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MINUTES

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

MAY 23, 1989

BOARD MEMBERS PRESENT:	BOARD MEMBERS ABSENT:
Judge Allen Sturrock, Chairman	Nancy Speck, Ph.D.
Mr. Dan Dominey, Vice Chairman	Reverend Robert Carter
Mrs. Gaffney Phillips, Secretary	
Judge Charles English, Treasurer	
Ward R. Burke	
Mrs. Bobbie Morgan	
Mrs. Nancy Fuller	

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
Mrs. Susan Holt	MHMR
Ms. Rose Hadnot	MHMR
Mr. James Sanders	MR Case Management Client
Mr. Leroy Sanders	MR Case Management Client

The 199th 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, May 23, 1989 at 4:00 P.M.

INVOCATION: Mr. Ward R. 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.

APPROVAL OF MINUTES OF PREVIOUS BOARD MEETING: There being no additions or corrections to the Minutes of the April Board meeting, on a motion by Mr. Burke, seconded by Judge English, the Board unanimously approved the Minutes of the April 25, 1989 Board Meeting.

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Mr. Burke discussed the Texas Council of Community MHMR Centers, which was formed in 1974 to advocate for community centers. He reported that the Texas Council is now composed of 28 community MHMR centers. Each Center has one trustee who makes up the Council's Board, and day-to-day operations are managed by the Council's Executive Director, Mr. Spencer McClure. Mr. McClure spends a lot of his time working with state agencies and legislators on behalf of community centers, and has done an outstanding job. If a particular issue becomes critical, he calls each Executive Director who then has his member-Trustee contact legislators.

Mrs. Phillips reported on her first meeting as a member of the Texas Council Risk Management Fund Committee. She reported that she has been appointed to the Claims and Risk Review Committee. This Committee will review all claims and make a determination regarding workers compensation.

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.

Susan Rushing introduced Susan Holt, the new Service Director for the Jasper MHMR Center, who reported that she is happy to be with MHMR.

Kim Abernethy introduced Rose Hadnot, an MR Case Manager for the Center. Rose brought two of her clients, James and Leroy Sanders, with her to talk to the Board about their case management experiences. Rose discussed the duties of a case manager and, specifically, talked about the work she has done with the Sanders brothers. She reported that James, who is 28, and Leroy, who is 30, have been on case management services for one year. Because of case management services, the brothers now receive VA and SSI benefits. The Sanders brothers have live-in houseparents who serve as Providers. Leroy is in speech and physical therapy and has made tremendous improvements, and James works on the gutter contract with the highway crew. Both boys were happy to talk with the Board about their home life and their duties at the Nacogdoches Sheltered Workshop.

COMMITTEE RECOMMENDATIONS FOR BOARD APPROVAL

Budget and Finance Committee - Judge Charles English, Chairman

Consideration of Treasurer's Report: On a motion by Judge English, 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

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Advances - Accounts Receivable, Internal Advances - Accounts Payable, and Budget Summaries of Receipts and Expenditures for the month of April, 1989, be approved as submitted; and THAT copies of each report be attached to the permanent Minutes of this Board Meeting.

Consideration of Purchase of Van for Jasper MHMR Center: On a motion by Mr. Dominey, seconded by Judge English, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the bid from Knapp Ford in the amount of $16,574 for the purchase of a van for the Jasper County MHMR Center be accepted, and THAT a copy of the bids be maintained in the Business Services office.

Consideration of Approval of Participation in Texas Psychiatric Managed Health Care, Inc.: The Board voted unanimously to table this item until the system is further investigated.

Consideration of Purchase of Telephone System for Central Administration: On a motion by Mrs. Phillips, seconded by Judge English, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the bid of $13,811.00 from Lufkin-Conroe Telephone Exchange for the purchase of a telephone system for Central Administration be accepted, and THAT a copy of the purchase order be maintained in the Business Services office.

Program Committee - Mr. Ward R. Burke, Chairman

Consideration of Nominees to Professional Staff Organization: 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 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 Quality Assurance Plan: On a motion by Mr. Burke, seconded by Judge English, the Board unanimously approved the following resolution:

RESOLVED, by the Board of Trustees, THAT the revised Quality Assurance Plan be approved, THAT copies be distributed to all Center programs and to members of the Quality Assurance Committee,

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and THAT a permanent copy be maintained in the office of the Director of Quality Assurance Services.

