

Tri-County Services Board of Trustees Meeting

February 27, 2014



*Serving individuals with mental illness
and developmental disabilities*

Notice is hereby given that a regular meeting of the Board of Trustees of Tri-County Services will be held on Thursday, February 27, 2014. The Business Committee will convene at 9:00 a.m., the Program Committee will convene at 9:30 a.m. and the Board meeting will convene at 10:00 a.m. at 1506 FM 2854, Conroe, Texas. The public is invited to attend and offer comments to the Board of Trustees between 10:00 a.m. and 10:15 a.m.

AGENDA

I. Organizational Items

- A. Chairman Calls Meeting to Order
- B. Public Comment
- C. Quorum
- D. Review & Act on Requests for Excused Absence

II. Longevity Recognition Presentations

III. Approve Minutes - January 23, 2014

IV. Executive Director's Report - Evan Roberson

- A. DSHS
 - 1. 10% Withhold/Targets
 - 2. William E. Hall Progress
- B. DADS
 - 1. Local Authority Review
- C. 1115 Waiver Updates

V. Chief Financial Officer's Report - Millie McDuffey

- A. Audit 2013 - Management Letter Response
- B. Cost Accounting Methodology (CAM)
- C. FY 2013 MEI Cost Report
- D. FY 2013 HCS, ICF & TxHmL Cost Reports
- E. CFO Consortium
- F. Building Consultant

VI. Program Committee

Information Items

- A. Community Resources Report Pages 8-9
- B. Consumer Services Report for January 2014 Pages 10-11
- C. Program Updates Pages 12-14
- D. Program Presentation - Center Incentive Payment Update

VII. Executive Committee

Information Items

- A. Personnel Report for January 2014 Pages 15-16

VIII. Business Committee

Action Items

- A. Approve January 2014 Financial Statements Pages 17-30
- B. 401(a) Retirement Plan Account Review Page 31
- C. Approve Revised DSHS Veterans Services Contract Amendment #2014-044767-005A Pages 32-42

Information Items

- D. Board of Trustees Unit Financial Statement for January 2014..... *Pages 43-44*
E. Cleveland Supported Housing, Inc. Update..... *Pages 45-47*

IX. Executive Session in Compliance with Texas Government Code Section 551.071, Consultation with Attorney

Posted By:

Stephanie Eveland
Executive Assistant

Tri-County Services

P.O. Box 3067
Conroe, TX 77305

BOARD OF TRUSTEES MEETING

January 23, 2014

Board Members Present:

David Walker
Brad Browder
Tracy Sorensen
Patti Atkins
Morris Johnson
Cecil McKnight
Janet Qureshi
Sharon Walker

Board Members Absent:

None

Tri-County Staff Present:

Evan Roberson, Executive Director
Millie McDuffey, Chief Financial Officer
Tanya Bryant, Director of Quality Management & Support
Amy Foerster, Director of Human Resources
Catherine Prestigiovanni, Behavioral Health Director
Stephanie Eveland, Executive Assistant
Shane Burks, Coordinator of Resource Development
Stella Montemayor, Administrative Assistant
Mary Lou Flynn-DuPart, Legal Counsel
Sheryl Baldwin, Staff

Guests:

Genelle Edwards, Empowerment Options
Tommy Nelson, Scott, Singleton, Fincher and Company, P.C.
Gene Darnell, Benefit Solutions
Weldon Whitt, Tradition Bank
Judge Claudia Laird
Maggie Thomas, Splashtown
Sami Tuminas, Debby Roberts and Mfonobong Umana, St. Luke's Hospital
Kitty Hammons, Terrace of the Woodlands
Mandi Proctor, Title Boxing Club

Call to Order: Chairman, David Walker, called the meeting to order at 10:02 a.m. at 1506 FM 2854, Conroe, Texas.

Public Comment: There were no public comments.

Quorum: There being eight (8) members present, a quorum was established.

Program Presentation – From the Heart Campaign

Resolution #01-14-01

Motion Made By: Tracy Sorensen

Seconded By: Sharon Walker, with affirmative votes by David Walker, Brad Browder, Patti Atkins, Morris Johnson, Cecil McKnight and Janet Qureshi that it be...

Resolved:

That the Board approve the minutes of the December 12, 2013 meeting of the Board of Trustees as amended.

The Chairman of the Board, David Walker, suspended the agenda to move to Business Committee Item VIII-C, Approve FY 2013 Independent Financial Audit. Tommy Nelson, from Scott, Singleton, Fincher and Company, P.C., presented the report.

Resolution #01-14-02

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by David Walker, Brad Browder, Tracy Sorensen, Patti Atkins, Janet Qureshi and Sharon Walker that it be...

Resolved:

That the Board approve the FY 2013 Independent Financial Audit.

Executive Director's Report:

The Executive Director's report is on file.

Chief Financial Officer's Report:

The Chief Financial Officer's report is on file.

PROGRAM COMMITTEE:

The Community Resources Report was reviewed for information purposes only.

The Consumer Services Reports for November and December 2013 were reviewed for information purposes only.

The Program Updates were reviewed for information purposes only.

Cont.

The Year-to-Date FY 2014 Goals and Objectives Progress Report was reviewed for information purposes only.

The 1st Quarter FY 2014 Corporate Compliance and Quality Management Report was reviewed for information purposes only.

The 2nd Quarter FY 2014 Corporate Compliance Training was reviewed for information purposes only.

EXECUTIVE COMMITTEE:

The Personnel Report for December 2013 was reviewed for information purposes only.

The Texas Council quarterly meeting verbal update was presented by Sharon Walker.

BUSINESS COMMITTEE:

Resolution #01-14-03

Motion Made By: Morris Johnson

Seconded By: Brad Browder, with affirmative votes by David Walker, Tracy Sorensen, Patti Atkins, Cecil McKnight, Janet Qureshi and Sharon Walker that it be...

Resolved:

That the Board approve the November 2013 Financial Statements.

Resolution #01-14-04

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by David Walker, Brad Browder, Tracy Sorensen, Patti Atkins, Janet Qureshi and Sharon Walker that it be...

Resolved:

That the Board approve the December 2013 Financial Statements.

Resolution #01-14-05

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by David Walker, Brad Browder, Tracy Sorensen, Patti Atkins, Janet Qureshi and Sharon Walker that it be...

Resolved:

That the Board approve the DSHS Residential Treatment Center Integration Contract Amendment #2014-044767-009.

Resolution #01-14-06

Motion Made By: Morris Johnson

Seconded By: Tracy Sorensen, with affirmative votes by David Walker, Brad Browder, Patti Atkins, Cecil McKnight, Janet Qureshi and Sharon Walker that it be...

Resolved:

That the Board approve the DSHS Youth Prevention Services Contract Amendment #2014-044724-001A.

Resolution #01-14-07

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by David Walker, Brad Browder, Tracy Sorensen, Patti Atkins, Janet Qureshi and Sharon Walker that it be...

Resolved:

That the Board ratify the loan of \$10,032 in funds to Montgomery Supported Housing, Inc. for operating deficits.

The 1st Quarter FY 2014 Investment Report was reviewed for information purposes only.

The Board of Trustees' Unit Financial Statements for November and December 2013 were reviewed for information purposes only.

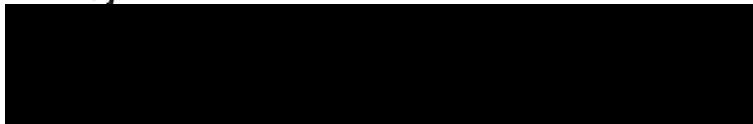
The regular meeting of the Board of Trustees recessed at 11:47 a.m. to go into Executive Session in compliance with Texas Government Code Section 551.071, Consultation with Attorney.

The meeting of the Board of Trustees reconvened at 12:03 p.m. to go into regular session.

There was no action taken from Executive Session.

The regular meeting of the Board of Trustees adjourned at 12:04 p.m.

Adjournment:



David Walker
Chairman

Date

Attest:



Tracy Sorensen
Secretary

Date



Executive Director's Report

February 27, 2014

Announcements

- The next regularly scheduled Board meeting is March 27, 2014.
- There were 7 Tri-County staff trained in Mental Health First Aid (MHFA) this month. MHFA is an in-person training that teaches you how to help persons developing a mental illness or assist in a crisis. The Department of State Health Services (DSHS) will pay us to provide this training to school teachers and administrators, but it is a little late to get onto school training schedules for this year. We will plan to do a brief presentation on MHFA at a future Board meeting.
- As you know, Kelly Shropshire, our Director of IDD Authority Services, was injured in a head-on collision on his way home from work on February 3rd. Kelly is currently in a long-term care facility in Humble called ICON and is improving daily. He should be able to work part-time in 3 weeks or so.

I have invited Jamee Payne and Anna King to today's meeting. These ladies are Kelly's direct reports and have done an outstanding job in his absence.

Kelly's incident highlighted my concerns and reinforced my resolve to have persons with the correct experience to back up key staff in case of unexpected circumstances.

Department of State Health Services (DSHS)

- Tanya Bryant will visit with you today on the status of our **10% General Revenue Withhold and new Service Targets**. I am pleased to announce that we are currently meeting both, but wanted you to be aware that we continue to be concerned about the methodology and data mechanisms that DSHS is using to measure our results. The Texas Council is working with DSHS on modifications to the Service Target requirements and continues to speak to them about the data being used to measure performance; however, at this time, neither the target nor outcomes have changed. As a reminder, each of the outcomes is worth \$40K in General Revenue biannually.

- We continue to make progress on our modifications to the **William E. Hall Facility** and anticipate that we will move in on March 28th. We have hired most of the staff required to expand services and have formed clinical teams designed to maximize efficiency. The new 1115 Integrated Healthcare program will be located at this facility, and we should begin providing those services soon after the facility opens.

Department of Aging and Disability Services (DADS)

- I am pleased to announce that we did well in the DADS **Local Authority (LA) Review**. The LA Audit includes review of HCS, General Revenue and Texas Home Living Service Coordination, intake services, continuity of care, etc. in Kelly's area and a variety of administrative functions (rights, safety, risk, PNAC, etc.) in Tanya's area.

Overall, there were few very small findings and DADS staff were very complimentary of the job done by our staff. DADS staff made a comment that we were one of the only centers in the state that was not cited on the monitoring of person directed plans. None of the findings were related to the care which is provided to our consumers.

A corrective action plan (CAP) is due to the state on March 2nd and Anna, Jamee and Tanya will ensure that the plan addresses all of DADS concerns.

1115 Transformation Waiver

- As you remember, each of the **1115 projects** have payments for outcomes called Category 3. In short, Category 3 measurements are intended to show that the programs are transforming the system of care. We have required levels (as a percentage of the project budget) of Category 3 participation for each Demonstration Year (DY). In total, Tri-County expects to receive \$1.24M dollars in new money via Category 3 measurements.

