Functional Expenses

The costs of providing program services and supporting services have been summarized on a functional basis on the statement of functional expenses. Management has elected to use the following functional allocations: CalPACE as program services and General & Admin as supporting services. Indirect costs are allocated amount program and supporting services based on the percentage of time spent by employees providing such services. Currently the employees spend 80% of their time on program activities and 20% on supporting activities.

Going Concern

In August 2014, FASB issued ASU 2014-15, Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern (Subtopic 205-40). This ASU requires management to evaluate whether there are conditions or events, considered in the aggregate that raise substantial doubt about the entity's ability to continue as a going concern, which was previously performed by the external auditors. Management is required to perform this assessment for both interim and annual reporting periods and must make certain disclosures if it concludes that substantial doubt exists. The adoption of this standard by management did not have any effect on the combined financial statements, as management has concluded that substantial doubt does not exist with regard to the Association's ability to continue as a going concern.

CALPACE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

Note 3 - Office Support Contract

On July 1, 2014 CalPACE entered into an agreement with Leading Age California (LAC) for LAC to provide general office facilities, payroll, benefit and office support services as well as office space with existing furniture within the LAC office located at 1315 I Street, Suite 100, Sacramento, CA. This contract was for the period from July 1, 2014 through June 30, 2015 and automatically renews every twelve months, unless either party gives notice of its intent to terminate 60 days prior to renewal. CalPACE shares office space and members of management with LAC, a related party.

The fixed monthly fee is \$2,693.00. Services requested not covered by the fixed monthly fee are billed hourly and requested equipment/supplies are billed at cost. CalPACE staff are CalPACE employees even though the payroll is administered by LAC.

Costs associated with the office support contract as of June 30, 2020 are as follows:

Rent	11,145.00
Telephone	2,580.00
Accounting and administrative support	13,860.00
Information Technology	3,533.30
<hr/>	
Total	31,118.30

CalPACE also reimburses LAC monthly for expenses paid on behalf of CalPACE employees, which include salaries, health and other fringe benefits, payroll tax and workers compensation.

Costs paid to LAC for employee expenses as of June 30, 2020 are as follows:

Salaries	241,851.44
Employee leasing	19,490.55
Health insurance	10,153.28
401(k) Match	8,730.00
Payroll taxes	18,739.25
Worker's compensation	1,019.99
<hr/>	
Total	299,984.51

CalPACE offers certain full-time employees who qualify the opportunity to contribute to a 401(k) defined contribution plan. CalPACE offers to match a percentage of the employee contributions to the plan. Employer contributions to the plan for the year ended June 30, 2020 were \$8,730.00.

Note 4 - Revenue

Membership & Affiliates

The annual membership fee for Full members and Allied Organizations is a share of CalPACE's annual budgeted expenses with a minimum of \$15,000.00 and a maximum of \$80,000.00 based on the annual revenues of the member PACE programs. The fee for the Associate members is based on the state of their PACE progress and ranges from \$3,750.00 to \$12,500.00. Affiliates pay a fee of \$2,500.00 for benefits associated with the affiliation.

Strategic Planning

CalPACE has engaged in a strategic planning program to help assess the Medicare Advantage Special Needs Plan as a growth opportunity for CalPACE members and increase PACE program awareness among eligible PACE recipients in California. Certain program members have agreed to reimburse CalPACE for the expenses associated with these programs.

Events

CalPACE holds an annual retreat for full PACE members and a meet and greet for associate and affiliate members in an effort to facilitate communication and networking amongst PACE programs, associate members and affiliates. Small fees are collected for non-board member attendees at the annual retreat, and members pay a registration fee for the meet and greet.

Note 5 - Concentration of Risks

Credit Risk

The Federal Deposit Insurance Corporation (FDIC) insures the cash balances in banks up to \$250,000.00 per customer per bank. CalPACE's bank balance was \$115,875.47 above FDIC insured limit as of June 30, 2020.

Concentration of Member Dues

CalPACE's major source of revenue is from membership dues which accounted for 78.21% of the gross revenue for the current fiscal year. Of the dues collected the two largest members were AltaMed at 13.90% and On Lok at 13.90%. The next two largest members paid 15.35% of the total dues combined.