Consideration of Revised Board Policies: 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 Policies entitled, "Fixed Assets" and "Survey and/or Sale of Surplus Property", be revised; THAT each Board member receive a copy of the revised policies; and THAT a copy of the revised Board Policy Manual be kept on file in the office of the Executive Director.

Consideration of Statement of Ethical Standards for Board of Trustees: 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 Statement of Responsibilities of Community MHMR Center Board Members: Guidelines for Business Practices and Ethical Standards, be approved and adopted by the Board as submitted; THAT a copy be attached to the permanent Minutes of this Board meeting; and THAT a copy be kept on file with the Board Policy Manual in the office of the Executive Director.

Consideration of Staff Development Plan: 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 Staff Development Plan attached to this document be approved, and THAT Position #321, Staff Development Coordinator, be created effective June 1, 1989 to implement the Plan.

Personnel and Public Education Committee - Reverend Robert Carter, Chairman

There were no personnel matters for Board consideration.

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 June and July was set as follows:

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Tuesday, June 27, 1989
Tuesday, July 25, 1989

Committee meetings will begin at 3:30 P.M. and the Board meeting will begin at 4:00 P.M. on June 27th.

APPROVED:

Judge Allen Sturrock, Chairman

Gaffney Phillips, Secretary

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DEEP EAST TEXAS REGIONAL MHMR SERVICES
REVENUE BY FUND
9/1/88 - 4/30/89

SOURCE	ANNUAL BUDGET	Y-T-D REVENUE	Y-T-D BAL REMAINING	Y-T-D OVER(UNDER)	MONTHLY BUDGET	APRIL* REV RCPTS	APRIL REV RCV'BLE	APRIL REVENUE	APRIL OVER(UNDER)
ANGELINA COUNTY	29,286	19,533	9,753	9	2,441	0	2,441	2,441	0
HARDIN COUNTY	14,532	9,688	4,844	0	1,211	1,211	0	1,211	0
HOUSTON COUNTY	6,584	4,389	2,195	0	549	548	0	548	(1)
JASPER COUNTY	11,595	7,730	3,865	0	966	966	0	966	0
NACOGDOCHES COUNTY	12,000	8,000	4,000	0	1,000	0	1,000	1,000	0
NEWTON COUNTY	6,003	2,000	4,003	(2,002)	500	250	0	250	(250)
POLK COUNTY	9,846	6,564	3,282	0	821	820	0	820	(1)
SABINE COUNTY	2,838	1,892	946	0	237	0	237	237	0
SAN AUGUSTINE COUNTY	2,802	1,868	934	0	234	233	0	233	(1)
SAN JACINTO COUNTY	4,107	2,738	1,369	0	342	343	0	343	1
SHELBY COUNTY	6,400	4,267	2,133	0	533	534	0	534	1
TRINITY COUNTY	5,127	3,418	1,709	0	427	427	0	427	0
TYLER COUNTY	7,609	5,073	2,536	0	634	635	0	635	1
PATIENT/CLIENT FEE RECEIPTS	873,576	516,420	357,156	(65,964)	72,798	68,909	0	68,909	(3,889)
