

Board of Directors Meeting Agenda

Tuesday, January 28, 2020

3:00 p.m. – 4:00 p.m.

(916) 352-7876

Code: 277853



By joining this meeting, you are giving consent to be recorded.

Telephonic Meeting Locations:

CalMHSA
3043 Gold Canal Drive, Suite 200
Rancho Cordova, CA 95670
Phone: (855) 226-4572
Email: info@calmhsa.org

Alpine County Behavioral Health
75 C Diamond Valley Road
Markleeville, CA, 96120
Gail St. James
Phone: (530) 694-2146
Email: gstjames@alpinecountyca.gov

Colusa County Behavioral Health
162 E. Carson Street
Colusa, CA, 95932
Terence M. Rooney, PhD - Past President
Phone: (530) 458-0520
Email: trooney@countyofcolusa.org

El Dorado Health and Human Services Agency
768 Pleasant Valley Road
Diamond Springs, CA, 95619
Katy Eckert
Phone: (530) 621-6290
Email: katy.eckert@edcgov.us

Fresno County Department of Behavioral Health
1925 E. Dakota Ave.
Fresno, CA, 93726
Dawan Utecht - President
Phone: (559) 600-6899
Email: christinayoung@fresnocountyca.gov

Kern Behavioral Health and Recovery Services
2001 28th Street
Bakersfield, CA, 93301
Bill Walker - Vice President
Phone: (661) 868-6800
Email: PRodriguez@kernbhhrs.org

Kings County Behavioral Health
460 Kings County Drive, Suite 101
Hanford, CA, 93230
Lisa Lewis, PhD
Phone: (559) 852-2444
Email: Lisa.lewis@co.kings.ca.us

Lassen County Health and Social Services
36 Alexander Avenue
Susanville, CA, 96130
Barbara Longo
Phone: (530) 251-8128
Email: blongo@co.lassen.ca.us

Los Angeles County Department of Mental Health
500 W Temple Street
Los Angeles, CA, 90012
Jonathan Sherin, MD, PhD
Phone: (213) 974-0515
Email: TDo@dmh.lacounty.gov

Madera County Behavioral Health Services
209 E 7th Street
Madera, CA, 93638
Dennis P. Koch, MPA
Phone: (559) 673-3508
Email: Dennis.koch@maderacounty.com

Marin Behavioral Health and Recovery Services
20 N San Pedro
San Rafael, CA, 94903
Galen Main
Phone: (415) 473 6238
Email: KClarke@marincounty.org

Merced County Behavioral Health & Recovery Services
222 M Street
Merced, CA, 95340
Yvonna Brown, MSW
Phone: (209) 381-6813
Email: yvonna.brown@countyofmerced.com

Modoc Health Services
441 North Main Street
Alturas, CA, 96101
Stacy Sphar
Phone: 530-233-6311
Email: stacysphar@co.modoc.ca.us

Nevada County Health and Human Services
500 Crown Point Circle, suite 120
Grass Valley, CA, 95945
Phebe Bell
Phone: (530) 470-2784
Email: Phebe.bell@co.nevada.ca.us

Orange County Health Care Agency
405 West 5th Street, Suite 212
Santa Ana, CA, 92701
Jeffrey A. Nagel, Ph.D.
Phone: (714) 834-7024
Email: jnagel@ochca.com

Placer County Health and Human Services
11512 B Avenue
Auburn, CA, 95603
Amy Ellis, MFT
Phone: (530) 889-7256
Email: arellis@placer.ca.gov

Riverside University Health System
4095 County Circle Drive
Riverside, CA, 92503
Zachary Tucker, MPS, CFRE
Phone: (951) 658-4504
Email: ZTucker@ruhealth.org

Sacramento County Health Department
7001 East Parkway, Suite 600
Sacramento, CA, 95203
Jane Ann Zakhary
Phone: (916) 875-0188
Email: ZakharyJ@saccounty.net

San Bernardino County Behavioral Health
303 "E. Vanderbilt Way
San Bernardino, CA, 92415
Michael Knight
Phone: (909) 388-0820
Email: vkelly@dbh.sbcounty.gov

San Luis Obispo Behavioral Health
2180 Johnson Avenue
San Luis Obispo, CA, 93401
Anne Robin, LMFT
Phone: (805) 781-4719
Email: arobin@co.slo.ca.us

Shasta County Health & Human Services Agency
2650 Breslauer Way
Redding, CA, 96001
Donnell Ewert, MPH
Phone: (530) 245-6269
Email: dewert@co.shasta.ca.us

Siskiyou County Health & Human Services Agency
2060 Campus Drive
Yreka, CA, 96097
Camy Rightmier
Phone: (530) 841-4281
Email: crighmier@co.siskiyou.ca.us

California Mental Health Service Authority
(CalMHSA)

Board of Directors Meeting (Telephonic)

Agenda

Tuesday, January 28, 2020

3:00 p.m. – 4:00 p.m.

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact Laura Li at (916) 859-4818 (telephone) or (916) 859-4805 (facsimile). Requests must be made as early as possible, and at least one full business day before the start of the meeting.

Materials relating to an item on this agenda submitted to this Board after distribution of the agenda packet are available for public inspection at 3043 Gold Canal Drive, Suite 200, Rancho Cordova, CA, 95670, during normal business hours.

A. OPEN SESSION

1. CALL TO ORDER

2. ROLL CALL AND INSTRUCTIONS

3. ELECTRONIC BOARD MEETING PLATFORM (ONBOARD) USER INSTRUCTIONS

4. INSTRUCTIONS FOR PUBLIC COMMENT AND STAKEHOLDER INPUT

The Board welcomes and encourages public participation in its meetings. This time is reserved for members of the public (including stakeholders) to address the Board concerning matters on the agenda. Items not on the agenda are reserved for the end of the meeting. Comments will be limited to three minutes per person and 20 minutes total.

For agenda items, public comment will be invited at the time those items are addressed. Each interested party is to complete the Public Comment Card and provide it to CalMHSA staff prior to start of item. When it appears that there are several members of the public wishing to address the Board on a specific item, at the outset of the item, the Board President may announce the maximum amount of time that will be allowed for presentation of testimony on that item. Comment cards will be retained as a matter of public record.

5. CONSENT CALENDAR * 8

A. Routine Matters

1. Minutes from September 12, 2019 CalMHSA Board of Directors Meeting..... 9

2. Minutes from November 13, 2019 CalMHSA Board of Directors Meeting..... 15

B. Reports / Correspondence	
1. Treasurer’s Report as of September 30, 2019.....	20
<i>Recommendation: Approval of the Consent Calendar.</i>	
6. FINANCIAL MATTERS	
A. Draft CalMHSA Financial Audit, Fiscal Year Ended June 30, 2019 and 2018 *.....	44
<i>Recommendation: Board of Directors approve the filing of the draft Financial Audit.</i>	
7. PROGRAM MATTERS	
A. State Hospitals.....	75
<i>Recommendation: None at this time, for information only</i>	
B. Subsidy Program*.....	77
<i>Recommendation: Authorize the expansion of the Contra Costa County Loan Forgiveness Program to a broader Subsidy Program, to allow other counties to participate at different funding levels and scopes of work.</i>	
C. Multi-County FSP Innovation Project*.....	92
<i>Recommendation: Board Approval of the following:</i>	
1. <i>Implementation of the multi-county Full Service Partnership (FSP) Innovation Project and execution of a Participation Agreements with interested counties, currently Fresno County.</i>	
2. <i>CalMHSA entering into a sole source contract with Third Sector, as the contractor performing the services being requested, with funding deriving from participating counties. Authorize Executive Director to execute contract on behalf of CalMHSA.</i>	
D. Multi-County Psychiatric Advance Directive Innovation Project*.....	94
<i>Recommendation: Board approval of the following:</i>	
1. <i>Implementation of the multi-county Psychiatric Advance Directive Innovation Project and execution of Participation Agreements with interested counties, currently Fresno County.</i>	
2. <i>CalMHSA entering into a sole source contract with Saks Institute for Mental Health, Law, Policy and Ethics as the contractor performing the services being requested, with funding derived from participating counties. Authorize Executive Director to execute contract on behalf of CalMHSA.</i>	
E. CalMHSA PEI Three-Year Program Plan, Fiscal Years 2020 - 2023*.....	96
<i>Recommendation: Approval of the Prevention and Early Intervention (PEI) Three-Year Program Plan for Fiscal Years 2020 through 2023 and the release of a Request for Proposals (RFP) for the specified components of the PEI Three Year Program Plan.</i>	

8. CALMHSA BOARD DISCUSSION

- A. Contract for Administrator*115

Recommendation: Authorize President to negotiate and execute contract with George Hills Company (GH) for administration of CalMHSA for another five (5) years with terms substantially similar to the existing agreement.

9. GENERAL DISCUSSION

- A. Report from CalMHSA President – Dawan Utecht.....143

- a. CalMHSA Executive Director Recruitment Update
- b. General

Recommendation: Discussion and/or action as deemed appropriate

- B. Report from CalMHSA Interim Executive Director – John Chaquica148

Recommendation: Discussion and/or action as deemed appropriate

10. PUBLIC COMMENTS

- A. Public Comments Non-Agenda Items

This time is reserved for members of the public to address the Board relative to matters of CalMHSA not on the agenda. No action may be taken on non-agenda items unless authorized by law. Comments will be limited to three minutes per person and 20 minutes in total. The Board may also limit public comment time regarding agenda items, if necessary, in the case of a lengthy agenda.

11. NEW BUSINESS

General discussion regarding any new business topics for future meetings.

12. CLOSING COMMENTS

This time is reserved for comments by Board members and staff to identify matters for future Board business.

13. ADJOURNMENT

CONSENT CALENDAR
Agenda Item 5

SUBJECT: CONSENT CALENDAR

ACTION FOR CONSIDERATION:

Approval of the Consent Calendar.

BACKGROUND AND STATUS:

The Consent Calendar consists of items that require approval or acceptance but are self-explanatory and require no discussion. If the Board would like to discuss any item listed, it may be pulled from the Consent Calendar.

A. Routine Matters

1. Minutes from September 12, 2019 CalMHSA Board of Directors Meeting
2. Minutes from November 13, 2019 CalMHSA Board of Directors Meeting

B. Reports / Correspondence

1. Treasure's Report as of September 30, 2019

RECOMMENDATION:

Approval of the Consent Calendar.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

- Minutes from September 12, 2019 CalMHSA Board of Directors Meeting
- Minutes from November 13, 2019 CalMHSA Board of Directors Meeting
- Treasure's Report as of September 30, 2019



"A George Hills Company Administered JPA"

CalMHSA Board of Directors Meeting Minutes from September 12, 2019

BOARD MEMBERS PRESENT

Alpine County – **Gail St. James**
Butte County – **Scott Kennelly**
Colusa County – **Terence M. Rooney, PhD**
El Dorado County – **Katy Eckert**
Fresno County – **Dawan Utecht**
Humboldt County – **Emi Boltzer-Rodgers**
Inyo County – **Gail Zwier**
Kern County – **Bill Walker**
Kings County – **Lisa Lewis**
Lassen County – **Barbara Longo**
Los Angeles County – **Kei Nagao**
Madera County – **Dennis P. Koch, MPA**
Mariposa County – **Christine Doss**
Modoc County – **Stacy Sphar**
Monterey County – **Amie Miller**
Orange County – **Jeffrey Nagel**
Placer County – **Amy Ellis**
Riverside County – **Zachary Tucker**
Sacramento County – **Jane Ann Zakhary**
San Bernardino County – **Veronica Kelley**
San Francisco County and City – **Deborah Sherwood**
San Luis Obispo County – **Frank Warren**
Santa Barbara County – **Alice Gleghorn**
Shasta County – **Donnell Ewert**
Siskiyou County – **Sarah Collard**
Solano County – **Sandra Sinz**
Stanislaus County – **Kevin Panyanouvong**
Sutter/Yuba County – **Rick Bingham**
Tehama County – **Elizabeth Gowan**
Tri-City Mental Health Center – **Toni Navarro**
Trinity County – **Connie Sessna Smith**
Tuolumne County – **Michael Wilson**
Yolo County – **Samantha Fusselman**

BOARD MEMBERS ABSENT

Alameda County
Berkeley, City of
Contra Costa County
Del Norte County
Glenn County
Imperial County
Lake County
Marin County
Mendocino County
Merced County
Mono County
Napa County
Nevada County
Plumas County
San Benito County
San Diego County
San Joaquin County
San Mateo County
Santa Clara County
Santa Cruz County
Sonoma County
Tulare County
Ventura County

MEMBERS OF THE PUBLIC

None

STAFF PRESENT

Laura Li, CalMHSA JPA Administrative Director
Jeremy Wilson, Senior Program Manager
John Chaquica, Chief Operating Officer
Kim Santin, Finance Director
Wayne Clark, CalMHSA Executive Director
Armando Bastida, CalMHSA Business Systems Analyst
Doug Alliston, CalMHSA Board Counsel

A. OPEN SESSION

1. CALL TO ORDER

CalMHSA President Dawan Utecht, Fresno County, called the Board of Directors Closed Session meeting to order at 10:00 A.M. on September 12, 2019, at the Courtyard by Marriott, Sacramento, California. President Utecht welcomed those in attendance.

President Utecht asked CalMHSA JPA Administrative Director Laura Li to call roll, in order to confirm a quorum of the Board.

2. ROLL CALL AND INSTRUCTIONS

Ms. Li called roll and informed President Utecht a quorum had been reached.

