

COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN  
 REGULAR BOARD MEETING  
 705 N. Zeeb Road, Ann Arbor, MI 48103  
 February 10, 2016  
 6:00 pm



Agenda

	<u>Guide</u>
I. Call to Order	1 min
II. Roll Call	2 min
III. Consideration to Adopt the Agenda as Presented (Board Action)	2 min
IV. Consideration to Approve the Minutes of the 1-13-16 Regular Meeting and Waive the Reading Thereof (Board Action) {Attachment #1}	2 min
V. Audience Participation (5 minutes per participant)	
VI. Communication to the Regional Board	2 min
VII. PIHP CEO Report to the Board	40 min
a. January Finance Report {Attachments #2, 2a-b}	
b. Finance Staffing and Transition	
c. Bylaws Approval Update	
d. Risk Management Manual	
e. MHP/PIHP Collaboration Presentation	
f. PIHP Crisis Manual Update	
g. Regional Operations Committee Report	
VIII. Old Business	15 min
a. Board Governance Policies	
i. Board Governance Policy Manual (Discussion) {Attachment #3}	
ii. Establish Schedule/Timeline for Policies or Manual	
b. WCHO Monitoring (Board Action) {Attachment #4}	
Consideration to amend the previous motion made at the March 11, 2015 Regional Board meeting by C. Coleman, supported by R. Wilson, to continue to monitor WCHO's progress through monthly reports by adding the end-date of September 30, 2015	
c. Report on the Winter Conference	
IX. New Business	15 min
a. Board Action Request - (Board Action) {Attachment #5, 5a-c}	
Consideration to approve the attached Board resolution designating financial institution signatory, assignment, transfer, contract, obligation, certificate and other instrument rights to Jane Terwilliger, Chief Executive Officer and Suzanne Stolz, Chief Financial Officer	
X. Adjournment	

**COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN  
REGULAR BOARD MEETING MINUTES  
January 13, 2016**



**Members Present:** Greg Lane, Jan Plas, Sandra Libstorff, Lisa Berry-Bobovski, Patricia Spriggel, Charles Coleman, Robin Damschroder, Ralph Tillotson, Kent Martinez-Kratz, Charles Londo, Bob Wilson, Judy Ackley

**Members Absent:** Barb Cox

**Staff Present:** Connie Conklin, Sandy Keener, Stephannie Weary, Marci Scalera, Marie Irwin, James Colaianne, Trish Cortes, GERALYN HARRIS, Mike Harding, Suzanne Stolz

**Others Present:** Lori Lutomski

- I. Call to Order  
Meeting called to order at 6:00 p.m. by Board Chair G. Lane
- II. Roll Call
- III. Consideration to Adopt the Agenda as Presented

**Motion by R. Tillotson, supported by C. Coleman, to approve the agenda as amended  
Motion carried**

Additions to New Business:

- Board Representation at the Winter Conference
- MACMHB Communication

- IV. Consideration to Approve the Minutes of the December 9, 2015 Regular Meeting and Waive the Reading Thereof

**Motion by J. Plas, supported by L. Berry-Bobovski, to approve the minutes of December 9, 2015 Regular Meeting and waive the reading thereof  
Motion carried**

- V. Audience Participation
- VI. Communication to the Regional Board
- VII. PIHP CEO Report to the Board
  - a. PIHP CFO – welcome to Suzanne Stolz
    - J. Terwilliger introduced new CFO Suzanne Stolz.
    - S. Stolz was an accounting manager, and then finance manager, at CEI.
    - M. Irwin is planning to retire in March.
    - J. Terwilliger, S. Stolz and M. Irwin are working on a transition plan for CMHPSM's financial operations.
  - b. FY 15 Year End Medicaid Snapshot by CMHSP
    - S. Stolz presented a report of the projected summary by funding source for FY 14/15.

Attachment #1 – February 2015

- Washtenaw's deficit decreased significantly, indicating the work that staff has done to achieve reductions.
- c. December Finance Report
  - Medicaid Revenue for November is over budget and includes an adjustment for the October payment.
  - Healthy Michigan revenue is under budget.
  - Autism funding is received on a five month lag.
  - SUD expenses are under budget – new programs for FY2016 have not been fully implemented yet.
  - CMHPSM Administrative expenses are running under budget. We currently have three vacant positions that will be filled in January
  - S. Stolz will bring a final amended budget for FY 2015 to the board for approval once the final numbers are in.
- d. WCCMH Update – FY 16 Progress Report
  - T. Cortes presented the 2015 Budget and Vocational Program Significant Events, a timeline of the steps that have been taken for Washtenaw's CMH transition.
  - The final report from HMA came in today, and contributes to Washtenaw CMH's decision-making.
  - J. Terwilliger met with Washtenaw's CMH board chair, County Executive Verna McDaniel, T. Cortes and labor partners recently and had a very good dialogue.
- e. PIHP Strategic Planning Process
  - The first 2 years off this organization have been focused on start-up and set-up. The next step is strategic planning for the next 2-3 years.
  - Strategic planning is starting now at the PIHP, and recommendations will be coming to the board for input.
- f. National Council Annual Conference
  - J. Terwilliger said that she and M. Scalera attend the national conference from March 6-9 in Las Vegas, NV.
  - The current budget line for training is small. With administrative costs running \$97,000 below budget, there is room to increase the training budget. S. Stolz will amend the training budget line when the amended budget is presented to the board.
  - J. Plas would like to address attendance for state conferences for board members.
- g. Status of PIHP Bylaws Approval
  - The bylaws are going to the WCCMH board for approval this Friday, January 15, 2016.
- h. PIHP Crisis Manual Update
  - M. O'Hare took on the crisis manual as one of her final projects. It has almost finished making the rounds of PIHP staff, and should be ready for board review within the next month.