SENATE BILL 230	15,000	16,095	(1,095)	6,095	1,250	0	2,400	2,400	1,150
COURT COMMITMENTS	22,335	12,595	9,740	(2,295)	1,861	648	509	1,157	(704)
PINEYWOODS ANNEX	130,000	0	130,000	(86,667)	10,833	0	0	0	(10,833)
FOUNDATION (FARM)	276,412	235,138	41,274	50,863	23,034	25,747	0	25,747	2,713
NACOGDOCHES ISD	13,480	11,002	2,478	2,015	1,123	0	1,376	1,376	253
DEBT PROCEEDS	18,500	446,827	(428,327)	434,494	1,542	330,346	0	330,346	328,804
WORKSHOP PRODUCTION	190,644	129,066	61,578	1,970	15,887	12,680	0	12,680	(3,207)
DONATIONS	3,795	316,986	(313,191)	314,456	316	300,194	0	300,194	299,878
INTEREST INCOME	57,718	67,174	(9,456)	28,695	4,810	13,446	0	13,446	8,636
RAILROAD RETIREMENT BENEFITS	4,500	2,788	1,712	(212)	375	352	0	352	(23)
SOCIAL SECURITY BENEFITS	31,506	27,411	4,095	6,407	2,626	4,317	0	4,317	1,691
SSI BENEFITS	93,868	35,723	58,145	(26,856)	7,822	5,007	0	5,007	(2,815)
MISCELLANEOUS	840	16,271	(15,431)	15,711	70	2,022	15	2,037	1,967
HARDIN REIMBURSEMENT	6,480	6,480	0	2,160	540	0	0	0	(540)
FARM INCOME	5,000	297	4,703	(3,036)	417	0	0	0	(417)
KITCHEN REVENUE	5,061	4,875	186	1,501	422	675	0	675	253
VOCATIONAL SERVICES	9,950	7,528	2,422	895	829	0	1,223	1,223	394
ICF-MR	665,788	431,070	234,718	(12,789)	55,482	3,255	62,575	65,830	10,348
TRC	23,445	13,081	10,364	(2,549)	1,954	150	2,165	2,315	361
STATE HIGHWAY DEPT.	542,148	307,492	234,656	(53,940)	45,179	(106)	48,545	48,439	3,260
PROTECTIVE SERVICES	11,000	7,888	3,112	555	917	50	850	900	(17)
PROTECTIVE SERVICES-IN HOME	142,174	86,451	55,723	(8,332)	11,848	1,041	10,000	11,041	(807)
HCS	480,292	315,356	164,936	(4,839)	40,024	0	41,310	41,310	1,286
GENERAL REVENUE	2,280,093	1,532,558	747,535	12,496	190,008	186,881	0	186,881	(3,127)
RAJ	984,826	651,072	333,754	(5,479)	82,069	0	70,000	70,000	(12,069)
LELSZ	1,268,121	845,414	422,707	0	105,677	105,677	0	105,677	0
TCADA	312,392	217,197	95,195	8,936	26,033	0	36,000	36,000	9,967
ECI, SENATE BILL 630	416,497	247,017	169,480	(30,648)	34,708	0	30,868	30,868	(3,840)
DHS - ADULT DAY CARE	33,242	23,998	9,244	1,837	2,770	0	3,707	3,707	937
DHS - CHILD DAY CARE	222,576	146,340	76,236	(2,044)	18,548	0	17,567	17,567	(981)
SYETP	31,000	0	31,000	(20,667)	2,583	0	0	0	(2,583)
PROBATION DEPT.	3,000	0	3,000	(2,000)	250	0	0	0	(250)
JTPA	5,000	2,206	2,794	(1,127)	417	212	0	212	(205)
MENTAL HEALTH BLOCK GRANT	474,009	316,008	158,001	2	39,501	39,501	0	39,501	0
USDA	28,764	22,313	6,451	3,137	2,397	0	2,897	2,897	500
DHS - LIASON	154,498	109,179	45,319	6,180	12,875	0	13,927	13,927	1,052
CHAPTER I	31,164	9,656	21,508	(11,120)	2,597	1,361	0	1,361	(1,236)
CHAPTER I CARRYOVER	34,964	26,396	8,568	3,087	2,914	4,673	0	4,673	1,759
TOTAL	10,022,387	7,240,528	2,781,859	558,935	835,201	1,113,005	349,612	1,462,617	627,416