B. CLOSED SESSION – PUBLIC EMPLOYMENT (Gov. Code §54957(b))

1. Title: Interim Executive Director

C. RECONVENE TO OPEN SESSION

1. DISCLOSURE OF ACTION TAKEN IN THE CLOSED SESSION (Gov. Code §54957(b))

Board President Dawan Utecht reported that John Chaquica will assume the position of CalMHSA Executive Director while the Board of Directors searches for a permanent replacement.

2. INSTRUCTIONS FOR PUBLIC COMMENT AND STAKEHOLDER INPUT

Doug Alliston, CalMHSA Counsel, reviewed the instructions for public comment and noted items not on the agenda would be reserved for public comment at the end of the agenda. Public comment cards are to be submitted to Laura Li and individuals on the phone were instructed to email Laura Li with their comments.

3. CONSENT CALENDAR

President Utecht acknowledged the consent calendar, consisting of the July 10, 2019 CalMHSA Board of Directors Meeting Minutes, CalMHSA Treasurer's Report as of June 30, 2019, Kaiser / CBHDA Grant, and CalMHSA Executive Director Retirement Agreement. President Utecht asked for comment from Board members.

Action: Approval of the consent calendar.

Motion: Jane Ann Zakhary, Sacramento County

Second: Zachary Tucker, Riverside County

The motion passed unanimously.

Public comment was heard from the following individual(s):

None

4. PROGRAM MATTERS.

A. State Hospital Program Update

John Chaquica, CalMHSA Interim Executive Director, provided a brief historical review of the State Hospitals Program. Mr. Chaquica stated that updated MOUs have been sent to the participating counties. He stated that if the Members do not understand the documents, they should contact CalMHSA Staff for clarification.

Mr. Chaquica asked the Board to review the RFSQ, stating it has been vetted with the State Hospital Beds committee, and directed the Board to page 27 for key information regarding the RFSQ distribution list and timeline, and page 68 which outlines the RFSQ Evaluation and Interview Panel participants.

Bill Walker, JPA Vice President, discussed previous concerns with the vendor identified to perform services for State Hospital Program was acquired by another company. The Board

was also updated regarding the Kern and San Luis Obispo locations; those locations are being held for this program and the Board should expect the program to move quickly once the RFSQ is distributed.

Mr. Chaquica notified the Board Members that they should expect a notice for a Special Board Meeting for this program.

President Utecht asked for a motion to approve the Request for Statement of Qualifications for broad release.

Action: *Approve the Request for Statement of Qualifications (RFSQ) for broad release*

Motion: Lisa Lewis, Kings County
Second: Amie Miller, Monterey County

The motion passed unanimously.

Public comment was heard from the following individual(s):
None

B. PRESUMPTIVE TRANSFER (AB1299)

Laura Li, CalMHSA JPA Administrative Director, reported to the Board that she has been holding webinars every Wednesday between the hours of 12pm to 1pm, providing counties training to use the portal.

Ms. Li reported that 29 counties are currently working in the Portal and several others are getting their documentation in place.

Action: *None, information only*

Public comment was heard from the following individual(s):
None

C. EACH MIND MATTERS PRESENTATION

Joseph Robinson, Each Mind Matters Manager, reviewed with the Board the May is Mental Health Month 2019 Highlights presentation. Some highlights were:

- More than almost 300,000 green ribbons were disseminated in fiscal year 2018/2019.
- Each Mind Matters had a presence at all five (5) MLB teams throughout the state as well as a River Cats game in Sacramento.
- Over 2,000 people attended Mental Health Matters Day at the California State Capitol.
- California Assembly Members, Senators, and Steinberg Institute presented proclamations for May is Mental Health Month. Mr. Robinson commented that he was moved by the understanding that the members had with regard to the complexities of mental health.
- 1,063 films were created by youths for peers. The films have been viewed almost half a million times.

Action: *None, information only*

Public comment was heard from the following individual(s):

None

D. PEI UPDATE

Jeremy Wilson, CalMHSA Program Director and PIO introduced Jane Ann Zakhary, Sacramento County Mental Health Division Manager, provided the update for the Statewide Prevention and Early Intervention (PEI) program. Ms. Zakhary reported that the Statewide PEI Advisory Group was activated at the June 13 CalMHSA Board of Directors Meeting to approve the PEI 19/20 FY funding. .

Ms. Zakhary reported that six (6) programs were identified for increased funding in the total amount of \$1,770,000. The details of the increased funding can be found on page 84 of the CalMHSA Agenda packet for September 12, 2019.

Ms. Zakhary asked for a motion to approve the recommendation.

Action: *Approve funding for the additional Statewide PEI areas in the amounts stated in the staff report and authorize the Executive Director to negotiate and execute extensions or amendments to implement the approved funding.*

Motion: Terrence Rooney, Colusa County

Second: Dennis Koch, Madera County

The motion passed unanimously.

Public comment was heard from the following individual(s):

None

5. GENERAL DISCUSSION

A. REPORT FROM CALMHSA PRESIDENT – DAWAN UTECHT

President Utecht discussed the following items:

- Communication Plan

President Utecht reported that an Ad Hoc communication group, comprised of CalMHSA Board Members, will be created. Participation in the group will require a 2 to 4-hour commitment. The group members will send out one-page documents outlining the background of each program as well as current updates. Additionally, the group will provide orientations – What is CalMHSA.

President Utecht directed Mr. Wilson to send an email to recruit CalMHSA Board Members for the Ad Hoc Committee.

President Utecht also stated that the CalMHSA Bylaws need to be reviewed. She will send the document to membership for review.

- General

President Utecht reported that this is Wayne Clark's last meeting before he retires as CalMHSA's Executive Director. She invited Members to share kind words about Dr. Wayne.

Recommendation: Discussion and/or action as deemed appropriate

Public comment was heard from the following individual(s):

None

B. REPORT FROM CALMHSA EXECUTIVE DIRECTOR – WAYNE CLARK

Dr. Clark made a brief speech about his time with CalMHSA, thanking membership for their kind words.

Recommendation: Discussion and/or action as deemed appropriate

Public comment was heard from the following individual(s):

None

6. PUBLIC COMMENTS

President Utecht invited members of the public to make comments on non-agenda items.

Public comment was heard from the following individual(s):

None

7. NEW BUSINESS

None

8. CLOSING COMMENTS

None

9. ADJOURNMENT

Hearing no further comments, the meeting was adjourned at 10:51 A.M.

Respectfully submitted,

Dawan Utecht
President, CalMHSA

Date



"A George Hilli Company Administered JPA"

**CalMHSAs Board of Directors
Meeting Minutes from November 13, 2019**

BOARD MEMBERS PRESENT

Karyn Tribble – **Alameda County**
Scott Kennelly – **Butte County**
Terence Rooney – **Colusa County**
Suzanne Tavano – **Contra Costa County**
Dawan Utecht – **Fresno County**
Gail Zwier – **Inyo County**
Bill Walker – **Kern County**
Barbara Longo – **Lassen County**
Jonathan Sherin – **Los Angeles County**
Dennis Koch – **Madera County**
Christine Doss – **Mariposa County**
Jenine Miller – **Mendocino County**
Yvonnia Brown – **Merced County**
Stacy Sphar – **Modoc County**
Sarah O'Malley – **Napa County**
Phoebe Bell – **Nevada County**
Jeffrey A. Nagel – **Orange County**
Amy Ellis – **Placer County**
Zachary Tucker – **Riverside County**
Jane Ann Zakhary – **Sacramento County**
Luke Bergmann – **San Diego County**
Deborah Sherwood – **San Francisco**
Donnell Ewert – **Shasta County**
Sarah Collard – **Siskiyou County**
Bill Carter – **Sonoma County**
Kevin Panyanouvong – **Stanislaus County**
Toni Navarro – **Tri-City Mental Health Center**
Karen Larsen – **Yolo County**

BOARD MEMBERS ABSENT

Alpine County
Berkeley, City of
Del Norte County
El Dorado County
Glenn County
Humboldt County
Imperial County
Kings County

Lake County
Marin County
Mono County
Monterey County
Plumas County
San Benito County
San Bernardino County
San Joaquin County
San Luis Obispo County
San Mateo County
Santa Barbara County
Santa Clara County
Santa Cruz County
Solano County
Sutter/Yuba County
Tehama County
Trinity County
Tulare County
Tuolumne County
Ventura County

MEMBERS OF THE PUBLIC

None

CALMHSA STAFF PRESENT

John Chaquica, Chief Operating Officer & Interim Executive Director
Laura Li, JPA Administrative Director
Kim Santin, Finance Director
Jeremy Wilson, Program Director & PIO
Doug Alliston, Legal Counsel
Armando Bastida, Business Systems Analyst

A. OPEN SESSION

1. CALL TO ORDER

CalMHSA President Dawan Utecht, Fresno County, called the Board of Directors meeting to order at 4:30 P.M. on November 13, 2019, at Vizcaya, Sacramento, California. President Utecht welcomed those in attendance.

President Utecht asked CalMHSA JPA Administrative Director, Laura Li, to call roll in order to confirm a quorum of the Board.

2. ROLL CALL AND INSTRUCTIONS

Ms. Li called roll and informed President Utecht that a quorum of the Board had not been reached, however a quorum of the Executive Committee had been reached.

3. INSTRUCTIONS FOR PUBLIC COMMENT AND STAKEHOLDER INPUT

Doug Alliston, CalMHSA Counsel, reviewed the instructions for public comment and noted that items not on the agenda would be reserved for public comment at the end of the agenda. Public comment cards are to be submitted to Laura Li and individuals on the phone were instructed to email Laura Li with their comments.

4. CONSENT CALENDAR

A. Reports/Correspondence

President Utecht acknowledged the consent calendar, consisting of the Orange County Behavioral Health System Transformation Innovation Project. President Utecht asked for comment from Board members.

Action: Approval of the Orange County Behavioral Health System Transformation Innovation Project and provide authority for CalMHSA to enter into contracts in order to effectively meet the goals of the county, upon Orange County Board of Supervisors approval. Authorize CalMHSA Executive Director or Chief Operating Officer to sign contracts on behalf of CalMHSA for this Project.

Motion: Jane Ann Zakhary, Sacramento County
Second: Amy McCann, Riverside County

5. PRESIDENTS REPORT

A. CalMHSA Agreement for Administrative and Financial Services with George Hills

Doug Alliston, CalMHSA Legal Council, will assist in this process.

Action: Proceed with a Request for Information (RFI) for administrative and financial services, after which a determination can be made whether to issue a Request for Proposals.

Motion: Toni Navarro, Tri City Mental Health Center
Second: Terence Rooney, Colusa County

B. Executive Director Recruitment

President Utecht provided a brief recap of historical actions regarding Executive Director recruitment.

Bill Walker, CalMHSA Vice President, thanked all and indicated review and move forward.

Mr. Walker requested volunteers to form an Executive Director Recruitment Committee. Jonathan Sherin, Los Angeles County and Luke Bergmann, San Diego County volunteered.

Action: Approval to proceed with the recruitment of an Executive Director for CalMHSA.

Motion: Luke Bergmann, San Diego

Second: Terence Rooney, Colusa County

C. California Partnership for Behavioral Health and Wellness (CPBHW)

President Utecht provided a brief history of the CPBHW program history to date regarding fund development from private sector funding sources.

President Utecht stated that CalMHSA does not have the same need today as when the project began. Additionally, CalMHSA is not in a position to run another entity. She stated CalMHSA could pursue the goals of CPBHW in a different way with the interested parties; potentially through mental health in the workplace.

President Utecht stated there will be meetings with the interested parties and the project will not be left hanging; they will explore working together through CalMHSA.

Action: Table project due to timeframe. The project will be reconsidered at such time as an Executive Director is hired.

Motion: Terence Rooney, Colusa County

Second: Bill Walker, Kern County

B. PUBLIC COMMENTS

President Utecht invited members of the public to make comments on non-agenda items.

Public comments from the following individual(s):

None

C. NEW BUSINESS

John Chaquica recognized Ann Collentine for her service and congratulated her on her upcoming retirement.

D. CLOSING COMMENTS

None

E. ADJOURNMENT

Hearing no further comments, the meeting was adjourned at 5:08 P.M.

Respectfully Submitted,

Dawan Utecht
President, CalMHSA

Date

DRAFT



"A George Hills Company Administered JPA"

Treasurer's Report

As of September 30, 2019

	Book Balance	Market Value	Effective Yield
Cash with California Bank & Trust	\$709,530	\$709,530	0.00%
Local Agency Investment Fund	\$20,285,211	\$20,318,535	2.28
Zions Bank - Cash Account	\$8,033,967	\$8,048,709	1.97%
Zions Bank - Custody Account	\$12,704,361	\$12,745,045	1.85%
Total Cash and Investments	\$41,733,069	\$41,821,819	2.03%

The Local Agency Investment Fund (LAIF) market value was derived by applying the September 2019 fair value factor of 1.001642817 to the book value.

Attached are Morgan Stanley/Zions Bank and LAIF reports detailing all investment transactions. The transfer of investments from Morgan Stanley to Zions Bank was completed in August 2019. Morgan Stanley balance as of September 30, 2019 was \$0.00.

I certify that this report reflects all cash and investments and is in conformance with the Authority's Investment Policy. The investment program herein shown provides sufficient cash flow liquidity to meet the Authority's expenditures for the next six (6) months.

