

# **Tri-County Services Board of Trustees Meeting**

**March 27, 2014**



*Serving individuals with mental illness  
and developmental disabilities*

## **AGENDA**

Notice is hereby given that a regular meeting of the Board of Trustees of Tri-County Services will be held on Thursday, March 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.

### **I. Organizational Items**

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

### **II. Approve Minutes - February 27, 2014**

### **III. Executive Director's Report - Evan Roberson**

- A. Mental Health
  - 1. DSHS Target/Incentive Status
  - 2. DSHS PETC Site Visit
  - 3. Senate Bill 58 Managed Care Meeting
  - 4. DSHS Supported Housing Holdback
  - 5. Mental Health Waiting List Status
  - 6. William E. Hall Facility Update
- B. Intellectual and Developmental Disabilities
  - 1. IDD Provider Meeting
  - 2. IDD Local Planning Meeting
- C. ETBHN
  - 1. Managed Care Consultant
  - 2. Televideo Services Update
- D. Anasazi
  - 1. Fiscal/Human Resources Product Update

### **IV. Chief Financial Officer's Report - Millie McDuffey**

- A. FY 2013 Cost Reports
  - 1. CAM
  - 2. MEI
  - 3. HCS, ICF & TxHmL
- B. FY 2014 Midyear Budget Revision
- C. Building Consultant Update
- D. Days of Operation Ratio
- E. CFO Consortium Meeting

### **V. Program Committee**

#### **Action Items**

- A. Approve Submission of the 2014 Montgomery County United Way FY 2014-2017 Strategic Investment Application..... *Pages 7-8*
- B. Approve Funding Award from United Way of the Piney Woods..... *Pages 9-12*

#### **Information Items**

- C. Community Resources Report..... *Pages 13-15*
- D. Consumer Services Report for February 2014..... *Pages 16-17*
- E. Program Updates..... *Pages 18-20*

- F. Year-to-Date FY 2014 Goals & Objectives Progress Report..... *Pages 21-24*
- G. 2<sup>nd</sup> Quarter FY 2014 Corporate Compliance & Quality Management Report..... *Pages 25-26*
- H. 3<sup>rd</sup> Quarter FY 2014 Corporate Compliance Training..... *Pages 27-28*
- I. Program Presentation - Supported Housing Program

**VI. Executive Committee**

Information Items

- A. Personnel Report for February 2014..... *Pages 29-30*

**VII. Business Committee**

Action Items

- A. Approve February 2014 Financial Statements..... *Pages 31-44*
- B. Approve Recommendation to Declare 1999 Chevrolet Astro Van as Surplus..... *Page 45*
- C. Approve 8<sup>th</sup> Payment of Non-Refundable Option Money to the Property Owner  
for the Independence Oaks Project Site, Cleveland, Texas..... *Page 46*
- D. Consider & Approve Forgiving Accounts Receivable for Independence  
Communities, Inc. & Montgomery Supported Housing, Inc..... *Page 47*

Information Items

- E. 2<sup>nd</sup> Quarter FY 2014 Investment Report..... *Pages 48-52*
- F. Board of Trustees Unit Financial Statement for February 2014..... *Pages 53-54*

**VIII. Executive Session in Compliance with Texas Government Code Section 551.071, Consultation with Attorney & Section 551.072, Real Property**

Posted By:

Stephanie Eveland  
Executive Assistant

# Tri-County Services

P.O. Box 3067  
Conroe, TX 77305

## BOARD OF TRUSTEES MEETING

February 27, 2014

### Board Members Present:

David Walker  
Brad Browder  
Patti Atkins  
Morris Johnson  
Cecil McKnight  
Sharon Walker

### Board Members Absent:

Tracy Sorensen  
Janet Qureshi

### 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  
Kathy Foster, Director of Provider Services  
Catherine Prestigiovanni, Behavioral Health Director  
Stephanie Eveland, Executive Assistant  
Sandy Kelly, Public Information Coordinator  
Stella Montemayor, Administrative Assistant  
David Deaton, Legal Counsel  
Tabatha Abbott, Staff  
David Assael, Staff  
Larry Freeman, Staff  
Jennifer Graham, Staff  
Anna King, Staff  
Elisha Leard, Staff  
Eydie Medvigy, Staff  
Willa Moffett-Williford, Staff  
Jennifer Spillman, Staff  
Karen Strong, Staff

### Guests:

Terry Hill, ISC Group

**Call to Order:** Chairman, David Walker, called the meeting to order at 10:00 a.m. at 1506 FM 2854, Conroe, Texas.

**Public Comment:** There were no public comments.



**Quorum:** There being six (6) members present, a quorum was established.

**Resolution #02-14-01**

**Motion Made By:** Patti Atkins

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

**Resolved:**

That the Board excuse the absences of Tracy Sorensen and Janet Qureshi.

Longevity Recognitions were presented to Tri-County staff.

**Resolution #02-14-02**

**Motion Made By:** Patti Atkins

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

**Resolved:**

That the Board approve the minutes of the January 23, 2014 meeting of the Board of Trustees.

The Chairman of the Board, David Walker, suspended the agenda to move to Business Committee Item VIII-B, 401(a) Retirement Plan Account Review. Terry Hill, from ISC Group, presented the report.

**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 Report for January 2014 was reviewed for information purposes only.

The Program Updates were reviewed for information purposes only.

Program Presentation – Tanya Bryant presented information regarding the Center Incentive Payment.

**EXECUTIVE COMMITTEE:**

The Personnel Report for January 2014 was reviewed for information purposes only.

**BUSINESS COMMITTEE:**

**Resolution #02-14-03**

**Motion Made By:** Morris Johnson

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

**Resolved:**

That the Board approve the January 2014 Financial Statements.

**Resolution #02-14-04**

**Motion Made By:** Morris Johnson

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

**Resolved:**

That the Board approve the revised DSHS Veterans Services Contract Amendment #2014-044767-005A.

The Board of Trustees' Unit Financial Statement for January 2014 was reviewed for information purposes only.

The Cleveland Supported Housing, Inc. Update was reviewed for information purposes only.

There was no need for Executive Session.

The regular meeting of the Board of Trustees adjourned at 11:28 a.m.

**Adjournment:**

**Attest:**

David Walker  
Chairman

Date

Tracy Sorensen  
Secretary

Date



# Executive Director's Report

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*March 27, 2014*

## **Announcements**

- The next regularly scheduled Board meeting is April 24, 2014.
- The Annual Conference will be held in San Antonio from June 18-20<sup>th</sup>. I would like to have an idea of who may be interested in going by April 15<sup>th</sup> so we can reserve rooms at the conference hotel as soon as they are released. I have attached the latest information we have on the conference from Texas Council to this update.
- Kelly Shropshire continues to improve and is now working part-time from home a few hours a week. He surprised us last week by coming to the Management Team meeting for a short visit while his laptop was being repaired. He is currently receiving physical therapy and hopes to be cleared to drive again soon.

## **Department of State Health Services (DSHS)**

- I am very pleased to announce that we've met all **DSHS Incentive Payment measures** for the first half of FY 2014. Although we have been adding staff to help us meet these targets, many of them are not yet up to speed and I am very pleased that we could hit these new targets while we are still hiring and training. Of course, this also means that we will not have General Revenue withheld for the third quarter.

As a reminder, in the second half of FY 2014, each of the Incentive Payment measures will increase from the level met in the first half of the year.

I have attached a handout to this update outlining the Center performance for the first half of the year.

- On March 19<sup>th</sup>, we had a **DSHS PETC Site Visit**. DSHS program staff are visiting Psychiatric Emergency Service Center funded programs (like the PETC) as DSHS prepares to release additional funding for these types of projects. DSHS staff were very complementary of both the facility and our program staff.

- I represented Tri-County at a **Senate Bill 58 planning meeting** called by Texas Children's Health Plan (TCHP) and Beacon Behavioral Health Organization last week. As a reminder, SB 58 moves mental health Targeted Case Management (TCM) and Rehabilitation Services (Rehab) into Managed Care in September of 2014. TCM and Rehab generate most of the revenue in Adult and Child mental health services.

TCHP and Beacon invited Houston-area Community Centers to an introductory meeting to learn about TCM and Rehab and discuss potential issues related to implementation. It is not often that health plans reach out to Community Centers like this and we appreciated the opportunity to visit with them.

It was clear from the meeting that much is unknown about the implementation of this new law. According to the Texas Council, Texas Health and Human Services Commission (HHSC) has told DSHS that they will no longer be receiving much of the data that they are used to receiving because it will be sent directly to the health plans instead. The significance of this is that all of the performance measures and much of the contract is built on data that is provided by Centers. The concern is that DSHS will require an additional process from Centers to get this data.

We expect some lost revenue because of the implementation of this bill as other organizations begin providing services to Medicaid clients. I am advocating for business processes which will be efficient and limit the amount of administrative burden associated with billing these services; we don't want to lose revenue and add unnecessary expense.

- We received word from DSHS that they would **hold back \$9,952 of the new Supported Housing funds** because they did not think that Tri-County would be able spend these funds in FY 2014. Tri-County was awarded \$176,161 for FY 2014 in September to provide housing vouchers and rental support for homeless clients. Brian Burney will be visiting with you about this program later today.

In our initial application for these funds, we indicated that we expected to use these funds more slowly in the first half of the year while the program started up. DSHS awarded our suggested total for FY 2014, but allocated the funding in 4 equal quarterly payments. I spoke with our contract manager and expressed my frustration that these funds would be recouped after we clearly explained in our application that we would start slow and asked for less funding in FY 2014 for this reason. Our contract manager indicated that DSHS is under more pressure to actively manage these new funds and indicated that FY 2015 would not be affected. I have attached a copy of DSHS' letter for your review.

- I wanted to let you know that we plan to finish removing all persons from the **mental health adult 'waiting for all services' waiting list** by the end of April. We have moved

from a high of 304 in FY 2011 to 57 today. We are scheduling these clients for intake appointments currently. Historically, 10.5% of the clients on the list went into crisis each year and received a more intensive level of care as compared with 2% of the clients in outpatient services who required more intensive care. I am hopeful that we will never need to reopen the list.

Our children's waiting list was eliminated in the first quarter of the year.

- The **William E. Hall, Jr. Facility (WEHF)** will open on time on April 1<sup>st</sup>. In addition to four clinical service teams, our 1115 Integrated Healthcare program will also open there in the next few weeks (when all staff are hired). I am excited to see these staff move from the 4,000 square foot RP 2 to the 10,000 square foot WEHF and believe that we have designed services systems which will be much more effective in meeting client needs.
- Finally, I wanted to let the Board know that we will be having a comprehensive Mental Health and Substance Abuse Quality Management Review beginning April 8<sup>th</sup>. We have never had a combined SA and MH QM review and haven't had a MH QM review in many years. DSHS staff have indicated to me that this is just a routine review of Center quality management program criteria. We will have a full report for you at the April Board meeting.

### **Department of Aging and Disability Services (DADS)**

- On March 5<sup>th</sup>, our IDD staff held our first **Regional IDD Provider** meeting. Urban centers have been holding provider meetings for some time and local providers have been asking us to begin doing so in our area. At the meeting, our Authority staff visited with the providers about the enrollment process for clients that have received waiver slots, PASRR, DADS Provider Letters, DADS' new Individual Plan of Care (IPC) and discussed any issues or concerns they had regarding authority services. The meeting was well attended and providers were very complementary about the meeting and the information they were provided.
- Tanya Bryant and her staff have begun IDD Local Planning meetings throughout our service areas. Local planning is our opportunity to visit with local stakeholders about the services we provide, to seek feedback on other needed services and to educate them about upcoming changes in IDD services. This year, we will add a discussion about Senate Bill 7 and the planned migration of all IDD waivers into managed care.

Tanya will be sending out a link to the IDD Local Planning survey and a list of meeting times and locations to each of you.