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

Attachment to Item IV-A-1
5/23/89

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DEEP EAST TEXAS REGIONAL MHMR SERVICES
EXPENDITURES BY COST CATEGORY
9/1/88 - 4/30/89

EXPENSE CATEGORY	ANNUAL BUDGET	Y-T-D EXP & ENC	Y-T-D BAL REMAINING	Y-T-D OVER(UNDER)	MONTHLY BUDGET	APRIL EXP & ENC	APRIL OVER(UNDER)
SALARIES	5,301,929	3,366,643	1,935,286	(167,976)	441,827	423,421	(18,406)
MERIT,LONGEVITY,BONUS,ETC.	12,236	6,667	5,569	(1,490)	1,020	834	(186)
FRINGE BENEFITS	816,945	567,055	249,890	22,425	68,079	68,352	273
CONSULTANTS & PROFESSIONALS	91,109	42,740	48,369	(17,999)	7,592	5,388	(2,204)
TRAVEL	198,071	131,500	66,571	(547)	16,506	14,419	(2,087)
DRUGS	24,806	22,718	2,088	6,181	2,067	4,714	2,647
FOOD	170,417	100,423	69,994	(13,188)	14,201	11,497	(2,704)
SUPPLIES	239,721	181,381	58,340	21,567	19,977	23,510	3,533
FARM OPERATION SUPPLIES	7,000	5,270	1,730	603	583	1,163	580
DEBT PRINCIPAL RETIREMENT	175,518	73,357	102,161	(43,655)	14,627	12,803	(1,824)
EQUIPMENT & FURNITURE	95,481	58,922	36,559	(4,732)	7,957	2,534	(5,423)
EQUIPMENT & FURNITURE RENTAL	36,405	20,262	16,143	(4,008)	3,034	2,314	(720)
EQUIP/FURN REPAIRS/MAINT	31,555	17,664	13,891	(3,373)	2,630	1,685	(945)
BUILDING RENT	245,607	164,250	81,357	512	20,467	19,594	(873)
BLDG REMODELING/RENOVATION	45,375	69,170	(23,795)	38,920	3,781	515	(3,266)
BLDG REPAIR & MAINTENANCE	43,600	38,439	5,161	9,372	3,633	4,482	849
VEHICLE PURCHASED	18,500	55,379	(36,879)	43,046	1,542	0	(1,542)
VEHICLE LEASE	4,920	3,280	1,640	0	410	410	0
VEHICLE OPERATION/MAINT	149,823	94,544	55,279	(5,338)	12,485	12,569	84
CONTRACTS W/SERVICE AGENCIES	855,789	594,657	261,132	24,131	71,316	69,859	(1,457)
POSTAGE	22,193	15,538	6,655	743	1,849	834	(1,015)
LAB EXPENSE	4,875	2,275	2,600	(975)	406	281	(125)
TELEPHONE	139,320	80,588	58,732	(12,292)	11,610	10,764	(846)
ANNUAL AUDIT	9,400	6,600	2,800	333	783	825	42
LEGAL FEES	0	8,007	(8,007)	8,007	0	57	57
INSURANCE	115,652	61,113	54,539	(15,988)	9,638	5,708	(3,930)
CLIENT WAGES/FRINGE	383,120	208,151	174,969	(47,262)	31,927	29,489	(2,438)
UTILITIES	196,524	111,508	85,016	(19,508)	16,377	13,912	(2,465)
EMOLUMENT	2,100	1,400	700	0	175	175	0
MISCELLANEOUS	147,563	141,151	6,412	42,776	12,297	13,595	1,298
BOND ISSUE EXPENSE	0	0	0	0	0	(39,500)	(39,500)
SSI BENEFITS - FOSTER PARENTS	28,164	11,707	16,457	(7,069)	2,347	1,711	(636)
SS BENEFITS - FOSTER PARENTS	20,787	16,158	4,629	2,300	1,732	2,277	545
RR BENEFITS - FOSTER PARENTS	3,600	2,400	1,200	0	300	300	0
FOSTER CARE SUPPLEMENT	0	2,692	(2,692)	2,692	0	332	332
INTEREST EXPENSE	24,124	38,279	(14,155)	22,196	2,010	6,518	4,508
COURT COMMITMENT EXPENSE	22,335	12,941	9,394	(1,949)	1,861	1,523	(338)
CLIENT ACTIVITY	10,993	1,482	9,511	(5,847)	916	117	(799)
MARKETING	39,000	14,342	24,658	(11,658)	3,250	1,534	(1,716)
CONSTRUCTION EXPENSE	1,000	0	1,000	(667)	83	0	(83)
CAPITAL BUILDING EXPENSE	146,736	700,301	(553,565)	602,477	12,228	650,846	638,618
CONTINGENCY - PRIOR YEARS	77,094	77,094	0	25,698	6,425	0	(6,425)
CONTINGENCY - 1989	63,000	35,000	28,000	(7,000)	5,250	7,000	1,750
CONTINGENCY - INT INCOME	0	12,326	(12,326)	12,326	0	1,799	1,799
CASH SHORT & OVER	0	139	(139)	139	0	0	0
TOTAL	10,022,387	7,175,513	2,846,874	493,923	835,199	1,390,160	554,961

Attachment to Item IV-A-1
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DEEP EAST TEXAS REGIONAL MHMR SERVICES
EXPENDITURES BY PROGRAM
9/1/88 - 4/30/89

