

**Texana Center
Board of Trustees
Minutes
Date: September 28, 2016**

On the above date the regular meeting of the Texana Center Board of Trustees was held in the Auditorium in Building G at 4910 Airport Avenue in Rosenberg, Texas.

MEMBERS PRESENT:

Dianne Wilson, Board Chair
Anita Christensen, Secretary
Sue Fagan
Mary desVignes-Kendrick
Willie Greer
May Tape
Mary Rose Zdunkewicz
Randy Reichardt

MEMBERS ABSENT:

Dennis W. Young, Vice Chair

STAFF PRESENT:

George Patterson, Chief Executive Officer
Amanda Darr, Chief Financial Officer
Shena Timberlake, Director, Behavioral Healthcare
Dot Preisler, Director, Human Resources
Sheri Talbot, Director, Authority and Admissions
Kevin Barker, Director, Provider Services
Kate Johnson-Patagoc, Director, IDD Specialized Services
~~Lori Marcus, Compliance Officer~~
Rhonda Hodges, Recording Secretary

STAFF ABSENT:

Tracey Shaw, Director, Development & Community Relations

GUESTS:

J.C. Whitten
Steven McDowell
Melody Lin, Fort Bend NAMI
Vicky Wang

Mao C. Lee
Carol Harris, Fort Bend NAMI
Pat Sumner, Fort Bend NAMI
Janice Sun

I. **CALL TO ORDER, INVOCATION, DETERMINATION OF QUORUM, RECOGNITION OF GUESTS, AND CORRESPONDENCE**

The meeting was called to order 10:00 A.M. by Dianne Wilson, Chair. Kevin Barker said the invocation. The Board Chair determined there was a quorum present to conduct the meeting. Dianne welcomed guests who were in attendance. There was no correspondence to discuss.

II. **SWEARNING IN OF NEW BOARD MEMBER "Mary desVignes-Kendrick"**

Dianne introduced Texana's new board member Mary desVignes-Kendrick who is the Commissioner of Health for Fort Bend County. Judge Hebert of Fort Bend County appointed Mary to the Board. Dianne called Mary forward so she could officially swear her in as a member of the Board of Trustees. Following the swearing in, Dianne asked Mary to provide a few words to the Board. Mary mentioned she was ready to learn more about Texana's services and she was looking forward to getting to know everyone better and contributing where she can.

Next, Dianne asked J. C. Whitten to join her at the front of the room. Dianne mentioned J. C. and she joined the Board in 1999 and that they were both involved in the hiring of George Patterson as the CEO of Texana Center. She also mentioned J. C. had been on the Texas Council on behalf of the Center for the last 14 years. She mentioned the Board was thankful for the 17 years of volunteer service to the Texana Board of Trustees. She mentioned in honor of his years of service Texana was naming the Texana Training/Meeting room at the Service Center on the West Campus after him.

George Patterson mentioned a few words about J. C. and his service over the years thanking him for his dedication.

J. C. thanked the Board and SLT and briefly discussed his history with Texana and thanked the Board and SLT for this honor.

Dianne called for a brief recess where members of the Board and guests could speak with J. C.

At 10:20 A.M. Dianne called the Board back to session.

III. **RECOGNITION OF ABSENCES**

Dianne recognized both Dennis Young and Tracey Shaw as being absent from the meeting.

IV. PUBLIC COMMENT

George took a few minutes to inform the Board that Dianne Wilson was recognized this morning by the Fort Bend Chamber and George Foundation with the Lifelong Achievement Award for 2016 for her many years of volunteering at Texana and within the Community.

Dianne announced the visitors and recognized Melody Lin, Carol Harris and Pat Sumner as wanting to make public comments. Each presented issues as it relates to Behavioral Health Services.

V. APPROVAL OF MINUTES

- July 27, 2016 – Board of Trustees Meeting

Dianne questioned whether the Board had any additions or corrections to the minutes being submitted from the July 27, 2016 Board of Trustees meeting. May Tape asked that the minutes be corrected to include two additional guests (Linda and Jo Jo) who were part of the San Antonio Clubhouse presentation. There were no other changes by the Board.

A motion was made by Mary Rose Zdunkewicz to approve the minutes with corrections as noted. Randy Reichardt seconded the motion. **Motion Carried.**

VI. CONSENT AGENDA ITEMS

- Approval of Leases

1. Texana Learning Center at Wharton – Arc of Wharton
2. Group Home – 509 ½ Sunset in Wharton – Arc of Wharton
3. Texana Learning Center at Eagle Lake – Colorado County

Dianne presented the three leases up for approval. Dianne called for a motion. Following the motion, Dianne asked the Board if there were any questions. Kevin Barker provided a few details regarding the leases. There were no questions from the Board.

A motion was made by Randy Reichardt to approve the Leases as submitted. Willie Greer seconded the motion. **Motion Carried.**

VII. THE BOARD WILL CONSIDER AND TAKE ACTION ON THE FOLLOWING ITEMS:

1. Review and Consider Approval of FY 2017 Committee Assignment for the Texana Center Board of Trustees

Dianne presented the committee assignment listing for FY 2017. Dianne thanked all members for agreeing to work on the various committees. She briefly provided a review of the various committees.