Respectfully submitted,

Accepted,



 Kim Santin, Finance Director

 Luke Bergmann, Treasurer

California Mental Health Services Authority
Reconciliation Summary
CB&T Checking, Period Ending 09/30/2019

	Sep 30, 19
Beginning Balance	2,193,986.56
Cleared Transactions	
Checks and Payments - 53 items	-7,072,034.58
Deposits and Credits - 6 items	6,073,736.57
Total Cleared Transactions	-998,298.01
Cleared Balance	<u>1,195,688.55</u>
Uncleared Transactions	
Checks and Payments - 27 items	-505,466.28
Total Uncleared Transactions	-505,466.28
Register Balance as of 09/30/2019	<u>690,222.27</u>
New Transactions	
Checks and Payments - 1 item	-426,456.16
Total New Transactions	-426,456.16
Ending Balance	<u>263,766.11</u>



11/22/19

see attached
voided chks
after Reconciliation
was done

19207.25

709,429.52

CalMHSA
Bank reconciliations
Voided Checks to reconcile to Bank Reconciliations

Sep-19

Bank rec balance \$ 690,222.27

Voided checks	Amount	Void Date
2020068	\$ 3,750.00	10/23/2019
2020169	\$ 600.00	11/6/2019
2020102	\$ 1,250.00	11/6/2019
104364	\$ 3,750.00	11/6/2019
104366	\$ 3,600.00	11/6/2019
2020367	\$ 1,250.00	11/14/2019
104256	\$ 3,746.25	11/12/2019
104675	\$ 11.00	11/12/2019
2020303	\$ 1,250.00	11/7/2019

\$ 19,207.25

Reconcile to GL in QB **\$ 709,429.52**

California Mental Health Services Authority

Reconciliation Detail

CB&T Checking, Period Ending 09/30/2019

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						2,193,986.56
Cleared Transactions						
Checks and Payments - 53 items						
Bill Pmt -Check	04/29/2019	104265	Torrance Unified Sc...	X	-3,750.00	-3,750.00
Bill Pmt -Check	07/11/2019	2020078	Harvard and Watts ...	X	-1,250.00	-5,000.00
Bill Pmt -Check	07/11/2019	2020028	ABC Unified School ...	X	-931.56	-5,931.56
Bill Pmt -Check	07/11/2019	2020190	William Jefferson Cli...	X	-806.25	-6,737.81
Bill Pmt -Check	07/15/2019	2020252	Katherine Steinberg	X	-15,400.00	-22,137.81
Bill Pmt -Check	07/18/2019	2020387	Lasting Impressions	X	-2,462.00	-24,599.81
Bill Pmt -Check	07/18/2019	2020348	Amanecer Communi...	X	-1,250.00	-25,849.81
Bill Pmt -Check	07/18/2019	2020349	American Indian Co...	X	-1,250.00	-27,099.81
Bill Pmt -Check	07/18/2019	2020390	NAMI Long Beach A...	X	-1,250.00	-28,349.81
Bill Pmt -Check	07/31/2019	2020284	LA Global Care	X	-1,250.00	-29,599.81
Bill Pmt -Check	08/02/2019	2020293	Total WP Support	X	-594.00	-30,193.81
Bill Pmt -Check	08/06/2019	2020298	Carol A. Wilkins	X	-308.08	-30,501.89
Bill Pmt -Check	08/15/2019	2020320	The Advot Project	X	-1,250.00	-31,751.89
Bill Pmt -Check	08/20/2019	2020322	The Whole Child Me...	X	-2,500.00	-34,251.89
Bill Pmt -Check	08/29/2019	2020325	George Hills Company	X	-455,425.51	-489,677.40
Bill Pmt -Check	08/29/2019	2020331	George Hills Company	X	-77,014.51	-566,691.91
Bill Pmt -Check	08/29/2019	2020334	Kings View	X	-73,334.00	-640,025.91
Bill Pmt -Check	08/29/2019	2020328	Cause Communicati...	X	-53,396.44	-693,422.35
Bill Pmt -Check	08/29/2019	2020339	Sherry Mathews Inc	X	-52,337.77	-745,760.12
Bill Pmt -Check	08/29/2019	2020341	Volunteers of America	X	-33,800.00	-779,560.12
Bill Pmt -Check	08/29/2019	2020330	Foundation for Calif...	X	-31,329.23	-810,889.35
Bill Pmt -Check	08/29/2019	2020336	Los Angeles County ...	X	-29,691.49	-840,580.84
Bill Pmt -Check	08/29/2019	2020333	Katherine Steinberg	X	-25,697.86	-866,278.70
Bill Pmt -Check	08/29/2019	2020340	The Social Changer...	X	-13,518.65	-879,797.35
Bill Pmt -Check	08/29/2019	2020337	Murphy, Campbell, ...	X	-11,008.00	-890,805.35
Bill Pmt -Check	08/29/2019	2020335	Lamar Kerley	X	-7,138.65	-897,944.00
Bill Pmt -Check	08/29/2019	2020338	Remcho Johansen ...	X	-6,357.53	-904,301.53
Bill Pmt -Check	08/29/2019	2020326	Alcorn Law Corporat...	X	-1,771.57	-906,073.10
Bill Pmt -Check	08/29/2019	2020329	Fortel Networks	X	-398.20	-906,471.30
Bill Pmt -Check	08/29/2019	2020327	Ann Collettine	X	-203.31	-906,674.61
Bill Pmt -Check	08/29/2019	2020332	Jeremy Wilson	X	-89.00	-906,763.61
Bill Pmt -Check	09/06/2019	2020426	NelNet	X	-25,000.00	-931,763.61
Bill Pmt -Check	09/06/2019	2020425	MOHELA	X	-25,000.00	-956,763.61
Bill Pmt -Check	09/06/2019	2020422	NAMI Antelope Valley	X	-1,250.00	-958,013.61
Bill Pmt -Check	09/06/2019	2020424	Homerun Entertain...	X	-1,250.00	-959,263.61
Bill Pmt -Check	09/06/2019	2020344	NAMI Urban Los An...	X	-1,250.00	-960,513.61
Bill Pmt -Check	09/06/2019	2020421	Jovenes, Inc.	X	-1,250.00	-961,763.61
Bill Pmt -Check	09/06/2019	2020423	Zaneta J Smith	X	-1,133.25	-962,896.86
Bill Pmt -Check	09/10/2019	2020427	Joy Thompson	X	-116.10	-963,012.96
Transfer	09/11/2019			X	-5,500,000.00	-6,463,012.96
Bill Pmt -Check	09/16/2019	2020435	Runyon Saltzman, Inc.	X	-74,396.40	-6,537,409.36
Bill Pmt -Check	09/16/2019	2020437	The Directing Chang...	X	-27,432.25	-6,564,841.61
Bill Pmt -Check	09/16/2019	2020431	Elite TransLingo LLC	X	-20,621.00	-6,585,462.61
Bill Pmt -Check	09/16/2019	2020436	Suicide Prevention o...	X	-16,458.33	-6,601,920.94
Bill Pmt -Check	09/16/2019	2020439	Suicide Prevention o...	X	-16,458.33	-6,618,379.27
Bill Pmt -Check	09/16/2019	2020429	Aileen Dizon	X	-2,492.26	-6,620,871.53
Bill Pmt -Check	09/16/2019	2020433	Kelechi Ubozoh	X	-1,541.34	-6,622,412.87
Bill Pmt -Check	09/16/2019	2020430	David A Young, PhD...	X	-787.50	-6,623,200.37
Bill Pmt -Check	09/19/2019	ACH0...	American Express	X	-7,830.85	-6,631,031.22
Bill Pmt -Check	09/20/2019	2020440	George Hills Company	X	-14,988.25	-6,646,019.47
Bill Pmt -Check	09/20/2019	2020441	Haven of Hope Foun...	X	-1,250.00	-6,647,269.47
Bill Pmt -Check	09/23/2019	2020442	Los Angeles Sparks	X	-300,000.00	-6,947,269.47
Bill Pmt -Check	09/24/2019	2020443	George Hills Company	X	-124,765.11	-7,072,034.58
Total Checks and Payments					-7,072,034.58	-7,072,034.58

California Mental Health Services Authority

Reconciliation Detail

CB&T Checking, Period Ending 09/30/2019

Type	Date	Num	Name	Clr	Amount	Balance
Deposits and Credits - 6 items						
Bill Pmt -Check	07/11/2019	2020080	Haven of Hope Foun...	X	0.00	0.00
Deposit	09/04/2019			X	5,066,777.80	5,066,777.80
Bill Pmt -Check	09/05/2019	2020342	Los Angeles Dodger...	X	0.00	5,066,777.80
Deposit	09/17/2019			X	407,648.77	5,474,426.57
Deposit	09/23/2019			X	11,216.00	5,485,642.57
Deposit	09/30/2019			X	588,094.00	6,073,736.57
Total Deposits and Credits					6,073,736.57	6,073,736.57
Total Cleared Transactions					-998,298.01	-998,298.01
Cleared Balance					-998,298.01	1,195,688.55
Uncleared Transactions						
Checks and Payments - 27 items						
Bill Pmt -Check	04/29/2019	104256	Eugenie Lewis		-3,746.25	-3,746.25
Bill Pmt -Check	05/16/2019	104364	LA County Museum ...		-3,750.00	-7,496.25
Bill Pmt -Check	05/16/2019	104366	Modern Support Ser...		-3,600.00	-11,096.25
Bill Pmt -Check	06/17/2019	104675	Ian Carson		-11.00	-11,107.25
Bill Pmt -Check	07/11/2019	2020068	El Centro De Amistad		-3,750.00	-14,857.25
Bill Pmt -Check	07/11/2019	2020102	LA County Museum ...		-1,250.00	-16,107.25
Bill Pmt -Check	07/11/2019	2020169	The Helen B. Landg...		-600.00	-16,707.25
Bill Pmt -Check	07/18/2019	2020367	Driving Force Group...		-1,250.00	-17,957.25
Bill Pmt -Check	07/18/2019	2020402	SELAH Neighborho...		-1,229.41	-19,186.66
Bill Pmt -Check	08/06/2019	2020303	Matthew Cadena		-1,250.00	-20,436.66
Bill Pmt -Check	09/06/2019	2020343	Holy Angels Catholic...		-1,250.00	-21,686.66
Bill Pmt -Check	09/16/2019	2020438	The Social Changer...		-46,019.96	-67,706.62
Bill Pmt -Check	09/16/2019	2020434	Painted Brain, Inc.		-35,204.46	-102,911.08
Bill Pmt -Check	09/16/2019	2020428	Active Minds Inc		-23,680.48	-126,591.56
Bill Pmt -Check	09/16/2019	2020432	Imperial Co		-6,675.00	-133,266.56
Bill Pmt -Check	09/26/2019	2020446	Cause Communicati...		-98,697.96	-231,964.52
Bill Pmt -Check	09/26/2019	2020449	Kings View		-85,650.72	-317,615.24
Bill Pmt -Check	09/26/2019	2020455	Your Social Markete...		-62,356.58	-379,971.82
Bill Pmt -Check	09/26/2019	2020452	Laurel Bear		-32,250.00	-412,221.82
Bill Pmt -Check	09/26/2019	2020447	Foundation for Calif...		-25,505.82	-437,727.64
Bill Pmt -Check	09/26/2019	2020454	RAND Corporation		-24,725.41	-462,453.05
Bill Pmt -Check	09/26/2019	2020445	CA Pan-Ethnic Healt...		-23,000.00	-485,453.05
Bill Pmt -Check	09/26/2019	2020444	A-Z Techs		-6,962.50	-492,415.55
Bill Pmt -Check	09/26/2019	2020450	Lamar Kerley		-6,937.71	-499,353.26
Bill Pmt -Check	09/26/2019	2020453	National Alliance on ...		-4,253.03	-503,606.29
Bill Pmt -Check	09/26/2019	2020448	HG Consulting Grou...		-1,744.99	-505,351.28
Bill Pmt -Check	09/26/2019	2020451	Laura Li		-115.00	-505,466.28
Total Checks and Payments					-505,466.28	-505,466.28
Total Uncleared Transactions					-505,466.28	-505,466.28
Register Balance as of 09/30/2019					-1,503,764.29	690,222.27
New Transactions						
Checks and Payments - 1 item						
Bill Pmt -Check	10/01/2019	2020456	George Hills Company		-426,456.16	-426,456.16
Total Checks and Payments					-426,456.16	-426,456.16
Total New Transactions					-426,456.16	-426,456.16
Ending Balance					-1,930,220.45	263,766.11



DIRECT INQUIRIES TO:

Customer Service 1 (800) 400-6080

0046474

4274-06-0000-CBT-PC0030-00055

CA MENTAL HEALTH SERVICES AUTHORITY
3043 GOLD CANAL DR FL 2
RANCHO CORDOVA CA 95670-6393

Sacramento Main
520 Capitol Mall Suite 100
Sacramento, CA 95814-4714
(916) 341-4800

SUMMARY OF ACCOUNT BALANCE

Account Type	Account Number	Checking/Savings Ending Balance	Outstanding Balances Owed
PF Business Analyzed Account	1030206381	\$1,195,688.55	

PF BUSINESS ANALYZED ACCOUNT 1030206381

129 55

Previous Balance	Deposits/Credits	Charges/Debits	Checks Processed	Ending Balance
2,193,986.56	6,073,736.57	5,507,830.85	1,564,203.73	1,195,688.55