## **East Texas Behavioral Health Network**

- Tri-County and most of the other ETBHN Centers will join with the Tejas Provider Group (Austin, San Antonio and Bluebonnet) to hire a **managed care contracting consultant** to help each of us negotiate our contracts. Centers, like Tri-County, need to renegotiate all of our managed care contracts to include TCM and Rehab services which are a part of SB 58 by September 1, 2014. Tejas has hired Trans-Century, a company that specializes in negotiating MCO contracts, to work with the centers.

We will not be allowed to collectively negotiate rates for services, but can negotiate terms, work together on plan problems and can negotiate to add 'value added' services to the plan contracts.

- The **ETBHN Televideo Services workgroup** called a special meeting this week to provide an update on potential problems with prescribing controlled substances over Televideo. Most children are on Schedule 3 controlled substances (for ADHD most commonly) and many adults are on Schedule 2 controlled substances for anxiety or sleep (e.g. Valium, Ambien). The US Drug Enforcement Administration has now audited two different ETBHN Center doctors and has indicated that Telemedicine services for these classes of medications cannot be provided unless the doctor sees a patient face-to-face each year. Of course, seeing the patient face-to-face is not realistic and is why we have telemedicine in the first place. The workgroup will be awaiting further communication from the DEA or the state, but this interpretation of law has the potential to significantly impact the services that can be provided via telemedicine.

At Tri-County, we are currently using ETBHN telemedicine for intake services only (12 hours a week), but we are planning to use these services for two of the five 1115 programs.

## **Anasazi**

- Cerner, the company who bought Anasazi, will be discontinuing the **Fiscal and Human Resources products** sometime in the future. This means, we will have to go out and purchase a new Fiscal and Human Resources software. I will keep the Board updated.



## Evan Roberson

**From:** Maria Rios <MRios@txcouncil.com> on behalf of Communications@txcouncil.com  
**Sent:** Friday, February 28, 2014 5:45 PM  
**To:** Maria Rios  
**Cc:** Maria Rios  
**Subject:** 2014 Texas Council Conference: June 18 - 20, 2014



Mark your calendars!

Join us at the Grand Hyatt in San Antonio from June 18- 20, 2014 to experience three days of presentations and workshops from national and regional keynote speakers, policy experts and Community Center leaders on the following topics areas:

- Mental Health
- Intellectual Developmental Disabilities
- Early Childhood Intervention
- Wellness and Recovery
- Human Resources/Professional Development
- Communications/Information Technology
- Criminal Justice
- Policy and Governance
- Ethics

### REGISTRATION COMING SOON!

***\*\*\*Continuing education for multiple disciplines will be provided for this event.\*\*\****

Hosted by the [Center for Health Care Services](#) in San Antonio, the 29th Annual Conference offers many opportunities to network, make new friends and enjoy the sights and sounds of downtown San Antonio!



### FRANK M. ADAMS AWARDS

*General Session, Thursday, June 19, 2014*

Honors individuals and organizations who best exemplify the late Frank M. Adams' spirit of caring through volunteerism on behalf of persons with serious mental illness, intellectual and developmental disabilities and substance use disorders.

### GOLF TOURNAMENT

*Friday, June 20, 2014*

The Center for Health Care Services is planning a fun-filled Golf Tournament on Friday, June 20, 2014. The tournament will be held at the newly renovated Brackenridge Golf Club in San Antonio and is slated to begin at 12:00 Noon on the last day of the conference. Registration information coming soon!

Stay tuned for additional updates. We look forward to seeing you at the Grand Hyatt in the heart of San Antonio!

Questions? Contact Maria Rios at [mrrios@txcouncil.com](mailto:mrrios@txcouncil.com).

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*For more information about the conference, please visit: [www.txcouncil.com](http://www.txcouncil.com)*



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***Join us June 18 - 20, 2014 at the Grand Hyatt in San Antonio!***

1 <sup>st</sup> half of year Outcome	1 <sup>st</sup> Half Target	1 <sup>st</sup> Half Performance	2 <sup>nd</sup> Half Target
<b>Employment</b>	8.6% or better	17.4%	9.8% or better
<b>Housing</b>	95.8% or better	98.3%	96.6% or better
<b>Community Tenure</b>	Adult 97.8% or better Children 98.8% or better	98.96% 99.52%	96.4% or better 98.1% or better
<b>Adult Engagement</b>	50.8 % or better	52.2%	54.1% or better
<b>Child Engagement</b>	69.9% or better	91.5%	77.8% or better
<b>Adult and Child Improvement</b>	15% or better	Adult-55% Child-60%	25% or better
<b>Frequent Admissions</b>	0.5% or less	0.1%	.3% or less
<b>Effective Crisis Response</b>	69.9% or better	90.72%	75.1% or better
<b>Access to Crisis Response</b>	36.4% or better	79.3%	52.2% or better
<b>Jail Diversion</b>	22.22% or less	8.99%	19.3% or less
<b>Juvenile Justice Avoidance</b>	95% or better	99%	95% or better
<b>Hospitalization</b>	1.3% or less	0.2%	1.9% or less



## TEXAS DEPARTMENT OF STATE HEALTH SERVICES

DAVID L. LAKEY, M.D.  
COMMISSIONER

RECEIVED

MAR 19 2014

SC: Millie  
Catherine

March 13, 2014

P.O. Box 149347  
Austin, Texas 78714-9347  
1-888-963-7111  
TTY: 1-800-735-2989  
www.dshs.state.tx.us

*Certified Mail ~ Return Receipt Requested*

Mr. Evan Roberson  
Tri-County Services  
1506 FM 2854  
Conroe, TX 77304

RE: Notice of Alleged Non Compliance for Supportive Housing Program

Dear Mr. Roberson:

In accordance with Section I. B. 12. b. of the Supportive Housing Project Attachment, Local Mental Health Authorities may have dollars permanently removed from the project budget and re-allocated to new project sites or existing sites if benchmarks are not achieved. In addition, Section 19.02.b.7 of the General Provisions states the Department of State Health Services (DSHS) may reduce allocated funds for failure to expend funds at a rate that will make full use of the allocation.

On February 12, 2014, DSHS requested Tri-County Services (the Center) complete a Supportive Housing Program projected budget which included obligated funds specific to CARE IDs for the remainder of the fiscal year. The Center completed and submitted to DSHS the requested information, and based on this information and expenditure reports, DSHS determined that the Center did not meet the contract benchmark of expending a minimum of 25% of the FY allocation each quarter. DSHS intends to reduce the FY14 contract amount by \$9952.

DSHS withheld the Center's 3<sup>rd</sup> and 4<sup>th</sup> quarter payments. The amount withheld exceeds the reduction amount, so no return of funds is required.

You may respond to this Notice if you believe the imposition of the proposed sanction is invalid or not warranted. This response must be received by DSHS within ten calendar days from the date this notice is received. The response should be submitted to:

Department of State Health Services  
MH Contracts Management Unit  
Mail Code 2058  
P.O. Box 149347  
Austin, TX 78714-9347

Mr. Roberson  
Page 2

If you have any questions, please contact me at 512-206-5432 or  
jennifer.miller@dshs.state.tx.us. Thank you for your attention to this matter.

Sincerely,



Jennifer D. Miller  
Contract Manager

cc: Mr. David Walker, Board Chair



## **CHIEF FINANCIAL OFFICER'S REPORT**

### **March 27, 2014**

#### **FY 2013 Cost Reports:**

**CAM** - The final CAM report was submitted on February 28<sup>th</sup>. We are in the process of comparing the last three years of final CAM submissions to determine trends and use the data for decision making purposes. We anticipate feedback from DSHS in areas that we may have a significant difference compared to the State average cost for services. This year's process was completed entirely in Excel spreadsheets. The process was very time consuming, but the final report resulted in the smallest variance that we have ever had for final submission.

**MEI** - We continue to work on the MEI cost report that has taken the place of the old TAFI cost report that will be used for future rate setting purposes. This cost report only reports the costs associated with Rehabilitation services and Targeted Case Management services on the Mental Health side and Service Coordination on the IDD side. The MEI Cost report will be due on April 15<sup>th</sup>.

**HCS, ICF & Texas Home Living** - We are in the final stages of this cost report. This report is also due on April 15<sup>th</sup>.

**FY 2014 Mid Year Budget Revision** - We are in the process of preparing for another budget revision that will be on the May Board meeting agenda. This has been an unusual year with receiving the new DSHS funding that was on the first budget revision approved at the December meeting as well as the actual ramp up of the 1115 projects. This revision will adjust for the delay in hiring of key staff as a part of the above mentioned funding, as well as projections through year end based on the current year to date trends.

**Building Consultant Update** - As we reported at the last Board meeting, we have started meeting with a building consultant, WhiteStone Realty Consulting, to work with us on our Board goal of building consolidation. He has toured all the Conroe facilities to assess the ability to market these buildings when we vacate them. As a part of that process, we are pulling the operational and maintenance costs by location.

**Days of Operation Ratio** - Updated Days of Operation Ratio is 155. This amount is up from 121 days as of the final audit numbers from August 31<sup>st</sup> financials. Part of this is due to the increase in DSHS funding and positions not being filled yet and also receiving the DY 2 payment for the 1115 Projects.

**CFO Consortium** - We have another CFO meeting scheduled for April 24<sup>th</sup> and 25<sup>th</sup> in Austin. This meeting conflicts with the April Board meeting so depending on the agenda for the CFO meeting, we may be sending an alternate in my place.



<p><b>Agenda Item:</b> Approve Submission of the 2014 Montgomery County United Way FY 2014-2017 Strategic Investment Application</p> <p><b>Committee:</b> Program</p>	<p><b>Board Meeting Date</b></p> <p>March 27, 2014</p>
<p><b>Background Information:</b></p> <p>Tri-County has applied for funding through Montgomery County United Way (MCUW) for many years to meet the needs of the community which are not covered by other funding sources. This year, MCUW released a 2014-2017 Strategic Investment Application with each year's amount dependent on quarterly reports showing performance outcomes. Tri-County applied for three (3) grants for a total of <b>\$486,660</b> over three (3) years.</p> <p><u>Intellectual and Developmental Disabilities Services (IDD):</u> Requesting funding for summer camp for individuals with IDD; Amount requested: <b>\$73,500</b></p> <p><u>Psychiatric Emergency Treatment Center:</u> Requesting funding for the Day Treatment Program; Amount requested: <b>\$171,030</b></p> <p><u>Substance Abuse Treatment Program:</u> Requesting funding for adult and youth outpatient substance abuse treatment; Amount requested: <b>\$242,130</b></p>	
<p><b>Supporting Documentation:</b></p> <p>Grant Summary</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve Submission of the 2014 Montgomery County United Way FY 2014-2017 Strategic Investment Application</b></p>	

## Montgomery County United Way 2014-2017 Strategic Investment Applications Summary

**Intellectual and Developmental Disabilities (IDD) Services:** Consumers with intellectual and developmental disabilities will have the opportunity to attend summer camp to give families/caregivers needed breaks from the daily services they provide in order to maintain the stability of the living environment. Tri-County only applied for funding to assist in tuition for summer camp as respite has other funding sources. Increase funding will allow for more consumers to attend for longer periods of time, therefore, increasing periods of respite, retention of acquired skills, and longer periods of physical and/or social activity contributing to increased stability and health. The family will have the option of selecting a camp designed specific to the disability of the individual. With the new three year Strategic Investment plan process, Tri-County has requested an overall **\$73,500** to provide these services.

FY 14: \$21,000; FY 15: 24,500; FY 16: \$28,000

**Psychiatric Emergency Treatment Center (PETC) - Day Treatment Program:**

From 2008 to 2013, the PETC received grants from MCUW to cover the costs of the Day Treatment Program (DTP) component of that program. The PETC is requesting funding from the MCUW to maintain staffing in the DTP to address the level of acuity of the clients. The DTP will continue to provide a structured, intensive skills training service to clients in the program 6 hours a day, 7 days a week. Also addressed are behavioral issues and medication management. To meet MCUW community priority of Health and Wellness, an increased emphasis on nutrition education and importance of physical activity will be addressed. In FY 2013, 368 unduplicated Montgomery County residents were served through DTP program. With the new three year Strategic Investment plan process, Tri-County has requested an overall **\$171,030** for the cost of one staff to provide these services.

