

**Tri-County
Behavioral Healthcare
Board of Trustees
Meeting**

July 28, 2016



Notice is hereby given that a regular meeting of the Board of Trustees of Tri-County Behavioral Healthcare will be held on Thursday, July 28, 2016. The Business Committee will convene at 8:30 a.m., the Program Committee will convene at 9:30 a.m. and the Board meeting will convene at 10:00 a.m. at 1506 FM 2854, Conroe, Texas. The public is invited to attend and offer comments to the Board of Trustees between 10:00 a.m. and 10:05 a.m.

AGENDA

- I. **Organizational Items**
 - A. Chair Calls Meeting to Order
 - B. Public Comment
 - C. Quorum
 - D. Review & Act on Requests for Excused Absence
- II. **Approve Minutes - May 26, 2016**
- III. **Longevity Recognition Presentations**
- IV. **Executive Director’s Report - Evan Roberson**
 - A. DADS
 - 1. HCS/TxHmL Audit
 - 2. Crisis Plan
 - B. DSHS
 - 1. Broadcast Message 0744
 - 2. PETC
 - C. Conroe Facility Furniture, Fixtures & Equipment
 - D. 1115 Waiver Updates
- V. **Chief Financial Officer’s Report - Millie McDuffey**
 - A. FY 2017 Budget Process
 - B. Year End Budget Revision
 - C. FY 2016 Audit
 - D. County Annual Funding Request
 - E. Fixed Asset Inventory
 - F. Surplus Sale
- VI. **Program Committee**
 - Information Items
 - A. Community Resources Report *Pages 8-11*
 - B. Consumer Services Reports for May & June 2016 *Pages 12-14*
 - C. Program Updates *Pages 15-18*
 - D. FY 2016 Goals & Objectives Progress Report *Pages 19-23*
 - E. 3rd Quarter FY 2016 Corporate Compliance & Quality Management Report *Pages 24-26*
 - F. 4th Quarter FY 2016 Corporate Compliance Training *Pages 27-29*
 - G. Medicaid 1115 Transformation Waiver Project Status Report *Pages 30-32*
- VII. **Executive Committee**
 - Action Items
 - A. Appoint Nominating Committee for FY 2017 Board Officers *Page 33*
 - B. Appoint Executive Director Evaluation Committee *Page 34*
 - C. Approve Revisions to Fiscal Administration Board Policies *Pages 35-73*

Information Items

- D. Personnel Reports for May & June 2016 Pages 74-76
E. Texas Council Risk Management Fund Claims Summary as of June 2016 Pages 77-78

VIII. Business Committee

Action Items

- A. Approve May 2016 Financial Statements Pages 79-91
B. Approve June 2016 Financial Statements Pages 92-105
C. Authorize Executive Director to Negotiate the Sale of Montgomery County Properties Page 106
D. Approve Purchase of Ford Explorer Page 107
E. Approve Recommendation for Tri-County Employee Health Insurance & Ancillary Plans Pages 108-111
F. Approve Texas Council Risk Management Fund Minimum Contribution Plan for
Workers' Compensation Coverage Pages 112-113
G. Approve Contract Negotiation with David Southern to Broker ICF/IID License Sale Pages 114-122
H. Approve DSHS Youth Prevention-Selection Contract #2016-048029-002 Page 123
I. Ratify FY 2016-17 DADS Performance Contract Amendment Packet #1 Page 124
J. Approve FY 2016 Contract Amendment for Cypress Creek Hospital Page 125
K. Approve FY 2016 Contract Amendment for Dr. Chen Page 126

Information Items

- L. Review Tri-County's 2014 990 Tax Return Prepared by Scott, Singleton, Fincher
& Company, P.C. Pages 127-165
M. 3rd Quarter FY 2016 Investment Report Pages 166-170
N. Board of Trustees Unit Financial Statements for May & June 2016 Pages 171-173
O. Building Consolidation Update Pages 174-178
P. Cleveland Supported Housing, Inc. Update Page 179

IX. Executive Session in Compliance with Texas Government Code Section 551.071, Consultation with Attorney

Posted By:

Stephanie Eveland
Executive Assistant

Tri-County Behavioral Healthcare

P.O. Box 3067
Conroe, TX 77305

BOARD OF TRUSTEES MEETING

May 26, 2016

Board Members Present:

Patti Atkins
Tracy Sorensen
Sharon Walker
Richard Duren
Morris Johnson
Cecil McKnight
Gail Page
Jacob Paschal
Janet Qureshi

Board Members Absent:

None

Tri-County Staff Present:

Evan Roberson, Executive Director
Millie McDuffey, Chief Financial Officer
Annette Adams, Behavioral Health Director
Kenneth Barfield, Director of Management Information Systems
Tanya Bryant, Director of Quality Management and Support
Amy Foerster, Director of Human Resources
Kathy Foster, Director of IDD Provider Services
Catherine Prestigiovanni, Director of Strategic Development
Kelly Shropshire, Director of IDD Authority Services
Stephanie Eveland, Executive Assistant
Tabatha Abbott, Cost Accountant
Mary Lou Flynn-DuPart, Legal Counsel
Lisa Bradt, CJ Services Program Administrator
Jay Conley, Jail Services Liaison
Brandee Cuffee, IDD Service Coordinator II
James Edwards, Maintenance Mechanic
Deanna Myers, Billing Specialist I
Beverly Standley, Reimbursement Manager

Guests:

Mike Duncum, WhiteStone Realty

Call to Order: Board Chair, Patti Atkins, called the meeting to order at 10:00 a.m. at 1506 FM 2854, Conroe, Texas.

Public Comment: There were no public comments.

Cont.

Quorum: There being nine (9) members present, a quorum was established.

Resolution #05-16-01

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by Patti Atkins, Tracy Sorensen, Sharon Walker, Richard Duren, Gail Page, Jacob Paschal and Janet Qureshi that it be...

Resolved:

That the Board approve the minutes of the April 28, 2016 meeting of the Board of Trustees.

Longevity Recognitions were presented to Tri-County staff.

Executive Director's Report:

The Executive Director's report is on file.

Chief Financial Officer's Report:

The Chief Financial Officer's report is on file.

Richard Duren left the Board meeting at 10:36 a.m. bringing the quorum to eight (8) members present.

PROGRAM COMMITTEE:

Resolution #05-16-02

Motion Made By: Jacob Paschal

Seconded By: Janet Qureshi, with affirmative votes by Patti Atkins, Tracy Sorensen, Sharon Walker, Morris Johnson, Cecil McKnight and Gail Page that it be...

Resolved:

That the Board approve the implementation of a Mental Health Waiting List for adults who are indigent and not in one of the priority admission categories.

The Community Resources Report was reviewed for information purposes only.

The Consumer Services Report for April 2016 was reviewed for information purposes only.

The Program Updates were reviewed for information purposes only.

Program Presentation – Jay Conley and Lisa Bradt presented information regarding Jail Liaison Services.

EXECUTIVE COMMITTEE:

The Personnel Report for April 2016 was reviewed for information purposes only.

The Texas Council Risk Management Fund Claims Summary for April 2016 was reviewed for information purposes only.

The Texas Council Quarterly Board Meeting Staff Report was provided for information purposes only.

BUSINESS COMMITTEE:

Resolution #05-16-03

Motion Made By: Morris Johnson

Seconded By: Tracy Sorensen, with affirmative votes by Patti Atkins, Sharon Walker, Cecil McKnight, Gail Page, Jacob Paschal and Janet Qureshi that it be...

Resolved:

That the Board approve the April 2016 Financial Statements.

Resolution #05-16-04

Motion Made By: Morris Johnson

Seconded By: Cecil McKnight, with affirmative votes by Patti Atkins, Tracy Sorensen, Sharon Walker, Gail Page, Jacob Paschal and Janet Qureshi that it be...

Resolved:

That the Board approve the Audit Engagement Letter from Scott, Singleton, Fincher and Company, PC for FY 2016.

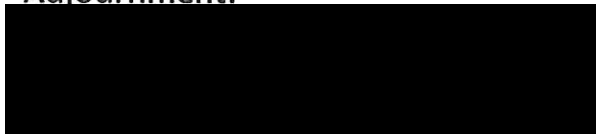
The Board of Trustees Unit Financial Statement for April 2016 was reviewed for information purposes only.

The Building Consolidation Update was reviewed for information purposes only.

There was no need for Executive Session.

The regular meeting of the Board of Trustees adjourned at 11:18 a.m.

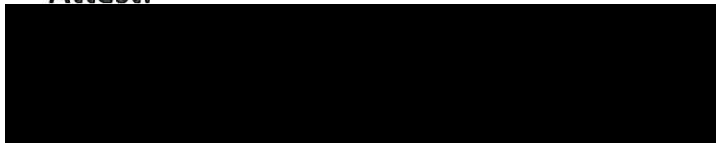
Adjournment:



Patti Atkins
Chair

Date

Attest:



Sharon Walker
Secretary

Date



Executive Director's Report

July 28, 2016

Announcements

- The next regularly scheduled Board meeting will be August 25, 2016.
- The Management Team will be presenting a draft strategic plan to the Board for discussion at the August Board of Trustees meeting.
- As a reminder, the East Texas Behavioral Health Network will have their annual Board Retreat in Galveston on September 8-9, 2016. Please contact Stephanie or me if you would like to attend and we will get your name on the list.
- Thanks to Catherine Prestigiovanni and Joyce Freeman for arranging 'The Walking Man' presentation which was held at the Crighton Theatre in Conroe on Thursday, June 9th. We had 168 people attend and we have received both positive feedback and requests for additional information as a result of the presentation. There appears to be a great deal of momentum behind suicide prevention in our three counties and Catherine, our youth mental health first aid trainers and I have made several presentations on this topic in recent weeks.
- I wanted to remind each of you that the annual Burnham Classic will be at the Magnolia Ridge Country Club in Liberty on August 5-7th. In its first 25 years, the Burnham Classic raised over \$500,000 for Tri-County and our consumers. Several of us will attend on Friday night and the Board is welcome to join us. Big thanks to Mr. McKnight and his wife Mable for their years of support of the tournament.
- I presented at both the Walker County and Montgomery County budget hearings in the month of July. Neither provided additional funding for FY 2017, but both were receptive to the information shared and complementary of the work completed by the Center.

I am working on scheduling a follow-up meeting with the Walker County Hospital District for additional funding.

- I have [attached](#) the notice from the Texas Council that the Health and Human Services Commission (HHSC) has named Sonja Gaines as Associate Commissioner for Intellectual and Developmental Disabilities and Behavioral Health Services in the Medical Services

Division of HHSC. Sonja was formerly the Behavioral Health Director for MHMR Tarrant and is a friend to centers in Texas.

- Today's cake is in honor of Jacob Paschal that had a birthday on July 6th and Janet Qureshi that had a birthday on July 8th.

Department of Aging and Disability Services

- I want to let the Board know that Kathy Foster and her staff received a perfect score (zero deficiencies) on their **Home and Community-based Services (HCS)/Texas Home Living (TxHmL) provider audit** in June. Kathy has received zero deficiencies on 8 previous occasions, which is remarkable, but this audit score is even more remarkable because the audit standards have tightened significantly over the last few years. I am very proud of the work that they do and the Board can be confident that you have a remarkable HCS/TxHmL provider programs.
- Kelly Shropshire and his team have been busy developing an **Intellectual and Developmental Disability Crisis Plan** that was due to the Department on July 18th. The Crisis Plan explains how the Center will use new IDD crisis funding to provide for crisis intervention and crisis respite. There has been a growing need for an IDD Crisis response system, and after being overwhelmed with response from Centers to a request for proposals for crisis funds determined that they would instead allocate funds to each Center for a Crisis Intervention Specialist and funds for Crisis Respite. Information regarding the approved use of these funds in FY 2016 and FY 2017 was initially incomplete and clarification was sought by the Texas Council on the use of these funds. We may not have complete answers on the use of the new funds until this crisis plan is approved.

Department of State Health Services

- **Behavioral Health Broadcast Message 0744**, [attached](#), was issued on June 6th and indicated that the state had decided to use remaining civil bed capacity in the state hospital system for forensic patients. As a result of our inability to get persons into the state hospital system, we are currently projecting that we will have to spend \$362,000 more than our budget for local inpatient care. The increase in expenditures is not just a function of numbers served but is also a function of the amount of time that persons are in the hospital. We have paid for 24 stays in contract hospitals of 15 or more days and 12 of these were 21 or more days. Our longest locally funded stay was 32 days this year. As you will see in the June financials, we will struggle to manage this additional expense. The State of Texas has 10.5 state hospital beds per 100,000 residents and the national average is 14 per 100,000. This Texas number drops each year as population increases and state hospital beds remain static or are taken 'off-line'.
- The secure patient room remodel is completed at the Psychiatric Emergency Treatment Center (PETC) and more appropriate furniture has been ordered for the PETC lobby,

assessment rooms and patient treatment areas. The new furniture should be in and installed by the end of the fiscal year.

Currently, Registered Nurse shortages at the PETC have been significant and I will be reviewing changes which may be required to pay structures to keep the facility running properly. At this point, we have been able to keep the facility running by offering shift incentives and hiring temporary nurses and/or agency nurses, but this is not an ideal solution in the long term. We are required by licensing rules to have a certain number of RNs at the PETC at all times. While we have been able to keep the facility open to this point, it is possible that we would have to limit admissions if staffing requires us to do so. We have already met all contract requirements for the PETC in FY 2016.

Conroe Facility Furniture, Fixtures & Equipment

- In addition to our Building Leadership Team that is overseeing the consolidation of services for the new facility at 233 Sgt. Ed Holcomb S. in Conroe, we currently have 13 sub-groups made up of agency administrative staff working on transition items like new intake processes, how the phone calls will be routed, technology needs, etc. We have developed a fairly detailed timeline of associated transition tasks and are planning for as smooth of a move as possible.

Currently, we expect all of the cost of the systems furniture (cubicles) and that most, if not all, of technology will be covered by the contingency dollars associated with the project. We have our selected cubicle set up in the lobby for staff review in the coming weeks.

However, after assessing current Conroe facility furniture, it will be the recommendation of the Building Leadership Team that new furniture be purchased for most of the Sgt. Ed Holcomb building. Much of the furniture that we have would not make the move and staff believe it should be replaced. The Building Leadership Team is currently finalizing costs to purchase new furniture for the facility, which would be purchased via State of Texas approved vendors, and will present this to the Board at the August Board meeting. Furniture that is in good shape will be made available to our Huntsville location as the two Liberty County sites have been remodeled in recent years and received new furniture at that time.

1115 Waiver Updates

- In my last update, I reported:

“We have received clarification from HHSC that for Demonstration Year (DY) 6 of the 1115 Transformation Waiver will be extended for 15 months (through December 2017), and that they will not require participants to commit to DYs 7-10 until more details are known. In short, 1115 appears to be continuing in DY 6 exactly as it did in DY 5.”

However, as has been the case for the entire 1115 Waiver, the guidelines changed again in the months of June and July. The modified requirement was that we had to make a two-year commitment to avoid having to return funds (claw-back) for DY 6. The challenge for the Center is that rules for DY 7 have not yet been determined. After clarifying my understanding of the rules and verifying my understanding of the two-year commitment, I asked staff to submit the agreement for the 1115 Waiver. We are doing good work with our programs and would miss them if we no longer had them and I felt that one year of unknown rules was reasonable a risk. This risk is made more reasonable because we have the Texas Council to advocate for us with many other Centers in the same position.



Texas Health and Human Services Commission

Date: July 22, 2016

Contact: Bryan Black, 512-424-6951

HHSC Announces Senior Staff Appointments For New Medical and Social Services Division

AUSTIN – HHS Executive Commissioner Charles Smith today introduced the team that will guide the new Medical and Social Services division.

The team will serve under Deputy Executive Commissioner Gary Jessee, who will head the division, which will be the largest part of the transformed agency when it begins operations Sept. 1. The new division will integrate social services such as Medicaid and SNAP food benefits with eligibility operations, mental health services and programs moving over from the Department of Aging and Disability Services.

"The Medical and Social Services division will better leverage our resources and focus them on serving the people who need our help," Health and Human Services Executive Commissioner Charles Smith said. "I have full faith in the leaders Commissioner Jessee has assembled and believe this team will make the agency a benchmark for the rest of the country. It brings us one step closer to our goal of a well-designed, successful system."

The new Medical and Social Services division is part of the overall HHS system consolidation from five agencies to three, with the Department of Assistive and Rehabilitative Services, the Department of Aging and Disability Services and the Health and Human Services Commission merging into one agency.

"All of the programs supported under the Medical and Social Services division will be overseen by individuals who possess a passion for the work they do and a commitment to furthering programmatic success through meaningful integration and transformation," said Commissioner Jessee. "Today's announcement is a win for Texans."

The HHS System Transition Plan will be posted to the Health and Human Services Commission's website for review. The plan reflects a significant change in the organizational structure of the MSS division, which will consist of Medicaid and CHIP Services; Access & Eligibility; Health, Developmental and Independence Services; and Intellectual and Developmental Disabilities and Behavioral Health Services.

The new leaders are:

- Wayne Salter, Associate Commissioner for Access and Intake Services
- Jami Snyder, Associate Commissioner for Medicaid and CHIP Services
- Lesley French, Associate Commissioner for Health, Developmental and Independence Services
- Sonja Gaines, Associate Commissioner for Intellectual and Developmental Disabilities and Behavioral Health Services
- David Hagerla, Director of Cross-Division Coordination

Wayne Salter has more than 19 years of progressive leadership experience in social service. He is currently the deputy executive commissioner for the Health and Human Services Commission, Office of Social Service, where he led more than 9,000 staff who administered public assistance programs to more than six millions Texans every year. Salter has a Bachelor of Science in management and an associate's degree in business administration. He is a graduate of the Florida Center for Public Management through the Rueben Askew School of Public Management at Florida State University receiving designation as a certified public manager.

Jami Snyder has served as Chief Deputy Director for Medicaid and CHIP since June. Before coming to HHSC, she was the Chief Operating Officer for The University of Arizona Health Plans, a division of Banner Health. She has more than 18 years of experience in the public and private sectors, overseeing Medicaid-contracted health plans, including adherence to established federal and state managed care regulations, as well as driving managed care organization performance in a variety of areas. Snyder graduated from Gustavus Adolphus College with a Bachelor of Arts in political science and has a Master of Arts in political science from Arizona State University.

Lesley French is currently the associate commissioner of Women's Health Services Division. She was previously the Women's Health Coordinator. She has 20 years of experience in all three branches of government including legislative work on banking reforms, real estate, deregulation of electric utilities, and criminal justice issues. She is a graduate of the University of Texas at Austin. She is a member of the State Bar of Texas.

Sonja Gaines is currently the associate commissioner for mental health coordination with the Texas Health and Human Services Commission. She coordinates the policy and delivery of mental health services across Texas state agencies that receive more than \$7 billion dollars in state funding for behavioral health care and supports. Previously, Gaines served as chief of mental health services with MHMR Tarrant, the second largest community mental health center in Texas. She holds a master's in business administration from Texas Women's University, a Bachelor of Science in psychology from The University of Maryland and a Bachelor of Arts in sociology from William Paterson University.

David Hagerla has served as deputy commissioner for DARS for the past year. Before that, he was the director for the center for policy and external relations at DARS. Hagerla has 20 years of public service, spanning a variety of agencies and programs. He has a Bachelor of Science in accounting from Auburn University and a master's degree in social work from the University of Texas.

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TEXAS DEPARTMENT OF STATE HEALTH SERVICES

JOHN HELLERSTEDT, M.D.
COMMISSIONER

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Austin, Texas 78714-9347
1-888-963-7111
TTY: 1-800-735-2989
www.dshs.state.tx.us
Broadcast MSG0744

June 6, 2016

To: Executive Directors, Local Mental Health Authorities (LMHAs)
Chief Executive Officer, ValueOptions of Texas, Inc.
Chief Executive Officer, North Texas Behavioral Health Authority (NTBHA)

From: Peggy Perry, Director of State Hospitals Section *KRaymond for Peggy Perry*
Mental Health and Substance Abuse Division

Subject: Forensic Waitlist

As you may know, the Department of State Health Services (DSHS) has a significant waiting list for state hospital commitment of individuals who have been committed to the system because they have either been found incompetent to stand trial, or because they have been determined not guilty by reason of insanity.

In recent years, the demand for forensic beds has increased. As of March 1, 2016, 121 individuals had been waiting longer than 21 days for forensic non-maximum security capacity. As of Friday, June 3, 2016, the number of individuals waiting longer than 21 days was 18. DSHS will continue to work to reduce the waiting list by shifting certain state-operated hospital beds from civil capacity to the forensic population.

We understand the challenges that local communities experience when demand exceeds system capacity. We appreciate your continued efforts to provide care to this important population.

If you have questions or concerns regarding civil admissions related to this policy, please contact Kerry Raymond at 512-206-5196 or via email at kerry.raymond@dshs.state.tx.us.

CHIEF FINANCIAL OFFICER'S REPORT

July 28, 2016

FY 2017 Budget Process – We are getting near the end of the FY 2017 budget process. We have changed the process a bit this fiscal year. We will be starting from the current historical trends of the FY 2016 budget and build from there. As a part of this, we will analyze the vacancy rate for this year to determine the correct staffing for the amount of clients to be served and also the changes that we have seen in revenue earnings due to Medicaid coverage of people served.

Year End Budget Revision – As we do every year, we are working on the final budget revision that will be on the August agenda. As we saw last year, an area of concern is the timing of the 1115 Waiver payments and how the auditor will reflect these earned funds. This year, we are better aligned with the actual payment flow so it won't have much of an impact on the bottom line. Another year end entry will be the capital expenditures that were budgeted for the building project that will be reversed; therefore giving us a much different bottom line than you are seeing on the current financial statements.

FY 2016 Audit – We have been in contact with the auditors to start the planning process for the FY 2016 audit. We have scheduled the dates for their on-site work to begin. Their first visit will be the first part of September and the next site visit will be a week in the end of October or early November. They will provide us with details of requested items to be available for each visit and we expect the work to go smoothly. In between the on-site visits, we will be sending electronic data as needed.

County Annual Funding Request – We had two presentations of our budget requests. One was at Walker County Commissioner's court and the second at the Montgomery County Commissioner's court. Both went well, but we doubt that we will be given any increase of funding.

Fixed Asset Inventory – The fixed asset inventory process is about to get completed. Every two years, we conduct a complete inventory count, so this is that complete count year. Last year, we verified programs that had moved and all new items purchased. This year we will get complete review of all inventoried items. This is a pretty labor intensive process so we bring in building coordinators to assist with the actual count at each location. We have received back the initial counts and we will determine any variances that we may need to go recount if needed.

Surplus Sale - We held the surplus sale at both locations on June 17th. We actually did better than we have in past sales. We made approximately \$800. We still have an assortment of items at these buildings and will either dispose of them if they don't have any value or haul off for scrap metal if possible.

Agenda Item: Community Resources Report Committee: Program	Board Meeting Date July 28, 2016
Background Information: None	
Supporting Documentation: Community Resources Report	
Recommended Action: For Information Only	

Community Resources Report

May 27, 2016 – July 28, 2016

Volunteer Hours:

Location	May	June
Conroe	182.75	325.75
Cleveland	1.5	0.5
Liberty	21	124.5
Huntsville	21.5	88
Total	226.75	538.75

COMMUNITY ACTIVITIES:

5/31/16	Child Fatality Review Team Meeting	The Woodlands
6/1/16	Conroe Noon Lions Club Luncheon	Conroe
6/1/16	Outreach, Screening, Assessment & Referral (OSAR) Meeting	Houston
6/2/16	Cleveland Chamber of Commerce Luncheon	Cleveland
6/2/16	Walker County Community Resource Coordination Group	Huntsville
6/4/16	Veterans of Foreign Wars Basic Training	Liberty
6/6/16	Veterans Treatment Court Luncheon	Conroe
6/6/16	Conroe ISD Counselor Coordinator Meeting	Conroe
6/6/16	Montgomery County Homeless Coalition Board Meeting	Conroe
6/7/16	Child Fatality Review Team Meeting	The Woodlands
6/7/16	Montgomery County United Way Health & Wellness Council	The Woodlands
6/8/16	Montgomery County Community Assistance Recovery Efforts & Services Meeting	The Woodlands
6/8/16	Conroe Noon Lions Club Luncheon	Conroe
6/9/16	Huntsville Chamber of Commerce Breakfast	Huntsville
6/9/16	An Evening with the Walking Man	Conroe
6/9/16	Veterans Informational Seminar	Cleveland
6/10/16	IDD Authority Private Provider Meeting	Conroe
6/14/16	Veterans Affairs Mental Health Summit Planning Meeting	Houston
6/14/16	Court Appointed Special Advocates (CASA) Suicide Training	Liberty
6/15/16	IDD Presentation at Liberty Chamber of Commerce Luncheon	Liberty
6/15/16	Liberty Chamber of Commerce Luncheon	Liberty
6/15/16	Conroe Noon Lions Club Luncheon	Conroe
6/15/16	Plane State Jail Lay-ins with Female Veteran Inmates	Dayton
6/15/16	Violence Prevention Steering Committee Meeting	The Woodlands
6/15/16	Veterans Family Fun Event Luncheon	Conroe
6/15/16	The Woodlands Adolescent Roundtable Coalition Meeting	The Woodlands
6/16/16	Veterans Affairs Advisory Board Meeting	Huntsville
6/16/16	Veteran's Expo Planning Meeting	Huntsville
6/17/16	Regional Hospital District Resources Meeting	Liberty

COMMUNITY ACTIVITIES (cont'd):

6/18/16	Texans United for Freedom Basic Training	Magnolia
6/21/16	Montgomery County Community Resource Coordination Group	Conroe
6/22/16	Montgomery County Youth Services Training Event	The Woodlands
6/22/16	Veterans Treatment Court	Conroe
6/22/16	Conroe Noon Lions Club Luncheon	Conroe
6/23/16	United Way Community Partners Meeting	The Woodlands
6/27/16	Veterans Monthly Basic Training	Conroe
6/27/16	Montgomery County Mental Health Court	Conroe
6/28/16	Conroe Regional Hospital Substance Abuse Education Training	Conroe
6/28/16	Montgomery County Business Women's Luncheon	Conroe
6/29/16	Military Culture Training with Montgomery County Sheriff's Office	Conroe
6/30/16	Huntsville Police Department/EMS 911 Mental Health Emergency Services	Huntsville
7/4/16	Veteran's Expo 4 th of July Event	Huntsville
7/5/16	DSHS Overdose Prevention Training Meeting	Houston
7/5/16	Montgomery County United Way Health & Wellness Meeting	The Woodlands
7/6/16	Montgomery County Community Assistance Recovery Efforts & Services Meeting	The Woodlands
7/6/16	Veterans of Foreign Wars Meeting	Conroe
7/6/16	Conroe Noon Lions Club Luncheon	Conroe
7/12/16	Veterans Affairs Mental Health Summit Planning Meeting	Houston
7/12/16	Walker County Long Term Recovery Committee Meeting	Huntsville
7/12/16	American Legion Meeting	Conroe
7/13/16	Veterans Treatment Court	Conroe
7/13/16	Conroe Noon Lions Club Luncheon	Conroe
7/14/16	Huntsville Chamber of Commerce Breakfast	Huntsville
7/15/16	Wall's Unit Tour with Justice Involved Veterans Coordinator & Huntsville Warden	Huntsville
7/15/16	Montgomery County Sheriff's Office Meeting	Conroe
7/16/16	Veterans One Year Anniversary at Polunsky Unit	Livingston
7/18/16	Walker County Voluntary Organizations Active in Disaster Meeting	Huntsville
7/18/16	Veterans Taskforce Meeting	Galveston
7/19/16	Veterans Taskforce Meeting	Conroe
7/19/16	Conroe ISD Police Department – Mental Health First Aid Training	Conroe
7/20/16	The Woodlands Adolescent Roundtable Coalition Meeting	The Woodlands
7/20/16	Conroe Noon Lions Club Luncheon	Conroe
7/21/16	Veterans Affairs Advisory Board Meeting	Huntsville
7/20/16	Montgomery County Community Resource Coordination Group	Conroe
7/22/16	Youth Mental Health First Aid Training	Conroe

COMMUNITY ACTIVITIES (cont'd):

7/23/16	Violence Prevention Steering Committee	The Woodlands
7/25/16	Veterans Monthly Basic Training	Conroe
7/25/16	Suicide Prevention Presentation to Montgomery County Women's Center	Conroe
7/26/16	Montgomery County Business Women's Luncheon	Conroe
7/27/16	Conroe Regional Hospital Substance Abuse Education Training	Conroe
7/27/16	Conroe Noon Lions Club Luncheon	Conroe
7/27/16	Veterans Treatment Court	Conroe
7/28/16	Conroe Regional Hospital Substance Abuse Education Training	Conroe
7/28/16	Veterans Family Fun Event Luncheon	The Woodlands

UPCOMING ACTIVITIES:

8/1/16	Montgomery County Homeless Coalition Board Meeting	Conroe
8/3/16	Conroe Noon Lions Club Luncheon	Conroe
8/4/16	Cleveland Chamber of Commerce Luncheon	Cleveland
8/4/16	Walker County Community Resource Coordination Group	Huntsville
8/10/16	Child Fatality Review Team Meeting	Huntsville
8/11/16	Huntsville Chamber of Commerce Breakfast	Huntsville
8/12/16	Conroe Regional Hospital Substance Abuse Education Training	Conroe
8/17/16	Montgomery County Community Resource Coordination Group	Conroe
8/23/160	Montgomery County Business Women's Luncheon	Conroe

Agenda Item: Consumer Services Reports for May and June 2016 Committee: Program	Board Meeting Date July 28, 2016
Background Information: None	
Supporting Documentation: Consumer Services Reports for May and June 2016	
Recommended Action: For Information Only	

**Consumer Services Report
May 2016**

Consumer Services	Montgomery County	Cleveland	Liberty	Walker County	Total
Crisis Services, MH Adults/Children					
Persons Screened, Intakes, Other Crisis Services	449	30	19	50	548
Crisis and Transitional Services (LOC 0, LOC 5)	56	1	3	5	65
Psychiatric Emergency Treatment Center (PETC) Served	63	3	1	6	73
Psychiatric Emergency Treatment Center (PETC) Bed Days	290	14	3	28	335
Contract Hospital Admissions	17	1	4	0	22
Diversion Admits	15	0	1	3	19
Total State Hospital Admissions	21	0	0	0	21
Routine Services, MH Adults/Children					
Adult Service Packages (LOC 1m,1s,2,3,4)	1023	160	102	95	1380
Adult Medication Services	713	68	82	72	935
Child Service Packages (LOC 1-4 and YC)	453	38	17	66	574
Child Medication Services	246	23	12	32	313
TCOOMMI (Adult Only)	103	21	16	13	153
Adult Jail Diversions	4	0	0	0	4
Persons Served by Program, IDD					
Number of New Enrollments for IDD Services	4	1	0	0	5
Service Coordination	654	45	56	67	822
Persons Enrolled in Programs, IDD					
Center Waiver Services (HCS, Supervised Living, TxHmL)	42	5	20	23	90
Contractor Provided ICF-MR	18	10	10	6	44
Substance Abuse Services					
Children and Youth Prevention Services	79	0	34	0	113
Youth Substance Abuse Treatment Services/COPSD	12	0	0	1	13
Adult Substance Abuse Treatment Services/COPSD	28	0	0	3	31
Waiting/Interest Lists as of Month End					
Home and Community Based Services Interest List	1613	128	138	145	2024
May Served by County					
Adult Mental Health Services	1420	155	118	156	1849
Child Mental Health Services	529	22	22	71	644
Intellectual and Developmental Disabilities Services	704	50	58	70	882
Total Served by County	2653	227	198	297	3375
April Served by County					
Adult Mental Health Services	1426	161	120	190	1897
Child Mental Health Services	566	35	26	67	694
Intellectual and Developmental Disabilities Services	711	48	56	69	884
Total Served by County	2703	244	202	326	3475
March Served by County					
Adult Mental Health Services	1378	167	124	184	1853
Child Mental Health Services	549	39	18	73	679
Intellectual and Developmental Disabilities Services	743	47	55	77	922
Total Served by County	2670	253	197	334	3454

Consumer Services Report June 2016

Consumer Services	Montgomery County	Cleveland	Liberty	Walker County	Total
Crisis Services, MH Adults/Children					
Persons Screened, Intakes, Other Crisis Services	405	51	20	58	534
Crisis and Transitional Services (LOC 0, LOC 5)	66	0	1	0	67
Psychiatric Emergency Treatment Center (PETC) Served	61	5	3	12	81
Psychiatric Emergency Treatment Center (PETC) Bed Days	285	24	7	49	365
Contract Hospital Admissions	25	2	2	3	32
Diversion Admits	7	0	0	0	7
Total State Hospital Admissions	25	0	1	0	26
Routine Services, MH Adults/Children					
Adult Service Packages (LOC 1m,1s,2,3,4)	1052	151	102	100	1405
Adult Medication Services	803	93	68	109	1073
Child Service Packages (LOC 1-4 and YC)	443	29	15	62	549
Child Medication Services	240	8	13	33	294
TCOOMMI (Adult Only)	105	19	17	14	155
Adult Jail Diversions	3	0	0	0	3
Persons Served by Program, IDD					
Number of New Enrollments for IDD Services	6	0	1	1	8
Service Coordination	656	74	54	66	850
Persons Enrolled in Programs, IDD					
Center Waiver Services (HCS, Supervised Living, TxHmL)	42	5	20	22	89
Contractor Provided ICF-MR	18	10	11	6	45
Substance Abuse Services					
Children and Youth Prevention Services	10	0	23	0	33
Youth Substance Abuse Treatment Services/COPSD	8	0	0	1	9
Adult Substance Abuse Treatment Services/COPSD	29	0	0	4	33
Waiting/Interest Lists as of Month End					
Home and Community Based Services Interest List	1572	128	137	145	2024
June Served by County					
Adult Mental Health Services	1435	175	112	198	1920
Child Mental Health Services	499	39	19	67	624
Intellectual and Developmental Disabilities Services	705	46	59	69	879
Total Served by County	2639	260	190	334	3423
May Served by County					
Adult Mental Health Services	1420	155	118	156	1849
Child Mental Health Services	529	22	22	71	644
Intellectual and Developmental Disabilities Services	704	50	58	70	882
Total Served by County	2653	227	198	297	3375
April Served by County					
Adult Mental Health Services	1426	161	120	190	1897
Child Mental Health Services	566	35	26	67	694
Intellectual and Developmental Disabilities Services	711	48	56	69	884
Total Served by County	2703	244	202	326	3475

Agenda Item: Program Updates Committee: Program	Board Meeting Date July 28, 2016
Background Information: None	
Supporting Documentation: Program Updates	
Recommended Action: For Information Only	

Program Updates

May 26, 2016 – July 28, 2016

MH Crisis Services

1. Tri-County's substance abuse and crisis services staff continue to partner with key staff from Conroe Regional Medical Center (CRMC) on the topic of substance abuse. The Chief Nursing Officer and the Training Coordinator from CRMC are requesting Tri-County's assistance to better educate nursing staff in this area. Two (2) dates have been scheduled later this month for Tri-County staff to address nursing supervisors on how to identify and creatively approach this growing concern.
2. The Sargent and Lieutenant that oversee the Crisis Intervention Response Team (CIRT) officers were agreeable to incorporate the following questions to help Conroe Police Department Dispatch more clearly identify mental health emergencies:
 - a. Is the emergency due to a mental health crisis?
 - b. Does the person have a history of a mental health diagnosis?
 - c. Is the person currently experiencing thoughts of harm to self or others?
 - d. Does the person have access to weapons?
3. Clinicians and the Assistant Vice President of Student Services from Sam Houston State University toured the Psychiatric Emergency Treatment Center (PETC). They were informed about the various crisis services provided at Tri-County including programs at the PETC such as the Intensive Evaluation and Diversion and Crisis Stabilization Units. We discussed specific ways to benefit the students; including local emergency room diversion.