4 DEPOSITS/CREDITS

Date	Amount	Description
09/04	5,066,777.80	REMOTE DEPOSIT 5353024538
09/17	407,648.77	REMOTE DEPOSIT 5353019210
09/23	11,216.00	COUNTY OF KERN ACCTS PA REF # 019266002087901 1108218873
09/30	588,094.00	REMOTE DEPOSIT 5353031021

2 CHARGES/DEBITS

Date	Amount	Description
09/11	5,500,000.00	DEBIT MEMO 5353025745
09/19	7,830.85	AMEX EPAYMENT ACH PMT W3144 REF # 019262000365560 1107425077

51 CHECKS PROCESSED

Number	Date	Amount	Number	Date	Amount	Number	Date	Amount
104265	09/16	3,750.00	2020332	09/04	89.00	2020423	09/20	1,133.25
2020028*	09/27	931.56	2020333	09/12	25,697.86	2020424	09/10	1,250.00
2020078*	09/03	1,250.00	2020334	09/09	73,334.00	2020425	09/20	25,000.00
2020190*	09/03	806.25	2020335	09/09	7,138.65	2020426	09/20	25,000.00
2020252*	09/03	15,400.00	2020336	09/10	29,691.49	2020427	09/13	116.10
2020284*	09/03	1,250.00	2020337	09/09	11,008.00	2020429*	09/18	2,492.26
2020293*	09/05	594.00	2020338	09/11	6,357.53	2020430	09/24	787.50
2020298*	09/06	308.08	2020339	09/10	52,337.77	2020431	09/23	20,621.00
2020320*	09/03	1,250.00	2020340	09/10	13,518.65	2020433*	09/17	1,541.34
2020322*	09/16	2,500.00	2020341	09/16	33,800.00	2020435*	09/25	74,396.40
2020325*	09/04	455,425.51	2020344*	09/27	1,250.00	2020436	09/20	16,458.33
2020326	09/13	1,771.57	2020348*	09/16	1,250.00	2020437	09/19	27,432.25
2020327	09/10	203.31	2020349	09/23	1,250.00	2020439*	09/20	16,458.33
2020328	09/11	53,396.44	2020387*	09/03	2,462.00	2020440	09/23	14,988.25
2020329	09/10	398.20	2020390*	09/23	1,250.00	2020441	09/23	1,250.00
2020330	09/06	31,329.23	2020421*	09/11	1,250.00	2020442	09/25	300,000.00
2020331	09/04	77,014.51	2020422	09/16	1,250.00	2020443	09/26	124,765.11

* Not in check sequence





.....
AGGREGATE OVERDRAFT AND RETURNED ITEM FEES

	<i>Total for This Period</i>	<i>Total Year-to-Date</i>
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

To learn more about our other products and services that may lower the cost of managing account overdrafts or to discuss removing overdraft coverage from your account, please contact Customer Service or visit your local branch.

.....
DAILY BALANCES

<i>Date</i>	<i>Balance</i>	<i>Date</i>	<i>Balance</i>	<i>Date</i>	<i>Balance</i>
09/03	2,171,568.31	09/12	898,003.88	09/23	1,109,725.12
09/04	6,705,817.09	09/13	896,116.21	09/24	1,108,937.62
09/05	6,705,223.09	09/16	853,566.21	09/25	734,541.22
09/06	6,673,585.78	09/17	1,259,673.64	09/26	609,776.11
09/09	6,582,105.13	09/18	1,257,181.38	09/27	607,594.55
09/10	6,484,705.71	09/19	1,221,918.28	09/30	1,195,688.55
09/11	923,701.74	09/20	1,137,868.37		



2:59 PM
11/22/19

California Mental Health Services Authority
Reconciliation Summary
CB&T AB1299, Period Ending 09/30/2019

	<u>Sep 30, 19</u>
Beginning Balance	100.00
Cleared Balance	100.00
Register Balance as of 09/30/2019	100.00
Ending Balance	100.00

California Mental Health Services Authority

Reconciliation Detail

CB&T AB1299, Period Ending 09/30/2019

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						100.00
Cleared Balance						100.00
Register Balance as of 09/30/2019						100.00
Ending Balance						<u>100.00</u>



CALIFORNIA BANK
TRUST

P.O. Box 489, Lawndale, CA 90260-0489

Statement of Accounts

Page 1 of 2
This Statement: September 30, 2019
Last Statement: August 30, 2019

Account 5795359271

DIRECT INQUIRIES TO:
Customer Service 1 (800) 400-6080

P33686 05-0000-CBT-PG0023-00000
0033653 01 AB 0.409 **AUTO T3 0 4274 95670-639399

CA MENTAL HEALTH SERVICES AUTHORITY
3043 GOLD CANAL DR FL 2
RANCHO CORDOVA CA 95670-6393



Sacramento Main
520 Capitol Mall Suite 100
Sacramento, CA 95814-4714
(916) 341-4800

SUMMARY OF ACCOUNT BALANCE

Account Type	Account Number	Checking/Savings Ending Balance	Outstanding Balances Owed
PF Business Analyzed Account	5795359271	\$100.00	

PF BUSINESS ANALYZED ACCOUNT 5795359271

Previous Balance	Deposits/Credits	Charges/Debits	Checks Processed	Ending Balance
100.00	0.00	0.00	0.00	100.00

0 DEPOSITS/CREDITS

There were no transactions this period.

0 CHARGES/DEBITS

There were no transactions this period.

0 CHECKS PROCESSED

There were no transactions this period.

AGGREGATE OVERDRAFT AND RETURNED ITEM FEES

	Total for This Period	Total Year-to-Date
Total Overdraft Fees	\$0.00	\$0.00
Total Returned Item Fees	\$0.00	\$0.00

To learn more about our other products and services that may lower the cost of managing account overdrafts or to discuss removing overdraft coverage from your account, please contact Customer Service or visit your local branch.

DAILY BALANCES

Date	Balance
09/30	100.00



1:52 PM
11/22/19

California Mental Health Services Authority
Reconciliation Summary
LAIF(Local Agency Investment), Period Ending 09/30/2019

	<u>Sep 30, 19</u>
Beginning Balance	585,210.58
Cleared Transactions	
Deposits and Credits - 3 items	19,700,000.00
Total Cleared Transactions	<u>19,700,000.00</u>
Cleared Balance	<u>20,285,210.58</u>
Register Balance as of 09/30/2019	20,285,210.58
New Transactions	
Checks and Payments - 2 items	-1,850,000.00
Total New Transactions	<u>-1,850,000.00</u>
Ending Balance	<u><u>18,435,210.58</u></u>

California Mental Health Services Authority
Reconciliation Detail
LAIF(Local Agency Investment), Period Ending 09/30/2019

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						19,700,000.00
Cleared Transactions						
Deposits and Credits - 3 items						
Transfer	08/16/2019			X	1,500,000.00	1,500,000.00
Transfer	08/26/2019			X	12,700,000.00	14,200,000.00
Transfer	09/11/2019			X	5,500,000.00	19,700,000.00
Total Deposits and Credits					19,700,000.00	19,700,000.00
Total Cleared Transactions					19,700,000.00	19,700,000.00
Cleared Balance					19,700,000.00	20,200,000.00
Register Balance as of 09/30/2019					19,700,000.00	20,200,000.00
New Transactions						
Checks and Payments - 2 items						
Transfer	10/17/2019				-500,000.00	-500,000.00
Transfer	10/30/2019				-1,350,000.00	-1,850,000.00
Total Checks and Payments					-1,850,000.00	-1,850,000.00
Total New Transactions					-1,850,000.00	-1,850,000.00
Ending Balance					17,850,000.00	18,400,000.00

California State Treasurer
Fiona Ma, CPA



Local Agency Investment Fund
 P.O. Box 942809
 Sacramento, CA 94209-0001
 (916) 653-3001

November 22,
 2019

[LAIF Home](#)
[PMIA Average](#)
[Monthly Yields](#)

CALIFORNIA MENTAL HEALTH SERVICES
 AUTHORITY
 STAFF
 3043 GOLD CANAL DRIVE, SUITE 200
 RANCHO CORDOVA, CA 95670

[Tran Type](#)
[Definitions](#)

Account Number: 40-34-021

September 2019 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Authorized Caller	Amount
9/11/2019	9/11/2019	RD	1617064	KIM SANTIN	5,500,000.00

Account Summary

Total Deposit:	5,500,000.00	Beginning Balance:	14,785,210.58
Total Withdrawal:	0.00	Ending Balance:	20,285,210.58



**CALIFORNIA STATE TREASURER
FIONA MA, CPA**



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
09/16/19	2.28	2.35	182
09/17/19	2.27	2.35	188
09/18/19	2.27	2.35	187
09/19/19	2.27	2.35	186
09/20/19	2.26	2.35	185
09/21/19	2.26	2.34	185
09/22/19	2.26	2.34	185
09/23/19	2.26	2.34	186
09/24/19	2.26	2.34	185
09/25/19	2.25	2.34	184
09/26/19	2.25	2.34	186
09/27/19	2.25	2.34	187
09/28/19	2.25	2.34	187
09/29/19	2.25	2.34	187
09/30/19	2.25	2.34	185
10/01/19	2.22	2.22	200
10/02/19	2.22	2.22	200
10/03/19	2.21	2.22	198
10/04/19	2.21	2.22	198
10/05/19	2.21	2.21	198
10/06/19	2.21	2.21	198
10/07/19	2.21	2.21	197
10/08/19	2.21	2.21	197
10/09/19	2.21	2.21	196
10/10/19	2.20	2.21	199
10/11/19	2.20	2.21	200
10/12/19	2.20	2.21	200
10/13/19	2.20	2.21	200
10/14/19	2.20	2.21	197
10/15/19	2.20	2.21	198
10/16/19	2.19	2.21	197

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

LAIF Performance Report

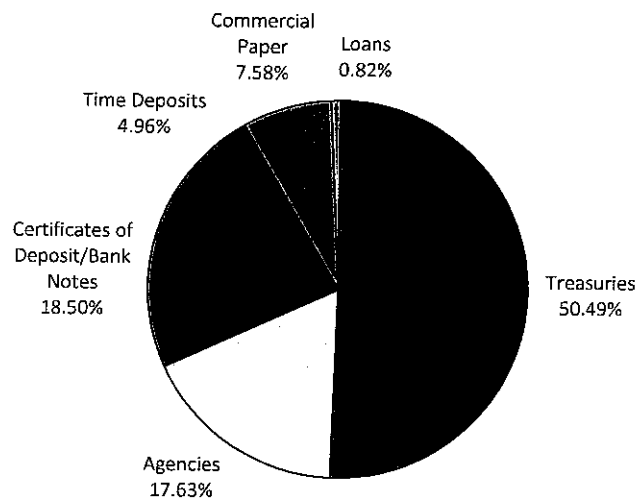
Quarter Ending 09/30/19

Apportionment Rate: 2.45
 Earnings Ratio: .00006701807521016
 Fair Value Factor: 1.001642817
 Daily: 2.25%
 Quarter to Date: 2.34%
 Average Life: 185

PMIA Average Monthly Effective Yields

Sep 2019 2.280
 Aug 2019 2.341
 July 2019 2.379

**Pooled Money Investment Account
Portfolio Composition
09/30/19
\$97.4 billion**



Percentages may not total 100% due to rounding

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1)

Based on data available as of 10/16/2019



BETTY T. YEE

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name	CA MENTAL HEALTH SVCS AUTH
Account Number	40-34-021

As of 10/15/2018, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 09/30/2018.

Earnings Ratio		.00005909460836489
Interest Rate		2.16%
Dollar Day Total	\$	784,674,189.68
Quarter End Principal Balance	\$	10,824,656.06
Quarterly Interest Earned	\$	46,370.01

CalMHSA Portfolio Summary

Zions Bank

Activity 07.01.19 - 09.30.19

	Cash Account	Custody Account
Opening Balance	-	-
Transfer from MSSB	-	22,576,584.96
Accounts Payable payments		
LA Dodgers	(575,000.00)	
Cause Communications	(1,000,000.00)	
Interest/Dividends	8,966.52	53,700.76
Transfer between Accounts	9,600,000.00	(9,600,000.00)
Unrealized Gain/(Loss)		(12,843.84)
Ending balance 09.30.19	8,033,966.52	13,017,441.88
Per Zions statement 09.30.19	8,033,966.52	13,017,441.88
diff	-	-
Accrued Interest	14,742.76	40,684.01

ZIONS BANK

Statement of Account
July 1, 2019 Through September 30, 2019
California Mental Health SA -Cash Account
Account Number : 1245541A

California Mental Health Services Authority
3043 Gold Canal Drive, Suite 200
Attn: Kim Santin
Rancho Codova, CA 95670

Please contact your administrator - Kheang (TK) Tan (CT-CA)
with any questions concerning your account.