FY 14-16: \$57,010 x 3 years

**Substance Abuse Treatment Program (SATP):**

In 2013, MCUW grant allowed both the Adult SATP and the Youth SATP funding for one full-time LCDC Intern for each program. Due to the experience of a high turnover rate for LCDC-Interns, the SATP programs requested funding for one full-time LCDC for each program to address the problem. In 2013, 112 adults and 64 youth were served through these programs. With the new three year Strategic Investment plan process, Tri-County has requested an overall **\$242,130** for the cost of one staff to provide these services.

FY 14-16: \$80,710 x 3 years

<p><b>Agenda Item:</b> Approve Funding Award from United Way of the Piney Woods</p> <p><b>Committee:</b> Program</p>	<p><b>Board Meeting Date</b></p> <p>March 27, 2014</p>
<p><b>Background Information:</b></p> <p>The United Way of the Piney Woods, a chapter of Walker County United Way, released the 2014 Request for Funding in November 2013 which was open to programs providing services in Walker County.</p> <p>In December 2013, Tri-County submitted an application to fund respite services for children and adolescents, with serious mental illness, who are enrolled in our MH Children's Services program in Walker County. The amount of \$2,592 was requested to provide respite services to 3-6 families at a maximum of \$432 per month.</p> <p>Tri-County's grant application scored 87.25 out of 100 and was awarded the full \$2,592 for Child and Adolescent Respite Services.</p> <p>The grant award requires approval by the Board of Trustees.</p>	
<p><b>Supporting Documentation:</b></p> <p>Award Letter</p> <p>Agreement for Funding</p>	
<p><b>Recommended Action:</b></p> <p><b>Approve Funding Award from United Way of the Piney Woods</b></p>	

February 28, 2014

**Melissa Zemencsik**  
**Executive Director**  
**Tri County MHMR and ECI**  
**P.O. Box 3067**  
**Conroe, TX 77305**

Dear Melissa,

The Fund Distribution Committee for *United Way of the Piney Woods* met on January 13, 2014 to review grant applications for United Way Funds. The available funds totaled \$22,208.68 and total funding requests from all agencies were \$62,360.

Thank you for submitting your application. The Fund Distribution Committee scored and reviewed your application. Thoughtful consideration about the effectiveness and efficiency of each of the programs was given, in addition to the scoring.

**General findings for all applicants:**

1. Financial reports were dated, incomplete, or missing. The *United Way of the Piney Woods* has been forced to ask the Montgomery County United Way to waive their Board Policy on financial standards this year.
2. Program budget versus agency budget either; not understood, not included, or not well presented.
3. Outcome measurements were generally missing, or poorly presented.
4. Program descriptions were not focused, missing commentary about best practices, or missing units of service.

The *United Way of the Piney Woods* will be providing training on these matters, and invites all area nonprofits to participate.

Next year, our financial standards will be enforced in the grant process. Ineligible applications will not be considered. These financial standards are:

- For agencies with annual revenue of \$200,000 or more - Audited financials for the last completed fiscal year (within 6 months of the close of the fiscal year). If your fiscal year completed more than 6 months prior, a completed audit of **that** year is expected.
- For agencies with annual revenue of less than \$200,000 - A Review of Financial Statements by an independent CPA.

**The Fund Distribution Committee would like to provide feedback:**

**Specific Comments:**

Your grant scored **87.25** out of **100**. Only grants which scored 80 or higher were considered for funding.

The **Child and Adolescent Services** has been funded for **\$2,592.00**. Please complete the enclosed funding agreement and return it to the address below to receive your payment:


**Sheila Cannon – Coordinator**  
**United Way of the Piney Woods**  
**1309 15th Street**  
**Huntsville, TX 77340**

The agreement should be approved by your Board and signed by your Board Chair.

If you have any questions regarding these documents, please contact Sheila Cannon, Piney Woods Coordinator at 936-499-7089, or [sheila@mcuw.org](mailto:sheila@mcuw.org).

Thank you for joining us in improving lives by mobilizing the caring power of communities.

Sincerely,

  
Dr. Sherry McKibben, Chair  
Fund Distribution Committee  
*United Way of the Piney Woods*



**UNITED WAY OF THE PINEY WOODS  
COMMUNITY IMPACT COMMITTEE 2014  
AGREEMENT FOR FUNDING**

The funds will be distributed subject to the conditions outlined below which summarize significant policies and/or procedures of the Montgomery County United Way Board of Directors acting as the *United Way of the Piney Woods*.

1. The agency shall maintain all necessary licensing and accrediting requirements of appropriate professional and governmental organizations.
2. The agency shall maintain its non-profit/tax exempt status and shall meet filing requirements of the Internal Revenue Service.
3. The agency shall adopt Generally Accepted Accounting Principles for health and welfare organizations and maintain an adequate accounting system and fiscal controls.
4. The agency shall adhere to sound management practices as defined by general practice.
5. The program of the agency should identify itself as a Community Partner of *United Way of the Piney Woods*, using the local logo. Please contact Sheila Cannon for any additional logo images or branding documentation.

The budget submitted by *Tri County MHMR and ECI* to United Way of the Piney Woods detailed specific program-level use for the funds requested. It is expected that the funds received this year will be used by *Tri County MHMR and ECI* only for that program.

*United Way of the Piney Woods* requests informal, periodic updates from the agency on its progress on programs.

Further, it is agreed that failure to comply with the recommendations and/or conditions outlined, and/or the policies and procedures of the *United Way of the Piney Woods* can result in temporary or permanent suspension of funding.

\_\_\_\_\_  
To be signed by David Walker, Board Chair  
After approval of this Funding Agreement by the Board  
Approved by the Board of Directors of  
*Tri County MHMR and ECI*  
On this \_\_\_\_ day of \_\_\_\_, 2014.



<b>Agenda Item:</b> Community Resources Report  <b>Committee:</b> Program	<b>Board Meeting Date</b>  March 27, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Community Resources Report	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# Community Resources Report

## February 28, 2014 – March 27, 2014

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### Volunteer Hours:

Location	February
Conroe	171.5
Cleveland	4.5
Liberty	12.0
Huntsville	8.5
<b>Total</b>	<b>196.5</b>

### COMMUNITY ACTIVITIES:

2/28/14	Montgomery County Community Resource Coordination Group	Conroe
2/28/14	"Mental Health & Crisis" Presentation to Trauma and Crisis Intervention Class (College of Criminal Justice) at Sam Houston State University	Huntsville
3/4/14	Montgomery County United Way Health & Wellness Impact Council	The Woodlands
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
3/6/14	Cleveland Chamber of Commerce Luncheon	Cleveland
3/6/14	Huntsville Business Expo	Huntsville
3/6/14	Leadership Montgomery County Presentation	Conroe
3/7/14	Family Wellness Night	Splendora
3/11/14	Montgomery County Community Assistance Recovery Efforts & Services (MC-CARES)	The Woodlands
3/12/14	HCA Presentation	Conroe
3/13/14	Huntsville Chamber of Commerce Breakfast	Huntsville
3/18/14	Montgomery County Community Resource Coordination Group	Conroe
3/19/14	Liberty/Dayton Chamber of Commerce Luncheon	Liberty
3/19/14	Youth Mental Health First Aid Presentation Conroe ISD	Conroe
3/26/14	Lone Star College Job Fair	Kingwood

### UPCOMING ACTIVITIES:

4/2/14	Texas State Job Fair	San Marcos
4/3/14	East Montgomery County Chamber	New Caney
4/3/14	Cleveland Chamber of Commerce Luncheon	Cleveland
4/3/14	Walker County Community Resource Coordination Group	Huntsville
4/9/14	IDD Local Planning Meeting	Huntsville
4/10/14	The Woodlands Community Chamber of Commerce Job Fair	The Woodlands
4/10/14	Liberty/Dayton Chamber of Commerce Job Fair	Liberty

4/10/14	IDD Local Planning Meeting	Conroe
4/10/14	IDD Local Planning Meeting	Liberty
4/11/14	IDD Local Planning Meeting	Cleveland
4/15/14	Montgomery County Community Resource Coordination Group	Conroe
4/16/14	IDD Local Planning Meeting	Conroe
4/16/14	The Woodlands Chamber Networking Breakfast	Woodlands
4/17/14	IDD Local Planning Spanish Meeting	Conroe
4/23/14	Liberty/Dayton Chamber of Commerce Luncheon	Liberty

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

# Consumer Services Report

## February 2014

Consumer Services	Montgomery County	Cleveland	Liberty	Walker County	Total
<b>Crisis Services, MH Adults/Children</b>					
Persons Screened, Intakes, Other Crisis Services	441	34	40	48	<b>563</b>
Crisis and Transitional Services (LOC 0, LOC 5)	38	1	4	1	<b>44</b>
Psychiatric Emergency Treatment Center (PETC) Served	54	0	2	7	<b>63</b>
Psychiatric Emergency Treatment Center (PETC) Bed Days	64	0	2	7	<b>73</b>
Contract Hospital Admissions	12	0	0	3	<b>15</b>
Diversion Admits	6	0	1	1	<b>8</b>
Total State Hospital Admissions	12	0	2	0	<b>14</b>
<b>Routine Services, MH Adults/Children</b>					
Adult Service Packages (LOC 1m,1s,2,3,4)	800	110	95	109	<b>1114</b>
Adult Medication Services	625	64	63	80	<b>832</b>
Child Service Packages (LOC 1-4 and YC)	292	21	11	37	<b>361</b>
Child Medication Services	151	9	3	12	<b>175</b>
TCOOMMI (Adult Only)	96	10	5	7	<b>118</b>
Adult Jail Diversions	6	0	0	0	<b>6</b>
<b>Persons Served by Program, IDD</b>					
Number of New Enrollments for IDD Services	10	0	0	1	<b>11</b>
Service Coordination	445	27	41	59	<b>572</b>
<b>Persons Enrolled in Programs, IDD</b>					
Center Waiver Services (HCS, Supervised Living, TXHmL)	48	6	23	27	<b>104</b>
Contractor Provided ICF-MR	17	12	11	6	<b>46</b>
<b>Substance Abuse Services</b>					
Children and Youth Prevention Services	120	156	156	61	<b>493</b>
Youth Substance Abuse Treatment Services/COPSD	18	0	0	0	<b>18</b>
Adult Substance Abuse Treatment Services/COPSD	26	0	0	0	<b>26</b>
<b>Waiting/Interest Lists as of Month End</b>					
Department of State Health Services-Adults	56	4	4	3	<b>67</b>
Department of State Health Services-Children	0	0	0	0	<b>0</b>
Home and Community Based Services Interest List	1362	112	122	127	<b>1723</b>
<b>February Served by County</b>					
Adult Mental Health Services	1246	125	117	169	<b>1657</b>
Child Mental Health Services	318	20	14	38	<b>390</b>
Intellectual and Developmental Disabilities Services	508	47	55	66	<b>676</b>
<b>Total Served by County</b>	<b>2072</b>	<b>192</b>	<b>186</b>	<b>273</b>	<b>2723</b>
<b>January Served by County</b>					
Adult Mental Health Services	1189	117	118	169	<b>1593</b>
Child Mental Health Services	290	22	13	44	<b>369</b>
Intellectual and Developmental Disabilities Services	501	50	57	58	<b>666</b>
<b>Total Served by County</b>	<b>1980</b>	<b>189</b>	<b>188</b>	<b>271</b>	<b>2628</b>
<b>December Served by County</b>					
Adult Mental Health Services	1067	119	113	145	<b>1444</b>
Child Mental Health Services	283	18	10	45	<b>356</b>
Intellectual and Developmental Disabilities Services	513	46	54	59	<b>672</b>
<b>Total Served by County</b>	<b>1863</b>	<b>183</b>	<b>177</b>	<b>249</b>	<b>2472</b>

<b>Agenda Item:</b> Program Updates  <b>Committee:</b> Program	<b>Board Meeting Date</b>  March 27, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Program Updates	
<b>Recommended Action:</b>  <b>For Information Only</b>	



# **Program Updates**

## **February 28, 2014 – March 27, 2014**

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### **MH Crisis and Admission Services**

1. The average daily census for the PETC was 11.67 in February. Throughout this year, there has been significant variability in PETC admissions resulting in very inconsistent numbers for the average daily census.
2. DSHS program staff conducted a site visit at the PETC on March 19<sup>th</sup>. Program staff wanted to see our site and visit with us about the program as other centers are exploring the possibility of opening their own crisis centers.
3. Evan Roberson has hired the Director of Crisis Services, Breanna Robertson. Breanna is a former Tri-County manager of Child and Adolescent Services and is currently working as Program Director for Kingwood Pines Hospital. She starts on March 31<sup>st</sup>.