A motion was made by May Tape to approve the FY 2017 Committee Assignment as submitted. Anita Christensen seconded the motion. ***Motion Carried.***

2. Review and Consider Approval of Texana Center FY 2017 Budget

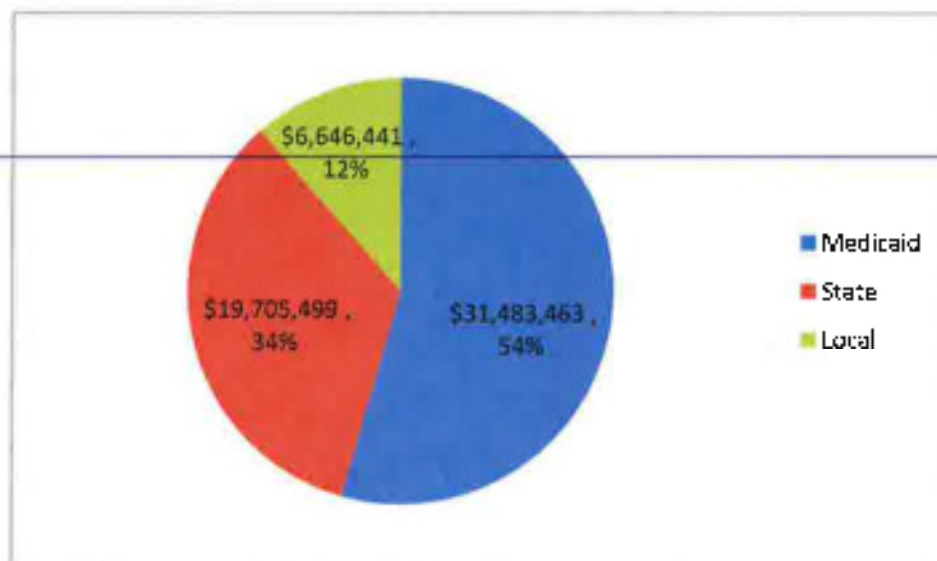
Dianne asked Amanda to present the FY 2017 Budget.

Amanda presented a brief review of the following detailed information on the FY 2017 Budget:

FY 2017 Budget Overview

Quick Facts:

- \$58.9 million dollar operating budget
- Increase of \$2.1 million (3.7%) from FY 2016 budget
- 888 active employees
- 86 cost centers with individual budgets



Key Changes in FY 2017

- The FY 2017 budget includes a **1% excess of revenues over expenditures** in accordance with the roadmap approved by the Board of Trustees to achieve a minimum 90 day unassigned fund balance by the end of FY 2020. The Board and SLT recognize this as a priority for the continued sustainability of the Center. In order to build these unassigned reserves we will plan for them in our budgeting process such that we do not expend 100% of the expected resources in the coming year, but only expend some percentage of expected revenues with the intention of directing funds to the unassigned fund balance each year. This is displayed as a **\$588,180 contingency** in the budget presentation.
- For several years we have allocated local dollars to support our IDD divisions which have compounded funding challenges compared to a more favorable funding pattern for behavioral health services. Due to increased needs in the BH Division to plan for a new building and the sustainability of the DSRIP projects, the FY 2017 budget returns to an **allocation of local funds based on a percentage of budget**. These local dollars include Medicaid Administrative Claim funds and county funds. The BH Budget includes \$800,000 for the construction of a new building on the Graeber Road property in Rosenberg.
- The Indirect Services Division includes the CEO's Office, Compliance, Resource Development, Human Resources, Financial Services, Maintenance, Information Technology, Information Services and Reimbursement. As non-revenue producing units, indirect is funded through a percentage of revenues from each dollar earned in the revenue producing divisions. Texana has historically had a low indirect rate compared to other community centers. There is a range of 9.1% to 16.6% as reported on the most recent audit reports. Texana's indirect rate was 10.7% which is **21 % below the state-wide average**. Recognizing that our indirect services are a critical component of our infrastructure and support the ability to grow Center revenues, **additional funds are**

provided in the FY 2017 budget for indirect services. A priority area identified by the SLT is the need for better coordination and oversight of quality management activities throughout the organization. Currently, we have a decentralized model with quality management activities built into each operating division. This budget includes a new quality management position that will be in our center wide Compliance Department that will provide crucial audit oversight and analytic activity to build on and support the activities that are currently in place. An emphasis on compliance is also driving the need for additional resources in our Information Technology Department in order to satisfy the requirements of the HIPAA Security and Privacy Rules. Activities are being prioritized based on a **HIPAA/HITECH Gap Assessment** that was complete by an independent cyber-security firm.

- The financial viability of the Early Childhood Intervention program (ECI) continues to be challenging due to the current funding methodology in place by the Legislature. The Texas Legislature appropriates funds for ECI services on a per child funding formula based on a **projected number of children enrolled**. The amount of available funding in the FY 2017 contract for ECI service has decreased 22% over the last two years.

Fiscal Year	ECI Contract Children		ECI Contract Funding	
	Served	ECI Contract Funding	per Child	
2015	309	\$ 1,540,650	\$	4,980
2106	409	\$ 1,498,433	\$	3,664
2017	427	\$ 1,395,399	\$	3,268

For Texana, our FY 2017 HHSC-ECI contract provides **funding for 427 children**. Currently we have an **average enrollment of 464**. Based on a conservative increase in enrollment of 3 children per month we can expect to achieve an **average monthly enrollment of 500 by the end of FY 2017**. As ECI services are an entitlement and providers must serve every eligible child that presents, this creates an **unsustainable contract model for programs that are experiencing enrollment growth**. Andrews Center, Emergence Center and North Texas Rehab are all closing

their ECI programs as a result of this funding imbalance. Add the three that closed their doors last year and it begs the question – *How many is it going to take for something to change in the contracting model?* The Texas Council has drafted a position paper to which we have contributed our input so that we can escalate our collective efforts to advocate with HHSC and the Legislature that fundamental changes are needed to ensure the viability of ECI services in Texas. It will be imperative that Texana staff and Board members educate our local legislators of the importance of changes in the funding methodology during the upcoming legislative session and the risk/impact of losing these services in our community.

There is no budget certainty in the contract that as our enrollment grows that we will be able to access additional state funding as no formula is provided and it is based on the availability of funds. However, we have included additional ECI funds in the budget anticipating that when outcomes are assessed after the end of the 2nd quarter that we will be allocated additional funds based on an increased number of children served.