Confidential And Privileged Information

July 01, 2019 through September 30, 2019

Account Name : California Mental Health SA -Cash Accoun

Account No : 1245541A

Cash Reconciliation

	Income	Principal
<i>Opening Balance July 1, 2019</i>	\$ 0.00	\$ 0.00
<i>Receipts</i>		
<i>Sales</i>	0.00	0.00
<i>Interest</i>	0.00	0.00
<i>Dividends</i>	0.00	8,966.52
<i>Other Receipts</i>	0.00	9,600,000.00
<i>Collective Fund Earnings</i>	0.00	0.00
<i>Transfers</i>	0.00	0.00
<i>Total Receipts</i>	0.00	9,608,966.52
<i>Disbursements</i>		
<i>Purchases</i>	0.00	0.00
<i>Fees</i>	0.00	0.00
<i>Other Disbursements</i>	0.00	-1,575,000.00
<i>Transfers</i>	0.00	0.00
<i>Total Disbursements</i>	0.00	-1,575,000.00
<i>Net Cash Management</i>	0.00	-8,033,966.52
<i>Closing Balance September 30, 2019</i>	\$ 0.00	\$ 0.00

July 01, 2019 through September 30, 2019

Account Name : California Mental Health SA -Cash Account

Account No : 1245541A

Portfolio Summary

September 30, 2019	Portfolio %	Market Value	Projected Income	Current Yield
Cash & Equivalents	100.00%	8,033,966.52	158,622.15	1.97%
<i>Total Portfolio</i>	<i>100.00 %</i>	<i>8,033,966.52</i>	<i>158,622.15</i>	<i>1.97%</i>
<i>Accrued Income</i>		<i>14,742.76</i>		
<i>Total Market Value</i>		<i>8,048,709.28</i>		

ZIONS BANK

Statement of Account

July 1, 2019 Through September 30, 2019

California Mental Health SA -Custody Acc

Account Number : 1245541

California Mental Health Services Authority

3043 Gold Canal Drive, Suite 200

Attn: Kim Santin

Rancho Cordova, CA 95670

Please contact your administrator - Kheang (TK) Tan (CT-CA)
with any questions concerning your account.

Confidential And Privileged Information

July 01, 2019 through September 30, 2019

Account Name : California Mental Health SA -Custody Acc

Account No : 1245541

Cash Reconciliation

	Income	Principal
<i>Opening Balance July 1, 2019</i>	\$ 0.00	\$ 0.00
<i>Receipts</i>		
<i>Sales</i>	0.00	6,376,384.45
<i>Interest</i>	0.00	40,260.45
<i>Dividends</i>	0.00	13,440.31
<i>Other Receipts</i>	0.00	12,281,717.32
<i>Collective Fund Earnings</i>	0.00	0.00
<i>Transfers</i>	0.00	0.00
<i>Total Receipts</i>	0.00	18,711,802.53
<i>Disbursements</i>		
<i>Purchases</i>	0.00	-8,678,580.50
<i>Fees</i>	0.00	0.00
<i>Other Disbursements</i>	0.00	-9,600,000.00
<i>Transfers</i>	0.00	0.00
<i>Total Disbursements</i>	0.00	-18,278,580.50
<i>Net Cash Management</i>	0.00	-120,141.16
<i>Closing Balance September 30, 2019</i>	\$ 0.00	\$ 313,080.87

July 01, 2019 through September 30, 2019

Account Name : California Mental Health SA -Custody Acc

Account No : 1245541

Portfolio Summary

September 30, 2019	Portfolio %	Market Value	Projected Income	Current Yield
Cash & Equivalents	12.66%	1,607,853.17	2,372.06	0.15%
Fixed Income	87.34%	11,096,507.84	232,909.51	2.10%
Total Portfolio	100.00 %	12,704,361.01	235,281.57	1.85%
Accrued Income		40,684.01		
Total Market Value		12,745,045.02		

Morgan Stanley

CLIENT STATEMENT | For the Period September 1-30, 2019

STATEMENT PACKAGE FOR:
CALIFORNIA MENTAL HEALTH
SERVICES AUTHORITY

TOTAL VALUE OF YOUR ACCOUNTS (as of 9/30/19)
Includes Accrued Interest

Your Financial Advisor Team
LIDDLE/MONROE
916-929-3500

Your Branch
400 CAPITOL MALL, SUITE 1900
SACRAMENTO, CA 95814
Telephone: 916-444-8041; Alt. Phone: 800-755-8041; Fax: 916-447-6875

Morgan Stanley Smith Barney LLC. Member SIPC.

#BWNJGWM
AB 02 000261 90541 H 2 A
CALIFORNIA MENTAL HEALTH
SERVICES AUTHORITY
3043 GOLD CANAL DR, #200
RNCHO CORDOVA CA 95670-6394

Client Service Center (24 Hours a Day; 7 Days a Week): 800-869-3326

Access Your Accounts Online: www.morganstanley.com/online





CLIENT STATEMENT | For the Period September 1-30, 2019

Consolidated Summary

CHANGE IN VALUE OF YOUR ACCOUNTS (includes accrued interest)

	This Period (9/1/19-9/30/19)	This Year (1/1/19-9/30/19)
TOTAL BEGINNING VALUE	—	\$25,093,445.95
Credits	2,238,846.37	31,080,738.99
Debits	1,271,912.29	(37,497,012.44)
Security Transfers	—	(10,297,978.96)
Accrued Interest On Security Transfers	—	(25,726.76)
Net Credits/Debits/Transfers	\$3,510,758.66	\$(16,739,979.17)
Change in Value	(3,510,758.66)	(8,353,466.78)
TOTAL ENDING VALUE	—	—

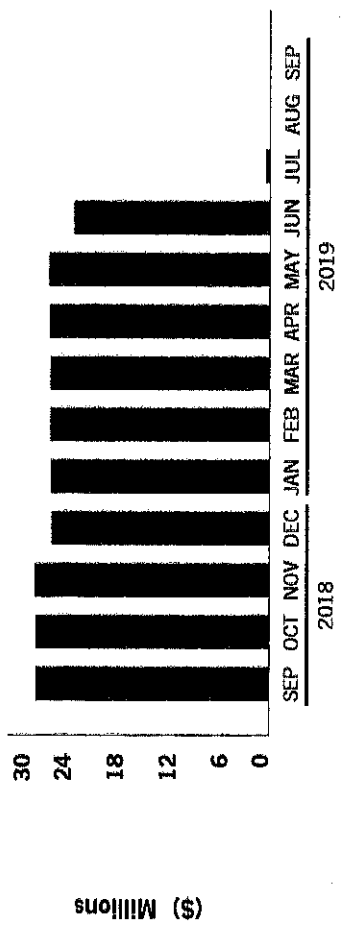
Net Credits / Debits include investment advisory fees as applicable. See Activity section for details.

ASSET ALLOCATION

	Market Value	Percentage
TOTAL VALUE	—	—

MARKET VALUE OVER TIME

The below chart displays the most recent thirteen months of Market Value.



This chart does not reflect corrections to Market Value made subsequent to the dates depicted. It may exclude transactions in Annuities or positions where we are not the custodian, which could delay the reporting of Market Value.

There Are No Holdings For This Account

Financial Matters
Agenda Item 6.A

SUBJECT: DRAFT CALMHSA FINANCIAL AUDIT, FISCAL YEAR ENDED JUNE 30, 2019 AND 2018

ACTION FOR CONSIDERATION:

Board of Directors approve the filing of the draft Financial Audit.

BACKGROUND AND STATUS:

In accordance with Article 7, Section 7.1 of the Bylaws, which states “the Board shall cause to be made, by a qualified, independent individual or firm, an annual audit of the financial accounts and records of the Authority,” James Marta & Company has provided a first draft of their audit of CalMHSA’s financial statements for the years ended June 30, 2019 and 2018.

CalMHSA is proud to have received an unqualified opinion for its audit each year from inception to current audit year. This opinion is the best possible audit outcome and the reports conform to Generally Accepted Accounting Principles (GAAP). Such result can be found on Page 3 of the Audit Report and titled as Independent Auditor’s Report. The Management Discussion and Analysis (MD&A) contains a summary of CalMHSA programs and activities for the year (Pages 5-8 of the Audit Report).

FISCAL IMPACT:

None.

RECOMMENDATION:

Board of Directors approve the filing of the draft Financial Audit.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

- CalMHSA Independent Auditor’s Report for Fiscal Year Ended June 30, 2019 and 2018

**CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT
FOR THE FISCAL YEARS ENDED
JUNE 30, 2019 AND 2018**



California Mental Health Services Authority

TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditor’s Report	1
Management’s Discussion and Analysis	3
Basic Financial Statements	
Governmental Fund Balance Sheet – Statement of Net Position	11
Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balances/Net Position – Statement of Activities	12
Notes to the Basic Financial Statements	13
Required Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP) and Actual General Fund – June 30, 2019	24
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP) and Actual General Fund – June 30, 2018	25
Other Auditor’s Report	
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27



James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

INDEPENDENT AUDITOR'S REPORT

Board of Directors
California Mental Health Services Authority
Sacramento, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and major fund of California Mental Health Services Authority ("CalMHSA") as of and for the fiscal years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise CalMHSA's basic financial statements as listed in the table of contents.

Managements Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States or the minimum requirements prescribed by the State Controller's Office for special district audits. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of California Mental Health

Services Authority as of June 30, 2019 and 2018, and the respective changes in financial position for the fiscal years then ended in conformity with accounting principles generally accepted in the United States of America, as well as accounting systems prescribed by the State Controller's Office and State regulations governing special districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, Statement of Revenues, Expenditures and Change in Fund Balance – Budget (Non-GAAP) and Actual – General Fund – June 30, 2019 and Statement of Revenues, Expenditures and Change in Fund Balance – Budget (Non-GAAP) and Actual – General Fund – June 30, 2018 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB) who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated **DATE** on our consideration of California Mental Health Services Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

DRAFT

James Marta & Company
Certified Public Accountants
Sacramento, California

DATE

MANAGEMENT’S DISCUSSION AND ANALYSIS

Management of California Mental Health Services Authority (“CalMHSA”) is pleased to present the following discussion and analysis that provides an overview of the financial position and activities of the Authority for the fiscal years ended June 30, 2019 and 2018. The discussion should be read in conjunction with the financial statements and accompanying notes, which follow this section.

Overview of CalMHSA

CalMHSA is an independent administrative and fiscal government agency focused on the efficient delivery of California mental health projects. On June 11, 2009, six California counties established CalMHSA as a Joint Powers Authority (JPA) to jointly develop, fund and implement mental/behavioral health projects and educational programs at the state, regional and local levels. California county members can act alone or in collaboration, to participate in the statewide Prevention and Early Intervention (PEI) projects, contract and/or negotiate with State or other providers for mental hospital beds, contract and/or negotiate with the State or federal government for administration of mental health services, operate program risk pools, technical assistance and capacity building program, workforce education training program, and other projects as deemed appropriate.

CalMHSA is headed by a separate Board of Member Counties and an Executive Committee comprised of officers and Statewide Regional Representatives. It employs the administrative firm, specializing in JPA management, of George Hills Company, Inc. and separate legal counsel of Murphy Campbell Guthrie & Alliston. CalMHSA operates within the statutes governing Joint Powers Agreement entities and complies with the Brown Act open meeting requirements.

As of June 30, 2019, 56 members (54 counties, one city and one JPA) work together to develop, fund programs that include, but not limited to, prevention and early intervention, State or other mental hospital beds and similar related services, State or federal government for administration of mental health services, programs or activities including but not limited to the Drug Medi-Cal Treatment Program, managed mental health care, delivery of specialty mental health services; operate program risk pools; provide any other similar or related fiscal or administrative services that would be of value to Members such as group purchasing, contract management, research and development, data management, maintenance of a research depository, training, technical assistance; capacity building; education and training; research, develop, and execute any appropriate policy request from the California State Association of Counties (CSAC) or its affiliates, on a statewide, regional or local level.

Background

In 2004, California voters passed Proposition 63 (The Mental Health Services Act) (MHSA), landmark legislation that created an ongoing funding source and a framework for transforming California’s traditional community mental health system into a system equipped to support prevention and wellness, and on addressing the unmet needs of California’s diverse and underserved population groups with culturally relevant and effective services and education. In 2007, the MHSOAC, which was created as a stipulation of the MHSA to oversee the management of these funds, approved a one-time investment of \$160 million over four-years. Three strategic initiatives were identified through a stakeholder process and approved by

the MHSOAC in May 2008, for the distribution of this one-time allocation: \$40 million for Suicide Prevention (SP), \$60 million for Student Mental Health (SMH), and \$60 million for Stigma and Discrimination Reduction (SDR). On April 15, 2010, CalMHSA executed a contract with the California Department of Mental Health (CDMH) for the amount not to exceed \$160 million. The term of this contract was through June 30, 2014.

Sustainability - Phase I & Phase II

As the end of the four-year period approached, the CalMHSA Board of Directors adopted a two-phase planning strategy for continuing the investment in statewide PEI efforts. In April 2014, the CalMHSA Board approved a Phase I Funding Plan to sustain the existing Statewide PEI projects through June 30, 2015. Phase I was recognized as a short-term sustainability solution for the purpose of providing program partners with additional time to successfully complete their activities and deliverables, and to reduce the risk of any adverse consequences of discontinuing activities (e.g., the ability to measure long-term impact). In August 2014, the CalMHSA Board approved a Phase II Funding Plan for purpose of continuing work related to PEI projects through June 30, 2017. Funding for Phase I and Phase II is derived from current county members committing a range of 1% to 7% funding from their local PEI funds in addition to CalMHSA seeking other funding to include state and federal resources.

Sustainability - Phase III

Through implementation of the Phase III CalMHSA Statewide PEI Project Plan, CalMHSA and its member counties embarked on the 7th year of PEI Project activities. In December 2016, the CalMHSA Board approved a Phase III Funding Plan for purpose of continuing work related to PEI projects through June 30, 2020. Funding for Phase III is derived from current county members committing up to 4% of their annual PEI funds/budget to CalMHSA on an annual basis for 3 years.

