

CLI

COMMUNITY, LIFE & INNOVATION

A NON-PROFIT WHOSE MISSION IS TO INCREASE THE EARNINGS, STATUS, AND QUALITY OF LIFE OF PEOPLE WITH DEVELOPMENTAL DISABILITIES

CLI Road Map Report

For the Building Innovative Service Models Grant [BISM]

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submitted with support from [NEXUS4change](#)

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EXECUTIVE SUMMARY

CLI began services in 2016 with a strategic aim “To settle into operation(s) that ensure our financial independence [in order to] grow to meet the needs of people with DD in the Firelands region.” The mission created in 2016 remains largely unchanged:

The mission of CLI Incorporated shall be to increase the earnings and status of persons with DD through business development, supported employment, and alternative services. CLI’s primary purpose is to support individuals with DD to be respected, independent members in their communities and to help them to identify their personal objectives and to assist them to achieve those goals.

There are three primary goals implicit to CLI’s mission:

- 1) *To increase the earnings, status, and quality of life of individuals with DD;*
- 2) *To increase the earnings, status, and quality of life for people who care for people with disabilities;*
- 3) *Improving the communities within which our clients strive to belong.*

CLI’s business model and practice have evolved. Currently, and as part of the DODD BISM grant, CLI is focused on creating a new STEP-funding-based DSP position: The ‘CLI STEP Coordinators’ will have added budgetary and managerial responsibilities, and benefit from bonus incentives tied directly to services provided to our clients.

Other business model improvements are focused on departing the congregate service settings toward community engagement and integration in our Community hubs; as well as the separation of provider services and employment via Firelands LLC and CLI GoodWorks LLC.

Our ongoing partnerships with DODD, HCBDD, our two partner LLC and the many community partners including the City of Norwalk, Monroeville UCC, and local non-profits such as OHGo, Sandusky Sailing Club, Humane Society, When Pigs Fly, the Clothing Bank, and Salvation Army remain critical to our success.

INTRODUCTION

This document outlines CLI's implementation of its current business plan and the progress made during the grant period for the DODD's Building Innovative Service Models grant and seeks to communicate our assessment and planning strategies.

1. Strategic Planning

CLI's current strategic plan is an extension built on the initial strategic planning work conducted in 2015 and 2016.

1.1. Approaches/Processes Utilized For Strategic Planning

CLI reviewed and revised its strategic plan in the winter of 2020. This current strategic plan was formally approved in early 2021. The CLI team had further conversations as a part of leveraging the resources of DODD's BISM grant. We reviewed previous strategic planning efforts, and conducted extensive assessments focused specifically on staffing.

1.1.1. Review Of Previous Strategic Planning Efforts

The team reviewed the [CLI 2015 Business Plan proposal](#) that included several SWOT analyses of several Business planning scenarios.

At the time of creation of this Business Plan proposal in 2015, the preferred scenario was #3: A 5-Year Adult Program Transition to CLI as Private Agency because it was identified as the "safest" option, given that the recently revised conflict-free case management rules also eliminated the option of segregated services except as a last resort. Part of the strategy associated with this model would be to allow CLI to get ahead of cash flow by "leasing" HCBDD staff during this 5-year interim so that CLI could accumulate cash reserves. However, as this issue was being debated throughout the state-wide DD system, there was a keen focus on getting to a conflict-free model ASAP. Consequently, HCBDD was unwilling to stretch out a transition period beyond a single year. Over the course of 2016, HCBDD and CLI implemented scenario #2: A quick transfer to CLI as provider.

CLI still feels this was the right decision. The other two scenarios identified at the time were more of a "wait & see" approach. The organization correctly identified this as being problematic. CLI was eager to begin reinventing itself around the new mandates and imminent business pressures. Delaying the actual privatization would have made it much harder to address problems nimbly since both "wait & see" solutions would have resulted in CLI administration still being more directly controlled by HCBDD. While HCBDD's intentions would have been benevolent, as a public agency HCBDD is more risk-averse than CLI as a private company can afford to be.

Early on in CLI's transition away from HCBDD, we not only redefined our mission as "to increase the earnings, status & quality of life of people with developmental disabilities," but also to include increasing the earnings, status & quality of life of people who take care of people with disabilities– as well as actively working to improve the communities within which we all live. Consequently, as an agency, CLI prioritized DSP pay and community engagement. We believe that these two factors are why CLI only averages approximately 5% annual turnover (excepting COVID layoffs).

On the other hand, CLI as a new, privatized company had far less cash reserves than we would have had as part of HCBDD. In the other 2 more conservative scenarios, CLI probably would not have pivoted so aggressively into the community. Because the pre-COVID reimbursement favored traditional, large-group, facility-based services, and because it is likely that CLI would not have spent as much money on insufficiently reimbursed small-group services, we would have been able to generate modest, positive net income over each of the past 4 years. However, CLI was immediately able to begin STEP services, as we already had the necessary staff training & culture to support it.

