

Northeast Michigan Community Mental Health Authority Board

Board Meeting

March 12, 2020

I. Call to Order

Chair Eric Lawson called the meeting to order in the Board Room at 3:00 p.m.

II. Roll Call and Determination of a Quorum

Present: Robert Adrian, Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski, Gary Wnuk

Absent: Steve Dean (excused), Albert LaFleche (excused)

Staff & Guests: Lisa Anderson, Dennis Bannon, Carolyn Bruning, Lee Ann Bushey, Connie Cadarette, Renee Curry, Lynne Fredlund, Ruth Hewett, Chelsea Meeder, Mary Ann Pingot, Nena Sork, Jen Whyte

III. Pledge of Allegiance

Attendees recited the Pledge of Allegiance as a group.

IV. Appointment of Evaluator

Eric Lawson appointed Lester Buza as evaluator for this meeting.

V. Acknowledgement of Conflict of Interest

Board members had no conflicts to acknowledge.

VI. Information and/or Comments from the Public/ Board Member Communication

Diane Hayka informed Board members of the need to get an applicant for Alpena County for this board. Steve Dean's term will expire the end of this month and at this point we have been informed there were no applicants. Ideally, the applicant would be a primary consumer so we can assure we will be compliant with the Mental Health Code. The individual applying can have received services from other behavioral health providers.

Gary Wnuk informed the Board of a resolution about the restructuring of the mental health system. This will be discussed further in the Chair's Report.

VII. Approval of Minutes

Moved by Gary Nowak, supported by Roger Frye, to approve the minutes of the February 13, 2020 meeting as presented. Motion carried.

VIII. Audit Report – Financial/Compliance

Chelsea Meeder, accountant with Straley, Lamp & Kraenzlein, provided an overview of the financial audit report. She noted with changeover in management positions, risk increases. She noted the transition in management at this Agency went very smooth. She reported this audit was a clean audit. She notes there is stability in all reporting areas. Ms. Meeder reports there will be a new standard [Standard #84] related to fiduciary activities implemented this year, which will impact future audits. Their firm will assist in implementing the new standard. Gary Nowak questioned the amount of Accounts Receivable and Connie Cadarette noted this was high due to a receivable due from NMRE.

Mary Ann Pingot, auditor with Straley, Lamp & Kraenzlein, presented the Compliance audit to the Board. She noted the Michigan Department of Health and Human Services dictates what items must be reviewed in a compliance audit. She notes there was an immaterial noncompliance with the requirements outlined by MDHHS, which is noted in this report. She notes this was not a material weakness. Ms. Pingot reviewed the Examined Financial Status Report.

The Schedule of Findings and Questioned Costs was reviewed. Mary noted the finding this year was a repeat finding. Mary reviewed the two instances identified in the audit findings. Mary reviewed the Comment and Recommendation noting a contract amount was exceeded but had not been brought to the Board for approval prior to payment.

Gary Wnuk reported he had spoken with the Treasurer in Alcona County. He noted the discovery in our system addressed last month resulted in him discussing how to assure future financial statements are correctly reported. Nena Sork noted the accounting department is being reorganized. The automation of some of the account reporting will eliminate for potential human error and staff are being cross-trained as well. She reported a Contract Manager position has been posted and this will eliminate having several fingers in the processing of contracts.

Gary Wnuk suggested having a Board member be active in reviewing financial reports. The Director and Board Chair will determine what monitoring will be used for future.

Moved by Gary Nowak, supported by Pat Przeslawski, to accept and file the Financial and Compliance audit as presented. Motion carried.

IX. Board Member Recognition

Four Board members were recognized for reaching a milestone service year. Gary Nowak presented Chair Eric Lawson with a certificate for five-years of service. Chair Eric Lawson presented Bonnie Cornelius with a certificate for five-years of service. Les Buza received a certificate for 10 years as Board member and Pat Przeslawski received a 20-year certificate and token of appreciation. In total, Board members have 128 years of service combined. This meeting adjourned for a short recess in which cake was served.

Recess at 3:30 p.m.

Resume at 3:40 p.m.