MH Adult Services

1. In our Adult Outpatient Clinic, there are currently four (4) open clinician positions and one ACT Coordinator position. We had one new field clinician who joined Tri-County in June, none in July, and one new clinician will join us in August. We have had difficulty getting qualified applicants
2. Staff are actively working to recruit two (2) new prescribers and have a psychiatrist who has accepted our offer and is tentatively starting with us on August 29th pending background checks.
3. We have successfully organized each of our field clinicians to work within a limited geographic area so we minimize travel time and costs.
4. Supported Housing staff are providing stable short-term housing for one (1) year for 25 clients. The supported housing specialist is assisting 19 clients in achieving their goals of maintaining housing on their own when Tri-County's rental assistance ends.
5. Since March 2016, PATH case managers have enrolled 127 homeless people with possible mental health issues in order to provide them with mental health services. They have had 404 separate contacts with these PATH enrolled clients and made 544 outreach contacts. Homelessness remains a huge challenge in our service area.

MH Child Services

1. We are actively working to build our Youth Empowerment Services (YES) Waiver and “wrap around” services. The needs are very high and the functional presentations of the children extremely complex. The state has placed a cap on the number of families we can serve in the YES Waiver program at 28. We will easily have more requests than space available.
2. We are actively studying the new state STAR Kids program and its implications for service delivery to Medicaid funded families.
3. Child and Adolescent Services are recruiting for five (5) more clinicians and have five (5) recently hired clinicians in training.
4. As we have seen in most years, summer schedules are challenging for clinicians as many families have cancelled scheduled appointments.

Criminal Justice Services

1. We received the official report from TCOOMMI regarding the fiscal audit results from their on-site audit conducted in April of this year. Center’s financial records were found to be well organized; our policy & procedures as well as internal controls were found to be sound. We are in compliance in all areas of the contract.
2. For the month of June, the Jail Liaison assessed 47 individuals and coordinated the treatment of 97 individuals in the Montgomery County Jail. July continues to be on track to provide services to about the same number of individuals.

Substance Abuse Services

1. Our Youth Prevention Program Manager attended The Woodlands Adolescent Roundtable Coalition meeting on July 20th, and we also have an appointment scheduled with Conroe ISD on August 1st. There are plans to schedule a follow-up with the Cleveland Schools sometime in August around the start of the school year.
2. Our Adult Substance Abuse Services continue to struggle to engage clients despite moving to “walk-in” access over the past few months.
3. We are still recruiting for two full-time Adolescent Substance Abuse Therapists.
4. Our Medical Staff is increasing the focus on identifying and diagnosing co-occurring substance use as we continue to see prevalence of substance use in our client population.

IDD Services

1. The TxHmL and HCS audits occurred concurrently which is a good thing but creates some challenges as each program has their own regulations. During the audits, we learned a few minor things that we can implement to improve our processes. In general, the auditors were very impressed with our Comprehensive Nursing Assessments, Special Needs training on each individual and our staff’s knowledge of the consumers they care for.
2. The DADS Utilization Review team has been conducting desk audits over the past month. This review looks at both the Authority and Provider documents for continuity and justification for services. The results have been positive.

3. IDD Authority Services has received funding for an IDD Crisis Respite program. We are working on the process to utilize these funds.

Support Services

1. **Quality Management:**
 - a. Staff reviewed and submitted one (1) chart for the date range of 2014 - 2016 for United Healthcare/WIN program.
 - b. Staff reviewed and submitted one (1) chart for the date of September 12, 2014 to Community First Health Plan.
 - c. Staff reviewed and submitted thirty-one (31) charts for the date range of 2015 - Present to Amerigroup/Verisk Health.
2. **Utilization Management:** Following Board approval, staff revised the Adult Mental Health Waiting List Procedure and implemented the waiting list. The Administrator of Utilization Management is currently reviewing all individuals eligible for the waiting list to ensure appropriate placement.
3. **ETBHN/Regional Authorization:** Regional Authorization staff began to review Comprehensive Intake Assessments to ensure that they are in line with CANS/ANSA assessments prior to authorization.
4. **Veteran Affairs:**
 - a. The Veteran's Services Liaison is coordinating with the Veterans Affairs (VA) Mental Health Summit Planning Committee to invite two co-presenters from Montgomery County to present at the Summit. The two volunteer presenters include a Tri-County Clinician presenting on crisis services along with an employee of the Montgomery County Sheriff's Office who will be presenting on his interaction with veterans in the jail.
 - b. Staff coordinated and participated in a small Veteran's Expo that was in conjunction with the 4th of July activities at the HEARTS Museum in Huntsville.
5. **Mental Health Planning Network Advisory Committee (MHPNAC):** The MHPNAC met on June 29th and reviewed financial status, center updates including the implementation of the new Adult Mental Health Waiting list, performance measures, and discussed Tri-County's involvement in recent community events including the 'Walking Man' presentation recently held at the Creighton Theatre.

Community Activities

1. Over 160 guests attended the "Walking Man" event on June 9, 2016.
2. Several staff attended the Montgomery County Women's Association Luncheon on June 28, 2016 where Tri-County received a \$500 check in support of the 'Walking Man' event. The Conroe Courier captured the event with a nice photo and article.
3. Tri-County's Consumer Foundation Logo/Slogan Committee met on June 13, 2016 where potential logos/slogans were sent to the graphic designer.
4. Suicide Prevention training was presented to CASA in Liberty, TX on June 15, 2016.

<p>Agenda Item: FY 2016 Goals and Objectives Progress Report</p> <p>Committee: Program</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>The Board of Trustees and Management Team met on July 11, 2015 for the annual strategic planning retreat to develop the goals for FY 2016. Goals were discussed and a consensus was reached. Subsequently, the Management Team developed objectives for each of the goals. These goals are in addition to the contractual requirements of the Center’s contracts with the Department of State Health Services and the Department of Aging and Disability Services.</p> <p>The Board also requested that quarterly progress reports be presented as a “year-to-date summary.”</p> <p>This report shows progress through the 3rd Quarter of FY 2016.</p>	
<p>Supporting Documentation:</p> <p>FY 2016 Goals and Objectives Progress Report</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

Year-to-Date Progress Report

September 1, 2015 – May 31, 2016

Goal #1 – Facilities

Objective #1

Open the new service location in Liberty by October 1, 2015.

- After a series of delays associated with receiving the Certificate of Occupancy for the new facility on Panther Lane, Tri-County staff held a Grand Opening Ceremony on December 1, 2015.
- Regular services began at the site on the following Monday, December 7, 2015.

Objective #2

Select a contractor for the construction of the new Conroe facility by December 1, 2015.

- After reviewing responses to the Request for Proposals, Axiom Construction was selected to construct the new Montgomery County Facility by the Board of Trustees at the October 22, 2015 Board meeting.

Objective #3

Break ground on the new Conroe facility by January 31, 2016.

- Upon completion of financing documents with First Financial Bank, Axiom Construction began work at the 233 Sgt. Ed Holcomb Blvd. S. location on January 19, 2016.
- A formal ground breaking ceremony was held at the site on February 16, 2016.

Objective #4

Update appraisals on existing vacant properties and list these properties for sale by March 1, 2016.

- Updated appraisals were secured for all four Conroe locations that will be vacated and the two Liberty, Texas locations that were vacated in January.
- A surplus sale was held at both Liberty, Texas locations and the facilities were being cleaned out for sale in the third quarter.

Goal #2 – Community Awareness

Objective #1

Meet one on one with all County Judges and County Commissioners to discuss Tri-County Behavioral Healthcare and seek feedback about service gaps by May 31, 2016.

- The Director of Strategic Development and Executive Director have met with Commissioner's Meador, Clark, and Metcalf; Senator Nichols and Judge Mack.

- Additional meetings will be held after budget hearings are finalized. Judge and commissioner schedules are more difficult to access during budget time.

Objective #2

Hold at least one meeting with local legislative staff to discuss Tri-County Behavioral Healthcare and feature one of our programs by May 31, 2016.

- This meeting has been delayed due to scheduled repairs at the Psychiatric Emergency Treatment Center in Conroe.

Objective #3

Hold at least one sponsored community outreach event focused on issues that would interest Tri-County families and the community by May 31, 2016.

- Director of Strategic Development organized a community suicide awareness event at Crighton Theatre on June 9th entitled: **A Night with the Walking Man**.
- A community Youth Mental Health First Aide (YMHFA) training was planned for July 22nd at the River Plantation Country Club.

Objective #4

With the cooperation of Tri-County's Consumer Foundation, plan at least one fundraising event before August 31, 2016.

- Two new Board members have been elected to serve on Tri-County's Consumer Foundation.
- Plans are being developed to have a "Meet and Greet" for TCCF at the new building.
- The Director of Strategic Development is working with the lawyer to complete the Tax Exemption application for the Consumer Foundation and have it ready to present at the August 19th Board meeting.

Objective #5

Hold at least one meeting for employers in each local service area to discuss employment needs, opportunities and benefits for individuals with IDD by August 31, 2016.

- DADS Employment Recruitment Coordinator presented on the benefits for employers to hire individuals with IDD for the following dates and locations:
 - March 30, 2016 – Conroe Noon Lions Club
 - April 20, 2016 – Huntsville Rotary Club
- For the fourth quarter, presentations are scheduled as follows:
 - June 15, 2016 – Cleveland Chamber of Commerce
 - August 4, 2016 – Liberty Chamber of Commerce

Goal #3 – Staff Development/Retention

Objective #1

Start the second Jon Stigliano Leadership Course in FY 2016.

- Staff have spoken with Jon Stigliano regarding our desire to start a second Leadership Course. The current session ends in May 2016 and the second class starts in July 2016. In addition to another class like the one that finished this year, the next class will be offered to staff that finished the first course.
- Leadership Tri-County 2016-2017 starts on July 20, 2016. As well, in August 2016, we are starting our Level II Leadership Series with Stigliano for those who graduated from the first Leadership TC.

Objective #2

Develop at least two targeted training courses for our Bachelor's level Qualified Mental Health Professionals (QMHPs) and Qualified Intellectual Disability Professionals (QIDPs) by February 28, 2016.

- QIDP staff were trained on Person Centered Planning in the second quarter.
- Select agency staff from the Quality Management and Mental Health Departments around the agency are currently registered for a Via Hope training on Person Centered Recovery Planning being held at the HOGG Foundation in Austin on July 27-28th. Online training for QMHPs involved in Recovery Planning has also been identified.
- Training Department staff are researching Trauma Informed Care (TIC) training certification so that it can be included in New Employee Orientation. Plans include training of all QMHP and QIDP staff in TIC.
- We have submitted an application to SAMHSA to have their trainers come to Tri-County and hold Trauma Informed Care trainings and Train the Trainer sessions.

Objective #3

Review Center compensation systems and consider salary increases for employees based on determined objective criteria by May 31, 2016.

- Staff have reviewed this objective and a series of recommendations will be considered by Management Team including increased PTO buyout, flex schedules and 4-10 hour day work structure for certain positions.

Goal #4 – Technology

Objective #1

Make a recommendation to the Board of Trustees related to a replacement for Anasazi Human Resources and Fiscal software by February 28, 2016.

- A committee was formed to review Human Resources and Fiscal software that may need Center needs.
- Initial reviews narrowed the available options down to two or three software packages that would meet both Human Resources and Fiscal needs.

- After further review, it was determined that there currently is not a product on the market that will meet our needs and be affordable.
- The team has recommended that this objective be postponed to a future date when more options may become available. In the interim, Center programmers are prepared to modify software code if necessary to meet Federal reporting requirements.

Objective #2

Develop a plan for the new Conroe facility to transition phone systems and copiers/printers by April 30, 2016.

- Two teams have been formed to look at this objective. The first team will be looking at technology needs/costs. The second team will be looking at staffing changes for the new facility. The recommendations of these two teams will be considered by the Building Leadership Team and a design will be selected.

Goal #5 – Quality Management

Objective #1

Conduct a Privacy and Security Audit of Tri-County Behavioral Healthcare to identify risks and develop an improvement plan based on audit results by March 31, 2016.

- A network security audit has been completed and ongoing assessments are underway as we work through the corrective action plan. At this time 100% of the critical findings have been corrected and we have currently improved to a B- standing from our initial C-scoring. In addition, staff collaborated with Burke Center Quality Management staff to assist with an additional on-site audit of the physical environment and staff privacy knowledge which took place on April 14, 2016. Although no breaches of privacy were identified at the time of the review, staff are in the process of working through recommendations to improve Center privacy practices.

Objective #2

Create a quality management auditing system to replace the Program Review process that is currently used by May 31, 2016.

- Following a self-assessment of our Center's current alignment with the Commission on Accreditation of Rehabilitation Facilities (CARF) accreditation standards, Quality Management Staff identified a new review process, Program Survey, as a means of monitoring the health and quality of Center programs while continuing to evaluate and work toward alignment with national standards that will better prepare us for Accreditation.

<p>Agenda Item: 3rd Quarter FY 2016 Corporate Compliance and Quality Management Report</p> <p>Committee: Program</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>The Department of State Health Services' Performance Contract has a requirement that the Quality Management Department provide "routine" reports to the Board of Trustees about "Quality Management Program activities."</p> <p>Although Quality Management Program activities have been included in the program updates, it was determined that it might be appropriate, in light of this contract requirement, to provide more details regarding these activities.</p> <p>Since the Corporate Compliance Program and Quality Management Program activities are similar in nature, the decision was made to incorporate the Quality Management Program activities into the Quarterly Corporate Compliance Report to the Board and to format this item similar to the program updates. The Corporate Compliance and Quality Management Report for the 3rd Quarter of FY 2016 are included in this Board packet.</p>	
<p>Supporting Documentation:</p> <p>3rd Quarter FY 2016 Corporate Compliance and Quality Management Report</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

Corporate Compliance and Quality Management Report

3rd Quarter, FY 2016

Corporate Compliance Activities

A. Key Statistics:

1. There was one (1) completed Corporate Compliance investigation in the 3rd quarter of FY 2016. Following a report of potential issues related to accurate reporting of time, a review of staff documentation followed by a staff interview was conducted. The case was unconfirmed without payback as the time in question did not affect billing, but did result in all Adult Substance Abuse staff receiving clarification to ensure proper reporting of time.

B. Committee Activities:

1. The Corporate Compliance Committee met on May 18, 2016. The next meeting is scheduled for August 17, 2016. The committee reviewed the following:
 - a. A summary of investigations;
 - b. Audits that were requested by different funding sources;
 - c. HIPAA compliance and ongoing quality assurance;
 - d. Findings of daily Quality Assurance reviews; and
 - e. Legal updates on compliance issues

Quality Management Initiatives

A. Key Statistics:

1. Staff reviewed and submitted seven (7) charts for the date range of January 1, 2015 – December 31, 2015 for Amerigroup/WIN Study.
2. One (1) chart was reviewed and submitted for United Healthcare with a date range of January 1, 2015 – December 31, 2015.
3. One (1) chart was reviewed and sent for an auto insurance company with a date range of October 25, 2015 – Present.
4. One (1) request for Substance Abuse records spanning the episode of care was reviewed and submitted to a Legally Authorized Representative.

B. Reviews/Audits:

1. Cenpatico conducted their quarterly site visit on May 13, 2016. Four (4) charts, with dates of service dating back to September 2014 were reviewed in preparation for the visit. We received positive feedback from the review including complimentary comments about our Family Partner. Areas of focus during the review included continuity of care and communication with other providers, timeliness of entry, and a demonstration of improvement on efforts to lower level of care when appropriate.

C. Internal Programs Reviewed by Quality Management:

1. Staff continue to monitor monthly quality assurance of documentation by managers and have developed a Program Survey process that will be implemented by the Administrator of Quality Management in FY 2017 and will be to incorporate national standards of care.

D. Other Quality Management Activities:

1. Staff conducted a telemedicine satisfaction survey of a random selection of 10% of the individuals who were provided this service in the month of May. Although many were unable to be contacted, those who responded to the survey reported being pleased with the level of care they received.
2. During the month of March, Quality Management staff conducted a satisfaction survey of fifty-one (51) clients who had recently discharged from the PETC. The majority of the responses were positive with customer service and quality of the food listed as concerns. Follow up was provided to the Management Team and PETC staff following review.

<p>Agenda Item: 4th Quarter FY 2016 Corporate Compliance Training</p> <p>Committee: Program</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>As part of the Center’s Corporate Compliance Program, training is developed each quarter for distribution to staff by their supervisors.</p> <p>This training is included in the packet for ongoing education of the Tri-County Board of Trustees on Corporate Compliance issues.</p>	
<p>Supporting Documentation:</p> <p>4th Quarter FY 2016 Corporate Compliance Training</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

Corporate Compliance Training, 4th Quarter FY 2016
Office of the Inspector General (OIG) FY 2016 – 2017 Work Plan
Relevance for Community Behavioral Health Organizations (CBHOs)

INTRODUCTION:

The OIG was created to protect the integrity of Health and Human Service (HHS) programs and operations and the well-being of beneficiaries by detecting and preventing fraud, waste, and abuse; identifying opportunities to improve program economy, efficiency, and effectiveness; and holding accountable those who do not meet program requirements or who violate Federal health care laws. The U.S. Department of Health and Human Services (HHS) Office of Inspector General (OIG) maintains an active Work Plan which summarizes new and ongoing OIG reviews and with respect to HHS programs and operations. Among the top areas of focus in the OIG work plan for FY 2016–2017 are: physical security, information security, and compliance with federal laws related to contracts and grants. Organizations such as CBHOs (including Tri-County Behavioral Healthcare) who receive federal funding are subject to review by the OIG and are encouraged to review the current OIG Work Plan to assist with guiding their own compliance programs and quality improvement efforts (See reference below).

OIG FY16-17 WORK PLAN: TOP AREAS OF FOCUS RELEVANT TO CBHOS:

- Medicare Program Integrity
 - Review of data reported to secure Incentive Payments to ensure accurate reporting
 - Review of Medicare Part C Diagnostic Reporting
 - The OIG will review the sufficiency of documentation supporting diagnoses by looking at documentation in the medical record to ensure that it supports the diagnoses that Medicare Advantage organizations submitted to CMS to determine whether the diagnoses submitted complied with Federal requirements. Prior OIG reviews have shown that medical record documentation does not always support the diagnoses submitted to CMS.
 - Review of Medicare Part D Beneficiary Prescriptions
 - The OIG will review medications prescribed to this population to identify drugs that should not be prescribed in combination with other drugs. These would include drugs that have a severe interaction when used in combination with other drugs and drugs that should not be co-prescribed.
- Medicaid Program Integrity
 - New health care payment and delivery models
 - The OIG understands that Medicaid programs vary greatly from state to state and will focus on new programs to ensure that funds are utilized appropriately.
 - Oversight of Managed Care Fraud Waste and Abuse Identification Programs
 - Following a prior OIG report that revealed that over 1/4 of the MCOs surveyed did not report any cases of suspected fraud and abuse to their State Medicaid agencies in 2009, the OIG will be conducting reviews to determine whether Medicaid MCOs identified and addressed incidents of potential fraud and abuse as they are required to have processes to detect, correct, and prevent fraud, waste, and abuse.
 - Community First Choice
 - The OIG will review Community First Choice (CFC) payments to determine whether the payments are proper and allowable (i.e. did beneficiaries otherwise require an institutional level of care and meet financial eligibility criteria).
 - Balancing Incentive Program (BIP)

- The OIG will review expenditures the States claimed under the Balancing Incentive Program (BIP) to ensure that they were for eligible Medicaid long-term services and support (LTSS).
- Mental and Behavioral Health Services
 - Going forward, the OIG reports that they expect to examine beneficiary access to, and program integrity of Mental and Behavioral Health Services.

AS AN EMPLOYEE OR CONTRACTOR OF A CBHO, HOW SHOULD I USE THIS INFORMATION?

1. Assume that all documentation is subject to review and reporting. Ensure that you understand the codes you are using to bill, the documentation requirements to bill, are documenting accurate provision information in an individualized manner that addresses progress or lack of progress when appropriate to adequately show medical necessity, ensure that the goals/objectives used with individuals served are on the Person Centered (or other if applicable) Plans and that both the plans and assessments required (such as CANS/ANSA) are current when the service is provided. Remember that when you sign a progress note, you are in effect invoicing the payer.
2. Understand the eligibility criteria for the services you are providing and be prepared to discuss the process for determining eligibility if requested.
3. Always conduct yourself with integrity, report accurately, and ask questions when unclear on requirements. All compliance concerns should be reported to Tri-County Behavioral Healthcare’s Compliance Officer, Tanya Bryant (936) 521-6115 or via email at tanyab@tcbhc.org

SUMMARY

The OIG FY 2016-2017 Work Plan guides oversight on many areas that touch the services provided by CBHOs but it is important to remember that the oversight is not limited to the specific focus areas outlined in the plan. As the organization responsible for protecting the integrity of Health and Human Service (HHS) programs, beneficiaries and holding accountable those who violate Federal health care laws, the OIG may at any time choose to focus on other areas under their umbrella of oversight. In conclusion, the easiest way to avoid being subject to a Corporate Compliance investigation, is to understand the relevant laws, ensure that you understand the codes you are using to bill for services, the documentation requirements surrounding the services you have provided, other reporting/program requirements related to the services you are providing and, when identified, report concerns to the Corporate Compliance Officer for Tri-County Behavioral Healthcare and correct errors immediately.

To review the OIG FY16-17 Work Plan in its entirety go to: <https://oig.state.gov/system/files/work-plan-fy-2016-2017.pdf>

For information on recent enforcement actions to which OIG has contributed are posted to OIG’s Web site at <http://oig.hhs.gov/fraud/enforcement/index.asp>.

<p>Agenda Item: Medicaid 1115 Transformation Waiver Project Status Report</p> <p>Committee: Program</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>Metrics achieved by March 31, 2016 of Demonstration Year (DY) 5 were submitted in April to the Health and Human Services Commission (HHSC) for payment on July 29th. The balance of the metrics from all five projects is on course to meet required targets to report in October 2016.</p> <p>The Intensive Evaluation and Diversion (IED) program with the Extended Observation Unit (EOU) component has reached 100% of its goal of 500 by serving 591 persons as of July 10th. The EOU housed 247 with an additional 344 receiving crisis services by IED staff. Stakeholder meetings were reported in Round 1.</p> <p>The IDD ACT program, with a goal of 50, has provided services to 54 persons as of July 10th. With a goal of 50% cost avoidance from higher cost alternatives, the program currently has a 62% diversion rate, but must report in October for this 12-month metric.</p> <p>The Expanded Psychiatry Delivery project covering Liberty County has exceeded the volume service goals and reported achievement in the Round 1 reporting period. The program, to date, has served 180 unique persons while providing 1,182 available appointments and recording 750 patient visits. The Expanded program for Montgomery and Walker Counties exceeded its goals for visits and available appointments in Round 1. The number of unique individuals needing to be seen to report achievement by the end of DY 5 is 275; they are at 271 as of July 10th.</p> <p>Our Integrated Health Care doctor has treated 456 unique patients in DY 5 so far, exceeding the 225 patients required. Their available appointments target of 1,250 has now been met with a total of 2,202.</p> <p>Schedules and operational checklists are being finalized for the Mobile Health Clinic.</p>	
<p>Supporting Documentation:</p> <p>Medicaid 1115 Transformation Waiver Project Status Report</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

Tri-County Behavioral Healthcare

Medicaid 1115 Transformation Waiver Projects

DY 5 - 10/1/2015 - 09/30/2016

Status Update: 10/1/2015 - 07/10/2016 - Round 2

Source: Internal Reporting / HHSC Reports

- On Target to Meet DY5 Outcomes
- Not Started / To be completed in DY 5
- Pending HHSC Approval

Project	County	DY 5 Targets	As of 7/10/16	Progress Towards Goals	Status	Barriers / Comments
1.1.1 Intensive Evaluation & Diversion	Montgomery Walker	DY 5 - 500 Persons presenting in crisis	591	Of the 591 persons seen in crisis, 247 were diverted to the EOU as of 7/10/16.	●	On target to report for achievement in October 2016.
Required Milestones/Metrics		1: 4 Stakeholder mtgs. 2. 500 persons/ 50% costs avoided	1. 100% 2. TBD	1. 6 Stakeholder meetings w/ an avg. of 8+ participants. Report in October 2016 2. TBD	● ●	DY5 Estimated Incentive Bundle Amount: \$2,189,622
Category 3 Performance Outcomes		PHQ-9 -Depression Survey Baseline: 10.43		Will need to show 10% improvement in Oct 2016. Avg target score: 9.97	●	DY 5 Incentive Payment: \$280,558.50
1.1.2 IDD ACT	Montgomery Walker	50 Individuals	5500%	Will report for payment in 10/2016	●	
Required Milestones/Metrics		1. 4 Stakeholder mtgs. 2. 50% Costs avoided	1. 100% 2. TBD	1. Will report meetings metric for payment in April. 2. Will report for full payment in 10/16	● ●	DY 5 Estimated Incentive Bundle Amount: \$349,351
Category 3 Performance Outcomes		Aberrant Behavior Checklist (ABC) 27 Pre / 19 Posttests	10% IOS Baseline: 89.25	Will report a ≥ 10% decrease in behavioral health symptoms due to treatment. DY5 Goal: 84.79%	●	DY 5 Incentive Payment: \$280,558.50
1.1.3 Expanded Psychiatry Delivery	Montgomery Walker	1. 275 Unique clients 2. a. 375 Visits b. 750 Appts	1. 271 2. 1274 3. 1627	1. On target to report for achievement in October 2016 2 & 3 On target to report for achievement in April 2016	●	DY 5 Estimated Incentive per metric: \$344,979
Required Milestones/Metrics		1. Use of ED by persons with MI 2. Evidence of improved access	1. 10% ↓ 2. Volume #'s above	1. Percentage metrics are not eligible to report until October.	●	DY 5 Estimated Incentive Bundle Amount: \$689,958

Tri-County Behavioral Healthcare

Medicaid Transformation Waiver Projects

DY 5 - 10/1/2015 - 09/30/2016

Status Update: 10/1/2015 - 07/10/2016 - Round 2

Source: Internal Reporting / HHSC Reports

- On Target to Meet DY5 Outcomes
- Not Started / To be completed in DY 5
- Pending HHSC Approval

Project	County	DY 5 Target	As of 7/10/16	Update	Status	Barriers / Comments
Category 3 Performance Outcomes		PHQ-SADS - Depression/Anxiety Establish baseline	Baseline: 36.8 Goal: 34.07	Will report a ≥ 10% decrease in behavioral health symptoms due to treatment	●	DY 5 Incentive Payment: \$280,558.50
1.2.1 Integrated Primary & Behavioral Healthcare	Montgomery Walker	1. 1250 Available Appointments 2. 225 persons with both physical & BH care	1. 2202 2. 456	1. On target to report for achievement in October 2016 2. Reported in April	●	Need to increase warm hand-offs and coding that service.
Required Milestones/Metrics		1. Expand appts. 2. CQI activities 3. % receiving both primary & BH care	1. Yes 2. Data Measures & EHR 3. 100%	Ongoing data is collected showing strengths & weaknesses for continuous quality improvement (CQI)	●	DY 5 Estimated Incentive Bundle Amount: \$1,254,782
Category 3 Performance Outcomes		Report controlled BPs in last 6 months of DY5	Baseline: 55.56%	List of clients being treated for HTN is complete for October DY5 report.	●	Improve BP scheduling DY 5 Incentive Payment: \$ 280,558.50
Mobile Clinic Component		Utilize bus for Integrated program in Huntsville.	Coach ready to go	Complete P & P; Operational manual; Propose community collaborations	●	Challenges: Find driver; Community funding
1.1.1 Expanded Psychiatry Delivery	Liberty	1. 100 Unique clients 2. 125 Visits 3. 250 Appts Avail	1. 180 2. 750 3. 1182	Achievement to be reported in October 2016	●	Thursday, med clinic day, has 14-16 persons scheduled, but averaging <8 persons, so has capacity.
Required Milestones/Metrics		1. Use of ED by persons with MI 2. Evidence of improved access	1. 10% ↓ 2. Volume #'s above	1. Percentage metrics are not eligible to report until October.	●	DY 5 Estimated Incentive Bundle Amount: \$307,940
Category 3 Performance Outcomes		PHQ-SADS - Depression/Anxiety Establish baseline	47.2 = Baseline	Will report 10% ↓ over baseline in Oct 2016 reporting period	●	DY 5 Incentive Payment: \$77,000.00

<p>Agenda Item: Appoint Nominating Committee for FY 2017 Board Officers</p> <p>Committee: Executive</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>The Board Chair will select representatives for the Nominating Committee for FY 2017 Board Officers. Typically, the committee is made up of three members and includes a representative from each county. One of the members will also be designated to serve at the chair of the committee.</p> <p>The annual election of officers will occur at the August Board meeting.</p>	
<p>Supporting Documentation:</p> <p>None</p>	
<p>Recommended Action:</p> <p>Appoint Nominating Committee for FY 2017 Board Officers</p>	

<p>Agenda Item: Appoint Executive Director Evaluation Committee</p> <p>Committee: Executive</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>The Board Chair will select representatives for the FY 2016 Executive Director Evaluation Committee. Typically, the committee has been made up of three members and includes a representative from each county. One of the members will also be designated to serve at the chair of the committee.</p> <p>The results of the Executive Director Evaluation will be reviewed at the August Board meeting.</p>	
<p>Supporting Documentation:</p> <p>None</p>	
<p>Recommended Action:</p> <p>Appoint Executive Director Evaluation Committee</p>	

Agenda Item: Approve Revision to Fiscal Administration Board Policies Committee: Executive	Board Meeting Date July 28, 2016
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Background Information:

Staff have been updating the Fiscal portion of the Board Policy Manual. Revisions were made to nine (9) fiscal policies and are listed as one action item for approval. In addition, staff recommend the deletion of one (1) policy and the movement of one (1) policy related to Information Technology. All changes include cleanup of language and format.