Additionally, given the DSP labor crisis statewide, it seems probable that if CLI had not increased staff pay and benefits, then we would not have the staff we need now. Those DSP wage increases most likely would have been smaller in the more conservative "wait & see" scenarios. In short, the path chosen was the best possible choice in every way, except money.

The team also reviewed [CLI's first Strategic Plan](#), drafted in 2016. This plan included a detailed new SWOT analysis of CLI. While there were a number of objectives identified in the plan, the consistent focus was around one key goal:

"To settle into operation(s) that ensure our financial independence [in order to] grow to meet the needs of people with DD in the Firelands region."

2016 Mission:

The mission of CLI Incorporated shall be to increase the earnings and status of persons with DD through business development, supported employment, and alternative services. CLI's primary purpose is to support individuals with DD to be respected, independent members in their communities and to help them to identify their personal objectives and to assist them to achieve those goals.

1.1.2. Assessments

CLI has recently conducted an assessment effort that queried its external stakeholders: Individuals served, family members, and community partners, as well as an internal review of employees with a focus on learning about improving billing and effectiveness for CLI DSPs. Details on this assessment process can be found in our Assessment Report, including the tools outlined in the appendices for that report. The Assessment Report can be found at [this link](#).

The External review included the following indicators that are taken into consideration for CLI's strategic planning effort: In 2021, a majority of our clients want the following CLI services: Transportation (89%), Small Group Activities in the Community (77%), Community Volunteering Projects (66%), and 1:1 Activities in the Community (65%).

Other responses from stakeholders included a number of positives, such as:

- Recognized/appreciated CLI's client & community outreach efforts during COVID shutdown;
- Positive CLI staff attitudes;
- 2020 services were "as good as could be expected" given the circumstances;
- Expanded volunteer projects have been enjoyed & appreciated.

Negatives identified were:

- Loss of popular large group programs, particularly the workshop day program;
- People would like more opportunities than they were allowed during the pandemic.

An encouraging aspect of the negative feedback is that quite often, people were frustrated because they weren't getting as many CLI services as they wanted, rather than frustrations with the actual service delivery. There were many positive comments about CLI staff's positive, friendly attitude.

Up until the state-wide shutdown, CLI used the traditional workshop building as a central hub and offered limited hours of large-group facility-based vocational services in that space on a weekly work schedule. One year later in 2021, CLI still offers vocational day services – but in a community work setting rather than the workshop. People also seem eager to get out into the community in non-work activities. We've identified that for most of our clientele and their families, what is most important is having a single point of contact and having the desired and predictable frequency and duration of services. People overall seem to trust CLI and our staff. One issue in regards to meaningful integration is that most families and residential providers want first shift adult day services, which are not optimal time slots to find others involved in the larger community.

As part of our annual review process, CLI also solicited feedback from staff. CLI is fortunate to have staff with diverse professional backgrounds. Several respondents referenced their diverse experiences as a meaningful foundation for success in their position, and identified change as an operational reality: “Being flexible, patient, and having a good ear are major factors in this position.”

1.2. **CLI’s Strategic Plan**

The [following strategic plan](#) outlines CLI’s strategic focus as approved in February 2021.

1.2.1. **Mission Statement**

The following mission remains unchanged from what CLI established in 2016:

“The mission of CLI Incorporated shall be to increase the earnings and status of persons with DD through business development, supported employment, and alternative services. CLI’s primary purpose is to support individuals with DD to be respected, independent members in their communities and to help them to identify their personal objectives and to assist them to achieve those goals.”

1.2.2. **SWOT**

A SWOT analysis was conducted to identify strengths, weaknesses, opportunities, and threats to target CLI’s strategic efforts.

Strengths:

- CLI has vested, mission-driven direct-care staff. CLI also has administrative staff who are committed to quality.
- Legacy as a DD provider. CLI has built a positive reputation as progressive, safe, and kind. CLI has provided a significant level of services to many community members prior to 2020, but has earned recognition for services provided to the community during the pandemic.
- Flexibility and creativity. CLI is more nimble than similar agencies. Management and staff are as comfortable and challenged by change as it is possible to be.
- Local culture and public support. The Firelands area is home to many farmers and other small business owners. As a region, our communities value entrepreneurialism and industry.

Weaknesses:

- Uncertain funding and limited cash resources: The state-wide DD system is in a state of flux so that CLI is not only forced to deal with privatization, but also with restructuring to become a community-based service provider (instead of a facility-based service provider).