EXPENSE CATEGORY	ANNUAL BUDGET	Y-T-D EXP & ENC	Y-T-D BAL REMAINING	Y-T-D OVER(UNDER)	MONTHLY BUDGET	APRIL EXP & ENC	APRIL OVER(UNDER)
MENTAL HEALTH:							
RESIDENTIAL	2,480,878	1,594,208	886,670	(59,711)	206,740	187,292	(19,448)
CLIENT & FAMILY SUPPORT	1,280,502	1,537,351	(256,849)	683,683	106,709	729,199	622,491
CASE MANAGEMENT	324,337	224,000	100,337	7,775	27,028	24,155	(2,873)
MH SUBTOTAL	4,085,717	3,355,559	730,158	631,747	340,476	940,646	600,170
MENTAL RETARDATION:							
RESIDENTIAL	1,593,990	1,120,322	473,668	57,662	132,833	193,655	60,823
CLIENT & FAMILY SUPPORT	3,127,872	1,977,343	1,150,529	(107,906)	260,656	247,133	(13,523)
CASE MANAGEMENT	89,677	60,093	29,584	308	7,473	9,344	1,871
MR SUBTOTAL	4,811,539	3,157,758	1,653,781	(49,936)	400,962	450,132	49,170
MANAGEMENT & SUPPORT	1,125,131	729,823	395,308	(20,261)	93,761	67,009	(26,752)
FACILITY TOTAL	10,022,387	7,243,140	2,779,247	561,550	835,199	1,457,787	622,588
LESS TRANSACTIONS BETWEEN UNITS	0	(67,627)	67,627	(67,627)	0	(67,627)	(67,627)
TOTAL EXPENSE	10,022,387	7,175,513	2,846,874	493,923	835,199	1,390,160	554,961

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DEEP EAST TEXAS REGIONAL MHMR SERVICES
SUMMARY OF REVENUE AND EXPENDITURES
9/1/88 - 4/30/89

	APRIL	Y-T-D
REVENUE	1,462,617	7,240,528
EXPENDITURES & ENCUMBRANCES	(1,390,160)	(7,175,513)
DIFFERENCE	72,457	65,015

ANALYSIS OF PREPAID REVENUE:

BOND ISSUE	304,155
HCS	53,474
SSI BENEFITS	926
TEMPLE FOUNDATION GRANT	573,521
GENERAL REVENUE	291,515
PINEYWOODS ANNEX	128,008
COUNTY REVENUE	23,866
LELSZ	189,924
RETIREMENT FUNDS	651
CHAPTER I	2,743
CHAPTER I, CARRYOVER	296
DONATIONS	310
TOTAL PREPAID REVENUE	1,569,389

ANALYSIS OF RESTRICTED INTEREST INCOME:

RESERVE OPERATING FUND	3,523
PENSION	1,925
BUILDING FUND	11
CONTINGENCY CD'S	12,326
TOTAL RESTRICTED INTEREST INCOME	17,785

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DEEP EAST TEXAS REGIONAL MHMR SERVICES
BALANCE SHEET
APRIL 30, 1989

	GENERAL OPERATING FUND		GENERAL FIXED ASSETS	TOTAL
ASSETS:				
Unrestricted Cash-General		564,871		
Restricted Cash:				
Cash from Bond Issue	238,655			
Int & Sinking Cash - Bonds	65,500			
Trust Funds - Clients	5,188			
Pension Funds	61,506			
Hardin Building Fund	8,493			
Foundation Grant	578,798			
Reserve Operating Funds	493,048			
Pineywoods Annex	129,558	1,580,746		
Total Cash in Bank		2,145,617		2,145,617
Petty Cash		1,235		1,235
Change Fund		290		290
Accts Receivable-Client Fees	641,321			
Less: Allowance for Uncollectible Accounts	(200,290)	441,031		441,031
Accounts Receivable - Other		576,297		576,297
Accts Rec/Internal Advances		0		0
Prepaid Expenses		26,262		26,262
Supply Inventory		111,945		111,945
Amount to be Provided under:				
Long Term Agreements		981,340		981,340
Accrued Vacation		196,293		196,293
General Fixed Assets (at Cost):				
Equipment & Furniture			666,643	666,643
Vehicles			697,608	697,608
Building			2,557,200	2,557,200
Leasehold Improvements			7,892	7,892
Land			82,315	82,315
TOTAL ASSETS		4,480,310	4,011,658	8,491,968
LIABILITIES & FUND EQUITY				
Liabilities:				
Accounts Payable/Internal Advance		0		0
Accounts Payable		103,809		103,809
Employee Insurance Payable		21,018		21,018
Retirement Payable		61,386		61,386
Miscellaneous Payroll Deductions		(59)		(59)
Unemployment Tax Payable		7,730		7,730
Sales Tax Payable		327		327
Cafeteria Plan Payable		0		0
Deferred Revenue		1,569,389		1,569,389
Obligation under:				
Long-Term Agreements		981,340		981,340
Accrued Vacation		196,293		196,293
Trust Fund Payable		5,188		5,188
Contingency Fund		336,268		336,268
Total Liabilities		3,282,689	0	3,282,689
Fund Equity:				
Investment in Fixed Assets			4,011,658	4,011,658
Fund Balances:				
Reserved for Hardin Building		8,229		8,229
Reserved for Encumbrances		55,249		55,249
Unreserved		1,134,143		1,134,143
Total Fund Equity		1,197,621	4,011,658	5,209,279
TOTAL LIABILITIES & FUND EQUITY		4,480,310	4,011,658	8,491,968