The Center for Medicaid and Medicare Services (CMS) has required the Texas Department of Health and Human Services (HHSC) to revise the Category 3 protocols, and nearly all providers will be required to change their outcome measurements for the program. Changes to Category 3 measurements must be submitted to our anchors, but we are unsure of when we will be required to submit this information because the timelines continue to change. Our Waiver Coordinator will be working with supervisors to find outcome measurements that are as reasonable as possible.

Meanwhile, we are actively recruiting staff for 4 of our 5 programs (one is scheduled to come up later this year) and plan to begin providing services in the next few weeks. Despite all of the paperwork and changes, we are excited to offer new services to persons in our community. A presentation on the 1115 Waiver programs will be provided to the Board later this year.

CHIEF FINANCIAL OFFICER'S REPORT

February 27, 2014

FY 2013 Audit Management Letter Response - Last month, Tommy Nelson from Scott, Singleton, Fincher and Company, P.C. presented the FY 2013 Audited Financial statements to the Board of Trustee. With the audit, he presented a Management Letter that listed five items to be considered for possible change. Here is Management's Response to the items listed:

1. **Custodial Credit Risk – Bank Deposits** – At August 31, 2013, Center bank deposits in the amount of \$1,873,768 were not covered by federal deposit insurance or by a collateral pledge agreement. The Center has pledged \$1,177,062 of this amount to an outstanding loan in the amount of \$1,173,391 at the same bank. Management's understanding is that these amounts would be offset in the event of bank failure. In the event, the amount of the Center deposits exposed to custodial credit risk would be reduced to \$700,377.

Management Response – This condition has been corrected. This instance happened due to a change in the Certificate of Deposit and Tradition Bank depositing the difference back into the checking account instead of issuing a check as in the past. All accounts are fully insured or collateralized in accordance with Center policy.

2. **Center Policy on Bid Proposals** – They noted that the Center policy for procuring contract services for the construction, repair, renovation, or improvements to facilities or real property requires a bid process for all contracts in the amount of \$10,000 or more. This Center policy has not been revised in some time and state law relating to bidding thresholds has been increased over the years. Maintaining the bid threshold at this amount creates additional administrative burden that could be alleviated by increasing the bid threshold. In connection with this policy, we also noted that the threshold for capitalizing and depreciating assets has not been revised in some time. Existing policy requires capitalization of personal property and real property with an initial cost of \$2,000 and \$1,500 respectively. Many community centers have increased these thresholds in recent years. They recommend a review of these policies to consider raising the thresholds set forth above.

Management Response – Management is going to do a thorough review of these Center policies and will bring back to the board over the next couple of months with recommendations for changes to be approved.

3. **Center Policy on Retention of Fund Balance – GASB Statement 54** – The Center policy on retention of fund balance states that fund balance categories will be classified in accordance with Governmental Accounting Standards Board (GASB) Statement 54, Fund Balance Reporting and

Governmental Fund Type Definitions. We noted that the policy contains items that are not consistent with the requirements of GASB 54.

Center policy states the Board designates funds as restricted for debt service for debt service retirement. The GASB 54 definition of restricted fund balance requires that constraints placed on these resources are externally imposed by creditors, grantors, contributors, law or regulation. Accordingly, Board action will not create restricted fund balance.

Center policy states the Board designates committed funds for items such as "operations and programs" or "board policy requirements". GASB 54 states that committed fund balance represents amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board.

They recommend a review of this policy to assure consistency with GASB 54. They also recommend that Board commitments of fund balance be specific in accordance with GASB 54.

Management Response – Management is going to review GASB 54 and consult with the auditors before a recommendation to change Retention of Fund Balance is brought back to the Board for approval.

4. **W-2 Reporting** – They noted that W-2 forms issued to employees for 2012 did not have the box checked indicating that employees participate in a retirement plan. The Center contributes amounts to the Center retirement plan on behalf of employees. They recommend that future W-2 forms issued by the Center have this box checked in accordance with IRS reporting instructions.

Management Response – Management has corrected this item. On the 2013 W-2 forms, the box was checked indicating that employees participate in a retirement plan.

5. **Functional allocation of depreciation** – The Center presently allocates depreciation to functional categories in the government-wide statement of activities using percentages based on total expenditures by program. In recent years, the Center has updated the detailed depreciation schedule so that it is now included as a part of the general ledger software package. This software permits each of the assets to be coded by functional activity. This would allow depreciation expense to be summarized by function based on the use of the asset. We recommend that the depreciation schedule be capture depreciation expense by functional activity based on the use of the asset.

Management Response – Management will review the current setup of the depreciation schedules in the accounting software and determine the feasibility of adding functional activity based coding to our current process.

Cost Accounting Methodology (CAM) - We have spent many hours working on the FY 2013 CAM report. We sent the preliminary report to DSHS on January 28th. We have continued to work on the report over the last month to fine tune our numbers and the final will be submitted to DSHS by tomorrow at 5. After the final submission, we will continue to review our data and compare to our prior year CAM numbers as well as with state average cost for services.

MEI Cost Report – Staff attended training for this new cost report in Austin on February 19th. This new cost report will essentially take the place of the old TAFI cost report that was used for rate setting purposes on Rehabilitation services and Targeted Case Management services on the Mental Health side and Service Coordination on the IDD side. The report is submitted in a program called the Fairbanks system which we use to complete the HCS, ICF and Texas Home Living cost report so we are familiar with the software and process. The MEI Cost report will be due on April 15th.

FY 2013 HCS, ICF and Texas Home Living Cost Reports – The training has also been completed by staff for the HCS, ICF and Texas Home Living Cost Reports. This report is also due by April 15th.

CFO Consortium - The CFO meeting was held the first week in February. The topics presented were as follows: Managed Care Activities, Presentation on Consumer Directed Services for Waiver Services, Updates from DADS and DSHS, Update from HHSC and CMS on 1115 Waiver Activity, Billing Rehab in a Managed Care Environment, Revenue Maximization Committee Update and Public Funds Investment Training was provided.

Building Consultant – We have signed a contract with WhiteStone Realty Consulting to work with us on our Board goal of building consolidation. We have met with the consultant three times so far. The first was our initial visit on what we are looking for in a consultant. The next two visits were to review our existing buildings and the current use of these buildings to determine how much space will be needed in a one building location in Montgomery County. We look forward to getting feedback from him in the near future on possible options available to us.

Agenda Item: Community Resources Report Committee: Program	Board Meeting Date February 27, 2014
Background Information: None	
Supporting Documentation: Community Resources Report	
Recommended Action: For Information Only	

Community Resources Report

January 24, 2014 – February 27, 2014

Volunteer Hours:

Location	January
Conroe	160.5
Cleveland	6
Liberty	15
Huntsville	10.5
Total	192

COMMUNITY ACTIVITIES:

1/29/14	Liberty/Dayton Chamber of Commerce Luncheon	Liberty
2/4/14	Montgomery County United Way Health and Wellness Impact Council	The Woodlands
2/4/14	Montgomery County HIPSET Board Meeting	Conroe
2/6/14	Cleveland Chamber of Commerce Luncheon	Cleveland
2/5/14	East Montgomery County Chamber of Commerce Luncheon	New Caney
2/6/14	Walker County Community Resource Coordination Group	Huntsville
2/8/14	Texas Regional Opportunity Index (TROI) One Community, Many Voices Report	Conroe
2/11/14	MC-CARES Disaster Recovery Taskforce	The Woodlands
2/11/14	Fair Housing Workgroup Meeting	Conroe
2/12/14	Montgomery County United Way Funded Partners Meeting	The Woodlands
2/13/14	Huntsville Chamber of Commerce Breakfast	Huntsville
2/18/14	Montgomery County United Way 2014 Annual Meeting	The Woodlands
2/18/14	Montgomery County Community Resource Coordination Group	Conroe
2/19/14	Liberty County Child Fatality Review Team	Dayton
2/20/14	Adolescent Health Coalition	Huntsville
2/24/14	Walker County Volunteer Organizations Active in Disasters (VOAD) Meeting	Huntsville

UPCOMING ACTIVITIES:

2/28/14	Montgomery County Community Resource Coordination Group	Conroe
3/6/14	Cleveland Chamber of Commerce Luncheon	Cleveland
3/6/14	Conroe ISD Transition Fair	The Woodlands
3/6/14	Walker County Community Resource Coordination Group	Huntsville
3/6/14	Walker County Trade Expo	Huntsville
3/7/14	Sam Houston Future Fest	Woodlands
3/7/14	Family Wellness Night	Splendora
3/13/14	Huntsville Chamber of Commerce Breakfast	Huntsville
3/18/14	Montgomery County Community Resource Coordination Group	Conroe

Agenda Item: Consumer Services Report for January 2014 Committee: Program	Board Meeting Date February 27, 2014
Background Information: None	
Supporting Documentation: Consumer Services Report for January 2014	
Recommended Action: For Information Only	

Consumer Services Report

January 2014

Consumer Services	Montgomery County	Cleveland	Liberty	Walker County	Total
Crisis Services, MH Adults/Children					
Persons Screened, Intakes, Other Crisis Services	444	28	32	52	556
Crisis and Transitional Services (LOC 0, LOC 5)	55	1	6	1	63
Psychiatric Emergency Treatment Center (PETC) Served	50	2	6	1	59
Psychiatric Emergency Treatment Center (PETC) Bed Days	58	2	6	1	67
Contract Hospital Admissions	10	0	0	1	11
Diversion Admits	10	0	0	2	12
Total State Hospital Admissions	2	0	0	1	3
Routine Services, MH Adults/Children					
Adult Service Packages (LOC 1m,1s,2,3,4)	718	101	95	98	1012
Adult Medication Services	537	57	50	103	747
Child Service Packages (LOC 1-4 and YC)	281	20	10	39	350
Child Medication Services	162	5	7	16	190
TCOOMMI (Adult Only)	94	8	4	9	115
Adult Jail Diversions	0	0	0	0	0
Persons Served by Program, IDD					
Number of New Enrollments for IDD Services	1	0	0	0	1
Service Coordination	441	33	45	49	568
Persons Enrolled in Programs, IDD					
Center Waiver Services (HCS, Supervised Living, TXHmL)	51	6	23	24	104
Contractor Provided ICF-MR	17	12	10	6	45
Substance Abuse Services					
Children and Youth Prevention Services	91	0	0	13	104
Youth Substance Abuse Treatment Services/COPSD	20	0	0	0	20
Adult Substance Abuse Treatment Services/COPSD	25	0	0	0	25
Waiting/Interest Lists as of Month End					
Department of State Health Services-Adults	81	4	5	3	93
Department of State Health Services-Children	0	0	0	0	0
Home and Community Based Services Interest List	1354	112	120	127	1713
January Served by County					
Adult Mental Health Services	1189	117	118	169	1593
Child Mental Health Services	290	22	13	44	369
Intellectual and Developmental Disabilities Services	501	50	57	58	666
Total Served by County	1980	189	188	271	2628
December Served by County					
Adult Mental Health Services	1067	119	113	145	1444
Child Mental Health Services	283	18	10	45	356
Intellectual and Developmental Disabilities Services	513	46	54	59	672
Total Served by County	1863	183	177	249	2472
November Served by County					
Adult Mental Health Services	1104	120	116	167	1507
Child Mental Health Services	299	20	10	38	367
Intellectual and Developmental Disabilities Services	507	47	59	64	677
Total Served by County	1910	187	185	269	2551

Agenda Item: Program Updates Committee: Program	Board Meeting Date February 27, 2014
Background Information: None	
Supporting Documentation: Program Updates	
Recommended Action: For Information Only	

Program Updates

January 24, 2014 – February 27, 2014

MH Crisis and Admission Services

1. A new Crisis Services Director was selected and will begin working at the end of March.
2. Hospitalizations trended above anticipated levels with many of those hospitalized being children.