Note 6 - Subsequent Events

The management of CalPACE has reviewed the results of operations and evaluated subsequent events for the period of time from its year end June 30, 2020 through December 18, 2020, the date the financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

Draft List of Items to Include in CalPACE Board Orientation Binder (January 2020)

- Articles of Incorporation
- Mission
- Values
- History of CalPACE
- Strategic Plan
- Board Governance Calendar
- Antitrust Statement
- Board Member Responsibilities
 - Annual Disclosure: Code of Ethics and Professional Conduct
 - Annual Disclosure: Confidentiality and Non-Disclosure Agreement
 - Annual Disclosure: Conflict of Interest Policy
- Bylaws
- Executive Committee Charter
- Committees, Workgroups, & Peer Networks
- Day in the Capitol/District
- Meeting Schedules, Materials, and Attendance
- Meeting Minutes and Notes
- Member Benefits and Categories
- PACE Acronyms List
- PACE Organization Responsibilities
 - Census
 - Center and ACS Locations
 - Contact and Distribution List
 - COVID-19 Metrics
 - I-SAT Metrics
 - Standard Quality Reporting Metrics
- Reports from CalPACE to Board
 - Annual Report
 - Financial
 - Lobbying Expenses
 - W-9
- Policies
 - Adopted policy: Attendance at board meeting by non-board members
 - Adopted policy: Day in the Capitol/District legislative overlap
 - Adopted policy: Board representation of organizations operating more than one PO
 - Adopted policy: Non-dues Revenue Support
- Technical Assistance Webinars
- Virtual Meeting
- Voting and Elections



Guidelines on Participation of Non-Board Members in CalPACE Board Meetings

Background

The CalPACE bylaws provide that the Chief Executive Officer of each association members' PACE organization is a CalPACE director. The bylaws allow a PACE organization CEO to appoint in writing a designee to serve as the representative of the CalPACE member for the duration of their service on the board of directors.

The bylaws also allow the board to authorize the election of directors in addition to these board members.

While a PACE organization CEO is authorized to appoint another person to represent their organization on the CalPACE board on an ongoing basis, there is no provision in the bylaws for use of proxy voting, i.e. temporary or intermittent authorization for a representative to cast votes on behalf of the organization's board member.

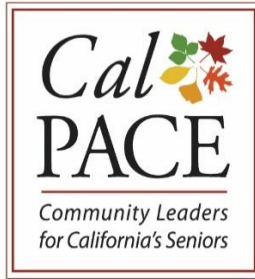
CalPACEs informal practice is to allow board members to invite senior staff members to attend and participate in board meetings, either in addition to their participation or when they are unable to participate. These non-board members can participate in board meeting discussions but are not allowed to cast votes on any board matters.

Guidelines

Board members may invite staff to attend and participate board meetings as needed to provide information and to help represent their organization's position or perspective on any board matter.

Such participation shall generally be in addition to and not in lieu of the board member's participation. Ongoing use of staff to represent a board member's organization without or in lieu of the board member's participation is discouraged.

Non-board members shall be recognized at the discretion of the Board Chair as time permits and as needed to provide their organization's position or perspective, or to provide information to assist board members in the consideration of any matter before the board.



CalPACE Board Policy Resolution

CalPACE Day in Capitol Legislative Visits by Members

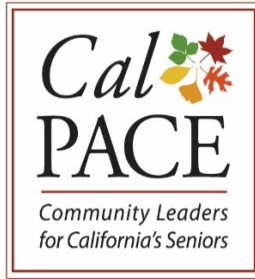
Background

With the growth in membership and the growing number of areas of the state that are served by more than one PACE organization it is important for CalPACE to better coordinate Day in the Capitol meetings and other advocacy events and to ensure that these activities are focused on advocacy on CalPACEs priorities. The Governance, Dues and Bylaws Committee developed recommendations on this issue which were adopted by the board on November 6, 2019.

Policy Adopted by the CalPACE Board

Members whose areas are served by the same legislative offices shall work together to schedule joint meetings for the CalPACE Day in the Capitol and shall request ClearAdvocacy to schedule the meetings as needed. Members shall make CalPACEs policy priorities the main focus of their meetings and may set up separate meetings at other times to discuss their specific issues and needs.

Adopted by the CalPACE board on November 6, 2019.