Opportunities:

- Upheaval/reorganization in state-wide services and funding. The pandemic has churned up the entire industry, disrupting traditional revenue streams, favoring small-group, community services, and providing many opportunities to garner public recognition for CLI's programs and contributions. The public health crisis has forced a state-wide pivot that there had previously been insufficient will to bring about.
- Redoubled CLI focus. The 2020 layoffs meant that CLI trimmed approximately 40% of its staff. The remaining 60% is seasoned and committed to the new model of services.
- State-wide focus on the shortage of qualified direct care staff AND acknowledgment that current funding doesn't adequately support pay.
- Young adult services. Changing federal and state rules mean that young adults are no longer able to easily enter into a sheltered workshop. However, many people still need comprehensive supports and training. It is in their and CLI's interests for CLI to develop those new "wrap-around" services. CLI has successfully initiated an expansion in community employment, summer youth, and other services for young adults.
- Current CLI clients that are not fully utilizing their budget allocations. This is unrealized revenue and unrealized personal outcomes for CLI clients.
- New opportunities for community relevance and additional public goodwill using CLI assets.

Threats:

- Limited cash reserves. CLI has always been mission-forward, eschewing savings in favor of investing in our clients, our staff, and our communities. However, it does represent a significant risk as we have leveraged available cash toward strategic goals that may not materialize within the projected timelines.
- National push toward \$15/hour minimum wage that might become law before Ohio's funding for DD services provides sufficient revenue to support it.
- CLI must grow and diversify revenues.
- Increased health insurance and other overhead costs.
- Difficulty recruiting staff with initiative and skills to coordinate meaningful, community-integrated services.
- Rising hourly wages by competing employers might further hinder recruiting efforts.
- Uncertain DODD structure(s).

1.2.3. CLI Core Values

CLI's operations and service delivery are measured against the following tenets that govern the implementation of CLI efforts for its clients, employees, and other stakeholders:

- Persons served by CLI have ultimate authority over all aspects in regard to their services;
- The best possible outcome of CLI services to each individual shall be full community participation and membership as desired by that individual;
- CLI is committed to full accessibility for those we serve-- accessibility to buildings, to community resources, activities, etc;
- The best possible outcomes are those that serve CLI clients with developmental disabilities, that further the mission of the agency as a whole, and that effect positive developments in the community at large;
- In order to further its mission, CLI must ensure that its staff are trained, paid, and treated as professionals and as stakeholders;
- Continuous improvement is necessary.
- The best solutions support multiple objectives;
- CLI must seek to improve the communities in which it operates;
- In order to further its mission, CLI must continue to invest in its direct care staff and work toward the professionalism of the direct care field;
- If what we are doing does not clearly support the CLI mission, our clients, and our staff - we must stop doing it.

1.2.4. Goals

There are three primary goals implicit to CLI's mission:

ONE:

To increase the earnings, status, and quality of life of individuals with DD.

However, it is not possible to achieve this primary goal without recognizing that the direct care staff profession is underpaid & under-respected. Therefore, it is necessary for CLI to prioritize a second goal as follows:

TWO:

To increase the earnings, status, and quality of life for people who care for people with disabilities.

Likewise, it is not possible to achieve this goal without:

THREE:

Improving the communities within which our clients strive to belong.

1.2.5. Strategic Objectives

To accomplish the strategic goals outlined above, CLI is pursuing the following objectives:

Objective #1: Human Resources Priority - Recruit new staff from outside the traditional DD system; facilitate effective training to facilitate innovative service delivery; develop advancement opportunities as well as cost-effective salary & benefits necessary to retain staff.

Progress: This is an ongoing effort. 2020 has been a difficult year in that CLI both laid off a significant number of full-time staff while being unable to fill part-time positions. However, operating with fewer staff than we would like, has enabled CLI to offer a retroactive hourly pay/bonus for Q1 of FY2021. We continue to maintain a 3-week 1st interview-to-hire cycle.

Recommendations: Maintain current practice of limiting full-time positions to employees who consistently demonstrate initiative/effectiveness AND increasing the overall number of part-time employees. Continue to provide retroactive hourly wage bonuses and other incentives to staff to encourage efficiency. Work to maximize pay, especially for part-time positions to ensure low turnover of motivated employees.

Objective #2: Increase the number and type of community-based activities, particularly 2-4 person high-value activities that foster individual community connections and divert all non-vocational services away from the sheltered workshop facility (workshop).

Progress: CLI had made significant progress toward this objective prior to 2020. The events of the past year seem to have eliminated that large-group, workshop model of services. CLI currently provides facility-based services to fewer than 30 people and clients seem to be comfortable with the small group services. CLI was awarded a DODD grant to provide new STEPs services. STEP is a new funding stream created as a stopgap measure during the COVID-19 pandemic. It is guaranteed through 2021. It seems probable that this new model will be made permanent post-pandemic. CLI was awarded the grant based on a proposal to create 2 new STEPs coordinator positions that would offer higher DSP pay.

Recommendations: Continue to develop new small-group community-based options. Work with funders to “braid” HPC or other revenue streams to enable a more traditional 5-hour service day for community-based services (current STEPS funding is typically provided in 3-hour increments, 2 days per week).

Objective #3: Continue to expand and implement community-based services for young adults.