- **E.15 – Reimbursement for Services Rendered** – Formerly called ‘Vouchers and Billing’; added references to Health and Safety Code, and delegated responsibility for the Chargemaster to the Chief Financial Officer.
- **E.16 – Check Signing Authority-Facsimile Signatures** – Modified to include information about electronic fund transfer processes and to change authorized signers on large checks from Board Officers to ‘Board authorized signers.’
- **E.17 – Board of Trustees’ Travel Policy** – Minor changes and clean-up; added ‘economy plus’ travel as acceptable.
- **E.19 – Solicitation of Bid Proposals** – Last revised in 2014; added a contract required reference to Health and Safety Code compliance.
- **E.21 – Transportation** – Cleanup of language around the maintenance of Tri-County owned vehicles.
- **E.22 – Computer Support** – Moved to a new IT section of Board Policy, G, and renamed as **G.1 – Management Information Services** – Assigns responsibility for Board Policy on IT to the Director of Management Information Systems.
- **E.23 – Overview of the CARE System** – Recommend deletion; although CARE is still used, its role has diminished and would be covered in Section G in a more general policy on state computer system use.
- **E.24 – Retention of Fund Balance** – Revised in 2014; format/name changes.
- **E.25 – Lease of Center Facilities** – Cleanup of language regarding who the Center can lease property to.
- **E.26 – Retirement Plan Investment Policy** – Revised in 2013; format changes.
- **E.27 – Acceptance of Charitable Gifts** – Format changes only.

All Fiscal Board Policies are now up-to-date, and General Board Policies will be revised next.

Supporting Documentation:

Revised Board Policies (Markup and Final Versions)

Recommended Action:

Approve Revisions to Fiscal Board Policies; and, Deletion of Board Policy E.23 – Overview of the CARE System

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): July 28, 2016

SUBJECT: Reimbursement for Services Rendered ~~Vouchers & Billing~~

It is the policy of the Tri-County Behavioral Healthcare (“Tri-County” or “Center”) Board of Trustees that the Center will bill individuals served for all services that are reimbursable in compliance with Health and Safety Code, Texas Administrative Code and Performance Contracts with Texas Health and Human Services Commission.

~~It is the policy of the Board of Trustees that, according to contracts, all billings for revenues of various kinds will be submitted in a manner that assures timely receipt of funds.~~

- I. The Chief Financial Officer will ensure that the service Chargemaster is reviewed and updated annually.
- II. Procedures will be developed by the Chief Financial Officer ~~Director of Fiscal Services~~ and approved by the Executive Director that will provide a systematic and efficient method of collecting, compiling, and submission of ~~vouchers and~~ billing to the various ~~agencies~~ **organizations** with which Tri-County ~~MHMR Services~~ holds contractual agreements. The ~~method employed for~~ submission of billings will be based on conditions of respective contract(s). Payments received ~~through said billings~~ will be monitored by staff of the Business Office **and a summary of billing activity will be regularly reviewed by the Management Team.**

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): July 28, 2016

SUBJECT: Reimbursement for Services Rendered

It is the policy of the Tri-County Behavioral Healthcare (“Tri-County” or “Center”) Board of Trustees that the Center will bill individuals served for all services that are reimbursable in compliance with Health and Safety Code, Texas Administrative Code and Performance Contracts with Texas Health and Human Services Commission.

- I. The Chief Financial Officer will ensure that the service Chargemaster is reviewed and updated annually.
- II. Procedures will be developed by the Chief Financial Officer and approved by the Executive Director that will provide a systematic and efficient method of collecting, compiling, and submission of billing to the various organizations with which Tri-County holds contractual agreements. The submission of billings will be based on conditions of respective contract(s). Payments received will be monitored by staff of the Business Office and a summary of billing activity will be regularly reviewed by the Management Team.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: January 25, 1996

REVISION DATE(S): July 27, 2000; July 28, 2016

SUBJECT: Check Signing Authority/Facsimile Signatures

Tri-County Behavioral Healthcare (“Tri-County” or “Center”) will maintain bank accounts for the purpose of depositing funds, clearing payroll checks for staff, ~~and consumers~~ **representative payee checks for persons served**, and regular expenses. Tri-County will utilize a facsimile signature to allow the fast and efficient signing of payroll and accounts payable checks. The signing authority for those accounts shall be as follows:

- I. **Local** Depository Accounts – Local depository accounts are maintained in each city within Tri-County’s catchment area which are used **to deposit** ~~for the depositing of~~ fees collected. Tri-County **may transfer funds electronically from these accounts to the main depository or request a cashier check from the depository.** ~~or write a check on these accounts, to transfer large balances to the main depository account or to the general operating account. Checks written on these accounts shall bear the handwritten signatures of any two (2) of the following~~

~~Executive Director or Business Manager~~

and

~~Chief Financial Officer or Business Manager~~

Electronic Transfer of funds or the request for a cashier’s check can be initiated by authorized signers on the account.

- II. **Primary** Depository Accounts – **Tri-County will have depository accounts that are Main depository accounts** ~~are~~ maintained for the purpose of receiving funds which are used for Center operations. ~~wire transfers i.e., general revenue and enable Tri-County to meet the~~

~~requirements of securing fund balances exceeding the standard~~ **These depository accounts must be collateralized for deposits in excess of the** FDIC limit of ~~\$100,000~~ 250,000 and enable Tri-County to maximize the interest earning ability.

Electronic transfers between these accounts ensure adequate funds are available to cover expenditures in general operating, payroll or other accounts that have been approved by the Board of Trustees. Electronic fund transfers can be authorized by:

**Executive Director, or
Chief Financial Officer, or
Manager of Accounting**

~~Checks written on these accounts are for the purpose of transferring funds to cover the payroll and/or general operating accounts. Checks written on this account shall bear the handwritten signature of any one (1) of the following:~~

~~Executive Director, or
Chief Financial Officer or
Business Manager~~

III. Checking Accounts – Tri-County maintains checking accounts for the purpose of clearing employee payroll ~~and vocational payroll~~, and General Operating checks.

A. The employee ~~and vocational~~ payroll account is maintained for payroll clearing purposes and routine payroll tax deposits. Checks written on this account shall bear the handwritten or facsimile signature of one (1) of the following:

~~Executive Director, or
Chief Financial Officer or
Business Manager~~

Most payroll and payroll tax deposit transactions are completed electronically. The transactions are completed at the depository and are monitored by the Chief Financial Officer.

B. The General Operating account is maintained for the payment of any expenditures other than payrolls.

1. Checks written on this account for expenditures up to \$5,000.00 shall bear a handwritten or facsimile signature of one (1) of the following:

An authorized signer ~~Officer~~ of the Board of Trustees, or
Executive Director, or
Chief Financial Officer, ~~or~~

~~Business Office Manager~~

2. Checks written on this account for expenditures over \$5,000.00 but less than \$40,000.00 require Board approval unless the items are included in the Board approved budget, and shall bear a signature of two (2) of the following, one (1) of which must be handwritten and one (1) of which may be a facsimile signature.

An **authorized signer** ~~Officer~~ of the Board of Trustees, or
Executive Director, or
Chief Financial Officer, ~~or~~

~~Business Manager~~

3. Checks written on this account for any expenditure over \$40,000.00 shall bear one (1) handwritten signature of an **authorized signer** ~~Officer~~ of the Board of Trustees and a handwritten signature of any one (1) of the following:

Executive Director, or
Chief Financial Officer, ~~or~~ _____
~~Business Manager~~

4. **The above checking accounts are maintained to include funds necessary to cover account activity.** ~~on an imprest cash basis.~~ Funds may be transferred from the primary ~~main~~ depository account to any of the checking accounts by staff as authorized by the Executive Director through a letter on file with the bank.

5. All blank checks will be maintained in a secure place with limited access.
6. All checks, other than regular payroll checks with facsimile signature or expense checks with facsimile signature, issued to any of the designated signers regardless of handwritten or facsimile signature must have one (1) handwritten signature of any other of the following:

An **authorized signer** ~~Officer~~ of the Board of Trustees, or
Executive Director, or
Chief Financial Officer, ~~or~~

~~Business Manger~~

C. The Client trust account is maintained for the Representative Payee funds for clients we serve.

1. **Checks written on this account for expenditures up to \$5,000.00 shall bear a handwritten or facsimile signature of one (1) of the following:**

An authorized signer of the Board of Trustees, or

Executive Director, or
Chief Financial Officer

2. Checks written on this account for expenditures over \$5,000.00 but less than \$40,000.00 require Board approval unless the items are included in the Board approved budget, and shall bear a signature of two (2) of the following, one (1) of which must be handwritten and one (1) of which may be a facsimile signature.

An authorized signer of the Board of Trustees, or
Executive Director, or
Chief Financial Officer

3. The above checking accounts are maintained to include funds necessary to cover account activity. Funds may be transferred from the primary depository account to any of the checking accounts by staff as authorized by the Executive Director through a letter on file with the bank.
4. All blank checks will be maintained in a secure place with limited access.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: January 25, 1996

REVISION DATE(S): July 27, 2000; July 28, 2016

SUBJECT: Check Signing Authority/Facsimile Signatures

Tri-County Behavioral Healthcare (“Tri-County” or “Center”) will maintain bank accounts for the purpose of depositing funds, clearing payroll checks for staff, representative payee checks for persons served, and regular expenses. Tri-County will utilize a facsimile signature to allow the fast and efficient signing of payroll and accounts payable checks. The signing authority for those accounts shall be as follows:

- I. Local Depository Accounts – Local depository accounts are maintained in each city within Tri-County’s catchment area which are used to deposit fees collected. Tri-County may transfer funds electronically from these accounts to the main depository or request a cashier check from the depository.

Electronic Transfer of funds or the request for a cashier’s check can be initiated by authorized signers on the account.

- II. Primary Depository Accounts – Tri-County will have depository accounts that are maintained for the purpose of receiving funds which are used for Center operations. These depository accounts must be collateralized for deposits in excess of the FDIC limit of \$250,000 and enable Tri-County to maximize the interest earning ability.

Electronic transfers between these accounts ensure adequate funds are available to cover expenditures in general operating, payroll or other accounts that have been approved by the Board of Trustees. Electronic fund transfers can be authorized by:

Executive Director, or
Chief Financial Officer, or
Manager of Accounting

III. Checking Accounts – Tri-County maintains checking accounts for the purpose of clearing employee payroll and General Operating checks.

A. The employee payroll account is maintained for payroll clearing purposes and routine payroll tax deposits. Checks written on this account shall bear the handwritten or facsimile signature of one (1) of the following:

Executive Director, or
Chief Financial Officer

Most payroll and payroll tax deposit transactions are completed electronically. The transactions are completed at the depository and are monitored by the Chief Financial Officer.

B. The General Operating account is maintained for the payment of any expenditures other than payrolls.

1. Checks written on this account for expenditures up to \$5,000.00 shall bear a handwritten or facsimile signature of one (1) of the following:

An authorized signer of the Board of Trustees, or
Executive Director, or
Chief Financial Officer

2. Checks written on this account for expenditures over \$5,000.00 but less than \$40,000.00 require Board approval unless the items are included in the Board approved budget, and shall bear a signature of two (2) of the following, one (1) of which must be handwritten and one (1) of which may be a facsimile signature.

An authorized signer of the Board of Trustees, or
Executive Director, or
Chief Financial Officer

3. Checks written on this account for any expenditure over \$40,000.00 shall bear one (1) handwritten signature of an authorized signer of the Board of Trustees and a handwritten signature of any one (1) of the following:

Executive Director, or
Chief Financial Officer

4. The above checking accounts are maintained to include funds necessary to cover account activity. Funds may be transferred from the primary depository account

Policy – E.16.2 – Check Signing Authority/Facsimile Signatures

to any of the checking accounts by staff as authorized by the Executive Director through a letter on file with the bank.

5. All blank checks will be maintained in a secure place with limited access.
6. All checks, other than regular payroll checks with facsimile signature or expense checks with facsimile signature, issued to any of the designated signers regardless of handwritten or facsimile signature must have one (1) handwritten signature of any other of the following:

An authorized signer of the Board of Trustees, or
Executive Director, or
Chief Financial Officer

- C. The Client trust account is maintained for the Representative Payee funds for clients we serve.

1. Checks written on this account for expenditures up to \$5,000.00 shall bear a handwritten or facsimile signature of one (1) of the following:

An authorized signer of the Board of Trustees, or
Executive Director, or
Chief Financial Officer

2. Checks written on this account for expenditures over \$5,000.00 but less than \$40,000.00 require Board approval unless the items are included in the Board approved budget, and shall bear a signature of two (2) of the following, one (1) of which must be handwritten and one (1) of which may be a facsimile signature.

An authorized signer of the Board of Trustees, or
Executive Director, or
Chief Financial Officer

3. The above checking accounts are maintained to include funds necessary to cover account activity. Funds may be transferred from the primary depository account to any of the checking accounts by staff as authorized by the Executive Director through a letter on file with the bank.
4. All blank checks will be maintained in a secure place with limited access.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): January 25, 1996; July 28, 2016

SUBJECT: Board of Trustees’ Travel Policy

This policy applies to **Tri-County Behavioral Healthcare (“Tri-County” or “Center”)** Board of Trustees’ travel and out-of-pocket expenses resulting from attendance at Board meetings and other official **Center Fund**-related activities.

- I. Reimbursement for Travel Expenses – Trustees are reimbursed for actual, reasonable, and necessary expenses incurred in the performance of their duties. Receipts and related supporting **documentation data** to verify these expenses should be attached to the Request for Reimbursement Form **(sample copy attached)**.
- II. Travel and Out-of-Pocket Expenditures – The following guidelines are the basis upon which requests for reimbursement should be submitted:
 - A. Transportation: Cost and time should guide Trustees in selecting the appropriate mode of transportation.
 1. Air: Coach, economy **or economy plus** fair is recommended.
 2. Personal Vehicle: Use of a personal vehicle shall be reimbursed at the **Center reimbursement rate**. ~~rate approved by the Internal Revenue Service.~~
 - B. Lodging/Meals:
 1. Meals: The cost of meals, including tips.
 2. Lodging: Expenses for adequate lodging that should include room rate plus tax.
 - C. Miscellaneous Expenses:
 1. ~~Telephone: Long distance telephone toll charges in connection with official Fund Business.~~

2. Car Rental: Rental car services where it is most economical considering travel time and other factors.
 3. Parking: Parking fees will be reimbursed to fulfill parking needs at the airport, in the case of air transportation, or destination if a personal vehicle is used. The latter situation also applies to hotel parking garage fees for rental car.
 4. ~~Taxi/Limousine~~—Service: Ground transportation between airport and hotel meeting functions are reimbursable.
 5. Gratuities: **Reasonable** gratuities for meals are included in the meal allowance. Tips for other purposes such as porters, bellhops, or cab drivers are considered appropriate **if receipts are provided**.
 6. Spouse Expenses: Expenses of an accompanying spouse are the responsibility of the Trustee. However, if the spouse’s attendance is required by the Board of Trustees, standard travel expense as outlined in this policy will be considered for reimbursement.
- III. Approval Procedure – Request for reimbursement is to be sent to the **Executive Assistant who will obtain the signature of the Board Representative**. If a request including a questionable expense related to a Board member is submitted by a member of the Board of Trustees, a copy of the request for reimbursement and any supporting documentation shall be forwarded to the Board Chair for final approval.

TRI-COUNTY BEHAVIORAL HEALTHCARE ~~MHMR SERVICES~~
BOARD OF TRUSTEES
REQUEST FOR REIMBURSEMENT

Name: _____

Purpose for which reimbursement is requested:

TRAVEL

Air Fare: (attach receipts) \$ _____

By Auto: _____ Miles @ .505 \$ _____

HOTEL RENTAL: (attach receipts) \$ _____

MEALS: (attach receipts) \$ _____
(include names of others you paid for)

OTHER EXPENSES: (please list and attach receipts)

_____ \$ _____
_____ \$ _____
_____ \$ _____
_____ \$ _____

TOTAL: \$ _____

Signature Date

Board Secretary Date
Representative

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): January 25, 1996; July 28, 2016

SUBJECT: Board of Trustees’ Travel Policy

This policy applies to Tri-County Behavioral Healthcare (“Tri-County” or “Center”) Board of Trustees’ travel and out-of-pocket expenses resulting from attendance at Board meetings and other official Center Fund-related activities.

- I. Reimbursement for Travel Expenses – Trustees are reimbursed for actual, reasonable, and necessary expenses incurred in the performance of their duties. Receipts and related supporting documentation to verify these expenses should be attached to the Request for Reimbursement Form (sample copy attached).
- II. Travel and Out-of-Pocket Expenditures – The following guidelines are the basis upon which requests for reimbursement should be submitted:
 - A. Transportation: Cost and time should guide Trustees in selecting the appropriate mode of transportation.
 1. Air: Coach, economy or economy plus fair is recommended.
 2. Personal Vehicle: Use of a personal vehicle shall be reimbursed at the Center reimbursement rate.
 - B. Lodging/Meals:
 1. Meals: The cost of meals, including tips.
 2. Lodging: Expenses for adequate lodging that should include room rate plus tax.
 - C. Miscellaneous Expenses:
 1. Car Rental: Rental car services where it is most economical considering travel time and other factors.

2. Parking: Parking fees will be reimbursed to fulfill parking needs at the airport, in the case of air transportation, or destination if a personal vehicle is used. The latter situation also applies to hotel parking garage fees for rental car.
 3. Taxi Service: Ground transportation between airport and hotel meeting functions are reimbursable.
 4. Gratuities: Reasonable gratuities for meals are included in the meal allowance. Tips for other purposes such as porters, bellhops, or cab drivers are considered appropriate if receipts are provided.
 5. Spouse Expenses: Expenses of an accompanying spouse are the responsibility of the Trustee. However, if the spouse’s attendance is required by the Board of Trustees, standard travel expense as outlined in this policy will be considered for reimbursement.
- III. Approval Procedure – Request for reimbursement is to be sent to the Executive Assistant who will obtain the signature of the Board Representative. If a request including a questionable expense related to a Board member is submitted by a member of the Board of Trustees, a copy of the request for reimbursement and any supporting documentation shall be forwarded to the Board Chair for final approval.

**TRI-COUNTY BEHAVIORAL HEALTHCARE
BOARD OF TRUSTEES
REQUEST FOR REIMBURSEMENT**

Name: _____

Purpose for which reimbursement is requested:

TRAVEL

Air Fare: (attach receipts) \$ _____

By Auto: _____ Miles @ .505 \$ _____

HOTEL RENTAL: (attach receipts) \$ _____

MEALS: (attach receipts) \$ _____
(include names of others you paid for)

OTHER EXPENSES: (please list and attach receipts)

_____ \$ _____
_____ \$ _____
_____ \$ _____
_____ \$ _____

TOTAL: \$ _____

Signature Date

Board Representative Date

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): November 5, 1992; May 22, 2014; July 28, 2016

SUBJECT: Solicitation of Bid Proposals for the Construction, Repair, Renovation or Improvements to Facilities or Real Property

In recognition of their responsibility for expending Center funds in the most effective and efficient manner, the Tri-County Behavioral Healthcare (“Tri-County” or “Center”) ~~MHMR Services~~ Board of Trustees also recognized that such responsibility includes the statement of a fair and orderly process for the solicitation and evaluation of bid proposals and the awarding of contracts for the construction, repair, renovation or improvement of facilities or real property.

It is the policy of the Board of Trustees that all prospective contract services for construction, repair, renovation or improvement of facilities or real property be sought, evaluated and awarded in accordance with the following criteria. Each criterion is designated with the intent to assure an open and equitable process through which the best interests of the Center and the public shall be observed.

- I. Criteria for the Solicitation of Bid Proposals
 - A. The Executive Director or his/her designee shall approve the solicitation of bids for all contracts in the amount of \$50,000.00 or more as provided by Local Government Code Chapter 271 et seq.
 - B. In the case of an emergency situation which places a Center facility, program or clients in immediate risk of harm as determined by the Executive Director or his/her designee(s), the requirements of the policy may be waived.
- II. Awarding Bids
 - A. The Board of Trustees or its designated representative shall approve acceptance of all bids with the exception of emergencies.

- B. Tri-County ~~MHMR Services~~ has the option of rejecting any or all bids. A contract will be drawn between the successful bidder and Tri-County ~~MHMR Services~~. Unsuccessful bidder(s) may be notified of the final award.
- III. Tri-County will comply with the provisions of Health and Safety Code Sec. 534.020-534.022 (“Acquisition and Construction of Property and Facilities by Community Center”), Texas Health and Safety Code §534.012 (“Approval and Notification Requirements”).
- IV. Administrative Procedures shall be developed to implement the requirements of this policy.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): November 5, 1992; May 22, 2014; July 28, 2016

SUBJECT: Solicitation of Bid Proposals for the Construction, Repair, Renovation or Improvements to Facilities or Real Property

In recognition of their responsibility for expending Center funds in the most effective and efficient manner, the Tri-County Behavioral Healthcare (“Tri-County” or “Center”) Board of Trustees also recognized that such responsibility includes the statement of a fair and orderly process for the solicitation and evaluation of bid proposals and the awarding of contracts for the construction, repair, renovation or improvement of facilities or real property.

It is the policy of the Board of Trustees that all prospective contract services for construction, repair, renovation or improvement of facilities or real property be sought, evaluated and awarded in accordance with the following criteria. Each criterion is designated with the intent to assure an open and equitable process through which the best interests of the Center and the public shall be observed.

- I. Criteria for the Solicitation of Bid Proposals
 - A. The Executive Director or his/her designee shall approve the solicitation of bids for all contracts in the amount of \$50,000.00 or more as provided by Local Government Code Chapter 271 et seq.
 - B. In the case of an emergency situation which places a Center facility, program or clients in immediate risk of harm as determined by the Executive Director or his/her designee(s), the requirements of the policy may be waived.
- II. Awarding Bids
 - A. The Board of Trustees or its designated representative shall approve acceptance of all bids with the exception of emergencies.

- B. Tri-County has the option of rejecting any or all bids. A contract will be drawn between the successful bidder and Tri-County. Unsuccessful bidder(s) may be notified of the final award.

- III. Tri-County will comply with the provisions of Health and Safety Code Sec. 534.020-534.022 (“Acquisition and Construction of Property and Facilities by Community Center”), Texas Health and Safety Code §534.012 (“Approval and Notification Requirements”).

- IV. Administrative Procedures shall be developed to implement the requirements of this policy.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): July 28, 2016

SUBJECT: Transportation

- I. Tri-County Behavioral Healthcare (“Tri-County” or “Center”) will ensure that a system is in place to allow staff to transport persons served when necessary for program operations or to facilitate program goals. Transportation may be provided in Tri-County owned vehicles or staff vehicles as appropriate for program needs.
- II. Tri-County owned vehicles will be maintained by Tri-County Maintenance, Transportation and Safety staff at center costs. Vehicle repair histories will be monitored and vehicles with excessive repairs will be designated for replacement. It is the responsibility of the Chief Financial Officer to develop procedures for vehicle maintenance.
- III. Vehicle purchases will be reviewed and approved by the Board of Trustees on an “as needed” basis. Whenever possible, such purchases will be included in the budget planning process each fiscal year.
- IV. All vehicles used to transport persons served will be insured, in proper working order and will be operated by staff with a valid license of the appropriate type for that vehicle.

~~It is the policy of the Board of Trustees that a systematic and efficient method of providing transportation for the various programs and clients of Tri-County MHMR Services will be employed. It is the responsibility of the Director of Fiscal Services, with the approval of the Executive Director to develop procedures for the implementation and monitoring of an effective system for assisting clients with transportation needs.~~

~~Maintenance, reporting requirements, and needs analysis of programs will be conducted by designated personnel in the Business Office.~~

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): July 28, 2016

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TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): July 28, 2016

SUBJECT: Management Information Systems ~~Computer Support~~

- I. Tri-County Behavioral Healthcare will maintain software and information technology infrastructure designed to meet the needs of staff and other stakeholders.
- II. The Director of Management Information Services, with the approval of the Executive Director, is responsible for developing procedures to govern the appropriate use of information systems.

~~Tri-County MHMR Services implements a computerized system for monitoring of accounting and data procedures. It is the policy of the Board of Trustees to ensure that the computer system utilized is efficiently and properly maintained and updated as needed to compensate for the rapid growths experienced by Tri-County.~~

~~that will insure timely and accurate reporting records to be used by the Board and management staff of Tri-County.~~

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: September 29, 1988

REVISION DATE(S): July 28, 2016

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TRI-COUNTY MENTAL HEALTH MENTAL RETARDATION SERVICESSTATEMENT OF POLICY

Richard Herpin, Chairman

Date

Original Effective Date: 9/29/88

Subject: Overview of the CARE System

The Client Assignment and Registration (CARE) system registers and tracks TDMHMR clients throughout the service delivery system. A central CARE system database is the depository for statewide client information. A statewide data communications network links state schools, state hospitals, state centers and community MHMR centers to this database.

The CARE system uses unique, statewide client identification numbers to maintain descriptive client information such as demographics, county of residence, financial status, diagnostics, commitment status and MR needs (as specified in the Department's "Survey Data Form for Lelsz 13(c)"). Individual reports, in addition to client population statistical data, are available through online inquiry and standard production report generation.

The CARE system supports the following major functions:

- Screening and registering clients
- Recording client movement (assignment) throughout the service delivery system
- Generating reports which profile clients and components

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: February 26, 1992

REVISION DATE(S): March 22, 2007; December 9, 2010; August 25, 2011; May 22, 2014;
July 28, 2016

SUBJECT: Retention of Fund Balance

It is the policy of the Board of Trustees of Tri-County Behavioral Healthcare (“Tri-County” or “Center”) ~~Services~~ that the Center establish adequate reserve funds as a prudent business practice. The expectation is that the Center has a goal of ~~a minimum of~~ 120 days in designated reserves for operations. These funds are for major business changes, sufficient funds to handle fiscal emergencies such as short term cash flow problems, unanticipated reductions or loss of funding, or unanticipated losses and/or deterioration of physical assets.

- I. In order to comply with Government Accounting Standards Board, fund balances shall be classified in accordance with GASB Statement 54 – “Fund Balance Reporting and Governmental Fund Type Definitions” as follows:
 - A. Non-Spendable Fund Balance includes amounts not in spendable form, such as inventory, prepaids, or amounts required to be maintained intact legally or contractually (Fixed Assets, Inventory)
 - B. Restricted Fund Balance includes amounts constrained for a specific purpose by external parties (Debt Requirements, Debt Services)
 - C. Committed Fund Balance includes amounts constrained for a specific purpose by a government using its highest level of decision making authority (Vehicle and Equipment Replacements, Facility Improvements and Acquisitions, Board Initiatives and 1115 Waiver Programs)
 - D. Assigned Fund Balance includes funds other than the general fund constrained for a specific purpose by a governing board or by an official that has been delegated authority

to assign amounts (Current Year Budget Reserve, Worker’s Compensation, Insurance Deductibles)

- E. Unassigned Fund Balance is the residual classification for the general fund
- II. The Board of Trustees is the Center’s highest level of decision making authority and the formal action that is required to be taken to establish, modify, or rescind a Restricted, Committed or Assigned fund balance is a resolution approved by the Board at a Board meeting. The resolution must either be approved or rescinded prior to the last day of the fiscal year for which the commitment or assignment is made.

When multiple categories of fund balance are available for expenditure, the Center will spend funds from the **least** ~~most~~-restricted category first and then from the next category in the hierarchy with available funds.

- III. The Board of Trustees can designate money to the following reserve funds:

- A. Committed
 1. Net Asset Property
 2. Net Asset Vehicles & Equipment
 3. Reserve for Vehicle & Equipment Replacement
 4. (20% of Approximate Replacement Cost)
 5. Reserve for Facility Improvement & Acquisitions
 6. Reserve for Future Board Initiatives
 7. Reserve for 1115 Waiver Programs

~~Further, the Board of Trustees will also designate money in the following funds:~~

- B. Assigned
 1. Reserve for Current Year Budgeted Reserve
 2. (Set by the Budget each Year)
 3. Reserve for Workers Compensation
 4. Reserve for Insurance Deductibles
 5. Reserve for Accrued Paid Time Off

The Committed and Assigned designated funds may periodically be adjusted by Board Resolution when necessary and/or when excess funds are available in a fiscal year.

The designated funds shall be semi-permanent in nature and the money so designated shall be invested in U.S. Government backed securities (at least one year maturities). In order to meet **the Texas Health and Human Services Commission (HHSC)** ~~Texas Department of Aging and Disability Services (DADS) and the Texas Department of State Health Services (DSHS)~~ matching funds requirements, interest earned on the investment of designated funds shall continue to be recognized as local revenues rather than compounding as designated fund.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: February 26, 1992

REVISION DATE(S): March 22, 2007; December 9, 2010; August 25, 2011; May 22, 2014;
July 28, 2016

SUBJECT: Retention of Fund Balance

It is the policy of the Board of Trustees of Tri-County Behavioral Healthcare (“Tri-County” or Center”) that the Center establish adequate reserve funds as a prudent business practice. The expectation is that the Center has a goal of 120 days in designated reserves for operations. These funds are for major business changes, sufficient funds to handle fiscal emergencies such as short term cash flow problems, unanticipated reductions or loss of funding, or unanticipated losses and/or deterioration of physical assets.

