

MINUTES

THE DEEP EAST TEXAS REGIONAL MENTAL HEALTH MENTAL RETARDATION SERVICES BOARD OF TRUSTEES MEETING

MARCH 28, 1989

BOARD MEMBERS PRESENT:

Judge Allen Sturrock, Chairman
Mr. Dan Dominey, Vice Chairman
Mrs. Gaffney Phillips, Secretary
Ward R. Burke
Mrs. Bobbie Morgan

BOARD MEMBERS ABSENT:

Charles English, Treasurer
Reverend Robert Carter
Mrs. Nancy Fuller
Nancy Speck, Ph.D.

OTHERS PRESENT:

Jim McDermott, Ph.D.	MHMR
Mr. Sandy Skelton	MHMR
Mrs. Linda Naff	MHMR
Mrs. Susan Rushing	MHMR
Mr. George Patterson	MHMR
Mrs. Sandy Vann	MHMR
Mrs. Kim Abernethy	MHMR
Ms. Rita Russell	MHMR
Mr. Stephen Teal	MHMR
Mr. Joe McCulley	MHMR
Ms. Linda Harris	MHMR
Ms. Michelle Blocker	MHMR

The 197th meeting of the Board of Trustees was held in the Ward R. Burke Community Room of the Central Administration Facility, 4101 South Medford Drive, Lufkin, on Tuesday, March 28, 1989 at 4:00 P.M.

INVOCATION: Mr. Ward Burke gave the invocation.

CALL TO ORDER AND RECOGNITION OF GUESTS: There being a quorum present, Chairman Sturrock called the meeting to order at 4:00 P.M. Linda Naff introduced Rita Russell and Stephen Teal to the Board.

APPROVAL OF MINUTES OF PREVIOUS BOARD MEETING: There being no additions or corrections to the Minutes of the February Board meeting or workshop, on a motion by Mr. Dominey, seconded by Mrs. Phillips, the Board unanimously approved the Minutes of the February 28, 1989 Board Meeting and Workshop.

EXECUTIVE DIRECTOR'S REPORT:

The Executive Director's Report was distributed to the Board during Committee meetings for their review, and a copy is attached. Other items mentioned were as follows:

1. Dr. McDermott discussed the possibility of changing the name of the Center in the future, mainly because of the negative press with MHMR, but also because there are major parts of our organization that receive no MHMR state funds for their operation, and because there are so many organizations that include "Deep East Texas" as part of their name. The Board agreed that we should look into this possibility.
2. Sandy Skelton and George Patterson reported that the Shelby Group Home has re-opened as a ten-bed transitional unit. There have been many improvements made at the facility, and staff are confident of its future success. The Board was invited to the open house scheduled for April 13th. Dr. McDermott reported that Kim Abernethy and George Patterson are responsible for the re-structuring of the facility and that its recent opening is due to their hard work. Mr. Burke made a motion to thank Kim and George for their excellent work at Shelby, and Mrs. Morgan seconded the motion.

COMMITTEE RECOMMENDATIONS FOR BOARD APPROVAL

Budget and Finance Committee - Judge Charles English, Chairman

Consideration of Treasurer's Report: On a motion by Mr. Dominey, seconded by Mrs. Phillips, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Balance Sheet, Operating Statement, Statement of Changes in Fund Balance and Reserve, Internal Advances - Accounts Receivable, Internal Advances - Accounts Payable, and Budget Summaries of Receipts and Expenditures for the month of February, 1989, be approved as submitted; and THAT copies of each report be attached to the permanent Minutes of this Board Meeting.

Consideration of Second Quarter Expenditure Report: On a motion by Mrs. Phillips, seconded by Mr. Dominey, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Board approve the Second Quarter Financial and Performance Report for FY 1989; THAT the Board Chairman be authorized to sign the Transmittal Form; THAT the report be submitted

to TDMHMR; and THAT a copy be maintained in the office of Business Services.

Consideration of Fiscal Audit Compliance Report: The Board heard a report from Linda Naff regarding the Center's compliance with recommendations from the Fiscal Auditors. No Board action was required.

Consideration of Consultant Contract with Andersen Consulting: On a motion by Mrs. Phillips, seconded by Mr. Dominey, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Board approve the consultant agreement with Andersen Consulting to provide assistance in the development and implementation of a Management Information System for the Center's financial and client data; THAT the Executive Director be authorized to sign the agreement with Andersen Consulting; and THAT a copy of the agreement be kept on file in the office of the Director of Business Services.

