

EXECUTIVE-PERSONNEL-FINANCE COMMITTEE

May 24, 2004 - 4:30 p.m.
Michigan High School Athletic Association
1661 Ramblewood Drive
East Lansing, Michigan

MINUTES

PRESENT: Gail Mahoney, Chair; Bob Johnson; Tom Minter; Bob Showers; Ralph Tillotson; Maxine Vanlerberg; Larry Gould; Lisa McCafferty

ABSENT: Dan Alonzi; Mary Balberde; Ken Ponds

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

GUEST: Michelle Liska, Executive Director, Prevention Partners

CALL TO ORDER

Chairperson Mahoney called the meeting to order at 4:40 p.m.

APPROVAL OF THE MINUTES OF APRIL 26, 2004

Mr. Minter moved approval of the Minutes of April 26, 2004 as presented. Ms. Vanlerberg supported the motion. The motion carried.

APPROVAL OF THE AGENDA

Mr. Tillotson moved approval of the Agenda as printed. Mr. Minter supported the motion. The motion carried.

PUBLIC COMMENT

There was no public comment.

NEW BUSINESS

Treasurer's Report for April 2004

Community Grant and PA2

Ms. Roeser began with the Bills to be Approved, reflected in checks 12005 through 12074, and payroll checks 3978 through 4003, which totaled 730,817.47. She reported there were no out of the normal checks written. Ms. Roeser also pointed out that NCA/LRA will begin receiving two monthly reimbursement checks to assist with their cash flow. Turning to the Income Statement, Ms. Roeser reported Total Revenues for the month of \$584,021.72 and \$3,993,382.64 year-to-date. She also noted Ingham County PA2 dollars were received, which will be reflected on the May statement. Ms. Reynolds stated she will be meeting with Eaton County the first week of June to report on use of their PA2 dollars, and that she expects to receive their dollars shortly thereafter. She also noted letters have been sent to Ionia and Newaygo Counties, with Newaygo indicating they will be sending theirs, and no response from Ionia at this time. Ms. Roeser also noted the Jail Diversion Program, which is a new revenue source. She continued by reporting CA expenses for the month of \$66,242.04 and \$503,872.74 year-to-date. PA2 Other expenses totaled \$1,209.59 for the month and \$39,011.65 year-to-date. For Total State and PA2 subcontracts, Ms. Roeser reported Total Expenses of \$619,172.98 for the month and \$3,410,469.28 year-to-date, which is a 50.81% spend down. Lastly, Ms. Roeser reported Total Other Subcontracts expenses for the month of \$37,397.53 and \$255,909.55 year-to-date, bringing Total Expenses for April to \$724,022.14 and \$4,209,263.22 year-to-date. She reported Net Income for the month of (\$140,000.42) and (\$215,880.58) year-to-date. Ms. Reynolds noted budget amendments will be processed next month.

Reviewing the Residential Pooled Funding Report for Ionia and Newaygo counties, Ms. Roeser noted Newaygo County is only 34% spent, and Ionia is 11.83% spent to-date. She added both should be at 58.33%. Ms. Reynolds stated that at this point, it appears there is an additional \$15,000 of block grant is being billed from these counties from Kent County.

Ms. Roeser reported on the Balance Sheet, Total Assets and Liabilities & Capital of \$4,383,187.00. On the Statement of Cash Flow, she noted the Beginning Balance of (\$4,278,722.49), the Ending Balance of \$4,139,980.33, which resulted in a Net Decrease in Cash of (\$138,742.16).

Medicaid

Ms. Roeser reported the Bills to be Approved are reflected in checks 2385 through 2435 and total \$178,451.63. There were no significant expenses to note. On the Income Statement, Ms. Roeser noted Total Revenues of \$215,082.08 for the month, and \$1,494,808.91 year-to-date. Total Expenses for the month were \$170,139.13 and \$1,036,558.47 year-to-date, which resulted in Net Income of \$44,942.95. On the Balance Sheet, Ms. Roeser reported Total Assets & Liabilities & Capital of \$648,630.35, and on the Statement of Cash Flow, she noted the Beginning Balance of (\$605,209.79), the Ending Balance of \$641,840.24, which resulted in a Net Increase in Cash of \$36,630.45. On the Medicaid PHP Report, Ms. Roeser reported CEI has a balance of \$141,064.74, LifeWays balance is (\$4,459.05), Venture-Calhoun is (\$11,566.95), Venture-Berrien is zeroed as usual, and Washtenaw's balance is (\$3,733.78), for an overall balance is \$121,304.96. She pointed the PEPM's are low this month and will continue to be for the next two months as they are retro take back's for deceased persons. Ms. Roeser noted her concern with not having pooled funding split out. Discussion ensued regarding the Medicaid PHP Report.

Mr. Showers moved acceptance of the Treasurer's Reports as presented. Ms. Vanlerberg supported the motion. The motion carried.

Prevention Partners Cash Advance Request

Ms. Mahoney stated the sub-committee met to review this request to delay repayment of their cash advance. She reported that after lengthy discussion, it was recommended by the Subcommittee to grant the program's request. She added that it is also recommended that Prevention Partners be loaned \$24,267.54 from Jackson and Hillsdale PA2 funds in order to repay their advance to the State by October 1, 2004.