MH Adult Services

1. The APN and LVN positions have been filled. Interviews for the Tech position continue. There are only two vacant positions; one for a Rehab Specialist and another for a Case Manager.
2. The Adult Mental Health Admissions Department has a plan to implement same day intakes as we continue to expand the walk-in clinic this month.
3. The Routine Assessment and Counseling Team is in the process of completing intakes and beginning Cognitive Behavior Therapy with the clients at LOCR2 who have been on the Tri-County MH wait list.
4. Adult Counseling Services now have two therapists trained in Cognitive Processing Therapy and will begin offering counseling to persons with Post Traumatic Stress Disorder next week.

MH Child Services

1. Our focus is to continue to recruit and train quality new hires to fill open rehab positions as the number of children and youth served continues to increase.
2. More children and youth will be receiving therapy now that we have all three LPHA positions filled and trained.

Criminal Justice Services

1. The Criminal Justice Services Program continued to meet or exceed all standards for the contracts with DSHS and TCOOMMI.
2. TCOOMMI Adult Program caseloads were full at 115 versus a contracted 110.
3. TCOOMMI revenue remains at the budgeted target.
4. The Outpatient Competency Restoration Program (OCR) admitted one in January to make a total of six served for FY 2014.

Substance Abuse Services

1. We submitted a new grant application with United Way last month for a substance abuse linkage and engagement program and expect to hear their decision by the end of February.
2. Although the Youth Substance Abuse Treatment Program continues to operate with one clinician, referrals and services continue to be strong. We are actively recruiting another LCDC.

3. The Substance Abuse Prevention Program continues to grow in all areas with the new contract. We have prevention groups, presentations, and alternative activities planned for all three counties, including summer groups within the Huntsville Boys and Girls Club.

IDD Services

1. We received notification effective April 1, 2014, HCS will offer two new services: Cognitive Rehabilitation and Employment Assistance. Employment Assistance has been a significant need for many years for those in HCS, and we are excited about this upcoming change. These changes affect both Authority and Provider staff.
2. Our HCS Program census is 64 with a CAP of 67, leaving three vacant slots to fill.
3. Our TxHmL Program census is 38 with a CAP of 12. We are encouraging consumers and their families to identify someone they would like us to hire or they could hire them through the CDS option.
4. Overall, the Local Authority Audit went very well. A corrective action plan is being completed for minor findings. On a very positive note, there were no findings in IDD Service Coordination on monitoring and follow-up of services. Monitoring and follow-up is one of the most cited items across the state.

Support Information

1. **Quality Management:** Staff participated in the annual Local Authority Audit conducted by DADS on January 27-29th. There were no repeat findings from the previous year. QM staff will be working with IDD staff to submit a Corrective Action Plan related to minor programmatic findings by March 3, 2014.
2. **Utilization Management:** Due to the many staff transitions over the last year, UM and IT Staff provided reports training to agency supervisors to review contract changes and help them enhance their monitoring skills.
3. **Veterans Services:** Staff continue to explore office locations outside of Tri-County Service locations that will be cost-effective and offer increased contact with the Veteran population.
4. **Mental Health Planning Network Advisory Committee (MHPNAC):** An MHPNAC meeting was held on February 12, 2014. The group reviewed and discussed recent Center and program updates, financial status, services provided to individuals served, and community involvement.
5. **Intellectual/Developmental Disabilities Planning Network Advisory Committee (IDDPNAC):** Preparation is underway for the next IDD Local Planning process that will be reviewed with the IDDPNAC at their next meeting on March 5, 2014. Education and community feedback related to Senate Bill 7 will be integrated into the process.

Community Activities

1. Tri-County Services attended the Lake Conroe/Greater Conroe Chamber of Commerce Job Fair on January 23, 2014 at the Lone Star Convention Center.

Agenda Item: Personnel Report for January 2014 Committee: Executive	Board Meeting Date February 27, 2014
Background Information: None	
Supporting Documentation: Personnel Report for January 2014	
Recommended Action: For Information Only	

TRI-COUNTY SERVICES PERSONNEL BOARD REPORT JANUARY 2014

STAFF CLASSIFICATIONS	NEW HIRES		SEPARATED		VOLUNTARY SEPARATION		INVOLUNTARY SEPARATION		BUDGETED POSITIONS	FILLED POSITIONS	MONTHLY TURNOVER PERCENT	YEARLY TURNOVER PERCENT
	MO.	YTD.	MO.	YTD.	MO.	YTD.	MO.	YTD.				
Bachelor's												
Qualified Mental Health Professionals	9	14	3	13	2	11	1	2	90	75	3%	14%
Qualified Developmental Disability Professionals (State Title)	1	3		1		1			20	14	0%	5%
Licensed Staff	1	3	1	1	1	1			18	13	6%	6%
Medical												
Physicians				1		1			8	5	0%	13%
Advanced Practice Nurses	1	2		1				1	3	2	0%	33%
RN's		1		1		1			12	11	0%	8%
LVN's	1	2							11	11	0%	0%
Techs/Aides												
MH				1		1			19	12	0%	5%
IDD		4	1	2			1	2	33	31	3%	6%
Supervisor/Manager												
MH			1	3	1	3			16	14	6%	19%
IDD									8	8	0%	0%
Program Support	2	9		3		2		1	46	42	0%	7%
Central Administration	1	1	1	2	1	1		1	21	20	5%	10%
Business Services									14	14	0%	0%
Maintenance/Janitorial/Lawn									23	21	0%	0%
GRAND TOTALS	16	39	7	29	5	22	2	7	342	293	2%	8%

Agenda Item: Approve January 2014 Financial Statements Committee: Business	Board Meeting Date February 27, 2014
Background Information: None	
Supporting Documentation: January 2014 Financial Statements	
Recommended Action: Approve January 2014 Financial Statements	

January 2014 Financial Summary

Revenues for January 2014 were \$2,063,344 and operating expenses were \$1,968,770 resulting in a gain in operation of \$94,574. Capital Expenditures and Extraordinary Expenses for January were \$19,261 resulting in a gain of \$75,313. Total revenues were 95.06% of the monthly budgeted revenues and total expenses were 91.30% of the monthly budgeted expenses.

Year to date revenues are \$10,055,161 and operating expenses are \$9,765,796 leaving excess operating revenues of \$289,364. YTD Capital Expenditures and Extraordinary Expenses are \$45,298 resulting in a gain YTD of \$244,066. Total revenues are 95.61% of the YTD budgeted revenues and total expenses are 93.22% of the YTD budgeted expenses

REVENUES

YTD Revenue items that are below the budget by more than \$10,000:

Revenue Source	YTD Revenue	YTD Budget	% of Budget	\$ Variance
HCS Program – Title XIX	758,435	782,047	96.98%	23,612
ICF Program – Title XIX	995,041	1,062,774	93.62%	67,733
Texas Home Living – Title XIX	82,570	96,941	85.17%	14,371
Rehab – Title XIX	427,539	481,512	88.79%	53,973
DSHS – Gen Rev – NGM	269,338	312,800	86.10%	43,462
DSHS – Outpatient Competency Restoration	53,505	85,619	62.49%	32,114

HCS Program – Title XIX – This line item is running slightly under budget due to the loss of Medicaid eligibility for a client and the hospitalization of another client. A budget revision will be submitted to correct the projections for this revenue line.

ICF Program – Title XIX – This line item is under budget due to hospital stays as well as vacancies in this program. We also will have some back billing for new consumers that are a reimbursement program so the financials will also show a reduction on the expense side to offset this decrease in revenue.

Texas Home Living – Title XIX – A budget revision will be necessary as this program has been affected by a large number of services not being utilized by consumers.

Rehab – Title XIX – As we have reported the last couple of months, this line item continues to be under budget due mainly due to the implementation of the TRR effective September 1st as required by our DSHS Contract. We have implemented weekly revenue improvement meetings with all the department managers to ensure that there is a major focus of how

this is impacting the agency budget. We expect to see major improvements over the next few months.

DSHS – Gen Rev – NGM – This line item is under budget due to a position which is funded by NGM that is vacant at this time. We anticipate that this position will be filled in the next couple of months and we expect this revenue line will increase. We will evaluate this revenue line soon to ensure that we expend all the funds this fiscal year.

DSHS – Outpatient Competency Restoration – We continue to have issues with no referrals to this program. This is a cost reimbursement program so also have a decrease in expenses associated with this program.

EXPENSES

YTD Individual line expense items that exceed the YTD budget by more than \$10,000:

Expense Source	YTD Expenses	YTD Budget	% of Budget	\$ Variance
Medication	157,249	143,134	1.10%	14,115

Medication – Expenses are trending higher for medications over the last couple of months. We will continue to monitor to determine if a budget revision is necessary prior to year end.