Progress: CLI made significant progress toward this goal over 2020. Specific achievements were the development/implementation of significant levels of summer youth and other OOD services– and the development of a formal Occupational Therapy Program. CLI also employs a native Spanish speaker and has been able to provide much-needed OOD interpreting services.

Recommendations: Maintain.

Objective #4: Build new CLI niche businesses in order to provide community employment choices to CLI clients, diversify CLI’s revenue streams, and create value recognized by the community.

Progress: This objective is still important. CLI needs money and all CLI goals are improved by public awareness and networks. However, CLI is working to formally spin off Firelands Local LLC because of best practice concerns regarding CLI as the Medicaid provider to a person that they also employ.

Recommendations: As CLI works to develop new niche businesses that employ our clients, we will need to build models that better fit Medicaid/DODD best practices. This will most likely involve partnering with Firelands Local or other businesses. However, it is not a conflict for CLI to own an LLC as long as we aren’t billing for VOC-HAB services for that employment.

Objective #5: To diversify financial resources and increase strategic cash reserves.

Progress: This objective is still important. CLI needs money. CLI has always been mission-forward, eschewing savings in favor of investing in our clients, staff, and communities. This does represent a significant risk. In 2020, CLI expanded services to non-DD populations, such as transportation and Occupational Therapy. CLI was awarded a grant for the purpose of creating a “roadmap” to enable Firelands Local LLC (FL) to transition to an independent business separate from CLI. DODD’s interest is in CLI’s best practice of separating the Medicaid Provider from the employer of the same clientele. CLI’s objective is to enable a better focus on expanding our services and to enable FL to focus on expanding its business. The goal is to enable both separate companies to accomplish more and generate more net income than the combined functions have been able to do.

Recommendations: CLI needs to increase revenues and expand fundraising efforts. As revenues increase, CLI needs to increase long-term savings. Ideally, CLI would have 6 months of operational reserves. As of December 2020, that would be equivalent to \$400,000.

1.2.6. **Key Performance Indicators**

The CLI Board and its administration review the strategic plan and components (e.g. SWOT) each year. This review process includes stakeholder surveys (clients, community, employees) including those referenced in section 1.1.2 on Assessments above. In both daily operations and informal assessments throughout the year, CLI administration constantly compares/contrasts actions to CLI's 3-part mission:

- Is this good for CLI clients?
- Is this good for CLI employees?
- Is this good for the communities around CLI?

Specific to gauging performance relative to client services, CLI looks at concrete, measurable indicators whenever possible: Annual earnings of clients, achieved outcomes assigned in ISPs, number of community employment jobs found/maintained, etc. CLI also looks at more qualitative measures: Inspiring stories whether personal accomplishment or group recognition, public goodwill, etc.

1.3. **Strategic Plan Implementation**

CLI implemented an annual strategic planning cycle in order to be sure that the objectives identified in this plan are relevant and very much linked to daily operations. CLI is designed to be lean. CLI administration works closely with the board to ensure that there is a direct link between the current strategic plan and what we are doing in a given year. Similarly, the context that CLI operates within changes, meaning that some objectives & some threats reorient and suddenly gain or lose importance. Sometimes this results in a strategic objective moving to a lower priority on the list; other times an objective might be jettisoned altogether.

2. Business Practice

CLI has standardized and focused its services on community integration and employment. The core focus of improving business practices for CLI has been the focus on its three-fold mission emphasis to improve not just the lives of individuals with DD, but also to intentionally improve the opportunities for those supporting and serving the needs of individuals with DD as well as working to build more community opportunities for all.

2.1. Approaches Utilized To Improve Business Practices

The following outlines our approaches beyond maintaining successful best practices, to improve current business practices:

2.1.1. New DSP Positions Based on STEP

CLI's current focused approach to improving business practice has cumulated in an effort to create new DSP positions based on STEP billing tied to individual service delivery by respective DSPs. Innovating these positions is a natural evolution for CLI. CLI's history during its 40+ year partnership with HCBDD has been focused on therapeutic and vocational opportunities for our individuals served, with a focus on maximizing client earnings.

Ohio's statewide DD system has embraced the importance of true person-centered planning. CLI believes that this means providers must tailor our services to fit much more unique deliverables/outcomes. There are at least 3 "must-haves" related to this goal. First, group sizes must be much, much smaller. Second, services must be real & integrated. Cafeteria-style services delivered in institutional settings won't work. Third, the system needs professional, skilled DSP staff. This is not the status quo. Traditionally, day programs employ a rigid top-down structure that closely manages front-line workers. Often, these positions pay very little and provide the worker with very little autonomy. Since our privatization away from HCBDD in 2015, CLI has worked to empower DSPs by allowing them autonomy and professional tools (smartphones, email addresses, business cards, etc.) These new positions are in many ways just a further extension of that start. With these positions, CLI is giving even more control to these positions, while providing them with a structure that realistically can allow them to earn more than \$34,000 (plus benefits & PTO) per year.

