



MINUTES
Governing Board
July 31, 2018

Present:

Brad Burnside, chair
Lucia Orth
Patrick Schmitz
Jane Fevurly

Kathy Brown
Steve Splichal
Martha Gage
Tina Rosenthal

Absent:

Barbara Ballard
Gene Bauer

Ken McGovern

Staff Present:

Cindy Hart, Development Director
Scott Criqui, HR Director

Amy Warren, COO
Chris Kohart, Finance Consultant
Kathy Nichol, Executive Assistant

I. Order: Brad Burnside called the meeting to order at 7:30am.

II. Consent Agenda:

Brad Burnside asked for a motion to approve the consent agenda, which consisted of the June 2018 Governing Board Meeting Minutes; so moved by Jane Fevurly; seconded by Martha Gage; approved by all.

III. Reports:

a. Brad Burnside, Chair

Brad Burnside updated the group regarding the Joint Board of Mental Health. Burnside reported the 1986 Interlocal agreement states the city and county each have 2 ½ appointees to a 5 member Joint Board of Mental Health who serve contemporaneously on the Bert Nash Governing Board. This 5 member Board is responsible for reporting to the City and the County and providing financial reports on the activities of Bert Nash to the City and County. The Interlocal Agreement specifies the support to be provided by the County and the City. The City's support is limited to providing the building in which Bert Nash operates. The County is to provide operating support. The appointees making up the Joint Board of Mental Health have not met since 2003. Mayor Boley spoke about this at the last city commission meeting, in which Patrick Schmitz attended. During that meeting the city manager stated the BNC Joint Board not meeting is an example of the challenges with Interlocal Agreements. The City as part of its Strategic Plan is reviewing all advisory and Governing Boards that involve City funding and representation.

Patrick Schmitz stated it is not that Bert Nash was not following the agreement, it is that the new administration was unaware of that part of it. Through conversations with County Administrator Craig Weinaug, Schmitz stated it could be the more recent agreements supersede the original 1986 agreement and that Weinaug has requested meetings with the City to discuss Interlocal Agreements. Schmitz will obtain these newer agreements for Board review. Discussion ensued.

b. Patrick Schmitz, CEO

- i. Schmitz introduced Chris Kohart from SS&C who is helping in the interim of the finance department vacancies. Kohart will be assisting BNC with financial reports, realigning finance department positions, and helping with finding/interviewing the Finance Director and Billing Manager.
- ii. Schmitz stated the interviews for the finance department positions are continuing into this week.
- iii. Schmitz reported the County has added another 400K to the transitional housing project. This will leave a 200K gap that Mathew Faulk is searching and applying for other grants for. The County extended the deadline to come up with these funds until October 31, 2018.
- iv. Schmitz stated there will be no 403b penalty fees assessed to any staff, as Scott Criqui found an alternative solution. Current participants have the choice of staying with the current 403B provider, but the rest of the staff can transfer to the compliant company without penalty. The 8-9 people who may stay with the current provider will not be harmed by staying, but they will lose the option to contribute by payroll deduction and the personalized service. Payroll deductions are available through the new plan, Voya, which will start January 1, 2019. Representatives from the old and new plan will meet with the affected 8-9 staff in small groups to explain the options.
- v. Schmitz referred to Scott Criqui to discuss the Center's new payroll and HR platform, DATIS, which is primarily used by CMHC's. Criqui noted many current processes are completely manual and are very inefficient. DATIS will provide online applications and tracking, a performance management system, time and attendance features, and automatic approvals for payroll. Hourly staff will swipe a card or use an app to clock in/out while salaried staff has another option of using time sheets. Criqui stated this system will allow for better people management, staff to see their accrued time and hours easier, and may allow for payroll more often.
- vi. Further reports by Schmitz
 1. The audit is nearly complete, but will not be available until the compliance review/audit is finished. He expects to have a report to the Board at the August board meeting.
 2. BNC has a plan in place for the changes with the DBT team and are moving forward. LJWorld has published several articles where Jeff Burkhead and Cindy Hart have assisted with publishing BNC's story. Future stories will continue to be sent to Board members.
 3. BNC is looking into hiring a third party to view areas of improvement within the finance department. This process will review and assess the entire system and will then consult with BNC about deficiencies found and improvements to implement.
 4. Cindy Hart is leaving Bert Nash. He is working on the Development Director job description with input from Sharon Ervine from Benevon. The job will be posted within the week.
 5. An incentive plan to reward those who go above and beyond standards and expectations is being looked into. This plan is in part a response to issues of attracting and retaining staff. BNC had an incentive plan in the past, but it became unfunded and went away.
 6. The County Commission will put the Mental Health Ballot Initiative on the November ballot, although the details are not known. The

commission will announce their plan at the August 15th or 22nd meeting.