### **MH Adult Services**

1. The Medical Technician position was filled and will assist with blood pressure, BMI, height and weight.
2. Staff are busy preparing for the move to William E. Hall on April 1<sup>st</sup>.

### **MH Child Services**

1. Children's Mental Health Services has filled all open positions.
2. The number of children and youth served continues to increase.

### **Criminal Justice Services**

1. The Criminal Justice Services Program continues to meet or exceed all standards for the contracts with DSHS and TCOOMMI.
2. The Outpatient Competency Restoration Program (OCR) admitted one in February to make a total of seven served for FY 2014.
3. The TCOOMMI Adult Program caseloads were full at 112 versus a contracted 110.
4. An applicant was selected for the vacant OCR Coordinator position.
5. There were two people diverted from jail in the Jail Diversion Program in February.

### **Substance Abuse Services**

1. The Substance Abuse Treatment Programs are in the process of re-applying for a grant to obtain United Way funds which is the match for the DSHS funding.
2. The Adult Substance Abuse Treatment Program expanded our aftercare program that allows for follow-up service twice a month for an additional 60-90 days.
3. The Youth Substance Abuse Treatment Program continues to seek and follow-up on referrals and is collaborating with the Youth Substance Abuse Prevention Program to meet United Way targets and outcomes.

4. The Substance Abuse Prevention Program received positive feedback regarding the adult presentations in Liberty County and is getting ready for National Kick Butts Day this month with activities planned in Liberty, Montgomery, and Walker Counties.

### **IDD Services**

1. Cleveland Life Skills received twelve tickets for the Houston Livestock Show and Rodeo to see Reba on March 6<sup>th</sup>. Tickets were donated by the HLS&R Special Children's Committee.
2. There is an upcoming training on April 8<sup>th</sup> in Houston on Medicaid Managed Care Initiatives. There will be three sessions for information sharing for providers and consumers.
3. IDD Provider Services is preparing for an upcoming HCS and TxHmL audit in April. No notification at this time on their date of arrival.

### **Support Information**

1. **Quality Management:** Staff participated in the Mental Health Mystery Caller initiative directed through the Quality Management Consortia and received notification that we scored a 90% on the most recent audit. As you may recall, we recently scored 100% on a similar audit conducted by DSHS.
2. **Utilization Management:** Tri-County met all 10% General Revenue Withhold measures for the second quarter of FY 2014. We continue to watch these numbers closely, as we expect they may change considerably in the second half of the year.
3. **Intellectual/Developmental Disabilities Planning Network Advisory Committee (IDDPNAC):** The 2014 IDD Local Planning process is currently underway. The committee met in March to review the process and discussed strategies for gaining feedback from stakeholders.
4. **Information Technology (IT):** The IT Department hired a consultant to work with our IT Director to review existing technology and make recommendations for improvements.

### **Community Activities**

1. Several staff attended the Conroe ISD Transition fair on March 6<sup>th</sup>.

<b>Agenda Item:</b> FY 2014 Goals and Objectives Progress Report  <b>Committee:</b> Program	<b>Board Meeting Date</b>  March 27, 2014
<b>Background Information:</b>  <p>The Board of Trustees and Management Team met on July 13, 2013 for the annual strategic planning retreat and to develop the goals for FY 2014. Goals were discussed and a consensus was reached. Subsequently, the Management Team developed objectives for each of the goals. These goals are in addition to the contractual requirements of the Center's contracts with the Department of State Health Services and the Department of Aging and Disability Services.</p> <p>The Board also requested that quarterly progress reports be presented as a "year-to-date summary."</p> <p>This report shows progress through the 2<sup>nd</sup> Quarter of FY 2014.</p>	
<b>Supporting Documentation:</b>  FY 2014 Goals and Objectives Progress Report	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# Year-to-Date Progress Report

*September 1, 2013 – February 28, 2014*

## Goal #1 – Community Awareness

### Objective #1

**Form a committee, which includes staff and one Board liaison, to identify three/four options for a new organizational name and logo for Tri-County Services by January 31, 2014.**

- Logos for the 39 community centers were evaluated by the Management Team and five centers were contacted to find out information about the consultants that they used.
- Tracy Sorensen was appointed to the Logo/Name Committee as the Board Liaison.
- After a name is selected by the Tri-County Board, staff will hire a consultant to develop a new logo and marketing materials for the Center.

### Objective #2

**Present options for a new organizational name and logo to the Board of Trustees for approval by February 28, 2014.**

- Staff requested potential organizational names from Tri-County staff. A list of five names has been prepared for review and possible selection at the Board meeting in April.

### Objective #3

**Develop marketing materials related to the new organizational name and logo by April 30, 2014.**

- There have been a series of discussions about marketing materials that will be used when the name and logo is changed later this year.

### Objective #4

**Market the new organizational name to area stakeholders during the fourth quarter of FY 2014.**

- No activity on this Objective in the second quarter.

### Objective #5

**During Tri-County's Intellectual and Developmental Disabilities (IDD) Local Planning, distribute information and answer questions about Senate Bill 7 and the impact on IDD Services.**

- There were guests at the IDD Planning Network Advisory Committee to discuss Senate Bill 7 and the impact on the community.
- Staff attended state meetings to learn more about Managed Care for persons with IDD under Senate Bill 7.
- IDD Local Planning will start on March 19<sup>th</sup>.

## **Goal #2 – Technology**

### **Objective #1**

**Develop a technology improvement plan by January 31, 2014.**

- A consultant, Jerry Carnley, was hired and will develop a technology improvement plan with the assistance of Tri-County's IT Director.

### **Objective #2**

**Identify two technological improvements from the improvement plan which can be implemented by the end of FY 2014.**

- A series of potential priorities were discussed by IT staff and the Management Team.

## **Goal #3 – Funding**

### **Objective #1**

**Hire a consultant to advise the Management Team about fundraising activities which will generate revenue for the Center by January 31, 2014.**

- A Board member from the Montgomery County United Way recommended a consultant for fundraising by Tri-County.
- There was an initial discussion with two consultants.

### **Objective #2**

**Present options for fundraisers to the Board of Trustees for input and approval by June 1, 2014.**

- Sandy Kelly will be joining the team that will develop fundraisers for the Center. We had conversations with two consultants, but have not hired anyone else to assist with this goal at this time.
- An IDD fundraising event for Montgomery County was developed by IDD management staff and is being investigated further at this time.

### **Objective #3**

**Develop new relationships with at least two new businesses in our service area and seek their involvement in fundraising activities.**

- No activity on this Objective in the second quarter.

## **Goal #4 – Staffing**

### **Objective #1**

**Identify key positions by agency department for additional training and leadership opportunities by November 30, 2013.**

- Key positions were identified by management and the first training opportunity was offered to these individuals.

### **Objective #2**

**Establish at least four training opportunities for these staff by August 31, 2014.**

- National Council Leadership Development Training
- Mental Health First Aid Training – 02/03/14 – 02/07/14
- Texas Council Risk Management Fund Supervisor Training in March
- Peer Support Training in April

## **Goal #5 – Facilities**

### **Objective #1**

**Hire a consultant to assist a committee, which includes one staff and one Board liaison, in the development of a plan to move toward the creation of a consolidated service location for Montgomery County and the City of Liberty by February 28, 2014.**

- Staff identified potential consultants in the first quarter.
- Brad Browder was appointed to the staff/Board committee that will be reviewing the consultant's recommendations.
- A consultant, Mike Duncum, has been hired to assist staff with this goal.
- Mr. Duncum is reviewing Tri-County sites to assess our current facility needs.

### **Objective #2**

**Create a strategy for the disposition of property currently owned by the Center by February 28, 2014.**

- Mr. Duncum is reviewing property and will be developing a strategy to sell property that is currently owned by the Center.

<b>Agenda Item:</b> 2 <sup>nd</sup> Quarter FY 2014 Corporate Compliance and Quality Management Report  <b>Committee:</b> Program	<b>Board Meeting Date</b>  March 27, 2014
<b>Background Information:</b>  <p>The Department of State Health Services' Performance Contract has a requirement that the Quality Management Department provide "routine" reports to the Board of Trustees about "Quality Management Program activities."</p> <p>Although Quality Management Program activities have been included in the program updates, it was determined that it might be appropriate, in light of this contract requirement, to provide more details regarding these activities.</p> <p>Since the Corporate Compliance Program and Quality Management Program activities are similar in nature, the decision was made to incorporate the Quality Management Program activities into the Quarterly Corporate Compliance Report to the Board and to format this item similar to the program updates. The Corporate Compliance and Quality Management Report for the 2<sup>nd</sup> quarter of FY 2014 are included in this Board packet.</p>	
<b>Supporting Documentation:</b>  2 <sup>nd</sup> Quarter FY 2014 Corporate Compliance and Quality Management Report	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# **Corporate Compliance and Quality Management Report**

## **2<sup>nd</sup> Quarter, FY 2014**

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### **Corporate Compliance Activities**

#### **A. Key Statistics:**

1. There was one (1) Corporate Compliance review in the 1<sup>st</sup> quarter of FY 2014.
  - a. The first case was reported by a supervisor who was notified that staff may not be documenting their time correctly. There was no payback associated with this case, which was referred back to the supervisor following review.
2. One (1) Corporate Compliance review initiated in the 4<sup>th</sup> quarter of FY 2013 was finalized. This case involved overlapping service times and resulted in \$2,288.54 in payback. Additional training and education were provided in this case. Staff resigned shortly following the completion of the review.

#### **B. Committee Activities:**

1. The Corporate Compliance Committee met on January 22, 2014. The committee reviewed the following:
  - a. A summary of the 2<sup>nd</sup> quarter investigations;
  - b. The status of MCOT and Crisis Services Program Reviews;
  - c. Legal Updates on compliance issues

### **Quality Management Initiatives**

#### **A. Key Statistics:**

1. Staff responded to two (2) Managed Care record requests.

#### **B. Reviews/Audits:**

1. Staff collected, reviewed, and submitted records requested by the Texas Medicaid and Healthcare partnership.
2. Staff prepared, reviewed, and submitted seventeen (17) record requests, each one year back, to Amerigroup.

#### **C. Internal Programs Reviewed by Quality Management:**

1. Staff revised the program review tool and schedule for FY 2014.



<b>Agenda Item:</b> 3 <sup>rd</sup> Quarter FY 2014 Corporate Compliance Training  <b>Committee:</b> Program	<b>Board Meeting Date</b>  March 27, 2014
<b>Background Information:</b>  As part of the Center's Corporate Compliance Program, training is developed each quarter for distribution to staff by their supervisors.  This training is included in the packet for ongoing education of the Tri-County Board of Trustees on Corporate Compliance issues.	
<b>Supporting Documentation:</b>  3 <sup>rd</sup> Quarter FY 2014 Corporate Compliance Training	
<b>Recommended Action:</b>  <b>For Information Only</b>	

## **The Importance of Understanding the Business Code of Conduct**

### **Corporate Compliance Training Quarter 3, FY 2014**

#### **Goal:**

- a) To be able to identify how understanding and following The Business Code of Conduct relates to Corporate Compliance (CC).
- b) To be able to find The Business Code of Conduct for Tri-County Services.
- c) To facilitate discussion and awareness around acceptable and ethical behavior at Tri-County Services.