- The ***budget imbalance due to the timing of the DSRIP payments*** continues in FY 2017. All projects are achieving metrics in the identified demonstration year, except for BH Crisis Center which has been in a carry-over situation each year due to the delayed opening of the crisis center in DY 3. The FY 2016 DSRIP revenue line item included payments for two demonstration years anticipating the achievement of both the DY 3 carryover and DY 4 metrics. However, this did not occur and the DY 4 metric was carried over to the next year. Achievement of the DY 5 metric for the BH crisis Center is not expected to be reached until after the end of the March 30, 2017 semi-annual reporting period and thus will not be paid until January, 2018 and is not included in the FY 2017 budget. ***The Medicaid – DSRIP revenue line item reflects a decrease from the previous year of \$1,668,094 due to this carryover issue*** and the inclusion of only one year's payment for the BH Crisis Center in FY 2017, rather than two years as in 2016.
- The 84th Texas Legislature allocated approximately \$18.6 million to support individuals with IDD and high behavioral

and psychiatric needs. Approximately \$18 million will be distributed to LIDDAs over the course of the 2016-17 biennium to provide supports beyond the array of services typically provided in community programs. **Texana will receive \$353,936 in HHSC – IDD General Revenue funding** for an IDD crisis intervention specialist and IDD crisis respite services. These services had already been developed and in place for Texana through the Behavior Stabilization Team (BeST) established through DSRIP. This new general revenue funding will be a positive factor in our sustainability planning for these critical services

- Texana currently operates the Children's Center for Autism (CCA) in two locations, Rosenberg and Sugar Land. The plan is to open a third location in Fulshear as we complete our capital campaign to raise funds to construct a building. Our belief is that our fundraising efforts will be aided by having services on the ground in Fulshear so we can demonstrate our positive outcomes and commitment to the community. To that end, we will have access to donated space at the Parkway Fellowship Church **in Fulshear beginning January 1, 2017 from which we will begin providing CCA services.** These two classrooms will serve 10 – 12 children. This expansion of service capacity as well as increases in the caseload sizes for CCA is reflected in an increase in private insurance revenues.
- Another service component of the new Fulshear campus being envisioned is the **Texana Center for Learning.** The vision is that this new program will serve an unmet need in the community to provide short term educational and vocational training to individuals with IDD and Autism in a model similar to what could be expected through a community college setting. This would be a new service for Texana and once which we would like to **incubate** on a smaller scale to build our expertise and refine the model. The intent of the phased approach to the construction in Fulshear is to get programs on the ground as soon as possible. The 4,500 square foot storefront building which is Phase One would begin these types of services on a very small scale.

As another opportunity to incubate this delivery model, we are including in the FY 2017 budget for IDD Provider Services a **self-pay pilot program to address the needs of a growing population graduating from the school system**. The program will target individuals with Intellectual and Developmental Disabilities and Autism on the higher spectrum whose primary goal is to live and work independently in the community. In order to identify the physical space requirements necessary to implement the pilot we will be **converting one classroom at the Rosenberg Learning Center from general revenue to private pay**. We will be working with individuals impacted by this change to ensure a smooth transition in addressing their needs.

- An aging population with high medical and behavioral health needs in our residential programs continues to drive investments in our owned group homes in order to ensure the safety of our clients. 60% of the individuals living in the group homes are over the age of 50 and 34% are over the age of 60 years. 48% of the individuals residing in our group homes have an Axis I diagnosis and receive psychiatric treatment. Included in the 2017 budget are expenditures to remodel existing homes to improve accessibility, the installation of sprinkler systems in our four bed group homes and funds for the down payment on the purchase of a group home to replace an existing leased home. These are all **one-time expenditures** recommended to be funded with excess end of year 2016 funds generated in the IDD Provider Services Division. **This is presented in the budget as the Use of Designated Fund Balance in the amount of \$173,890.**

- Beginning August 1st we implemented a process to begin **billing for psychological testing performed in the IDD eligibility determination process** known as the Determination of Intellectual Disability (DID). Historically we have not billed for this front door service as we wanted to provide open and easy access to the eligibility process. With the increasing, and many times unfunded, expectations placed on the Local IDD Authority (LIDDA) through our contract with the state, this practice has been changed. This

is an opportunity to access resources (private pay, private insurance and Medicaid/Medicare) to cover the costs of DIDs, allowing our general revenue to shift to other critical Authority functions.

Scan of Key Environmental Issues

- The ***Health and Human Services Transformation*** authorized during the last legislative session became effective September 1, 2016. Over 120 programs and 4,100 positions transferred to the Health and Human Services Commission (HHSC). Client programs and services transferred to the new HHSC ***Medical and Social Services Division***, including our contracts from DADS, DSHS and DARS. As would be expected with such a large change, we are experiencing some operational delays around contracting, payments and communications.
- The current 5-year period for our DSRIP projects ends September 30, 2016. The Centers for Medicare and Medicaid Services (CMS) has granted an ***initial temporary 15-month extension*** to continue the existing program at current funding levels through December 31, 2017. HHSC is coordinating with CMS to facilitate the longer term extension of the Medicaid 1115 Demonstration Waiver. A major focus of the HHSC proposal is the ***integration of DSRIP into managed care for Medicaid beneficiaries***. This glide path is problematic for many of the DSRIP projects in Texas, including the five projects developed by Texana Center, as many of those being served are low income uninsured. ***Over the 5 years of the waiver Texana will have received \$23 million dollars in new federal funds and hired 123 new staff.***
- ***As required by the standard terms and conditions of the 15-month 1115 Waiver Extension***, HHSC submitted an ***Uncompensated Care Study*** report to CMS on August 31st. CMS required HHSC to provide an independent evaluation of Texas uncompensated care (UC) costs and Medicaid hospital payments. The purpose of the study is to Evaluate impact of DSRIP funding on uninsured and Medicaid shortfall and estimate the Texas hospital uncompensated care burden if the state fully funded Medicaid costs and opted to expand Medicaid to low-income adults as allowed under the Affordable Care Act (ACA). Though HHSC is engaging with CMS for the longer term

extension if the waiver, much uncertainty prevails as to the continued funding methodology for these programs.