- I. In order to comply with Government Accounting Standards Board, fund balances shall be classified in accordance with GASB Statement 54 – “Fund Balance Reporting and Governmental Fund Type Definitions” as follows:
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 - B. Restricted Fund Balance includes amounts constrained for a specific purpose by external parties (Debt Requirements, Debt Services)
 - C. Committed Fund Balance includes amounts constrained for a specific purpose by a government using its highest level of decision making authority (Vehicle and Equipment Replacements, Facility Improvements and Acquisitions, Board Initiatives and 1115 Waiver Programs)
 - D. Assigned Fund Balance includes funds other than the general fund constrained for a specific purpose by a governing board or by an official that has been delegated authority

to assign amounts (Current Year Budget Reserve, Worker’s Compensation, Insurance Deductibles)

- E. Unassigned Fund Balance is the residual classification for the general fund
- II. The Board of Trustees is the Center’s highest level of decision making authority and the formal action that is required to be taken to establish, modify, or rescind a Restricted, Committed or Assigned fund balance is a resolution approved by the Board at a Board meeting. The resolution must either be approved or rescinded prior to the last day of the fiscal year for which the commitment or assignment is made.

When multiple categories of fund balance are available for expenditure, the Center will spend funds from the least restricted category first and then from the next category in the hierarchy with available funds.

- III. The Board of Trustees can designate money to the following reserve funds:

- A. Committed
 - 1. Net Asset Property
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 - 3. Reserve for Vehicle & Equipment Replacement
 - 4. (20% of Approximate Replacement Cost)
 - 5. Reserve for Facility Improvement & Acquisitions
 - 6. Reserve for Future Board Initiatives
 - 7. Reserve for 1115 Waiver Programs
- B. Assigned
 - 1. Reserve for Current Year Budgeted Reserve
 - 2. (Set by the Budget each Year)
 - 3. Reserve for Workers Compensation
 - 4. Reserve for Insurance Deductibles
 - 5. Reserve for Accrued Paid Time Off

The Committed and Assigned designated funds may periodically be adjusted by Board Resolution when necessary and/or when excess funds are available in a fiscal year.

The designated funds shall be semi-permanent in nature and the money so designated shall be invested in U.S. Government backed securities (at least one year maturities). In order to meet the Texas Health and Human Services Commission (HHSC) matching funds requirements, interest earned on the investment of designated funds shall continue to be recognized as local revenues rather than compounding as designated fund.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: January 28, 1999

REVISION DATE(S): July 28, 2016

SUBJECT: ~~Leasing of Facility Space by External Customers~~ **Lease of Center Facilities**

It is the policy of the Board of Trustees to ~~consider~~ **prioritize** leasing available space in Tri-County Behavioral Healthcare (“Tri-County” or “Center”) facilities to organizations that support the mission of the Center. ~~Tri-County Mental Health Mental Retardation Services.~~

- I. ~~Other organizations may be allowed to lease space from the Center as long as their services are: 1) not in direct competition with the Center; and, 2) are in line with Center values. These organizations may be governmental, other service providers, other related health and human services groups and/or non-profit entities.~~
 - A. Groups requesting space must pay for the cost of that space, which will include; utilities, janitorial services and supplies, security, pest control, insurance, maintenance of interior and exterior common areas, and apportioned amount of building mortgage, or fair market rental rate for non-financed properties.
 - B. The Tri-County Board of Trustees approved Commercial Lease Agreement will be used.
- II. ~~Senior Center management staff~~ **The Executive Director or their designee** will determine if space is available and whether the prospective tenant are **in line with Board Policy and will recommend the lease to the Board after legal review of the negotiated Commercial Lease Agreement.** ~~supports the mission of Tri-County MHMR Services.~~ The Board of Trustees will make the final determination to lease space to external customers.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: January 28, 1999

REVISION DATE(S): July 28, 2016

SUBJECT: Lease of Center Facilities

It is the policy of the Board of Trustees to prioritize leasing available space in Tri-County Behavioral Healthcare (“Tri-County” or “Center”) facilities to organizations that support the mission of the Center.

- I. Other organizations may be allowed to lease space from the Center as long as their services are: 1) not in direct competition with the Center; and, 2) are in line with Center values.
 - A. Groups requesting space must pay for the cost of that space, which will include; utilities, janitorial services and supplies, security, pest control, insurance, maintenance of interior and exterior common areas, and apportioned amount of building mortgage, or fair market rental rate for non-financed properties.
 - B. The Tri-County Board of Trustees approved Commercial Lease Agreement will be used.
- II. The Executive Director or their designee will determine if space is available and whether the prospective tenant are in line with Board Policy and will recommend the lease to the Board after legal review of the negotiated Commercial Lease Agreement. The Board of Trustees will make the final determination to lease space to external customers.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: April 28, 2005

REVISION DATE(S): May 25, 2006; January 24, 2013; July 28, 2016

SUBJECT: Retirement Plan Investment Policy Statement

It is the policy of the Board of Trustees to provide a Retirement Plan to Tri-County Behavioral Healthcare (“Tri-County” or “Center”) Services employees. The Center sponsors a 401(a) Retirement Plan in which the Center makes contributions on behalf of employees and the Center sponsors 457 and 403(b) plans accepting employee elective deferrals.

This policy shall apply to the investment of funds in all of the Center Sponsored Retirement Plans.

- I. Center Investment Objectives
 - A. To maximize return with a reasonable and prudent level of risk,
 - B. To maintain flexibility in determining the future level of contributions,
 - C. To ensure diversification in the Plan’s investment portfolio to protect against loss, and
 - D. To maintain a level of liquidity necessary to meet the needs of the participants.
- II. The responsibility for the amount of retirement benefits belongs, in part, to each participant. Eligible employees:
 - A. Determine how much to contribute up to the allowable limit each year, and
 - B. Allocate their monies among the investment alternatives offered by the Plan (upon attainment of 100% vesting).

III. Delegation of Authority

- A. The Executive Director is responsible for assuring that the procedures for this policy are developed and implemented to effectively supervise, monitor and evaluate the investments in the Tri-County Services Retirement Plans. The Board of Trustees is empowered to select a Registered Investment Advisor (RIA) to assist in the selection, monitoring and evaluation of the investments in The Center’s retirement plans.
- B. The Executive Director will appoint other members of the Center staff to serve on the Retirement Investment Committee to assist in the investment function.
- C. The authority to select and review investment alternatives resides with the RIA designated by the Board of Trustees.

IV. Eligible

- A. Investments The investments recommended by the RIA will offer a selection of open-ended registered investment companies (i.e., mutual funds) or other similar investment vehicles, each of which consists of internally diversified portfolios within their targeted asset classes.

V. Securities

- A. Letter stock and other unregistered securities and other registered securities, commodities or other commodity contracts, short sales or margin transactions are not authorized. Securities lending, options and futures are restricted.

VI. Securities Guidelines

- A. All securities must be offered through a Registered Investment Company.

VII. Employment at Will

- A. Nothing in this policy shall be interpreted as implying an employment contract or agreement exists between Tri-County Services and any employee or RIA.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

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TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

Date

ORIGINAL EFFECTIVE DATE: September 25, 2014

REVISION DATE(S): July 28, 2016

SUBJECT: Acceptance of Charitable Gifts

Tri-County Behavioral Healthcare (“Tri-County” or “Center”) is a community center under the provisions of Chapter 534 of the Texas Health & Safety Code Ann., as amended for the purpose of providing community based services to persons with mental illness, intellectual disabilities and other related populations.

Tri-County is also designated as a tax-exempt nonprofit organization in the United States Internal Revenue Code (26 U.S.C. § 501(c) 3), and as such can accept charitable gifts from individuals and organizations.

Tri-County encourages the solicitation and acceptance of gifts to Tri-County for purposes that will help further and fulfill its mission.

- I. Guiding Principle – Tri-County will receive both cash and in-kind donations from the various communities served. All such donations will be recorded as provided by financial procedure.
- II. Gifts
 - A. The Board of Trustees of Tri-County and its staff may solicit current and deferred gifts from individuals, corporations, and foundations to secure the future growth and further the mission of Tri-County.
 - B. Tri-County shall seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:
 1. Documents naming Tri-County as Trustee.
 2. Gifts involving contracts, such as bargain sales or other documents requiring Tri-County to assume an obligation.

- C. Tri-County will urge all prospective donors to seek the assistance of personal legal and financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.
 - D. Tri-County may reject Gifts that are too difficult to administer or gifts that are for purposes outside the mission of Tri-County. The Board of Trustees of Tri-County shall have the vote on the rejection of any gift or contribution
 - E. At no time will a gift be accepted which is conditioned upon the exchange of goods or services for a family member or individual who is receiving services from Tri-County.
- III. Records – Under direction of the Executive Director, staff will ensure that all donations are properly acknowledged as required by Tri-County financial procedures. When applicable, inventory procedures will be utilized to record and monitor the receipt of in-kind donations, and cash donations will follow procedures set forth for receiving funds.

TRI-COUNTY BEHAVIORAL HEALTHCARE

STATEMENT OF POLICY

Patti Atkins, Chair

July 28, 2016

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Agenda Item: Personnel Reports for May and June 2016 Committee: Executive	Board Meeting Date July 28, 2016
Background Information: None	
Supporting Documentation: Personnel Reports for May and June 2016	
Recommended Action: For Information Only	

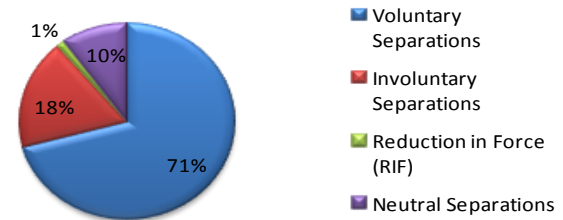
Personnel Report May/June 2016

Total Applications received in May/June = 805
Total New Hires for the month of May/June = 14
Total New Hires Year to Date = 79

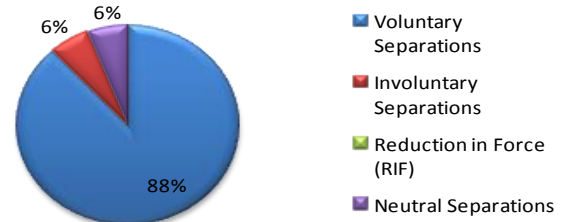
May/June 2016	FY16	FY15
Number of Active Employees	330	330
Number of Monthly Separations	17	17
Number of Separations YTD	72	70
Year to Date Turnover Rate	22%	21%
May/June Turnover	5%	5%

Separations by Reason	May/June Separations	Year to Date
Retired	0	0
Involuntarily Terminated	1	13
Neutral Termination	1	7
Dissatisfied	0	1
Lack of Support from Administration	1	1
Micro-managing supervisor	0	0
Lack of growth opportunities/recognition	0	0
Difficulty learning new job	0	0
Co-workers	0	0
Work Related Stress/Environment	0	2
RIF	0	1
Deceased	0	0
Pay	0	0
Health	0	1
Family	1	5
Relocation	3	8
School	0	0
Personal	0	3
Unknown	2	3
New Job	8	27
Total Separations	17	72

Year to Date Voluntary, Involuntary, RIF and Neutral Separations

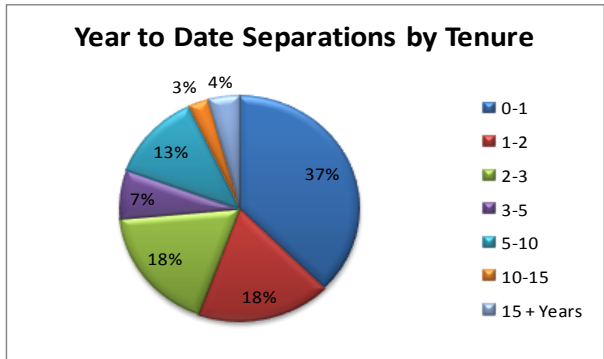
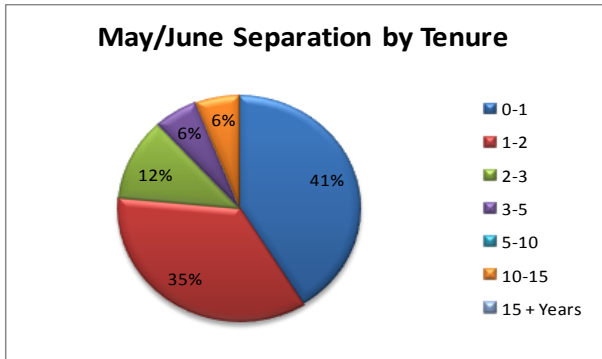


May/June Voluntary, Involuntary, RIF and Neutral Separations



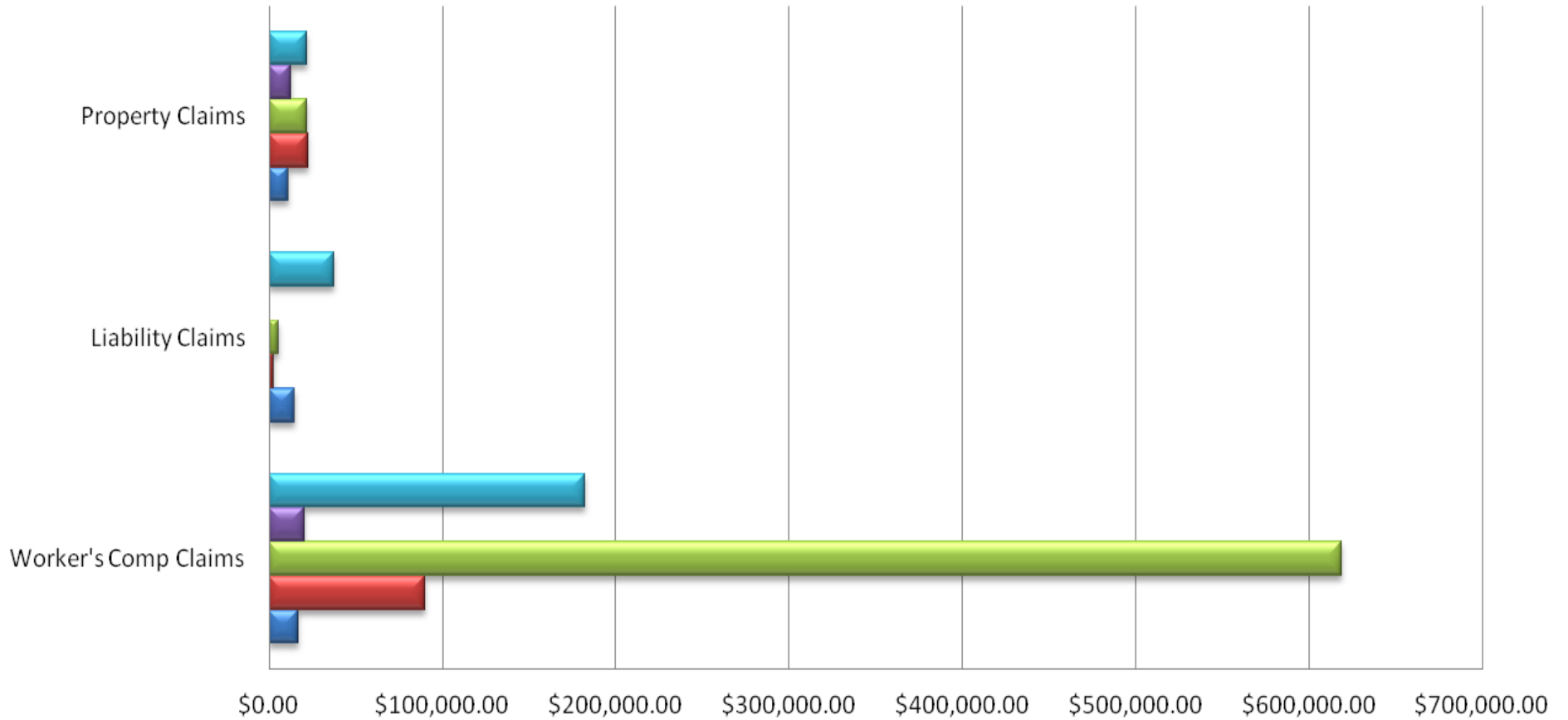
Management Team	# of Employees	Monthly Separations	Year to Date Separations	% May/June	% YTD
Evan Roberson	15	0	1	0%	7%
Millie McDuffey	44	2	6	5%	14%
Amy Foerster	7	0	1	0%	14%
Tanya Bryant	8	0	1	0%	13%
Annette Adams	125	8	34	6%	27%
Breanna Robertson	51	4	18	8%	35%
Kelly Shropshire	32	2	6	6%	19%
Kathy Foster	38	1	4	3%	11%
Kenneth Barfield	10	0	1	0%	10%
Total	330	17	72		

Separation by EEO Category	# of Employees	Monthly Separations	Year to Date	% May/June	% Year to Date
Supervisors & Managers	24	0	2	0%	8%
Medical (MD,DO, LVN, RN, APN, PA, Psychologist)	32	6	12	19%	38%
Professionals (QMHP)	86	7	27	8%	31%
Professionals (QIDP)	27	2	6	7%	22%
Licensed Staff (LCDC, LPC...)	20	0	3	0%	15%
Business Services (Accounting)	10	1	1	10%	10%
Central Administration (HR, IT, Executive Director)	25	0	3	0%	12%
Program Support(Financial Counselors, QA, Training, Med. Records)	38	0	8	0%	21%
Nurse Technicians/Aides	21	0	4	0%	19%
Service/Maintenance	21	1	2	5%	10%
Direct Care (HCS, Respite, Life Skills)	26	0	4	0%	15%
Total	330	17	72		



<p>Agenda Item: Texas Council Risk Management Fund Claims Summary as of June 2016</p> <p>Committee: Executive</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>None</p>	
<p>Supporting Documentation:</p> <p>Texas Council Risk Management Fund Claims Summaries for May and June 2016</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

TCRMF Claims Summary June 2016



	Worker's Comp Claims	Liability Claims	Property Claims
2012	\$181,937.00	\$37,206.00	\$21,595.00
2013	\$20,263.00	\$0.00	\$12,869.00
2014	\$618,762.00	\$5,295.00	\$21,931.00
2015	\$90,201.00	\$2,556.00	\$22,505.00
2016	\$17,149.00	\$14,413.00	\$10,899.00

<p>Agenda Item: Approve May 2016 Financial Statements</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>None</p>	
<p>Supporting Documentation:</p> <p>May 2016 Financial Statements</p>	
<p>Recommended Action:</p> <p>Approve May 2016 Financial Statements</p>	

May 2016 Financial Summary

Revenues for May 2016 were \$2,614,113 and operating expenses were \$2,422,251 resulting in a gain in operations of \$191,862. Capital Expenditures and Extraordinary Expenses for May were \$50,979 resulting in a gain of \$140,883. Total revenues were 102.65% of the monthly budgeted revenues and total expenses were 94.19% of the monthly budgeted expenses.

Year to date revenues are \$24,965,639 and operating expenses are \$21,647,870 leaving excess operating revenues of \$3,317,769. YTD Capital Expenditures and Extraordinary Expenses are \$2,687,154 resulting in a gain YTD of \$630,615. Total revenues are 100.01% of the YTD budgeted revenues and total expenses are 98.22% of the YTD budgeted expenses

REVENUES

YTD Revenue items that are below the budget by more than \$10,000:

Revenue Source	YTD Revenue	YTD Budget	% of Budget	\$ Variance
Rehab – Title XIX	1,344,122	1,449,912	92.70%	105,790

Rehab – This line item is under budget due to staff vacancies in both Adult and the Child and Adolescent programs. Even after the mid-year budget revision, revenues continue to be under expectations. We will continue to monitor this line item and ways to recruit qualified staff.

EXPENSES

YTD Individual line expense items that exceed the YTD budget by more than \$10,000:

Expense Source	YTD Expenses	YTD Budget	% of Budget	\$ Variance
None at this time				

**TRI-COUNTY BEHAVIORAL HEALTHCARE
CONSOLIDATED BALANCE SHEET
For the Month Ended May 31, 2016**

	TOTALS COMBINED FUNDS May 2016	TOTALS COMBINED FUNDS April 2016	Increase (Decrease)
ASSETS			
CURRENT ASSETS			
Imprest Cash Funds	2,988	2,788	200
Cash on Deposit-General Fund	5,016,539	7,023,832	(2,007,293)
Cash on Deposit-Debt Fund			-
Accounts Receivable	1,802,026	929,494	872,532
Inventory	7,330	7,879	(550)
TOTAL CURRENT ASSETS	6,828,882	7,963,993	(1,135,111)
FIXED ASSETS	8,577,947	8,577,947	-
OTHER ASSETS	54,783	41,714	13,069
TOTAL ASSETS	\$ 15,461,612	\$ 16,583,655	\$ (1,122,041)
LIABILITIES, DEFERRED REVENUE, FUND BALANCES			
CURRENT LIABILITIES	861,165	919,423	(58,258)
NOTES PAYABLE	549,129	549,129	-
DEFERRED REVENUE	28,921	1,239,756	(1,210,835)
LONG-TERM LIABILITIES FOR			
Line of Credit - Tradition Bank	490,570	510,734	(20,164)
Note Payable Prosperity Bank	644,426	657,133	(12,706)
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR			
General Fund	630,615	489,732	140,883
FUND EQUITY			
RESTRICTED			
Net Assets Reserved for Debt Service	(1,134,997)	(1,167,866)	32,870
Reserved for Debt Retirement	963,631	963,631	-
COMMITTED			
Net Assets-Property and Equipment	8,577,947	8,577,947	-
Reserved for Vehicles & Equipment Replacement	678,112	678,112	-
Reserved for Facility Improvement & Acquisitions	8,360	8,360	-
Reserved for Board Initiatives	1,500,000	1,500,000	-
Reserved for 1115 Waiver Programs	516,833	516,833	-
ASSIGNED			
Reserved for Workers' Compensation	274,409	274,409	-
Reserved for Current Year Budgeted Reserve	55,499	49,332	6,167
Reserved for Insurance Deductibles	100,000	100,000	-
Reserved for Accrued Paid Time Off	(549,129)	(549,129)	-
UNASSIGNED			
Unrestricted and Undesignated	1,266,121	1,266,121	-
TOTAL LIABILITIES/FUND BALANCE	\$ 15,461,612	\$ 16,583,655	\$ (1,122,043)

**TRI-COUNTY BEHAVIORAL HEALTHCARE
CONSOLIDATED BALANCE SHEET
For the Month Ended May 31, 2016**

	General Operating Funds	Memorandum Only Final August 2015
ASSETS		
CURRENT ASSETS		
Imprest Cash Funds	2,988	3,165
Cash on Deposit-General Fund	5,016,539	5,928,627
Cash on Deposit-Debt Fund	-	-
Accounts Receivable	1,802,026	1,657,209
Inventory	7,330	9,877
TOTAL CURRENT ASSETS	6,828,882	7,598,878
FIXED ASSETS	8,577,947	7,091,888
OTHER ASSETS	54,783	49,749
	-	-
	\$ 15,461,612	\$ 14,740,515
LIABILITIES, DEFERRED REVENUE, FUND BALANCES		
CURRENT LIABILITIES	861,165	1,103,286
NOTES PAYABLE	549,129	549,129
DEFERRED REVENUE	28,921	(889,779)
LONG-TERM LIABILITIES FOR		
Line of Credit - Tradition Bank	490,570	670,521
Note Payable Prosperity Bank	644,426	757,743
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR		
General Fund	630,615	(1,065,136)
FUND EQUITY		
RESTRICTED		
Net Assets Reserved for Debt service-Restricted	(1,134,997)	(1,428,264)
Reserved for Debt Retirement	963,631	963,631
COMMITTED		
Net Assets-Property and Equipment-Committed	8,577,947	7,091,887
Reserved for Vehicles & Equipment Replacement	678,112	678,112
Reserved for Facility Improvement & Acquisitions	8,360	2,136,013
Reserved for Board Initiatives	1,500,000	1,500,000
Reserved for 1115 Waiver Programs	516,833	516,833
ASSIGNED		
Reserved for Workers' Compensation-Assigned	274,409	274,409
Reserved for Current Year Budgeted Reserve -Assigned	55,499	-
Reserved for Insurance Deductibles-Assigned	100,000	100,000
Reserved for Accrued Paid Time Off	(549,129)	(549,129)
UNASSIGNED		
Unrestricted and Undesignated	1,266,121	2,331,257
TOTAL LIABILITIES/FUND BALANCE	\$ 15,461,612	\$ 14,740,515

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
For the Month Ended May 2016
and Year To Date as of May 2016

INCOME:	<u>MONTH OF May 2016</u>	<u>YTD May 2016</u>
Local Revenue Sources	107,041	3,097,925
Earned Income	1,292,677	10,564,320
General Revenue-Contract	1,214,395	11,303,394
TOTAL INCOME	<u>\$ 2,614,113</u>	<u>\$ 24,965,639</u>
EXPENSES:		
Salaries	1,289,818	11,982,482
Employee Benefits	254,888	2,335,652
Medication Expense	36,600	525,455
Travel-Board/Staff	36,788	354,877
Building Rent/Maintenance	31,840	234,441
Consultants/Contracts	582,959	4,301,373
Other Operating Expenses	189,359	1,913,590
TOTAL EXPENSES	<u>\$ 2,422,251</u>	<u>\$ 21,647,870</u>
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	<u>\$ 191,862</u>	<u>\$ 3,317,769</u>
CAPITAL EXPENDITURES		
Capital Outlay-FF&E, Automobiles, Building	13,031	2,362,493
Capital Outlay-Debt Service	37,949	324,661
TOTAL CAPITAL EXPENDITURES	<u>\$ 50,979</u>	<u>\$ 2,687,154</u>
GRAND TOTAL EXPENDITURES	<u>\$ 2,473,231</u>	<u>\$ 24,335,024</u>
Excess (Deficiency) of Revenues and Expenses	<u>\$ 140,883</u>	<u>\$ 630,615</u>

Debt Service and Fixed Asset Fund:		
Debt Service	37,949	324,661
Excess(Deficiency) of revenues over Expenses	<u>37,949</u>	<u>324,661</u>

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
Year to Date as of May 2016

	YTD May 2016	APPROVED BUDGET	Increase (Decrease)
INCOME:			
Local Revenue Sources	3,097,925	3,074,108	23,817
Earned Income	10,564,320	10,575,559	(11,239)
General Revenue-Contract	11,303,394	11,314,073	(10,679)
TOTAL INCOME	\$ 24,965,639	\$ 24,963,740	\$ 1,899
EXPENSES:			
Salaries	11,982,482	12,161,723	(179,241)
Employee Benefits	2,335,652	2,345,325	(9,673)
Medication Expense	525,455	528,965	(3,510)
Travel-Board/Staff	354,877	335,477	19,400
Building Rent/Maintenance	234,441	220,623	13,818
Consultants/Contracts	4,301,373	4,411,472	(110,099)
Other Operating Expenses	1,913,590	1,975,667	(62,077)
TOTAL EXPENSES	\$ 21,647,870	\$ 21,979,252	\$ (331,382)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 3,317,769	\$ 2,984,488	\$ 333,281
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	2,362,493	2,480,184	(117,691)
Capital Outlay-Debt Service	324,661	315,535	9,126
TOTAL CAPITAL EXPENDITURES	\$ 2,687,154	\$ 2,795,719	\$ (108,565)
GRAND TOTAL EXPENDITURES	\$ 24,335,024	\$ 24,774,971	\$ (439,947)
Excess (Deficiency) of Revenues and Expenses	\$ 630,615	\$ 188,769	\$ 441,846

Debt Service and Fixed Asset Fund:			
Debt Service	324,661	315,535	9,126
Excess(Deficiency) of revenues over Expenses	324,661	315,535	9,126

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
For the Month Ended May 2016

INCOME:	MONTH OF May 2016	APPROVED BUDGET	Increase (Decrease)
Local Revenue Sources	107,041	102,268	4,773
Earned Income	1,292,677	1,233,344	59,333
General Revenue-Contract	1,214,395	1,211,015	3,380
TOTAL INCOME	\$ 2,614,113	\$ 2,546,627	\$ 67,486
EXPENSES:			
Salaries	1,289,818	1,363,954	(74,136)
Employee Benefits	254,888	255,916	(1,028)
Medication Expense	36,600	57,011	(20,411)
Travel-Board/Staff	36,788	37,290	(502)
Building Rent/Maintenance	31,840	21,459	10,381
Consultants/Contracts	582,959	618,357	(35,398)
Other Operating Expenses	189,359	212,472	(23,113)
TOTAL EXPENSES	\$ 2,422,251	\$ 2,566,459	\$ (144,208)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 191,862	\$ (19,832)	\$ 211,694
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	13,031	24,317	(11,286)
Capital Outlay-Debt Service	37,949	35,060	2,889
TOTAL CAPITAL EXPENDITURES	\$ 50,979	\$ 59,377	\$ (8,398)
GRAND TOTAL EXPENDITURES	\$ 2,473,231	\$ 2,625,836	\$ (152,605)
Excess (Deficiency) of Revenues and Expenses	\$ 140,883	\$ (79,209)	\$ 220,092
Debt Service and Fixed Asset Fund:			
Debt Service	37,949	35,060	2,889
Excess(Deficiency) of revenues over Expenses	37,949	35,060	2,889

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With May 2015 Comparative Data
Year to Date as of May 2016

INCOME:	<u>YTD May 2016</u>	<u>YTD May 2015</u>	<u>Increase (Decrease)</u>
Local Revenue Sources	3,097,925	1,117,484	1,980,441
Earned Income	10,564,320	9,479,702	1,084,618
General Revenue-Contract	11,303,394	10,569,926	733,468
TOTAL INCOME	\$ 24,965,639	\$ 21,167,112	\$ 3,798,527
EXPENSES:			
Salaries	11,982,482	11,054,958	927,524
Employee Benefits	2,335,652	2,261,368	74,284
Medication Expense	525,455	408,578	116,877
Travel-Board/Staff	354,877	334,823	20,054
Building Rent/Maintenance	234,441	219,539	14,902
Consultants/Contracts	4,301,373	4,139,076	162,297
Other Operating Expenses	1,913,590	1,971,948	(58,358)
TOTAL EXPENSES	\$ 21,647,870	\$ 20,390,290	\$ 1,257,580
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 3,317,769	\$ 776,822	\$ 2,540,947
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	2,362,493	283,435	2,079,058
Capital Outlay-Debt Service	324,661	-	324,661
TOTAL CAPITAL EXPENDITURES	\$ 2,687,154	\$ 283,435	\$ 2,403,719
GRAND TOTAL EXPENDITURES	\$ 24,335,024	\$ 20,673,725	\$ 3,661,299
Excess (Deficiency) of Revenues and Expenses	\$ 630,615	\$ 493,387	\$ 137,228

Debt Service and Fixed Asset Fund:			
Debt Service	324,661	-	324,661
			-
Excess(Deficiency) of revenues over Expenses	324,661	-	324,661

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With May 2015 Comparative Data
For the Month Ended May 2016

INCOME:	<u>MONTH OF May 2016</u>	<u>MONTH OF May 2015</u>	<u>Increase (Decrease)</u>
Local Revenue Sources	107,041	92,410	14,631
Earned Income	1,292,677	1,122,307	170,370
General Revenue-Contract	1,214,395	1,109,094	105,301
TOTAL INCOME	<u>\$ 2,614,113</u>	<u>\$ 2,323,811</u>	<u>\$ 290,302</u>
Salaries	1,289,818	1,232,997	56,821
Employee Benefits	254,888	243,095	11,793
Medication Expense	36,600	54,800	(18,200)
Travel-Board/Staff	36,788	33,231	3,557
Building Rent/Maintenance	31,840	40,804	(8,964)
Consultants/Contracts	582,959	412,962	169,997
Other Operating Expenses	189,359	221,237	(31,878)
TOTAL EXPENSES	<u>\$ 2,422,251</u>	<u>\$ 2,239,126</u>	<u>\$ 183,125</u>
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	<u>\$ 191,862</u>	<u>\$ 84,685</u>	<u>\$ 107,177</u>
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	13,031	-	13,031
Capital Outlay-Debt Service	37,949	-	37,949
TOTAL CAPITAL EXPENDITURES	<u>\$ 50,979</u>	<u>\$ -</u>	<u>\$ 50,979</u>
GRAND TOTAL EXPENDITURES	<u>\$ 2,473,231</u>	<u>\$ 2,239,126</u>	<u>\$ 234,105</u>
Excess (Deficiency) of Revenues and Expenses	<u>\$ 140,883</u>	<u>\$ 84,685</u>	<u>\$ 56,198</u>
Debt Service and Fixed Asset Fund:			
Debt Service	37,949	-	37,949
Excess(Deficiency) of revenues over Expenses	<u>37,949</u>	<u>-</u>	<u>37,949</u>

