

**NORTHEAST DELTA HUMAN SERVICES AUTHORITY (NEDHSA)**

**Board Meeting MINUTES**

**December 13, 2016**

**Ouachita Parish Public Library – Conference Room**

**601 McMillan Road, West Monroe, LA 71291**

**5:30PM**

**Call to Order** Meeting called to order and quorum met. Prayer led by Thelma Merrells.

**Adopt Agenda:** A Motion was made by Laura Nettles and seconded by Dr. E. H. Baker to approve /accept the Agenda. Motion passed unanimously.

**Adopt Minutes of November 15:** A Motion was made by Gina Jones and seconded by Dr. E. H. Baker to approve / accept the Minutes. Motion passed unanimously.

**Board Members present:**

Dr. E. H. Baker, Laura Nettles, Thelma Merrells, Mike Shipp, Gina Jones, Melba Sandifer, Alisa Lea and Kathy Waxman.

**Absent Board Members:** Terri Spence, Lorraine Reed, Yvonne Lewis and Lekeisha Powell

**Ownership Linkage-Recognition of Guests:** No guests

**Northeast Delta HSA staff present:** Dr. Monteic Sizer and Delores Harris.

**BOARD EDUCATION/ ENDS Items for DISCUSSION-**

**Upcoming Events/Community Action**

The NEDHSA Opportunity Zone has formed a partnership with Louisiana Delta Community College (LDCC) to provide work based certifications, GED, job fairs, and related programs and services to Opportunity Zone residents. There will be a LDCC job fair hosted in south Monroe on December 13, 2016 with NEDHSA, LDCC, Monroe Chamber, and Century Link representatives in attendance.

NEDHSA's state AIP behavioral and developmental disabilities assessments occurred October 14, 2016. NEDHSA's overall score was 96 out of 100. The CARF three year re-accreditation is scheduled for May 2017.

The Executive Director was at the legislature on December, 7, 2016 to attend an Appropriation Committee hearing. State and LGE budgets were presented and discussed. There is still no decision on if or when another FY17 budget cut will happen. The state appears to have a FY18 deficit. It is not known how much or if LGEs will be impacted at this writing. LDH (formerly DHH) has a mid-year surplus and Affordable Healthcare Act dollars and possibly federal disaster relief dollars. could soften the FY18 budget impact.

NEDHSA's Executive Director was in Cambridge, Massachusetts on November 16-18 speaking on issues of poverty, mental illness, and integrative care. He met with renowned academics, policy experts, and researchers relative to NEDHSA's recent Innovations in Health Care Award and NEDHSA is beginning to formulate our research agenda with several scholars as part of our award.

## **GOVERNANCE PROCESS/EXECUTIVE LIMITATIONS for DECISIONS**

**ED – Report - Motion** made by Mike Shipp and seconded by Gina Jones to approve / accept the ED report as submitted. Motion passed unanimously.

**Financial Condition and Activities** – *With respect to the actual, ongoing financial condition and activities, the ED shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from board priorities established in Ends policies.* This Executive Limit has not been exceeded according to the ED report.

The FY17 budgeting process has begun. It is being spread according to NEDHSA's strategic plan. NEDHSA will operate at the \$13.5 million level even though our appropriated budget authority is \$15,149,236.00.

The Division of Administration asked all state funded agencies to do a 7% budget reduction scenario. For NEDHSA, this would equate to \$634,667.00. A few days later, agencies were asked to scenario plan for a 15% state reduction. This amount is approximately \$1,360,000.00 for NEDHSA. We are currently operating at a reduced budget level in anticipation of a FY 16-17 state budget cut and hope to absorb the 7% cut with little impact to services, no impact to staff or contractors due to our budgeting. However, the 15% cut creates a significant challenge for a couple of contractors only this current fiscal year.

UPDATE: The first round of actual cuts to NEDHSA's budget was \$50,000. The actual percentage, should additional cuts be required to balance the FY17 budget. Is still pending.

**Asset Protection:** Report provided by Dr. Sizer to board members.

### **BOARD –**

2017 Meetings (Calendar provided):

Due to Registers of Voters having to use the OPHU Community Room the following two meeting had to be changed. Alisa will send board members a reminder to change their calendar.

- **March 14, 2017** meeting changed to March 21, 2017 in upstairs Conference Room @ Ouachita Parish Health Unit.
- **May 9, 2017** meeting will be at Families Helping Families offices @ 5200 Northeast Road, Monroe, Louisiana 71203.

Board Governance Manual Update was presented to board with Alisa Lear to make some corrections.

Election of Officers NEDHSA for 2017 was slated: Elected Officers :

Chair Person-Mike Shipp, Vice Chair- Laura Nettles, and Treasurer – Kathy Waxman. Secretary was tabled until Melba Sandifer could speak with some of the absent board members.

Statements from Board Members retiring from board: Melba Sandifer as Chair Person and Alisa Lear as Secretary. Terri Spence resigned as of December 13, 2016 via email.

*Summary of comments on ED 6 Month Performance review was given to Dr. Sizer by board members.*

**BOARD MANAGEMENT**

Board Development/Parish Outreach - ongoing

Board Education:

Tabled until next meeting discussion of Governance Training Disc

**MONITORING**

Travel Forms for 2016-2017 due MONTHLY

**Adjourn**

*Next Meeting – January 10, 2017 - Ouachita Parish Health Unit – Community Room, 5:30PM*

# Executive Director's Report

Dr. Monteic A. Sizer

12/6/2016

## **A. Financial Condition and Activities:**

Accordingly, the ED shall not:

1. Use any Non-Appropriated Funds in a manner that does not comply with Non-Appropriate Funds Policy.

a. Funds are handled according to internal NEDHSA policy, established accounting standards, and according to intended purposes.