Consideration of Vehicle Purchase for Houston County Sheltered Workshop: On a motion by Mr. Dominey, seconded by Mrs. Phillips, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the bid from Barrett Brothers Motor Company for the purchase of a van for the Houston County Sheltered Workshop be accepted, and THAT a copy of the bids be maintained in the office of Business Services.

Program Committee - Mr. Ward R. Burke, Chairman

Consideration of Nominees to Professional Staff Organization: On a motion by Mr. Burke, seconded by Mrs. Morgan, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the applications for appointment to the Professional Staff Organization (PSO) by the individuals on the attached list be approved, and THAT the list be a part of the permanent Minutes of this meeting.

Consideration of Revised Board Policy: On a motion by Mr. Burke, seconded by Mrs. Phillips, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Board Policy entitled, "Organizational Dues"

be revised; THAT each Board member receive a copy of the revised policy; and THAT a copy of the revised Board Policy Manual be kept on file in the office of the Executive Director.

Consideration of Continuation Grant Application for Early Childhood Intervention: On a motion by Mr. Burke, seconded by Mrs. Morgan, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Proposed FY 1990 Early Childhood Intervention Grant be approved a submitted; THAT the Executive Director be authorized to sign and submit the application; and THAT a copy of the application be maintained on file in the office of the Director, Mental Retardation Services.

Consideration of Proposed Management Workshop: On a motion by Mr. Burke, seconded by Mr. Dominey, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Executive Director be authorized to proceed with plans to conduct a Management Workshop, and THAT a copy of the agenda be maintained on file in the office of the Executive Director.

Consideration of the Purchase and Construction of a Ropes Component at Peavy Switch Farm: The Board voted unanimously to table this item.

Personnel and Public Education Committee - Reverend Robert Carter, Chairman

Consideration of Certificates of Appreciation: On a motion by Mrs. Morgan, seconded by Mr. Burke, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Board Chairman and Executive Director be authorized to sign and present Certificates of Appreciation to the following businesses and organizations in Nacogdoches: First Baptist Church, Fredonia Graphics and Advertising Company, Mazzio's Pizza, Kiwanis Club, and Pilot Club; and THAT copies of the Certificates be attached to the permanent Minutes of this Board meeting.

Consideration of Affirmative Action Plan: On a motion by Mrs. Morgan, seconded by Mrs. Phillips, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the Board approve the FY 1989 Affirmative Action Plan as submitted; and THAT this Affirmative Action Plan be included in the Board Policy Manual.

Consideration of Personnel Matters:

The meeting was called into Executive Session to consider personnel matters brought before the Board by the Executive Director according to Article 6252-17, Section 2(g) of the Open Meetings Law. The Chairman excused guests from the meeting room at 5:15 P.M., stating that no Board action would be taken until the meeting was reopened.

Executive Session

Chairman Sturrock reopened the meeting to the public at 5:35 P.M. and stated that there were no items for Board consideration at this time.

INVITE COMMENTS FROM VISITORS: There were no comments from visitors at this time.

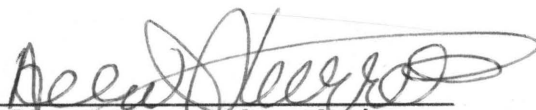
DESIGNATION OF DATE, TIME, AND LOCATION OF NEXT BOARD MEETINGS:

The schedule for the Board meetings for April and May was set as follows:

Tuesday, April 25, 1989
Tuesday, May 23, 1989

Committee meetings will begin at 3:30 P.M. and the Board meeting will begin at 4:00 P.M. on April 25th.

APPROVED:


Judge Allen Sturrock, Chairman


Gaffney Phillips, Secretary

DEEP EAST TEXAS REGIONAL MHMR SERVICES
REVENUE BY FUND
9/1/88 - 2/28/89

SOURCE	ANNUAL BUDGET	Y-T-D REVENUE	Y-T-D BAL REMAINING	Y-T-D OVER(UNDER)	MONTHLY BUDGET	FEBRUARY* REV RPTS	FEBRUARY REV RCV'BLE	FEBRUARY REVENUE	FEBRUARY OVER(UNDER)
ANGELINA COUNTY	29,286	14,650	14,636	7	2,441	0	2,442	2,442	1
HARDIN COUNTY	14,532	7,266	7,266	0	1,211	0	1,211	1,211	0
HOUSTON COUNTY	6,584	3,292	3,292	0	549	549	0	549	0
JASPER COUNTY	11,595	5,798	5,797	1	966	967	0	967	1
NACOGDOCHES COUNTY	12,000	6,000	6,000	0	1,000	0	1,000	1,000	0
NEWTON COUNTY	6,003	1,500	4,503	(1,502)	500	0	500	500	0
POLK COUNTY	9,846	4,923	4,923	0	821	0	821	821	0
SABINE COUNTY	2,838	1,418	1,420	(1)	237	0	236	236	(1)
SAN AUGUSTINE COUNTY	2,802	1,401	1,401	0	234	234	0	234	0
SAN JACINTO COUNTY	4,107	2,053	2,054	(1)	342	0	342	342	0
SHELBY COUNTY	6,400	3,200	3,200	0	533	0	533	533	0
TRINITY COUNTY	5,127	2,563	2,564	(1)	427	0	427	427	0
TYLER COUNTY	7,609	3,804	3,805	0	634	0	634	634	0
PATIENT/CLIENT FEE RECEIPTS	873,576	369,814	503,762	(66,974)	72,798	77,688	0	77,688	4,890
SENATE BILL 230	15,000	11,865	3,135	4,365	1,250	0	1,890	1,890	640
COURT COMMITMENTS	22,335	10,129	12,206	(1,039)	1,861	146	445	591	(1,270)
PINEYWOODS ANNEX	130,000	0	130,000	(65,000)	10,833	0	0	0	(10,833)
FOUNDATION (FARM)	276,412	192,765	83,647	54,559	23,034	68,112	0	68,112	45,078
NACOGDOCHES ISD	13,480	8,251	5,229	1,511	1,123	0	1,375	1,375	252
DEBT PROCEEDS	18,500	104,481	(85,981)	95,231	1,542	24,371	10,000	34,371	32,829
WORKSHOP PRODUCTION	190,644	96,044	94,600	722	15,887	14,567	0	14,567	(1,320)
DONATIONS	3,795	4,730	(935)	2,833	316	1,357	0	1,357	1,041
INTEREST INCOME	57,718	50,533	7,185	21,674	4,810	12,260	0	12,260	7,450
RAILROAD RETIREMENT BENEFITS	4,500	2,084	2,416	(166)	375	352	0	352	(23)
SOCIAL SECURITY BENEFITS	31,506	19,202	12,304	3,449	2,626	3,357	0	3,357	731
SSI BENEFITS	93,868	25,954	67,914	(20,980)	7,822	4,553	0	4,553	(3,269)
MISCELLANEOUS	840	4,548	(3,708)	4,128	70	3,097	15	3,112	3,042
HARDIN REIMBURSEMENT	6,480	6,480	0	3,240	540	1,080	0	1,080	540
FARM INCOME	5,000	297	4,703	(2,203)	417	0	0	0	(417)
KITCHEN REVENUE	5,061	2,598	2,463	68	422	428	0	428	6
VOCATIONAL SERVICES	9,950	5,083	4,867	108	829	0	1,222	1,222	393
INDUSTRIAL DEPT.	665,788	306,571	359,217	(26,323)	55,482	(4,335)	53,545	49,210	(6,272)
SHWAY DEPT.	23,445	9,174	14,271	(2,549)	1,954	124	555	679	(1,275)
PROTECTIVE SERVICES	542,148	217,434	324,714	(53,640)	45,179	(547)	35,576	35,029	(10,150)
PROTECTIVE SERVICES-IN HOME	11,000	5,853	5,147	353	917	0	700	700	(217)
HCS	142,174	64,766	77,408	(6,321)	11,848	1,129	10,500	11,629	(219)
GENERAL REVENUE	480,292	229,363	250,929	(10,783)	40,024	0	40,446	40,446	422
RAJ	2,280,093	1,158,796	1,121,297	18,750	190,008	193,132	0	193,132	3,124
LELSZ	984,826	540,504	444,322	48,091	82,069	(3,539)	82,069	78,530	(3,539)
TCADA	1,268,121	634,061	634,060	1	105,677	78,885	0	78,885	(26,792)
ECI, SENATE BILL 630	312,392	150,647	161,745	(5,549)	26,033	0	30,700	30,700	4,667
DHS - ADULT DAY CARE	416,497	181,536	234,961	(26,713)	34,708	0	27,780	27,780	(6,928)
DHS - CHILD DAY CARE	33,242	16,586	16,656	(35)	2,770	0	2,735	2,735	(35)
SVETP	222,576	108,630	113,946	(2,658)	18,548	0	17,752	17,752	(796)
PROBATION DEPT.	31,000	0	31,000	(15,500)	2,583	0	0	0	(2,583)
JTPA	3,000	0	3,000	(1,500)	250	0	0	0	(250)
MENTAL HEALTH BLOCK GRANT	5,000	1,551	3,449	(949)	417	0	0	0	(417)
USDA	474,009	237,006	237,003	2	39,501	0	39,501	39,501	0
DHS - LIASON	28,764	16,178	12,586	1,796	2,397	0	2,520	2,520	123
CHAPTER I	154,498	81,541	72,957	4,292	12,875	0	13,700	13,700	825
CHAPTER I CARRYOVER	31,164	6,913	24,251	(8,669)	2,597	1,322	0	1,322	(1,275)
	34,964	18,986	15,978	1,504	2,914	1,635	4,082	5,717	2,803
TOTAL	10,022,387	4,958,822	5,063,565	(52,371)	835,201	480,924	385,254	866,178	30,977