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With April 2016 Comparative Data
For the Month Ended May 2016

INCOME:	MONTH OF May 2016	MONTH OF April 2016	Increase (Decrease)
Local Revenue Sources	107,041	103,292	3,749
Earned Income	1,292,677	1,105,751	186,926
General Revenue-Contract	1,214,395	1,421,227	(206,832)
TOTAL INCOME	\$ 2,614,113	\$ 2,630,271	\$ (16,158)
EXPENSES:			
Salaries	1,289,818	1,466,013	(176,196)
Employee Benefits	254,888	266,353	(11,465)
Medication Expense	36,600	100,146	(63,546)
Travel-Board/Staff	36,788	39,687	(2,898)
Building Rent/Maintenance	31,840	28,646	3,194
Consultants/Contracts	582,959	531,656	51,303
Other Operating Expenses	189,359	203,300	(13,942)
TOTAL EXPENSES	\$ 2,422,251	\$ 2,635,802	\$ (213,550)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 191,862	\$ (5,531)	\$ 197,392
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	13,031	-	13,031
Capital Outlay-Debt Service	37,949	37,411	538
TOTAL CAPITAL EXPENDITURES	\$ 50,979	\$ 37,411	\$ 13,568
GRAND TOTAL EXPENDITURES	\$ 2,473,231	\$ 2,673,212	\$ (199,982)
Excess (Deficiency) of Revenues and Expenses	\$ 140,883	\$ (42,941)	\$ 183,824

Debt Service and Fixed Asset Fund:

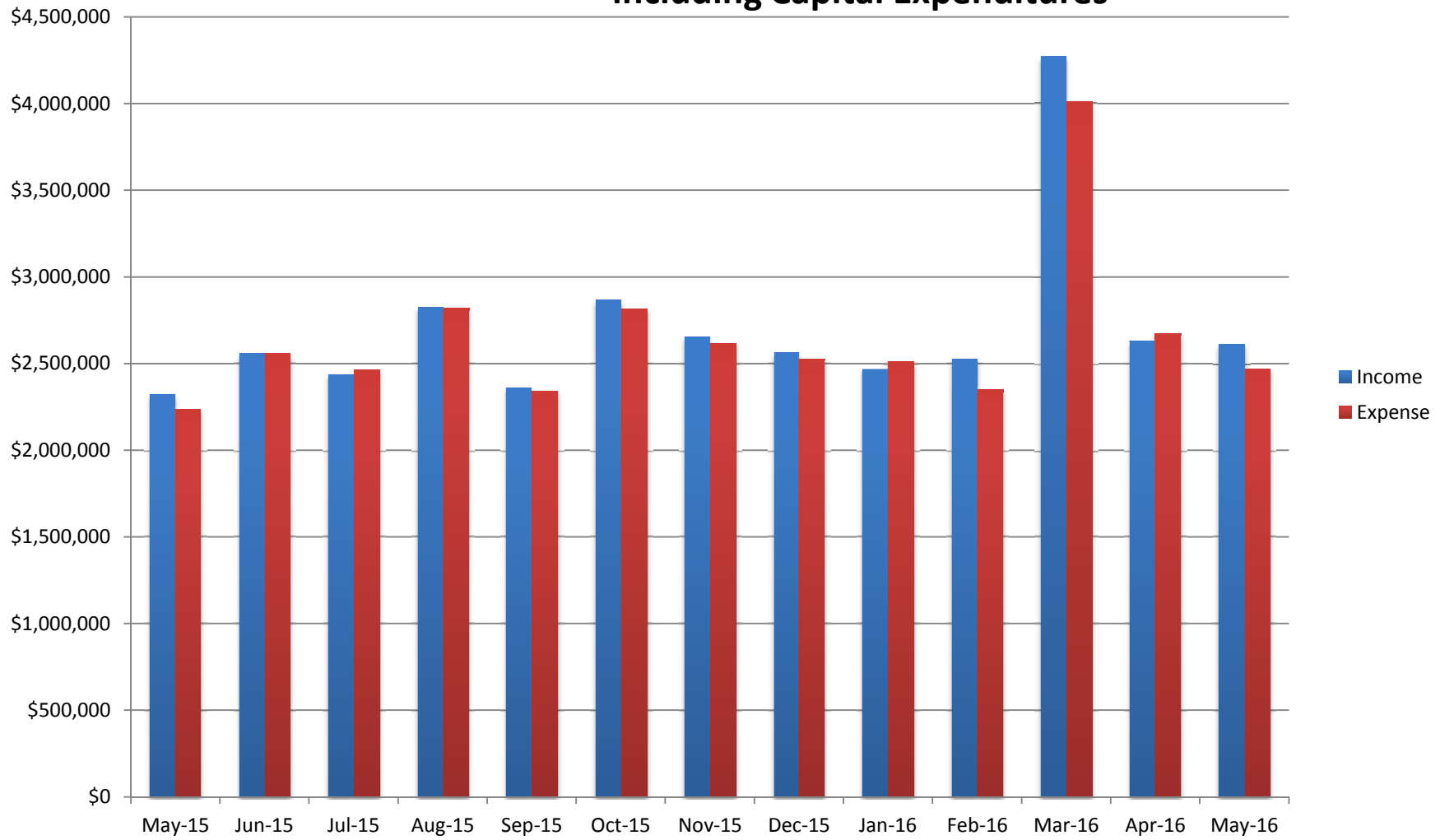
Debt Service	37,949	37,411	538
Excess(Deficiency) of revenues over Expenses	37,949	37,411	538

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary by Service Type
Compared to Budget
Year To Date as of May 2016

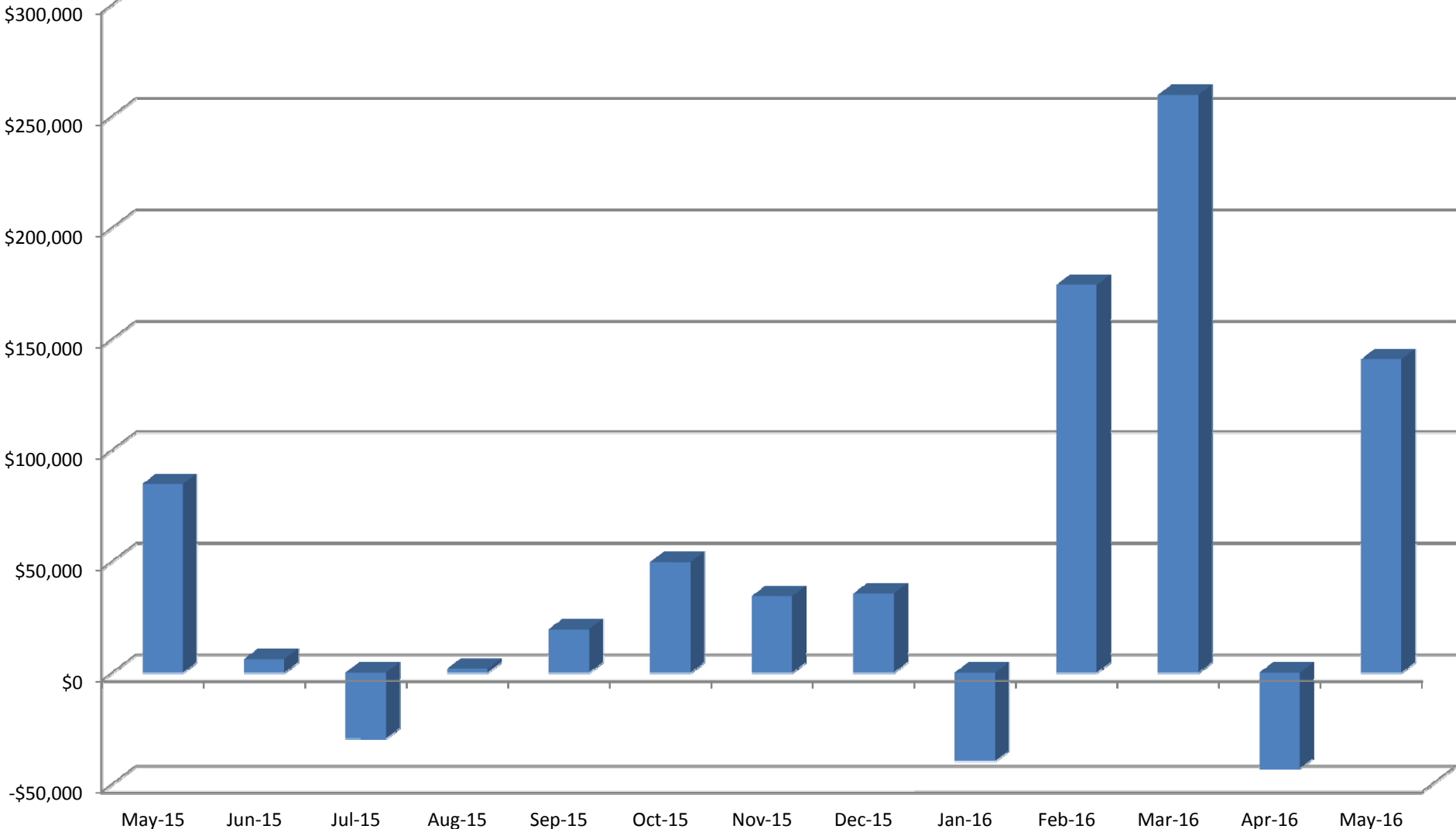
	YTD Mental Health May 2016	YTD IDD May 2016	YTD Other Services May 2016	YTD Agency Total May 2016	YTD Approved Budget May 2016	Increase (Decrease)
INCOME:						
Local Revenue Sources	2,345,951	758,680	(6,705)	3,097,925	3,074,108	23,817
Earned Income	2,714,420	4,502,003	3,347,897	10,564,320	10,575,559	(11,239)
General Revenue-Contract	10,025,561	1,277,833		11,303,394	11,314,073	(10,679)
TOTAL INCOME	\$ 15,085,932	\$ 6,538,516	\$ 3,341,192	\$ 24,965,639	\$ 24,963,740	\$ 1,899
EXPENSES:						
Salaries	7,517,435	2,400,461	2,064,585	11,982,482	12,161,723	(179,241)
Employee Benefits	1,461,986	508,915	364,751	2,335,652	2,345,325	(9,673)
Medication Expense	370,507		154,949	525,455	528,965	(3,510)
Travel-Board/Staff	203,573	104,940	46,364	354,877	335,477	19,400
Building Rent/Maintenance	138,367	62,912	33,161	234,441	220,623	13,818
Consultants/Contracts	1,815,304	2,347,421	138,647	4,301,373	4,411,472	(110,099)
Other Operating Expenses	1,118,163	463,339	332,087	1,913,590	1,975,667	(62,077)
TOTAL EXPENSES	\$ 12,625,335	\$ 5,887,988	\$ 3,134,544	\$ 21,647,870	\$ 21,979,252	\$ (331,382)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 2,460,597	\$ 650,528	\$ 206,648	\$ 3,317,769	\$ 2,984,488	\$ 333,281
CAPITAL EXPENDITURES						
Capital Outlay-FF&E, Automobiles	1,262,454	569,573	530,467	2,362,493	2,480,184	(117,691)
Capital Outlay-Debt Service	264,177	34,536	25,949	324,661	315,535	9,126
TOTAL CAPITAL EXPENDITURES	\$ 1,526,631	\$ 604,109	\$ 556,416	\$ 2,687,154	\$ 2,795,719	\$ (108,565)
GRAND TOTAL EXPENDITURES	\$ 14,151,966	\$ 6,492,097	\$ 3,690,960	\$ 24,335,024	\$ 24,774,971	\$ (439,947)
Excess (Deficiency) of Revenues and Expenses	\$ 933,966	\$ 46,419	\$ (349,768)	\$ 630,615	\$ 188,769	\$ 441,846
Debt Service and Fixed Asset Fund:						
Debt Service	264,177	34,536	25,949	324,661	315,535	(51,358)
		-	-	-	-	-
Excess(Deficiency) of revenues over Expenses	264,177	34,536	25,949	324,661	315,535	(51,358)

TRI-COUNTY BEHAVIORAL HEALTHCARE

Income and Expense including Capital Expenditures



TRI-COUNTY BEHAVIORAL HEALTHCARE
Income after Expense
including Capital Expenditures



Agenda Item: Approve June 2016 Financial Statements	Board Meeting Date July 28, 2016
Committee: Business	
Background Information: None	
Supporting Documentation: June 2016 Financial Statements	
Recommended Action: Approve June 2016 Financial Statements	

June 2016 Financial Summary

Revenues for June 2016 were \$2,401,037 and operating expenses were \$2,477,606 resulting in a loss in operations of \$76,569. Capital Expenditures and Extraordinary Expenses for June were \$38,471 resulting in a loss of \$115,040. Total revenues were 98.60% of the monthly budgeted revenues and total expenses were 104.39% of the monthly budgeted expenses.

Year to date revenues are \$27,366,676 and operating expenses are \$24,125,476 leaving excess operating revenues of \$3,241,200. YTD Capital Expenditures and Extraordinary Expenses are \$2,725,625 resulting in a gain YTD of \$515,575. Total revenues are 99.88% of the YTD budgeted revenues and total expenses are 98.77% of the YTD budgeted expenses

REVENUES

YTD Revenue items that are below the budget by more than \$10,000:

Revenue Source	YTD Revenue	YTD Budget	% of Budget	\$ Variance
Rehab – Title XIX	1,499,312	1,636,495	91.61%	137,183

Rehab – This line item is under budget due to staff vacancies in both Adult and the Child and Adolescent programs. We will continue to monitor this line item for the year end revision. We have had some hires in these areas so after training we should hopefully see this line settle down.

EXPENSES

YTD Individual line expense items that exceed the YTD budget by more than \$10,000:

Expense Source	YTD Expenses	YTD Budget	% of Budget	\$ Variance
Contract Hospital - Adult	1,163,698	1,076,064	108.14%	87,634
Contract Hospital - Child	150,450	125,000	120.36%	25,450
Contract Clinical	682,045	656,931	103.82%	25,114

Contract Hospital – Adult and Child – These two line items are for both adult and children hospitalizations. We have seen a major increase the past few months in both the adult and child service area for clients needing to be admitted to the hospital. We are also above our service target number for admissions in the DSHS funded Rusk Diversion program. We will continue to watch this line but we expect this trend to continue through the end of the fiscal year.

Contract Clinical – This line reflects the use of contract doctors seeing clients in the hospital. As the above line continues to increase so this line will follow. This line also reflects the use of contract doctors in the clinic by tele-medicine while we have vacant staff doctor positions. We have a decrease in the payroll salary and fringe expense lines that offset this part of the increased expense.

**TRI-COUNTY BEHAVIORAL HEALTHCARE
CONSOLIDATED BALANCE SHEET
For the Month Ended June 30, 2016**

	TOTALS COMBINED FUNDS June 2016	TOTALS COMBINED FUNDS May 2016	Increase (Decrease)
ASSETS			
CURRENT ASSETS			
Imprest Cash Funds	2,988	2,988	-
Cash on Deposit-General Fund	6,082,378	5,016,539	1,065,839
Cash on Deposit-Debt Fund			-
Accounts Receivable	1,624,025	1,802,026	(178,001)
Inventory	7,071	7,330	(258)
TOTAL CURRENT ASSETS	7,716,462	6,828,882	887,580
FIXED ASSETS	8,577,947	8,577,947	-
OTHER ASSETS	39,460	54,783	(15,323)
TOTAL ASSETS	\$ 16,333,869	\$ 15,461,612	\$ 872,257
LIABILITIES, DEFERRED REVENUE, FUND BALANCES			
CURRENT LIABILITIES	865,594	861,165	4,429
NOTES PAYABLE	549,129	549,129	-
DEFERRED REVENUE	1,014,468	28,921	985,548
LONG-TERM LIABILITIES FOR			
Line of Credit - Tradition Bank	470,401	490,570	(20,169)
Note Payable Prosperity Bank	631,691	644,426	(12,736)
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR			
General Fund	515,575	630,615	(115,040)
FUND EQUITY			
RESTRICTED			
Net Assets Reserved for Debt Service	(1,102,092)	(1,134,997)	32,905
Reserved for Debt Retirement	963,631	963,631	-
COMMITTED			
Net Assets-Property and Equipment	8,577,947	8,577,947	-
Reserved for Vehicles & Equipment Replacement	677,624	678,112	(488)
Reserved for Facility Improvement & Acquisitions	(0)	8,360	(8,360)
Reserved for Board Initiatives	1,500,000	1,500,000	-
Reserved for 1115 Waiver Programs	516,833	516,833	-
ASSIGNED			
Reserved for Workers' Compensation	274,409	274,409	-
Reserved for Current Year Budgeted Reserve	61,666	55,499	6,167
Reserved for Insurance Deductibles	100,000	100,000	-
Reserved for Accrued Paid Time Off	(549,129)	(549,129)	-
UNASSIGNED			
Unrestricted and Undesignated	1,266,121	1,266,121	-
TOTAL LIABILITIES/FUND BALANCE	\$ 16,333,869	\$ 15,461,612	\$ 872,256

**TRI-COUNTY BEHAVIORAL HEALTHCARE
CONSOLIDATED BALANCE SHEET
For the Month Ended June 30, 2016**

	General Operating Funds	Memorandum Only Final August 2015
ASSETS		
CURRENT ASSETS		
Imprest Cash Funds	2,988	3,165
Cash on Deposit-General Fund	6,082,378	5,928,627
Cash on Deposit-Debt Fund	-	-
Accounts Receivable	1,624,025	1,657,209
Inventory	7,071	9,877
TOTAL CURRENT ASSETS	7,716,462	7,598,878
FIXED ASSETS	8,577,947	7,091,888
OTHER ASSETS	39,460	49,749
	-	-
	\$ 16,333,869	\$ 14,740,515
LIABILITIES, DEFERRED REVENUE, FUND BALANCES		
CURRENT LIABILITIES	865,594	1,103,286
NOTES PAYABLE	549,129	549,129
DEFERRED REVENUE	1,014,468	(889,779)
LONG-TERM LIABILITIES FOR		
Line of Credit - Tradition Bank	470,401	670,521
Note Payable Prosperity Bank	631,691	757,743
EXCESS(DEFICIENCY) OF REVENUES OVER EXPENSES FOR		
General Fund	515,575	(1,065,136)
FUND EQUITY		
RESTRICTED		
Net Assets Reserved for Debt service-Restricted	(1,102,092)	(1,428,264)
Reserved for Debt Retirement	963,631	963,631
COMMITTED		
Net Assets-Property and Equipment-Committed	8,577,947	7,091,887
Reserved for Vehicles & Equipment Replacement	677,624	678,112
Reserved for Facility Improvement & Acquisitions	(0)	2,136,013
Reserved for Board Initiatives	1,500,000	1,500,000
Reserved for 1115 Waiver Programs	516,833	516,833
ASSIGNED		
Reserved for Workers' Compensation-Assigned	274,409	274,409
Reserved for Current Year Budgeted Reserve -Assigned	61,666	-
Reserved for Insurance Deductibles-Assigned	100,000	100,000
Reserved for Accrued Paid Time Off	(549,129)	(549,129)
UNASSIGNED		
Unrestricted and Undesignated	1,266,121	2,331,257
TOTAL LIABILITIES/FUND BALANCE	\$ 16,333,869	\$ 14,740,515

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
For the Month Ended June 2016
and Year To Date as of June 2016

INCOME:	MONTH OF June 2016	YTD June 2016
Local Revenue Sources	104,566	3,202,491
Earned Income	1,090,524	11,654,844
General Revenue-Contract	1,205,947	12,509,340
TOTAL INCOME	\$ 2,401,037	\$ 27,366,676
EXPENSES:		
Salaries	1,381,296	13,363,778
Employee Benefits	270,742	2,606,394
Medication Expense	63,373	588,828
Travel-Board/Staff	38,114	392,992
Building Rent/Maintenance	14,502	248,942
Consultants/Contracts	503,168	4,804,541
Other Operating Expenses	206,411	2,120,001
TOTAL EXPENSES	\$ 2,477,606	\$ 24,125,476
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ (76,569)	\$ 3,241,200
CAPITAL EXPENDITURES		
Capital Outlay-FF&E, Automobiles, Building	113	2,362,606
Capital Outlay-Debt Service	38,358	363,019
TOTAL CAPITAL EXPENDITURES	\$ 38,471	\$ 2,725,625
GRAND TOTAL EXPENDITURES	\$ 2,516,077	\$ 26,851,101
Excess (Deficiency) of Revenues and Expenses	\$ (115,040)	\$ 515,575

Debt Service and Fixed Asset Fund:		
Debt Service	38,358	363,019
Excess(Deficiency) of revenues over Expenses	38,358	363,019

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
Year to Date as of June 2016

	YTD June 2016	APPROVED BUDGET	Increase (Decrease)
INCOME:			
Local Revenue Sources	3,202,491	3,170,220	32,271
Earned Income	11,654,844	11,694,564	(39,720)
General Revenue-Contract	12,509,340	12,534,026	(24,686)
TOTAL INCOME	\$ 27,366,676	\$ 27,398,810	\$ (32,134)
EXPENSES:			
Salaries	13,363,778	13,522,727	(158,949)
Employee Benefits	2,606,394	2,600,234	6,160
Medication Expense	588,828	585,976	2,852
Travel-Board/Staff	392,992	371,267	21,725
Building Rent/Maintenance	248,942	241,082	7,860
Consultants/Contracts	4,804,541	4,827,712	(23,171)
Other Operating Expenses	2,120,001	2,182,127	(62,126)
TOTAL EXPENSES	\$ 24,125,476	\$ 24,331,125	\$ (205,649)
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 3,241,200	\$ 3,067,685	\$ 173,515
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	2,362,606	2,503,501	(140,895)
Capital Outlay-Debt Service	363,019	350,595	12,424
TOTAL CAPITAL EXPENDITURES	\$ 2,725,625	\$ 2,854,096	\$ (128,471)
GRAND TOTAL EXPENDITURES	\$ 26,851,101	\$ 27,185,221	\$ (334,120)
Excess (Deficiency) of Revenues and Expenses	\$ 515,575	\$ 213,589	\$ 301,986

Debt Service and Fixed Asset Fund:			
Debt Service	363,019	350,595	12,424
Excess(Deficiency) of revenues over Expenses	363,019	350,595	12,424

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
Compared to Budget
For the Month Ended June 2016

INCOME:	MONTH OF June 2016	APPROVED BUDGET	Increase (Decrease)
Local Revenue Sources	104,566	96,112	8,454
Earned Income	1,090,524	1,119,005	(28,481)
General Revenue-Contract	1,205,947	1,219,953	(14,006)
TOTAL INCOME	\$ 2,401,037	\$ 2,435,070	\$ (34,033)
EXPENSES:			
Salaries	1,381,296	1,361,004	20,292
Employee Benefits	270,742	254,909	15,833
Medication Expense	63,373	57,011	6,362
Travel-Board/Staff	38,114	35,790	2,324
Building Rent/Maintenance	14,502	20,459	(5,957)
Consultants/Contracts	503,168	416,240	86,928
Other Operating Expenses	206,411	206,460	(49)
TOTAL EXPENSES	\$ 2,477,606	\$ 2,351,873	\$ 125,733
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ (76,569)	\$ 83,197	\$ (159,766)
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	113	23,317	(23,204)
Capital Outlay-Debt Service	38,358	35,060	3,298
TOTAL CAPITAL EXPENDITURES	\$ 38,471	\$ 58,377	\$ (19,906)
GRAND TOTAL EXPENDITURES	\$ 2,516,077	\$ 2,410,250	\$ 105,827
Excess (Deficiency) of Revenues and Expenses	\$ (115,040)	\$ 24,820	\$ (139,860)

Debt Service and Fixed Asset Fund:			
Debt Service	38,358	35,060	3,298
Excess(Deficiency) of revenues over Expenses	38,358	35,060	3,298

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With June 2015 Comparative Data
Year to Date as of June 2016

INCOME:	<u>YTD June 2016</u>	<u>YTD June 2015</u>	<u>Increase (Decrease)</u>
Local Revenue Sources	3,202,491	1,424,224	1,778,267
Earned Income	11,654,844	10,587,185	1,067,659
General Revenue-Contract	12,509,340	11,757,182	752,158
TOTAL INCOME	\$ 27,366,676	\$ 23,768,591	\$ 3,598,085
EXPENSES:			
Salaries	13,363,778	12,308,995	1,054,783
Employee Benefits	2,606,394	2,505,049	101,345
Medication Expense	588,828	465,797	123,031
Travel-Board/Staff	392,992	369,632	23,360
Building Rent/Maintenance	248,942	259,818	(10,876)
Consultants/Contracts	4,804,541	4,547,308	257,233
Other Operating Expenses	2,120,001	1,973,488	146,513
TOTAL EXPENSES	\$ 24,125,476	\$ 22,430,087	\$ 1,695,389
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ 3,241,200	\$ 1,338,504	\$ 1,902,696
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	2,362,606	575,002	1,787,604
Capital Outlay-Debt Service	363,019	224,958	138,061
TOTAL CAPITAL EXPENDITURES	\$ 2,725,625	\$ 799,960	\$ 1,925,665
GRAND TOTAL EXPENDITURES	\$ 26,851,101	\$ 23,230,047	\$ 3,621,054
Excess (Deficiency) of Revenues and Expenses	\$ 515,575	\$ 538,544	\$ (22,969)

Debt Service and Fixed Asset Fund:			
Debt Service	363,019	224,958	138,061
Excess(Deficiency) of revenues over Expenses	363,019	224,958	138,061

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With June 2015 Comparative Data
For the Month Ended June 2016

INCOME:	<u>MONTH OF June 2016</u>	<u>MONTH OF June 2015</u>	<u>Increase (Decrease)</u>
Local Revenue Sources	104,566	306,740	(202,174)
Earned Income	1,090,524	1,068,396	22,128
General Revenue-Contract	1,205,947	1,187,255	18,692
TOTAL INCOME	<u>\$ 2,401,037</u>	<u>\$ 2,562,391</u>	<u>\$ (161,354)</u>
Salaries	1,381,296	1,254,037	127,259
Employee Benefits	270,742	243,680	27,062
Medication Expense	63,373	57,220	6,153
Travel-Board/Staff	38,114	34,808	3,306
Building Rent/Maintenance	14,502	40,279	(25,777)
Consultants/Contracts	503,168	408,231	94,937
Other Operating Expenses	206,411	192,029	14,382
TOTAL EXPENSES	<u>\$ 2,477,606</u>	<u>\$ 2,230,284</u>	<u>\$ 247,322</u>
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	<u>\$ (76,569)</u>	<u>\$ 332,107</u>	<u>\$ (408,676)</u>
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	113	291,566	(291,453)
Capital Outlay-Debt Service	38,358	34,469	3,889
TOTAL CAPITAL EXPENDITURES	<u>\$ 38,471</u>	<u>\$ 326,035</u>	<u>\$ (287,564)</u>
GRAND TOTAL EXPENDITURES	<u>\$ 2,516,077</u>	<u>\$ 2,556,319</u>	<u>\$ (40,242)</u>
Excess (Deficiency) of Revenues and Expenses	<u>\$ (115,040)</u>	<u>\$ 6,072</u>	<u>\$ (121,112)</u>
Debt Service and Fixed Asset Fund:			
Debt Service	38,358	34,469	3,889
Excess(Deficiency) of revenues over Expenses	<u>38,358</u>	<u>34,469</u>	<u>3,889</u>

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With May 2016 Comparative Data
For the Month Ended June 2016

INCOME:	MONTH OF June 2016	MONTH OF May 2016	Increase (Decrease)
Local Revenue Sources	104,566	107,041	(2,475)
Earned Income	1,090,524	1,292,677	(202,153)
General Revenue-Contract	1,205,947	1,214,395	(8,448)
TOTAL INCOME	\$ 2,401,037	\$ 2,614,113	\$ (213,076)
EXPENSES:			
Salaries	1,381,296	1,289,818	91,478
Employee Benefits	270,742	254,888	15,855
Medication Expense	63,373	36,600	26,773
Travel-Board/Staff	38,114	36,788	1,326
Building Rent/Maintenance	14,502	31,840	(17,339)
Consultants/Contracts	503,168	582,959	(79,791)
Other Operating Expenses	206,411	189,359	17,052
TOTAL EXPENSES	\$ 2,477,606	\$ 2,422,251	\$ 55,354
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ (76,569)	\$ 191,862	\$ (268,431)
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	113	13,031	(12,918)
Capital Outlay-Debt Service	38,358	37,949	409
TOTAL CAPITAL EXPENDITURES	\$ 38,471	\$ 50,979	\$ (12,508)
GRAND TOTAL EXPENDITURES	\$ 2,516,077	\$ 2,473,231	\$ 42,846
Excess (Deficiency) of Revenues and Expenses	\$ (115,040)	\$ 140,883	\$ (255,922)

Debt Service and Fixed Asset Fund:

Debt Service	38,358	37,949	409
Excess(Deficiency) of revenues over Expenses	38,358	37,949	409

TRI-COUNTY BEHAVIORAL HEALTHCARE
Revenue and Expense Summary
With May 2016 Comparative Data
For the Month Ended June 2016