2018/2019 Program Highlights

Statewide PEI Project

Funding to the Statewide PEI Project supported programs such as:

- Expanding public awareness and education campaigns
- Creating new outreach materials for diverse audiences
- Providing technical assistance and outreach to county agencies, schools and community-based organizations
- Providing mental health/stigma reduction trainings to diverse audiences
- Engaging youth through the Directing Change program
- Building the capacities of schools to address mental health, stigma reduction and suicide prevention.

Key achievements of the Statewide PEI Project during the fiscal year include:

- Over 400,000 Lime Green Ribbons disseminated throughout the state
- Over 1 million hardcopy materials were disseminated in counties, schools, and CBOs
- Over \$94,000 in mini-grant funds were provided to CBOs, NAMI affiliates, Active Minds Chapters and Community Colleges to host community outreach events utilizing Each Mind Matters resources and messaging
- The Directing Change Program received over 1,000 videos submissions from over 150 schools across California, engaging over 3,600 students
- Nearly 10 new Each Mind Matters culturally adapted resources were developed
- 27 news broadcasts, news articles and radio reports discussed programs implemented by the Statewide PEI Project

- Over 600 county agencies, schools, local and statewide organizations across California were touched by programs implemented by the Statewide PEI Project

Strategic Programs

In addition to the Statewide PEI program, the following strategic programs are also included in CalMHSA's operations during the fiscal year ended June 30, 2019:

- **State Hospital Beds** - CalMHSA acts on behalf member counties (and possibly non-member counties via a contract) in the annual purchase contract for State Hospital Beds (as provided under sections 4330 et seq. of WIC).
- **Central Valley Suicide Prevention Hotline** – CalMHSA contracted with Kings View Behavioral Health to operate the Central Valley Suicide Prevention Hotline with specialized support and outreach provided to the seven contributing counties of Fresno, Kings, Mariposa, Madera, Merced, Stanislaus and Tulare.
- **LA County Media Campaign** – CalMHSA will continue its statewide efforts in the development of cultural adaptation and customization of marketing assets, and advertisements in an effort to support a Prevention and Early Intervention media campaign focused on Mental Health Month (May 2018). As part of this effort the key focus will be on breaking down barriers to treatment by engaging with stakeholders using new and innovative messaging and a call to action. This idea continues in FY 2018/2019 and 2019/2020.
- **Help@Hand** - The Innovation Technology Suite Project (INN Tech Suite Project), rebranded as Help@Hand, is being administered by CalMHSA on behalf of participating member counties. In December 2018, CalMHSA also took up the role of Project Management. This was a three-year demonstration project, currently being extended to 5 years, which is funded and directed by counties. The primary purpose of this Help@Hand Project is to increase access to mental health care and support and to promote early detection of mental health symptoms, or even predict the onset of mental illness. Through the utilization of multifactor devices, such as smart phones, tablets and laptops, as a mode of connection and treatment to reach people who are likely to go either unserved or underserved by traditional mental health care, project services will focus on prevention, early intervention, family and social support to decrease the need for psychiatric hospital and emergency care service.
- **CCC Behavioral Health Services (CCBHS) Employee Loan Forgiveness Program** – The Program is designed to pay employee loan debt incurred by current or prospective employees or contractors who fill positions that Contra Costa County has deemed to be a) hard to fill or retain, or b) part of a mental health career path. The participant (County) will identify to CalMHSA the names of current or prospective employees or contractors, their respective employee lending institutions, employee loan amounts owed, and the schedule and amount to be paid to the employee lending institutions. Upon verification by Participant of an employee's continued eligibility for loan forgiveness, CalMHSA will make payments directly to the employee's identified employee lending institution(s) and verify funds receipt by the employee lending institution and the reduced balance owed by the employee.
- **AB1299 | Presumptive Transfer for Foster Youth** - California law allows foster children who are placed outside of their county of original jurisdiction to access specialty mental health services in a timely manner through “presumptive transfer”. This requires the transfer of funds between counties. CalMHSA is working with counties to analyze the use of CalMHSA as a fiscal agent (CalMHSA) to more efficiently and cost-effectively process payments between counties. Under the Welfare and Institution Code § 14717.1, responsibility for providing or arranging for specialty mental health services shall promptly transfer from the county of original jurisdiction to the county in which a foster child resides, subject to any exceptions established pursuant to that

section. This is known as “presumptive transfer.” Counties have agreed that the county of original jurisdiction (sending county) remains responsible for reimbursing the receiving county for specialty mental health services provided or arranged by the receiving county. Under this program, CalMHSA acts as a fiscal agent for participating counties to make and receive transfer payments of county match dollars. Counties started participating in this program July 1, 2018.

Financial Highlights for the Fiscal Year Ended June 30, 2019

Revenues	\$31.5 million	Revenues decreased by \$13.1 million over the prior year. The \$13 million decrease is a result of lower contributions from member counties for new Help@Hand (\$5.8 million) as prior year was the inception period with initial deposit funding by Cohort 1 members, along with a \$7.7 million decrease in contributions for the PEI Program. There was an increase of \$0.5 million in Investment revenue, a result of increased Cash Balance.
Expenses	\$33.4 million	Expenses increased drastically by \$14.9 million over the prior year. The increase is directly related to the engagement of the 2 identified Technology vendors for Help@Hand and its contract began on July 1, 2018. In addition, the engagement of CalMHSA as the Project Management led to the need for additional program staff and subject matter experts. LA Media Campaign also spent all its funds from prior years (\$5.6 million) and FY18/19 funding of \$6.4 million on its activities, mainly the large scale “We Rise” event.
Assets	\$35.8 million	Assets increased \$1.4 million over the prior year. FY18/19, pre-funding to Tech vendors in INN Tech to setup infrastructure resulted in higher prepaid expenses. These were resolved in FY19/20. Higher yield in investments with Morgan Stanley and LAIF also contributed to the increase in assets.
Liabilities	\$ 6.4 million	Liabilities increased \$3.4 million over the prior year. The increase is related to the growth of the CalMHSA programs resulting in more amounts owed to contractors at year-end. It also includes \$1.8 million of Presumptive Transfer deposits received from participating counties.

Description of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to CalMHSA’s financial statements: the Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets. The statements are accompanied by footnotes to clarify unique accounting policies and other financial information and required supplementary information. The assets, liabilities, revenues and expenses of CalMHSA are reported on a full-accrual basis.

The **Statement of Net Assets** presents information on all of CalMHSA’s assets and liabilities, with the difference between the two representing net assets (equity). Changes from one year to the next in total net assets as presented on the Statement of Net Assets are based on the activity presented on the Statement of Revenues, Expenses and Changes in Net Assets.

The **Statement of Revenues, Expenses and Changes in Net Assets** is CalMHSA’s income statement. Revenues earned and expenses incurred during the year are classified as either “operating” or “nonoperating”. All revenues and expenses are recognized as soon as the underlying event occurs, regardless of timing of the related cash flows.

The **Notes to the Financial Statements** provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of CalMHSA’s operations and significant accounting policies as well as clarify unique financial information.

Analysis of Overall Financial Position and Results of Operations

The following sections provide additional details on CalMHSA's financial position and activities for fiscal years 2019 and 2018, and a look ahead at economic conditions that may affect CalMHSA in the future.

I. Statement of Net Assets

	<u>2019</u>	<u>2018</u>	<u>Change from 2018 to 2019</u>	<u>2017</u>	<u>Change from 2018 to 2019</u>
ASSETS					
Current Assets:					
Cash and cash equivalents	\$ 11,875,523	\$ 19,915,121	-40%	\$ 6,309,433	216%
Investments	13,036,400	12,951,443	1%	0	-34%
Prepaid expenses	622,522	41,294	1408%	44,583	-7%
Receivables	10,291,724	1,458,946	605%	905,116	61%
Total Current Assets	<u>\$35,826,169</u>	<u>\$34,366,804</u>	4%	<u>\$ 7,259,132</u>	373%
LIABILITIES					
Current Liabilities:					
Accounts payable	\$ 6,110,313	\$ 2,469,908	147%	\$ 1,950,661	27%
Unearned revenue	<u>270,000</u>	<u>592,481</u>	-54%	<u>52,093</u>	1037%
Total Current Liabilities	6,380,313	3,062,389	108%	2,002,754	53%
FUND BALANCE / NET POSITION					
Net Position:					
Total Restricted Net Postition	<u>\$29,445,856</u>	<u>\$31,304,415</u>	-6%	<u>\$ 5,256,378</u>	496%
Total Liabilities and Fund Balance/Net	<u>\$35,826,169</u>	<u>\$34,366,804</u>		<u>\$ 7,259,132</u>	

Total assets increased by \$1.4 million from \$34.4 million at June 30, 2018 to \$35.8 million at June 30, 2019. \$786,592 is held in the Local Agency's Investment Fund (LAIF), an external investment pool managed by the State Treasurer's Office, \$9.5 million is held by Morgan Stanley (MSSB) in a money fund and \$13.1 million in individual securities. The effective yield of CalMHSA's total portfolio at June 30, 2019 was 2.41%.

Total liabilities increased by \$3.3 million from \$3.1 million at June 30, 2018 to \$6.4 million at June 30, 2019. The increase is related to the growth of the CalMHSA programs resulting in more amounts owed to contractors at year-end. Additionally, there was an increase in AB1299 Presumptive Transfer deposits (\$1.83 million) as this was the first year of the program

II. Statement of Revenues, Expenses and Changes in Net Assets

	<u>2019 Total</u>	<u>2018 Total</u>	<u>Change from 2018 to 2019</u>	<u>2017 Total</u>	<u>Change from 2017 to 2018</u>
REVENUES:	\$31,507,929	\$44,566,966	-29%	\$7,464,257	497%
EXPENDITURES/EXPENSES:					
Program Expenses	33,366,488	17,987,492	85%	7,979,846	125%
General and Administration	-	531,437	-100%	718,831	-26%
Total Expenditures/Expenses	<u>33,366,488</u>	<u>18,518,929</u>	80%	<u>8,698,677</u>	113%
 Change in Fund Balance/Net Position	(1,858,559)	26,048,037	-107%	(1,234,420)	-2210%
FUND BALANCE/NET POSITION					
Beginning of year	<u>31,304,415</u>	<u>5,256,378</u>		<u>6,490,798</u>	
End of year	<u>\$29,445,856</u>	<u>\$31,304,415</u>	-6%	<u>\$5,256,378</u>	496%

For the fiscal year ended, June 30, 2019, total revenue decreased by \$13.1 million. The \$13million decrease is a result of lower contributions from member counties for new Help@Hand (\$5.8 million) as prior year was the inception period with initial deposit funding by Cohort 1 members, along with a \$7.7 million decrease in contributions for the PEI Program. There was an increase of \$0.5 million in Investment revenue, a result of increased Cash Balance.

Expenses increased drastically by \$15.1 million over the prior year. The increase is directly related to the engagement of the 2 identified Technology vendors for Help@Hand and its contract began on July 1, 2018. In addition, the engagement of CalMHSA as the Project Management led to the need for additional program staff and subject matter experts. LA Media Campaign also spent all its funds from prior years (\$5.6 million) and FY18/19 funding of \$6.4 million on its activities, mainly the large scale “We Rise” event.

Description of Facts or Conditions that are expected to have a Significant Effect on Financial Position or Results of Operations

For the past decade, California has steadily grown a statewide movement toward prevention and early intervention underwritten by MHSA funds. CalMHSA was created by the counties in 2010, to administer MHSA PEI projects on a statewide basis. Through the initial implementation and the second phase (Phase I: 2011-2015 and Phase II: 2015-2017) of the CalMHSA Statewide PEI Project, CalMHSA developed and implemented population-based strategies aligned with Welfare and Institutions Code Section 5840. The PEI Project continues to be endorsed by counties but funding with local MHSA funds continues to be challenging.

Given these concerns, some counties may have declined or reduced their funding level to the PEI Project because of lack of local stakeholder support for statewide initiatives that don’t directly apply to specific local needs. CalMHSA wants to facilitate continued county investment in the PEI Project by allowing more flexibility for local activities, referred to as “county specific projects”. These county-specific projects would be built from programs that are currently implemented under the Statewide PEI Project, such as Each Mind Matters, Know the Signs, Walk In Our Shoes, Directing Change, or others.