VIII. Old Business

- a. Governance Policies Drafts
  - The board reviewed 2 proposed governance policies, Bylaws and Policy Review and Amendment, and Monitoring CEO Performance. The policies will be presented for final review and approval at the February board meeting.
  - J. Terwilliger requested feedback from the board on the 2 presented policies by January 27, 2016.
- b. CEO Performance Measures Update
  - C. Londo suggested that the CEO create a detailed work plan.
  - There was board discussion on whether a detailed CEO work plan is needed.

- Some board members recommended that the mention of a CEO work plan be removed from the Monitoring CEO Performance Policy if a detailed CEO work plan is not going to be required.
- Board chair G. Lane polled the board members on the question of the CEO having a work plan. The board consensus was that no detailed CEO work plan will be needed.
- R. Damschroder suggested adding a 5<sup>th</sup> goal to the CEO Performance Review Indicators: timeframe for strategic planning process.

**Motion by C. Coleman, supported by K. Martinez-Kratz, to approve the CEO Performance Review Indicators as presented, with the addition of a 5<sup>th</sup> goal that incorporates strategic plan development**

**Motion carried, C. Londo opposed**

IX. New Business

a. Revised Job Description and Organizational Chart

**Motion by J. Plas, supported by J. Ackley, to approve Updated CMHPSM Organizational Chart**

**Motion carried**

- Currently waiver coordinator functions are happening at Washtenaw and Livingston CMHs. The Regional Operations Committee made the decision to move those functions to the PIHP.
- The Quality and Compliance Director has taken on a broader range of scope. J. Terwilliger provided an overview of the additional responsibilities, which includes the direct supervision of the Waiver Coordinator, and oversight of the 3 SIS Assessors.

b. Recommendation for Salary Increase

**Motion by L. Berry-Bobovski, supported by B. Wilson, to approve the salary increase for the Director of Quality and Compliance from \$84,150 to \$87,516**

**Motion carried**

- J. Terwilliger reviewed the waiver structure, and the responsibilities of the Director of Quality and Compliance related to the waivers.

Ackley	Y	Londo	N
Berry-Bobovski	Y	Martinez-Kratz	Y
Coleman	Y	Plas	Y
Cox	Absent	Spriggel	Y
Damschroder	Y	Tillotson	Y
Lane	Y	Wilson	Y
Libstorff	Y		

- c. Board Representation at the Winter Conference
  - J. Plas will attend the conference representing the Livingston board.
  - The conference is Feb. 2-3 in Kalamazoo.
  - No other regional board members are planning to attend.
- d. MACMHB Communication
  - J. Plas shared a communication from the MACMHB that expresses concern about the future of the mental health system. The MACMHB may make a request for a special assessment or dues increase in order to hire some advocate against privatization.
  - Any comments regarding the MACMHB should be forwarded to board chair G. Lane.
  - J. Plas will bring back updates from the winter conference.
  - C. Londo referred back to discussion about the possible elimination of PIHPs that took place at last month's board meeting. He had requested the related white papers that were written.
  - J. Terwilliger will send the white paper that she currently has.

X. Adjournment

**Motion by R. Tillotson, supported by C. Coleman, to adjourn the meeting.**

**Motion carried**

Meeting adjourned at 7:17 p.m.

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Bob Wilson, CMHPSM Board Secretary

Community Mental Health Partnership of Southeast Michigan

FINANCIAL HIGHLIGHTS

December FYTD Report

1. Statement Of Revenue, Expense & Change Net Position:

a. Revenue

- Medicaid Revenue for December is \$575,850 over budget through December. The payments indicate a higher number of Medicaid eligibles for our region. We have not received the payment detail for January yet but will monitor to see if the trend in Medicaid payments continues.
- Healthy Michigan revenue is under budget (\$528,718). The rates payments are based on are lower than what was used to calculate revenue during the budget process. We will need to increase the amount of carry forward utilized this fiscal year to maintain the budgeted service level.
- Autism funding is received on a five month lag.
- SUD Community Grant and PA2 revenue have been adjusted to reflect the level of utilization of funding through December.

b. Payments to CMHSP Partners

Actual Affiliate Partner payments are less than budget due to Autism payments. We will begin making Autism payments when the revenue is received in March.

c. Funding for SUD Services

- Expenses are under budget – new programs for FY2016 have not been fully implemented yet.

d. CMHPSM Administrative Costs

- Administrative expenses are currently running under budget. There were three vacant positions in the first quarter that were filled in January.

2. Summary Of Revenues & Expenses by Fund:

- a. The shortfall in Healthy Michigan will be covered with FY2015 carry forward. The carry forward dollars will be recorded when FY2015 is finalized.