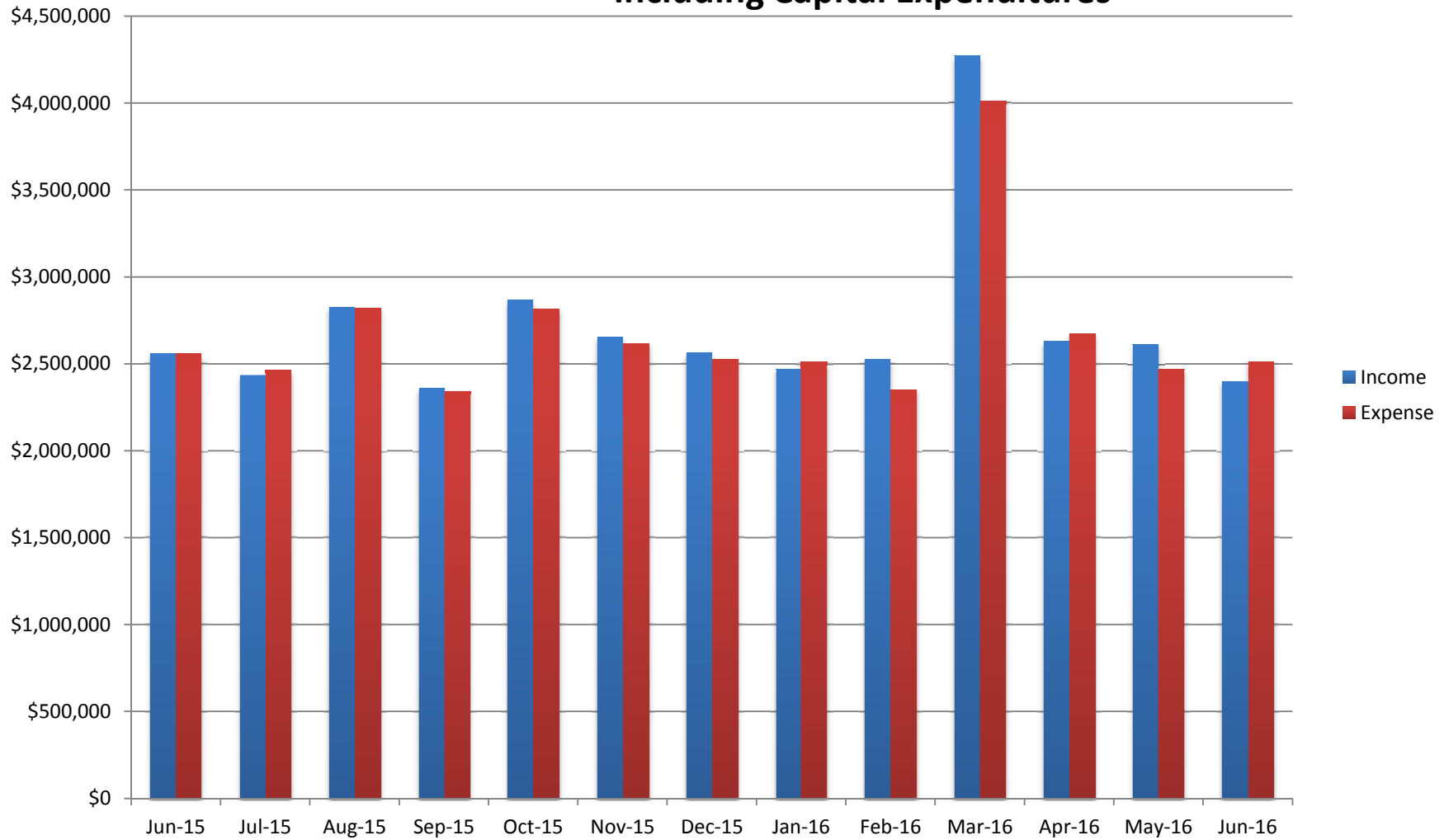
INCOME:	MONTH OF June 2016	MONTH OF May 2016	Increase (Decrease)
Local Revenue Sources	104,566	107,041	(2,475)
Earned Income	1,090,524	1,292,677	(202,153)
General Revenue-Contract	1,205,947	1,214,395	(8,448)
TOTAL INCOME	\$ 2,401,037	\$ 2,614,113	\$ (213,076)
EXPENSES:			
Salaries	1,381,296	1,289,818	91,478
Employee Benefits	270,742	254,888	15,855
Medication Expense	63,373	36,600	26,773
Travel-Board/Staff	38,114	36,788	1,326
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Consultants/Contracts	503,168	582,959	(79,791)
Other Operating Expenses	206,411	189,359	17,052
TOTAL EXPENSES	\$ 2,477,606	\$ 2,422,251	\$ 55,354
Excess(Deficiency) of Revenues over Expenses before Capital Expenditures	\$ (76,569)	\$ 191,862	\$ (268,431)
CAPITAL EXPENDITURES			
Capital Outlay-FF&E, Automobiles	113	13,031	(12,918)
Capital Outlay-Debt Service	38,358	37,949	409
TOTAL CAPITAL EXPENDITURES	\$ 38,471	\$ 50,979	\$ (12,508)
GRAND TOTAL EXPENDITURES	\$ 2,516,077	\$ 2,473,231	\$ 42,846
Excess (Deficiency) of Revenues and Expenses	\$ (115,040)	\$ 140,883	\$ (255,922)

Debt Service and Fixed Asset Fund:

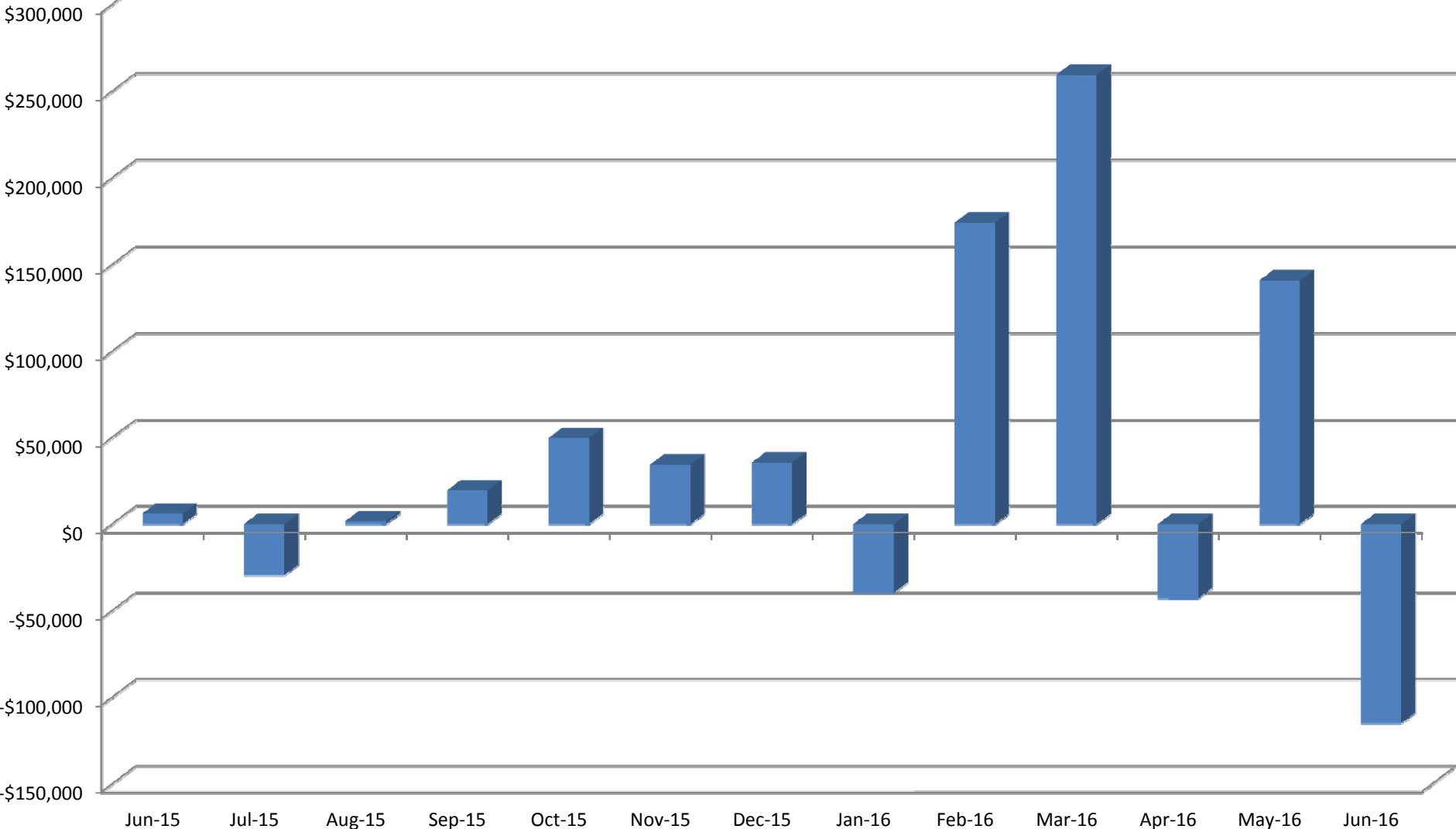
Debt Service	38,358	37,949	409
Excess(Deficiency) of revenues over Expenses	38,358	37,949	409

TRI-COUNTY BEHAVIORAL HEALTHCARE

Income and Expense including Capital Expenditures



TRI-COUNTY BEHAVIORAL HEALTHCARE
Income after Expense
including Capital Expenditures



<p>Agenda Item: Authorize the Executive Director to Negotiate the Sale of Montgomery County Properties</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>As the Board is aware, it is our plan to sell the properties that will be vacated in Conroe when we move into the new consolidated service location at 233 Sgt. Ed Holcomb Blvd. South in Conroe.</p> <p>Our building consultant, Mike Duncum, has been working with a local real estate group that may be interested in purchasing all four Conroe locations sometime in calendar year 2016. As a part of this potential sale, Tri-County would lease back the properties for up to a year after they sell.</p> <p>Staff and Mr. Duncum have been working with our legal team to negotiate potential terms of that sale. Currently, we have agreed upon the price for all four properties and some of the conditions, but have not agreed to the timeframe for the buyers due diligence or upon the leaseback terms.</p> <p>Whether this sale goes through or if another deal must be sought, staff are requesting that the Board authorize the Executive Director, in consultation with Jackson Walker, to sell 1506 & 1508 FM 2854, 1020 Riverwood Court Buildings 1-5, 610 N. Loop 336 and 103 North Thompson in Conroe, Texas.</p>	
<p>Supporting Documentation:</p> <p>None</p>	
<p>Recommended Action:</p> <p>Authorize the Executive Director, in Consultation with Jackson Walker, to Sell 1506 & 1508 FM 2854, 1020 Riverwood Court Buildings 1-5, 610 N. Loop 336 and 103 North Thompson in Conroe, Texas, and Sign All Necessary Documents</p>	

<p>Agenda Item: Approve Purchase of Ford Explorer</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>DADS has awarded Tri-County funding for IDD Crisis Intervention Specialist and IDD Crisis Respite. These funds can be used for startup purchases for these programs.</p> <p>We are in the process of preparing the Crisis Respite plan that will be submitted to DADS for approval. In this plan, we will be asking for a portion of the startup funds to be used for the purchase of a vehicle that will enable us to transport clients safely to these programs.</p> <p>We have received verbal quotes on a Ford Explorer that will be outfitted with a partition between the driver and passenger areas for safety.</p> <p>We will be sending out Requests for Bids for a new Ford Explorer. We are asking the Board to approve the purchase of the vehicle not to exceed a price of \$30,000. Once bids are received, we will award to the dealership that has the best availability to ensure that we spend the funds within the current fiscal year.</p>	
<p>Supporting Documentation:</p> <p>None</p>	
<p>Recommended Action:</p> <p>Approve the Purchase of a Ford Explorer not to exceed \$30,000</p>	

Agenda Item: Approve Recommendation for Tri-County Employee Health Insurance & Ancillary Plans

Board Meeting Date

July 28, 2016

Committee: Business

Background Information:

Tri-County currently has employee health insurance coverage through Aetna. We currently offer a structure of four plan types – with a “lower end” plan that has primarily been funded by Tri-County and three “higher end” plans that we offer employees the option to “buy up” into. Our current plans will expire on September 30, 2016. In May 2016, Benefit Solutions requested quotes (on our behalf) for FY 2017 employee health insurance coverage and provided fully funded plan quotes to the Management Team for review.

Aetna provided a quote for continuation of coverage on the four plans with an increase of 8.6% from our current FY 2016 premiums.

Aetna also offered quotes on alternative network plans that are similar to our current plan offerings. The structure of these alternative plans present a slightly higher out of pocket max on the lower end plan and a slightly lower out of pocket max on the higher end plan. Quotes on these alternative plan types ranged from a 4.8% increase on the lower end plan to a 18.6% savings on the high end plan from what our FY 2016 premiums were on similarly situated plans.

Quotes were also received from BCBS, United Healthcare and Humana. These plans were not considered due to the increased cost over Aetna’s highest quote of an 8.6% increase. The Management Team is recommending that Tri-County stay with Aetna and move to the alternative network plans that are similar to our current plan offerings, but overall average only a 2% increase from our current premiums.

The FY 2017 plan options provided for employees are described below:

Aetna OTS HSA 3000:

The HSA 3000 Plan has a \$3,000/\$6,000 deductible and pays benefits at 90% once the deductible is met. Employees will pay 100% for other medical services and prescriptions until their deductible is met. The cost of this plan is \$405.32 per month for employee only coverage. Tri-County will pay \$400 per month. Therefore, the out of pocket cost to the employee for employee only coverage is \$5.32 per month; employee and spouse is \$484.26; employee and children is \$439.56 and employee and family is \$918.59.

Aetna HSA Middle Plan (C-15):

This plan is one that is currently offered in our FY 2016 structure and Aetna is offering to carry over this plan to FY 2017 with no change to premiums or coverage. The HSA Middle Plan has a \$1,500/\$3,000 deductible and includes the preventive prescription rider with a co-pay of \$15/35/50 for prescriptions for certain medical conditions including asthma, diabetes, high blood pressure, and cholesterol. The prescription rider allows employees to pay co-pay amounts for certain drugs without having to first meet the deductible.

This plan will pay 80% of all medical once the deductible is met, for services within the Level I Network. Employees are responsible for co-pays for prescription medications after the deductible is met. The cost for this plan is \$611.04 for employee only coverage. Tri-County will pay \$400. Therefore, the out of pocket cost to the employee for employee only coverage is \$211.04 per month. The cost to the employee for employee and spouse is \$836.46; employee and children is \$777.99, and employee and family is \$1,399.66.

**Aetna is also offering a rider to this plan that will offer coverage for bariatric surgical procedures (procedures that are currently not covered under any Tri-County plan). The cost of this rider will be approximately a 1-2% premium increase. We are firming up this quote at the current time, as the offer for this rider came in late.

Aetna OTS PPO 1500:

This plan has a \$1,500/\$3,000 deductible. This plan pays at 80% once deductible is met. Office visits are \$30 and Specialty Doctor office visits are \$50. Prescription co-pays are \$3/\$15/\$50/\$90/\$150/\$300. The cost of this plan is \$485.26. Tri-County will pay \$400 toward the employee only cost. The out of pocket cost for employee only coverage \$85.26 per month. The cost to the employee for employee and spouse is \$658.67; employee and children is \$605.15 and employee and family is \$1,178.66.

Aetna PPO Buy Up (OTS 1000):

This option offers a \$1,000/\$2,000 deductible with 100% coinsurance once deductible is met. Office visits are \$25 and Specialty Doctor office visits are \$50. Prescription co-pays are \$3/\$15/\$50/\$90/\$150/\$300. The cost of this plan is \$541.79. Tri-County will pay \$400 toward the employee only cost. The out of pocket cost for employee only coverage is \$141.79 per month. The cost to the employee for employee and spouse is \$781.98; employee and children is \$722.23 and employee and family is \$1,362.53.

Ancillary Plans

Tri-County pays for Basic Life/Accidental Death and Dismemberment (AD&D) and Long Term Disability (LTD) coverage for all full time employees. Coverage is currently provided through Lincoln Financial. The renewal for Basic Life/AD&D is increasing from .10 a unit to .11 a unit and LTD coverage is increasing from .38 a unit to .42 a unit. Quotes were also received from Cigna for this coverage, but premiums were higher than Lincoln's quotes.

Supporting Documentation:

Tri-County Employee Health Insurance Spreadsheet

Recommended Action:

Approve Recommendation for FY 2017 Employee Health Insurance, Basic Life/Accidental Death & Dismemberment, and Long Term Disability Plans

Tri-County Behavioral Healthcare
 Medical Spreadsheet
 Effective Date: **October 1, 2016**

					CURRENT				REVISED RENEWAL			
					AETNA				AETNA			
Carrier Name												
Plan Name					SP HSA 3000 (In Network Only)	HSA C15 (In Network Only)	SP 1500 80/60/50 (In Network Only)	PPO Buy Up (In Network Only)	SP HSA 3000 (In Network Only)	HSA C15 (In Network Only)	SP 1500 80/60/50 (In Network Only)	PPO Buy Up (In Network Only)
Plan Network					Savings Plus/OAMC	OAMC	Savings Plus/OAMC	OAMC	Savings Plus/OAMC	OAMC	Savings Plus/OAMC	OAMC
Benefit Details					Embedded	Aggregate	PPO	PPO	Embedded	Aggregate	PPO	PPO
Office Visit	SP HSA 3000	HSA C15	SP 1500	BUY UP PPO	Ded. & Coins.	Ded. & Coins.	\$30/\$30 Copay	\$50 Copay	Ded. & Coins.	Ded. & Coins.	\$30/\$30 Copay	\$50 Copay
Specialty Doctor Office Visit					Ded. & Coins.	Ded. & Coins.	\$50/\$70 Copay	\$60 Copay	Ded. & Coins.	Ded. & Coins.	\$50/\$70 Copay	\$60 Copay
Preventive Care					Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%
Individual Deductible-In Network					\$3,000/\$3,000	\$1,500	\$1,500/ \$3,000	\$2,500	\$3,000/\$3,000	\$1,500	\$1,500/ \$3,000	\$2,500
Family Deductible-In Network					\$6,000/\$6,000	\$3,000	\$4,500/ \$9,000	\$7,500	\$6,000/\$6,000	\$3,000	\$4,500/ \$9,000	\$7,500
Coinsurance					90%/70%	80%	80%/60%	70%	90%/70%	80%	80%/60%	70%
Calendar Year Maximums							copays and rx apply to the OOP	copays and rx apply to the OOP			copays and rx apply to the OOP	copays and rx apply to the OOP
Individual OOP - In-Network (includes deductible)					\$4,000/\$6,000	\$2,500	\$5,000/ \$6,350	\$6,000	\$4,000/\$6,000	\$2,500	\$5,000/ \$6,350	\$6,000
Family OOP - In-Network (includes deductible)					\$8,000/\$12,000	\$5,000	\$10,000/ \$12,700	\$12,000	\$8,000/\$12,000	\$5,000	\$10,000/ \$12,700	\$12,000
Lifetime Maximum					Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Diagnostic Lab & Xrays					Ded. & Coins.	Ded. & Coins.	covered with OV if part of OV and billed by physician	covered with OV if part of OV and billed by physician	Ded. & Coins.	Ded. & Coins.	covered with OV if part of OV and billed by physician	covered with OV if part of OV and billed by physician
In/Out Patient Hospital Services					Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.
Urgent Care					Ded. & Coins.	Ded. & Coins.	\$75 Copay	\$50 Copay	Ded. & Coins.	Ded. & Coins.	\$75 Copay	\$50 Copay
Emergency Room					Ded & 10%	Ded. & Coins.	\$200 Co-pay + 20%	\$150 Copay + 30%	Ded & 10%	Ded. & Coins.	\$200 Co-pay + 20%	\$150 Copay + 30%
Prescription Calendar Year Maximum					Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical
Prescription Drugs	After Deductible \$10/\$40/\$70/30%	After Deductible \$15/\$35/\$50	\$10/\$40/\$70/30%	\$200/\$600 Deductible* \$20/\$40/\$70	After Deductible \$10/\$40/\$70/30%	After Deductible \$15/\$35/\$50	\$10/\$40/\$70/30%	\$200/\$600 Deductible* \$20/\$40/\$70				
Preventive Medications Rider	None	\$15/\$35/\$50	N/A	N/A	None	\$15/\$35/\$50	N/A	N/A				
Monthly Total Rate			SP HSA 3000	HSA C15	SP 1500 80/60/50	PPO Buy Up	SP HSA 3000	HSA C15	SP 1500 80/60/50	PPO Buy Up		
Employee Only	122	1	95	2	\$386.91	\$611.04	\$490.69	\$665.95	\$420.24	\$663.65	\$532.95	\$723.32
Employee/Spouse	6	3	0	0	\$844.10	\$1,236.46	\$1,070.59	\$1,317.98	\$916.82	\$1,342.91	\$1,162.80	\$1,431.52
Employee/Children	10	0	8	0	\$801.43	\$1,177.99	\$1,016.39	\$1,257.04	\$870.47	\$1,279.41	\$1,103.93	\$1,365.33
Employee/Family	2	0	3	0	\$1,258.70	\$1,799.66	\$1,596.31	\$1,909.07	\$1,367.14	\$1,954.60	\$1,733.80	\$2,073.54
Monthly Total / Plan	140	4	106	2	\$62,799	\$4,320	\$59,536	\$1,332	\$68,209	\$4,692	\$64,663	\$1,447
Annual Total/Plan					\$753,592	\$51,845	\$714,427	\$15,983	\$818,510	\$56,309	\$775,957	\$17,360
Combined Annual Total	252				\$1,535,847				\$1,668,135			
\$ Change from Current					n/a				\$132,289			
% Change from Current					n/a				8.6%			

*PPO Rx Deductible applies to all tiers

For illustrative purpose, out of network is not shown but is available for all plans.

This proposal is a general description of coverage (s) provided. For a detailed description of policy terms and conditions, please refer to the policy itself. If a conflict exists between this proposal and the policy, the policy will be controlling. Proposed rates are estimated and based on census provided. Final rates are based on effective date, plan design & actual enrollment. Rates are based on information provided at time of quote.

					CURRENT				ALTERNATE OPTION			
Carrier Name					AETNA				AETNA			
Plan Name					SP HSA 3000 (In Network Only)	HSA C15 (In Network Only)	SP 1500 80/60/50 (In Network Only)	PPO Buy Up (In Network Only)	OTS HSA 3000 (In Network Only)	HSA C15 (In Network Only)	OTS 1500 80/50 (In Network Only)	Buy Up/OTS 1000 100/70 (In Network Only)
Plan Network					Savings Plus/OAMC	OAMC	Savings Plus/OAMC	OAMC	OTS/OAMC	OAMC	OTS/OAMC	OTS/OAMC
Benefit Details					Embedded	Aggregate	PPO	PPO	Embedded	Aggregate	PPO	PPO
Office Visit	SP HSA 3000	HSA C15	SP 1500	BUY UP PPO	Ded. & Coins.	Ded. & Coins.	\$30/\$30 Copay	\$50 Copay	Ded. & Coins.	Ded. & Coins.	\$30 Copay	\$25 Copay
Specialty Doctor Office Visit					Ded. & Coins.	Ded. & Coins.	\$50/\$70 Copay	\$60 Copay	Ded. & Coins.	Ded. & Coins.	\$50 Copay	\$50 Copay
Preventive Care					Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%	Covered 100%
Individual Deductible-In Network					\$3,000/\$3,000	\$1,500	\$1,500/ \$3,000	\$2,500	\$3,000	\$1,500	\$1,500	\$1,000
Family Deductible-In Network					\$6,000/\$6,000	\$3,000	\$4,500/ \$9,000	\$7,500	\$6,000	\$3,000	\$3,000	\$2,000
Coinsurance					90%/70%	80%	80%/60%	70%	90%	80%	80%	100%
Calendar Year Maximums							copays and rx apply to the OOP	copays and rx apply to the OOP			copays and rx apply to the OOP	copays and rx apply to the OOP
Individual OOP - In-Network (includes deductible)					\$4,000/\$6,000	\$2,500	\$5,000/ \$6,350	\$6,000	\$6,000	\$2,500	\$5,000	\$2,500
Family OOP - In-Network (includes deductible)					\$8,000/\$12,000	\$5,000	\$10,000/ \$12,700	\$12,000	\$12,000	\$5,000	\$10,000	\$5,000
Lifetime Maximum					Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Diagnostic Lab & Xrays					Ded. & Coins.	Ded. & Coins.	covered with OV if part of OV and billed by physician	covered with OV if part of OV and billed by physician	Ded. & Coins.	Ded. & Coins.	covered with OV if part of OV and billed by physician	covered with OV if part of OV and billed by physician
In/Out Patient Hospital Services					Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.	Ded. & Coins.
Urgent Care					Ded. & Coins.	Ded. & Coins.	\$75 Copay	\$50 Copay	Ded. & Coins.	Ded. & Coins.	\$75 Copay	\$75 Copay
Emergency Room					Ded & 10%	Ded. & Coins.	\$200 Co-pay + 20%	\$150 Copay + 30%	Ded. & Coins.	Ded. & Coins.	\$300 Co-pay + 20%	\$300 Copay
Prescription Calendar Year Maximum					Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical	Integrated w/Medical
Prescription Drugs					After Deductible \$10/\$40/\$70/30%	After Deductible \$15/\$35/\$50	\$10/\$40/\$70/30%	\$200/\$600 Deductible* \$20/\$40/\$70	After Deductible \$3/\$15/\$50/\$90/\$150/\$300	After Deductible \$15/\$35/\$50	\$3/\$15/\$50/\$90/\$150/\$300	\$3/\$15/\$50/\$90/\$150/\$300
Preventive Medications Rider					None	\$15/\$35/\$50	N/A	N/A	Included	\$15/\$35/\$50	N/A	N/A
Monthly Total Rate					SP HSA 3000	HSA C15	SP 1500 80/60/50	PPO Buy Up	OTS HSA 3000	HSA C15	OTS 1500 80/50	Buy Up/OTS 1000 100/70
Employee Only	122	1	95	2	\$386.91	\$611.04	\$490.69	\$665.95	\$405.32	\$611.04	\$485.26	\$541.79
Employee/Spouse	6	3	0	0	\$844.10	\$1,236.46	\$1,070.59	\$1,317.98	\$884.26	\$1,236.46	\$1,058.67	\$1,181.98
Employee/Children	10	0	8	0	\$801.43	\$1,177.99	\$1,016.39	\$1,257.04	\$839.56	\$1,177.99	\$1,005.15	\$1,122.23
Employee/Family	2	0	3	0	\$1,258.70	\$1,799.66	\$1,596.31	\$1,909.07	\$1,318.59	\$1,799.66	\$1,578.66	\$1,762.53
Monthly Total / Plan	140	4	106	2	\$62,799	\$4,320	\$59,536	\$1,332	\$65,787	\$4,320	\$58,877	\$1,084
Annual Total/Plan					\$753,592	\$51,845	\$714,427	\$15,983	\$789,448.56	\$51,845.04	\$706,522.56	\$13,002.96
Combined Annual Total	252				\$1,535,847				\$1,560,819			
\$ Change from Current					n/a				\$24,972			
% Change from Current					n/a				2%			

*PPO Rx Deductible applies to all tiers

For illustrative purpose, out of network is not shown but is available for all plans.

This proposal is a general description of coverage (s) provided. For a detailed description of policy terms and conditions, please refer to the policy itself. If a conflict exists between this proposal and the policy, the policy will be controlling. Proposed rates are estimated and based on census provided. Final rates are based on effective date, plan design & actual enrollment. Rates are based on information provided at time of quote.

<p>Agenda Item: Approve Participation in Texas Council Risk Management Fund Minimum Contribution Plan for Workers' Compensation Coverage</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>The Texas Council Risk Management Fund adopted revised coverage options for Workers' Compensation; the revised Minimum Contribution Plan (MCP) offers a minimum contribution of 80% with a maximum contribution of 100%, depending upon the Center's level of equity in the Fund. The Center would budget the 80% contribution and reserve the remaining 20% as Workers' Compensation Reserves.</p> <p>Staff are recommending that the Board adopt the resolution to participate in the Minimum Contribution Plan for Workers' Compensation.</p>	
<p>Supporting Documentation:</p> <p>Amendment to Interlocal Agreement from Texas Council Risk Management Fund</p>	
<p>Recommended Action:</p> <p>Approve Amendment to the Interlocal Agreement to Participate in Texas Council Risk Management Fund's Minimum Contribution Plan for Workers' Compensation Coverage</p>	

**AMENDMENT TO
INTERLOCAL AGREEMENT
TEXAS COUNCIL RISK MANAGEMENT FUND**

This contract and amendment to the Interlocal Agreement is entered into between the Texas Council Risk Management Fund (the Fund) and the undersigned member of the Fund.

WHEREAS, the Fund and the undersigned have previously entered into an Interlocal Agreement evidencing the undersigned's self-insurance coverage through the Fund;

WHEREAS, the undersigned is eligible for the Minimum Contribution Plan (MCP) for workers' compensation, as established by the board of Trustees of the Fund, which modifies the normal calculation of contribution under Section 7 of the Interlocal Agreement;

WHEREAS, the parties desire to modify Section 7 of the Interlocal Agreement to reflect the implementations of a MCP for workers' compensation.

NOW, THEREFORE, for and in consideration of the premises, the premises contained herein, and other good and valuable consideration, the parties agree as follows:

This amendment to the Texas Council Risk Management Fund Interlocal Agreement is for The Fund Year period of **September 1, 2016** through **August 31, 2017**.

It is agreed that the (the member) will pay workers' compensation contributions relative to its own loss experience. This will be subject to a minimum and a maximum MCP factor (as set forth below). In determining final contribution, ultimate losses and expenses will be compared to standard contribution to determine the combined ratio. (i.e., the sum of ultimate losses and expenses divided by standard contribution.)

**Tri-County Behavioral Healthcare elects the following option for Fund Year 2016 – 2017:
(Check only one)**

- 80% (minimum MCP factor) of standard contribution up-front with the potential of eventually paying up to 100% (maximum MCP factor) of standard contribution over six annual adjustments; or
- MCP Option Declined

A combined ratio less than or equal to the minimum MCP factor will result in a contribution equal to the product of the minimum MCP factor and the standard Fund contribution. A combined ratio between the minimum and maximum MCP factors will result in a contribution equal to the product of the combined ratio and the standard Fund contribution. A combined ratio greater than or equal to the maximum MCP factor will result in a contribution equal to the product of the maximum MCP factor and the standard Fund contribution.

The member agrees to pay contributions based on actual payrolls during this period. Adjustments will be made on January 1 for each of the six years following the end of the **2016-2017** Fund year. These adjustments could require that the member make an additional contribution to the Fund.

All other provisions of the Interlocal Agreement, as amended, shall remain in full force and effect.

<p>Tri-County Behavioral Healthcare</p> <p>By: _____ Signature of Authorized Center Official</p> <p>Title: <u>Evan Roberson, Executive Director</u></p> <p>Date: <u>July 28, 2016</u></p>	<p style="text-align:center">TEXAS COUNCIL RISK MANAGEMENT FUND</p> <p>By: _____ Signature of Authorized Fund Official</p> <p>Title: <u>Board Chair</u></p> <p>Date: _____</p>
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<p>Agenda Item: Approve Contract Negotiation with David Southern to Broker ICF/IID License Sale</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>In April, staff provided information to the Board regarding contracting with David Southern for consulting services on the sale of our 8 Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID) licenses (3 homes in Montgomery County, 4 in Liberty County and 1 in Walker County).</p> <p>The Board recommended staff determine whether there were other consultants that could be used to sell these licenses. After speaking with other Centers, staff were unable to find other consultants that were experienced with selling these types of licenses in Texas. Staff did follow-up with a Center that sold their own licenses; however, after the sale, they hired Mr. Southern to clean up paperwork they overlooked so that DADS could approve the sale.</p> <p>Staff has worked with Jackson Walker to develop a consulting agreement that we believe will meet the needs of the Board. This agreement has been shared with Mr. Southern and he has agreed to the new format.</p> <p>From conversations with the Texas Council and another Center that recently negotiated the sale of their ICF homes, both recommended working with Mr. Southern who has sold over fifty (50) ICF/IID homes to seven (7) different Local Intellectual and Developmental Disability Authorities (LIDDA).</p> <p>Mr. Southern would ensure that the sale of the licenses meets all governmental sale requirements.</p> <p>Educare has previously expressed interest in the homes, but staff have not yet discussed the sale of these homes with them.</p>	
<p>Supporting Documentation:</p> <p>Consulting Contract Developed by Jackson Walker</p>	
<p>Recommended Action:</p> <p>Approve Contract Negotiation with David Southern to Broker ICF/IID License Sale</p>	

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the “*Agreement*”) is made and entered into this ___ day of _____, 2016 (the “*Effective Date*”), by and between Tri-County Behavioral Healthcare, a community center under the provisions of Chapter 534 of the Texas Health & Safety Code Ann. (“*Center*”) and Southern Consulting, a Texas sole proprietorship (the “*Consultant*”). The Center and Consultant may each be referred to herein as a “*Party*” or, collectively, as the “*Parties*”.