#### **Introduction:**

Tri-County Services is committed to doing business with honesty and integrity, in careful compliance with the law. The Business Code of conduct explains how all employees should conduct themselves to ensure that their actions are always ethical. All Tri-County employees play an important role in the success of our programs and individuals served. The way you do your job every day supports our organization's ability to deliver quality services and make a positive impact in our community. For our Center to be successful, we must all learn the Code and live out its principles in our daily activities.

#### **How does this relate to Corporate Compliance?:**

Establishing a code of conduct is an essential and important element of any compliance program. In addition to helping guide staff on staying in compliance with applicable laws and regulations with regard to any services or activities provided on behalf of the Center, the Code establishes a culture that encourages a high level of ethical and professional standards.

#### **Where can I find the Tri-County Services Business Code of Conduct?:**

1. Tri-County Policies and Procedures can be located on the Center's intranet by typing the word 'nexus' into the browser of any agency computer.

#### **What are some important questions to ask yourself when determining if something is in line with the Business Code of Conduct?**

- Do any of my activities violate any of the Compliance laws?
- Am I representing the agency honestly and accurately?
- What am I getting out of it (business transactions, services, relationships, etc.)?
- Am I adequately protecting client identifying information? What are my risk areas?
- What is the definition of the service I am providing, and what do I need to document in order to justify billing for this service?
- Are my boundaries appropriate at work (with staff, individuals served, vendors, stakeholders, etc.)? What are some examples of inappropriate boundaries?
- Am I providing services as they were intended to be provided? Am I providing quality services?
- Has my outside employment been approved by Management Team and filed with HR (If you have a job outside of Tri-County)?

#### **Summary**

Training on the Business Code of Conduct is an important part of any Compliance program and is a valuable tool that can be used to adjust employees' personal values with those required in the workplace. This training provides for an open discussion around what ethical behavior looks like within our organization, raises awareness, and stimulates conversation around ethical issues that emerge daily in our environments. Remember, Corporate Compliance applies to ALL employees, contractors, and representatives of Tri-County Services. **If you have questions about The Business Code of Conduct at Tri-County ask your supervisor or you may contact the Corporate Compliance officer, Tanya Bryant at (936) 521-6115 or [tanyab@tricityservices.org](mailto:tanyab@tricityservices.org)**

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

# TRI-COUNTY SERVICES PERSONNEL BOARD REPORT FEBRUARY 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	7	21	1	14	1	12		2	95	83	1%	15%
Qualified Developmental Disability Professionals (State Title)	1	4		1		1			21	19	0%	5%
Licensed Staff	1	4		1		1			18	12	0%	6%
Medical												
Physicians	1	1		1		1			9	6	0%	11%
Advanced Practice Nurses	1	3		1				1	4	3	0%	25%
RN's		1		1		1			14	11	0%	7%
LVN's		2							12	11	0%	0%
Techs/Aides												
MH				1		1			19	13	0%	5%
IDD		4		2				2	33	30	0%	6%
Supervisor/Manager												
MH				3		3			16	15	0%	19%
IDD									8	8	0%	0%
Program Support	1	10	3	6	1	3	2	3	51	39	6%	12%
Central Administration		1		2		1		1	21	20	0%	10%
Business Services									14	14	0%	0%
Maintenance/Janitorial/Lawn			1	1			1	1	23	20	4%	4%
GRAND TOTALS	12	51	5	34	2	24	3	10	358	304	1%	9%

<b>Agenda Item:</b> Approve February 2014 Financial Statements  <b>Committee:</b> Business	<b>Board Meeting Date</b>  March 27, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  February 2014 Financial Statements	
<b>Recommended Action:</b>  <b>Approve February 2014 Financial Statements</b>	

## February 2014 Financial Summary

Revenues for February 2014 were \$2,171,592 and operating expenses were \$2,103,704 resulting in a gain in operation of \$67,888. Capital Expenditures and Extraordinary Expenses for January were \$36,641 resulting in a gain of \$31,247. Total revenues were 95.21% of the monthly budgeted revenues and total expenses were 93.81% of the monthly budgeted expenses.

Year to date revenues are \$12,226,752 and operating expenses are \$11,869,500 leaving excess operating revenues of \$357,252. YTD Capital Expenditures and Extraordinary Expenses are \$81,939 resulting in a gain YTD of \$275,313. Total revenues are 95.54% of the YTD budgeted revenues and total expenses are 93.32% of the YTD budgeted expenses.

### **REVENUES**

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

<b>Revenue Source</b>	<b>YTD Revenue</b>	<b>YTD Budget</b>	<b>% of Budget</b>	<b>\$ Variance</b>
HCS Program – Title XIX	894,378	938,794	95.26%	44,416
ICF Program – Title XIX	1,155,014	1,262,098	91.51%	107,084
Texas Home Living – Title XIX	101,206	120,728	83.82%	19,522
Rehab – Title XIX	539,761	607,210	88.89%	67,449
DSHS – Gen Rev - NGM	331,103	375,362	88.20%	44,259
DSHS – Outpatient Competency Restoration	58,725	104,102	56.41%	45,377

HCS Program – Title XIX – As reported last month, this line item remains under budget due to the loss of Medicaid eligibility for a client and multiple hospitalizations. A budget revision will be submitted to correct the projection 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 have some back billing for new consumers that have not received their ICF Medicaid coverage yet but will have back billing when approved coverage is received. This is a cost 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. On the expense side for this program, we have employee vacancies that offset the decrease in revenue.

Rehab – Title XIX – As we have reported the last couple of months, this line item continues to be under budget due mainly to the implementation of the TRR effective September 1<sup>st</sup> 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 have seen a slight improvement each month for the last two months. This trend is a shared problem with other Community Centers in the state.

DSHS – Gen Rev – NGM – This line item is under budget due to a position that is funded by NGM that had been vacant for the entire year. We have filled this position so this variance will not increase. We anticipate using the lapsed funds for the Children’s Summer Camp program as we have done in previous years.

DSHS – Outpatient Competency Restoration – We continue to have issues with no referrals to this program as well as a vacant position in this program. This is a cost reimbursement program so we 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:

<b>Expense Source</b>	<b>YTD Expenses</b>	<b>YTD Budget</b>	<b>% of Budget</b>	<b>\$ Variance</b>
Medication	193,218	172,322	1.12%	20,896

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 February 28, 2014**

	<b>TOTALS COMBINED FUNDS February 2014</b>	<b>TOTALS COMBINED FUNDS January 2014</b>	<b>Increase (Decrease)</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Imprest Cash Funds	3,375	3,375	-
Cash on Deposit-General Fund	10,314,530	11,404,530	(1,090,000)
Cash on Deposit-Debt Fund	3,274	3,274	-
Accounts Receivable	1,493,368	1,434,027	59,341
Inventory	7,661	7,637	24
<b>TOTAL CURRENT ASSETS</b>	<b>11,822,208</b>	<b>12,852,843</b>	<b>(1,030,635)</b>
<b>FIXED ASSETS</b>	<b>5,730,985</b>	<b>5,730,985</b>	<b>-</b>
<b>OTHER ASSETS</b>	<b>58,787</b>	<b>69,001</b>	<b>(10,214)</b>
<b>TOTAL ASSETS</b>	<b>17,611,982</b>	<b>18,652,832</b>	<b>(1,040,850)</b>
<b>LIABILITIES, DEFERRED REVENUE, FUND BALANCES</b>			
<b>CURRENT LIABILITIES</b>	<b>815,415</b>	<b>926,899</b>	<b>(111,484)</b>
<b>NOTES PAYABLE</b>	<b>473,777</b>	<b>473,777</b>	<b>-</b>
<b>DEFERRED REVENUE</b>	<b>2,644,882</b>	<b>3,611,662</b>	<b>(966,780)</b>
<b>LONG-TERM LIABILITIES FOR</b>			
Line of Credit - Tradition Bank	1,021,411	1,040,506	(19,095)
Bond Series 2004	-	-	-
<b>EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR</b>			
General Fund	1,383,736	1,352,489	31,247
Debt Service Fund	-	-	-
<b>FUND EQUITY</b>			
<b>RESTRICTED</b>			
Net Assets Reserved for Debt Service	(1,495,188)	(1,514,283)	19,095
Reserved for Debt Retirement	1,230,000	1,230,000	-
Reserved for Debt Service	-	-	-
<b>COMMITTED</b>			
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	-
<b>ASSIGNED</b>			
Reserved for Workers' Compensation	274,409	274,409	-
Reserved for Current Year Budgeted Reserve	36,998	30,831	6,167
Reserved for Insurance Deductibles	100,000	100,000	-
<b>UNASSIGNED</b>			
Unrestricted and Undesignated	2,082,041	2,082,041	-
<b>TOTAL LIABILITIES/FUND BALANCE</b>	<b>17,611,982</b>	<b>18,652,832</b>	<b>(1,040,850)</b>



**TRI-COUNTY SERVICES  
CONSOLIDATED BALANCE SHEET  
As of February 28, 2014**

	<b>General Operating Funds</b>	<b>TOTALS</b>	
		<b>Memorandum Only</b>	
		<b>February 2014</b>	<b>Final August 2013</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Imprest Cash Funds	3,375	3,375	5,325
Cash on Deposit-General Fund	10,314,530	10,314,530	7,747,392
Cash on Deposit-Debt Fund	3,274	3,274	421,561
Accounts Receivable	1,493,368	1,493,368	1,657,784
Inventory	7,661	7,661	6,661
<b>TOTAL CURRENT ASSETS</b>	<b>11,822,208</b>	<b>11,822,208</b>	<b>9,838,723</b>
<b>FIXED ASSETS</b>	<b>5,730,985</b>	<b>5,730,985</b>	<b>5,730,985</b>
<b>OTHER ASSETS</b>	<b>58,787</b>	<b>58,787</b>	<b>36,317</b>
	<b>17,611,982</b>	<b>17,611,982</b>	<b>15,606,026</b>
<b>LIABILITIES, DEFERRED REVENUE, FUND BALANCES</b>			
<b>CURRENT LIABILITIES</b>	<b>815,415</b>	<b>815,415</b>	<b>1,340,397</b>
<b>NOTES PAYABLE</b>	<b>473,777</b>	<b>473,777</b>	<b>473,777</b>
<b>DEFERRED REVENUE</b>	<b>2,644,882</b>	<b>2,644,882</b>	<b>426,256</b>
<b>LONG-TERM LIABILITIES FOR</b>			
Line of Credit - Tradition Bank	1,021,411	1,021,411	1,135,612
Bond Series 2004	-	-	410,000
<b>EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR</b>			
General Fund	1,383,736	1,383,736	1,108,422
Debt Service Fund	-	-	-
<b>FUND EQUITY</b>			
<b>RESTRICTED</b>			
Net Assets Reserved for Debt service-Restricted	(1,495,188)	(1,495,188)	(2,019,389)
Reserved for Debt Retirement	1,230,000	1,230,000	1,230,000
Reserved for Debt Service	-	-	-
<b>COMMITTED</b>			
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
<b>ASSIGNED</b>			
Reserved for Workers' Compensation-Assigned	274,409	274,409	274,409
Reserved for Current Year Budgeted Reserve -Assigned	36,998	36,998	-
Reserved for Insurance Deductibles-Assigned	100,000	100,000	100,000
<b>UNASSIGNED</b>			
Unrestricted and Undesignated	2,082,041	2,082,041	2,082,041
<b>TOTAL LIABILITIES/FUND BALANCE</b>	<b>17,611,982</b>	<b>17,611,982</b>	<b>15,606,026</b>