- **STAR Kids** is a new Texas Medicaid managed care program beginning November 1, 2016 that will provide Medicaid benefits to children and adults 20 and younger who have disabilities. With this new program **the transition of all major Medicaid populations to a managed care model is now complete.** We continue to see more of our Medicaid billing move to the managed care organizations (MCO's) and anticipate a much larger share of our book of business moving to the MCO's as HHSC implements pilots to transition Texas Home Living and Home and Community Based Services (HCS) beginning in 2018. Texana does not currently contract with all of the MCO's in our service delivery area and the SLT is moving to contract with all the MCO's for all lines of business that we provide in order to best position the Center to serve our community and build partnerships with the MCO's.
- On June 30, 2016, the Governor, Lt. Governor and Speaker of the House released state agency **Legislative Appropriations Request (LAR) Instructions for FY 2018-19.** The instructions direct state agencies to reduce base budget requests by 4%. However, certain select priorities are exempt from this directive, including behavioral health services programs and case load growth for Medicaid programs. Though this does not impact our 2017 budget it does set the tone of what can be expected during the next legislative session beginning in January 2017.
- The Centers for Medicare and Medicaid Services (CMS) issued guidance in 2014 on the requirement to deliver **Medicaid covered services determined medically necessary** to individuals with Autism Spectrum Disorder (ASD) to address physical or behavioral conditions. The Texas Medicaid state plan does not currently include coverage for services delivered under the Applied Behavioral Analysis (ABA) model. On September 12th an **exceptional item** to the legislative appropriations request (LAR) was submitted **requesting \$32.7 million in state/federal funds for ABA services for individuals with ASD in FY 2019.** This is a significant development and one that Texana Center has for years been educating legislators of the benefit. If funded, this

will open up the delivery of ABA services to a Medicaid population that currently does not have access to this critical service.

Transparency FY 2017 Budget

Revenue	FY 2016	FY 2017	Change	PH Services	IDD Provider Revenues	IDD Authority Services	IDD Specialized Services	1115 Waiver DSRRP Projects
County Funds	\$ 279,894	\$ 229,720	\$ (50,174)	\$ 173,880	\$ 191,520	\$ 32,885	\$ 123,817	\$ 30,156
Lombard - Ultra Services	\$ 234,226	\$ 228,356	\$ (5,870)	\$ 26,244	\$ 100,000	\$ 15,000	\$ -	\$ 1,086
CCC - Rehabilitation	\$ 95,570	\$ 101,850	\$ 6,280	\$ 11,724	\$ 67,500	\$ 2,544	\$ 29,252	\$ 654
Mental Health	\$ 74,211	\$ 34,369	\$ (39,842)	\$ 38,986	\$ 108,000	\$ 34,603	\$ -	\$ 7,176
Medicaid - Part 2	\$ 300,320	\$ 305,402	\$ 5,082	\$ 88,732	\$ -	\$ -	\$ -	\$ 3,786
Apple Valley	\$ 1,308,006	\$ 4,172,914	\$ 2,864,908	\$ 49,410	\$ -	\$ 14,000	\$ 1,000,000	\$ 44,789
Apple Regional	\$ 370,310	\$ 1,126,872	\$ 756,562	\$ 112,620	\$ 82,000	\$ 17,647	\$ 766,943	\$ 88,163
Medicaid - Professional - TRAP	\$ 370,281	\$ 315,389	\$ (54,892)	\$ 281,222	\$ -	\$ -	\$ -	\$ 21,300
Medicaid - Professional - MCO	\$ 706,142	\$ 900,062	\$ 193,920	\$ 277,610	\$ -	\$ 10,400	\$ 450,000	\$ 88,219
Medicaid - Rehab Services - TRAP	\$ 347,151	\$ 495,005	\$ 147,854	\$ 24,802	\$ -	\$ -	\$ -	\$ 27,887
Apple Valley - Rehab Services - MCO	\$ 603,840	\$ 487,885	\$ (115,955)	\$ 461,223	\$ -	\$ -	\$ -	\$ 28,443
Apple Valley - Case Management - TRAP	\$ 1,943,942	\$ 4,175,947	\$ 2,232,005	\$ 852,543	\$ -	\$ 1,113,189	\$ 700,000	\$ 2,343
Medicaid - Case Management - MCO	\$ 267,268	\$ 725,063	\$ 457,795	\$ 213,617	\$ -	\$ -	\$ -	\$ 1,432
Apple Valley - Administrative/Case Mgmt	\$ 1,410,909	\$ 1,638,979	\$ 228,070	\$ 943,021	\$ 853,907	\$ 288,224	\$ 308,728	\$ -
Medicaid - Case Mgmt	\$ 1,738,051	\$ 2,081,703	\$ 343,652	\$ -	\$ -	\$ -	\$ -	\$ 1,087,750
TRAP/MCO	\$ 401,084	\$ 484,770	\$ 83,686	\$ 484,770	\$ -	\$ -	\$ -	\$ -
PLS	\$ 12,912,438	\$ 13,482,830	\$ 570,392	\$ -	\$ 12,880,012	\$ -	\$ 2,400	\$ 2,980
PH - PH	\$ 1,684,947	\$ 2,853,797	\$ 1,168,850	\$ -	\$ -	\$ -	\$ 2,000,707	\$ 5,000
Transit - Apple Valley	\$ 1,147,734	\$ 1,288,186	\$ 140,452	\$ -	\$ 1,235,130	\$ -	\$ 52,754	\$ 17,600
PH - PH	\$ -	\$ 18,736	\$ 18,736	\$ 11,760	\$ -	\$ -	\$ -	\$ -
PH - PH - Shared Revenue	\$ 11,117,070	\$ 11,717,070	\$ 600,000	\$ 11,087,370	\$ -	\$ -	\$ -	\$ 196,880
PH - PH - General Revenue	\$ 2,801,548	\$ 3,742,484	\$ 940,936	\$ -	\$ -	\$ 962,267	\$ 392,373	\$ 710,121
PH - PH - PH - PH	\$ 151,146	\$ 151,146	\$ -	\$ 712,334	\$ -	\$ 4	\$ 4	\$ 4
PH - PH - PH - PH - PH	\$ 1,647,966	\$ 363,435	\$ (1,284,531)	\$ -	\$ -	\$ 801,248	\$ 561,282	\$ -
PH - PH - PH - PH - PH	\$ 302,537	\$ 332,527	\$ 30,000	\$ 302,527	\$ -	\$ -	\$ -	\$ -
PH - PH - PH - PH - PH	\$ 1,584,689	\$ 1,517,204	\$ (67,485)	\$ -	\$ -	\$ -	\$ 1,612,407	\$ -
PH - PH - PH - PH - PH	\$ 984,948	\$ 720,439	\$ (264,509)	\$ -	\$ -	\$ -	\$ 129,813	\$ -
Total Revenues	\$ 34,704,748	\$ 37,833,483	\$ 3,128,735	\$ 34,802,028	\$ 17,292,377	\$ 4,782,029	\$ 12,318,347	\$ 6,323,962