Community Mental Health Partnership of Southeast Michigan  
**STATEMENT OF REVENUES, EXPENSES CHANGES IN NET POSITION**  
 For the Three Months Ending 12/31/2015

	Original Budget	YTD Actual	YTD Budget	YTD Actual O/(U) Budget
<b>Operating Revenue</b>				
Medicaid Capitation	\$132,668,900	\$33,743,075	\$33,167,225	\$575,850
Medicaid Carryforward	0	0	0	\$0
Healthy Michigan Plan	13,355,100	2,810,057	3,338,775	(\$528,718)
Healthy Michigan Carryforward	1,332,382	0	333,095	(\$333,095)
Autism	1,661,715	0	415,429	(\$415,429)
Medicaid Health Home-Washtenaw Only	419,801	193,164	139,934	\$53,230
10% Health Home Match Washtenaw	41,980	19,316	13,993	\$5,323
MiChild	0	101,876	0	\$101,876
SUD Community Grant	3,767,460	560,875	941,865	(\$380,990)
SUD PA2 - Cobo Tax Revenue	2,105,798	227,979	526,450	(\$298,471)
Other Revenue	1,795,347	394,445	448,838	(\$54,393)
<b>Total Operating Revenue</b>	<b>\$157,148,483</b>	<b>\$38,050,787</b>	<b>\$39,325,604</b>	<b>\$(1,274,817)</b> 1a.
<b>Payments to CMHSP Partners</b>				
Lenawee CMHSP	\$16,987,987	\$4,216,767	\$4,246,997	\$(30,230)
Livingston CMHSP	23,466,599	5,724,246	5,866,650	(142,404)
Monroe CMHSP	25,356,719	6,288,814	6,339,180	(50,366)
Washtenaw CMHSP	64,704,549	16,182,877	16,208,766	(25,889)
<b>Total Funding For CMHSP Partners</b>	<b>\$130,515,854</b>	<b>\$32,412,704</b>	<b>\$32,661,593</b>	<b>\$(248,889)</b> 1b.
<b>Funding For SUD Services</b>				
Lenawee County	\$1,278,823	\$243,355	\$319,706	(\$76,351)
Livingston County	1,614,420	288,633	403,605	(114,972)
Monroe County	1,506,177	186,570	376,544	(189,974)
Washtenaw County	4,026,893	826,570	1,006,723	(180,153)
<b>Total Funding For SUD Services</b>	<b>\$8,426,313</b>	<b>\$1,545,128</b>	<b>\$2,106,578</b>	<b>\$(561,450)</b> 1c.
<b>Other Contractual Obligations</b>				
Hospital Rate Adjuster	\$2,122,900	\$535,899	\$530,725	\$5,174
USE and HICA Tax	9,967,501	2,406,784	2,491,875	(85,091)
Local Match	1,577,780	394,445	394,445	0
10% Health Home Match Washtenaw	41,980	19,316	13,993	5,323
<b>Total Other Costs</b>	<b>\$13,710,161</b>	<b>\$3,356,444</b>	<b>\$3,431,038</b>	<b>\$(74,594)</b>
<b>CMHPSM Administrative Costs</b>				
Salary & Fringe	\$1,768,037	\$340,509	\$442,009	(\$101,500)
Administrative Contracts	1,055,751	261,723	269,088	(7,365)
Board Expense	15,190	455	3,797	(3,342)
All Other Costs	142,126	16,178	35,531	(19,353)
<b>Total Administrative Expense</b>	<b>\$2,981,104</b>	<b>\$618,865</b>	<b>\$750,425</b>	<b>\$(131,560)</b> 1d.
<b>Total Operating Expense</b>	<b>\$155,633,432</b>	<b>\$37,933,141</b>	<b>\$38,949,634</b>	<b>\$(1,016,493)</b>
Operating Income (Loss)	\$1,515,051	\$117,646	\$375,970	\$(258,324)
<b>Non-Operating Revenues</b>				
Interest Revenue	\$0	\$687	\$0	\$687
Change In Net Position	\$1,515,051	\$118,333	\$375,970	\$(257,637)

- 1a. Medicaid eligibles have increased resulting in revenue exceeding budget for the first quarter. Healthy Michigan current year revenue continues to be less than the budget projection. Carry forward will be recorded when FY2015 reports are finalized and should be reflected on the February statement of revenue and expense presented to the board in April. SUD Community Grant and PA2 revenue is recorded to match level of expenditures for the first quarter.
- 1b. Payments to the CMHSP partners are being processed at budgeted levels. Payments for Autism services will not be made until FY2016 funds are received by the PIHP starting in March.
- 1c. SUD expenses continue to be under budget due to a combination of fewer fee for service claims and new programs not being fully implemented.
- 1d. Administration expenses continue to be incurred under the budget level. Several positions were budgeted and not filled in the first quarter and three of the open positions were filled in January.

Community Mental Health Partnership Of Southeast Michigan  
SUMMARY OF REVENUE AND EXPENSE BY FUND  
 December Report 2016 FYTD