The first two positions developed as part of this grant are very similar. One of these is oriented formally toward vocational, employment-ready outcomes, and the other is oriented formally toward independent community integration outcomes. There will be considerable overlap between these two in terms of daily activities. For instance, a volunteer experience might be useful for either desired outcome. At this time, we've not established a financial incentive for progress toward client outcome. CLI administration will provide steady QA to ensure that progress toward desired outcomes (not just maximizing billable units) continues to be a focus.

2.1.2. **Community Hubs**

When CLI explained to our clients and our stakeholders in 2015 why we needed to privatize, we did so by educating them on the new rules around conflict case management. We maintained their attention on other changes to the same rule regarding mandates for community integration and employment first. One of our regular one-line pitches was “privatization is the easy part,” and that the real hard work is trying to completely redesign the system away from the workshop while spending less money per year overall (because pre-privatization, local county boards’ adult day services expenses exceeded the reimbursement for the same).

The CLI Board has been on board with pivoting away from the facility and into the community since day one. CLI drafted a business plan and worked with a local bank (CIVISTA Bank) to leverage new revenues to purchase blighted properties that we renovated to be valued by the larger community. They are 100% wheelchair accessible, so they can be accessed between community activities and are available for the community to use for other private and public functions.

CLI views this strategy of utilizing community hubs as a transitional first step. One truth of providing services to people in general, and perhaps people with DD in particular, is that people often can’t imagine alternatives. It was not effective enough for CLI to use the workshop as the hub because people didn’t want to leave once there, or unexpected events conspired to thwart leaving. Additionally, the activities often had an “outings” flair v meaningful community integration. By switching away from the workshop to these new hubs, we were eliminating the possibility of getting stuck (either voluntarily or involuntarily) in the facility instead of venturing out into the community. These new spaces have also allowed us to make some progress toward a CLI strategic goal of diversifying/expanding our revenue.

As CLI has expanded further into the community and renovated multiple properties, we’ve gotten new opportunities to partner with other community members so that we are able to pay a modest “lease” in order to use those spaces. Sometimes this lease is an actual rent paid. Other times, CLI spends money to renovate the space in return for a fixed period of future use. CLI’s current community hubs are:

- 16 West Main Street, Norwalk (CLI-owned)
- 38 West Seminary Street, Norwalk (CLI-owned)
- Kenilee Lanes Bowling Center, 14-16 East Seminary Street, Norwalk (CLI-owned)
- UCC Church Gathering Space & Kitchen, Monroeville (UCC-owned)
- Veterans Lake Memorial Park Clubhouse, Norwalk (City of Norwalk-owned)

2.1.3. **Separating Provider Services from Employment**

Among CLI's strategic aims is the separation of provider services and employment in our engagement of individuals-served. We believe CLI can be a better provider when that is the core focus of our efforts. The same is true for employment with a singular focus.

2.1.3.1. Firelands Local LLC

Prior to privatization in 2015, 95% of CLI's paid employees were clients of HCBDD. CLI did employ a few non-clients for business needs, such as a coffee shop manager and recycling operations. Beginning in 2016, CLI employed staff positions and clients served in CLI vocational programs. We quickly identified this as not best practice for many reasons and began the process of creating Firelands Local LLC. In early 2018 we transitioned all business operations under the umbrella of Firelands Local LLC, including employment of all non-provider staff positions. In 2019 CLI created a new Firelands Local (FL) General Manager position and an Advisory Board of Directors. We've continued to separate the two entities and have created policies empowering the Advisory Board to govern the LLC & General Manager. FL is currently wholly owned by CLI. In the fall of 2020 CLI was awarded a DODD grant to develop a business plan/roadmap to divest further from FL.

2.1.3.2. CLI GoodWorks LLC

As FL moves toward independence and becomes less and less intertwined with CLI programs, CLI won't be able to use FL to pay vocational training stipends that aren't part of FL's operations. Client earnings is a particular problem that we need to address. There are many CLI clients who have relied on workshop wages. FL will continue to employ individuals with DD, but it will be different from traditional sheltered workshop 1st shift benchwork. This will impact a number of CLI clients. People need money – especially if they are going to be equals in the community. We need to find ways to help people with significant disabilities earn money. CLI intends to maintain Kenilee Lanes Bowling Center as a training site and a source of income. Additionally, CLI launched the "Good Works Cafe" during the pandemic. Good Works Cafe offers a free community lunch every Friday that has become very popular. Starting on 7/1/21 (beginning of CLI's fiscal year 2022) – CLI will use CLI Good Works LLC for these types of functions.

2.2. Success Of Implementation

The following described our success to date with the three approaches identified above.

