

EXECUTIVE-PERSONNEL-FINANCE COMMITTEE

June 26, 2006 - 4:30 p.m.
Michigan High School Athletic Association
1661 Ramblewood Drive
East Lansing, Michigan

MINUTES

PRESENT: Brad Densmore; Debbie De Leon; Ross Fulton; Bob Johnson; Gail Mahoney; Bob Showers; Ralph Tillotson

ABSENT: Dan Alonzi, Chairman; Brian Calley; Ken Ponds

STAFF: Robin Reynolds, Executive Director; Mary Kronquist, Assistant Director; Gerrie Roeser, Finance Manager; Lori Griffin, Executive Secretary

GUESTS: Bruce Hindenach, CDRS; Carol Patterson, Cristo Rey; Donald Wolosuk

CALL TO ORDER

The meeting was called to order at 4:42 p.m by Ms. Mahoney in the absence of the Chair and Vice Chair.

APPROVAL OF THE MINUTES OF MAY 15, 2006

Mr. Showers moved approval of the Minutes of May 15, 2006 as presented. Mr. Fulton supported the motion. The motion carried.

APPROVAL OF THE AGENDA

Item B. under Old business was deleted from the Agenda. Ms. Reynolds stated it would be discussed at the Commission meeting.

Mr. Tillotson moved approval of the Agenda as printed with the deletion noted. Mr. Showers supported the motion. The motion carried.

PUBLIC COMMENT

There was no public comment.

NEW BUSINESS

- A. Treasurer's Report for May 2006
Community Grant and PA2

Ms. Roeser reported the Bills to be Approved were reflected in general checks 14027 through 14095 and payroll ACH 484 through 509 and totaled \$606,466.08. She reported some noteworthy checks as follows:

- there were several for the regional prevention conference
- Check 14043 for \$1,000 to CEI for MPCB Board membership 2005/2006
- Check 14084 for \$1,000 to Ingham County Health Department for MPCB contribution

- Check 14085 to PPS for vendor list was a PA2 04/05 payable

On the Income Statement, Ms. Roeser reported Total Revenues for the month of \$627,230.55 and \$5,251,253.84 year-to-date, which is 58.60% receivable. She further reported that Newaygo County PA2 dollars were received in May and Ingham County's were received on June 5th, leaving Calhoun, Eaton and Hillsdale still outstanding. She also reported receipt of the close-out payment from LifeWays to Bridgeway-Jackson for the Jail Diversion Program. Ms. Roeser continued by reporting Total Expenses for the month of \$597,836.46 and \$5,206,599.09 year-to-date. Resulting was Net Income of \$29,394.09 for the month and \$44,654.75 year-to-date. On the Balance Sheet, Ms. Roeser reported Total Assets and Liabilities & Capital of \$3,693,497.11; and on the Statement of Cash Flow, she noted the Beginning Balance of \$(3,543,025.69), the Ending Balance of \$3,569,587.71, resulting in a Net Increase in Cash of \$26,562.02 for the month and a Net Decrease of \$(937,958.03) year-to-date.

Medicaid

Ms. Roeser reported the Bills to be Approved were reflected in checks 3306 through 3337, and totaled \$165,167.68. Noteworthy checks were check 3308 which was voided and check 3333 to NetSmart for the CEI PIHP performance indicator report. On the Income Statement, Ms. Roeser reported Total Revenues of \$249,077.70 for the month and \$1,449,448.52 year-to-date. She also reported that Washtenaw submitted payment for the previous months and returned our 04/05 savings to be used for services. She also noted Washtenaw has informed us they will be sending us \$17,500 per month in PEPM's. Ms. Roeser continued by reporting Total Expenses for the month of \$166,788.68 and \$1,204,426.42 year-to-date, resulting in Net Income for the month of \$82,289.02 and \$245,022.10 year-to-date. On the Balance Sheet, Ms. Roeser reported Total Assets and Liabilities & Capital of \$345,237.78. And, on the Statement of Cash Flow, she noted the Beginning Balance of \$(318,851.21), the Ending Balance of \$344,630.07, which resulted in a Net Increase in Cash of \$25,778.86 for the month and a Net Decrease in Cash of \$(42,763.33) year-to-date.