BASIC FINANCIAL STATEMENTS

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

**GOVERNMENTAL FUND BALANCE SHEET -
STATEMENT OF NET POSITION**

JUNE 30, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 11,875,523	\$ 19,915,121
Investments	13,036,400	12,951,443
Prepaid expenses	622,522	41,294
Receivables	10,291,724	1,458,946
Total Current Assets	<u>\$ 35,826,169</u>	<u>\$ 34,366,804</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 6,110,313	\$ 2,469,908
Unearned revenue	270,000	592,481
Total Current Liabilities	<u>6,380,313</u>	<u>3,062,389</u>
FUND BALANCE / NET POSITION		
Net Position:		
Operations	281,815	315,107
Obligated Funds Under Contract:		
Tech Asst/Capacity Building	210,645	203,887
WET Program Funding	154,967	149,995
Fiscal Modernization	77,053	86,218
SHB Program Funding	2,323,298	1,884,819
Wellness Center	145,735	141,060
CV Suicide Prevention Hotline	28,349	122,403
Drug Medi-Cal	-	(6,671)
Statewide PEI Programs	4,988,566	8,751,913
Sutter Health Systems	45,703	44,237
Public/Private Partnership Development	232,784	57,220
CCBHS Loan Forgiveness Program	450,316	202,509
AB1299 Presumptive Transfer	(166,521)	(16,180)
NV Suicide Prevention	(19)	-
Translation	32,699	-
Innovation/Tech Suite	20,640,466	19,367,898
Total Restricted	<u>29,445,856</u>	<u>31,304,415</u>
Total Liabilities and Fund Balance/Net Position	<u>\$ 35,826,169</u>	<u>\$ 34,366,804</u>

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES/NET POSITION –
STATEMENT OF ACTIVITIES**

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

	Strategic Programs Total	Operations	Statewide PEI Funding	2019 Total	2018 Total
REVENUES:					
CV Suicide Prevention Hotline Funding	\$ 548,188	\$ -	\$ -	\$ 548,188	\$ 664,292
SHB Funding	608,284	-	-	608,284	549,400
PEI Funding	-	-	13,793,594	13,793,594	21,706,539
Orange County Funding	-	-	-	-	(3,573)
Donations	-	-	-	-	3,500
Public/Private Partnership Development Funding	432,003	-	-	432,003	384,104
License Royalty Fee	-	262	-	262	760
CCBHS Loan Forgiveness Program	300,000	-	-	300,000	300,000
Innovation/Tech Suite	14,881,874	-	-	14,881,874	20,735,684
AB1299 Presumptive Transfer	92,309	-	-	92,309	-
Translation Funding	125,000	-	-	125,000	-
Investment Income	567,254	(39,365)	198,526	726,415	226,260
Total Revenue	17,554,912	(39,103)	13,992,120	31,507,929	44,566,966
EXPENDITURES/EXPENSES:					
Program Expenses					
SDR Conference	-	-	-	-	(70,000)
SHB Program Expense	183,182	-	-	183,182	311,979
Fiscal Modernization	11,827	-	-	11,827	9,595
Program Expense	-	1,055,288	17,258,631	18,313,919	14,860,694
CV Suicide Prevention Hotline Expense	621,252	-	-	621,252	648,298
Orange County Expense	-	-	-	-	(711)
Sutter Health Systems Expense	-	-	-	-	147,145
LA County Tech Assist	-	-	-	-	46,788
Public/Private Partnership Development Expenses	238,457	-	-	238,457	533,277
CCBHS Loan Forgiveness Program	52,238	-	-	52,238	97,000
Innovation/Tech Suite	13,617,669	-	-	13,617,669	1,395,917
Translation	88,418	-	-	88,418	7,510
NV Suicide Prevention	19	-	-	19	-
AB1299 Presumptive Transfer	239,507	-	-	239,507	-
Total Program Expense	15,052,569	1,055,288	17,258,631	33,366,488	17,987,492
General and Administration	570,934	(1,067,770)	496,836	-	531,437
Total Expenditures/Expenses	15,623,503	(12,482)	17,755,467	33,366,488	18,518,929
 Change in Fund Balance/Net Position	 1,931,409	 (26,621)	 (3,763,347)	 (1,858,559)	 26,048,037
 Operating Transfer	 6,671	 (6,671)	 -	 -	 -
FUND BALANCE/NET POSITION					
Beginning of year	22,237,395	315,107	8,751,913	31,304,415	5,256,378
End of year	\$ 24,175,475	\$ 281,815	\$ 4,988,566	\$ 29,445,856	\$ 31,304,415

The accompanying notes are an integral part of these financial statements.

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

California Mental Health Services Authority ("CalMHSA") is an independent administrative and fiscal government agency focused on the efficient delivery of California Mental Health Projects. CalMHSA was established by a Joint Powers Agreement on July 1, 2009, under Government Code Section 6500 et seq. among California Counties to obtain and administer public funds to provide certain community mental health services to persons residing within the same counties and cities. Member counties jointly develop, fund and implement mental health services, projects, and educational programs at the state, regional, and local levels. CalMHSA is governed by a Board of Directors, which is composed of the local county or city mental health director from each member, appointed or designated. As of June 30, 2019, there were 56 members (54 counties, one city and one JPA).

Admission

To be accepted for membership in CalMHSA, counties must complete an application form and submit the required application fee. The application fee ranges from \$250 - \$1,000 depending on the most recent county population figures published by the State Department of Finance. Counties must then submit a signed participation resolution to CalMHSA that has been approved by the county's Board of Supervisors, execute the Joint Powers Authority Agreement and agree to be to be bound by any subsequent amendments to the agreement, designate an alternate to the Board as representative and complete the required Fair Political Practices Commission (FPPC) forms.

Withdrawal

A member may withdraw from CalMHSA upon written notice no later than December 31 of the fiscal year if it has never become a participant in any program or if it had previously withdrawn from all programs in which it was a participant. A member who withdraws from CalMHSA is not entitled to the return of any payments to the Authority.

CalMHSA is not a legislative agency, nor an approval or advocacy body. CalMHSA is a best practice inter-governmental structure with growing capacity and capability to promote systems and services arising from a shared member commitment to community mental health. CalMHSA supports the values of the California Mental Health Services Act:

- Community collaboration
- Cultural competence
- Client/family-driven mental health system for children, transition age youth, adults, older adults
- Family-driven system of care for children and youth
- Wellness focus, including recovery and resilience
- Integrated mental health system service experiences and interactions

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

A. REPORTING ENTITY (Continued)

The Mental Health Services Act (Proposition 63), passed in November 2004, provides the first opportunity in many years for the California Department of Mental Health (DMH) to provide increased funding, personnel and other resources to support county mental health programs and monitor progress toward statewide goals for children, transition age youth, adults, older adults and families. This Act imposes a 1% income tax on personal income in excess of \$1 million and provides the counties of California the funds needed to set up contract services for strategies to reduce the following negative outcomes that may result from untreated mental illness:

- Suicide
- Incarcerations
- School failure or dropout
- Unemployment
- Prolonged suffering
- Homelessness
- Removal of children from their homes

As the counties are responsible to use these funds as stated, CalMHSA was established in 2009 to help with the contracting of these services.

B. BASIS OF PRESENTATION

The Statement of Net Position and the Statement of Activities display information about CalMHSA. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double counting of internal activities.

The Government-Wide Statement of Net Position presents information on all of CalMHSA's assets and liabilities, with the difference between the two presented as net position. Net Position is reported as one of three categories: invested in capital assets, net of related debt; restricted or unrestricted. Restricted net position is further classified as either net position restricted by enabling legislation or net position that are otherwise restricted.

The Government-Wide Statement of Activities presents a comparison between direct expenses and program revenues for each function or program of CalMHSA's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function. CalMHSA does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of CalMHSA. CalMHSA reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

B. BASIS OF PRESENTATION (Continued)

Fund Financial Statements

Fund financial statements report detailed information about CalMHSA. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. CalMHSA has only one operating fund.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments and service charges are recognized as revenues in the year for which they are levied. Expenses are recorded when liabilities are incurred.

Governmental Fund Financial Statement

Governmental fund financial statements (i.e., Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

Non-exchange transactions, in which CalMHSA receives value without directly giving equal value in return, include program funding, assessments and interest income. Under the accrual basis, revenue from program funding and assessments is recognized in the fiscal year for which the program funding and assessments are levied. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

In August 2014, the CalMHSA Board approved a Phase II Funding Plan for purpose of continuing work related to PEI projects through June 30, 2017. Funding for Phase I and Phase II is derived from current county members committing a range of 1% to 7% funding from their local PEI funds for the next three fiscal years, in addition to CalMHSA seeking other funding to include state and federal resources.

Through implementation of the Phase III CalMHSA Statewide PEI Project Plan, CalMHSA and its member counties embarked on the 7th year of PEI Project activities. Funding for Phase III (July 1, 2017 through June 30, 2020) is derived from current county members committing 4% of their annual PEI funds to CalMHSA on an annual basis for 3 years.

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

In addition to the PEI program, the following strategic programs were also included in CalMHSA's operations during the fiscal year ended June 30, 2018:

- **Suicide Prevention Hotline** – CalMHSA contracted with Kings View Behavioral Health to operate the Central Valley Suicide Prevention Hotline with specialized support and outreach provided to the seven contributing counties of Fresno, Kings, Mariposa, Madera, Merced, Stanislaus and Tulare.
- **Help@Hand** – The Innovation Technology Suite Project (INN Tech Suite Project), rebranded Help@Hand, is being administered by CalMHSA on behalf of participating member counties. This is a three-year demonstration project which is funded and directed by counties. The primary purpose of this Help@Hand Project is to increase access to mental health care and support and to promote early detection of mental health symptoms, or even predict the onset of mental illness. Through the utilization of multiform-factor devices, such as smart phones, tablets and laptops, as a mode of connection and treatment to reach people who are likely to go either unserved or underserved by traditional mental health care, project services will focus on prevention, early intervention, family and social support to decrease the need for psychiatric hospital and emergency care service.
- **LA County Media Campaign** – CalMHSA will continue its statewide efforts in the development of cultural adaptation and customization of marketing assets, and advertisements in an effort to support a Prevention and Early Intervention media campaign focused on Mental Health Month (May 2018). As part of this effort the key focus will be on breaking down barriers to treatment by engaging with stakeholders using new and innovative messaging and a call to action.
- **CCBHS Loan Forgiveness Program** – The Program is designed to pay employee loan debt incurred by current or prospective employees or contractors who fill positions that Contra Costa County has deemed to be a) hard to fill or retain, or b) part of a mental health career path. The participant (County) will identify to CalMHSA the names of current or prospective employees or contractors, their respective employee lending institutions, employee loan amounts owed, and the schedule and amount to be paid to the employee lending institutions. Upon verification by Participant of an employee's continued eligibility for loan forgiveness, CalMHSA will make payments directly to the employee's identified employee lending institution(s), and verify funds receipt by the employee lending institution and the reduced balance owed by the employee.
- **AB1299** – California law allows foster children who are placed outside of their county of original jurisdiction to access specialty mental health services in a timely manner through “presumptive transfer”. This requires the transfer of funds between counties. CalMHSA is working with counties to analyze the use of CalMHSA as a fiscal agent (CalMHSA) to more efficiently and cost-effectively process payments between counties.

Under the Welfare and Institution Code § 14717.1, responsibility for providing or arranging for specialty mental health services shall promptly transfer from the county of original jurisdiction to the county in which a foster child resides, subject to any exceptions established pursuant to that

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

section. This is known as “presumptive transfer.” Counties have agreed that the county of original jurisdiction (sending county) remains responsible for reimbursing the receiving county for specialty mental health services provided or arranged by the receiving county. Under this program, CalMHSA acts as a fiscal agent for participating counties to make and receive transfer payments of county match dollars. Counties started participating in this program July 1, 2018.

Expenditures were recorded under the modified accrual basis of accounting when the related liability was incurred.

D. FUND ACCOUNTING

The accounts of CalMHSA are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. CalMHSA resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. CalMHSA has one governmental fund.

Governmental Fund:

The General Fund is the general operating fund of CalMHSA. It is used to account for all transactions except those required or permitted by law to be accounted for in another fund.

E. CASH AND CASH EQUIVALENTS

CalMHSA considers all highly liquid investments with a maturity of three months or less when purchased to be cash and cash equivalents.

F. INCOME TAXES

CalMHSA is a governmental entity and as such its income is exempt from taxation under Section 115(1) of the Internal Revenue Code and Section 23701d of the California and Taxation Code. Accordingly, no provision for federal or state income taxes has been made in the accompanying financial statements.

G. USE OF ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

H. FUND BALANCE

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", CalMHSA is required to report fund balances in the following categories, as applicable: Nonspendable, Restricted, Committed, Assigned and/or Unassigned.

Nonspendable Fund Balance reflects assets not in spendable form, either because they will never convert to cash (e.g. prepaid expense) or must remain intact pursuant to legal or contractual requirements.

Restricted Fund Balance reflects amounts that can be spent only for the *specific purposes* stipulated by constitution, external resource providers, or through enabling legislation.

Committed Fund Balance reflects amounts that can be used only for the *specific purposes* determined by a formal action of the government's highest level of decision-making authority: the Board of Directors. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Directors.

Assigned Fund Balance reflects amounts intended to be used by the government for *specific purposes* but do not meet the criteria to be classified as restricted or committed. In accordance with adopted policy, only the Board of Directors is authorized to assign amounts for specific purposes.

Unassigned Fund Balance represents the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

When expenditures are incurred for purposes of which restricted, committed, assigned and unassigned fund balances are available, CalMHSA considers restricted funds to have been spent first, followed by committed, assigned and unassigned, respectively.

2. CASH AND INVESTMENTS

A. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of June 30, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Cash per books	\$ 1,594,414	\$ 1,449,989
Money Market Account	9,494,517	15,113,363
LAIF	<u>786,592</u>	<u>3,351,769</u>
	<u>\$ 11,875,523</u>	<u>\$19,915,121</u>

Cash in Bank

As of June 30, 2019 and 2018, CalMHSA's cash balances per the bank (excluding Money Market and LAIF accounts) of \$1,823,712 and \$1,773,721 respectively, are insured by the Federal Depository Insurance Corporation up to \$250,000. Section 53652 of the California Governmental Code requires financial institutions to secure deposits made by governmental units in excess of insured amounts, by

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

the pledging of governmental securities as collateral. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by governmental units.

Money Market Account

As of June 30, 2019, CalMHSA's had cash in a money fund managed by Morgan Stanley LLC.