X. Consent Agenda

- 1. Blue Horizons Management Agreement**
- 2. Presidio Ad Hoc Support Agreement**

Moved by Gary Nowak, supported by Lester Buza, to approve the Consent Agenda as presented. Roll call vote: Ayes: Robert Adrian, Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski, Gary Wnuk; Nays: None; Absent: Steve Dean, Albert LaFleche. Motion carried

XI. Presidio Emergency Equipment Purchase

Eric Lawson noted with the recent power surge, switching equipment was needed to replace equipment.

Moved by Pat Przeslawski, supported by Judy Jones, to approve the Emergency Purchase as presented. Roll call vote: Ayes: Robert Adrian, Les Buza, Bonnie Cornelius, Roger Frye, Judy Jones, Terry Larson, Eric Lawson, Gary Nowak, Pat Przeslawski, Gary Wnuk; Nays: None; Absent: Steve Dean, Albert LaFleche. Motion carried

XII. NMRE Contract Approval

The subcontract with NMRE and this Agency is the contract, which provides our Medicaid dollars to us. Bob Adrian questioned if an Attorney reviews the contracts prior to execution. Nena Sork noted the boilerplate is standard in this type of contract with only the rates changing.

Moved by Pat Przeslawski, supported by Bonnie Cornelius, to approve the contract with NMRE as presented. Motion carried.

XIII. March Monitoring Reports

1. Treatment of Individuals Served 01-002

The internal survey conducted in I/DD services is provided in the form of a brochure to Board members and also sent out to the individuals in the program. The surveys conducted in the various programs other programs presented in this monitoring report were conducted using a "Survey Monkey" on-line format through the NMRE. A sampling of questions in each program is depicted in the information provided to Board members. The full survey results are available if Board members would like to review the entire reports. The Clubhouse responses will be shared with Touchstone, manager of the Clubhouse program.

2. Treatment of Staff 01-003

Nena Sork reviewed the staff surveys completed when an employee leaves the Agency providing data of reasons for their exit. Lisa Anderson reported the "Other" includes retirements and many retirements occurred during the past year. She reports staff are also give the option to meet with the Director or management staff to provide input to programs, etc.

3. Budgeting 01-004

Connie Cadarette reports the adjustments have been made to address the budget issues identified last month. The Statement of Revenue and Expense for month ending January 31, 2020 was reviewed. She notes there is not a huge change in the bottom line. There is a close watch on General Funds to see if we can turn it around. The Community Relations/Education line item was a timing issue and this should be resolved as the year goes on. There will be a budget amendment to make some corrections to line items of various expenses at the April meeting.

4. Financial Condition 01-005

Connie Cadarette reviewed the Statement of Net Position for month ending January 31, 2020. She reports we are at 49 days of operating cash.

Bob Adrian questioned the under spending in the revenue streams as depicted on the Statement of Revenue and Expense report under "contract settlement items..." Connie noted Medicaid and Healthy Michigan are under spent; however, this can change monthly.

5. Asset Protection 01-007

The monitoring report addressing Asset Protection is the audit report provided by the auditing firm earlier in this meeting.

Moved by Lester Buza, supported by Gary Nowak, to accept the March monitoring reports as presented. Motion carried.

XIV. Board Policy Review and Self Evaluation

1. Budgeting 01-004

Board members reviewed the policy and no revisions were recommended.

2. Board Members Ethical Code of Conduct 02-008

Proposed revision of this policy includes changing Chief Executive to Executive Director. Board members were requested to sign the Code of Ethical Code of Conduct and submit the signed form to Diane Hayka.

Moved by Gary Nowak, supported by Gary Wnuk, to revise policy 02-008 Board Member Ethical Code of Conduct, as presented. Motion carried.

XV. Linkage Reports

1. Northern Michigan Regional Entity (NMRE)

a. Board Meeting February 26, 2020

Gary Nowak noted he had requested the SUD Board submit to each county how a county can access the PA2 Funds. Terry Larson noted he provided Board members with copies of the PA2 funds and a sample letter to be sent to each county on how to access the funds. Terry Larson noted only a licensed substance use provider can request the funds and the funds must be used within the county. The SUD Board is hoping to stimulate interest in providers to utilize these funds. Roger Frye and Terry Larson are members of the SUD Board. Carolyn Brummund is the SUD representative for Alcona County.

b. Board Meeting January 22, 2020

The printed minutes for this meeting was included in the materials mailed.