On the Medicaid PIHP Report, Ms. Roeser reported the following totals:

- CEI: Year-to-date total \$101,755.11
- LifeWays: Year-to-date total \$(58,290.85)
- Venture: Year-to-date total \$2,289.10
- Washtenaw: Year-to-date total \$20,149.77
- Total PEPM received for May: \$1,432,002.80
- Savings-Washtenaw: \$10,013.00
- Gratiot CMH Co-Occurring Contract: \$2,720.00
- Interest Earned: \$5,417.21
- Program Services Rendered: \$1,133,720.74
- AAR Services Rendered: \$105,647.08
- Administration: \$144,922.06
- Balance of \$65,903.13

Mr. Showers moved to recommend to the full Commission approval of the Treasurer's Report for May 2006 as presented. Ms. De Leon supported the motion. The motion carried.

B. 2004/2005 Financial Audit

Ms. Reynolds introduced Mr. Don Lloyd of Foote & Lloyd, who performed the audit. He began by thanking the Commission for engaging his firm to perform the audit. He reported it went smoothly with no major changes in funding or accounting, and no changes at the state level. He reported the audit was performed in accordance with audit standards and the opinion fairly states the status of the Commission and is a good, unqualified opinion. Mr. Lloyd briefly reviewed some of the pages of the audit. Mr. Lloyd then referenced the Management Letter which was included in the audit package. He stated that his comment that accounts payable were not being reconciled on a monthly basis had been rectified, and he noted that the Commission's sub-contractors are responsible for providing their financial audit to the Commission, dependent on their level of funding. He added that most comply, some are late, and some do

not use the proper format. He stated there had been discussion with staff on having a meeting later this year for the program directors, their accountants and someone from the state to discuss the audit requirements and to let the providers know what is expected of them. All-in-all, Mr. Lloyd stated there was only one minor finding in the audit in the amount of \$198.00, so it was a very clean audit. Ms. Reynolds commended the Finance Department for their hard work and a job well done.

Ms. De Leon moved to receive the audit and recommend to the full Commission its approval as presented. Mr. Fulton supported the motion. The motion carried.

C. Clinton County Wraparound Services Proposal

Ms. Kronquist reported this proposal seeks \$11,184 of Clinton County PA2 dollars to help support and expand the Clinton County Wraparound Program. She reported that to-date, the program has served 19 families with 55 children and of the 19 families who were impacted in some way by substance abuse, and a total of 31 children were affected. She also noted that from 2005 to the present, 66% of the families served had some type of substance abuse issues. This year, she noted the program will serve up to 30 families for an average of 6 months. Ms. Kronquist stated the Program Development Committee reviewed this request and recommend its approval, and the staff recommendation is to approve.

Mr. Showers moved to recommend to the Commission approval of the Clinton County Wraparound Services Proposal for a total of \$11,184 of Clinton County PA2 funds. Mr. Tillotson supported the motion.

Discussion ensued with Mr. Showers suggesting someone on staff should attend a Clinton County Law and Courts Committee meeting to discuss this program, and to see if some savings could be realized. Ms. De Leon stated her agreement with the program, noting she did not see anything in it about substance abuse treatment or goals. Ms. Kronquist responded that is one reason she has been involved, and that she has made a recommendation that someone from the substance abuse provider network be part of the process; that person will be the regional Women and Families Specialist, Patty Tyger. Ms. Kronquist added she attends the monthly Human Services Wraparound Meeting and receives monthly reports.

Vote called on the motion. The motion carried.

D. Budget Amendments

1. Administrative

Ms. Reynolds referenced the letter regarding the RFI dollars, stating some did come back, but they need to be spent by the end of the fiscal year (September 30th); therefore, the amendments presented will reflect that fact. She reported \$318,710 was received for treatment and \$79,678 was received for prevention.