TRI-COUNTY SERVICES
CONSOLIDATED BALANCE SHEET
As of January 31, 2014

	TOTALS COMBINED FUNDS January 2014	TOTALS COMBINED FUNDS December 2013	Increase (Decrease)
ASSETS			
CURRENT ASSETS			
Imprest Cash Funds	3,375	4,375	(1,000)
Cash on Deposit-General Fund	11,404,530	12,068,650	(664,120)
Cash on Deposit-Debt Fund	3,274	3,274	-
Accounts Receivable	1,434,027	1,387,549	46,478
Inventory	7,637	7,610	27
TOTAL CURRENT ASSETS	12,852,843	13,471,459	(618,615)
FIXED ASSETS	5,730,985	5,730,985	-
OTHER ASSETS	69,001	52,146	16,855
TOTAL ASSETS	18,652,832	19,254,592	(601,760)
LIABILITIES, DEFERRED REVENUE, FUND BALANCES			
CURRENT LIABILITIES	926,899	788,657	138,242
NOTES PAYABLE	473,777	473,777	-
DEFERRED REVENUE	3,611,662	4,433,144	(821,482)
LONG-TERM LIABILITIES FOR			
Line of Credit - Tradition Bank	1,040,506	1,059,570	(19,064)
Bond Series 2004	-	-	-
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR			
General Fund	1,352,489	1,277,175	75,313
Debt Service Fund	-	-	-
FUND EQUITY			
RESTRICTED			
Net Assets Reserved for Debt Service	(1,514,283)	(1,533,348)	19,064
Reserved for Debt Retirement	1,230,000	1,230,000	-
Reserved for Debt Service	-	-	-
COMMITTED			
Net Assets-Property and Equipment	5,730,985	5,730,985	-
Reserved for Board Policy Requirements	879,405	879,405	-
Reserved for Equipment Reserve	354,290	354,290	-
Reserved for Inventory Reserve	32,973	32,973	-
Reserved for Operations and Programs	2,046,849	2,046,849	-
ASSIGNED			
Reserved for Workers' Compensation	274,409	274,409	-
Reserved for Current Year Budgeted Reserve	30,831	24,664	6,167
Reserved for Insurance Deductibles	100,000	100,000	-
UNASSIGNED			
Unrestricted and Undesignated	2,082,041	2,082,041	-
TOTAL LIABILITIES/FUND BALANCE	18,652,832	19,254,592	(601,759)

**TRI-COUNTY SERVICES
CONSOLIDATED BALANCE SHEET
As of January 31, 2014**

	General Operating Funds	TOTALS	
		Memorandum Only	
		January 2014	Final August 2013
ASSETS			
CURRENT ASSETS			
Imprest Cash Funds	3,375	3,375	5,325
Cash on Deposit-General Fund	11,404,530	11,404,530	7,747,392
Cash on Deposit-Debt Fund	3,274	3,274	421,561
Accounts Receivable	1,434,027	1,434,027	1,657,784
Inventory	7,637	7,637	6,661
TOTAL CURRENT ASSETS	12,852,843	12,852,843	9,838,723
FIXED ASSETS	5,730,985	5,730,985	5,730,985
OTHER ASSETS	69,001	69,001	36,317
	18,652,832	18,652,832	15,606,026
LIABILITIES, DEFERRED REVENUE, FUND BALANCES			
CURRENT LIABILITIES	926,899	926,899	1,340,397
NOTES PAYABLE	473,777	473,777	473,777
DEFERRED REVENUE	3,611,662	3,611,662	426,256
LONG-TERM LIABILITIES FOR			
Line of Credit - Tradition Bank	1,040,506	1,040,506	1,135,612
Bond Series 2004	-	-	410,000
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR			
General Fund	1,352,489	1,352,489	1,108,422
Debt Service Fund	-	-	-
FUND EQUITY			
RESTRICTED			
Net Assets Reserved for Debt service-Restricted	(1,514,283)	(1,514,283)	(2,019,389)
Reserved for Debt Retirement	1,230,000	1,230,000	1,230,000
Reserved for Debt Service	-	-	-
COMMITTED			
Net Assets-Property and Equipment-Committed	5,730,985	5,730,985	5,730,985
Reserved for Board Policy Requirements-Committed	879,405	879,405	879,405
Reserved for Equipment Reserve-Committed	354,290	354,290	354,290
Reserved for Inventory Reserve-Committed	32,973	32,973	32,973
Reserved for Operations and Programs -Committed	2,046,849	2,046,849	2,046,849
ASSIGNED			
Reserved for Workers' Compensation-Assigned	274,409	274,409	274,409
Reserved for Current Year Budgeted Reserve -Assigned	30,831	30,831	-
Reserved for Insurance Deductibles-Assigned	100,000	100,000	100,000
UNASSIGNED			
Unrestricted and Undesignated	2,082,041	2,082,041	2,082,041
TOTAL LIABILITIES/FUND BALANCE	18,652,832	18,652,832	15,606,026

TRI-COUNTY SERVICES
Revenue and Expense Summary
For the Month Ended January 2014
and YTD as of January 2014

INCOME:	MONTH OF January 2014	YTD January 2014
Local Revenue Sources	89,546	594,280
Earned Income	777,396	3,746,619
General Revenue-Contract	1,196,402	5,714,262
TOTAL INCOME	2,063,344	10,055,161
EXPENSES:		
Salaries	1,067,350	5,131,841
Employee Benefits	204,075	965,944
Medication Expense	36,619	159,718
Travel-Board/Staff	28,574	159,702
Building Rent/Maintenance	19,736	103,569
Consultants/Contracts	430,902	2,263,177
Other Operating Expenses	181,513	981,845
TOTAL EXPENSES	1,968,770	9,765,796
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	94,574	289,364
CAPITAL EXPENDITURES		
Capital Outlay-FF&E, Automobiles, Building	19,261	45,298
Capital Outlay-Debt Service Bonds	-	
TOTAL CAPITAL EXPENDITURES	19,261	45,298
GRAND TOTAL EXPENDITURES	1,988,031	9,811,094
Excess (Deficiency) of Revenues and Expenses	75,313	244,066

TRI-COUNTY SERVICES
Revenue and Expense Summary
Compared to Budgeted
Year to Date as of January 2014

	YTD January 2014	APPROVED BUDGET	Increase (Decrease)
INCOME:			
Local Revenue Sources	594,280	822,987	(228,707)
Earned Income	3,746,619	3,960,102	(213,483)
General Revenue-Contract	5,714,262	5,733,753	(19,491)
TOTAL INCOME	10,055,161	10,516,842	(461,681)
EXPENSES:			
Salaries	5,131,841	5,377,579	(245,738)
Employee Benefits	965,944	1,045,751	(79,807)
Medication Expense	159,718	143,134	16,584
Travel-Board/Staff	159,702	183,070	(23,368)
Building Rent/Maintenance	103,569	129,953	(26,384)
Consultants/Contracts	2,263,177	2,446,377	(183,200)
Other Operating Expenses	981,845	1,070,653	(88,808)
TOTAL EXPENSES	9,765,796	10,396,517	(630,721)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	289,364	120,325	169,039
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	45,298	128,627	(83,329)
Capital Outlay-Debt Service Bonds			-
TOTAL CAPITAL EXPENDITURES	45,298	128,627	(83,329)
GRAND TOTAL EXPENDITURES	9,811,094	10,525,144	(714,050)
Excess (Deficiency) of Revenues and Expenses	244,066	(8,302)	252,368

Debt Service and Fixed Asset Fund:

Bond Payments Receipts	-	-	-
Bond Payments Disbursements		-	-
Interest Income			
Excess(Deficiency) of revenues over Expense:	-	-	-

TRI-COUNTY SERVICES
Revenue and Expense Summary
Compared to Budget
For the Month Ended January 2014

INCOME:	MONTH OF January 2014	APPROVED BUDGET	Increase (Decrease)
Local Revenue Sources	89,546	158,403	(68,857)
Earned Income	777,396	849,709	(72,313)
General Revenue-Contract	1,196,402	1,162,372	34,030
TOTAL INCOME	2,063,344	2,170,484	(107,140)
EXPENSES:			
Salaries	1,067,350	1,103,565	(36,215)
Employee Benefits	204,075	222,581	(18,506)
Medication Expense	36,619	29,188	7,431
Travel-Board/Staff	28,574	37,143	(8,569)
Building Rent/Maintenance	19,736	22,440	(2,704)
Consultants/Contracts	430,902	485,480	(54,578)
Other Operating Expenses	181,513	224,760	(43,247)
TOTAL EXPENSES	1,968,770	2,125,157	(156,387)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	94,574	45,327	49,247
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	19,261	52,322	(33,061)
Capital Outlay-Debt Service Bonds	-	-	-
TOTAL CAPITAL EXPENDITURES	19,261	52,322	(33,061)
GRAND TOTAL EXPENDITURES	1,988,031	2,177,479	(189,448)
Excess (Deficiency) of Revenues and Expenses:	75,313	(6,995)	82,308

Debt Service and Fixed Asset Fund:			
Bond Payments Receipts	-	-	-
Bond Payments Disbursements	-	-	-
Interest Income	-	-	-
Excess(Deficiency) of revenues over Expenses:	-	-	-

TRI-COUNTY SERVICES
Revenue and Expense Summary
With January 2013 Comparative Data
Year to Date as of January 2014

INCOME:	YTD January 2014	YTD January 2013	Increase (Decrease)
Local Revenue Sources	594,280	667,246	(72,966)
Earned Income	3,746,619	4,352,019	(605,400)
General Revenue-Contract	5,714,262	5,223,970	490,292
TOTAL INCOME	10,055,161	10,243,235	(188,074)
EXPENSES:			
Salaries	5,131,841	4,893,913	237,928
Employee Benefits	965,944	944,408	21,536
Medication Expense	159,718	119,648	40,070
Travel-Board/Staff	159,702	150,821	8,881
Building Rent/Maintenance	103,569	76,754	26,815
Consultants/Contracts	2,263,177	2,230,186	32,991
Other Operating Expenses	981,845	938,444	43,401
TOTAL EXPENSES	9,765,796	9,354,174	411,622
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	289,364	889,061	(599,697)
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	45,298	23,770	21,528
Capital Outlay-Debt Service Bonds		177,410	(177,410)
TOTAL CAPITAL EXPENDITURES	45,298	201,180	(155,882)
GRAND TOTAL EXPENDITURES	9,811,094	9,555,354	255,740
Excess (Deficiency) of Revenues and Expenses	244,066	687,881	(443,815)

Debt Service and Fixed Asset Fund:

Bond Payments Receipts	-	177,410	(177,410)
Bond Payments Disbursements			-
Interest Income			-
Excess(Deficiency) of revenues over Expenses	-	177,410	(177,410)

TRI-COUNTY SERVICES
Revenue and Expense Summary
With January 2013 Comparative Data
For the Month January 2014

INCOME:	MONTH OF January 2014	MONTH OF January 2013	Increase (Decrease)
Local Revenue Sources	89,546	80,504	9,042
Earned Income	777,396	1,128,517	(351,121)
General Revenue-Contract	1,196,402	1,048,341	148,061
TOTAL INCOME	2,063,344	2,257,362	(194,018)
EXPENSES:			
Salaries	1,067,350	1,005,641	61,709
Employee Benefits	204,075	215,802	(11,727)
Medication Expense	36,619	25,982	10,637
Travel-Board/Staff	28,574	29,572	(998)
Building Rent/Maintenance	19,736	11,231	8,505
Consultants/Contracts	430,902	458,203	(27,301)
Other Operating Expenses	181,513	194,014	(12,501)
TOTAL EXPENSES	1,968,770	1,940,445	28,325
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	94,574	316,917	(222,343)
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	19,261	1,110	18,151
Capital Outlay-Debt Service Bonds	-	35,482	(35,482)
TOTAL CAPITAL EXPENDITURES	19,261	36,592	(17,331)
GRAND TOTAL EXPENDITURES	1,988,031	1,977,037	10,994
Excess (Deficiency) of Revenues and Expenses	75,313	280,325	(205,012)