Attachment #2b - February 2016

Summary Of Revenue & Expense	Funding Source								Total Funding Sources
	Medicaid	MiChild	Autism -- Medicaid	Autism -- MiChild	Healthy Michigan	Health Home	SUD Other	Other	
<b>Revenues</b>									
Funding From MDCH	\$ 33,743,075	\$ 101,876	\$ -	\$ -	\$ 2,810,057	\$ 193,164	\$ 560,875	\$ -	\$ 37,409,047
Carry Forward		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Affiliate Local For Medicaid Draw Down	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 394,445	\$ 394,445
Washtenaw Local For HH 10% Match	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,316	\$ 19,316
PA2/COBO Tax Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,979	\$ -	\$ 227,979
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 685	\$ 685
<b>Total Revenues</b>	<b>\$ 33,743,075</b>	<b>\$ 101,876</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,810,057</b>	<b>\$ 193,164</b>	<b>\$ 788,854</b>	<b>\$ 414,447</b>	<b>\$ 38,051,473</b>
<b>Expenses</b>									
<b>Funding Payments To Partners</b>									
Lenawee	\$ 3,825,000	\$ 16,767	\$ -	\$ -	\$ 375,000	\$ -	\$ -	\$ -	\$ 4,216,767
Livingston	\$ 5,250,000	\$ 24,246	\$ -	\$ -	\$ 450,000	\$ -	\$ -	\$ -	\$ 5,724,246
Monroe	\$ 5,775,000	\$ 13,813	\$ -	\$ -	\$ 500,001	\$ -	\$ -	\$ -	\$ 6,288,814
Washtenaw	\$ 14,675,000	\$ 27,714	\$ -	\$ -	\$ 1,299,999	\$ 180,164	\$ -	\$ -	\$ 16,182,877
<b>Total Affiliate Payments</b>	<b>\$ 29,525,000</b>	<b>\$ 82,540</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,625,000</b>	<b>\$ 180,164</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 32,412,704</b>
<b>Funding for County SUD Programs</b>									
Lenawee	\$ 50,271	\$ -	\$ -	\$ -	\$ 93,741	\$ -	\$ 99,343	\$ -	\$ 243,355
Livingston	\$ 52,270	\$ -	\$ -	\$ -	\$ 79,011	\$ -	\$ 157,352	\$ -	\$ 288,633
Monroe	\$ 20,950	\$ 180	\$ -	\$ -	\$ 41,803	\$ -	\$ 123,637	\$ -	\$ 186,570
Washtenaw	\$ 158,781	\$ -	\$ -	\$ -	\$ 321,214	\$ -	\$ 346,574	\$ -	\$ 826,570
<b>Total SUD Expenses</b>	<b>\$ 282,272</b>	<b>\$ 180</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 535,769</b>	<b>\$ -</b>	<b>\$ 726,907</b>	<b>\$ -</b>	<b>\$ 1,545,128</b>
<b>Other Operating Costs</b>									
Hospital Rate Adjuster Payment	\$ 535,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 535,899
Local Match For Medicaid Draw Down	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 394,445	\$ 394,445
Local Match Health Homes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,316	\$ 19,316
MH & SUD Use Tax	\$ 2,032,130	\$ 6,072	\$ -	\$ -	\$ 167,468	\$ 11,551	\$ -	\$ -	\$ 2,217,221
MH & SUD HICA Claims Tax	\$ 174,762	\$ 629	\$ -	\$ -	\$ 12,723	\$ 1,449	\$ -	\$ -	\$ 189,563
<b>Total Operating Costs</b>	<b>\$ 2,742,792</b>	<b>\$ 6,701</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 180,191</b>	<b>\$ 13,000</b>	<b>\$ -</b>	<b>\$ 413,761</b>	<b>\$ 3,356,444</b>
Administrative Cost Allocation	\$ 471,480	\$ 1,283	\$ -	\$ -	\$ 84,154	\$ -	\$ 61,947	\$ -	\$ 618,864
<b>Total Expenses</b>	<b>\$ 33,021,544</b>	<b>\$ 90,704</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,425,113</b>	<b>\$ 193,164</b>	<b>\$ 788,854</b>	<b>\$ 413,761</b>	<b>\$ 37,933,140</b>
<b>Revenues Over/(Under) Expenses</b>	<b>\$ 721,531</b>	<b>\$ 11,173</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (615,057)</b>	<b>\$ -</b>	<b>\$ (0)</b>	<b>\$ 685</b>	<b>\$ 118,333</b>





## Memorandum

Date: February 4, 2016  
To: CMHPSM Board of Directors  
From: Jane Terwilliger, CEO  
Re: Board Governance Policies

At the CMHPSM Board Meeting Agenda setting meeting yesterday, Greg Lane asked me to send you a template/example of a complete Board Policy Governance Manual. There are four sections that are typically found in a governance manual. The first section is focused on the purpose of the organization often described by its mission, vision, and values. The first section could also contain what the goals or outcomes the organization wants to achieve. These are often expressed as “what good to what people at what cost”. The second section sets out expectations for the CEO in terms of what can or should be done within the scope of responsibilities assigned to the CEO. These set the parameters for the CEO’s authority. The third section focuses on the duties and responsibilities of the Board as a whole. The fourth section describes the relationship between the Board and the CEO.

Governance policies typically start at the most global level and these are the (X).0 policies. The (X).1, .2, .3 level policies further define the global policy. These are developed to provide more direction regarding the Board’s intention and concerns. The policies can become more specific if the Board determines it has more concern or needs to provide more clarification of its intent.

No action is expected on this manual or any of the individual policies at this time.

# **Community Mental Health Partnership of Southeast Michigan**

## **Board Governance Policy Manual**

# POLICY TABLE OF CONTENTS

- 1. Mission and Values**
  - 1.0 Mission, Vision and Values
  - 1.1 Bylaws and Policy Review and Amendment
  
- 2. CEO Responsibilities**
  - 2.0 CEO Responsibilities
  - 2.1 Treatment of Consumers
  - 2.2 Treatment of Staff
  - 2.3 Compensation and Benefits
  - 2.4 Financial Policies
  - 2.5 Emergency CEO Succession
  - 2.6 Communication and Support to the Board
  - 2.7 Regional Resources
  
- 3. Governance Process**
  - 3.0 Governing Style
  - 3.1 Board Responsibilities/Duties
  - 3.2 Board Member Ethics
  - 3.3 Board Chair's Role
  - 3.4 Policy Review and Amendment
  - 3.5 Cost of Governance
  
- 4. Board-CEO Linkage**
  - 4.0 Governance-Management Connection
  - 4.1 CEO's Responsibilities
  - 4.2 Monitoring CEO Performance

## **Section 1: *MISSION, VISION AND VALUES***

### **1.0 *MISSION, VISION AND VALUES* [global statement]**

The Mission, Vision and Values of the CMHPSM are:

**Mission:** To provide quality behavioral healthcare that promotes recovery and wellness, fosters resilience and supports self-determination and empowerment so that individuals served in the four county region that comprises the CMHPSM are successful in achieving their personal goals and dreams.