2. Fail to maintain integrity in expenditures of categorical funding services.

a. The Executive Directors maintains integrity in categorical funding services. Financial staff examines monthly categorical expenditures and provides the Executive Director monthly reconciliation reports. These reports are also provided to the Board. NEDHSA financial staff also reviews and generate business objects financial reports (i.e., reports that detail monthly expenditures and receipts found on the state's financial system).

3. Acquire, encumber, or dispose of real property in violation of state and federal law.

a. All property is handled according to state, federal law, and agency policy. Asset reports will be provided to the Board. Asset report will be provided to the Board.

4. Fail to aggressively pursue receivables after a reasonable grace period.

a. All receivables are actively pursued within allowable time periods. Additionally, the finance team evaluates monthly receivables and determines appropriate strategies for maximizing collections. The Executive Director also receives a monthly report of receivable activity and tactics to ensure concentrated receivable collection efforts. Relative to billing statements, staff is working with ClaimTrak, our electronic health record company, to correct errors recently found. Staff have engaged ClaimTrak representatives multiple times to correct this problem. Once billing statement issues have been resolved, NEDHSA's billing and collections unit will immediately begin to send out corrected statements.

## **Executive Limits: Financial Planning and Budgeting:**

Accordingly, the ED shall not allow budgeting which:

1. Contains too little information to enable credible projection or revenues, separation of capital and operational items, cash flow, and disclosure of planning assumptions.

a. The Executive Director and finance team members receive and monitor an independent monthly appropriations report (income vs. expenditure reports) that's sent from the Louisiana Office of Management and Finance. NEDHSA staff also prepares and submits a similar report using a different format to LDH's Budget Office.

b. The CFO and finance team keeps a running total of all income and agency expenses by category and type. The Executive Director receives weekly reports and a monthly report from NEDHSA staff. At the end of each month, finance team members conduct monthly account reconciliations and overall agency financial reviews. The Executive Director is provided a report and is briefed by the CFO.

c. The CFO produces a monthly income vs. expense report and provides a copy to the Executive Director and the NEDHSA Board of Directors.

d. The FY17 budgeting process has begun. It is being spread according to NEDHSA's strategic plan. NEDHSA will operate at the \$13.5 million level even though our appropriated budget authority is \$15,149,236.

The Division of Administration asked all state funded agencies to do a 7% budget reduction scenario. For NEDHSA, this would equate to \$634,667. A few days later, agencies were asked to scenario plan for a 15% state reduction. This amount is approximately \$1,360,000 for NEDHSA. Remember, we were currently operating at a reduced budget level in anticipation of a FY 16-17 state budget cut. We are able to absorb the 7% cut with no problem, with no impact to staff or contractors due to our budgeting. However, the 15% cut creates a significant challenge for a couple of contractors only this current fiscal year. UPDATE: the first round of actual cuts to NEDHSA's budget was only \$50,000. No one knows what the actual percentage will be should additional cuts be required to balance the FY17 budget. All state agencies and LGEs are in a wait and see mode.

2. Plans the expenditure in any fiscal year of more funds than are conservatively projected to be received in that period. All budget expenditures are projected based on revenue projections.

a. At no time are expenditures projected to exceed expected appropriated funding levels. NEDHSA's CFO and members of the finance team conducts monthly reviews and reconciliations to ensure income remains higher than agency expenses. The CFO briefs the Executive Director on NEDHSA's financial position weekly and provides the Executive Director a monthly financial report. The CFO will also continue presenting current budget data to members of the Board monthly.

b. NEDHSA's FY16-17 appropriated budget is \$15,149,236. Our SGF = \$9,151,140. Our IAT = \$3,285,507. Self-generated = \$2,664,300. Federal = \$48,289.

c. No contractor has been cut or reduced to date due to only \$50,000 being cut from our FY17 budget. We have also been able to free up dollars due to a LCS contract not being fully utilized as a result of Medicaid expansion. This contractor is required to bill Medicaid before billing NEDHSA.

3. Provides less for board development, training and monitoring during the year than is annually set forth by the Board and is in compliance with the Cost of Governance policy and the operational plan.

a. All applicable governance policies/plans are followed to ensure compliance.

**Other Relevant Information:**

a. The NEDHSA Opportunity Zone has formed a partnership with Louisiana Delta Community College (LDCC) to provide work based certifications, GED, job fairs, and related programs and services to Opportunity Zone residents. There will be a LDCC job fair hosted in south Monroe on December 13, 2016. NEDHSA, LDCC, Monroe Chamber, and Century Link representatives will be in attendance.

b. NEDHS's state AIP behavioral and developmental disabilities assessments occurred October 14, 2016. UPDATE: I am happy to report that NEDHSA's overall score was 96 out of 100. Our CARF three year re-accreditation is scheduled for May 2017. We are preparing now for this significant review.

c. The Executive Director was at the legislature on December, 7, 2016 to attend an Appropriation Committee hearing. State and LGE budgets were presented and discussed. Still no decision on if or when another FY17 budget cut will happen. The state appears to have a FY18 deficit. It is not known how much or if LGEs will be impacted at this writing. LDH (formerly DHH) has a mid-year surplus and the state is yet to receive its share of the Affordable Healthcare Act dollars. The state is also waiting on federal disaster relief dollars. These two large sums of money could soften the FY18 budget impact.

d. NEDHSA's Executive Director was in Cambridge, Massachusetts on November 16-18 speaking on issues of poverty, mental illness, and integrative care. He met with renowned academics, policy experts, and researchers relative to NEDHS's recent Innovations in Health Care Award. UPDATE: we are beginning to formulate our research agenda with several scholars as part of our award.