Transparency FY 2017 Budget

Expenses	FY 2016	FY 2017	Change	PH Services	IDD Provider Services	IDD Authority Services	IDD Specialized Services	1115 Waiver DSRRP Projects	Indirect Services
Employee Salaries	\$ 31,804,273	\$ 32,378,254	\$ 573,981	\$ 8,328,880	\$ 6,832,417	\$ 3,012,882	\$ 7,884,466	\$ 4,843,848	\$ 2,788,028
Medical Director	\$ 7,629,811	\$ 8,038,284	\$ 408,473	\$ 1,889,282	\$ 2,268,212	\$ 826,742	\$ 1,164,261	\$ 1,720,000	\$ 733,022
Contracts - Internal Providers	\$ 1,030,944	\$ 868,282	\$ (162,662)	\$ 771,508	\$ 48,808	\$ -	\$ 22,473	\$ 310,049	\$ -
Contracts - External Providers	\$ 6,282,080	\$ 6,450,472	\$ 168,392	\$ 1,441,880	\$ 4,592,232	\$ -	\$ 222,210	\$ 634,444	\$ -
Contracts - PH - PH - PH Services	\$ 221,189	\$ 268,386	\$ 47,197	\$ 14,414	\$ 1,448	\$ -	\$ 37,722	\$ 6,470	\$ 13,000
Costs	\$ 358,872	\$ 511,288	\$ 152,416	\$ 122,824	\$ 88,620	\$ 32,028	\$ 21,222	\$ 89,149	\$ 2,608
Pharmaceuticals	\$ 284,215	\$ 443,502	\$ 159,287	\$ 140,720	\$ 137,808	\$ 21,828	\$ 30,244	\$ 42,328	\$ 21,152
Pharmaceutical Drugs	\$ 117,161	\$ 172,114	\$ 54,953	\$ 63,120	\$ 2,718	\$ 411	\$ 8,839	\$ 1,000	\$ -
Food	\$ 230,170	\$ 268,158	\$ 37,988	\$ 78	\$ 27,148	\$ -	\$ 15,490	\$ 6,300	\$ 528
Consumable Supplies	\$ 522,081	\$ 555,150	\$ 33,069	\$ 146,588	\$ 483,418	\$ 34,002	\$ 843,411	\$ 174,411	\$ 80,816
Program Training Expenses	\$ 714,737	\$ 789,610	\$ 74,873	\$ 82,040	\$ 914,711	\$ 1,817	\$ 18,180	\$ 46,138	\$ 7,127
Programs - PH - PH - PH	\$ 176,124	\$ 170,219	\$ (5,905)	\$ 12,024	\$ 2,454	\$ -	\$ 22,196	\$ 20,414	\$ 1,000
Equipment - Lease/Rental	\$ 184,005	\$ 174,801	\$ (9,204)	\$ 36,240	\$ 57,764	\$ 19,888	\$ 27,046	\$ 38,228	\$ 28,722
Property Lease	\$ 420,052	\$ 419,827	\$ (225)	\$ 8,880	\$ 264,273	\$ -	\$ -	\$ 129,852	\$ -
Property Purchase	\$ 1,126,727	\$ 1,278,952	\$ 152,225	\$ 1,081,916	\$ 404,400	\$ 120,028	\$ 372,212	\$ 177,382	\$ -
Building Cost - Construction - PH - PH	\$ 371,197	\$ 493,839	\$ 122,642	\$ 180,440	\$ 138,414	\$ 20,280	\$ 3,620	\$ 8,722	\$ 23,400
Building Oper - Maintenance/Repair	\$ 494,501	\$ 671,647	\$ 177,146	\$ 117,176	\$ 118,612	\$ 5,863	\$ 54,528	\$ 28,536	\$ 12,301
Commodities	\$ 429,445	\$ 529,876	\$ 100,431	\$ 183,820	\$ 319,819	\$ 24,886	\$ 4,004	\$ 7,966	\$ 6,820
Utilities	\$ 247,472	\$ 248,571	\$ 1,099	\$ 123,128	\$ 258,155	\$ 23,340	\$ 87,474	\$ 38,144	\$ 35,121
Telephone	\$ 612,916	\$ 1,019,612	\$ 406,696	\$ 197,746	\$ 194,384	\$ 83,944	\$ 77,624	\$ 44,618	\$ 48,723
Laboratory	\$ 21,625	\$ 36,724	\$ 15,099	\$ 17,711	\$ -	\$ -	\$ 72	\$ 38,084	\$ 5,303
Licensees/Professional Fees	\$ 92,795	\$ 93,290	\$ 495	\$ 16,472	\$ 1,743	\$ 900	\$ 6,013	\$ 1,401	\$ 16,212
Advertising	\$ 30,362	\$ 36,634	\$ 6,272	\$ 2,811	\$ 800	\$ -	\$ -	\$ 4,322	\$ 52,880
Travel/Conferences	\$ 1,840,725	\$ 1,874,839	\$ 34,114	\$ 93,732	\$ 30,027	\$ 15,132	\$ 48,628	\$ 27,414	\$ 44,812
Indirect Expenses Allocation	\$ -	\$ -	\$ -	\$ 1,041,810	\$ 1,788,350	\$ 424,117	\$ 1,111,324	\$ 430,249	\$ 1,188,821
Total Expenses	\$ 34,821,837	\$ 38,038,943	\$ 3,217,106	\$ 12,818,498	\$ 7,844,474	\$ 4,712,921	\$ 12,384,740	\$ 7,398,368	\$ 128,918
Contingency	\$ 148,482	\$ 378,134	\$ 229,652	\$ 173,880	\$ 191,520	\$ 32,885	\$ 123,817	\$ -	\$ 38,463
Use of Designated Fund Balance	\$ -	\$ 119,619	\$ 119,619	\$ -	\$ (78,833)	\$ -	\$ -	\$ -	\$ -
Timing of DSRRP Payments	\$ (262,481)	\$ (2,473,846)	\$ (2,211,365)	\$ -	\$ -	\$ -	\$ (14,258)	\$ -	\$ -
Net Budgeted Position	\$ 719,930	\$ 11,621,237	\$ 10,901,307	\$ 173,880	\$ 18,221	\$ 36,855	\$ 123,817	\$ 1,075,648	\$ 38,463