**Vision:** The CMHPSM will be a comprehensive system of care working in an integrated fashion with substance abuse and primary healthcare systems so that the care and services provided better meet consumer needs in a more efficient and cost effective manner.

**Values:**

- Respect the diversity of our communities and the people we serve
- Zero Tolerance for stigma
- Coordinated and continuous care between and across healthcare systems and providers
- Meaningful partnerships with consumers and community stakeholders
- Learning organization disciplines of systems thinking, team learning, shared vision, personal mastery, and mental models
- Data based decision making
- Innovation and creativity
- Provision of the best quality services to the most people at the best cost

*Established in 2013*

### **1.1 *BYLAWS AND POLICY REVIEW AND AMENDMENT* [more description and specificity regarding this topic]**

The Board will review the regional mission, vision, and values statements for relevance to current needs and interest of the four county partners at least every two years. The Board will ensure stakeholder involvement in the review of the mission/vision and values.

### **1.2 (PLACE HOLDER FOR ADDITIONAL DETAILS )**

*Example: Amendments to the Bylaws maybe considered outside the annual review cycle at the request of 3/4 of the Partners.*

## **Section 2: CEO RESPONSIBILITIES**

### **2.0 CEO RESPONSIBILITIES [global statement]**

The CEO shall ensure that all practices, activities, decisions, and/or organizational circumstances shall be lawful, prudent and in compliance with commonly accepted business and professional ethics. The CEO will recommend either new or revised Board Governance policies to address areas of non-compliance.

### **2.1 TREATMENT OF CONSUMERS**

#### **[more description and specificity regarding this topic]**

With respect to interactions with and services provided to consumers or those applying to be consumers, the CEO shall ensure that conditions and procedures across the PIHP region are dignified, respectful, appropriate, not unnecessarily intrusive, and promote safety.

### **2.2 TREATMENT OF STAFF**

The CEO shall promote conditions for the staff that are fair, dignified, respectful, organized, and clear.

Further, by way of example, but not limited to the following:

1. Operate with written personnel rules which: (a) clarify rules for staff, (b) provide for effective handling of grievances, and (c) protect against wrongful conditions, such as nepotism and preferential treatment for personal reasons.
2. Have a process for exit interviews and staff satisfaction surveys.
3. Ensure each employee of the CMHPSM shall have due process in the event of an adverse disciplinary action.
4. Within fiscal constraints, provide necessary resources to staff for the performance of their job duties.
5. Staff shall have annual performance appraisals.

### **2.3 COMPENSATION AND BENEFITS**

The CEO shall administer board approved competitive compensation and benefits.

### **2.4 FINANCIAL POLICIES**

The CEO shall ensure the financial policies and practices of the CMHPSM meet state and federal requirements and are compliant with Generally Accepted Accounting Practices (GAAP).

Further, by way of example, but not limited to the following:

1. Financial Policies and amendments related to:

- A. Procurement—approved 2014
- B. Investments—approved 2014
- C. CEO Scope of Authority—approved 2014
- D. CEO Authority for Position Control—approved 2014
- E. Financial Risk Management—in development

shall be approved by the Board.

2. The CEO and CFO shall review the financial policies annually and make recommendations to the Board for amendments when needed.

## ***2.5 EMERGENCY CEO SUCCESSION***

To protect the CMHPSM from sudden loss of CEO Services, the CEO shall have no fewer than two other executives familiar with Board and CEO issues and processes.

## ***2.6 COMMUNICATION AND SUPPORT TO THE BOARD***

The CEO shall keep the Board informed and supported in its work.

Further, by way of example, but not limited to the following:

1. Submit monitoring data required to the Board (see policy on Monitoring CEO Performance) in a timely, accurate, and understandable fashion, directly addressing provisions of Board Policies being monitored.
2. Keep the Board informed of relevant trends, anticipated adverse media coverage, threatened or pending lawsuits and material external and internal changes, particularly changes in the assumptions upon which any Board Policy has previously been established.
3. Advise the Board if, in the CEO'S opinion, the Board is not in compliance with its own policies on Governance Process and Board – CEO Linkage, particularly in the case of Board behavior that is detrimental to the working relationship between the Board and the CEO.
4. Marshal for the Board information from as many staff and external perspectives, on issues and options as needed for fully informed Board choices.
5. Provide a mechanism for official Board communications.
6. Report in a timely manner an actual or anticipated noncompliance with any Board Policy.

## ***2.7 REGIONAL RESOURCES***

The CEO shall be informed and take advantage of collaboration, partnerships and innovative relationships with agencies and organizations, including state, regional and county specific resources.

## **Section 3: GOVERNANCE PROCESS**

### **3.0 GOVERNING STYLE**

The Board will govern with an emphasis on (a) outward vision, (b) diversity in viewpoints, (c) strategic leadership, (d) clear distinction of Board and CEO roles, (e) collective rather than individual decisions and, (f) proactivity.

The Board must insure that all divergent views are considered in making decisions, yet must resolve into a single organizational position. Once a decision is made the Board must speak in one voice publicly.

Accordingly:

1. The Board will establish written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on the intended long-term impacts outside the organization, not on the administrative or programmatic means of attaining those effects.
2. The Board will enforce discipline whenever needed. Discipline will apply to matters such as attendance, preparation for meetings, violation of policies, and disrespect for roles.
3. Continual Board development will include orientation of new Board Members and periodic Board discussion of process improvement.
4. The Board will listen respectfully to citizen comments and assure that an internal process is in place to follow up on the concerns expressed.

### **3.1 BOARD RESPONSIBILITIES/DUTIES**

The Board will ensure appropriate organizational and CEO performance and promote a link between the regional community and the CMHPSM.