*NEGATIVE AMOUNTS REPRESENT PRIOR MONTHS' CORRECTIONS FLOWING THROUGH THE CURRENT MONTH.

Attachment to Item IV-A-1
3/28/89

2

DEEP EAST TEXAS REGIONAL MHMR SERVICES
EXPENDITURES BY COST CATEGORY
9/1/88 - 2/28/89

EXPENSE CATEGORY	ANNUAL BUDGET	Y-T-D EXP & ENC	Y-T-D BAL REMAINING	Y-T-D OVER(UNDER)	MONTHLY BUDGET	FEBRUARY EXP & ENC	FEBRUARY OVER(UNDER)
SALARIES	5,301,929	2,519,881	2,782,048	(131,084)	441,827	414,486	(27,341)
MERIT, LONGEVITY, BONUS, ETC.	12,236	5,000	7,236	(1,118)	1,020	833	(187)
FRINGE BENEFITS	816,945	430,718	386,227	22,246	68,079	64,801	(3,278)
CONSULTANTS & PROFESSIONALS	91,109	32,681	58,428	(12,874)	7,592	5,313	(2,279)
TRAVEL	198,071	103,448	94,623	4,413	16,506	14,692	(1,814)
DRUGS	24,806	14,644	10,162	2,241	2,067	1,988	(79)
FOOD	170,417	73,711	96,706	(11,498)	14,201	15,443	1,242
SUPPLIES	239,721	127,350	112,371	7,490	19,977	17,507	(2,470)
FARM OPERATION SUPPLIES	7,000	3,327	3,673	(173)	583	418	(165)
DEBT PRINCIPAL RETIREMENT	175,518	47,643	127,875	(40,116)	14,627	7,848	(6,779)
EQUIPMENT & FURNITURE	95,481	49,931	45,550	2,191	7,957	6,148	(1,809)
EQUIPMENT & FURNITURE RENTAL	36,405	15,424	20,981	(2,779)	3,034	2,830	(204)
EQUIP/FURN REPAIRS/MAINT	31,555	13,679	17,876	(2,099)	2,630	2,485	(145)
BUILDING RENT	245,607	125,586	120,021	2,783	20,467	21,298	831
BLDG REMODELING/RENOVATION	45,375	70,057	(24,682)	47,370	3,781	51,962	48,181
BLDG REPAIR & MAINTENANCE	43,600	27,648	15,952	5,848	3,633	4,739	1,106
VEHICLE PURCHASED	18,500	53,766	(35,266)	44,516	1,542	18,156	16,614
VEHICLE LEASE	4,920	2,460	2,460	0	410	410	0
VEHICLE OPERATION/MAINT	149,823	70,071	79,752	(4,841)	12,485	11,575	(910)
CONTRACTS W/SERVICE AGENCIES	855,789	462,011	393,778	34,117	71,316	88,115	16,799
POSTAGE	22,193	12,451	9,742	1,355	1,849	2,341	492
LAB EXPENSE	4,875	1,600	3,275	(838)	406	220	(186)
TELEPHONE	139,320	59,056	80,264	(10,604)	11,610	10,129	(1,481)
ANNUAL AUDIT	9,400	3,570	5,830	(1,130)	783	(555)	(1,338)
LEGAL FEES	0	7,662	(7,662)	7,662	0	232	232
INSURANCE	115,652	49,346	66,306	(8,480)	9,638	7,187	(2,451)
CLIENT WAGES/FRINGE	383,120	154,088	229,032	(37,472)	31,927	25,065	(6,862)
UTILITIES	196,524	83,387	113,137	(14,875)	16,377	14,220	(2,157)
EMOLUMENT	2,100	1,050	1,050	0	175	175	0
MISCELLANEOUS	147,563	116,626	30,937	42,845	12,297	9,661	(2,636)
BOND ISSUE EXPENSE	0	39,500	(39,500)	39,500	0	0	0
SI BENEFITS - FOSTER PARENTS	28,164	8,182	19,982	(5,900)	2,347	1,591	(756)
SS BENEFITS - FOSTER PARENTS	20,787	11,604	9,183	1,211	1,732	1,891	159
RR BENEFITS - FOSTER PARENTS	3,600	1,800	1,800	0	300	300	0
FOSTER CARE SUPPLEMENT	0	2,028	(2,028)	2,028	0	332	332
INTEREST EXPENSE	24,124	25,336	(1,212)	13,274	2,010	10,275	8,265
COURT COMMITMENT EXPENSE	22,335	9,368	12,967	(1,800)	1,861	590	(1,271)
CLIENT ACTIVITY	10,993	2,077	8,916	(3,420)	916	234	(682)
MARKETING	39,000	11,558	27,442	(7,942)	3,250	2,933	(317)
CONSTRUCTION EXPENSE	1,000	0	1,000	(500)	83	0	(83)
CAPITAL BUILDING EXPENSE	146,736	49,455	97,281	(23,913)	12,228	0	(12,228)
CONTINGENCY - PRIOR YEARS	77,094	77,094	0	38,547	6,425	7,500	1,076
CONTINGENCY - 1989	63,000	21,000	42,000	(10,500)	5,250	7,000	1,750
CONTINGENCY - INT INCOME	0	9,566	(9,566)	9,566	0	2,250	2,250
CASH SHORT & OVER	0	109	(109)	109	0	0	0
TOTAL	10,022,387	5,006,549	5,015,838	(4,644)	835,199	854,618	19,419