Attachment to Item IV-A-1
5/23/89

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DEEP EAST TEXAS REGIONAL MHMR SERVICES
STATEMENT OF CHANGES IN UNRESTRICTED FUND BALANCE AND FIXED ASSETS
AS OF APRIL 30, 1989

	GENERAL OPERATING FUND	GENERAL FIXED ASSETS	TOTAL
BALANCE - 3/31/89	1,056,543	3,348,197	4,404,740
REVENUE	1,462,617	0	1,462,617
EXPENDITURES	(1,390,160)	0	(1,390,160)
PRIOR YEAR CLIENT FEE ADJUSTMENTS	(49,741)	0	(49,741)
ADDITIONS TO FIXED ASSETS	0	696,167	696,167
DELETIONS OF FIXED ASSETS	0	(32,706)	(32,706)
CONVERSION OF CLIENT FEES FROM CASH BASIS TO ACCRUAL:			
CURRENT MONTH'S CASH RECEIPTS	(68,909)	0	(68,909)
CURRENT MONTH'S NET CHARGES	123,793	0	123,793
BALANCE - 4/30/89	1,134,143	4,011,658	5,145,801

ANALYSIS OF ACCOUNTS RECEIVABLE/ACCOUNTS PAYABLE - INTERNAL ADVANCES

BALANCE @ 4/30/89	0

Attachment to Item IV-A-1
5/23/89

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DEEP EAST TEXAS REGIONAL MHMR SERVICES
FINANCIAL DEPOSITORIES
APRIL 30, 1989

DEPOSITORY	NAME OF ACCOUNT	TYPE OF ACCOUNT	BALANCE OF ACCOUNT	FDIC/ FSLIC MAX.	SECURITIES PLEDGED
NCNB Texas Nat'l, Lufkin:	General Funds	MM Checking	38,885		
	Payroll	MM Checking	418		
	Employee Medical Plan	MM Checking	18,046		
	Foundation	MM Checking	2,413		
	Pineywoods Annex	MM Checking	1,510		
	Clients' Trust Fund	MM Checking	5,188		
	Reserve Operating	2 CD's	35,756		1,100,000
	Bond Issue	Inv by Tx Council	238,655		238,655
	Bond Issue	Int & Sinking	65,500	100,000	65,500
Total for NCNB Texas Nat'l			406,371	100,000	1,404,155
Lovelady State Bank:	Chapter I	Checking	3,039		
	Pension	MM Checking	61,506	64,545	100,000
Total for Lovelady State Bank			64,545	64,545	100,000
Diboll State Bank:	Lelsz	MM Checking	10,543		
	Lelsz	1 CD	180,630		
	Reserve Operating	1 CD	44,217	100,000	500,000
Total for Diboll State Bank			235,390	100,000	500,000
First Nat'l Bank, San Augustine	Reserve Operating	1 CD	9,428	9,428	0
Commercial Nat'l Bank, Nacogdoches	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	5,000	5,000	0
First Nat'l 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
First State Bank, Hemphill	Reserve Funds - PRTC	1 CD	9,210	9,210	0
First Nat'l Bank, Jasper	Reserve Funds - PRTC	1 CD	9,210	9,210	0
Bank of San Jacinto, Coldspring	Reserve Funds - PRTC	1 CD	7,045	7,045	0
Sub-total			886,374	444,613	2,004,155

Attachment to Item IV-A-1
5/23/89

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DEEP EAST TEXAS REGIONAL MHMR SERVICES
FINANCIAL DEPOSITORIES
APRIL 30, 1989

DEPOSITORY	NAME OF ACCOUNT	TYPE OF ACCOUNT	BALANCE OF ACCOUNT	FDIC/ FSLIC MAX.	SECURITIES PLEDGED
Sub-total from page 1			886,374	444,613	2,004,155
United States Government:	Reserve Funds - PRTC	Federal Funds	228,238		228,238
	Foundation	Federal Funds	576,385		576,385
	Pineywoods Annex	Federal Funds	74,048		74,048
	General Operating	Federal Funds	313,310		313,310
	Reserve Operating	Treasury Bills	67,262		67,262
Total for United States Goverment Securities			1,259,243	0	1,259,243
Total of All Cash in Bank			2,145,617	444,613	3,263,398