TEXANA CENTER FY 2017 CLASSIFICATION PLAN

<p>GROUP 1 \$16,200 - 21,000 HOURLY (\$7,795 - \$10,125) CHILD CARE WORKER CLERICAL/DATA ENTRY DRIVER HOUSEKEEPER HOUSEPARENT I VOCAB TRAINER II</p>	<p>GROUP 10 \$22,384 - 42,000 HOURLY (\$15,592 - \$29,234) COORDINATOR V LVN I SPECIALIST V</p>	<p>GROUP 16 \$61,791 - 68,000 WMPSP (\$24,707 - \$27,810) BEHAVIOR ANALYST I CLINICAL CRISIS MANAGER EC LPNA-UM MANAGER I PSYCHOLOGIST PHD II QUALITY ASSURANCE SPECIALIST PSYCHIATRIST PHD II RN - IDD THERAPIST TELEPHONE Triage NURSE</p>
<p>GROUP 2 \$17,496 - 22,744 HOURLY (\$8,615 - \$10,924) JOB COACH RESPIRE PROVIDER SECRETARY I SGL TRAINER</p>	<p>GROUP 11 \$24,975 - 45,465 HOURLY (\$16,814 - \$21,852) ASSOC BEHAVIOR ANALYST ASSOCIATE PSYCHIATRIST MINDFULNESS ANALYST INTERN II HOMEHOST SUPERVISOR IV LVN II LVN BEST-CRISIS CENTER NETWORK TECH II OUTREACH COORDINATOR QMHP CS REIMBURSEMENT CLERK II SERVICE COORDINATOR IV SERVICE PROVIDER SUPERVISOR IV SUPPORTED EMPLOYMENT SPECIALIST</p>	<p>GROUP 17 \$55,501 - 72,347 HOURLY (\$28,681 - \$34,661) BEHAVIOR ANALYST II PHYSICAL THERAPIST ASST</p>
<p>GROUP 3 \$18,496 - 24,564 HOURLY (\$9,248 - \$11,802) RESIDENTIAL TECHNICIAN</p>	<p>GROUP 12 \$27,773 - \$49,103 HOURLY (\$18,801 - \$23,612) ASSOCIATE PSYCHOLOGIST II EARLY INTERMEDIATE SPECIALIST LVN TRAINING/INSTRUCTION II MANAGER I QMHP-CS SPECIALIST QM SPECIALIST III PIPGRAFT INTERN WRAPAROUND FACILITATOR</p>	<p>GROUP 18 \$53,944 - 77,948 HOURLY (\$28,832 - \$37,458) BEHAVIOR ANALYST III MANAGER V PSYCHOLOGIST PHD IV RN CRISIS CENTER</p>
<p>GROUP 4 \$20,467 - 26,529 HOURLY (\$10,233 - \$12,754) SERVICE TECHNICIAN TEMP COORDINATOR HOUSEPARENT II/FCAT LEAD RESIDENTIAL TRAINER RESIDENTIAL TRAINER VI SECRETARY II</p>	<p>GROUP 13 \$29,775 - 51,031 HOURLY (\$19,613 - \$25,457) ASSOCIATE PSYCHOLOGIST III EARLY INTERMEDIATE SPEC III EXECUTIVE ASSISTANT INFORMATION SERVICES SPECIALIST MANAGER II PSYCHOLOGIST PHD I SPEECH THERAPIST ASSISTANT</p>	<p>GROUP 19 \$64,740 - 84,150 HOURLY (\$31,125 - \$40,456) BEHAVIOR ANALYST IV MANAGER VI PSYCHOLOGIST PHD V</p>
<p>GROUP 5 \$22,029 - 28,461 HOURLY (\$10,957 - \$13,724) HOUSEPARENT III SPECIALIST I</p>	<p>GROUP 14 \$34,859 - 57,377 HOURLY (\$24,492 - \$27,514) ASSOCIATE PSYCHOLOGIST IV BEHAVIOR ANALYST INTERN BCABA CERTIFIED OCCUP THERAPIST ASST CFC SUPERVISOR DIVERSION COORDINATOR EARLY INTERMEDIATE SPEC II FINANCIAL SERVICES SUPERVISOR PSYCHOLOGIST PHD II PHYSICAL THERAPIST ASST SYSTEMS ADMINISTRATOR UM REVIEWER</p>	<p>GROUP 20 \$84,920 - 104,980 HOURLY (\$43,414 - \$53,632) BEHAVIOR ANALYST V MANAGER VII OCCUPATIONAL THERAPIST PHYSICAL THERAPIST SPEECH THERAPIST</p>
<p>GROUP 6 \$23,803 - 30,861 HOURLY (\$11,442 - \$14,874) COORDINATOR II PROGRAM SUPPORT TECHNICIAN PSYCH TECH (Day)</p>	<p>GROUP 15 \$44,859 - 67,377 HOURLY (\$24,492 - \$27,514) ASSOCIATE PSYCHOLOGIST IV BEHAVIOR ANALYST INTERN BCABA CERTIFIED OCCUP THERAPIST ASST CFC SUPERVISOR DIVERSION COORDINATOR EARLY INTERMEDIATE SPEC II FINANCIAL SERVICES SUPERVISOR PSYCHOLOGIST PHD II PHYSICAL THERAPIST ASST SYSTEMS ADMINISTRATOR UM REVIEWER</p>	<p>GROUP 21 HOURLY (\$25,164 - 31,746) ADMINISTRATIVE II MANAGER VIII</p>
<p>\$12,359 - \$16,060 COORDINATOR III BEHAVIOR ANALYST INTERN I FAMILY PARTNER PSYCH TECH SPECIALIST I</p>	<p>GROUP 16 \$47,584 - 61,854 HOURLY (\$22,873 - \$29,737) ASSOCIATE PSYCHOLOGIST V MANAGER III</p>	<p>Executive Management Psychologist as per Employment Agreement CHIEF EXECUTIVE OFFICER (\$112,456 - \$250,000) CHIEF FINANCIAL OFFICER (\$80,000 - \$170,000) DIRECTOR HUMAN RESOURCES (\$72,747 - \$150,000) DIR OF PROVIDER SERVICES (\$78,900 - \$158,000) DIR BEHAVIORAL HEALTHCARE (\$78,900 - \$170,000) DIR AUTHORITY/IDD SERVICES (\$67,000 - \$158,000) DIR SPECIALIZED SERVICES (\$67,000 - \$158,000) DIR DEV/COM RELATIONS (\$82,000 - \$150,000) PSYCHIATRIST (\$120,000 - \$250,000)</p>
<p>GROUP 7 \$27,664 - 35,032 HOURLY (\$13,341 - \$17,266) COORDINATOR IV SPECIALIST II</p>	<p>GROUP 17 \$54,754 - 61,854 HOURLY (\$22,873 - \$29,737) ASSOCIATE PSYCHOLOGIST V MANAGER III</p>	<p>Non-exempt Exempt</p>
<p>GROUP 8 \$29,265 - 38,977 HOURLY (\$14,412 - \$18,739) COORDINATOR II SPECIALIST IV</p>	<p>GROUP 18 \$62,584 - 81,854 HOURLY (\$22,873 - \$29,737) ASSOCIATE PSYCHOLOGIST V MANAGER III</p>	