2. Community Mental Health Association of Michigan (CMHAM)

The Spring Board Conference is scheduled for June 9 and 10, 2020 at the Grand Traverse Resort in Acme. At this point, there is no printed schedule of the conference. Board members Eric Lawson, Roger Frye, Bonnie Cornelius, Gary Nowak, and Judy Jones all expressed interest in attending.

XVI. Operational Report

Eric Lawson noted a revised report was distributed tonight for month ending February 29, 2020. Nena Sork noted the revision was due to a person being discharged from a state inpatient facility. She noted Touchstone has increased attendance at the Clubhouse. Nena Sork also reported the Peer Support position was awarded to the person who participated in the Clubhouse presentation the Board had a few months ago.

XVII. Nomination's Committee

Terry Larson reported the Committee is recommending the officers remain the same for the next year's officers. Those officers are: Chair, Eric Lawson; Vice Chair, Roger Frye; Secretary, Bonnie Cornelius; and Past Chair, Gary Nowak.

XVIII. Chair's Report

1. County Resolution

Gary Wnuk reported the resolution discussed briefly under the Information and Comments section is on system reform and reported he modeled this resolution from the Centra Wellness Network's resolution and has adapted the resolution for Alcona County. Gary Wnuk offered to contact other counties.

Moved by Gary Wnuk, supported by Gary Nowak, to communicate the resolution to the other counties within our catchment area. Motion carried.

Bob Adrian suggested Nena Sork and Eric Lawson present this resolution to Alpena County. He will get it on the Alpena's agenda.

Motion amended to include the Director attending the Commissioner's meeting to present. Motion carried.

Nena Sork reported she will let Board members know when this has been scheduled in their respective counties.

Alpena County's next meeting is March 31. Eric Lawson might have a conflict with this date and will check his schedule.

2. CMH PAC Campaign

Eric Lawson noted the CMH PAC campaign is underway. Board members were encouraged to make a donation to this important campaign.

XIX. Director's Report

1. Director's Update

Nena Sork reported she attended NMRE Board meeting in February and Operations Committee. She notes the MDHHS system redesign is a hot topic. Nena Sork also noted she is working on trauma and ACE with a group and noted we are tracking trauma scores and will meet again April 17 with the team. She informed the Board of a Letter of Support for Alcona Health Center to provide physical health services in the schools.

She attended the Northern Michigan Opioid Response Consortium (NMORC) and this consortium is working on opioid crisis campaigns. She will be going to Houghton Lake tomorrow to meet with this group.

Several months ago, we discussed getting a second credit card. She notes we will be investigating options for our second credit card now that the position in accounting has been filled. Our current credit card was recently compromised which caused havoc.

Nena Sork reported there has been much discussion about the COVID-19 virus.

2. QI Council Update

The minutes were included in the mailed

XX. Information and/or Comments from the Public

There were no comments presented.

XXI. Information and/or Comments from the Board for the Good of the Organization

There were no comments presented.

XXII. Next Meeting

The next regularly scheduled meeting of Northeast Michigan Community Mental Health Authority Board will be held Thursday, April 9, 2020 at 3:00 p.m.

1. Set April Agenda

The April agenda items were reviewed.

XXIII. Evaluation of Meeting

Lester Buza reported the meeting started about three minutes late☺. The Board came away with good information about the audit report. The meeting went very well and participation was good.

XXIV. Adjournment

Moved by Gary Wnuk, supported by Bonnie Cornelius, to adjourn the meeting. Motion carried. This meeting adjourned at 4:38 p.m.

[signed with electronic signatures on 04/09/2020]

Bonnie Cornelius, Secretary

[signed with electronic signatures on 04/09/2020]

Eric Lawson, Chair

Diane Hayka
Recorder