CalPACE Board Policy Resolution

Policy resolution on membership provisions for entities that own or operate more than one PACE organization. Chair Trowbridge provided an overview of recommendations from the CalPACE Governance, Dues, and Bylaws Committee that the board adopt a policy resolution clarifying that for entities that operate or control more than one PACE organization, the parent organization is considered to be the CalPACE member. Several organizations are developing applications for more than one PACE organization and absent the adoption of a board policy, or a bylaws change, these organizations could end up having more than one board seat. Following brief discussion, a policy resolution was approved by the board (Zamora/Wilson) that states:

For entities that operate or control, based on 51 percent or greater ownership, more than one PACE organization, the parent organization is considered to be the CalPACE member. Dues for these members will be based on the total enrollment or revenues from the PACE organizations it controls or operates.

Adopted by the CalPACE board on January 09, 2018.

CalPACE Executive Committee Workplan

January 20, 2021

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Topic	Work Product	Process for Development	Role of Board	Timeline
Governance	Board member orientation materials	Staff will develop for committee review	Review and comment by March 10	March
	Board member responsibilities	Staff will develop for committee review	Review and comment by March 10	March
	Process for election of board officers	Workgroup will develop	Approve by September 8	September
	Updates to bylaws	Workgroup will develop	Approve by September 8	September
	Committee charter	Workgroup will develop	Approve by September 8	September
Membership Dues and Benefits	Updated dues methodology	Workgroup will develop	Approve	May
Board Policies	CalPACE member organization responsibilities	Staff will develop for committee review	Approve	June
	Board voting procedures	Staff will develop for committee review	Approve	June
	Committees and workgroups	Staff will develop for committee review	Approve	June
	Non-dues revenue	Staff will develop for committee review	Approve	June

Paschal | Roth Consulting Services Agreement

WHEREAS, Paschal Roth Public Affairs, Inc. (hereinafter "Consultant"), is a corporation, specializing in public affairs strategies.

WHEREAS, the CalPACE (hereinafter "Client") wishes to retain Consultant to perform consulting services as set forth in this Agreement.

WHEREAS, when accepted and signed by Client, this document will constitute the entire Agreement (hereinafter "Agreement") for those services.

NOW, THEREFORE, this Agreement is made effective as of January 15, 2021 between Consultant and Client.

Term Services and Compensation

Consultation "Services" and management to be provided to the Client include the following:

1. Develop communications plan and strategy
2. Pitch stories – Print, TV, Radio
3. Editorial Board and columnist outreach
4. Assist with rapid response/crisis communications as needed
5. Organize and pitch media events
6. Serve as point of contact with media
7. Prepare press releases, talking points, letters-to-the-editor, etc.
8. Draft and pitch op-eds
9. Create messaging materials: fact sheets, one-pagers, leave behinds, FAQs, letters of support, etc.
10. Manage social media channels (Twitter, Facebook & Instagram) and content
11. Participate in scheduled calls and meetings
12. Available for overall strategic counsel 24/7

Terms/Rates

13. This Agreement shall become effective as of January 15, 2021 and terminate on June 30, 2021
14. Client shall pay Consultant a monthly fee of \$8,000 per/mo. All pre-approved expenses associated with travel, printing and events will be billed at cost.

General Provisions

15. All rights of the parties under this Agreement shall survive the conclusion or termination of this Agreement.
16. If this Agreement is terminated for any reason, Client will be obligated to pay Consultant for all Services performed under this Agreement through the date

of termination.

17. Consultant shall act as an independent contractor in performing the services described in this Agreement. Nothing contained herein shall be deemed to make Consultant the agent, employee, joint venture, or partner of Client.
18. If any part, term or provision of this Agreement is held by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.
19. The failure of either party hereto at any time to require performance by the other party of any provisions of this Agreement shall in no way effect the right of such party thereafter to enforce the same, nor shall any waiver of any breach of any provisions hereof by the other party be taken or held to be a waiver by such party of any succeeding breach of such provisions, or as a waiver of the provision itself.
20. The section and other headings contained in this Agreement are for reference purposed only and shall not affect the meaning or interpretation of this Agreement.
21. If any action is brought to enforce, or to construe or determine the validity of, any term or provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees and costs of the action.
22. All notices, requests, demands, and other communications which are required or may be given under this Agreement, except as herein provided, shall be in writing and shall be deemed to have been duly given when received if personally delivered, two (2) days after it is sent if sent by recognized expedited delivery service; and upon receipt, if mailed, certified mail, return receipt requested. In each case communications shall be sent to the address set forth below the party's name on the signature page hereto.
23. This Agreement supersedes all prior oral or written proposals, communications or other agreements related to the subject matter of this Agreement. This Agreement constitutes the entire understanding between Client and Consultant with regard to the subject matter of this Agreement and no amendment or change shall be binding upon the parties unless in writing and signed by both parties.