Attachment to Item IV-A-1
5/23/89

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NOMINEES TO PROFESSIONAL STAFF ORGANIZATION

May 23, 1989
Board Meeting

	Applicant	Discipline
1.	Jeff Rab, M.A. Service Director, Nacogdoches MHMRC	Psychology Staff
2.	Dwight Smith, B.A. Peavy Switch Farm	Substance Abuse Staff
3.	Eugene Belz (consultant) Physical Therapist, PSF	Rehabilitation Staff
4.	Mary Eaves (consultant) Substance Abuse Counselor and CADAC, PSF	Substance Abuse Staff
5.	Robert Kistler, M.D. (consultant) Physician, PSF	Medical Staff
6.	Mary Herrington, R.N.(consultant) Nurse, PSF	Nursing Staff
7.	Carey Garrett, B.S.W. Case Manager, Angelina MHMR	Social Work Staff Case Management Staff
8.	Barbara Holcomb, M.Ed. Service Director, Cornerstone-West, Houston MHMR	Supervisor/Department Head Staff
9.	Danna Kerbo, M.Ed., P.A. Service Director, Family Support Services-Respite	Supervisor/Department Head Staff
10.	Gladys Saska, M.S. Service Director, Family Support Services	Supervisor/Department Head Staff
11.	Joe McCulley, M.B.A. Administrator, Pineywoods Hospital	Supervisor/Department Head Staff

ATTACHMENT TO ITEM IV-B-1
5/23/89

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IV. EXECUTIVE DIRECTOR'S REPORT:

1. I have been appointed to the statewide Developmental Disability Protection and Advocacy System Board coordinated through Advocacy, Inc. I represent statewide providers on this Board. The duties associated with this obligation should not take me away from the office more than once a quarter.

2. I have appointed Susan Rushing to spearhead the effort to come up with a new name and marketing strategy for our Center. Susan will present her recommendations to the Board for discussion during the Executive Director's Report at the June Board meeting.

3. Pineywoods Regional Treatment Center has now been in existence for four years and Peavy Switch Farm has just completed its first year of operation.

4. A group of nine Texas Community MHMR Centers has formed a managed psychiatric health care planning committee to study the feasibility of developing a statewide psychiatric provider group focused on helping to reduce psychiatric costs for industries. We met in Dallas in early May and will have a follow-up meeting May 31st in Conroe. If we decide to proceed further with this managed psychiatric health care company, it will obviously take Board approval and the commitment of some start-up funds from each Center. Sometime during the summer it may be of value to bring all Board members together from the various Centers contemplating creating this company for a retreat to discuss the plans for the system so that the Boards are fully informed before they make a decision to participate.

5. As a result of the Texas Council leadership throughout the legislative session and the last minute direct contact made by Board members throughout the state, I am happy to report that community centers have fared very well during this legislative session. It appears that our Center will receive increases for both mental health and mental retardation services next year from the state. In addition, the Budget Conference Committee approved $10 million for community MHMR center salary adjustments. I do not know how much we will get, but it will help in our effort to keep our salaries competitive with the state. Since only about 35% of our budget comes from our contract, a 5% increase of our personnel cost will obviously not be sufficient money to fund a 5% across the Board raise, but possibly we could come up with funds from other sources to give a 5% raise next year.

6. Call on Directors for Reports

<u>Director, Business Services</u>

a. Local Match Report: Nacogdoches and Sabine Counties are making their payments in installments. All other counties have paid their Local Match pledge in full.

b. Employee insurance coverage: The employee group health plan for the period of time from September, 1988 through April, 1989 has a cumulative deficit for the eight-month period of $45,397. However, the major deficits occurred during the months of September and October, 1988, as the cumulative deficit for those two months was $36,321. Since that time, the monthly balances have been relatively low deficits or surpluses. Based on information learned through news articles and in conversations with the administrator of our plan, our insurance costs do not appear to be out of line with state and national averages. Continued analysis will be done on our plan and recommendations formulated for Board action prior to July 1st, the beginning of our next plan year.