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

<b>INCOME:</b>	<b>MONTH OF February 2014</b>	<b>YTD February 2014</b>
Local Revenue Sources	108,393	702,673
Earned Income	776,384	4,523,003
General Revenue-Contract	1,286,815	7,001,077
<b>TOTAL INCOME</b>	<b>2,171,592</b>	<b>12,226,752</b>
<b>EXPENSES:</b>		
Salaries	1,080,102	6,211,943
Employee Benefits	205,528	1,171,472
Medication Expense	35,969	195,687
Travel-Board/Staff	35,864	195,566
Building Rent/Maintenance	23,711	127,280
Consultants/Contracts	449,074	2,712,251
Other Operating Expenses	273,455	1,255,300
<b>TOTAL EXPENSES</b>	<b>2,103,704</b>	<b>11,869,500</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>67,888</b>	<b>357,252</b>
<b>CAPITAL EXPENDITURES</b>		
Capital Outlay-FF&E, Automobiles, Building	36,641	81,939
Capital Outlay-Debt Service Bonds	-	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>36,641</b>	<b>81,939</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>2,140,344</b>	<b>11,951,439</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>31,247</b>	<b>275,313</b>

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

	YTD February 2014	APPROVED BUDGET	Increase (Decrease)
<b>INCOME:</b>			
Local Revenue Sources	702,673	955,628	(252,955)
Earned Income	4,523,003	4,812,430	(289,427)
General Revenue-Contract	7,001,077	7,029,578	(28,501)
<b>TOTAL INCOME</b>	<b>12,226,752</b>	<b>12,797,636</b>	<b>(570,884)</b>
<b>EXPENSES:</b>			
Salaries	6,211,943	6,491,479	(279,536)
Employee Benefits	1,171,472	1,263,974	(92,502)
Medication Expense	195,687	172,322	23,365
Travel-Board/Staff	195,566	218,213	(22,647)
Building Rent/Maintenance	127,280	164,893	(37,613)
Consultants/Contracts	2,712,251	2,952,193	(239,942)
Other Operating Expenses	1,255,300	1,323,232	(67,932)
<b>TOTAL EXPENSES</b>	<b>11,869,500</b>	<b>12,586,306</b>	<b>(716,806)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>357,252</b>	<b>211,330</b>	<b>145,922</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	81,939	220,343	(138,404)
Capital Outlay-Debt Service Bonds			-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>81,939</b>	<b>220,343</b>	<b>(138,404)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>11,951,439</b>	<b>12,806,649</b>	<b>(855,210)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>275,313</b>	<b>(9,013)</b>	<b>284,326</b>

**Debt Service and Fixed Asset Fund:**

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

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

<b>INCOME:</b>	<b>MONTH OF February 2014</b>	<b>APPROVED BUDGET</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	108,393	132,641	(24,248)
Earned Income	776,384	852,328	(75,944)
General Revenue-Contract	1,286,815	1,295,825	(9,010)
<b>TOTAL INCOME</b>	<b>2,171,592</b>	<b>2,280,794</b>	<b>(109,202)</b>
<b>EXPENSES:</b>			
Salaries	1,080,102	1,113,900	(33,798)
Employee Benefits	205,528	218,223	(12,695)
Medication Expense	35,969	29,188	6,781
Travel-Board/Staff	35,864	35,143	721
Building Rent/Maintenance	23,711	34,940	(11,229)
Consultants/Contracts	449,074	505,816	(56,742)
Other Operating Expenses	273,455	252,579	20,876
<b>TOTAL EXPENSES</b>	<b>2,103,704</b>	<b>2,189,789</b>	<b>(86,085)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>67,888</b>	<b>91,005</b>	<b>(23,117)</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	36,641	91,716	(55,075)
Capital Outlay-Debt Service Bonds	-	-	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>36,641</b>	<b>91,716</b>	<b>(55,075)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>2,140,344</b>	<b>2,281,505</b>	<b>(141,161)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>31,247</b>	<b>(711)</b>	<b>31,958</b>

**Debt Service and Fixed Asset Fund:**

Bond Payments Receipts	-	-	-
Bond Payments Disbursements	-	-	-
Interest Income	-	-	-
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

<b>INCOME:</b>	<b>YTD February 2014</b>	<b>YTD February 2013</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	702,673	780,284	(77,611)
Earned Income	4,523,003	5,290,859	(767,856)
General Revenue-Contract	7,001,077	6,235,422	765,655
<b>TOTAL INCOME</b>	<b>12,226,752</b>	<b>12,306,565</b>	<b>(79,813)</b>
<b>EXPENSES:</b>			
Salaries	6,211,943	5,900,430	311,513
Employee Benefits	1,171,472	1,154,388	17,084
Medication Expense	195,687	149,787	45,900
Travel-Board/Staff	195,566	186,369	9,197
Building Rent/Maintenance	127,280	102,116	25,164
Consultants/Contracts	2,712,251	2,668,680	43,571
Other Operating Expenses	1,255,300	1,140,508	114,792
<b>TOTAL EXPENSES</b>	<b>11,869,500</b>	<b>11,302,278</b>	<b>567,222</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>357,252</b>	<b>1,004,287</b>	<b>(647,035)</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	81,939	22,967	58,972
Capital Outlay-Debt Service Bonds		212,892	(212,892)
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>81,939</b>	<b>235,859</b>	<b>(153,920)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>11,951,439</b>	<b>11,538,137</b>	<b>413,302</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>275,313</b>	<b>768,428</b>	<b>(493,115)</b>

**Debt Service and Fixed Asset Fund:**

Bond Payments Receipts	-	212,892	(212,892)
Bond Payments Disbursements			-
Interest Income			-
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>-</b>	<b>212,892</b>	<b>(212,892)</b>

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

<b>INCOME:</b>	<b>MONTH OF February 2014</b>	<b>MONTH OF February 2013</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	108,393	113,038	(4,645)
Earned Income	776,384	938,840	(162,456)
General Revenue-Contract	1,286,815	1,011,452	275,363
<b>TOTAL INCOME</b>	<b>2,171,592</b>	<b>2,063,330</b>	<b>108,262</b>
<b>EXPENSES:</b>			
Salaries	1,080,102	1,006,517	73,585
Employee Benefits	205,528	209,981	(4,453)
Medication Expense	35,969	30,140	5,829
Travel-Board/Staff	35,864	35,549	315
Building Rent/Maintenance	23,711	25,362	(1,651)
Consultants/Contracts	449,074	438,493	10,581
Other Operating Expenses	273,455	202,063	71,392
<b>TOTAL EXPENSES</b>	<b>2,103,704</b>	<b>1,948,105</b>	<b>155,599</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>67,888</b>	<b>115,225</b>	<b>(47,337)</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	36,641	(803)	37,444
Capital Outlay-Debt Service Bonds	-	35,482	(35,482)
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>36,641</b>	<b>34,679</b>	<b>1,962</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>2,140,344</b>	<b>1,982,784</b>	<b>157,560</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>31,247</b>	<b>80,546</b>	<b>(49,299)</b>

**Debt Service and Fixed Asset Fund:**

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

**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary**  
**With January 2014 Comparative Data**  
**As of February 2014**

<b>INCOME:</b>	<b>MONTH OF February 2014</b>	<b>MONTH OF January 2014</b>	<b>Increase (Decrease)</b>
Local Revenue Sources	108,393	89,546	18,846
Earned Income	776,384	777,396	(1,012)
General Revenue-Contract	1,286,815	1,196,402	90,414
<b>TOTAL INCOME</b>	<b>2,171,592</b>	<b>2,063,344</b>	<b>108,248</b>
<b>EXPENSES:</b>			
Salaries	1,080,102	1,067,350	12,752
Employee Benefits	205,528	204,075	1,453
Medication Expense	35,969	36,619	(650)
Travel-Board/Staff	35,864	28,574	7,290
Building Rent/Maintenance	23,711	19,736	3,975
Consultants/Contracts	449,074	430,902	18,172
Other Operating Expenses	273,455	181,513	91,942
<b>TOTAL EXPENSES</b>	<b>2,103,704</b>	<b>1,968,770</b>	<b>134,934</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>67,888</b>	<b>94,574</b>	<b>(26,686)</b>
<b>CAPITAL EXPENDITURES</b>			
Capital Outlay-FF&E, Automobiles	36,641	19,261	17,380
Capital Outlay-Debt Service Bonds	-	-	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>36,641</b>	<b>19,261</b>	<b>17,380</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>2,140,344</b>	<b>1,988,031</b>	<b>152,314</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>31,247</b>	<b>75,313</b>	<b>(44,066)</b>

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

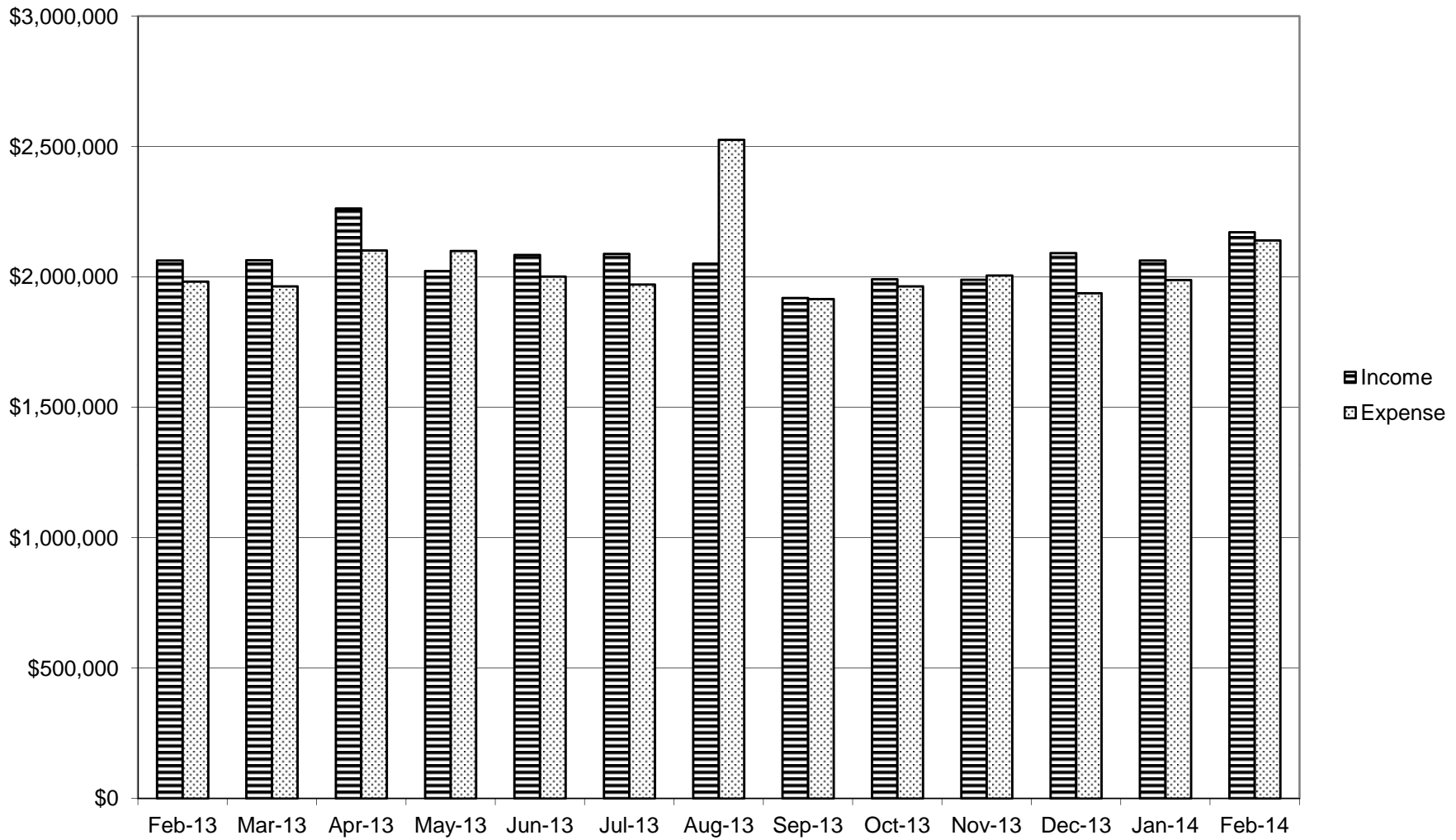
**TRI-COUNTY SERVICES**  
**Revenue and Expense Summary by Service Type**  
**Compared to Budget**  
**As of YTD Ended February 2014**