DEEP EAST TEXAS REGIONAL MHMR SERVICES
EXPENDITURES BY PROGRAM
9/1/88 - 2/28/89

EXPENSE CATEGORY	ANNUAL BUDGET	Y-T-D EXP & ENC	Y-T-D BAL REMAINING	Y-T-D OVER (UNDER)	MONTHLY BUDGET	FEBRUARY EXP & ENC	FEBRUARY OVER (UNDER)
MENTAL HEALTH:							
RESIDENTIAL	2,480,878	1,222,744	1,258,134	(17,695)	206,740	187,242	(19,498)
CLIENT & FAMILY SUPPORT	1,280,502	697,748	582,754	57,497	106,709	105,820	(889)
CASE MANAGEMENT	324,337	176,508	147,829	14,340	27,028	26,365	(663)
MH SUBTOTAL	4,085,717	2,097,000	1,988,717	54,142	340,476	319,427	(21,049)
MENTAL RETARDATION:							
RESIDENTIAL	1,593,990	803,301	790,689	6,306	132,833	169,637	36,805
CLIENT & FAMILY SUPPORT	3,127,872	1,481,937	1,645,935	(82,000)	260,656	272,878	12,222
CASE MANAGEMENT	89,677	41,887	47,790	(2,952)	7,473	7,206	(267)
MR SUBTOTAL	4,811,539	2,327,125	2,484,414	(78,646)	400,962	449,721	48,759
MANAGEMENT & SUPPORT	1,125,131	582,424	542,707	19,859	93,761	85,470	(8,291)
FACILITY TOTAL	10,022,387	5,006,549	5,015,838	(4,645)	835,199	854,618	19,419

4

DEEP EAST TEXAS REGIONAL MHMR SERVICES
SUMMARY OF REVENUE AND EXPENDITURES
9/1/88 - 2/28/89

	FEBRUARY	Y-T-D
REVENUE	866,178	4,958,822
EXPENDITURES & ENCUMBRANCES	*(854,618)	(5,006,549)
DIFFERENCE	11,560	(47,727)

ANALYSIS OF PREPAID REVENUE:

BOND ISSUE	615,500
HCS	53,473
LELSZ	42,157
TEMPLE FOUNDATION GRANT	615,894
GENERAL REVENUE	231,758
PINEYWOODS ANNEX	129,500
COUNTY REVENUE	10,491
PATIENT FUNDS	244
RETIREMENT FUNDS	6,284
CHAPTER I	5,486
CHAPTER I, CARRYOVER	0
TOTAL PREPAID REVENUE	1,710,787

ANALYSIS OF RESTRICTED INTEREST INCOME:

RESERVE OPERATING FUND	3,865
PENSION	1,436
BUILDING FUND	11
CONTINGENCY CD'S	9,566
TOTAL RESTRICTED INTEREST INCOME	14,878