2.2.1. CLI STEP Coordinator Position: New STEP DSPs

[CLI's job description for our current DSP positions](#) outlines the role and responsibilities of our DSP staff. The new STEP-based positions will use the same documentation sheets as current STEP & ADS applications. The main difference between these new positions and existing CLI positions is the expectation that they will develop/expand new opportunities – and the ability to increase earnings according to productivity. Additionally, as the new STEP Coordinators develop new activities that other part-time staff can be assigned to, there will be a further opportunity to earn a bonus related to those activities.

If we are successful with these positions, there will be three outcomes:

- 1) The DSPs will maximize their bonus amount every quarter while creating a significant margin so that the maximum bonus can be increased in later quarters.
- 2) The quality and breadth of activities will increase.
- 3) CLI's social network will expand offering even more opportunities.

The key challenge is striking a balance between effective management and providing the staff with the freedom to succeed. The job description for the new STEP DSP positions is informed in part by the [assessment work](#) done for this effort and [linked in this report](#). The [job description for the new 'STEP Coordinator' position](#) is available at the following [link](#) and can be found in Appendix B.

As mentioned previously, the compensation potential for the new STEP DSP positions includes a bonus incentive. It is in our best interest to enable staff to make upwards of \$40,000 if we can do it sustainably. The bonus sheet is viewable [here](#).

2.2.2. Community Hubs

The danger inherent in using any facility seems to be that there is a natural tendency to settle into that space. CLI has designed its new hubs to be small so people have to shift in and out of the spaces. Success with these community hubs will be that people are constantly coming and going, using the space as needed between meaningful, integrated activities. Two other markers of success will be that CLI will be offered use of other shared spaces, because new community members want to partner with us – and CLI will host more integrated activities inside our own spaces.

2.2.3. **Firelands Local LLC**

CLI has committed to a three-phase plan to divest majority ownership of Firelands LLC. The goal is to enable FL to thrive as a profit-oriented business that also continues to employ people with DD as a significant portion of its workforce. The phases are roughly equivalent to years, but there are elements that may take less time and others that might take more.

PHASE ONE - Preparation/Valuation

In Phase ONE, we are working to identify how CLI will inspire one or multiple Partner-Investor[s] to be part of FL's independence.

PHASE TWO - Transition

In the second phase, we will work to find the right partner-investor to obtain an initial round of investment.

PHASE THREE - Independence

In this third phase, we will leverage the 1st round of funding to formalize FL as a more independent business with its own corporate structure.

2.2.4. **GoodWorks**

CLI created CLI GoodWorks LLC in the spring of 2021 and will begin using it on July 1, 2021. The intention in creating this new LLC was to provide CLI with some of the separate business functions that we found useful previously with Firelands Local LLC.

The reasons that we created this new LLC was to house bowling center and Good Works Cafe operations, and also as a tool that we can use to pay training stipends for vocational programs such as community-based assessments or other work experiences.

There are a couple of dangers associated with this new LLC. First is that we allow clients to become complacent, so that by paying people, we inhibit their progress along the path of community employment. The other would be if we're not careful about how we comply with Department of Labor rules.

3. Collaboration and Partnership

The following outlines the partnerships that are required for CLI to succeed in its strategic plan Implementation and outlines the strengths and limitations of each partnership.

3.1. DODD & HCBDD

CLI has appreciated DODD's focus on providers over the past 2 years. For the first 3 years after our privatization, we struggled to keep up with provider business operations while staying up to date with rule changes. We also now feel like more of a partner with DODD rather than simply approved by them. The same is true for our relationship with our local (Huron) County Board of DD. The strengths of DODD, and to a lesser extent HCBDD, are the knowledge, resources, and ability to set policy and reimbursement rates. Both entities are well-intentioned and philosophically oriented around person-centered services. By design, both entities are removed from direct service to eliminate inherent conflicts. This is often a strength and a weakness, because they can advocate for mission-forward changes, but lack the contextual understanding to set the rules & reimbursement so that they yield the desired outcomes. Additionally, both are bureaucratic, risk-averse organizations. This is also both a strength and a weakness. They are slow to enact structural changes, which avoids knee-jerk mistakes. However, they often also delay needed structural changes even after plenty of consideration because they fear the risk of upsetting one or more groups of stakeholders and/or taxpayers.

3.2. Firelands Local LLC

CLI created Firelands Local LLC to take over CLI's traditional business operations. For the past three years, CLI & FL's have worked very closely with one another. As CLI divests its majority stake in FL's ownership, that relationship will change, but our missions will continue to be aligned. The weakness of FL is that it is small with limited resources. Its strength is that it is now able to be single-minded on purpose. Also, its small size should allow it to act nimbly to capitalize on opportunities.

3.3. Good Works LLC

CLI created Good Works LLC to take over Kenilee Lanes Bowling Center, Good Works Cafe, and provide CLI with a mechanism to pay for vocational training programs as appropriate. Its strengths and weaknesses lie in being a simple tool owned completely by CLI. It will be important for CLI to utilize it in ways that further community integration and community employment first. CLI is determined to maintain an inherent dynamic quality in what we do. Progressive change is exciting and dynamic, but it's very hard to not let that progressive leap settle into a static new normal status quo. Good Works strengths and weaknesses are directly tied to how well CLI does in this regard.