7. The proposal to the County regarding the 318K for psych services includes hiring a BHC and CMA. Right now, doctors do all client weights, measures, diagnosis, medical scripts, and education of clients. Adding a Behavioral Health Consultant (BHC) (education) and a Certified Medical Assistant (CMA) (weights and measures) will allow doctors to focus on diagnosis and medications, therefore increasing the productivity of the entire psych department.
8. July 13th was Shontz training for staff. Dr. Hutter spoke about workplace organizational culture. This training offered CEU's to staff. BNC will work to implement several ideas from the training.
9. Monthly townhall meetings have been established for BNC staff to connect, ask questions, and express their thoughts while enjoying donuts and coffee.

c. Amy Warren, COO

- i. In the absence of Amy Finkeldei, Director of Compliance and Quality Improvement, Amy Warren presented the Code of Conduct to the Board. The Code of Conduct follows federal guidelines and other CMHC standards and is a part of a robust compliance program required by MCO's. It has already been approved by the Executive Team, will be taken to the Ops team, and then to all staff. The Code of Conduct is part of the Code of Ethics where the Center will move to having all staff sign annually.

Brad Burnside asked for a motion to approve the support of the Code of Conduct; so moved by Lucia Orth; seconded by Steve Splichal; approved by all.

All other policies and procedures are continuing to be updated. Amy Warren noted Amy Finkeldei is doing a great job at jumping right into her new position.

d. Chris Kohart, Finance Consultant

Chris Kohart presented the June 2018 financial reports. Referencing the June 2018 graph handout, Kohart stated the breakdown between operations and fee revenue is staying consistent and is what is expected. Fee Revenue is 2% less than in 2017, where May 2018 showed the same. Kohart noted the difference may come from a timing issue of billing and vacant positions.

Key Indicators show Accounts Receivable (AR) is escalating, Operating Cash is down, and the Endowment is up. AR is 25% higher than in 2017, Fees are 2% less, and Bad Debt is higher, which is not standard and may show a collection process problem. Kohart stated bringing in a third party will find where the issue(s) is and will show how BNC compares to the industry standard and other CMHC's. Schmitz stated the comprehensive assessment by Netsmart is \$15K and would be to better the processes, not to replace the finance department. Discussion ensued.

Kohart went on to say most variances in the financials are the same as May 2018. The largest changes are Program Costs from Adult Services and a \$300K adjustment

in donations from the audit. The Program Costs are a pass-through expense and will not affect BNC's bottom line. BNC has 3.5 months cash for operating expenses.

Brad Burnside asked for a motion to approve the May 2018; so moved by Steve Splichal; seconded by Jane Fevurly; approved by all.

Schmitz and Criqui explained the difference between a Controller/Director of Finance vs. a CFO and noted an Assistant Controller position may be created while restructuring the Finance Department. Final decisions will be made by next week.

e. Cindy Hart, Development Director

Cindy Hart reviewed the Development Report noting how busy BNC has been with tours this summer. Hart thanked the group for their part in making the tours successful. Hart will be exiting BNC come 8/17. The Pipeline team is working on the November 14th breakfast and the Cultivation team is meeting to be sure relationships are still moving forward.

IV. Business Items:

a. Bylaws

Schmitz stated there has been much work with updating the bylaws to make them more descriptive and give better clarity with defined positions. Discussion ensued regarding ex-officio members, term limits of city appointees, and the Endowment Board. All changes will be made, then the document will be sent to Brad Finkeldei, attorney, for review.

b. Executive Session

Brad Burnside asked for a motion to adjourn the regular meeting and enter into Executive Session at 9:14am; so moved by Tina Rosenthal; seconded by Lucia Orth; approved by all.

Brad Burnside asked for a motion to adjourn the Executive Session and enter into the regular meeting at 10:05am; so moved by Jane Fevurly; seconded by Lucia Orth; approved by all.

V. Other

None

VI. Adjourn:

Brad Burnside asked for a motion to adjourn the meeting; so moved by Martha Gage; seconded by Steve Splichal; approved by all. The meeting adjourned at 10:06am.

The next Governing Board meeting is August 28th at 7:30am in the boardroom.

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