Further, by way of example, but not limited to the following:

1. Meetings
  - (a) Attend Board meetings
  - (b) If unable to attend Board meetings provide advance notice to the CEO and Board Chair
  - (b) Be prepared and on time
  - (c) Listen with an open mind
  - (d) Participate in discussion and encourage dialogue
  - (e) Make decisions in the best interest of the PIHP region
  - (f) Speak with one voice after a decision has been made
2. Board Member Personal Development
  - (a) Complete Board orientation and training
  - (b) Commit to ongoing development of Board Member skills
3. Operational Policies
  - (a) Relevant operational policies applicable to the Board are included by reference—Business Expense Reimbursement

### **3.2 BOARD MEMBER ETHICS**

The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board Members.

Further, by way of example, but not limited to the following:

1. Operate with the best interest of the PIHP region in mind.
2. Recuse from conflict of interest.
3. Board Members will not use their board position to obtain employment in the organization for themselves, family members, or close associates. Should a Board Member apply for employment, he or she must first resign from the Board.
4. Board Members shall not attempt to exercise individual authority over the organization.
5. The Board will not evaluate, either formally or informally, any staff other than the CEO.
6. Board Members will respect confidentiality.

### **3.3 BOARD CHAIR'S ROLE**

The Board Chair assures the integrity of the Board's process and, represents the Board to outside parties. The Board Chair has no authority to make decisions about policies created by the Board nor authority to supervise or direct the CEO.

### **3.4 POLICY REVIEW AND AMENDMENT** *(presented for review 1-13-16)*

1. The Board Bylaws and Board Policies shall be reviewed in April of every year.
2. Board Policies may be suspended, rescinded, or amended by 3/4 of the serving membership and will be superseded by any change in federal or state law.

### **3.5 COST OF GOVERNANCE**

The Board will invest in its governance capacity.

Accordingly:

1. Board members shall be compensated at the rate of the appointing CMHSP per meeting for attendance at all Board meetings, assigned committee meetings, workshops, required training, and other Board approved functions. Board members are entitled to one meeting allowance per day.
2. Travel expenses shall be reimbursed by the appointing CMHPSM
3. The Board shall be informed of its budget and expenses.



## **Section 4: BOARD-CEO LINKAGE**

### **4.0 GOVERNANCE-MANAGEMENT CONNECTION**

The Board shall appoint a CEO of the Community Mental Health Partnership of Southeast Michigan who meets the standards of training and experience established by the Michigan Department of Health and Human Services (MDHHS). The Board shall establish general policy guidelines within which the CEO shall execute the duties and responsibilities of a Pre-Paid Health Plan as required by state and federal laws, rules, regulations, and the Medicaid Specialty Supports and Services contract with the MDHHS.

### **4.1 CEO's RESPONSIBILITIES**

The CEO of the CMHPSM shall function as the chief executive and administrative officer of the PIHP and shall execute and administer the program in accordance with the approved annual plan and operating budget, the general policy guidelines established by the Board, the applicable governmental procedures and policies, and the provisions of the Mental Health Code. The CEO has the authority and responsibility for supervising all employees. The terms and conditions of the CEO's employment, including tenure of service, shall be as mutually agreed to by the Board and the CEO and shall be specified in a written contract.

### **4.2 MONITORING CEO PERFORMANCE** *(presented for review 1-13-16)*

There will be systematic and objective monitoring of the CEO's job performance and achievement of organizational goals as agreed upon.

Adopted the (approval date)

Revised:

\_\_\_\_\_  
Board Chairperson

\_\_\_\_\_  
Date

\_\_\_\_\_  
Board Secretary

\_\_\_\_\_  
Date



## Regional Board Action Request

Board Meeting Date: February 10, 2016

Action Requested: Consideration to amend the previous motion made at the March 11, 2015 Regional Board meeting by C. Coleman, supported by R. Wilson, to continue to monitor WCHO's progress through monthly reports by adding the end-date of September 30, 2015

Background: At the March 11, 2015 CMHPSM Board meeting Tom Biggs and Sally Amos O'Neal presented an overview of the status of the WCHO budget, the cause of the FY 2014 shift in Medicaid, and the plan to avoid such shifts in the future (FY 2015). T. Biggs recommended a monthly Washtenaw (WCHO) status report be added as a regular item on the board meeting agenda and the Board agreed the monthly reports would serve as a Plan of Correction. The goal for Washtenaw County was to have the CMHSP designation transferred from the WCHO to new entity which would be approved and certified as a CMHSP by the Michigan Department of Health and Human Services. That goal was successfully completed in October 2015.

However, the motion the Board approved did not address the timeframe for the monthly monitoring. This proposed amendment to that motion will clarify that the monthly monitoring ended as of 9/30/15 when the new Washtenaw County Community Mental Health program was granted Provisional Certification by MDHHS effective 10/10/15.

Connection to PIHP/MDCH Contract, Regional Strategic Plan or Shared Governance Model:

Recommend: Approval



## Regional Board Action Request

Board Meeting Date: February 10, 2016

Action Requested: Consideration to approved the attached Board resolution designating financial institution signatory, assignment, transfer, contract, obligation, certificate and other instrument rights to Jane Terwilliger, Chief Executive Officer and Suzanne Stolz, Chief Financial Officer

Background: The Chief Executive Officer shall be the signor of all CMHPSM bank accounts with additional signors to be the Chief Financial Officer and a designee of the Managing Director

Connection to PIHP/MDCH Contract, Regional Strategic Plan or Shared Governance Model:

Managing Director Authority, Section V.G.