3.4. Community Hubs-Partners

A critical partnership for CLI is its connections to our community – for our community hubs as well as for the relationships that are critical to the community engagement and integration at focus for the individuals-served at CLI. Some of these critical partners include:

3.4.1. The City of Norwalk

CLI has built a strong working relationship with a number of departments, notably Parks & Recreation. This has been a mutually beneficial relationship so that CLI receives special consideration whenever we ask for help. Likewise, CLI has provided consulting services and helped fundraise for special projects. CLI has a non-exclusive use agreement in place with the City that allows us to use the Veteran’s Memorial Lake Park Clubhouse on weekdays. CLI uses this space as a starting point for a number of activities – including the Good Works Cafe. CLI obtained use of this space for a period of five years by funding the remodel of the kitchen and 2 other rooms.

3.4.2. UCC Church Monroeville

CLI and UCC have a number of aligned missions. The UCC operates the Huron County Non-Food Bank. CLI obtained use of this space by remodeling the adjacent restroom to be wheelchair accessible and then paying a modest quarterly rent.

3.4.3. Local Non-Profits

These partners include OHGo, Sandusky Sailing Club, Humane Society, When Pigs Fly, the Clothing Bank, Salvation Army, and others – while CLI doesn’t have “sites” with these partners, we facilitate volunteer opportunities at their locations.

4. Fiscal Analysis

The following details our fiscal analysis of the costs associated with the changes to CLI's business model resulting from the initiatives outlined above.

4.1. 2020 Budget Evaluation

In evaluating the 2020 budget, the following points are notable:

- CLI's cash position has stabilized. Pre-COVID CLI operations were income-positive, with reserve cash and available credit. Post-COVID CLI operations have shifted to the new STEP reimbursement model. Projections for the next 12 months are income-positive, but the past 12 months involved 2 rounds of PPP Loans, and multiple CARES Act disbursements. These PPP Loans are liabilities on CLI's balance sheet at this time, but it is expected that both will be fully forgiven.
- CLI's operations are now much leaner in terms of overall employees.
- Staff PTO balances are manageable. Staff will use PTO during a summer 2021 week-long break around 7/4. We have changed management contracts so that management PTO can not be sold back. Operationally, CLI staff has expressed frustration with an inability to take time off in 2021. Administration is immediately working with full-time employees as a group to schedule vacation time and coverage as a group so that our company culture places more emphasis on making sure people have more time off without feeling guilty. CLI can't afford staff vacations to add cost or limit revenues, so these new solutions will have to be creative.
- CLI has paid off 50% of our purchase of 14-16 East Seminary Street over the past 2 years, which was a significant outlay over the past 2 years, particularly in 2020.
- CLI has a significant amount of vehicle debt even though our fleet is aging. New community-based services will require additional, slightly smaller vehicles. We have started shifting toward electric vehicles, which should improve maintenance and fuel costs.

4.2. CLI's Increasing Independence from FL Operations

Over the past 5 years, having CLI & FL's operations closely linked has resulted in benefits and challenges for both. Given the limited cash reserves, the primary benefit has been that at different times CLI or FL has been able to provide short-term loans to the other entity. While this is perhaps still possible through a more formal loan process moving forward, it will be a less immediately available option. A lesser benefit is possible efficiencies in having our operations closely aligned. As the two entities diverge, this will probably become a less natural occurrence with some resultant inefficiencies.

The negative aspects of the two companies being "one and the same" has primarily been a confusion in purpose so that CLI hobbled FL's business-to-business service delivery, while FL's operations often interfered with CLI's focus on individual client-centered delivery. This has at times resulted in financial costs, such as in 2018, when CLI inadvertently spent almost \$100,000 more than we should have on client labor over a three-month span because FL labor shifts were driven by CLI program schedules vs. true production needs for that period.

As each entity moves forward separately, the hope must be that each CLI and FL capitalize on their ability to pinpoint their focus on each of their business models, thereby securing financial security.

Part of CLI's effort to divest/sell a portion of their ownership stake in FL is to raise capital that in part will offer a larger margin of safety for each company. CLI will also continue to try to diversify revenues by expanding into either new areas that are complementary to our core mission-- or by expanding our established services to reach a broader/larger client base.

If CLI Incorporated and Firelands Local LLC are each successful, then CLI will grow to become a stronger provider agency with a more diverse client population that has sufficient net income to continue to invest in local community projects. Firelands Local will become a growing business with increased earnings and a healthy profit margin.