Debt Service and Fixed Asset Fund:

Bond Payments Receipts	-	35,482	(35,482)
Bond Payments Disbursements			-
Interest Income			-
Excess(Deficiency) of revenues over Expenses	-	35,482	(35,482)

TRI-COUNTY SERVICES
Revenue and Expense Summary
With December 2013 Comparative Data
As of January 2014

INCOME:	MONTH OF January 2014	MONTH OF December 2013	Increase (Decrease)
Local Revenue Sources	89,546	136,964	(47,418)
Earned Income	777,396	721,112	56,284
General Revenue-Contract	1,196,402	1,233,070	(36,669)
TOTAL INCOME	2,063,344	2,091,147	(27,803)
EXPENSES:			
Salaries	1,067,350	970,235	97,115
Employee Benefits	204,075	189,631	14,444
Medication Expense	36,619	38,297	(1,678)
Travel-Board/Staff	28,574	26,084	2,490
Building Rent/Maintenance	19,736	20,870	(1,134)
Consultants/Contracts	430,902	474,261	(43,359)
Other Operating Expenses	181,513	233,417	(51,903)
TOTAL EXPENSES	1,968,770	1,952,794	15,975
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	94,574	138,352	(43,778)
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	19,261	(14,802)	34,063
Capital Outlay-Debt Service Bonds	-	-	-
TOTAL CAPITAL EXPENDITURES	19,261	(14,802)	34,063
GRAND TOTAL EXPENDITURES	1,988,031	1,937,992	50,038
Excess (Deficiency) of Revenues and Expenses	75,313	153,154	(77,841)

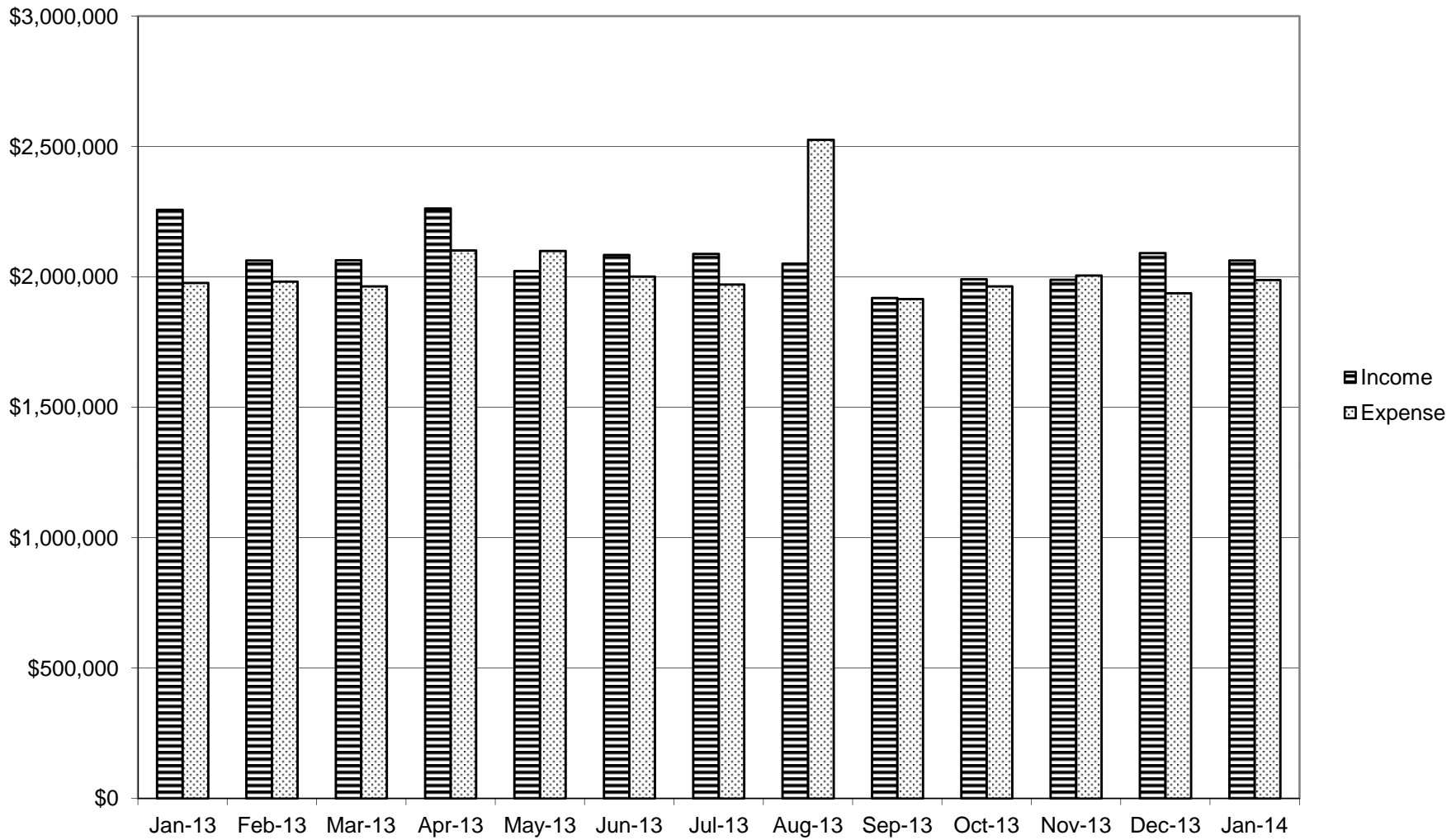
Debt Service and Fixed Asset Fund:			
Bond Payments Receipts	-	-	-
Bond Payments Disbursements			-
Interest Income			
Excess(Deficiency) of revenues over Expenses	-	-	-

TRI-COUNTY SERVICES
Revenue and Expense Summary by Service Type
Compared to Budget
As of YTD Ended January 2014

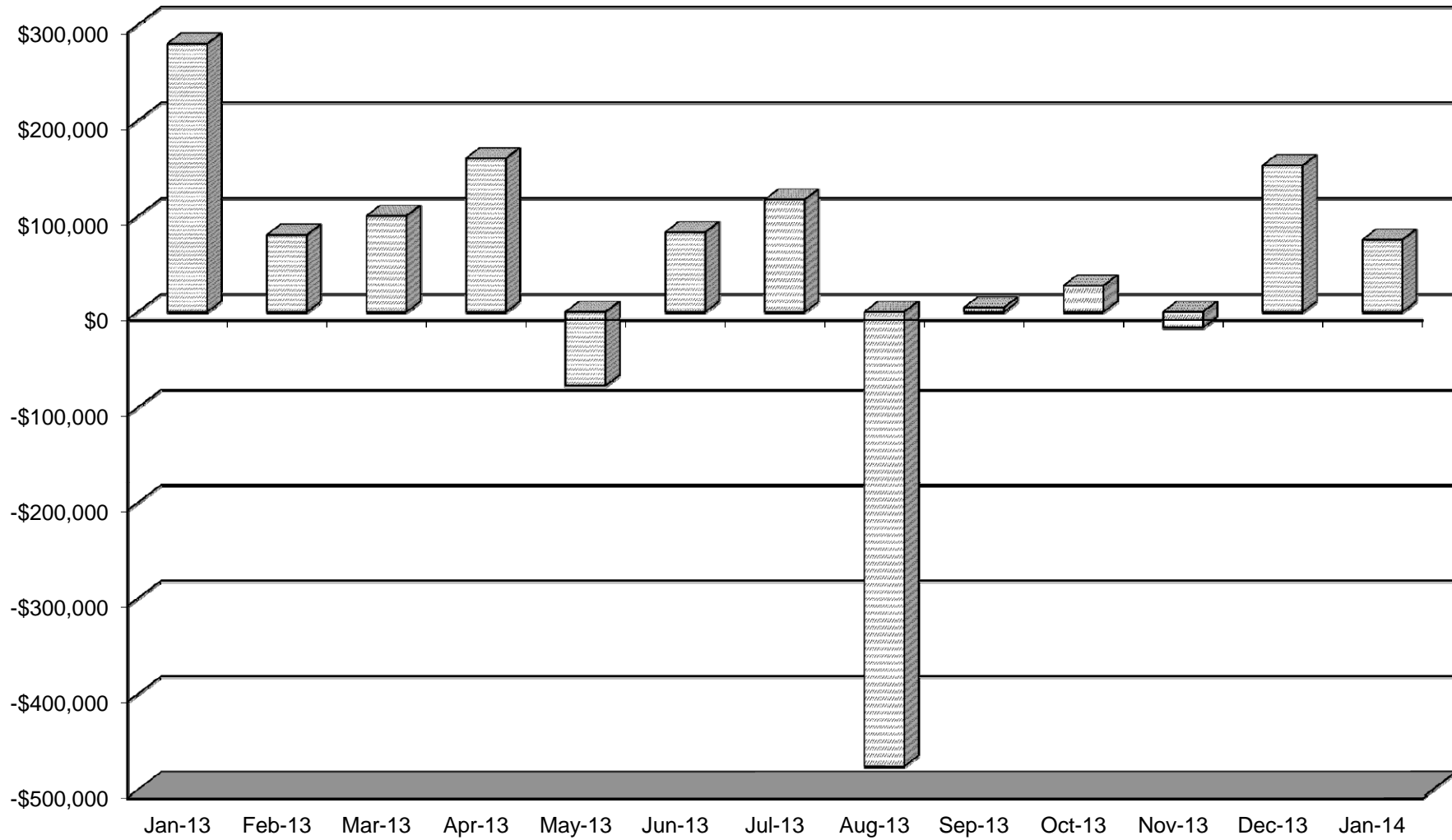
	YTD Mental Health January 2014	YTD IDD January 2014	YTD Other Services January 2014	YTD Agency Total January 2014	YTD Approved Budget January 2014	Increase (Decrease)
INCOME:						
Local Revenue Sources	448,190	73,140	72,949	594,280	822,987	(228,707)
Earned Income	787,180	2,387,585	571,854	3,746,619	3,960,102	(213,483)
General Revenue-Contract	5,074,544	639,718		5,714,262	5,733,753	(19,491)
TOTAL INCOME	6,309,914	3,100,443	644,803	10,055,161	10,516,842	(461,681)
EXPENSES:						
Salaries	3,601,320	1,072,321	458,201	5,131,841	5,377,579	(245,738)
Employee Benefits	661,686	215,337	88,921	965,944	1,045,751	(79,807)
Medication Expense	147,968		11,751	159,718	143,134	16,584
Travel-Board/Staff	98,767	42,048	18,887	159,702	183,070	(23,368)
Building Rent/Maintenance	62,724	33,648	7,196	103,569	129,953	(26,384)
Consultants/Contracts	789,934	1,452,211	21,033	2,263,177	2,446,377	(183,200)
Other Operating Expenses	627,866	246,036	107,942	981,845	1,070,653	(88,808)
TOTAL EXPENSES	5,990,265	3,061,601	713,931	9,765,796	10,396,517	(630,721)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	319,649	38,842	(69,128)	289,365	120,325	169,040
CAPITAL EXPENDITURES						
Capital Outlay-FF&E, Automobiles	29,057	7,659	8,583	45,298	128,627	(83,329)
Capital Outlay-Debt Service Bonds				-		-
TOTAL CAPITAL EXPENDITURES	29,057	7,659	8,583	45,298	128,627	(83,329)
GRAND TOTAL EXPENDITURES	6,019,322	3,069,260	722,514	9,811,094	10,525,144	(714,050)
Excess (Deficiency) of Revenues and Expenses	290,592	31,183	(77,711)	244,066	(8,302)	252,369