DEEP EAST TEXAS REGIONAL MHMR SERVICES
BALANCE SHEET
FEBRUARY 28, 1989

	GENERAL OPERATING FUND	GENERAL FIXED ASSETS	TOTAL
ASSETS:			
Unrestricted Cash-General	79,718		
Restricted Cash:			
Cash from Bond Issue	550,000		
Int & Sinking Cash - Bonds	65,500		
Trust Funds - Clients	5,381		
Pension Funds	87,192		
Hardin Building Fund	8,493		
Foundation Grant	588,949		
Reserve Operating Funds	480,519		
Pineywoods Annex	130,501		

Total Cash in Bank	1,996,253		1,996,253
Petty Cash	300		300
Change Fund	320		320
Accts Receivable-Client Fees	585,720		
Less: Allowance for			
Uncollectible Accounts	(177,227)		

	408,493		408,493
Accounts Receivable - Other	790,789		790,789
Accts Rec/Internal Advances	40,249		40,249
Prepaid Expenses	38,475		38,475
Supply Inventory	108,033		108,033
Amount to be Provided under:			
Long Term Agreements	966,006		966,006
Accrued Vacation	196,293		196,293
General Fixed Assets (at Cost):			
Equipment & Furniture		687,892	687,892
Vehicles		712,789	712,789
Building		1,848,532	1,848,532
Land		82,315	82,315
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TOTAL ASSETS	4,545,211	3,331,528	7,876,739
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LIABILITIES & FUND EQUITY			
Liabilities:			
Accounts Payable/Internal Advance	40,249		40,249
Accounts Payable	125,702		125,702
Employee Insurance Payable	12,499		12,499
Retirement Payable	82,917		82,917
Miscellaneous Payroll Deductions	757		757
Unemployment Tax Payable	9,878		9,878
Sales Tax Payable	145		145
Cafeteria Plan Payable	0		0
Prepaid Revenue	1,710,787		1,710,787
Obligation under:			
Long-Term Agreements	966,006		966,006
Accrued Vacation	196,293		196,293
Trust Fund Payable	5,381		5,381
Contingency Fund	324,336		324,336
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Total Liabilities	3,474,950	0	3,474,950
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Fund Equity:			
Investment in Fixed Assets		3,331,528	3,331,528
Fund Balances:			
Reserved for Hardin Building	8,229		8,229
Reserved for Encumbrances	73,157		73,157
Unreserved	988,875		988,875
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* Total Fund Equity	1,070,261	3,331,528	4,401,789
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TOTAL LIABILITIES & FUND EQUITY	4,545,211	3,331,528	7,876,739
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Attachment to Item IV-A-1
3/28/89

DEEP EAST TEXAS REGIONAL MMR SERVICES
STATEMENT OF CHANGES IN UNRESTRICTED FUND BALANCE AND FIXED ASSETS
AS OF FEBRUARY 28, 1989

	GENERAL OPERATING FUND	GENERAL FIXED ASSETS	TOTAL
BALANCE - 1/31/89	998,455	3,323,066	4,321,521
REVENUE	866,178	0	866,178
EXPENDITURES	(854,618)	0	(854,618)
ADDITIONS TO FIXED ASSETS	0	8,462	8,462
DELETIONS OF FIXED ASSETS	0	0	0
PRIOR YEAR CLIENT FEE ADJUSTMENTS	8,228	0	8,228
CONVERSION OF CLIENT FEES FROM CASH BASIS TO ACCRUAL:			
CURRENT MONTH'S CASH RECEIPTS	(77,688)	0	(77,688)
CURRENT MONTH'S NET CHARGES	48,320	0	48,320
BALANCE - 2/28/89	988,875	3,331,528	4,320,403