Following Amanda's discussion, she asked if the Board had any questions.

Dianne mentioned she had read in the budget that space was being donated from the Parkway Fellowship Church in Fulshear beginning 1/1/2017 which will allow Texana to begin providing CCA Services. This was good news. Kate agreed it was great but mentioned it was temporary.

Anita questioned on page 32 why there was a 4% reduction in the base budget. Amanda mentioned this was instructions from the Legislative Budget Board for State agencies which would impact next year's budget. She briefly discussed the impact of this. Dianne recommended the Board members contact their local legislators to assist in lobbying against this. Willie asked if George could prepare some talking points the Board members could use in speaking with the legislators.

Next Amanda briefly discussed the decrease of funding in the FY 2017 for Early Childhood Intervention (ECI) and the impact on services being provided for these children. She discussed the fact that other Centers had begun to close their ECI programs as a result of this funding and without changes in the funding methodology during the upcoming legislative sessions Texana could also be at risk of losing the services in our community. Mary desVignes-Kendrick questioned what would happen to the children if Texana were to happen to close the program. Amanda briefly discussed problems other Centers who closed their programs were experiencing with finding providers who would take their children. She mentioned the biggest concern would be that these children no longer receive the services. Mary next questioned what the Demographics for children impacted by this problem. She mentioned it helps to know this when discussing this problem with legislators. Amanda mentioned she could get the Demographics for the Board.

A motion was made by Randy Reichardt to approve the FY 2017 Budget as submitted. Mary Rose Zdunkewicz seconded the motion. **Motion Carried.**

3. Review and Consider Approval of Membership for the Planning, Network, and Advisory Committee (PNAC)

George provided the Board with the following background information:

As the Board is aware, at the last several meetings we have provided updates regarding the restructuring of the PNAC to ensure compliance with our performance contracts with state agencies. We have also discussed our challenge to find at least nine prospective individuals to serve on the committee in the categories required by the contracts. We now have had ten applications from qualified individuals. We are recommending that the nine individuals listed on the attached spread sheet be appointed to the PNAC. The membership, if confirmed by the Board, will satisfy all statutory and contractual requirements. He ended his review by recommending the Board of Trustees approve the appointment of the following nine individuals to the Planning and Network Advisory Committee (PNAC): Melody Lin, Michael Maddox, Avis Goldy, Priscilla Zhy, Kim Fritzching, Lisa Poyner, Steve Macko, Gloria White and Jo Halbert.

Dianne called for a motion on this appointment of members to the PNAC Committee.

A motion was made by Randy Reichardt to approve the appointment of the nine individuals to the Planning and Network Advisory Committee as submitted. Willie Greer seconded the motion. **Motion Carried.**

4. Review and Consider Approval of Revolving Line of Credit

Dianne asked Amanda to present information to the Board on the revolving line of credit.