Debt Service and Fixed Asset Fund:						
Bond Payments Receipts	-	-	-	-	-	-
Bond Payments Disbursements		-	-	-	-	-
Interest Income		-	-	-	-	-
Excess(Deficiency) of revenues over Expenses	-	-	-	-	-	-

TRI-COUNTY SERVICES Income and Expense



TRI-COUNTY SERVICES
Income after Expense



Agenda Item: 401(a) Retirement Plan Account Review Committee: Business	Board Meeting Date February 27, 2014
Background Information: A representative from ISC Group will present an update of the 401(a) Retirement Plan account activity for FY 2013 and will provide a forecast for the future.	
Supporting Documentation: Information to be Distributed by an ISC Representative at the Board Meeting	
Recommended Action: Action as Appropriate or Needed	

Agenda Item: Approve Revised Department of State Health Services Veterans Services Contract Amendment #2014-044767-005A	Board Meeting Date February 27, 2014
Committee: Business	
Background Information:	
<p>The Department of State Health Services (DSHS) has issued a new Statement of Work for the Veterans Services Contract which will go into effect retroactively on December 1, 2013. The proposed contract amendment increases funding from \$23,700 per year to \$60,000 per year.</p>	
<p>Many of the required activities have not been as successful in the more rural areas of Texas, so Evan Roberson reviewed the contract amendment with DSHS staff to seek clarification on the potential for fines and sanctions if the program is not effective. After several discussions, it was determined that DSHS' intent is to provide centers with technical assistance and that contract requirements will not be sanctioned/fined as long as programs are actively working to address the program requirements.</p>	
<p>However, DSHS determined further changes needed to be made to the contract amendment, so the amendment was withdrawn while changes were made. The amendment in this Board packet is the second proposed amendment and is more closely related to the original contract. Required in this amendment are additional trainings and reporting requirements for our Veterans Coordinator.</p>	
<p>However, when we received the contract, many of the contract amendment deliverable dates were already past due. To clarify, DSHS has sent out the attached email which changes some of these dates.</p>	
<p>Staff recommends approval of this contract with the clarifying statements from DSHS.</p>	
Supporting Documentation:	
DSHS Veterans Services Program Attachment	
Email from DSHS Contract Manager, Jennifer Miller	
Recommended Action:	
Approve Revised DSHS Veterans Services Contract Amendment #2014-044767-005A	

DEPARTMENT OF STATE HEALTH SERVICES



Amendment

The Department of State Health Services (DSHS) and TRI-COUNTY MHMR SERVICES(Contractor) agree to amend Program Attachment # 005 (Program Attachment) to Contract # 2014-044767 (Contract) in accordance with this Amendment No. 005A: Veterans Services, effective 12/01/2013.

The purpose of this Amendment is to: Make revisions to the Scope of work.

Therefore, DSHS and Contractor agree as follows:

It is mutually agreed by and between the contracting parties to amend the terms and conditions of Document No. 2014-044767 as written below. All other terms and conditions not hereby amended are to remain in full force and effect. In the event of a conflict between the terms of this contract and the terms of this Amendment, this Amendment shall control.

Program attachment is revised as follows in attached document.

Department of State Health Services

Contractor

Signature of Authorized Official

Signature of Authorized Official

Date: _____

Date: _____

David L. Lakey, M.D.

Name: Evan Roberson

Commissioner

Title: Executive Director

1100 WEST 49TH STREET
AUSTIN, TEXAS 78756

Address: P.O. Box 3067
Conroe, TX 77305

512.458.7375

Phone: 936-521-6119

david.lakey@dshs.state.tx.us

Email: EvanR@triconty services.org

CONTRACT NO.2014-044767
PROGRAM ATTACHMENT NO005A
PURCHASE ORDER NO.0000397797

CONTRACTOR: TRI-COUNTY MHMR SERVICES

DSHS PROGRAM: Veterans Services

TERM: 09/01/2013 THRU: 08/31/2014

SECTION I. STATEMENT OF WORK:

~~Contractor shall implement a Community-Based Veteran Peer to Peer Counseling Project (Project) to enhance or expand the availability of and access to community-based behavioral health services for veterans. The Project shall, at a minimum, enhance and expand veteran-facilitated peer-to-peer counseling related to behavioral health issues for veterans.~~

~~Contractor's Project may enhance or expand collaborations with Local Mental Health Authorities (LMHAs) and the Local Behavioral Health Authority in order to strengthen the statewide network of veterans' services and supports and to recruit, retain, and organize the services provided by volunteers who have been trained in a curriculum-based peer-to-peer counseling course such as "Bring Everyone In The Zone", "Operation Resilient Families", or an equivalent curriculum that has been approved by DSHS.~~

~~Contractor shall enhance and expand the Military Veteran Peer Network (Network) which shall include veteran volunteers. Contractor shall screen and recruit applicants who want to become volunteers of the Network. Contractor shall ensure that all entities or individuals who provide services under this Program Attachment communicate by telephone, email, and through regular briefings.~~

The objective of the initiatives described in this Program Attachment is to enhance access to resources by Service Members, Veterans, and their Families (SMVF) through peer-to-peer counseling services. Members of the Military Veteran Peer Network (MVPN) will provide peer-to-peer counseling services. MVPN is a grouping of military Veteran Volunteers and Peers (see Texas Health and Safety Code, Section 1001.201). For purposes of this attachment, Coordinators shall be SMVF who are trained in a curriculum-based peer leadership regimen approved by DSHS. Coordinators shall organize and lead MVPN activities and Volunteers. The activities include training events, social gatherings, one-on-one mentoring and support group discussions. The objective of the activities is to identify SMVF so that they can develop trusted peer relationships with MVPN members. The relationships are built on shared life experiences. The shared life experiences include developing skills useful in adapting to post-traumatic stress and traumatic brain injuries. This promotes self-confidence and self-awareness which in turn increases the likelihood that SMVF will timely seek professional counseling.

A related objective is to enhance access to mental health professionals who have Military Cultural Competency (MCC Providers), an important factor for this population. MCC Providers have military service experience or training as well as knowledge about the efficacy and accessibility of resources for SMVF.

Contractor shall achieve the objectives of the MVPN Program as outlined in Section 1.A.1-9 by hiring or contracting for services from at least one Coordinator, unless an exception is approved by DSHS. The Coordinator shall serve 40 hours per week and shall work from a site selected by mutual agreement between Contractor and the Coordinator. As a best practice, the site should:

1. not be immediately identifiable as an LMHA facility;
2. be where the Coordinator determines SMVF likely would be comfortable visiting; and
3. be where one or more of the following are located: County Veteran Service Officers (CVSOs), Texas Veterans Commission (TVC) representatives, and Texas Workforce Commission (TWC) Veterans Resource & Referral Specialists.

To achieve MVPN Program objectives, Contractor shall collect information about MCC Providers and resources accessible to SMVF in the county that has the highest number of SMVF in Contractor's service area. Contractor shall assist in verifying accessibility and efficacy of resources.

Contractor shall monitor ~~volunteers~~Volunteers to verify that services provided by them include at a minimum, responding to requests from ~~veterans~~SMVF who are seeking to access ~~veteran and/or veteran and military family reintegration mental health~~ services. These ~~reintegration~~ services include, but are not limited to, ~~meeting with veterans one-on-one or in group settings and informing them~~SMVF about and/or referring them to ~~community health and human service providers~~MCC Providers.

A. ProjectProgram Design

1. The ProjectProgram shall enhance or expand the availability of or access to peer-to-peer counseling, and community veteran reintegration services. Contractor shall coordinate veteran reintegration services with community veteran organizations and individuals (Stakeholders) who provide veteran reintegration services, including the following:
 - a. Programs for substance use screening, assessment, and treatment;
 - ~~b. County Service Officers and/or the Texas Veterans Commission;~~
 - b. CVSOs, TVC and TWC representatives;
 - c. Veterans Integrated Services Network;
 - d. TexVet: Partners Across Texas;
 - e. Programs that support housing and employment;
 - f. Programs that support female veterans;
 - g. Jail diversion programs for veterans and active military service members related to behavioral health services;
 - h. Programs being implemented by other veterans or military service organizations;
 - i. Community based veteran drop-in centers.
2. Quarterly Briefings

- a. Contractor shall sponsor and/or organize quarterly briefings for Stakeholders and volunteers for the following purposes:
 - 1) Share information about the activities of the Military Veteran Peer Network and Stakeholders;
 - 2) Update members of the Military Veteran Peer Network and Stakeholders about community resources and reintegration services for veterans, and assess the reintegration service needs of veterans in the community;
 - 3) Identify deficiencies in community reintegration services, and devise tactics to address the deficiencies;
 - 4) Share information about community-based health and human services for veterans;
 - 5) Share information about evidence-based practices to enhance Network members' ability to provide veteran peer-to-peer counseling; and
 - 6) Share information about how to navigate community-based health and human services systems, including how to access services and make efficacious referrals to community mental health care providers.

7) Identify major employers that likely have large (50 or more) SMVF employee populations and devise outreach strategy(ies) for making them aware of the MVPN and the benefits of peer-to-peer counseling services.

- b. Contractor shall assist volunteers in locating meeting space and ~~introduce them to identifying~~ community service providers. ~~Contractor shall educate volunteers about community-based briefings on peer-to-peer counseling and invite volunteers to participate in the briefings.~~ that are accessible and can provide efficacious services for SMVF.