	YTD Mental Health February 2014	YTD IDD February 2014	YTD Other Services February 2014	YTD Agency Total February 2014	YTD Approved Budget February 2014	Increase (Decrease)
<b>INCOME:</b>						
Local Revenue Sources	545,880	84,988	71,805	702,673	955,628	(252,955)
Earned Income	968,358	2,809,383	745,262	4,523,003	4,812,430	(289,427)
General Revenue-Contract	6,242,039	759,038		7,001,077	7,029,578	(28,501)
<b>TOTAL INCOME</b>	<b>7,756,277</b>	<b>3,653,409</b>	<b>817,067</b>	<b>12,226,753</b>	<b>12,797,636</b>	<b>(570,883)</b>
<b>EXPENSES:</b>						
Salaries	4,363,547	1,293,070	555,325	6,211,943	6,491,479	(279,536)
Employee Benefits	802,179	261,451	107,842	1,171,472	1,263,974	(92,502)
Medication Expense	182,178		13,510	195,687	172,322	23,365
Travel-Board/Staff	119,522	51,045	24,998	195,566	218,213	(22,647)
Building Rent/Maintenance	77,012	41,200	9,067	127,280	164,893	(37,613)
Consultants/Contracts	968,040	1,717,171	27,039	2,712,251	2,952,193	(239,942)
Other Operating Expenses	816,446	304,392	134,464	1,255,300	1,323,232	(67,932)
<b>TOTAL EXPENSES</b>	<b>7,328,924</b>	<b>3,668,329</b>	<b>872,245</b>	<b>11,869,499</b>	<b>12,586,306</b>	<b>(716,807)</b>
<b>Excess(Deficiency) of Revenues over Expenses before Capital Expenditures</b>	<b>427,353</b>	<b>(14,920)</b>	<b>(55,178)</b>	<b>357,254</b>	<b>211,330</b>	<b>145,924</b>
<b>CAPITAL EXPENDITURES</b>						
Capital Outlay-FF&E, Automobiles	36,779	9,746	35,414	81,939	220,343	(138,404)
Capital Outlay-Debt Service Bonds				-		-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>36,779</b>	<b>9,746</b>	<b>35,414</b>	<b>81,939</b>	<b>220,343</b>	<b>(138,404)</b>
<b>GRAND TOTAL EXPENDITURES</b>	<b>7,365,703</b>	<b>3,678,075</b>	<b>907,659</b>	<b>11,951,438</b>	<b>12,806,649</b>	<b>(855,211)</b>
<b>Excess (Deficiency) of Revenues and Expenses</b>	<b>390,574</b>	<b>(24,666)</b>	<b>(90,592)</b>	<b>275,313</b>	<b>(9,013)</b>	<b>284,328</b>

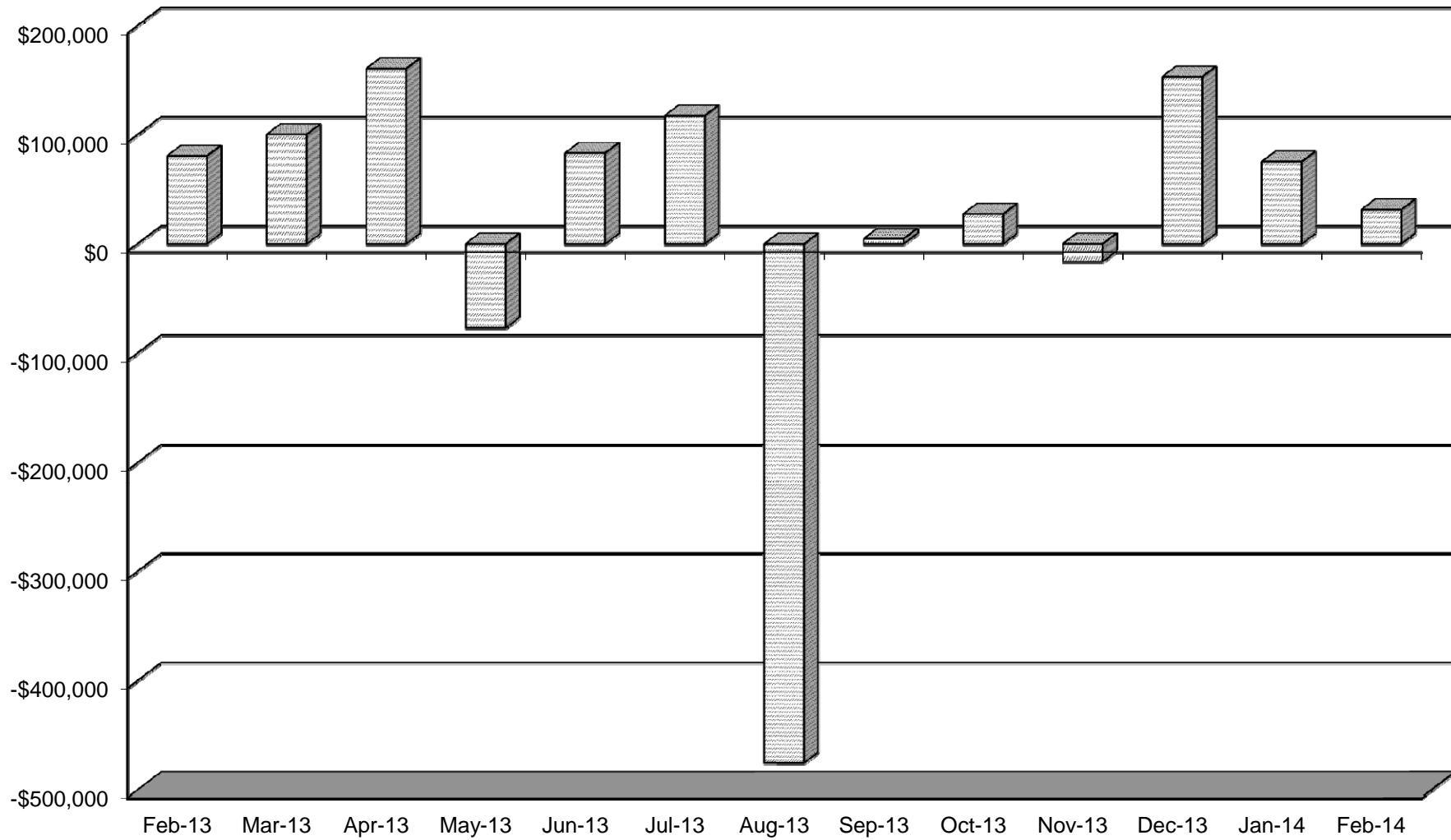
<b>Debt Service and Fixed Asset Fund:</b>						
Bond Payments Receipts	-	-	-	-	-	-
Bond Payments Disbursements		-	-	-	-	-
Interest Income		-	-	-	-	-
<b>Excess(Deficiency) of revenues over Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



# TRI-COUNTY SERVICES Income and Expense



**TRI-COUNTY SERVICES**  
**Income after Expense**



<b>Agenda Item:</b> Approve Recommendation to Declare 1999 Chevrolet Astro Van as Surplus  <b>Committee:</b> Business	<b>Board Meeting Date</b>  March 27, 2014
<b>Background Information:</b>  Staff has recommended that the 1999 Chevrolet Astro Van be declared as surplus due to the age of the vehicle, high mileage, increased maintenance and repair costs and safety.  <b>Vehicle Descriptions:</b> <ul style="list-style-type: none"> <li>• 1999 Chevrolet Astro Van             <ul style="list-style-type: none"> <li>○ License # 442-WKM</li> <li>○ Mileage – 274,531</li> </ul> </li> </ul>	
<b>Supporting Documentation:</b>  None	
<b>Recommended Action:</b>  <b>Approve Recommendation to Declare 1999 Chevrolet Astro Van as Surplus and Approve Sale to the Highest Bidder</b>	

<p><b>Agenda Item:</b> Approve 8<sup>th</sup> Payment of Non-Refundable Option Money to the Property Owner for the Independence Oaks Project Site</p> <p><b>Committee:</b> Business</p>	<p><b>Board Meeting Date</b></p> <p>March 27, 2014</p>
<p><b>Background Information:</b></p>	
<p>After Board approval, Evan Roberson signed the Second Amendment to Option and Purchase Agreement for the property in Cleveland. The Second Amendment, approved by David Deaton of Jackson Walker, allows the Board to approve extension payments until the close of the transaction, but no later than September 30, 2014. Additionally, as you may recall, the amendment adjusted the payments at the request of the seller, to allocate 25% of each payment toward property taxes. An additional payment is due by March 30, 2014 to extend the option to June 30, 2014.</p>	
<p>Following word last month that amendment funds were secured from HUD for Independence Oaks Apartments, staff communicated with Houston Endowment in order to request an extension to the timeframe needed to utilize the \$200,000 award to supplement the amendment funds. On March 7, we received an extension from Houston Endowment until July 2014.</p>	
<p>As you may recall, the bank account with Traditions Bank was set up last month to receive project funds. Staff completed a series of forms this month to establish direct deposit capabilities from HUD to Traditions bank.</p>	
<p>At this time, we expect to finalize the agreement with Auto Zone to establish use of the drainage easement at closing and continue to await the Firm Commitment from HUD.</p>	
<p><b>Supporting Documentation:</b></p>	
<p>None</p>	
<p><b>Recommended Action:</b></p>	
<p><b>Approve 8<sup>th</sup> Payment of Non-Refundable Option Money to the Property Owner for the Independence Oaks Project Site</b></p>	

<b>Agenda Item:</b> Consider and Approve Forgiving Accounts Receivable For Independence Communities, Inc. and Montgomery Supported Housing, Inc.	<b>Board Meeting Date</b>  March 27, 2014
<b>Committee:</b> Business	
<b>Background Information:</b>	
<p>During the Board review of the FY 2013 Independent Financial Audit, Scott, Singleton and Fletcher indicated that the rate of debt collection for our two established apartment complexes was very slow and that these accounts receivable (AR) to Tri-County might be considered bad debt during a subsequent audit. The auditor suggested that the Board consider forgiving these receivables.</p>	
<p>Independence Communities, Inc. (ICI) has made a few payments back to Tri-County over the years and reduced their receivable from a high of \$60,549 to a total of \$33,236 (as of December 31, 2013). Much of the remaining AR is related to construction cost overruns and 'rent up' of the apartments from June to November of 2005. Although we could never completely predict the needs of ICI, the ICI Board has not requested a loan from Tri-County since 2006. ICI had slightly more revenue than expense in FY 2013.</p>	
<p>Montgomery Supported Housing, Inc. (MSHI) has been unable to make a payment to Tri-County since opening in July of 2011, and has a total receivable of \$38,639 (as of December 31, 2013). In addition to construction cost overruns and 'rent up' of the apartments, MSHI has also requested loans for operations since opening. MSHI used nearly all of their reserve account, took out a loan from Tri-County and finished with excess expense over revenue in FY 2013.</p>	
<p>The most recent loan to MSHI (in January of 2014, for \$10,032) is not included in the receivable referenced above. MSHI received a rent increase from the Department of Housing and Urban Development (HUD) in February, so we may be able to receive these more recently loaned funds back this fiscal year (essentially, a short-term loan).</p>	
<p>For either project, they must finish the year with revenue over expense and must have all reserve accounts funded before requesting permission from HUD to pay down the receivable to Tri-County. HUD structures the annual funding for these projects so that it is unlikely they will have much excess revenue at year-end which is why the auditor is concerned about the receivable.</p>	
<b>Supporting Documentation:</b>	
None	
<b>Recommended Action:</b>	
<b>Consider and Approve Forgiving Accounts Receivable For Independence Communities, Inc. and Montgomery Supported Housing, Inc.</b>	

<b>Agenda Item:</b> 2 <sup>nd</sup> Quarter FY 2014 Quarterly Investment Report  <b>Committee:</b> Business	<b>Board Meeting Date</b>  March 27, 2014
<b>Background Information:</b>  This report is provided to the Board of Trustees of Tri-County Services in accordance with Board Policy on fiscal management and in compliance with Chapter 2256: Subchapter A of the Public Funds Investment Act.	
<b>Supporting Documentation:</b>  Quarterly TexPool Investment Report  Quarterly Interest Report	
<b>Recommended Action:</b>  <b>For Information Only</b>	

## **QUARTERLY INVESTMENT REPORT TEXPOOL FUNDS**

**For the Period Ending February 28, 2014**

### **GENERAL INFORMATION**

This report is provided to the Board of Trustees of Tri-County Services in accordance with Board Policy on fiscal management and in compliance with Chapter 2256; Subchapter A of the Public Funds Investment Act.