Amanda began by explaining that the existing line of credit in place to accommodate the cash flow requirements of operating the Delivery System Reform Incentive Payment (DSRIP) projects will be expiring 9/30/16. Amanda explained that the recommendation is that the Board of Trustees approve the Revolving Line of Credit with Prosperity Bank including:

- Authorization to secure a \$7,200,000 Revolving Line of Credit with Prosperity Bank at an interest rate of the Wall Street Journal Prime Rate +.5% with a floor of 3.99%
- Authorization for George Patterson, Chief Executive Officer or Amanda Darr, Chief Financial Officer, to sign and execute all documents related to the above actions

Mary desVignes-Kendrick questioned if it required one or two signatures for executing contracts. Amanda responded that the Operating Procedures list that contracts could be signed by the CEO or the CFO.

A motion was made by May Tape to approve a revolving line of credit as submitted. Willie Greer seconded the motion. **Motion Carried.**

5. Purchase of Group Home in Fort Bend County

Dianne mentioned Texana has a group home in Sugar Land for the past 25 years and there is a need to replace that home with one we would own. Dianne briefly reviewed the following which was provided by Kevin Barker:

Texana currently leases a house on South Blue Meadow in Sugar Land for \$1,925 per month which is operated as a 4 bed group home. We have explored the current real estate market and are confident that we can purchase a suitable home in the area to replace this leased property resulting in a cost savings. This is consistent with the Board's long standing strategy to transition group homes from leased to owned properties.

The FY 2017 Budget being considered by the Board at the September meeting includes funds for a down payment, monthly mortgage and integrated fire alarm.

In order to be able to take action on suitable houses that are available, we are seeking approval to proceed based on the above parameters. Our experience indicates that time is of the essence in real estate transactions in order to secure a preferred property and the timing of the Board of Trustees meetings, the next which is not scheduled until December 7th, presents logistic challenges.

We will ensure all of the due diligence activities are completed including inspection, appraisal and all appropriate notifications/certifications.

The recommendation is that the Board of Trustees authorizes the purchase and financing of a group home in Fort Bend county including:

- Authorization to purchase a group home located in Fort Bend County for a purchase price not to exceed \$225,000 and for no more than the current appraised value
- Authorization to secure a 15 year loan with Prosperity Bank at current interest rates in an amount not to exceed \$180,000
- Authorization for George Patterson, Chief Executive Officer, or Amanda Darr, Chief Financial Officer, to sign and execute all documents related to the above actions

Mary desVignes-Kendrick questioned whether the home would be a four bedroom or six. Kevin answered that the home would be a four bedroom home which is what is required by the State for HCS.

A motion was made by Randy Reichardt to authorize the purchase and financing of a group home in Fort Bend County as submitted. May Tape seconded the motion. **Motion Carried.**

VIII. EXECUTIVE SESSION

The Board went into Executive Session (Closed) at 11:15 A.M. to discuss the following items:

1. Evaluation of CEO and Consider Taking Action Regarding Compensation and Benefits
2. Deliberation Regarding Current, Pending, or Anticipated Litigation
 - Madhu Rao v. Texana Center

IX. EXECUTIVE SESSION RETURN TO OPEN SESSION AND CONSIDER TAKING ACTION ON THE FOLLOWING:

The Board returned to open session at 12:12 P.M. to discuss the following:

1. Evaluation of CEO and Consider Taking Action Regarding Compensation and Benefits

Dianne mentioned the Board had met with the CEO and completed the evaluation which included discussing some issues with him and asked for a recommendation/action from the Board regarding compensation and benefits.

A motion was made by Willie Greer to approve a 5% increase in pay and a 5% performance award effective 9/1/2016 for George Patterson. Randy Reichardt seconded the motion. Five Board members voted yes, Anita Christensen voted no and Mary des-Vignes-Kendrick asked for abstention from voting. **Motion Carried.**

2. Deliberation Regarding Current, Pending, or Anticipated Litigation

There was no action concerning current, pending or anticipated litigation.

X. THE BOARD WILL DISCUSS THE FOLLOWING ITEMS WITH NO ACTION REQUIRED:

a) Update on Wharton Renovation

George provided a brief update on the Wharton renovation project. He mentioned Anita Christensen would be assisting in hosting a breakfast in Wharton sometime in March. Anita asked the Board and guests if they know of people who may be interested in attending the breakfast either provide her with names or give her name and phone number to them for more information regarding the event.

Dianne asked that all Board members consider attending the breakfast and make a donation if possible.

b) Discussion of Board Training/Retreat

Dianne mentioned the Board Training/Retreat would be held at the Historic Court House in Richmond, TX on December 7, 2016 starting at 9:00 A.M. and would last until 3:00 P.M.

c) Discussion of Fort Bend Transit Contract

There was no discussion on the Fort Bend Transit Contract.

XI. OTHER BUSINESS

There was no other business discussed.

XII. NEXT BOARD OF TRUSTEES MEETING

Board Meeting/Retreat will be held December 7, 2016.

XIII. ANNOUNCEMENTS

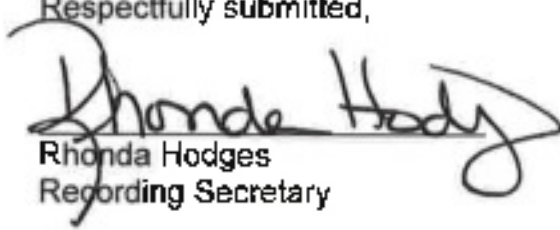
Dianne reminded the Board members of the following upcoming events.

1. **7th Annual Scarecrow Festival** Benefiting Texana Center & Arts Fulshear Saturday, October 15, 2016 from 12 noon to 5:00PM. For more information - <http://www.crosscreektexas.com/scarecrow-fest>
2. **NAMI Gulf Coast** - Texana HHP is attending and presenting on "Happiness, Serenity, and Harmony: Prevention of Challenging Behaviors" in Galveston from 2:45 P.M. - 3:45 P.M.
3. **Board Meeting/Retreat** - Historic Court House in Richmond, TX, December 7, 2016, 9:00 A.M. to 3:00 P.M.

XIV. ADJOURN

The meeting adjourned at 12:18 P.M.

Respectfully submitted,


Rhonda Hodges
Recording Secretary

Approved:

 12/7/16
Dianne Wilson Date
Board Chair