**Minutes March 8, 2016**

**Ouachita Parish Health Unit – Community Room**

**1650 DeSiard Street, Monroe, LA 71202**

**5:30PM**

**Call to Order**Meeting was called to order and a quorum was met. Prayer was led by Melba Sandifer.

**Adopt Agenda***:* AMotion was made by Mike Shipp and seconded by Dr. E. H. Baker to approve /accept the Agenda. Motion passed unanimously.

**Adopt Minutes of February 16:**AMotion was made by Alisa Lear and seconded by Dr. E. H. Baker to accept February Minutes to approve /accept the Minutes. Motion passed unanimously.

**Board Members present:**

Dr. E. H. Baker, Lorraine Reed, Mike Shipp, Melba Sandifer and Alisa Lear.

**Absent Board Members:** Thelma Merrells, Lekeisha Powell, Kathy Waxman, and Terri Spence and Mike Shipp.

**Ownership Linkage-Recognition of Guests**: Laura Nettles - Families Helping Families.

**Northeast Delta HSA staff members**: Dr. Monteic Sizer, Delores Harris, Avius Zimmerman and Carlton Holmes.

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

**Upcoming Events/Community Action:** Laura Nettles reported that Families Helping Families will have their annual conference with the State Department of Education concerning the availability of five Diploma Tracts. It will be held on April 22, 2016 @ the Monroe Civic Center Bayou Room. The program is to promote the ability for kids with Developmental Disabilities to be able to get a high school diploma.

OCDD along with Family Helping Families will be hosting the 13th Annual workshop @ Ouachita Parish Health Unit on April 27, 2016 to learn about the next stages past high school.

Avius Zimmerman discussed the coalition activities of U-ACT, led by Mary Barrios, North Central Alliance, led by Dr. Tommy Grafton and Hearts Coalition, led by Pastor Carolyn Hunt. Each coalition has a different focus and LA Tech has had some set-backs. U-ACT is still being funded by LaPFS funds and has become a very dominant organization in Union Parish. HEARTS coalition is more faith-based focused and works across three parishes in Northeast Louisiana.

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

**ED – Report Submitted 03/02/16 -** A Motion was made by Lorraine Reed and seconded by Dr. E. H. Baker to accept the ED report as submitted and at any time the board may ask questions. Motion was passed unanimously.

*With respect to 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)* has not been exceeded.

**Financial Planning and Budgeting -**

*Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the board’s Ends priorities, risk fiscal jeopardy, or fail to be derived from a multiyear plan.*

Dr. Sizer reported information concerning the budget and actions needed should the $2.2 million become a reality. There will be significant cuts the DD program and possible closure of the Bastrop and Winnsboro mental health clinics. He and the management team have met to discuss ways to cut expenses and established as many efficiencies as possible.
There was concern and objections by Board members about the closure of rural clinics as they historically do not re-open. Dr. E.H. Baker requested data about staff to client ratios and numbers served in these clinics.

**Financial Condition and Activities** –

*With respect to 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.*  Motion was made by Dr. E. H. Baker and seconded by Lorraine Reed to accept the report as submitted. Motion passed unanimously.

**Treatment of Consumers** –

*With respect to interactions with consumers or those applying to be consumers, the ED shall not cause or allow conditions, procedures, or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy.*  This report was presented by Avius Zimmerman to the board. Motion was made by Dr. E. H. Baker and seconded by Alisa Lear to accept. Motion passed unanimously.

**BOARD –**

Board Compliance Monitoring Tools

 Retreat or Board Development

 Comments on ED performance (MAY annual evaluation)

**Board Management** –

 Board Development/ Parish Outreach – On Going

Travel Forms due MONTHLY

***Board Member Terms & Appointments –*** *Attendance, terms and bylaws currently being reviewed. There is an appointment pending for a new member from Madison Parish.*

Motion was made by Dr. E. H. Baker and seconded by Lorraine Reed to adjourn. Motion was passed unanimously

**Adjourn –** *Next Meeting –* ***April 12, 2016 -*** *Ouachita Parish Health Unit – Community Room, 5:30PM*

Agenda Planning April 1, 2016 @ 9am Ouachita Parish Public Library on N. 18th Street, Monroe

*Executive Director’s Report (March 2, 2016) and LGE Consumer Satisfaction March 2016 attached to minutes*

**EXECUTIVE DIRECTORS REPORT**

**March 2, 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 purpose.

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 by the CFO.