- c. Contractor shall create and maintain a list of Stakeholders and volunteers. Contractor shall document the quarterly briefings by maintaining a list of attendees, dates, briefing locations, and topics discussed. ~~Contractor shall submit the documentation electronically to the email address provided by the DSHS-identified Network State Coordinator (State Coordinator), and make documentation available to DSHS upon request.~~

~~3. Each quarter, Contractor shall screen, recruit and recommend to DSHS applicants who want to become volunteers of the Network. Contractor shall screen all applicants using a written assessment provided by DSHS. Contractor shall submit applicants' completed assessments to DSHS no later than ten business days after completion. Contractor shall recruit at least one female applicant every other quarter. DSHS and State Coordinator will coordinate training for successful applicants.~~

~~4. Contractor shall maintain quarterly contact with volunteers who are providing services under this Program Attachment and reside within Contractor's service area(s). Contractor shall ensure that volunteers are actively engaged in delivering services, determine what supports might be appropriate to assist volunteers in their efforts to achieve the aims and goals of the Project, including recruitment of applicants. Contractor shall contact volunteers by telephone, email, or in person and document contacts by submitting an~~

~~email to the State Coordinator each quarter that includes the names of individuals contacted, the dates contacts were made, and whether volunteers are active or inactive. A volunteer is considered active if he or she has provided services or intends to provide services during the current or following quarter. Contractor shall submit this documentation to DSHS upon request.~~

3. Contractor shall, at a minimum, provide peer-to-peer services that include:

- a. Recruiting MVPN members and Volunteers; a minimum of two per quarter;
- b. Nominating (at a minimum, two per quarter) Volunteers for DSHS approved training;
- c. Organizing Volunteers to achieve the MVPN Program aims;
- d. Organizing activities (at a minimum, every other quarter) aimed at bringing SMVF and Volunteers and other MVPN members together for personal interactions aimed at building trusted peer relationships in an appropriate non-clinical social setting, such as a recreational facility, park, or a Veterans Service or Faith-Based Organization's meeting space.
- e. Collecting and reporting data about MVPN and Volunteer activities and services;
- f. Assigning Volunteers to tasks aimed at achieving MVPN Program objectives, including, but not limited to, leading peer-to-peer support groups, providing one-on-one counseling about accessing resources, navigating Department of Veterans Affairs (VA) healthcare options, life skills mentoring, and making referrals to medical, basic needs, other trained Volunteers, or contacting CVSOs, TVC representatives, TWC Veterans Resource & Referral Specialists, and MCC Providers;
- g. Maintaining (at a minimum, quarterly) contact, or verifying that an assigned Volunteer is maintaining contact, by personal visit, phone or via email, with the CVSOs, TVC and TWC representatives;
- h. Maintaining (at a minimum, quarterly) contact with representatives of community based health and human service providers who have efficacious resources accessible by SMVF;
- i. Maintaining (at a minimum, quarterly) contact with VA representatives, including Veteran Justice Outreach specialists (VJOs).
- j. Maintaining (at a minimum, quarterly) contact with county jail diversion program officials, including those who serve in Veterans court;
- k. Verifying that each Volunteer has been contacted by a Coordinator (at a minimum each month);
- l. Maintaining a tally of the total number of SMVF served and the types of services provided;
- m. Maintaining updated (at a minimum, quarterly) information about MCC Providers that are accessible to SMVF, including verification of the accuracy of the information about the MCC Providers;
Using the MVPN electronic Web-based system to register Volunteers and Program participants and to verify that activities listed in Sec. I.A.4, a.—m. are documented in the VVET Service Delivery form accessible at
http://patzone.texvet.org/sites/patzone.texvet.org/files/Form%20V%20VETS%20Service%20Delivery%202014-15_0.xlsx. Contractor shall submit the form to
VVET@texvet.org in XLS or XLSX format. PDF files or scans of handwritten forms will not be accepted. Contractor shall deliver the reports electronically to

VVET@texvet.org on each due date, and copied to DSHS at: performance.contracts@dshs.state.tx.us.

4. Contractor shall initiate, enhance, or expand access to services for female veterans. Contractor also shall coordinate services with female veteran service providers to ensure that female veterans have access to female veteran-facilitated peer-to-peer counseling services within Contractor's service area(s). Contractor shall document services provided to female veterans using Form ~~V-VETS~~VVET Service Delivery.

5. Contractor shall contract for, or hire, a Volunteer Coordinator or Coordinators, unless an exception is approved by DSHS. Contractor shall monitor and verify that Coordinators focus primarily on managing Volunteers and the Volunteer organization. Contractor shall verify that Coordinator(s) skills and experience include the following:

- a. Experience as a SMVF;
- b. Trained as qualified Peer-to-Peer support group facilitator approved by DSHS;
- c. Demonstrated leadership skills;
- d. Demonstrated ability to use limited resources to achieve objectives;
- e. Knowledge about community partners/stakeholders;
- f. Experience as a Volunteer in or manager of a Volunteer-focused program;
- g. Demonstrated public speaking/presentation ability;
- h. Training in suicide prevention (ASIST, ASK, or a similar curriculum);
- i. Qualified to train Volunteers in Battle Buddies 101 or comparable mental health awareness curriculum approved by DSHS.

6. Contractor shall offer its staff members the opportunity to identify themselves as SMVF. Contractor shall provide them with information about MVPN membership opportunities. Contractor also shall offer staff members the opportunity to identify themselves as MCC Providers. Contractor shall maintain a list of those who choose to identify themselves as MCC Providers and include the listing in a report to DSHS.

7. Contractor shall acquire materials, available from the TexVet MVPN Program at manager@texvet.org email address, including "MVPN Material" in the email subject line. The materials shall concisely explain the benefits to SMVF offered by the MVPN Program. At a minimum, Contractor also shall implement an MVPN "Chapter", no later than January 15, 2014, using the MVPN Web-based system. Contractor shall include an MVPN banner on Contractor's Website, no later than January 15, 2014, and shall include the MVPN logo on all information veteran program materials that shall be distributed at all veteran program-related events that Contractor participates in. Contractor shall document implementation of an MVPN Chapter and inclusion of an MVPN banner on Contractor's Website by including the appropriate Uniform Resource Locators (URL) in Contractor's Implementation Plan and by describing the information materials distributed at events in a report to DSHS.

8. Contractor shall :

- a. Assign a Veteran Volunteer Coordinator to participate in a DSHS-led process to develop an evaluation plan that includes information about SMVF that will be useful in evaluating Contractor's Program and the DSHS Veterans Mental Health Program.

- Participation may include recruiting SMVF, providers, and stakeholders to participate in interviews, surveys, or other discussions about their experiences with the program;
- b. Prepare and submit a report to DSHS with information that shall include, but not be limited to, a summary of information about SMVF population groups within the county within Contractor's service area that has the highest number of SMVF;
 - c. Include a summary of MVPN Program enhancements implemented by Contractor during the current fiscal year, and;
 - d. Contractor's recommended changes to Contractor's MVPN Program for the following fiscal year.
9. Contractor shall provide a Program Implementation Plan, outlining tactics for enhancing collaboration between MVPN Program participants, MCC Providers, CVSOs, TVC, and TWC. The Plan also shall include tactics Contractor will use to generate and disseminate information about the MVPN Program and related activities for use by news services, print, broadcast, and social media.
10. Contractor may subcontract services to other organizations or individuals to accomplish the aims and goals of the Projects.
- B. Single Point of Contact
Contractor shall designate a single point of contact to receive and transmit information required for effective implementation and monitoring of the ~~Project~~Program. Contractor shall inform DSHS of a change in the single point of contact no later than ten days after the new single point of contact changes.
- C. Implementation Plan
Contractor shall submit to DSHS a written ~~Project~~Program Implementation Plan which specifies activities for organizing veteran peer-to-peer counseling and services under the terms of this Program Attachment. At a minimum, the plan shall include the following:
1. A timeline for task(s) to be accomplished and persons or entities responsible for each task; ~~and Anticipated outcomes and objectives, and;~~
 - ~~2. Anticipated outcomes and objectives.~~
 2. Documentation as noted in Sec. I.A.7.
- D. Project and Fiscal Reporting
Contractor shall follow:
1. Submit a budget for the Program using Budget Schedule Form I.;
 2. Electronically submit quarterly service delivery data using the VVET Service Delivery form submitted to VVET@texvet.org in XLS or XLSX format. PDF files or scans of handwritten forms will not be accepted. The report shall be electronically delivered to TexVet on each due date, and copied to DSHS at: performance.contracts@dshs.state.tx.us;
 3. Develop and electronically submit expenditure reports to DSHS using Form V-VETS Expenditures; and
 - ~~1-4.~~Follow the submission schedule and reporting requirements for financial information in Client Assignment and Registration System (CARE) Report III.

SECTION II. SERVICE TARGETS, PERFORMANCE MEASURES, AND OUTCOMES:

~~The DSHS will use the~~ terms of this Program Attachment, including the following performance measures, ~~will be used to assess Contractor's~~ assess Contractor's effectiveness in providing the services described in this Program Attachment, ~~without waiving the enforceability of any of the terms of the performance Contract Notebook. All,~~ Contractor shall submit all reports ~~shall be submitted~~ electronically to the Performance Contract Mailbox at performance.contracts@dshs.state.tx.us performance.contracts@dshs.state.tx.us with a copy to the assigned DSHS contract manager.

A. Contractor shall designate a single point of contact and notify DSHS in writing of the person's name and contact information no later than ten business days after execution of this Contract. If the single point of contact changes, Contractor shall notify DSHS in writing no later than ten business days after making the change.

B. Contractor shall inform DSHS about Coordinator(s) described in Sec. I.A.6 within ten calendar days after Coordinator(s) is/are contracted or hired, and shall inform DSHS about change(s) in the Coordinator(s) no later than ten days after the changes are made.

C. No later than ~~November 29, 2013~~ January 8, 2014, Contractor shall submit a budget for achieving the requirements set forth in this Program Attachment using Budget Schedule Form I.

~~B-D.~~ No later than January 15, 2014, Contractor shall submit to DSHS a written ~~Project~~ Program Implementation Plan and shall include required documentation as noted in Sec. I.A. 7.

~~C-E.~~ Contractor shall submit the following deliverables no later than the following dates: December 16, 2013; March 14, 2014; June 16, 2014; September 15, 2014.

1. Contractor shall electronically submit service delivery data to DSHS using Form ~~V-VETS~~ V-VETS Service Delivery as noted in Section I.D.2;
- ~~2. Contractor shall submit stakeholder and volunteer quarterly briefing documentation to the State Coordinator as noted in Section I.A.2.~~
- ~~3. Contractor shall submit a list of volunteers who reside or report to a TXMF within Contractor's service area to the State Coordinator as noted in Section I.A.3.~~
- ~~4. Contractor shall submit by email the names of volunteers contacted and the dates the contacts were made to the State Coordinator as noted in Section I.A.5.~~

~~D.~~ Contractor shall submit applicant assessments to DSHS within ten business days of completion of each Assessment.