For the Administrative budget, Ms. Reynolds reported the overall change was an increase of \$55,631, with changes as follows:

- Salaries increased \$14,852
- Fringes increased \$17,786
- Travel increased \$6,800
- Supplies increased \$12,900
- Other Expenses increased \$3,293
- State Funding increased \$87,239: \$554,602 for treatment; \$155,500 prevention; \$3,575 methamphetamine grant; hearing impaired/LEP \$1,500; and \$15,000 Synar
- Local Funding did not change
- Fees and Collections decreased \$32,358 which was due to Venture assuming Calhoun County Medicaid administration.
- Other increased \$750 which is MiChild

Mr. Tillotson moved to recommend to the Commission approval of the Administrative budget

amendment as proposed. Ms. De Leon supported the motion. The motion carried.

2. Program Amendments

Ms. Reynolds reported most providers are receiving additional MDCH dollars and that all increases were based solely on need. The changes are as follows:

Arbor Circle: Total budget \$98,551.

Foote Hospital-Bridgeway Center: Total budget \$159,468.

Foote Hospital-Washington Way: Total budget \$463,957.

Central Diagnostic & Referral Services: Total budget \$779,697.

Chemical Dependency Resources/Psychological Consultants: Total budget \$324,372.

Michigan Jobs Commission/Michigan Rehab Services-Calhoun: Total budget \$25,000.

Child & Family Services-Capital Area: Total budget \$168,500.

Cristo Rey: Total budget \$141,540.

CEI-CMHA/CSATP: Total budget \$831,460.

Eaton Substance Abuse Program: Total budget \$239,565.

Family Service & Children's Aid: Total Budget 223,651.

Human Aid-Gratiot & Ionia: Total budget \$176,994.

Ionia CMH: Total budget \$43,721.

Kairos: Total budget \$69,000.

HIV/AIDS EIP Training: Total budget \$134,299.

McCullough, Vargas & Associates-Lenawee and Hillsdale: Total budget \$335,814.

Meth Prevention Project (includes providers): Total budget \$55,792.

NCA/LRA: Total budget \$733,928.

Newaygo CMH: Total budget \$36,601

Pine Rest: Total budget \$116,780.

Sage Center: Total budget \$100,161.

Salvation Army: Total budget \$101,970.

SDA for Residential: Total budget \$120,961.

SPGB Services: Total budget \$234,697.

SACGBC SIG Grant: Total budget \$92,043 MDCH funds.

Victory Clinic: Total budget \$107,034.

Calhoun County Prevention Allocation: Total budget \$218,103.

Clinton County Prevention Allocation: Total budget \$88,846

Eaton County Prevention Allocation: Total budget \$187,326.

Gratiot County Prevention Allocation: Total budget \$62,048.

Hillsdale County Prevention Allocation: Total budget \$81,620

Ingham County Prevention Allocation: Total budget \$310,047.

Ionia County Prevention Allocation: Total budget \$171,755.

Jackson County Prevention Allocation: Total budget \$130,969.

Lenawee County Prevention Allocation: Total budget \$53,810.

Newaygo County Prevention Allocation: Total budget \$66,346.

TOTAL BLOCK GRANT ALLOCATION: \$1,528,248

TOTAL PREVENTION ALLOCATION: \$1,981,572.

TOTAL PA2 ALLOCATION: \$453,324.

TOTAL METHAMPHETAMINE ALLOCATION: \$55,792.

GRAND TOTAL ALLOCATION: \$2,037,364.

Mr. Fulton moved to recommend to the full Commission approval of the program budget amendments as presented. Mr. Showers supported the motion.

Mr. Johnson asked about the prevention administrative budget. Ms. Reynolds responded the prevention expenses are broken out but are still part of the Administrative budget.

Vote called on the motion. The motion carried.

OLD BUSINESS

A. Executive Director's Contract Approval

Ms. Reynolds requested the Committee move into closed session.

Mr. Tillotson moved to go into Closed Session for purposes of discussing the Executive Director's Employment Contract. Mr. Fulton supported the motion. Roll call vote was taken on the motion with Densmore, De Leon, Fulton, Johnson, Showers, Tillotson and Mahoney voting yes. The motion carried unanimously.

The Committee moved into closed session at 5:55 p.m.

The Committee returned from closed session at 6:10 p.m.

Mr. Densmore moved to recommend to the full Commission approval of the Executive Director's Employment Contract as presented. Mr. Showers supported the motion. The motion carried.

ADJOURNMENT

The meeting adjourned at 6:12 p.m.