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.

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. NEDHSA’s billing team is currently pursuing this current 15-16 fiscal year’s outstanding collections and plans to continue pursuing 14-15 fiscal year outstanding collections as well. Billing and collections staff worked all outstanding claims with the exception of Medicare. Reports of progress were made to members of the Board and members of NEDHSA’s leadership team. Billing and collections team members are working with ClaimTrak, our EHR provider, to work out technical difficulties to further improve our billing and collections capabilities.

**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. We were asked by DHH to reduce our budget down from $15,557,202 to $13.5 million and we did. This fiscal year, DHH and DOA cut nearly $200,000 from our state general fund dollars (state appropriated dollars). This $200,000 was reduced from the budgeted $13.5 million dollar reductions plan we submitted to DHH. I have already significantly reduced operational costs and not filled critical staff positions. I will be deciding other

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reduction measures after the assessments have been conducted and presented to me. Since staff and fringe benefit costs are our costliest budget items, I have my Director of Human Resources and CFO looking into layoff avoidance measures with Civil Service.

b. A couple of weeks ago, DHH asked for a 5% reduction scenario plan for FY15-16 this current fiscal year. Should this reduction scenario come to pass, $615,400 additional dollars would be cut from NEDHSA’s current budget. Keep in mind nearly $200,000 was already cut earlier this fiscal year. The total budget cut was $246, 059. The elimination of these additional dollars would mean the layoff of staff and the elimination of existing contracts.

c. On February 10, 2016, DHH budget asked each of its divisions and LGEs to reduce state general fund dollars by 27% for FY16-17. This reduction equates to a $2,497,808 million dollar NEDHSA cut. DHH and DOA asked each state agency to cut by 24% and not 27%. A 24% budget cut is equal to $2,220,274. Should this cut become finalized, this would mean the elimination of staff, programs, the shuttering of clinics, and removal of DD programs that are paid for with state general funds. We are still awaiting the actual cut amount. The cut amount will be officially known March 9, 2016.

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. A modified FY15-16 budget plan was developed to ensure revenues are more than expenses. This plan was provided to the Board and DHH. Additionally, 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 of NEDHSA’s finical position weekly and provides the Executive Director a monthly financial report. The CFO will also be presenting current budget data to members of the Board.

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:**

The Office of the Governor and the Louisiana Legislature are still negotiating the best ways to solve the current FY15-16 $94 million dollar deficit and the upcoming FY16-17 deficit of more the $2 billion dollars. They have till March 9, 2016 to find plausible solutions.

As I have previously reported, NEDHSA has already had its budget cut by more than $400,000 this current fiscal year. Additionally, we were asked to cut 24%, or $2,220,274 from our upcoming FY16-17 budget. Also, as previously noted, we have cut, streamlined, and become as efficient as we know to be. We are still identifying other ways to be even more efficient and 3 | P a g e

effective. At this point, and due to the budget uncertainties and already deep cuts, I have been forced to have our HR Department make contact with Civil Service to enact layoff avoidance measures. This move will preserve the employment of current outstanding full-time NEDHSA employees who are in good standing. According to Civil Service, however, those NEDHSA employees who are not in good standing or who are probationary would need to be impacted first should a reduction of workforce be needed to address budget cuts.

This week, I had Demetrius Roberts, NEDHSA HR Director; send out the official layoff avoidance letter. The letter contained additional information about what we were doing to help minimize the impact to NEDHSA staff. We also sent letters to social services contractors and persons who depend on developmental disability services. The letters made known the state’s fiscal challenges and indicated that they should begin looking for alternative financial support options should the state’s budget cuts for FY16-17 happen at the 24% level.

Lastly, with some adjustments, we will successfully withstand the current FY15-16 budget cuts. This current fiscal year ends June 30, 2016. FY 16-17 starts July 1, 2016. We are making plans now to deal with next year’s FY16-17 budget cuts. I am positive about our future and ability to adjust to these forced budget cuts. We will make the financial adjustments as they become known for FY 16-17. The Office of the Governor and the Louisiana Legislature are currently in negotiations. I have and will continue to keep our staff and clients uppermost in mind as we consider next steps. Again, while we will be forced to make some major adjustments for FY16-17 should the 24% budget scenario remain intact, I am confident that we will do so with as little impact as possible to staff and clients alike.