The undersigned have been executed this Agreement on the dates written below their signatures and to be effective under "Terms/Rates listed above.

**Mike Roth, Paschal Roth Public Affairs
Paschal | Roth Public Affairs, Inc.
Tax ID# 26-3273301**

Date:

**Peter Hansel, Chief Executive Officer
CalPACE**

Date:

CalPACE Objectives and Performance Goals for Paschal Roth

General Guidelines:

Paschal Roth proposes the following deliverables to meet its scope of work with CalPACE. Much of what we propose is creating internal systems so that we can jump on outward facing communications opportunities for advocacy and media engagement. We look forward to the impactful work ahead. Please note our ability to meet and exceed the proposed performance goals is predicated by:

- Opportunities in public policy, the state budget, and the regulatory environment that can be transformed into platforms for CalPACE to speak out to policymakers, budget writers, peer advocacy organizations, and care providers; and
- The news value of issues we push out to journalists, specifically in terms of their capacity to align or compete with larger issues of the day such as COVID-19 recovery.

Objectives and Goals:

- Create systems for engaging CalPACE members in communications.
 - Identify stories from the field for use as examples of high-quality long-term care, which can strengthen social media content, advocacy tools, and outreach to journalists.
 - Identify CalPACE members who can speak to regional media markets, provide quotes for CalPACE press releases, or submit letters to the editor on local stories about long-term care. Provide media training, as necessary.
 - **GOALS: 1) Create a social media campaign to routinely acknowledge long-term care heroes from CalPACE membership, which will provide a well of examples for reference in advocacy and media communications 2) Identify 2 PACE members based in the state's primary media markets (SF Bay Area, Sacramento, Los Angeles, and San Diego) to participate in media outreach.**
- Widen CalPACE's position as a policy opinion leader on long-term care issues.
 - With technical guidance from CalPACE on policy nuance and key hearing dates, prepare position letters and fact sheets on legislation, state budget components, bill and budget signature, and regulatory changes under consideration.
 - Establish a framework for developing persuasive policy content that speaks to experts and a mass audience so CalPACE position letters aid advocacy and media relations.
 - Develop infographics for use across communications platforms and inclusion in advocacy materials to showcase data behind CalPACE positions.
 - **GOALS: 1) Write 5 position letters 2) Produce 2 infographics.**
- Establish CalPACE as an important voice and source for long-term care issues with journalists.

- Schedule introductory phone calls and, pending COVID-19 vaccination status, in-person coffees with Capitol Press Corps journalists who cover care issues to build relationships.
- Share position letters with reporters, as appropriate.
- Issue press releases commenting on key developments impacting long-term care.
- With guidance from CalPACE on contentious legislation and state budget components, place stories with key reporters or pitch op-eds around key hearing dates and votes.
- Place stories, pursue letters to the editor and op-eds, and editorial board meetings that hold the state accountable for the Master Plan for Aging and CalAIM.
- **GOALS: 1) Schedule 5 phone calls/coffees for CalPACE to begin building relationships with select reporters who cover long-term care issues 2) Issue 5 press releases on CalPACE priorities TBD 3) Place CalPACE in 5 stories, 2 letters to the editor, and one or two op-eds about CalPACE priorities TBD.**
- Build CalPACE presence on social media.
 - Share position letters, fact sheets, and infographics.
 - Post footage of testimony at key hearings.
 - Reinforce press strategies with posts that link to primary press materials or reflect their messages.
 - Engage posts of other opinion leaders - lawmakers, peer advocacy organizations, and key state agencies/departments - with likes and reposting.
 - Share career position opportunities with PACE providers.
 - Include latest social media posts on CalPACE website homepage to integrate platforms.
 - Expand followers by listing social media handles on all CalPACE-branded materials.
 - **GOALS: 1) Post all position letters, fact sheets, and infographics 2) Update list of organizations and VIPs followed on social media for improved engagement with other opinion leaders 3) Post all positions with CalPACE organizations 4) Grow CalPACE followers on Twitter to 500 (from 355) and on Facebook to 500 (from 259).**