Recommend: Approval

Attachment #5a – February 2016

WHEREAS, the Community Mental Health Partnership of Southeast Michigan (CMHPSM) desires to grant signing and authority to certain person(s) described hereunder.

RESOLVED, that the Board of Directors is hereby authorized and approved to grant signing and authority to conduct business to any one of the following person(s):

Jane Terwilliger, Chief Executive Officer

Suzanne Stolz, Chief Financial Officer

The foregoing signing and authority granted shall include, but shall not be limited to, financial institution signatories, assignments, transfers, contracts, obligations, certificates, and other instruments of whatever nature entered into by CMHPSM with financial depository institutions.

The undersigned hereby certifies that he/she is the duly elected and qualified Secretary and the custodian of the books of CMHPSM, an agency duly formed pursuant to Section 330.1204b of Act 258 of the Public Acts of 1974 as amended (Mental Health Code) of the State of Michigan. The foregoing is a true record of a resolution duly adopted at a meeting of the board and that said meeting was held in accordance with state law and the Bylaws of the CMHPSM on and that said resolution is now in full force and effect without modification or rescission.

IN WITNESS WHEREOF, I have executed my name as Secretary and have hereunto affixed the corporate seal of the above-named Corporation this \_\_\_\_\_ (date)

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Secretary

CORPORATE AUTHORIZATION RESOLUTION

BANK OF ANN ARBOR
125 S. FIFTH AVENUE
ANN ARBOR , MI 48104

By:

Referred to in this document as "Financial Institution"

Referred to in this document as "Corporation"

I, \_\_\_\_\_, certify that I am Secretary (clerk) of the above named corporation organized under the laws of \_\_\_\_\_, Federal Employer I.D. Number \_\_\_\_\_, engaged in business under the trade name of \_\_\_\_\_, and that the resolutions on this document are a correct copy of the resolutions adopted at a meeting of the Board of Directors of the Corporation duly and properly called and held on \_\_\_\_\_ (date). These resolutions appear in the minutes of this meeting and have not been rescinded or modified.

AGENTS Any Agent listed below, subject to any written limitations, is authorized to exercise the powers granted as indicated below:

Table with 4 columns: Name and Title or Position, Signature, Facsimile Signature (if used), and a column for initials (A-F). Rows A-F are present with 'X' marks in the Signature and Facsimile Signature columns.

POWERS GRANTED (Attach one or more Agents to each power by placing the letter corresponding to their name in the area before each power. Following each power indicate the number of Agent signatures required to exercise the power.)

Table with 3 columns: Indicate A, B, C, D, E, and/or F; Description of Power; Indicate number of signatures required. Contains 7 numbered power descriptions.

LIMITATIONS ON POWERS The following are the Corporation's express limitations on the powers granted under this resolution.

EFFECT ON PREVIOUS RESOLUTIONS This resolution supersedes resolution dated \_\_\_\_\_. If not completed, all resolutions remain in effect.

CERTIFICATION OF AUTHORITY

I further certify that the Board of Directors of the Corporation has, and at the time of adoption of this resolution had, full power and lawful authority to adopt the resolutions on page 2 and to confer the powers granted above to the persons named who have full power and lawful authority to exercise the same. (Apply seal below where appropriate.)

[ ] If checked, the Corporation is a non-profit corporation. In Witness Whereof, I have subscribed my name to this document and affixed the seal of the Corporation on \_\_\_\_\_ (date).

Attest by One Other Officer

Secretary

## RESOLUTIONS

**The Corporation named on this resolution resolves that.**

- (1) The Financial Institution is designated as a depository for the funds of the Corporation and to provide other financial accommodations indicated in this resolution.
- (2) This resolution shall continue to have effect until express written notice of its rescission or modification has been received and recorded by the Financial Institution. Any and all prior resolutions adopted by the Board of Directors of the Corporation and certified to the Financial Institution as governing the operation of this corporation's account(s), are in full force and effect, until the Financial Institution receives and acknowledges an express written notice of its revocation, modification or replacement. Any revocation, modification or replacement of a resolution must be accompanied by documentation, satisfactory to the Financial Institution, establishing the authority for the changes.
- (3) The signature of an Agent on this resolution is conclusive evidence of their authority to act on behalf of the Corporation. Any Agent, so long as they act in a representative capacity as an Agent of the Corporation, is authorized to make any and all other contracts, agreements, stipulations and orders which they may deem advisable for the effective exercise of the powers indicated on page one, from time to time with the Financial Institution, subject to any restrictions on this resolution or otherwise agreed to in writing.
- (4) All transactions, if any, with respect to any deposits, withdrawals, rediscounts and borrowings by or on behalf of the Corporation with the Financial Institution prior to the adoption of this resolution are hereby ratified, approved and confirmed.
- (5) The Corporation agrees to the terms and conditions of any account agreement, properly opened by any Agent of the Corporation. The Corporation authorizes the Financial Institution, at any time, to charge the Corporation for all checks, drafts, or other orders, for the payment of money, that are drawn on the Financial Institution, so long as they contain the required number of signatures for this purpose.
- (6) The Corporation acknowledges and agrees that the Financial Institution may furnish at its discretion automated access devices to Agents of the Corporation to facilitate those powers authorized by this resolution or other resolutions in effect at the time of issuance. The term "automated access device" includes, but is not limited to, credit cards, automated teller machines (ATM), and debit cards.
- (7) The Corporation acknowledges and agrees that the Financial Institution may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, facsimile signatures on file with the Financial Institution, personal identification numbers (PIN), and digital signatures. If a facsimile signature specimen has been provided on this resolution, (or that are filed separately by the Corporation with the Financial Institution from time to time) the Financial Institution is authorized to treat the facsimile signature as the signature of the Agent(s) regardless of by whom or by what means the facsimile signature may have been affixed so long as it resembles the facsimile signature specimen on file. The Corporation authorizes each Agent to have custody of the Corporation's private key used to create a digital signature and to request issuance of a certificate listing the corresponding public key. The Financial Institution shall have no responsibility or liability for unauthorized use of alternative signature and verification codes unless otherwise agreed in writing.