WHEREAS, Center is considering the sale of the 8 contracts for Intermediate Care Facilities for individuals with intellectual disabilities listed on the attached Exhibit A (collectively, the “*Contracts*”); and

WHEREAS, Center requires assistance locating potential purchasers (each a “*Potential Purchaser*”) of all (but not less than all) of the Contracts and completing and submitting documents and other materials related to the sale and transfer of such Contracts to the appropriate governmental agencies (the “*Transactions*”);

WHEREAS, Center desires to engage Consultant to provide such services, as described in more detail and subject to such terms and conditions as set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties as herein set forth, the receipt and sufficiency of such consideration being hereby acknowledged, the parties agree as follows:

ARTICLE 1 SERVICES

1.1 Services. Consultant shall provide the following services (the “*Services*”), all subject to the restrictions and limitations set forth in this Agreement, and all provided for the exclusive benefit of the Center:

- (a) Familiarize himself to the extent appropriate and feasible with the Center and the Contracts;
- (b) Advise and assist the Center in developing a strategy for accomplishing the Transactions;
- (c) Work with the Center to prepare marketing materials as necessary or desirable in connection with the Transactions, subject to the terms of this Agreement;
- (d) Locate, identify, and contact qualified Potential Purchasers, using guidance from Center regarding Center’s goals and strategy;
- (e) Complete sufficient due diligence regarding Potential Purchasers and present to Center the results of such due diligence efforts;

(f) Provide recommendations to Center as to which Potential Purchasers' bid(s) it should consider and/or accept;

(g) Assist the Center in connection with the successful completion and submission of all necessary documentation and materials necessary or desirable to effect the Transactions, including, without limitation, any documents or materials required by the Texas Department of Aging and Disability Services and any successor agency ("*DADS*"); and

(h) Other services reasonably associated with the Transactions as may from time to time be agreed upon by the Parties.

1.2 Exclusivity. During the Term (as defined below), Consultant shall serve as the exclusive agent to the Center for the Transactions.

1.3 Approval of Materials. Before distribution to Potential Purchasers, Consultant shall deliver or make available to the Center a copy of all written information to be delivered or made available to Potential Purchasers, with the expectation that the Center will review such materials and other information for accuracy and completeness and approve same for delivery to Potential Purchasers.

ARTICLE 2 TERM AND TERMINATION

2.1 Term. This Agreement shall become effective on the Effective Date and shall end ninety (90) days thereafter, unless the Agreement is earlier terminated pursuant to this Article 2, or if there is a Successful Closing (as defined herein), whichever occurs first ("*Initial Term*"). The Agreement shall automatically renew for thirty (30) day periods thereafter unless earlier terminated pursuant to this Article 2 or if there is a Successful Closing, whichever occurs first (each a "*Renewal Term*," collectively with the Initial Term, the "*Term*").

2.2 Termination by Agreement. If Center and Consultant shall mutually agree in writing, this Agreement shall be terminated on the time and date stipulated therein.

2.3 Termination without Cause. Either Party may terminate this Agreement upon ten (10) days' written notice to the other Party.

2.4 Center's Termination for Cause. Center may terminate this Agreement and all rights and liabilities created by this Agreement immediately at any time for cause, including but not limited to:

(a) Consultant's dishonesty;

(b) Consultant's commission or conviction, including a plea of nolo contendere, of any felony or of any crime involving moral turpitude;

(c) Consultant's uncured failure to perform any of the Services or observe any of the terms or provisions of this Agreement after written notice thereof and at least ten (10) days within which to cure said failure;

(d) Consultant's uncured breach of any terms or provisions of this Agreement after written notice thereof and at least ten (10) days within which to cure said breach;

(e) Reprimand or notice of discipline to Consultant by a federal or state regulatory or professional oversight board;

(f) Failure of any of Consultant's representations in this Agreement.

2.5 Effect of Termination or Expiration. Following the expiration of this Agreement or its termination for any reason (including during the Tail, as defined herein), Consultant shall not intentionally interfere with any intent by Center to, and Center shall expressly be permitted to, without the approval of Consultant and with no payment due to Consultant (except as provided in Section 3.1), (i) contract with any other individual or entity for the provision of consulting or other services in connection with the Transactions, (ii) contact, solicit, communicate with, negotiate, and enter into any agreement whatsoever with any Potential Purchaser, and (iii) take any action with respect to any transaction involving the Contracts.

ARTICLE 3 COMPENSATION

3.1 Success Fee. In the event the Center enters into definitive documentation calling for one or more Transactions with qualified Potential Purchasers identified and introduced to Center by Consultant during the Term (both as hereinafter defined), then upon the Successful Closing of the Transaction, the Center will pay to Consultant six percent (6%) of the total consideration actually received by the Center (the "*Success Fee*"). "*Successful Closing*" shall mean the time during the Term or Tail at which all of the following have occurred: (i) the Transaction(s) has been consummated between Center and one or more Potential Purchasers, all of the Contracts have been sold to such Potential Purchasers, and all consideration for such Transaction(s) has been received by Center, (ii) all documentation and materials required to be submitted or delivered to the relevant governmental authority (including, without limitation, DADS) have been duly submitted and delivered, and (iii) all relevant governmental authorities (including, without limitation, DADS) have approved the consummation of the Transaction(s) and the transfer of the Contracts. The Success Fee shall be the only consideration due to Consultant under this Agreement and there shall be no other payment due to Consultant (including, without limitation, for any expenses incurred by Consultant in providing the Services). "*Tail*" shall mean the one (1) year period following the expiration of the Term.

ARTICLE 4 STATUS OF PARTIES

4.1 Independent Contractor Status.

(a) The Parties acknowledge and covenant that (i) Consultant (and Consultant's personnel, if any) will act exclusively as an independent contractor, and not as an employee or agent, of the Center in performing the Services, and (ii) the Parties do not intend, and will not hold out that there exists, any joint venture, undertaking for a profit or other form of business venture or any employment relationship between the Parties other than that of an independent contractor relationship. Consultant is not entitled to the benefits provided by the Center to its

employees, including but not limited to Workmen's Compensation Insurance, unemployment insurance, and health and welfare benefits.

(b) In performing the Services, Consultant is obligated to provide quality service consistent with industry standards and Consultant shall exercise its own professional judgment in the performance of the Services. The manner and means of conducting the work are under Consultant's exclusive control. Consultant is solely responsible for his own conduct during the performance of this Agreement. Consultant will supply any tools, supplies, or implements necessary to perform the Services.

4.2 No Authority to Bind. Consultant shall not have the right or authority and hereby expressly covenants not to enter into any contract or agreement in the name of Center, or otherwise bind Center in any way, without the express written consent of Center. Center shall have the sole authority, responsibility, and discretion to enter into and/or consummate any negotiations or agreements of any kind.

4.3 No Real Estate Brokerage. The Parties acknowledge that Consultant is not licensed to receive valuable consideration for referring prospects for the purchase and sale of real estate. For so long as Consultant is not properly licensed, Consultant shall not provide real estate brokerage services as part of the Services or otherwise in connection with this Agreement. To the extent that any act or service required by Consultant pursuant to this Agreement should be construed by any court or regulatory body to require such licensure, the requirement to perform that act or service by Consultant shall be deemed waived and unenforceable.

4.4 Other Efforts. Consultant provides services identical to or similar to the Services to other clients and the general public. Center shall not require Consultant to devote full-time efforts to provide the Services.

ARTICLE 5 REPRESENTATIONS & INDEMNIFICATION

5.1 Representations and Warranties. In performing services under this Agreement, Consultant covenants and warrants that he:

(a) Holds all required licensing and has obtained all required approvals to perform the Services, including without limitation any business brokerage licensing (but specifically excluding any real estate brokerage licensing);

(b) Will use his best and most diligent efforts and professional skills and judgment in rendering services under this Agreement; and

(c) Will immediately notify Center in writing of his receipt of any action, claim or lawsuit alleging professional negligence lodged against Consultant individually or any entity with which he is affiliated.

5.2 Indemnification. Consultant agrees to indemnify and hold harmless the Center and its affiliates, employees, trustees, directors, managers, representatives, and agents from and against any and all losses, claims, damages, liabilities and expenses, and all actions, inquiries,

Parties agree that in the event of any dispute arising in connection with, or relating to, this Agreement, to the maximum extent allowed by applicable law, the parties shall attempt to resolve such dispute through informal methods such as mediation. If the Parties are unable to resolve such dispute, any litigation shall be conducted in the state or federal courts of Montgomery County, Texas.

6.8 Non-Waiver. The failure of either party to exercise any of its rights under this Agreement for a breach thereof shall not be deemed to be a waiver of such rights or a waiver of any subsequent breach.

[Signatures on following page.]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

CENTER:

TRI-COUNTY BEHAVIORAL HEALTHCARE

By:

Its:

CONSULTANT:

SOUTHERN CONSULTING

By: David Southern

Its: Sole Proprietor

EXHIBIT A
CONTRACTS

[Insert 8 Contracts being sold]

16555862v.3

<p>Agenda Item: Approve DSHS Youth Prevention-Selective Contract #2016-048029-002</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>Tri-County has contracted with the Department of State Health Services (DSHS) to provide substance abuse prevention education to children and youth ages 6-18. These services are primarily provided in area schools during the school year.</p> <p>There are no significant changes between the FY 2017 and the FY 2016 contracts other than the state requiring an annual review (versus a two year contract) and staff recommend approval.</p>	
<p>Supporting Documentation:</p> <p>Contract Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve the DSHS Youth Prevention-Selective Contract #2016-048029-002</p>	

Agenda Item: Ratify FY 2016-2017 DADS Performance Contract Amendment Packet #1

Board Meeting Date

July 28, 2016

Committee: Business

Background Information:

In June, the Department of Aging and Disability Services (DADS) issued the first amendment to the FY 2016-2017 Performance Contract. Several key changes were made to the contract including:

- An increase in the Local Intellectual and Developmental Disability Authority (LIDDA)'s monitoring activities for persons with intellectual disabilities who are transitioning from State Supported Living Centers (SSLC) or nursing facilities.
- In addition, the funding for this activity (Enhanced Service Coordination) was changed from fee for services to DADS allocation.
 - At current billing rates, the financial impact of this change is not significant. However, DADS will need to develop a reconciliation process to make us financially whole if the number of people served continues to increase.
- A series of changes were made to expectations for the Pre-Admission, Screening and Resident Review (PASRR) process.
- In addition to the new expectations for PASRR, allocations were made to the Center rather than allowing the services to be billed as a fee for service. As is the case with Enhanced Service Coordination, the allocation is currently believed to be adequate, but a reconciliation process will be needed to ensure the Center is financially whole.
- New dollars in the amount of \$128,548 were provided to the Center for an IDD Crisis Intervention Specialist and IDD Crisis Respite. These services were funded in the 84th Legislative Session and were expected to be implemented in FY 2016.
 - A crisis plan explaining how we will use these funds is due in July and will be finalized prior to the Board meeting.

Overall, there is an increase of \$210,245 related to Amendment Packet #1.

It should be noted that most of the additional expectations for the LIDDA must be tracked on DADS spreadsheets and each expectation has increased the administrative responsibility for the Authority.

After receiving answers on questions regarding the amendment, Evan Roberson met with the Board Chair, Patti Atkins, who authorized him to sign the contract amendment and return it to DADS.

Supporting Documentation:

Contract Amendment Available for Review at the Board Meeting

Recommended Action:

Ratify the FY 2016-2017 DADS Performance Contract Amendment Packet #1

<p>Agenda Item: Approve FY 2016 Contract Amendment for Cypress Creek Hospital</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>Tri-County Behavioral Healthcare has utilized Cypress Creek Hospital for inpatient psychiatric services when programs at the Psychiatric Emergency Treatment Center (PETC) are at capacity or the individual's acuity demonstrates a need for a higher level of care. This includes persons in need of longer-term inpatient treatment than what is permitted in the Crisis Stabilization Unit (CSU).</p> <p>Similar to prior years, Tri-County has executed a Statement of Work with the Department of State Health Services (DSHS) for five private psychiatric beds intended for state hospital diversion.</p> <p>The maximum contract allowance for Cypress Creek Hospital in FY 2016 was \$675,000 for behavioral health inpatient stabilization. However, due to an increase in demand for adolescent and adult hospital level of care services, a final amendment revision is requested for the amount of \$905,000.</p> <p>When compared to this time last year, this hospital has served a 15% increase in adult and youth populations. This is a reflection of the growing acute mental health needs of Liberty, Montgomery and Walker counties. This will permit Tri-County individuals in crisis to continue to use Cypress Creek Hospital as a resource for mental health stabilization.</p>	
<p>Supporting Documentation:</p> <p>Contract Amendment Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve Addendum to Extend the FY 2016 Cypress Creek Hospital Contract for a total of \$905,000 for Inpatient Psychiatric Services</p>	

<p>Agenda Item: Approve FY 2016 Contract Amendment for Dr. Chen</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>Tri-County has utilized Cypress Creek Hospital for inpatient contract services for several years. The primary contractor that serves Tri-County referrals at this facility is Dr. Frank Chen. He provides psychiatric evaluations and medication management for individuals that are in need of longer term inpatient treatment than available at the PETC due to acute mental health needs. He also provides inpatient stabilization for adolescent populations.</p> <p>Dr. Chen’s contract maximum allowance for FY 2016 was initially set at \$65,000 for physician services consistent with prior utilization trends. However, due to an increase in demand for adolescent and adult inpatient level of care services, an amendment revision is requested for the amount of \$95,000. This will permit Tri-County individuals in crisis to continue to use Cypress Creek Hospital and Dr. Chen as a resource for mental health stabilization.</p>	
<p>Supporting Documentation:</p> <p>Contract Amendment Available for Review at the Board Meeting</p>	
<p>Recommended Action:</p> <p>Approve Addendum to Extend the FY 2016 Dr. Chen Contract for Psychiatric Services, an Increase of \$30,000 for a New Contract Maximum of \$95,000</p>	

<p>Agenda Item: Review Tri-County's 2014 990 Tax Return Prepared by Scott, Singleton, Fincher & Company, P.C.</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>Scott, Singleton, Fincher & Company, P.C. has completed Tri-County's 990 Tax Return for 2014 (fiscal year September 1, 2014 to August 31, 2015) for review by the Board.</p>	
<p>Supporting Documentation:</p> <p>Copy of Tri-County Behavioral Healthcare 2014 990 Tax Return</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

2014 Exempt Org. Return
prepared for:

TRI-COUNTY BEHAVIORAL HEALTHCARE
P O BOX 3067
CONROE, TX 77305

Scott, Singleton, Fincher, & Co.
4815 King Street, Suite A
Greenville, TX 75401

Return of Organization Exempt From Income Tax
 Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
 ▶ Do not enter social security numbers on this form as it may be made public.
 ▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2014 calendar year, or tax year beginning 9/01, 2014, and ending 8/31, 2015

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return/terminated
 Amended return
 Application pending

C **TRI-COUNTY BEHAVIORAL HEALTHCARE**
P O BOX 3067
CONROE, TX 77305

D Employer identification number
76-0032662

E Telephone number
936-756-8331

G Gross receipts \$ **27,694,979.**

F Name and address of principal officer:
Same As C Above

H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
 If 'No,' attach a list. (see instructions)

I Tax-exempt status 501(c)(3) 501(c) () (insert no.) 4947(a)(1) or 527

J Website: ▶ **TRICOUNTYSERVICES.ORG**

K Form of organization: Corporation Trust Association Other ▶ **STATE AU** **L** Year of formation: **1965** **M** State of legal domicile: **TX**

H(c) Group exemption number ▶

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>THE ORGANIZATION IS A PUBLIC AGENCY THAT ENSURES THE PROVISION OF QUALITY SERVICES FOR INDIVIDUALS WITH MENTAL ILLNESS AND INTELLECTUAL AND DEVELOPMENTAL DISABILITIES AND ENHANCES THEIR QUALITY OF LIFE IN MONTGOMERY, WALKER AND LIBERTY COUNTIES IN TEXAS.</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	9
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	9
	5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	433
	6 Total number of volunteers (estimate if necessary)	6	55
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, line 34	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	610,089.	542,701.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	25,677,452.	27,107,543.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	26,086.	22,770.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	26,340,532.	27,694,979.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
	14 Benefits paid to or for members (Part IX, column (A), line 4)		
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	15,920,910.	17,867,465.
	16a Professional fundraising fees (Part IX, column (A), line 11e)		
	b Total fundraising expenses (Part IX, column (D), line 25) ▶		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	10,117,950.	9,812,177.	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	26,038,860.	27,679,642.	
19 Revenue less expenses. Subtract line 18 from line 12	301,672.	15,337.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	16,284,822.	16,421,377.
	22 Net assets or fund balances. Subtract line 21 from line 20	3,623,261.	3,744,479.
		12,661,561.	12,676,898.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: MILLIE MCDUFFEY Date: _____
 Type or print name and title: CFO

Paid Preparer Use Only

Print/Type preparer's name: Thomas L. Nelson Preparer's signature: _____ Date: _____
 Check if self-employed PTIN: P00171219

Firm's name: Scott, Singleton, Fincher, & Co.
 Firm's address: 4815 King Street, Suite A
Greenville, TX 75401
 Firm's EIN: 75-1830742
 Phone no.: (903) 455-4765

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III. [X]

1 Briefly describe the organization's mission:

See Schedule O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No

If 'Yes,' describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [X] No

If 'Yes,' describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 15,810,939. including grants of \$) (Revenue \$)

PROVIDED MENTAL HEALTH SERVICES INCLUDING CRISIS INTERVENTION SERVICES TO 5,927 ADULT INDIVIDUALS LIVING IN MONTGOMERY, WALKER AND LIBERTY COUNTIES IN TEXAS. THESE SERVICES ARE PROVIDED REGARDLESS OF THE CONSUMER'S ABILITY TO PAY FOR THE SERVICES.

4b (Code:) (Expenses \$ 6,793,584. including grants of \$) (Revenue \$)

PROVIDED SERVICES TO 1,189 ADULTS, AS WELL AS CHILDREN AND ADOLESCENTS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES IN THE COUNTIES OF MONTGOMERY, WALKER AND LIBERTY COUNTIES IN TEXAS. THESE SERVICES ARE PROVIDED REGARDLESS OF THE CONSUMER'S ABILITY TO PAY FOR THE SERVICES.

4c (Code:) (Expenses \$ 2,606,071. including grants of \$) (Revenue \$)

PROVIDED MENTAL HEALTH SERVICES INCLUDING CRISIS INTERVENTION SERVICES TO 1,375 CHILDREN AND ADOLESCENTS LOCATED IN THE COUNTIES OF MONTGOMERY, WALKER AND LIBERTY IN TEXAS. THESE SERVICES ARE PROVIDED REGARDLESS OF THE CONSUMER'S ABILITY TO PAY FOR THESE SERVICES.

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 25,210,594.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A.	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I.		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II.		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III.		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I.		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If 'Yes,' complete Schedule D, Part II.		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III.		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV.	X	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If 'Yes,' complete Schedule D, Part V.		X
11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI.	X	
b Did the organization report an amount for investments – other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII.		X
c Did the organization report an amount for investments – program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII.		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX.		X
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X.	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If 'Yes,' complete Schedule D, Part X.		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, and XII.	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI and XII is optional.		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E.		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV.		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If 'Yes,' complete Schedule F, Parts II and IV.		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If 'Yes,' complete Schedule F, Parts III and IV.		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I (see instructions).		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II.		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III.		X
20 a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H.		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II.</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III.</i>		X
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J.</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25a.</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?.....		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?.....		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?.....		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I.</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I.</i>		X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If 'Yes,' complete Schedule L, Part II.</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III.</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV.</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M.</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M.</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I.</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II.</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I.</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Part II, III, or IV, and Part V, line 1.</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?.....		X
b If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2.</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI.</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O.	X	

BAA

Form 990 (2014)

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V.

		Yes	No
1 a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. 79		
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? 1 c	X	
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 433		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <i>Note.</i> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	X	
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b	If 'Yes,' has it filed a Form 990-T for this year? If 'No' to line 3b, provide an explanation in Schedule O.		
4 a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts. (FBAR)		
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?		
6 a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7 Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If 'Yes,' indicate the number of Forms 8282 filed during the year. 7 d		
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
a	Did the sponsoring organization make any taxable distributions under section 4966?		
b	Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
a	Initiation fees and capital contributions included on Part VIII, line 12. 10 a		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. 10 b		
11	Section 501(c)(12) organizations. Enter:		
a	Gross income from members or shareholders. 11 a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11 b		
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12 a		
b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year. 12 b		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
a	Is the organization licensed to issue qualified health plans in more than one state? <i>Note.</i> See the instructions for additional information the organization must report on Schedule O.		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans. 13 b		
c	Enter the amount of reserves on hand. 13 c		
14 a	Did the organization receive any payments for indoor tanning services during the tax year? 14 a		X
b	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O. 14 b		

Part VI Governance, Management, and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI. X

Section A. Governing Body and Management

		Yes	No
1 a	Enter the number of voting members of the governing body at the end of the tax year. . . . If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
1 b	Enter the number of voting members included in line 1a, above, who are independent. . . .		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		X
7 a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
7 b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
8 a	The governing body?	X	
8 b	Each committee with authority to act on behalf of the governing body?	X	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10 a	Did the organization have local chapters, branches, or affiliates?		X
10 b	If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11 a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
11 b	Describe in Schedule O the process, if any, used by the organization to review this Form 990. See Schedule O		
12 a	Did the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
12 b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12 c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this was done. See Schedule O	X	
13	Did the organization have a written whistleblower policy?	X	
14	Did the organization have a written document retention and destruction policy?	X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15 a	The organization's CEO, Executive Director, or top management official. See Schedule O	X	
15 b	Other officers or key employees of the organization. See Schedule O If 'Yes' to line 15a or 15b, describe the process in Schedule O (see instructions).	X	
16 a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16 b	If 'Yes,' did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed ▶ None
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
 Own website Another's website Upon request Other (explain in Schedule O)
- 19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year. See Schedule O
- 20 State the name, address, and telephone number of the person who possesses the organization's books and records: ▶
 SHERYL BALDWIN 1506 FM 2854 CONROE TX 77305 936-756-8331

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1 a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) JACOB PASCHAL Director	0 0	X						0.	0.	0.
(2) BRAD BROWDER Chairman	2 0	X						0.	0.	0.
(3) SHARON WALKER Director	2 0	X						0.	0.	0.
(4) TRACY SORENSEN Secretary	2 0	X						0.	0.	0.
(5) PATTI ATKINS Director	1 0	X						0.	0.	0.
(6) MORRIS JOHNSON Director	1 0	X						0.	0.	0.
(7) CECIL MCKNIGHT Director	1 0	X						0.	0.	0.
(8) JANET QURESHI Director	1 0	X						0.	0.	0.
(9) RICHARD DUREN Director	1 0	X						0.	0.	0.
(10) EVAN ROBERSON Executive Dir.	40 0			X				137,550.	0.	922.
(11) MILLIE MCDUFFEY CFO	40 0			X				91,738.	0.	4,983.
(12) JONATHAN SNEED MEDICAL DIRECTOR	40 0					X		265,540.	0.	13,335.
(13) ASHOK VACHHANI STAFF PSYCHIATRIST	40 0						X	238,627.	0.	1,337.
(14) KENNETH WINAKER STAFF PSYCHIATRIST	40 0						X	230,096.	0.	6,639.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) LISA BOYD STAFF PSYCHIATRIST	40 0					X	132,435.	0.	7,824.	
(16) ROBERT BOGAN STAFF PSYCHIATRIST	40 0					X	228,136.	0.	19,348.	
(17) -----										
(18) -----										
(19) -----										
(20) -----										
(21) -----										
(22) -----										
(23) -----										
(24) -----										
(25) -----										
1 b Sub-total							1,324,122.	0.	54,388.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							1,324,122.	0.	54,388.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization ▶ 6

	Yes	No
3 Did the organization list any former officer, director, or trustee, key employee, or highest compensated employee on line 1a? If 'Yes,' complete Schedule J for such individual		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If 'Yes' complete Schedule J for such individual	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If 'Yes,' complete Schedule J for such person		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
RESCARE 9050 N CAPITAL HIGHWAY AUSTIN, TX 78759	ICFMR RESIDENTIAL	2,094,698.
CYPRESS CREEK HOSPITAL 17750 CALI DRIVE HOUSTON, TX 77090	PSYCHIATRY INPATIENT	690,475.
KINGWOOD PINES HOSPITAL 2001 LADBROOK DRIVE KINGSWOOD, TX 77339	PSYCHIATRY INPATIENT	607,351.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization ▶ 3

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII.

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1 a				
	b Membership dues	1 b				
	c Fundraising events	1 c				
	d Related organizations	1 d				
	e Government grants (contributions)	1 e				
	f All other contributions, gifts, grants, and similar amounts not included above	1 f	542,701.			
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f.		542,701.			
Program Service Revenue	Business Code					
	2 a STATE SERVICES CONTRACTS	624100	14,768,495.	14,768,495.		
	b MEDICAID REVENUES	624100	10,913,076.	10,913,076.		
	c OTHER CONTRACTS	624100	731,801.	731,801.		
	d PATIENT FEES/INSURANCE	624100	599,962.	599,962.		
	e MEDICARE REVENUES	624100	94,209.	94,209.		
	f All other program service revenue					
g Total. Add lines 2a-2f.		27,107,543.				
Other Revenue	3 Investment income (including dividends, interest and other similar amounts)		22,770.		22,770.	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real				
		(ii) Personal				
		b Less: rental expenses				
		c Rental income or (loss)				
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less: cost or other basis and sales expenses				
		c Gain or (loss)				
	d Net gain or (loss)					
	8 a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a	13,500.			
b Less: direct expenses	b					
c Net income or (loss) from fundraising events		13,500.		13,500.		
9 a Gross income from gaming activities. See Part IV, line 19	a					
b Less: direct expenses	b					
c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a					
b Less: cost of goods sold	b					
c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code				
11 a GAIN-SALE OF ASSETS		8,465.	8,465.			
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		8,465.				
12 Total revenue. See instructions		27,694,979.	27,116,008.	0.	36,270.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX.

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	235,193.	0.	235,193.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	14,734,481.	13,287,083.	1,447,398.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	1,331,374.	1,181,728.	149,646.	
9 Other employee benefits	1,343,665.	1,192,637.	151,028.	
10 Payroll taxes	222,752.	197,715.	25,037.	
11 Fees for services (non-employees):				
a Management				
b Legal	19,455.		19,455.	
c Accounting	26,145.		26,145.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amt exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)				
12 Advertising and promotion				
13 Office expenses	303,018.	268,959.	34,059.	
14 Information technology	261,635.	232,227.	29,408.	
15 Royalties				
16 Occupancy	646,521.	573,852.	72,669.	
17 Travel	510,675.	453,275.	57,400.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	23,159.	23,159.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	486,249.	453,353.	32,896.	
23 Insurance	117,756.	104,520.	13,236.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>CONTRACTED SERVICES</u>	5,525,824.	5,525,824.		
b <u>MEDICATIONS</u>	603,281.	603,281.		
c <u>CONSUMER COSTS</u>	383,324.	383,324.		
d <u>OTHER</u>	305,732.	197,626.	108,106.	
e All other expenses	599,403.	532,031.	67,372.	
25 Total functional expenses. Add lines 1 through 24e	27,679,642.	25,210,594.	2,469,048.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year			
Assets	1	Cash — non-interest-bearing	452,886.	1	495,543.		
	2	Savings and temporary cash investments	7,804,269.	2	5,693,171.		
	3	Pledges and grants receivable, net		3			
	4	Accounts receivable, net	2,324,698.	4	2,921,553.		
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5			
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L		6			
	7	Notes and loans receivable, net	10,013.	7	25,620.		
	8	Inventories for sale or use		8			
	9	Prepaid expenses and deferred charges	205,366.	9	193,602.		
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	15,492,047.			
		b Less: accumulated depreciation	10b	8,400,159.	5,487,590.	10c	7,091,888.
	11	Investments — publicly traded securities		11			
	12	Investments — other securities. See Part IV, line 11		12			
	13	Investments — program-related. See Part IV, line 11		13			
	14	Intangible assets		14			
	15	Other assets. See Part IV, line 11		15			
16	Total assets. Add lines 1 through 15 (must equal line 34)	16,284,822.	16	16,421,377.			
Liabilities	17	Accounts payable and accrued expenses	1,792,016.	17	1,494,184.		
	18	Grants payable		18			
	19	Deferred revenue	388,773.	19	272,902.		
	20	Tax-exempt bond liabilities		20			
	21	Escrow or custodial account liability. Complete Part IV of Schedule D		21			
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22			
	23	Secured mortgages and notes payable to unrelated third parties	905,707.	23	1,428,264.		
	24	Unsecured notes and loans payable to unrelated third parties		24			
25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	536,765.	25	549,129.			
26	Total liabilities. Add lines 17 through 25	3,623,261.	26	3,744,479.			
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets		27			
	28	Temporarily restricted net assets		28			
	29	Permanently restricted net assets		29			
	Organizations that do not follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 30 through 34.						
	30	Capital stock or trust principal, or current funds		30			
	31	Paid-in or capital surplus, or land, building, or equipment fund		31			
	32	Retained earnings, endowment, accumulated income, or other funds	12,661,561.	32	12,676,898.		
33	Total net assets or fund balances	12,661,561.	33	12,676,898.			
34	Total liabilities and net assets/fund balances	16,284,822.	34	16,421,377.			

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Form 990 (2014)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI.

1	Total revenue (must equal Part VIII, column (A), line 12)	1	27,694,979.
2	Total expenses (must equal Part IX, column (A), line 25)	2	27,679,642.
3	Revenue less expenses. Subtract line 2 from line 1.	3	15,337.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	12,661,561.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	12,676,898.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII.

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
2b	Were the organization's financial statements audited by an independent accountant? If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
2c	If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
3b	If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	X	

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Form 990 (2014)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Open to Public Inspection

Name of the organization TRI-COUNTY BEHAVIORAL HEALTHCARE	Employer identification number 76-0032662
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Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions – subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations
 - g Provide the following information about the supported organization(s).

	(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
				Yes	No		
(A)							
(B)							
(C)							
(D)							
(E)							
Total							

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2014

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any 'unusual grants'.)	1,850,110.	2,306,371.	640,113.	610,089.	556,201.	5,962,884.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge.						0.
4 Total. Add lines 1 through 3.	1,850,110.	2,306,371.	640,113.	610,089.	556,201.	5,962,884.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f).						0.
6 Public support. Subtract line 5 from line 4.						5,962,884.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
7 Amounts from line 4.	1,850,110.	2,306,371.	640,113.	610,089.	556,201.	5,962,884.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.	233,077.	263,216.	47,564.	26,086.	22,770.	592,713.
9 Net income from unrelated business activities, whether or not the business is regularly carried on.						0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) See Part VI.	93,013.	157,551.				250,564.
11 Total support. Add lines 7 through 10.						6,806,161.
12 Gross receipts from related activities, etc (see instructions).					12	0.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f)).	14	87.61 %
15 Public support percentage from 2013 Schedule A, Part II, line 14.	15	87.30 %
16a 33-1/3% support test – 2014. If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization.	<input checked="" type="checkbox"/>	
b 33-1/3% support test – 2013. If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization.	<input type="checkbox"/>	
17a 10%-facts-and-circumstances test – 2014. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part VI how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization.	<input type="checkbox"/>	
b 10%-facts-and-circumstances test – 2013. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and stop here. Explain in Part VI how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization.	<input type="checkbox"/>	
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions.	<input type="checkbox"/>	

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants'.)						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose.						
3 Gross receipts from activities that are not an unrelated trade or business under section 513.						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf.						
5 The value of services or facilities furnished by a governmental unit to the organization without charge.						
6 Total. Add lines 1 through 5.						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons.						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year.						
c Add lines 7a and 7b.						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources.						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975.						
c Add lines 10a and 10b.						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on.						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11 and 12.)						
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here. ▶ <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

15 Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2013 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2013 Schedule A, Part III, line 17.	18	%

19a 33-1/3% support tests – 2014. If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization. ▶

b 33-1/3% support tests – 2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and stop here. The organization qualifies as a publicly supported organization. ▶

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions. ▶

Part IV Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If 'No,' describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If 'Yes,' explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If 'Yes,' answer (b) and (c) below.		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If 'Yes,' describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If 'Yes,' explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ('foreign supported organization')? If 'Yes' and if you checked 11a or 11b in Part I, answer (b) and (c) below.		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If 'Yes,' describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If 'Yes,' explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If 'Yes,' answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If 'Yes,' provide detail in Part VI.		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If 'Yes,' complete Part I of Schedule L (Form 990).		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If 'Yes,' complete Part I of Schedule L (Form 990).		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If 'Yes,' provide detail in Part VI.		
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If 'Yes,' provide detail in Part VI.		
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If 'Yes,' provide detail in Part VI.		
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If 'Yes,' answer (b) below.		
b Did the organization, have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)		

Part IV Supporting Organizations (continued)

Table with 3 columns: Question, Yes, No. Row 1: 11 Has the organization accepted a gift or contribution from any of the following persons? Row 2: a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization? Row 3: b A family member of a person described in (a) above? Row 4: c A 35% controlled entity of a person described in (a) or (b) above? If 'Yes' to a, b, or c, provide detail in Part VI.