CONCLUSION

CLI must be able to build revenues that will support tenured, professional DSP staff. We believe that we can do this with the new STEP service model because it pays more per unit. This is the business model angle. However, simply generating more money without changing more than just the billing rate would be a fail, doubly so if it were so stable that it became the new static normal, limiting adults with DD in a completely alternate way to the sheltered workshop model. CLI believes that while more money is an essential component of progress – just as important are higher expectations. Providers should be using that money to build DSP jobs that are worth having, that you can support a family by doing, and where the employer has the right to expect that you will help your clients identify and work toward constantly evolving outcomes.

Appendix A.

CLI STEP Coordinator Position Description

Job Title: FT STEP Coordinator
Reports To: Executive Officers
FLSA Status: Full-Time (40 hours per week, exempt)

Base Salary: \$30,000 per year + additional productivity pay up to \$1000 (maximum) per quarter.

Core Unique Position Responsibilities:

- To facilitate community-integrated, outcome-based activities for individuals with developmental disabilities (DD). This position is responsible for improving Individuals' physical and emotional well-being by developing and implementing person-centered services that will enable people with disabilities to integrate into their community via group activities, volunteering, and more.
- To assess individuals' needs, this person will consider Individual Service Plans (ISPs), personal observation, and discussions with the individual and their support network. Coordinator will document and show an individuals' progress during their activities.
- Safely operate CLI-owned passenger vehicles and provide necessary assistance to enable individuals to access community and program resources.
- Develop & recruit community partners & create opportunities for integration and meaningful natural supports for people with DD.

General Essential Duties:

1. Assist CLI leadership to implement new, meaningful participation for people with DD in their communities. Participate in ISP process & development of outcomes.
2. Actively participate in CLI's efforts to ensure records compliant with local, state, and federal mandates. Maintain accurate and complete records related to provision of CLI services to individuals. This includes CLI service documentation checklists, progress notes, case notes, transportation records, communications to individuals, their families, and/or in-home providers. Must be able to operate necessary equipment for this role including but not limited to computers, handheld devices, cell phones, calculators, etc.
3. All CLI positions (unless specifically identified otherwise) include proper, safe, routine operation of CLI fleet vehicles and less than 6 points on an employee's Ohio BMV driver's abstract.
4. Train/assist clients participating in community-based activities and/or at community sites utilizing verbal and/or written instruction, modeling, reinforcement, performance feedback, and hand-over-hand instruction. Assist individuals served in maneuvering in order to enable them to participate in the fullest extent in work and/or rehabilitation aspects of CLI programs, including driving individuals to community training sites, positioning according to individual client needs (e.g. hand over hand instruction, assistance with relocating individuals throughout the program as needed). Provides direct assistance to individuals in community and integrated settings. Promote client safety, progress, and appropriate behaviors.
5. Attend and participate in staff meetings, in-service training, and other meetings as assigned.
6. Communicate positively and effectively with clients, staff, employers, and the public.
7. Other duties may be assigned.

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Supervisory Responsibilities: This position will eventually be directly responsible for the scheduling and supervision of other part-time employees and interns specifically assigned to carry out expanded activities developed by the person in this position.

Qualifications: To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and/or ability required. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. Must be able to competently utilize computer applications and hardware.

Education and/or Experience: High school diploma or equivalent required.

Language Skills: Ability to read and interpret documents such as safety rules, operating and maintenance instructions, and procedure manuals. Ability to write routine reports and correspondence. Ability to speak effectively before citizens or employees of the Agency.

Mathematical Skills: Intermediate Skills: Ability to calculate figures and amounts such as discounts, interest, commissions, proportions, percentages, area, circumference, and volume. Ability to apply concepts of basic algebra and geometry.

Reasoning Ability: Intermediate Skills: Ability to apply common sense understanding to carry out instructions furnished in written, oral, or diagram form. Ability to deal with problems involving several concrete variables in standardized situations.

Certificates, Licenses, Registrations: Maintain professional certification, including required DODD certifications, valid Ohio Driver's License, valid Adult Services Registration / Certification, Fully insured personal vehicle for agency use, delegated Nursing Training, current First Aid/CPR certification.

Other Skills and Abilities: Must be able to operate all CLI trucks, vans, cars, and material handling equipment. Must be able to multitask. Must have excellent communication skills. Must be able to effectively interact with the public to resolve problems. Ability to effectively communicate with regulatory agencies and the public. Must be able to travel within the county and be outside in the elements. All CLI employees must maintain Ohio BMV driver's license with adequate driving record to satisfy CLI insurance requirements, DODD Adult Service certification, and other certifications as applicable (e.g. OSHA, tow motor, delegated nursing, First Aid, etc.).

Physical Demands: Physical requirements of the job are directly related to providing vocational and non-vocational services to individuals in a variety of community settings. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. May be required to maneuver individuals in confined spaces; may be required to travel in/transport clients in inclement weather conditions by either walking or driving a variety of different vehicles at varied hours of day or night. Position requires the ability to properly lift at least 50 pounds. While performing the duties of this job, the employee is regularly exposed to outside weather conditions.