ANALYSIS OF ACCOUNTS RECEIVABLE/ACCOUNTS PAYABLE - INTERNAL ADVANCES

GENERAL OWES LELSZ	17,440
GENERAL OWES FOUNDATION	22,809
BALANCE @ 2/28/89	40,249

DEEP EAST TEXAS REGIONAL MHA SERVICES
FINANCIAL DEPOSITORIES
FEBRUARY 28, 1989

DEPOSITORY	NAME OF ACCOUNT	TYPE OF ACCOUNT	BALANCE OF ACCOUNT	FDIC/ FSLIC MAX.	SECURITIES PLEDGED
NCNB Texas National:	General Funds	MM Checking	4,156		
	Payroll	MM Checking	72		
	Employee Medical Plan	MM Checking	9,722		
	Foundation	MM Checking	288,949		
	Pineywoods Annex	MM Checking	1,501		
	Clients' Trust Fund	MM Checking	5,381		
	General Holding Acct	MM Savings	1,648		
	Reserve Operating	2 CD's	35,756		
	Reserve Funds - PRTC	1 CD	18,198		
	Bond Issue	Inv by Tx Council	550,000		
	Bond Issue	Int & Sinking	65,500	118,198	1,715,500
Total for NCNB Texas National			980,883	118,198	1,715,500
Lovelady State Bank:	Chapter I	Checking	5,486		
	Pension	MM Checking	87,192	92,678	100,000
Total for Lovelady State Bank			92,678	92,678	100,000
Diboll State Bank:	Lelsz	MM Checking	8,634		
	Reserve Funds - PRTC	1 CD	80,317		
	Reserve Operating	1 CD	44,217	100,000	500,000
Total for Diboll State Bank			133,168	100,000	500,000
Lufkin Regional FCU	Reserve Operating	1 CD	9,052	9,052	0
Commercial National Bank	Reserve Operating	1 CD	19,274	19,274	0
First Nat'l Bank, Livingston	Reserve Operating	1 CD	24,139	24,139	0
First Nat'l Bank, Newton	Reserve Funds - PRTC	1 CD	19,489	19,489	0
First National Bank, Silsbee	Hardin Building Fund	1 CD	8,493	8,493	0
Lufkin Federal Savings & Loan	Pineywoods Annex	1 CD	54,000	54,000	0
First Nat'l Bank, Woodville	Reserve Operating	1 CD	6,467	6,467	0
Crockett State Bank	Reserve Operating	1 CD	13,302	13,302	0
Citizens State Bank, Center	Reserve Funds - PRTC	1 CD	14,500	14,500	0
United States Government:	Reserve Funds - PRTC	FSLMA	128,546		
	Foundation	FSLMA	300,000		
	Pineywoods Annex	FSLMA	75,000		
	Reserve Operating	Treasury Bills	67,262		
	Lelsz	FHLMC	50,000	0	620,808
Total for United States Government Securities			620,808	0	620,808
Total of All Cash in Bank			1,996,253	479,592	2,936,308

NEW MEMBER(S) FOR APPOINTMENT TO PSO:

<u>Name</u>	<u>Discipline(s)</u>
Vicky Fuller Cornerstone-North	Parent Advisor

MEMBER(S) FOR ADDITIONAL PRIVILEGING IN PSO:

<u>Name</u>	<u>Discipline(s)</u>
Kim Abernethy, Director, Case Management Services	Supervisor/Department Head
Marsha Ford, M.Ed., Director, Family Support and Residential Services	Supervisor/Department Head
Marilyn Hankla, B.S., Service Director, Cornerstone-North	Education Staff and Supervisor/Department Head
Linda Harris, M.S.W., Family Support Services	Supervisor/Department Head
Paul Jackson, M.Ed., Service Director, Peavy Switch Farm	Supervisor/Department Head
Glen Jordan, M.A., Service Director Tyler County MHMR Center	Supervisor/Department Head
Gail Patterson, B.A., Cornerstone-North	Parent Advisor
George Patterson, M.A., Director, Quality Assurance Services	Supervisor/Department Head
Barbara Seiser, R.N., Service Director, Fries House	Supervisor/Department Head
Janet Sonier, B.S.W., Trinity MHMR Center	Social Work

Certificate of Appreciation

The BOARD OF TRUSTEES of the

DEEP EAST TEXAS REGIONAL MENTAL HEALTH MENTAL RETARDATION SERVICES

hereby recognizes

PILOT CLUB OF NACOGDOCHES

*for outstanding contributions to the mentally
handicapped citizens of the Deep East Texas Region.*

*Your loyal support and unselfish service
have been instrumental in helping our local programs continue
to progress for the benefit of our clients.*



Chairman, Board of Trustees

Executive Director

March 28, 1989

Date

Certificate of Appreciation

The BOARD OF TRUSTEES of the

DEEP EAST TEXAS REGIONAL MENTAL HEALTH MENTAL RETARDATION SERVICES

hereby recognizes

MAZZIO'S PIZZA OF NACOGDOCHES

*for outstanding contributions to the mentally
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Chairman, Board of Trustees


Executive Director

March 28, 1989

Date

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DEEP EAST TEXAS REGIONAL MENTAL HEALTH MENTAL RETARDATION SERVICES

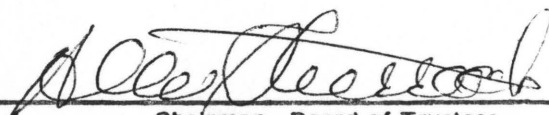
hereby recognizes

FREDONIA GRAPHICS AND ADVERTISING COMPANY

*for outstanding contributions to the mentally
handicapped citizens of the Deep East Texas Region.*

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to progress for the benefit of our clients.*