Ms. Vanlerberg moved approval of the Subcommittee recommendation to grant Prevention Provider's request to delay repayment of their cash advance, and to loan them a total of \$24,267.54 of Jackson and Hillsdale County PA2 funds in order to repay the state by October 1, 2004. Mr. Johnson supported the motion.

Mr. Tillotson stated his concern that program staff not receive salary increases higher than the rate of inflation. Ms. Reynolds noted the program has cut expenses, and if they get donations or have lapses in their budget, those funds would be the first source of payment towards the cash advance. Ms. Reynolds stated they will minimally pay back 1/12th per month.

Vote called on the motion. The motion carried with Mr. Johnson voting no.

NCA/LRA Cash Advance Update

Ms. Reynolds stated that she had spoken with the Commission's legal counsel, who has indicated that instead of placing a lien on the two properties to secure our loan, language be written into the Agreement stating if the program is ever in default with their scheduled pay back, the Commission will hold their reimbursement check, which monthly averages \$70,000. The amount being advanced to NCA is \$72,943.87.

Mr. Showers moved to incorporate appropriate language into the Agreement with NCA/LRA that if there is a default, the scheduled monthly reimbursement amount would be held. Mr. Tillotson supported the motion. The motion carried.

Kairos Adolescent Residential Treatment Funding

Ms. Reynolds stated this request is being provided early as the provider is out of funding. She noted that the Commission previously placed \$1,000 from each county in this budget, and so far, Calhoun and Ingham need more dollars due to serving more clients than the others. She added that block grant may be able to be used in place of PA2, but that won't be known until next month. Ms. Reynolds also noted that a reimbursement from Project Rehab from last fiscal year was received, and the state has allowed it to be kept if used for services. Total amounts requested are \$2,083 of Calhoun PA2, \$2,768 of Ingham PA2.

Mr. Minter moved the request for additional funding in the amount of \$2,083 of Calhoun PA2 and \$2,768 of Ingham PA2 for Kairos as recommended by staff. Mr. Tillotson supported the motion. The motion carried.

Prevention Strategic Planning & Youth Survey

Ms. Reynolds reported that costs previously approved for the youth survey cannot be fully

expended this fiscal year, due to the survey not being conducted until November 2004. She noted the total amount expended in the current fiscal year will be \$65,500, with \$28,250 falling into next fiscal year. In addition to the reports, final training, mailing and technical assistance, it is proposed to develop a CD as a training aid this year for the schools, which will require an additional \$2,500. Ms. Reynolds also reported that the work involved in the strategic planning process has been more than anticipated, so the Strategic Plan has been revised, with an additional \$68,700 funding needed to complete our work this fiscal year.

Mr. Showers moved approval of the staff recommendation to approve amending the contract with Community Systems Investment International to include work for the period June through September 30, 2004, with additional funding in the amount of \$68,700, plus an additional charge of \$2,500 for a compact disk for use by the schools for the youth survey. Mr. Minter supported the motion.

Discussion ensued. Ms. Reynolds stated in response to Mr. Johnson's inquiry as to what the Commission has in-hand to-date from this process, that the prevention providers have been working with the trainers, and are gathering data from the counties. She also stated the providers are developing services based on need, that have outcomes attached, and are research-based. Ms. Reynolds noted that CSII has fulfilled terms of the original contract, and actually providing significantly hours more than contracted for, but it has taken the system longer than planned to move forward. Mr. Tillotson noted his belief that the costs quoted in the revised proposal are excessive. He also noted a mathematical error in one section. Ms. Reynolds responded the figure in question is broken down between the consultant's costs and costs for printing and mapping, and the error is \$1,000. Mr. Tillotson stated he could not accept the consultants charging of approximately \$93.00 per hour when they make mathematical errors such as this one. After more discussion, Mr. Showers called the question.

Vote called on the motion. The motion carried with Mr. Tillotson, Mr. Johnson voting no.

Home of New Vision Funding

Ms. Reynolds stated this proposal is for funding for the Home of New Vision to establish a transitional house in Jackson to serve women, which will include the provision of treatment services provided by Born Free, a current funded provider. She added approximately 30 women will be housed per year, with an average stay of nine months. Ms. Reynolds stated the amount of the request is \$47,900 of Jackson County PA2 dollars, and that the Program Development Committee, having received a presentation, recommends it for funding. She also noted that several donations have been received from various foundations for this project. She added the Mid-South dollars will be used for programming and staffing costs. Ms. Mahoney stated she attended a recent fund-raiser and there is a lot of support in the county for it.

Mr. Showers moved approval for funding the Home of New Vision proposal for a total of \$47,900 paid from Jackson County PA2 dollars. Mr. Minter supported the motion. The motion carried.

OLD BUSINESS

There was no Old Business brought before the Committee.

PUBLIC COMMENT

Ms. Michelle Liska spoke in support of the prevention process currently underway.

ADJOURNMENT

The meeting adjourned at 6:00 p.m.