c. Medicare visit: Mr. Don Skinner, CPA from Dallas who is knowledgeable in the area of Medicare, visited our Center May 3-5. Mr. Skinner reviewed our Cost Report submissions and recommended that Medicare be approached to negotiate that the 1986 Cost Report be accepted as it was submitted since he found areas where additional costs could be claimed which would offset the reimbursement which would be lost by reporting gross fee charges rather than net fee charges. Mr. Skinner

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indicated he would be willing to conduct those negotiations. He is also now negotiating with Medicare to delay the requirement that we send a payment in excess of $11,000 on the 1988 Cost Report since we have submitted documentation reflecting that we do not owe this amount. Although this payment of $11,000, if made, should be refunded to us at some time in the future, it appears to Mr. Skinner and Center staff that we should not have to submit the payment until all adjustments have been made to the Cost Report. Once this matter is settled, Mr. Skinner will discuss with Medicare the best procedure for correcting the 1987 Cost Report to reflect gross fee charges rather than net fee charges. It is Mr. Skinner's opinion that, since there were some allowable costs not reported on the 1987 Cost Report, a negotiated settlement can perhaps be reached to gain final closure on the matter. A written report with recommendations will be submitted to the Center by Mr. Skinner.

Director, Mental Health Services

a. Agricultural Plan for Peavy Switch Farm: Due to cost and marketing factors, the agricultural component of Peavy Switch Farm will be limited over the next two years to the 2-acre vegetable garden, the watermelon and onion fields, and an area set aside for testing new plants; i.e., peanuts. In addition, the staff is recommending the construction of a 2-acre irrigation pond. The pond can be completed and ready for water within eight weeks after the beginning of the construction, which is now scheduled for June 10th. Approximate cost for the pond and associated irrigation equipment will be $15,000.

b. Update on HUD grant application: The HUD grant for the purpose of providing a transitional halfway house for homeless mentally ill was submitted on March 28, 1989. Should the grant be funded, we will be able to renovate the old Wilson McKewen building and begin operation by January, 1990. Mr. Skelton received a telephone call from Washington, D.C. last week and, according to HUD officials, our grant has once again been ranked very high and an environmental site visit is being scheduled for the near future. Selection of grantees will be announced on July 10, 1989.

c. Presently the staff is developing a plan for the construction of a new facility to house Pineywoods Hospital. The facility would accommodate 20-24 patients and would consist of approximately 13,500 square feet. Estimate costs would be $1,808,000 and would be paid as the result of proceeds from the second annual bond issue program of the Texas Council at an approximate interest rate of 8-9% over a 20-year period. During the next several weeks the staff will be drawing up additional plans and will be determining whether or not we can afford such a facility; however, an application to the bond program has already been submitted in the event the Board approves plans to build a facility. Currently, the plan is to build the facility adjacent to the old Wilson McKewen facility on Moore Street in Lufkin, Texas.

d. Discussion of Shelby MHMR Facility: Following the heavy rains of last week, several offices in the main facility at Shelby MHMR were flooded and the Day Care facility next door took in enough water to have to close down for one day. The owner of the buildings, Mr. Kenneth Campbell, said that the flooding was a result of clogged gutters at the roof level. Although the staff doesn't think that clogged gutters was the primary cause for the damage, the gutters did contain a considerable amount of leaves and pine straw. Following a conversation with Attorney Wayne Haglund, it was decided that Mr. Haglund would write a letter to Mr. Campbell notifying him that we would implement a Maintenance Schedule (cleaning of gutters, etc.) immediately, but that if further flooding occurred he would be responsible for correcting the problem. The letter would also inform Mr. Campbell that if further flooding problems were not corrected by him at his expense, we would terminate the lease and relocate the programs elsewhere.

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Director, Mental Retardation Services

a. Field Report: Introduce Rose Hadnot, Nacogdoches MR Case Manager. Rose is here with two of her clients who will talk to the Board about case management services.

b. Introduce Susan Holt, Service Director of the Jasper MHMR Center.

c. Camp Leander is June 12-16. Fifty-five clients and 12 staff members will be attending. Nancy Jones is coordinating the trip for the Center.

Director, Quality Assurance Services

a. CSP Conference: The dates for the Community Support Programs Conference have been changed to July 27-29 in order to accommodate the main speakers who include George Fairweather (Fairweather Lodges), and Russ Porter (creator of innovative volunteer case management programs). Presentations will be made by the Texas Mental Health Association, TXAMI, Advocacy, Inc., and Doctors Middlebrook and Buckingham of Pinelands Hospital. Preliminary announcements have been mailed to 1,500 prospective registrants, and we expect 300-400 to attend.