Chairman, Board of Trustees



Executive Director

March 28, 1989
Date

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DEEP EAST TEXAS REGIONAL MENTAL HEALTH MENTAL RETARDATION SERVICES

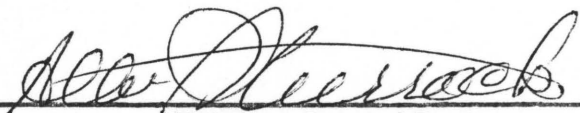
hereby recognizes

FIRST BAPTIST CHURCH OF NACOGDOCHES - RECREATION DEPARTMENT

*for outstanding contributions to the mentally
handicapped citizens of the Deep East Texas Region.*

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to progress for the benefit of our clients.*




Chairman, Board of Trustees


Executive Director

March 28, 1989

Date

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DEEP EAST TEXAS REGIONAL MENTAL HEALTH MENTAL RETARDATION SERVICES

hereby recognizes

KIWANIS CLUB OF NACOGDOCHES

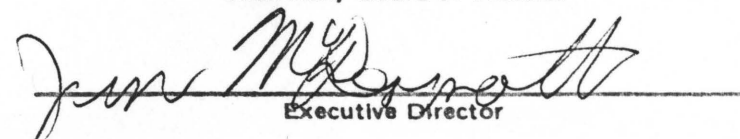
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Chairman, Board of Trustees



Executive Director

March 28, 1989

Date

FINAL
3/23/89

IV. EXECUTIVE DIRECTOR'S REPORT:

1. Call on Directors for Reports

Director, Business Services

- a. Local Match Report: Pledge letters have been received from all counties. Houston, San Augustine, Shelby, and Jasper Counties have paid their pledges in full. Reminder letters have been sent to all other counties.
- b. Update Board with regard to tail-end insurance: As mentioned to the Board at the last Board meeting, we learned in December, 1988 that the Texas Council Risk Management Fund (TCRMF) does not provide tail-end coverage on professional liability insurance coverage. Consequently, the Center did not purchase coverage offered by St. Paul prior to its expiration date of November 14, 1988.

Due to the mistake on their part, TCRMF offered to establish an account to assist Centers who might have a judgement against them. The account would be established by each participating center placing \$5,000 in an escrow account held by TCRMF. Any funds used by Centers would be repaid by the Centers over a period of time. If no claims were open on September 1, 1990, the \$5,000 would be returned, without interest, to each center.

Tim Richerson, Personnel Director, proposed to TCRMF that our Center be allowed to participate in the claim assistance program with a waiver on the \$5,000 escrow fund requirement since we allowed our coverage to expire based on the TCRMF commitment to provide the coverage. We have received word from TCRMF that their Board is to act on a proposal that the \$5,000 escrow payment will be waived until if/when we are confronted with a claim. In addition, if the \$5,000 escrow payment is made, the funds will be placed in an interest bearing account until refunded to us. Any administrative costs incurred on our behalf would be paid from our escrow account. If this proposal is approved by the TCRMF Board, it is the recommendation of our staff that we accept this proposal.

- c. Employee Recognition Program: Quarterly awards will be given to eleven or twelve employees. The Personnel Committee will select recipients from nominations submitted by any MHMR employee. Selections will be from categories comprised of a logical grouping; e.g., sheltered workshops, group homes, etc. Categories will be grouped by task or geographic area, keeping the grouping of employees as numerically equal as possible. Each employee selected will receive a \$25.00 check, a certificate, a mug imprinted with the name of the award, and publicity in the local newspaper. The awards are designed to recognize many kinds of employee contributions: successful completion of difficult tasks; for having a positive attitude; for being enthusiastic, etc. It is felt that nominations by any employee rather than by management will be viewed as a positive approach.

Employees will be asked to recommend a name for the program, with the winner receiving a \$100.00 check and an inscribed mug. Target date to begin the new employee recognition program is the fourth quarter of this fiscal year.

Director, Mental Health Services

- a. Update on Shelby County MHMR Center: Introduce Linda Harris, new Service Director, and call on George to give a brief overview of what changes have occurred.
- b. Update on Pineywoods Hospital: Discuss current status of Pineywoods and review potential scenario regarding the future of Pineywoods.

Director, Mental Retardation Services

- a. Introduce Michelle Blocker, new Service Director at Houston County MHMR Center.
- b. Update on progress of San Augustine building: The slab has been poured and completion is expected within 90 days.

Director, Quality Assurance Services

- a. JCAHO Update: We have received notice that the Center has been re-accredited for three years dating from our most recent survey in June, 1988. there are a number of contingencies, many of which have been resolved. There will be a focused survey in approximately six months to review our progress.