Center funds for the period have been partially invested in the Texas Local Government Investment Pool (TexPool), organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool. Pursuant to the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. ("Federated"). The Comptroller maintains oversight of the services provided. In addition, the TexPool Advisory Board, composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool, advise on investment policy and approves fee increases.

TexPool investment policy restricts investment of the portfolio to the following types of investments:

Obligations of the United States Government or its agencies and instrumentalities with a maximum final maturity of 397 days for fixed rate securities and 24 months for variable rate notes;

Fully collateralized repurchase agreements and reverse repurchase agreements with defined termination dates may not exceed 90 days unless the repurchase agreements have a provision that enables TexPool to liquidate the position at par with no more than seven days notice to the counterparty. The maximum maturity on repurchase agreements may not exceed 181 days. These agreements may be placed only with primary government securities dealers or a financial institution doing business in the State of Texas.

No-load money market mutual funds are registered and regulated by the Securities and Exchange Commission and rated AAA or equivalent by at least one nationally recognized rating service. The money market mutual fund must maintain a dollar weighted average stated maturity of 90 days or less and include in its investment objectives the maintenance of a stable net asset value of \$1.00.

TexPool is governed by the following specific portfolio diversification limitations;

100% of the portfolio may be invested in obligations of the United States.

100% of the portfolio may be invested in direct repurchase agreements for liquidity purposes.

Reverse repurchase agreements will be used primarily to enhance portfolio return within a limitation of up to one-third (1/3) of total portfolio assets.

No more than 15% of the portfolio may be invested in approved money market mutual funds.

The weighted average maturity of TexPool cannot exceed 60 days calculated using the reset date for variable rate notes and 90 days calculated using the final maturity date for variable rate notes.

The maximum maturity for any individual security in the portfolio is limited to 397 days for fixed rate securities and 24 months for variable rate notes.

TexPool seeks to maintain a net asset value of \$1.00 and is designed to be used for investment of funds which may be needed at any time.

## STATISTICAL INFORMATION

### Market Value for the Period

Portfolio Summary	December	January	February
Uninvested Balance	\$357.75	\$451,423.31	\$370.82
Accrual of Interest Income	15,415,685.49	25,118,978.34	12,940,892.55
Interest and Management Fees Payable	(460,440.11)	(398,658.96)	(405,738.22)
Payable for Investments Purchased	(50,000,000.00)	(237,653,675.41)	0.00
Accrued Expense & Taxes	0.00	0.00	0.00
Repurchase Agreements	2,081,162,075.00	2,578,857,950.00	2,916,250,450.00
Mutual Fund Investments	0.00	0.00	0.00
Government Securities	10,578,579,484.23	11,993,399,422.40	9,710,183,200.39
U.S. Treasury Bills	1,449,948,950.00	949,975,100.00	3,339,886,920.00
U.S. Treasury Notes	1,859,598,387.20	3,124,890,330.20	1,873,262,616.60
<b>TOTAL</b>	<b>\$15,934,244,499.56</b>	<b>\$18,434,640,869.88</b>	<b>\$17,852,118,712.14</b>

### Book Value for the Period

Type of Asset	Beginning Balance	Ending Balance
Uninvested Balance	\$362,920.63	\$370.82
Accrual of Interest Income	10,993,259.22	12,940,892.55
Interest and Management Fees Payable	(522,518.50)	(405,738.22)
Payable for Investments Purchased	0.00	0.00
Repurchase Agreements	2,610,715,000.00	2,916,270,000.00
Mutual Fund Investments	0.00	0.00
Government Securities	8,024,992,680.78	9,709,405,837.12
U.S. Treasury Bills	1,849,940,499.97	3,339,841,949.19
U.S. Treasury Notes	1,529,498,057.90	1,873,427,030.93
<b>TOTAL</b>	<b>\$14,025,979,900.00</b>	<b>\$17,851,480,342.39</b>

### Portfolio by Maturity as of February 28, 2014

1 to 7 days	8 to 90 day	91 to 180 days	181 + days
22.2%	70.6%	4.1%	3.1%

### Portfolio by Type of Investments as of February 28, 2014

Agencies	Mutual Funds	Repurchase Agreements	Treasuries
58.3%	None	16.4%	25.3%



## SUMMARY INFORMATION

On a simple daily basis, the monthly average yield was 0.04% for December, 0.03% for January and 0.03% for February.

As of the end of the reporting period, market value of collateral supporting the Repurchase Agreements was at least 102% of the Book Value.

The weighted average maturity of the fund as of February 28, 2014 was 46 days.

The net asset value as of February 28, 2014 was 1.00004.

The total amount of interest distributed to participants during the period was \$1,264,921.88.

This quarter TexPool interest rates did not exceed the 90 Day T-Bill rates during the entire reporting period.

TexPool has a current money market fund rating of AAAm by Standard and Poor's.

During the reporting period, the total number of participants has increased to 2,301.

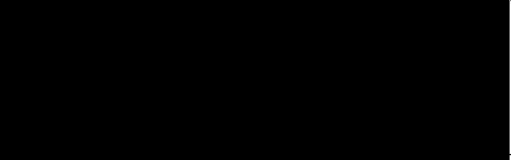
Funds assets are safe kept at the State Street Bank in the name of TexPool in a custodial account.

During the reporting period, the investment portfolio was in full compliance with Tri-County Services' Investment Policy and with the Public Funds Investment Act.

Submitted by:

  
Minnie McDuney  
Chief Financial Officer / Investment Officer

  
Date

  
Evan Roberson  
Executive Director / Investment Officer

  
Date

**TRI-COUNTY SERVICES**  
**QUARTERLY INTEREST EARNED REPORT**  
**FISCAL YEAR 2014**  
**AS OF February 28, 2014**

BANK NAME	INTEREST EARNED				
	1st QTR.	2nd QTR.	3rd QTR.	4th QTR.	YTD TOTAL
Alliance Bank - Central Texas CD	\$ 423.87	\$ 419.21	\$ -	\$ -	\$ 843.08
Citizens 1st Bank CD	\$ 277.28	\$ 274.23	\$ -	\$ -	\$ 551.51
First Liberty National Bank	\$ 1.58	\$ 1.60	\$ -	\$ -	\$ 3.18
First Liberty National Bank CD	\$ 405.14	\$ 405.13	\$ -	\$ -	\$ 810.27
JP Morgan Chase (HBS)	\$ 1,568.46	\$ 1,453.91	\$ -	\$ -	\$ 3,022.37
Prosperity Bank	\$ 12.11	\$ 12.09	\$ -	\$ -	\$ 24.20
TexPool Participants	\$ 73.49	\$ 50.51	\$ -	\$ -	\$ 124.00
Tradition Bank	\$ 4,247.69	\$ 3,923.89	\$ -	\$ -	\$ 8,171.58
Total Earned	\$ 7,009.61	\$ 6,540.58	\$ -	\$ -	\$ 13,550.19

<b>Agenda Item:</b> Board of Trustees' Unit Financial Statement for February 2014  <b>Committee:</b> Business	<b>Board Meeting Date</b>  March 27, 2014
<b>Background Information:</b>  None	
<b>Supporting Documentation:</b>  Board of Trustees' Unit Financial Statement for February 2014	
<b>Recommended Action:</b>  <b>For Information Only</b>	

# Unit Financial Statement

FY 2014

	Feb 14 Actuals	Feb 14 Budgeted	Variance	YTD Actual	YTD Budget	Variance	Percent	Budget
Revenues								
80103998 Allocated Revenue	\$ 2,858.00	\$ 2,858.00	\$ -	\$ 17,152.00	\$ 17,152.00	\$ -	100.00%	\$ 34,300.00
Total Revenue	\$ 2,858.00	\$ 2,858.00	\$ -	\$ 17,152.00	\$ 17,152.00	\$ -	100.00%	\$ 34,300.00
Expenses								
80105275 Food Items	\$ 174.15	\$ 167.00	\$ 7.15	\$ 905.80	\$ 998.00	\$ (92.20)	90.76%	\$ 2,000.00
80105320 Insurance-Worker Compensation	\$ 8.22	\$ 19.00	\$ (10.78)	\$ 62.24	\$ 116.00	\$ (53.76)	53.66%	\$ 230.00
80105388 Legal Fees	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 9,000.00	\$ 9,000.00	\$ -	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)	\$ 82.00	\$ (94.77)	0.00%	\$ 160.00
80105738 Telephone - Mobile Service	\$ -	\$ 47.00	\$ (47.00)	\$ -	\$ 278.00	\$ (278.00)	0.00%	\$ 560.00
80105750 Training	\$ -	\$ 300.00	\$ (300.00)	\$ 675.00	\$ 1,800.00	\$ (1,125.00)	37.50%	\$ 3,600.00
80105755 Travel - Local	\$ -	\$ 62.00	\$ (62.00)	\$ 237.84	\$ 372.00	\$ (134.16)	63.94%	\$ 750.00
80105757 Travel - Non-local Mileage/Air	\$ 159.92	\$ 350.00	\$ (190.08)	\$ 725.40	\$ 2,100.00	\$ (1,374.60)	34.54%	\$ 4,200.00
80105758 Travel - Non-local Hotel	\$ 324.68	\$ 300.00	\$ 24.68	\$ 438.53	\$ 1,800.00	\$ (1,361.47)	24.36%	\$ 3,600.00
80105759 Travel - Meals	\$ 19.09	\$ 100.00	\$ (80.91)	\$ 34.55	\$ 600.00	\$ (565.45)	5.76%	\$ 1,200.00
Total Expenses	\$ 2,186.06	\$ 2,858.00	\$ (671.94)	\$ 12,107.86	\$ 17,146.00	\$ (5,038.14)	70.62%	\$ 34,300.00
Total Revenue minus Expenses	\$ 671.94	\$ -	\$ 671.94	\$ 5,044.14	\$ 6.00	\$ 5,038.14	29.38%	\$ -

# UPCOMING MEETINGS

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## **April 24<sup>th</sup>, 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
- Montgomery Supported Housing, Inc. Update
- Other Business Committee Issues

## **May 22<sup>nd</sup>, 2014 – Board Meeting**

- Longevity Recognition Presentations – February through April
- Approve Minutes from April 24, 2014 Board Meeting
- Community Resources Report
- Consumer Services Report for April 2014
- Program Updates
- Program Presentation – Pre-Admission, Screening and Resident Review
- Personnel Report for April 2014
- Approve April 2014 Financial Statements
- Select Auditor for FY 2014 Independent Financial Audit
- Board of Trustees' Unit Financial Statement for April 2014
- Cleveland Supported Housing, Inc. Update
- Other Business Committee Issues