Section B. Type I Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: 1 Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? Row 2: 2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization?

Section C. Type II Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: 1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)?

Section D. All Type III Supporting Organizations

Table with 3 columns: Question, Yes, No. Row 1: 1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided? Row 2: 2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? Row 3: 3 By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year?

Section E. Type III Functionally-Integrated Supporting Organizations

- 1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions): a [] The organization satisfied the Activities Test. Complete line 2 below. b [] The organization is the parent of each of its supported organizations. Complete line 3 below. c [] The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).

2 Activities Test. Answer (a) and (b) below.

Table with 3 columns: Question, Yes, No. Row 1: a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? Row 2: b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in?

3 Parent of Supported Organizations. Answer (a) and (b) below.

Table with 3 columns: Question, Yes, No. Row 1: a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Row 2: b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations?

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on November 20, 1970. See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A – Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B – Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C – Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	

7 Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).

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Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D – Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	
4	Amounts paid to acquire exempt-use assets	
5	Qualified set-aside amounts (prior IRS approval required)	
6	Other distributions (describe in Part VI). See instructions	
7	Total annual distributions. Add lines 1 through 6	
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions	
9	Distributable amount for 2014 from Section C, line 6	
10	Line 8 amount divided by Line 9 amount	

Section E – Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1	Distributable amount for 2014 from Section C, line 6		
2	Underdistributions, if any, for years prior to 2014 (reasonable cause required – see instructions)		
3	Excess distributions carryover, if any, to 2014:		
a			
b			
c			
d			
e	From 2013		
f	Total of lines 3a through e.		
g	Applied to underdistributions of prior years		
h	Applied to 2014 distributable amount		
i	Carryover from 2009 not applied (see instructions)		
j	Remainder. Subtract lines 3g, 3h, and 3i from 3f.		
4	Distributions for 2014 from Section D, line 7: \$		
a	Applied to underdistributions of prior years		
b	Applied to 2014 distributable amount		
c	Remainder. Subtract lines 4a and 4b from 4		
5	Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)		
6	Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)		
7	Excess distributions carryover to 2015. Add lines 3j and 4c		
8	Breakdown of line 7:		
a			
b			
c			
d	Excess from 2013		
e	Excess from 2014		

BAA

Part VI Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

Part II, Line 10 - Other Income

<u>Nature and Source</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Total	\$ 0.	\$ 0.	\$ 0.	\$ 157,551.	\$ 93,013.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF**
▶ Information about Schedule B (Form 990, 990-EZ, 990-PF) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2014

Name of the organization

TRI-COUNTY BEHAVIORAL HEALTHCARE

Employer identification number

76-0032662

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**

Note. Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33-1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer 'No' on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990, 990EZ, Schedule B (Form 990, 990-EZ, or 990-PF) (2014) or 990-PF.

Name of organization

Employer identification number

TRI-COUNTY BEHAVIORAL HEALTHCARE

76-0032662

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) Number	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	LIBERTY COUNTY, TEXAS 588 CR 2010 HARDIN, TX 77561	\$ 63,624.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> <small>(Complete Part II for noncash contributions.)</small>
2	MONTGOMERY COUNTY, TEXAS 301 N THOMPSON SUITE 210 CONROE, TX 77301	\$ 211,526.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> <small>(Complete Part II for noncash contributions.)</small>
3	MONTGOMERY COUNTY UNITED WAY 1600 LAKE FRONT CIR #248 THE WOODLANDS, TX 77380	\$ 142,870.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> <small>(Complete Part II for noncash contributions.)</small>
4	MONTGOMERY COUNTY HOSPITAL DISTRICT 1400 S LOOP 336 WEST CONROE, TX 77304	\$ 30,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> <small>(Complete Part II for noncash contributions.)</small>
5	WALKER COUNTY, TEXAS 1100 UNIVERSITY AVENUE HUNTSVILLE, TX 77340	\$ 28,730.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> <small>(Complete Part II for noncash contributions.)</small>
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> <small>(Complete Part II for noncash contributions.)</small>

Name of organization

TRI-COUNTY BEHAVIORAL HEALTHCARE

Employer identification number

76-0032662

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8) or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this information once. See instructions.) ▶ \$ _____ N/A
 Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

OMB No. 1545-0047

2014

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.
▶ Attach to Form 990.
▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Name of the organization

Employer identification number

TRI-COUNTY BEHAVIORAL HEALTHCARE

76-0032662

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate value of contributions to (during year)		
3 Aggregate value of grants from (during year)		
4 Aggregate value at end of year		

- 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? Yes No
- 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? Yes No

Part II Conservation Easements.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

- 1 Purpose(s) of conservation easements held by the organization (check all that apply).
- Preservation of land for public use (e.g., recreation or education) Preservation of a historically important land area
- Protection of natural habitat Preservation of a certified historic structure
- Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2 a
b Total acreage restricted by conservation easements	2 b
c Number of conservation easements on a certified historic structure included in (a)	2 c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2 d

- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____
- 4 Number of states where property subject to conservation easement is located ▶ _____
- 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No
- 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____
- 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____
- 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No
- 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

- 1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
- (i) Revenue included in Form 990, Part VIII, line 1 ▶ \$ _____
- (ii) Assets included in Form 990, Part X ▶ \$ _____
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:
- a Revenue included in Form 990, Part VIII, line 1 ▶ \$ _____
- b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If 'Yes,' explain the arrangement in Part XIII and complete the following table:

See Part XIII

	Amount
c Beginning balance	27,117.
d Additions during the year	
e Distributions during the year	1,022.
f Ending balance	26,095.

2 a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No

b If 'Yes,' explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII.

Part V Endowment Funds. Complete if the organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment %
 - b Permanent endowment %
 - c Temporarily restricted endowment %
- The percentages in lines 2a, 2b, and 2c should equal 100%.

3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	<input type="checkbox"/>	<input type="checkbox"/>
(ii) related organizations	<input type="checkbox"/>	<input type="checkbox"/>
b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?	<input type="checkbox"/>	<input type="checkbox"/>

4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land		1,808,822.		1,808,822.
b Buildings		10,850,828.	6,127,795.	4,723,033.
c Leasehold improvements				
d Equipment		2,832,397.	2,272,364.	560,033.
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.) 7,091,888.

BAA

Part VII Investments – Other Securities.

N/A

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990, Part X, column (B) line 12.)		

Part VIII Investments – Program Related.

N/A

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13.)		

Part IX Other Assets.

N/A

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15.)	

Part X Other Liabilities.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) COMPENSATED ABSENCES	549,129.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.)	549,129.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	27,694,979.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
	a Net unrealized gains (losses) on investments	2a		
	b Donated services and use of facilities	2b		
	c Recoveries of prior year grants	2c		
	d Other (Describe in Part XIII.)	2d		
	e Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	27,694,979.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
	a Investment expenses not included on Form 990, Part VIII, line 7b	4a		
	b Other (Describe in Part XIII.)	4b		
	c Add lines 4a and 4b		4c	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	27,694,979.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	27,679,642.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
	a Donated services and use of facilities	2a		
	b Prior year adjustments	2b		
	c Other losses	2c		
	d Other (Describe in Part XIII.)	2d		
	e Add lines 2a through 2d		2e	
3	Subtract line 2e from line 1		3	27,679,642.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
	a Investment expenses not included on Form 990, Part VIII, line 7b	4a		
	b Other (Describe in Part XIII.)	4b		
	c Add lines 4a and 4b		4c	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	27,679,642.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

Part IV, Line 1b - Contributions Or Other Assets Not Included on B/S

THE CENTER HOLDS FUNDS IN A FIDUCIARY CAPACITY FOR CONSUMERS WHO NEED ASSISTANCE WITH MANAGING THEIR FUNDS.

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No. 1545-0047

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
 ▶ Complete if the organization answered 'Yes' on Form 990, Part IV, line 23.
 ▶ Attach to Form 990.
 ▶ Information about Schedule J (Form 990) and its instructions is at www.irs.gov/form990.

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer identification number

TRI-COUNTY BEHAVIORAL HEALTHCARE

76-0032662

Part I Questions Regarding Compensation

	Yes	No
1 a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
<input type="checkbox"/> First-class or charter travel		
<input type="checkbox"/> Travel for companions		
<input type="checkbox"/> Tax indemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain	1 b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?	2	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.		
<input type="checkbox"/> Compensation committee		
<input type="checkbox"/> Independent compensation consultant		
<input type="checkbox"/> Form 990 of other organizations		
<input checked="" type="checkbox"/> Written employment contract		
<input type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment?	4 a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4 b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?	4 c	X
If 'Yes' to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3) 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a The organization?	5 a	X
b Any related organization?	5 b	X
If 'Yes' to line 5a or 5b, describe in Part III.		
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a The organization?	6 a	X
b Any related organization?	6 b	X
If 'Yes' to line 6a or 6b, describe in Part III.		
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III.	7	X
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If 'Yes,' describe in Part III.	8	X
9 If 'Yes' to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns(B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other reportable compensation				
1 JONATHAN SNEED MEDICAL DIRECTOR	(i)	264,540.	1,000.	0.	0.	13,335.	278,875.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 ASHOK VACHHANI STAFF PSYCHIATRIST	(i)	237,627.	1,000.	0.	0.	1,337.	239,964.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 KENNETH WINAKER STAFF PSYCHIATRIST	(i)	229,096.	1,000.	0.	0.	6,639.	236,735.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 ROBERT BOGAN STAFF PSYCHIATRIST	(i)	227,136.	1,000.	0.	0.	19,348.	247,484.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5	(i)							
	(ii)							
6	(i)							
	(ii)							
7	(i)							
	(ii)							
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is
at www.irs.gov/form990.

OMB No. 1545-0047

2014

**Open to Public
Inspection**

Employer identification number

TRI-COUNTY BEHAVIORAL HEALTHCARE

76-0032662

Form 990, Part III, Line 1 - Organization Mission

THE ORGANIZATION IS A PUBLIC AGENCY THAT ENSURES THE PROVISION OF QUALITY SERVICES FOR INDIVIDUALS WITH MENTAL ILLNESS AND INTELLECTUAL AND DEVELOPMENTAL DISABILITIES AND ENHANCES THEIR QUALITY OF LIFE IN MONTGOMERY, WALKER AND LIBERTY COUNTIES IN TEXAS.

Form 990, Part VI, Line 11b - Form 990 Review Process

A PDF COPY OF THE FORM 990 IS PROVIDED TO THE MEMBERS OF THE BOARD FOR REVIEW PRIOR TO FILING.

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

THE BOARD REVIEWS ALL MAJOR CONTRACTS AND TRANSACTIONS. THE CFO WILL ADVISE THE BOARD ABOUT ANY CONTRACT OR TRANSACTIONS WITH A RELATED PARTY AT THE BOARD MEETING. NO RELATED PARTY TRANSACTIONS OCCURRED DURING THIS 990 PERIOD.

Form 990, Part VI, Line 15a - Compensation Review & Approval Process - CEO & Top Management

THE BOARD REVIEWS SALARY SURVEYS FROM SIMILAR ORGANIZATIONS AND GIVES CONSIDERATION TO COMPENSATION PAID BY OTHER LOCAL AUTHORITIES FOR SIMILAR POSITIONS IN TEXAS.

Form 990, Part VI, Line 15b - Compensation Review & Approval Process - Officers & Key Employees

THE BOARD REVIEWS SALARY SURVEYS FROM SIMILAR ORGANIZATIONS AND GIVES CONSIDERATION TO COMPENSATION PAID FOR SIMILAR POSITIONS BY LOCAL AUTHORITIES IN TEXAS.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

THESE ITEMS ARE MADE AVAILABLE UPON REQUEST.

SCHEDULE R
(Form 990)

Related Organizations and Unrelated Partnerships

OMB No. 1545-0047

2014

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organization answered 'Yes' on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.
- ▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

Open to Public Inspection

Name of the organization

TRI-COUNTY BEHAVIORAL HEALTHCARE

Employer identification number

76-0032662

Part I Identification of Disregarded Entities Complete if the organization answered 'Yes' on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) ----- ----- -----					
(2) ----- ----- -----					
(3) ----- ----- -----					

Part II Identification of Related Tax-Exempt Organizations Complete if the organization answered 'Yes' on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Sec 512(b)(13) controlled entity?	
						Yes	No
(1) INDEPENDENCE COMMUNITIES, INC P O BOX 3067 CONROE, TX 77305 55-0809542	HOUSING SUPPORT - LOW INCOME POPULATION	TX	501 (C) (3)	NOT A PRIVATE FDN	N/A		X
(2) MONTGOMERY SUPPORTED HOUSING, INC P O BOX 3067 CONROE, TX 77305 26-2526385	HOUSING SUPPORT - LOW INCOME POPULATION	TX	501 (C) (3)	NOT A PRIVATE FDN	N/A		X
(3) CLEVELAND SUPPORTED HOUSING, INC. P O BOX 3067 CONROE, TX 77305 45-4729728	HOUSING SUPPORT - LOW INCOME POPULATION	TX	501 (C) (3)	NOT A PRIVATE FDN	N/A		X
(4) ----- ----- -----							

Part III Identification of Related Organizations Taxable as a Partnership Complete if the organization answered 'Yes' on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) ----- ----- -----												
(2) ----- ----- -----												
(3) ----- ----- -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust Complete if the organization answered 'Yes' on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Sec 512(b)(13) controlled entity?	
								Yes	No
(1) ----- ----- -----									
(2) ----- ----- -----									
(3) ----- ----- -----									

Part V Transactions With Related Organizations Complete if the organization answered 'Yes' on Form 990, Part IV, line 34, 35b, or 36.

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)		X
c Gift, grant, or capital contribution from related organization(s)		X
d Loans or loan guarantees to or for related organization(s)	X	
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)		X
l Performance of services or membership or fundraising solicitations for related organization(s)		X
m Performance of services or membership or fundraising solicitations by related organization(s)		X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)		X
o Sharing of paid employees with related organization(s)		X
p Reimbursement paid to related organization(s) for expenses		X
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)		X
s Other transfer of cash or property from related organization(s)		X

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) INDEPENDENCE COMMUNITIES, INC	d	10,137.	COST
(2) MONTGOMERY SUPPORTED HOUSING, INC	d	15,485.	COST
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership Complete if the organization answered 'Yes' on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under section 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 Form (1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1) ----- ----- -----													
(2) ----- ----- -----													
(3) ----- ----- -----													
(4) ----- ----- -----													
(5) ----- ----- -----													
(6) ----- ----- -----													
(7) ----- ----- -----													
(8) ----- ----- -----													

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions).

Agenda Item: 3 rd Quarter FY 2016 Quarterly Investment Report Committee: Business	Board Meeting Date July 28, 2016
Background Information: This report is provided to the Board of Trustees of Tri-County Behavioral Healthcare in accordance with Board Policy on fiscal management and in compliance with Chapter 2256: Subchapter A of the Public Funds Investment Act.	
Supporting Documentation: Quarterly TexPool Investment Report Quarterly Interest Report	
Recommended Action: For Information Only	

QUARTERLY INVESTMENT REPORT TEXPOOL FUNDS

For the Period Ending May 31, 2016

GENERAL INFORMATION

This report is provided to the Board of Trustees of Tri-County Behavioral Healthcare in accordance with Board Policy on fiscal management and in compliance with Chapter 2256; Subchapter A of the Public Funds Investment Act.

Center funds for the period have been partially invested in the Texas Local Government Investment Pool (TexPool), organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company which is authorized to operate TexPool. Pursuant to the TexPool Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. ("Federated"). The Comptroller maintains oversight of the services provided. In addition, the TexPool Advisory Board, composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool, advise on investment policy and approves fee increases.

TexPool investment policy restricts investment of the portfolio to the following types of investments:

Obligations of the United States Government or its agencies and instrumentalities with a maximum final maturity of 397 days for fixed rate securities and 24 months for variable rate notes;

Fully collateralized repurchase agreements and reverse repurchase agreements with defined termination dates may not exceed 90 days unless the repurchase agreements have a provision that enables TexPool to liquidate the position at par with no more than seven days notice to the counterparty. The maximum maturity on repurchase agreements may not exceed 181 days. These agreements may be placed only with primary government securities dealers or a financial institution doing business in the State of Texas.

No-load money market mutual funds are registered and regulated by the Securities and Exchange Commission and rated AAA or equivalent by at least one nationally recognized rating service. The money market mutual fund must maintain a dollar weighted average stated maturity of 90 days or less and include in its investment objectives the maintenance of a stable net asset value of \$1.00.

TexPool is governed by the following specific portfolio diversification limitations;

100% of the portfolio may be invested in obligations of the United States.

100% of the portfolio may be invested in direct repurchase agreements for liquidity purposes.

Reverse repurchase agreements will be used primarily to enhance portfolio return within a limitation of up to one-third (1/3) of total portfolio assets.

No more than 15% of the portfolio may be invested in approved money market mutual funds.

The weighted average maturity of TexPool cannot exceed 60 days calculated using the reset date for variable rate notes and 90 days calculated using the final maturity date for variable rate notes.

The maximum maturity for any individual security in the portfolio is limited to 397 days for fixed rate securities and 24 months for variable rate notes.

TexPool seeks to maintain a net asset value of \$1.00 and is designed to be used for investment of funds which may be needed at any time.

STATISTICAL INFORMATION

Market Value for the Period

Portfolio Summary	March	April	May
Uninvested Balance	(\$41,693.44)	\$40,602.36	(\$2,644.50)
Accrual of Interest Income	17,835,378.15	24,971,583.29	5,638,192.47
Interest and Management Fees Payable	(4,607,471.53)	(4,398,533.67)	(4,517,376.99)
Payable for Investments Purchased	(311,998,788.00)	0.00	(449,469,924.92)
Accrued Expense & Taxes	(20,257.47)	(39,383.94)	(18,186.84)
Repurchase Agreements	1,341,607,355.00	1,416,461,037.50	2,763,177,925.00
Mutual Fund Investments	320,022,103.88	320,022,103.88	670,022,103.88
Government Securities	11,961,920,549.37	9,334,531,210.35	9,620,101,879.82
U.S. Treasury Bills	99,987,100.00	0.00	0.00
U.S. Treasury Notes	2,721,358,999.95	4,617,888,133.54	2,448,568,100.71
TOTAL	\$16,146,063,275.91	\$15,709,476,753.32	\$15,053,500,068.63

Book Value for the Period

Type of Asset	Beginning Balance	Ending Balance
Uninvested Balance	\$82,790,955.12	(\$2,644.50)
Accrual of Interest Income	9,774,012.09	5,638,192.47
Interest and Management Fees Payable	(4,162,404.57)	(4,517,376.99)
Payable for Investments Purchased	0.00	(449,469,924.92)
Accrued Expenses & Taxes	(20,279.85)	(18,186.84)
Repurchase Agreements	1,819,597,000.00	2,763,245,000.00
Mutual Fund Investments	855,022,103.88	670,022,103.88
Government Securities	11,525,250,675.64	9,619,384,836.02
U.S. Treasury Bills	539,910,905.54	0.00
U.S. Treasury Notes	2,122,298,830.57	2,448,347,358.12
TOTAL	\$16,950,461,798.42	\$15,052,629,357.24

Portfolio by Maturity as of May 31, 2016

1 to 7 days	8 to 90 day	91 to 180 days	181 + days
34.0%	47.0%	14.6%	4.4%

Portfolio by Type of Investments as of May 31, 2016

Agencies	Repurchase Agreements	Treasuries	Money Market Funds
71.5%	17.8%	6.4%	4.3%

SUMMARY INFORMATION

On a simple daily basis, the monthly average yield was 0.33% for March, 0.34% for April and 0.34% for May.

As of the end of the reporting period, market value of collateral supporting the Repurchase Agreements was at least 102% of the Book Value.

The weighted average maturity of the fund as of May 31, 2016 was 42 days.

The net asset value as of May 31, 2016 was 1.00006.

The total amount of interest distributed to participants during the period was \$13,523,372.20.

This quarter TexPool rates did not exceeded the 90 Day T-Bill rates during the entire reporting period.

TexPool has a current money market fund rating of AAAM by Standard and Poor's.

During the reporting period, the total number of participants has increased to 2,359.

Funds assets are safe kept at the State Street Bank in the name of TexPool in a custodial account.

During the reporting period, the investment portfolio was in full compliance with Tri-County Behavioral Healthcare's Investment Policy and with the Public Funds Investment Act.

Submitted by:

Minnie McDunley
Chief Financial Officer / Investment Officer

Evan Roberson
Executive Director / Investment Officer

Date

Date

**TRI-COUNTY BEHAVIORAL HEALTHCARE
 QUARTERLY INTEREST EARNED REPORT
 FISCAL YEAR 2016
 As Of May 31, 2016**

BANK NAME	INTEREST EARNED				
	1st QTR.	2nd QTR.	3rd QTR.	4th QTR.	YTD TOTAL
Alliance Bank - Central Texas CD	\$ 605.53	\$ 605.53	\$ 612.18		\$ 1,823.25
Citizens 1st Bank CD	\$ 234.57	\$ 234.57	\$ 237.15		\$ 706.29
First Financial Bank CD	\$ -	\$ -	\$ 2,373.29		\$ 2,373.29
First Liberty National Bank	\$ 0.21	\$ 0.24	\$ 0.31		\$ 0.76
First Liberty National Bank CD	\$ 498.62	\$ 339.72	\$ 504.10		\$ 1,342.44
JP Morgan Chase (HBS)	\$ 237.97	\$ 594.75	\$ 835.56		\$ 1,668.28
Prosperity Bank	\$ 43.23	\$ 40.98	\$ 38.27		\$ 122.48
TexPool Participants	\$ 160.37	\$ 94.51	\$ 51.40		\$ 306.28
Tradition Bank (now Prosperity)	\$ 3,693.16	\$ 3,683.31	\$ 3,752.37		\$ 11,128.83
Total Earned	\$ 5,473.66	\$ 5,593.61	\$ 8,404.63		\$ 19,471.90

<p>Agenda Item: Board of Trustees' Unit Financial Statements for May and June 2016</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>None</p>	
<p>Supporting Documentation:</p> <p>May and June 2016 Board of Trustees' Unit Financial Statements</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

Unit Financial Statement

FY 2016

	May 2016 Actuals	April 2016 Budgeted	Variance	YTD Actual	YTD Budget	Variance	Percent	Budget
Revenues								
Allocated Revenue	\$ 2,596.00	\$ 2,596.00	\$ -	\$ 23,362.00	\$ 23,362.00	\$ -	100.00%	\$ 31,150.00
Total Revenue	\$ 2,596.00	\$ 2,596.00	\$ -	\$ 23,362.00	\$ 23,362.00	\$ -	100.00%	\$ 31,150.00
Expenses								
Food Items	\$ 264.73	\$ 208.00	\$ 56.73	\$ 1,747.74	\$ 1,876.00	\$ (128.26)	93.16%	\$ 2,500.00
Insurance-Worker Compensation	\$ 9.57	\$ 17.00	\$ (7.43)	\$ 69.60	\$ 149.00	\$ (79.40)	46.71%	\$ 200.00
Legal Fees	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 13,500.00	\$ 13,500.00	\$ -	100.00%	\$ 18,000.00
Postage-Express Mail	\$ -	\$ 4.00	\$ (4.00)	\$ -	\$ 38.00	\$ (38.00)	0.00%	\$ 50.00
Supplies-Office	\$ -	\$ 8.00	\$ (8.00)	\$ 277.17	\$ 221.00	\$ 56.17	0.00%	\$ 100.00
Training	\$ 885.00	\$ 300.00	\$ 585.00	\$ 2,735.00	\$ 2,700.00	\$ 35.00	101.30%	\$ 3,600.00
Travel - Local	\$ -	\$ 75.00	\$ (75.00)	\$ 242.36	\$ 675.00	\$ (432.64)	35.91%	\$ 900.00
Travel - Non-local Mileage/Air	\$ 75.50	\$ 150.00	\$ (74.50)	\$ 1,712.76	\$ 1,350.00	\$ 362.76	126.87%	\$ 1,800.00
Travel - Non-local Hotel	\$ -	\$ 250.00	\$ (250.00)	\$ 967.05	\$ 2,250.00	\$ (1,282.95)	42.98%	\$ 3,000.00
Travel - Meals	\$ -	\$ 83.00	\$ (83.00)	\$ 227.73	\$ 751.00	\$ (523.27)	30.32%	\$ 1,000.00
Total Expenses	\$ 2,734.80	\$ 2,595.00	\$ 139.80	\$ 21,479.41	\$ 23,510.00	\$ (2,030.59)	91.36%	\$ 31,150.00
Total Revenue minus Expenses	\$ (138.80)	\$ 1.00	\$ (139.80)	\$ 1,882.59	\$ (148.00)	\$ 2,030.59	8.64%	\$ -

Unit Financial Statement

FY 2016

	June 2016 Actuals	June 2016 Budgeted	Variance	YTD Actual	YTD Budget	Variance	Percent	Budget
Revenues								
Allocated Revenue	\$ 2,596.00	\$ 2,596.00	\$ -	\$ 25,958.00	\$ 25,958.00	\$ -	100.00%	\$ 31,150.00
Total Revenue	\$ 2,596.00	\$ 2,596.00	\$ -	\$ 25,958.00	\$ 25,958.00	\$ -	100.00%	\$ 31,150.00
Expenses								
Food Items	\$ -	\$ 208.00	\$ (208.00)	\$ 1,747.74	\$ 2,084.00	\$ (336.26)	83.86%	\$ 2,500.00
Insurance-Worker Compensation	\$ 12.18	\$ 17.00	\$ (4.82)	\$ 81.78	\$ 166.00	\$ (84.22)	49.27%	\$ 200.00
Legal Fees	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 15,000.00	\$ 15,000.00	\$ -	100.00%	\$ 18,000.00
Postage-Express Mail	\$ -	\$ 4.00	\$ (4.00)	\$ -	\$ 42.00	\$ (42.00)	0.00%	\$ 50.00
Supplies-Office	\$ -	\$ 8.00	\$ (8.00)	\$ 277.17	\$ 229.00	\$ 48.17	0.00%	\$ 100.00
Training	\$ 345.00	\$ 300.00	\$ 45.00	\$ 3,080.00	\$ 3,000.00	\$ 80.00	102.67%	\$ 3,600.00
Travel - Local	\$ -	\$ 75.00	\$ (75.00)	\$ 242.36	\$ 750.00	\$ (507.64)	32.31%	\$ 900.00
Travel - Non-local Mileage/Air	\$ 315.50	\$ 150.00	\$ 165.50	\$ 2,028.26	\$ 1,500.00	\$ 528.26	135.22%	\$ 1,800.00
Travel - Non-local Hotel	\$ 1,265.38	\$ 250.00	\$ 1,015.38	\$ 2,232.43	\$ 2,500.00	\$ (267.57)	89.30%	\$ 3,000.00
Travel - Meals	\$ 184.19	\$ 83.00	\$ 101.19	\$ 411.92	\$ 834.00	\$ (422.08)	49.39%	\$ 1,000.00
Total Expenses	\$ 3,622.25	\$ 2,595.00	\$ 1,027.25	\$ 25,101.66	\$ 26,105.00	\$ (1,003.34)	96.16%	\$ 31,150.00
Total Revenue minus Expenses	\$ (1,026.25)	\$ 1.00	\$ (1,027.25)	\$ 856.34	\$ (147.00)	\$ 1,003.34	3.84%	\$ -

<p>Agenda Item: Building Consolidation Update</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>As a standing information item on the agenda, Tri-County staff, Mike Duncum and/or contractors will continue to provide updates to the Board regarding progress made throughout the construction phase until we have officially moved into the new consolidated facility in Montgomery County.</p>	
<p>Supporting Documentation:</p> <p>Project Pictures</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	









<p>Agenda Item: Cleveland Supported Housing, Inc. Update</p> <p>Committee: Business</p>	<p>Board Meeting Date</p> <p>July 28, 2016</p>
<p>Background Information:</p> <p>The project final closed on March 24, 2016. At this time, HUD issued the check for our last requisition, and the remaining funds were fully disbursed in April. Following final closing we have continued to work closely with Cook Construction to correct several warranty items. Although the majority of the items have been addressed, there continue to be a few items that need additional attention. On June 10th, Tri-County staff met with HUD and the Project Team for the 12 month on-site inspection. During the inspection, all outstanding warranty items were reviewed. Tri-County staff have been in contact with Cook Construction regarding these items and plan to meet on site August 4th to review modifications and improvements made since the last meeting.</p> <p>Since opening, the property has reached full capacity and continues to process incoming applications that are received. There are currently six (6) approved applications on the waiting list. Tri-County staff are in the process of scheduling an educational session for Center staff aimed at providing information about the project that will be helpful as they continue to assist individuals served attain and maintain stable housing.</p> <p>The Cleveland Supported Housing, Inc. Board held a meeting on June 3, 2016 to discuss project status updates and review the directors and officers insurance. The next Board meeting is scheduled to take place on September 9, 2016.</p>	
<p>Supporting Documentation:</p> <p>None</p>	
<p>Recommended Action:</p> <p>For Information Only</p>	

UPCOMING MEETINGS

August 25th, 2016 – Board Meeting

- Approve Minutes from July 28, 2016 Board Meeting
- Approve Goals & Objectives for FY 2017
- Community Resources Report
- Consumer Services Report for July 2016
- Program Updates
- Annual Election of FY 2017 Board Officers
- Executive Director's Evaluation, Compensation & Contract for FY 2017
- Nominations for the Texas Council Risk Management Fund's Board of Trustees
- Personnel Report for July 2016
- Texas Council Risk Management Fund Claims Summary for July 2016
- Texas Council Quarterly Board Meeting Verbal Update
- Approve July 2015 Financial Statements
- Approve FY 2016 Year End Budget Revision
- Approve Proposed FY 2017 Operating Budget
- Approve FY 2017 HHSC Enterprise Agency Contract
- Board of Trustees Unit Financial Statement for July 2016
- Building Consolidation Update

September 22nd, 2016 – Board Meeting

- Approve Minutes from August 25, 2016 Board Meeting
- Reappoint Mental Health Planning Network Advisory Committee Members
- Reappoint Intellectual/Developmental Disabilities Planning Network Advisory Committee Members
- Community Resources Report
- Consumer Services Report for August 2016
- Program Updates
- Annual Corporate Compliance & Quality Management Report
- 1st Quarter FY 2017 Corporate Compliance Training
- Annual Planning Network Advisory Committee Reports
- Final FY 2016 Goals & Objectives Progress Report
- Appoint Texas Council Representative & Alternate for FY 2017
- Board of Trustees Reappointments & Oaths of Office
- Personnel Report for August 2016
- Texas Council Risk Management Fund Claims Summary for August 2016
- Analysis of Board Members Attendance for FY 2016 Regular & Special Called Board Meetings
- 401(a) Account Review
- Review August 2016 Financial Statements

- Board of Trustees Unit Financial Statement for August 2016
- Building Consolidation Update
- Cleveland Supporting Housing, Inc. Update
- Other Business Committee Issues