2. Contractor shall electronically submit expenditure information to performance.contracts@dshs.state.tx.us using For V-VETS Expenditures;

E.F. Contractor shall submit the following documentation to DSHS upon request:

1. ~~Stakeholder~~Documentation of with list of attendees and ~~documentation of~~volunteers' topics discussed during quarterly briefings as ~~specified~~noted in Section I.A.2.a.; and
2. Names of volunteers contacted and the dates the contacts were made as specified in Section I.A.~~5~~3.

G. No later than June 1, 2014, Contractor shall submit a report that includes information described in Sec.I.A.6-8.

SECTION III. SOLICITATION DOCUMENT:

Exempt Governmental Entity

SECTION IV. RENEWALS:

N/A

SECTION V. PAYMENT METHOD:

Quarterly Allocation

SECTION VI. BUDGET:

MH-Veterans-Peer Counseling

\$60,000.00

Total Allocation

\$60,000.00

Source of Funds: 93.243.000; State

60,000.00

The amount expended by Contractor for administration of the provision of services under this Program Attachment shall not exceed 5% of the total.

Budget and expenditure reporting shall be entered into CARE Report III on line 758 – Other General Revenue, DSHS.

Total payments will not exceed \$60,000.00

SECTION VII. FUNDING:

If Contractor's total allowable expenditures for the term of this Program Attachment are less than the total amount disbursed by DSHS in Contractor's allocations, Contractor shall be subject to recoupment by DSHS of the difference between the total amount disbursed by DSHS and Contractor's total allowable expenditures.

SECTION VIII. SERVICE AREA:Liberty, Montgomery, Walker

From: Miller, Jennifer (DSHS) [<mailto:Jennifer.Miller@dshs.state.tx.us>]
Sent: Wednesday, February 12, 2014 9:25 AM
Subject: VET Amendment and Deliverables

Good Morning,

As many of you noted, the following deliverables under the amended VET statement of work will have modified dates. Due dates for these deliverables fell between amendment negotiation and execution. Please note the new deliverable dates for the following items:

- Please submit an updated budget to include any additional funds received as part of this amendment no later than February 28, 2014.
- Please submit an updated implementation plan based on this amendment no later than February 28, 2014.

Please contact your assigned contract manager via e-mail with specific information if while completing the updated VET budget you note either of the following:

- Concern with ability to expend funds by the end of the contract term, or
- Identify possible need for additional funds should any become available.

Continue all other reporting and deliverables as scheduled.

Thank you,

Jennifer D. Miller
Contract Manager
Mental Health Contracts Management Unit, DSHS
Office 512-206-5432
Fax 512-206-5307

Agenda Item: Board of Trustees' Unit Financial Statements for January 2014 Committee: Business	Board Meeting Date February 27, 2014
Background Information: None	
Supporting Documentation: Board of Trustees' Unit Financial Statements for January 2014	
Recommended Action: For Information Only	

Unit Financial Statement

FY 2014

	Jan 14 Actuals	Jan 14 Budgeted	Variance	YTD Actual	YTD Budget	Variance	Percent	Budget
Revenues								
80103998 Allocated Revenue	\$ 2,858.00	\$ 2,858.00	\$ -	\$ 14,294.00	\$ 14,294.00	\$ -	100.00%	\$ 34,300.00
Total Revenue	\$ 2,858.00	\$ 2,858.00	\$ -	\$ 14,294.00	\$ 14,294.00	\$ -	100.00%	\$ 34,300.00
Expenses								
80105275 Food Items	\$ 222.22	\$ 167.00	\$ 55.22	\$ 731.65	\$ 831.00	\$ (99.35)	88.04%	\$ 2,000.00
80105320 Insurance-Worker Compensation	\$ 8.22	\$ 19.00	\$ (10.78)	\$ 54.02	\$ 97.00	\$ (42.98)	55.69%	\$ 230.00
80105388 Legal Fees	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 7,500.00	\$ 7,500.00	\$ -	100.00%	\$ 18,000.00
80155605 Postage-Express Mail	\$ -	\$ -	\$ -	\$ 21.10	\$ -	\$ 21.10	0.00%	\$ -
80105715 Supplies-Office	\$ -	\$ -	\$ -	\$ 20.17	\$ -	\$ 20.17	0.00%	\$ -
80105736 Telephone - Air cards	\$ -	\$ 13.00	\$ (13.00)	\$ (12.77)	\$ 69.00	\$ (81.77)	0.00%	\$ 160.00
80105738 Telephone - Mobile Service	\$ -	\$ 47.00	\$ (47.00)	\$ -	\$ 231.00	\$ (231.00)	0.00%	\$ 560.00
80105750 Training	\$ -	\$ 300.00	\$ (300.00)	\$ 675.00	\$ 1,500.00	\$ (825.00)	45.00%	\$ 3,600.00
80105755 Travel - Local	\$ 79.28	\$ 62.00	\$ 17.28	\$ 237.84	\$ 310.00	\$ (72.16)	76.72%	\$ 750.00
80105757 Travel - Non-local Mileage/Air	\$ 408.50	\$ 350.00	\$ 58.50	\$ 565.48	\$ 1,750.00	\$ (1,184.52)	32.31%	\$ 4,200.00
80105758 Travel - Non-local Hotel	\$ -	\$ 300.00	\$ (300.00)	\$ 113.85	\$ 1,500.00	\$ (1,386.15)	7.59%	\$ 3,600.00
80105759 Travel - Meals	\$ -	\$ 100.00	\$ (100.00)	\$ 15.46	\$ 500.00	\$ (484.54)	3.09%	\$ 1,200.00
Total Expenses	\$ 2,218.22	\$ 2,858.00	\$ (639.78)	\$ 9,921.80	\$ 14,288.00	\$ (4,366.20)	69.44%	\$ 34,300.00
Total Revenue minus Expenses	\$ 639.78	\$ -	\$ 639.78	\$ 4,372.20	\$ 6.00	\$ 4,366.20	30.56%	\$ -

Agenda Item: Cleveland Supported Housing, Inc. Update Committee: Business	Board Meeting Date February 27, 2014
Background Information: <p>We are pleased to report that on February 10, 2014, we received notification that amendment funds were secured for Independence Oaks Apartments in the amount of \$556,389, for a total reservation amount of \$2,140,189 prior to initial closing.</p> <p>All necessary signatures were received to finalize the bank account with Traditions Bank and the required \$100.00 deposit was made to the account. The account is now set up to receive project funds.</p> <p>Staff continue to work with the current property owner, and David Deaton of Jackson Walker, in order to compose an agreement with Auto Zone to establish use of the drainage easement. At this time, we would expect to finalize this agreement at closing.</p> <p>Communication was made with Houston Endowment following our request to extend the timeframe needed to utilize the \$200,000 award to supplement the amendment funds and we are hopeful that our new timeline will be acceptable.</p> <p>We are currently awaiting the Firm Commitment from HUD. Once we receive this notification, the project should quickly move toward initial closing and into full gear.</p>	
Supporting Documentation: Memorandum Approving Waiver of 24 CFR Part 891.100 (d) for Independence Oaks Apartments	
Recommended Action: For Information Only	



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

JAN 28 2014

MEMORANDUM FOR: Raynold Richardson, Director, Houston Multifamily Program
Center, 6EHMLAZ

THROUGH: Joseph D. Pennel, Acting Director, Fort Worth Multifamily Hub,
6AHMLAS
Charlotte B. Mitchell, Chief, Fort Worth Multifamily Hub,
6AHMLAP
[REDACTED]

FROM: Carol J. Galante, Assistant Secretary for Housing –
Federal Housing Commissioner, H

SUBJECT: Waiver of 24 CFR Part 891.100(d)
Prohibition Against Amendment Funds Prior to Initial Closing
Project Name: Independence Oaks Apartments
Project Number: 114-HD048/TX24-Q101-002
Cleveland, TX
Number of Units: 15
Fund Reservation Amount: \$1,583,800
Date of Fund Reservation: February 14, 2012

This is in reply to your revised memorandum of December 16, 2013, requesting a waiver of 24 CFR Part 891.100(d) for the subject project, which prohibits the use of amendment funds prior to initial closing.

Based on the justification provided in the memorandum, including the facts that the project is economically designed, comparable in cost to similar projects developed in the area, and the Sponsor/Owner has exhausted all efforts to obtain the funds through other sources, I have determined that there is good cause for granting this waiver. Therefore, pursuant to the authority of the Secretary under 24 CFR 5.110, I am hereby waiving 24 CFR Part 891.100(d) of the Section 202 and Section 811 regulations to permit the subject project to receive amendment funds in the amount of \$556,389 (for a total reservation amount of \$2,140,189) prior to initial closing. However, the Sponsor/Owner must be informed that this waiver applies only to the subject project.

Housing staff have advised me that to not permit the project to receive amendment funds prior to initial closing would cause hardship to the Sponsor/Owner, who has expended substantial funds to develop this project. Further, if the project is canceled, this much needed housing would not be built. I believe the granting of this request, therefore, is in the public interest and is consistent

with both programmatic objectives and the Secretary's goal of increasing affordable housing for low-income families.

If you have any questions, please contact Adia Hayes at (202) 708-3000, extension 2463.

UPCOMING MEETINGS

March 27th, 2014 – Board Meeting

- Approve Minutes from February 27, 2014 Board Meeting
- Approve Submission of Montgomery County United Way 2014 Request for Funding Application
- Community Resources Report
- Consumer Services Report for February 2014
- Program Updates
- Year-to-Date FY 2014 Goals & Objectives Progress Report
- 2nd Quarter FY 2014 Corporate Compliance & Quality Management Report
- 3rd Quarter FY 2014 Corporate Compliance Training
- Program Presentation – Supported Housing Program
- Personnel Report for February 2014
- Approve February 2014 Financial Statements
- 2nd Quarter FY 2014 Investment Report
- Board of Trustees' Unit Financial Statement for February 2014
- Montgomery Supported Housing, Inc. Update
- Cleveland Supported Housing, Inc. Update
- Other Business Committee Issues

April 24th, 2014 – Board Meeting

- Approve Minutes from March 27, 2014 Board Meeting
- Community Resources Report
- Consumer Services Report for March 2014
- Program Updates
- Annual Board & Management Team Training
- Personnel Report for March 2014
- Texas Council Quarterly Board Meeting Update
- Approve March 2014 Financial Statements
- Board of Trustees' Unit Financial Statement for March 2014
- Other Business Committee Issues