**Pennsylvania.** The designation of an Agent does not create a power of attorney; therefore, Agents are not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code) unless the agency was created by a separate power of attorney. Any provision that assigns Financial Institution rights to act on behalf of any person or entity is not subject to the provisions of 20 Pa.C.S.A. Section 5601 et seq. (Chapter 56; Decedents, Estates and Fiduciaries Code).

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### FOR FINANCIAL INSTITUTION USE ONLY

Acknowledged and received on \_\_\_\_\_ (date) by \_\_\_\_\_ (initials)  This resolution is superseded by resolution dated \_\_\_\_\_ .

Comments:



## Corporate Resolution Certification

Account Number \_\_\_\_\_

Account Name \_\_\_\_\_

I HERBY CERTIFY that at a meeting, duly called, of the Board of Directors of \_\_\_\_\_ a corporation, at which said meeting a quorum was present and acting throughout, the following preamble and resolution was adopted and ever since has been and now is in full force and effect.

WHEREAS this Corporation is duly authorized and permitted by its Charter and Bylaws to:

- Engage in cash and margin transactions in any and all forms of securities including, but not limited to, stocks, options, mutual funds, stock options, stock index, options, sort sales, foreign currency options and debt instruments options, bonds bond debentures, annuities, notes, scrips, participation certificates, right to subscribe, warrants, certificates of deposit, mortgages, choses in action, evidence of indebtedness, commercial paper certificates or indebtedness, and certificates of interest of any and every kind and nature whatsoever, secured or unsecured, whether represented by trust, participating and/or other certificates or otherwise.
- Receive on behalf of the corporation or deliver to the corporation or third parties, including but not limited to the President, Vice President, Treasurer or any other authorized officer or person listed in the Certification and Signatures section below.
- Establish and maintain an asset management account with debit card, check writing and margin privileges, from which account funds are directly spent, the responsibility for which is entirely that of the Corporation.

NOW THEREFORE BE IT RESOLVED that this Corporation opened an account or accounts in its name with KEYBANC CAPITAL MARKETS INC., and that the individual named below (Certification and Signatures section) or any one of them acting individually, may, on behalf of this Corporation, be and they hereby are and each of them hereby is authorized and empowered to **(1)** give written or oral orders in the said account or accounts for the purchase, sale, or other disposition of stocks, bonds, and other securities, **(2)** deliver to and receive from KEYBANC CAPITAL MARKETS INC., on behalf of this Corporations monies stocks, bond, and other securities, **(3)** establish and maintain an asset management account with debit card, check writing and margin privileges from which account funds are directly spent with each authorized person as indicated in the separate asset management account agreement having check writing and debit card privileges, **(4)** order the transfer or delivery of funds, monies or securities to any other person whatsoever, including the President, Vice President, Treasurer or any other authorized officers r persons indicated below giving such instructions, **(5)** sign acknowledgements of the correctness of all statements of accounts, and **(6)** make, execute, and deliver under the corporate seal any and all written endorsements, releases and documents necessary or proper to effectuate the authority hereby conferred; the within authorization to each of said officers to remain in full force and effect until written notice of the revocation thereof shall have been received by KEYBANC CAPITAL MARKETS INC.

-----CERTIFICATION AND SIGNATURES-----

<b>Printed Name</b>	<b>Date</b>
<b>Title</b>	
<b>Signature</b>	

<b>Printed Name</b>	<b>Date</b>
<b>Title</b>	
<b>Signature</b>	

<b>Printed Name</b>	<b>Date</b>
<b>Title</b>	
<b>Signature</b>	

<b>Printed Name</b>	<b>Date</b>
<b>Title</b>	
<b>Signature</b>	

<b>Printed Name</b>	<b>Date</b>
<b>Title</b>	
<b>Signature</b>	

IN WITNESS WHEREOF, I have hereunto set my and affixed the seal of said Corporation this \_\_\_\_\_  
day of \_\_\_\_\_, 20\_\_\_\_\_

[AFFIX CORPORATE SEAL HERE IF CORPORATION USES A SEAL]

<b>Print Secretary Name</b>
<b>Secretary Signature</b>

Note 1. If the Secretary is empowered to act for the Corporation, pursuant to these resolutions, the President of the Corporation as set forth above must fill in and execute the Additional Certification below.

Note 2. If the Corporation has only one sole officer (e.g. President), that officer must sign above on the Secretary line indicating his or her corporate officer title in addition to filling in and executing the Additional certification in below.

-----**ADDITIONAL CERTIFICATION**-----

**Check One**

**PRESIDENT TO COMPLETE ONLY OF THE SECRETARY OF THE CORPORATION IS AUTHORIZED TO ACT PURSUANT TO THE FOREGOING RESOLUTION OR IF THE CORPORATION HAS ONLY ONE OFFICER.**

I FURTHER CERTIFY that the Secretary of the Corporation is authorized by the foregoing resolution to act herunder.

I FURTHER CERTIFY that the Corporation has only one sole officer and that I am that sole officer and authorized to execute legal and binding documents in the name of and on behalf of the Corporation pursuant to the Corporation's governing documents.

<b>President's Printed Name</b>	<b>Date</b>
<b>Signature</b>	