Local Agency Investment Fund

California Mental Health Services Authority places certain funds with the State of California's Local Agency Investment Fund (LAIF). The District is a voluntary participant in LAIF, which is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California and the Pooled Money Investment Board. The State Treasurers Office pools these funds with those of other governmental agencies in the state and invests the cash. The fair value of the District's investment in this pool is reported in the accompanying financial statements based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The monies held in the pooled investment funds are not subject to categorization by risk category. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Funds are accessible and transferable to the master account with twenty-four hours' notice. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, and floating rate securities issued by federal agencies, government-sponsored enterprises and corporations.

LAIF is administered by the State Treasurer and is audited annually by the Pooled Money Investment Board and the State Controller's Office. Copies of this audit may be obtained from the State Treasurer's Office: 915 Capitol Mall, Sacramento, California 95814. The Pooled Money Investment Board has established policies, goals, and objectives to make certain that their goal of safety, liquidity, and yield are not jeopardized. Pooled Money Investment Board has established policies, goals, and objectives to make certain that their goal of safety, liquidity, and yield are not jeopardized.

B. INVESTMENTS

Investments are reported at fair value.

Changes in fair value that occur during a fiscal year and any gains or losses realized upon the liquidation, maturity, or sale of investments are recognized as net increase (decrease) in investment fair values reported for that fiscal year. Investment income consists primarily of interest earnings on investments held by CalMHSA.

Disclosures Relating to Interest Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that CalMHSA manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

Information about the sensitivity of the fair values of CalMHSA's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity. For purposes of the schedule shown below, any callable securities are assumed to be held to maturity.

Maturity Distribution of Investments

Investment Type	Fair Value	Investment Maturities	
		< 1yr	1-3 yrs
US Treasury	\$ 3,738,763	\$ 3,738,763	\$ -
Federal Agencies	\$ 4,734,700	\$ 4,734,700	\$ -
Corporate Fixed Income	4,562,937	4,562,937	-
Total	\$ 13,036,400	\$ 13,036,400	\$ -

Disclosures Relating to Credit Risk – Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below are Standard & Poor's ratings of the securities held in CalMHSA's portfolio by investment type, at the end of the current fiscal year.

Investment Type	Total	AA+	AAA	AA-	AA	A+
US Treasury	\$ 3,738,763	\$ -	\$ 3,738,763	\$ -	\$ -	\$ -
Federal Agencies	4,734,700	4,734,700	-	-	-	-
Corporate Notes	4,562,937	499,500	-	1,505,105	499,880	2,058,452
Total	\$ 13,036,400	\$ 5,234,200	\$ -	\$ 1,505,105	\$ 499,880	\$ 2,058,452

Concentration of Credit Risk - The investment policy of CalMHSA contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer that represent 5% or more of total Authority investments are as follows:

Concentration of Credit Risk

Investment	Investment Type	Fair Value	% of Portfolio
US Treasury	Federal Agencies	\$ 3,738,762	29%
FHLB	Federal Agencies	\$ 3,739,715	29%
Nestle Finance Internation LTD	Corporate Bonds	\$ 748,163	6%

Custodial Credit Risk - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The California Government Code and CalMHSA's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure CalMHSA's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

RECEIVABLES

The receivables balance represents funding revenue for programs that was billed prior to year end, but funds were not received until after year end. Due to the nature of the receivables and the likelihood of collection, no provision for uncollectible accounts has been made.

3. CONTRACT SERVICES

CalMHSA does not have any employees and contracts for all necessary services. This includes contracts for the development and implementation of prevention and early intervention (PEI) programs on a statewide and regional basis.

4. SUBSEQUENT EVENTS/CONTINGENT LIABILITY

Department of Health Care Services Report on the Limited Review – California Mental Health Services Authority – Mental Health America of California as Subcontractor of CalMHSA.

On August 1, 2016, the California Department of Health Care Services (DHCS) issued a report on the limited review concerning the performance of Mental Health America of California (MHAC) under an expense-reimbursement contract with CalMHSA. The final audit report showed an adjustment of \$349,197.

On September 2, 2016, CalMHSA responded by letter, explaining it did not believe the audit report justified the adjustments it proposed. CalMHSA cited the absence of any published standards, application of unreasonable standards, citation to inapplicable Medicaid statutes, and consideration of only a part of the entire contract period. Should there be any attempt by DHCS to collect the adjustment amount from CalMHSA, CalMHSA will contest the claim vigorously. CalMHSA is unable to predict the outcome of this matter, and at this time cannot reasonably estimate the exposure on this matter. In its contract with CalMHSA, MHAC agreed to repay CalMHSA if the amounts paid to MHAC were determined not to be reimbursable by CalMHSA or an appropriate state agency. Further, the contract provided that if there is a conflict between a state audit and a CalMHSA audit, the state audit would take precedence.

On a letter dated October 26, 2016, DHCS made a demand of CalMHSA for \$349,197, which CalMHSA is disputing and taking to mediation.

In November 2017, CalMHSA began the informal hearing process with the DHCS. On August 13, 2018, DHCS issued a Report of Findings reducing the disallowances by \$9,033

A liability has been booked in the financial statements for \$350,000 as of June 30, 2018 for legal defense and a small estimate related to the disallowance.

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE FISCAL YEARS ENDED JUNE 30, 2019 AND 2018

CalMHSA's management evaluated its 2018 financial statements for subsequent events through January 18, 2019, the date the financial statements were available to be issued. Management is not aware of any other subsequent events, other than that noted above, that would require recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND**

FOR THE YEAR ENDED JUNE 30, 2019

	Original Budget	Final Budget	Actual	Budget Variance Favorable (Unfavorable)
REVENUES:				
SHB Funding	\$ 727,912	\$ 600,000	\$ 608,284	\$ 8,284
Sustainability Funding	7,700,000	7,700,000	14,030,174	6,330,174
Public/Private Partnership Development	400,000	400,000	432,003	32,003
Suicide Prevention	590,872	543,834	548,188	4,354
Loan Forgiveness Program	-	-	300,000	300,000
Innovations Technology Suite	25,000,000	20,745,152	14,881,874	(5,863,278)
Transfers In - AB 1299	4,000,000	4,000,000	92,309	(3,907,691)
AB 1299 - Admin fee	200,000	200,000	-	(200,000)
Translation Funding	-	-	125,000	
Non budgeted revenues	-	-	726,677	726,677
Total Revenue	<u>38,618,784</u>	<u>34,188,986</u>	<u>31,744,509</u>	<u>(2,569,477)</u>
EXPENDITURES/EXPENSES:				
Program Expenses	34,558,804	32,088,045	33,940,844	8,789,896
General and Administration	<u>1,161,360</u>	<u>1,346,619</u>	-	1,346,619
Total Expenditures/Expenses	<u>35,720,164</u>	<u>33,434,664</u>	<u>33,940,844</u>	<u>10,136,515</u>
Change in Fund Balance/Net Position	2,898,620	754,322	(2,196,335)	(12,705,992)
FUND BALANCE/NET POSITION				
Beginning of year	<u>31,304,415</u>	<u>31,304,415</u>	<u>31,304,415</u>	-
End of year	<u>\$ 34,203,035</u>	<u>\$ 32,058,737</u>	<u>\$ 29,108,080</u>	<u>\$ (12,705,992)</u>

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND**

FOR THE YEAR ENDED JUNE 30, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Budget Variance Favorable (Unfavorable)</u>
REVENUES:				
SHB Funding	\$ 627,912	\$ 627,912	\$ 549,400	\$ (78,512)
Sustainability Funding	5,160,037	7,730,037	8,206,539	476,502
Public/Private Partnership Development	500,005	500,005	384,104	(115,901)
Suicide Prevention	636,375	543,834	664,292	120,458
Loan Forgiveness Program	-	300,000	300,000	-
Non budgeted revenues	-	-	34,462,631	34,462,631
Total Revenue	<u>6,924,329</u>	<u>9,701,788</u>	<u>44,566,966</u>	<u>34,865,178</u>
EXPENDITURES/EXPENSES:				
Program Expenses	6,587,764	9,197,596	17,987,492	8,789,896
General and Administration	681,834	736,582	531,437	205,145
Total Expenditures/Expenses	<u>7,269,598</u>	<u>9,934,178</u>	<u>18,518,929</u>	<u>8,995,041</u>
Change in Fund Balance/Net Position	(345,269)	(232,390)	26,048,037	25,870,137
FUND BALANCE/NET POSITION				
Beginning of year	<u>5,256,378</u>	<u>5,256,378</u>	<u>5,256,378</u>	<u>-</u>
End of year	<u>\$ 4,911,109</u>	<u>\$ 5,023,988</u>	<u>\$ 31,304,415</u>	<u>\$ 25,870,137</u>

OTHER AUDITOR'S REPORT



James Marta & Company LLP

Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

INDEPENDENT AUDITOR'S REPORT

Board of Directors
California Mental Health Services Authority
Rancho Cordova, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund, and the aggregate remaining information of California Mental Health Services Authority, as of and for the years ended June 30, 2019 and 2018, and the related notes to the financial statements, which collectively comprise California Mental Health Services Authority's basic financial statements, and have issued our report thereon dated **DATE**.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered California Mental Health Services Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the California Mental Health Services Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of California Mental Health Services Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether California Mental Health Services Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. This report is intended solely for the information and use of Management and the Board of Directors and is not intended to be and should not be used by anyone other than these specified parties.

DRAFT

James Marta & Company LLP
Certified Public Accountants
Sacramento, California

DATE

PROGRAM MATTERS
Agenda Item 7.A

SUBJECT: STATE HOSPITALS

ACTION FOR CONSIDERATION:

None at this time, for information only.

BACKGROUND AND STATUS:

At the April 23, 2012, Strategic Planning Session, staff was asked to work with CBHDA to explore the viability of the JPA acting on behalf of member counties in the negotiations of the annual procurement contract with the state for state hospital beds. Since 2012, CalMHSA, in collaboration with counties, negotiated the terms of the MOU for procurement of state hospital beds, which has contributed to significant benefits to all participating counties.

In 2014, the CalMHSA Board indicated an urgent need for added capacity at state hospitals for LPS beds. As such, the Board directed staff to seek alternatives to hospitals that would allow for increased capacity, improved services and reduced waitlist for admission and discharge. In the Fall of 2014, CalMHSA released a Request for Interest (RFI) for the purpose of adding capacity and services for the counties' LPS population. As a result of the RFI, Correct Care Solutions, now Wellpath, was selected as the provider. Since that time, CalMHSA, in collaboration with its member counties, has sought to examine the feasibility to acquire or build a Mental Health Rehabilitation Center for the placement of patients on LPS conservatorship. The facility will serve as an alternative and addition to the existing services provided by California State Hospitals.

In July 2019, due to the time elapsed from the initial RFI, CalMHSA Board of Directors requested that Staff release a Request for Statement of Qualifications (RFSQ) to ensure due diligence and comprehensiveness of the procurement process. The RFSQ was widely released on September 13, 2019. Subsequently, a Q&A webinar for interested applicants was held on October 15th with final Statements of Qualifications (SOQ) due on November 12th.

On December 12, 2019, the Workgroup interviewed both Telecare and Wellpath/CA Health and Recovery Solutions (CHRS). Following these interviews, the workgroup determined that there was a need for a second, more extensive round of interviews needed with both organizations. The second interviews took place on January 16, 2020.

As a result of the second round of interviews the Workgroup has determined the need to conduct site visits of each organization. The intent is for completion by March 31, 2020.

FISCAL IMPACT:

None, the costs of travel shall come from reserves in the DSH Program Fund Balance.

RECOMMENDATION:

None at this time, for information only.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

None.

PROGRAM MATTERS
Agenda Item 7.B

SUBJECT: SUBSIDY PROGRAM

ACTION FOR CONSIDERATION:

Authorize the expansion of the Contra Costa County Loan Forgiveness Program to a broader Subsidy Program, to allow other counties to participate at different funding levels and scopes of work.

BACKGROUND AND STATUS:

CalMHSA has existing agreements with Contra Costa County to provide fiscal and administrative services for the payment of student loan debt incurred by current or prospective County or contract employees hard to fill or retain positions, or (b) part of a mental health career pathway.

Alameda County has requested CalMHSA provide similar services and is currently negotiating terms of the Participation Agreement.

SUBSIDY PROGRAM:

In recent conversations with the Office of Statewide Health Planning and Development (OSHPD) and other counties, there has been indication additional counties may be seeking this service in the near future.

As such, the Subsidy Program will be expanded to include various types of subsidy opportunities such as, but not limited to:

- Loan Repayment
- Loan Forgiveness
- Scholarships
- Stipends
- Other Grants

The services would be expanded to include, but not limited to:

- Fiscal Intermediary
 - Issuance of Payments to Individuals
 - Issuance of Payments to Lending Institutions
- Competitive Process
 - Development of Application and Criteria
 - Marketing of Funding Opportunity
 - Hosting of Community Engagement Session for Inform re Funding Opportunity and Explain Application Process

- Collection of Applications
- Convening of Independent Panel of Subject Matter Experts to Review, Score and Make Funding Recommendations to County
- Establishing an Electronic Application Process
 - Allows for Applicants to Apply Electronically
 - Applications made readily available for CalMHSA, County and Panel Review
- Data Collection as Deemed Necessary by County
- Reporting and Tracking
 - Tracking of Grant Awardee Employment Status
 - Tracking of Funding to Awardees
 - Development of Fiscal Reports for County
 - All State Required Reporting

FUNDING

Participating Counties will be responsible for providing Subsidy funds, to include costs of operation. Operation costs to be determined by volume of services required by each participating county.

BYLAWS

Section 12.1.3 of the Bylaws requires Board approval for creation of multi-County Programs, which is being requested at this time.

FISCAL IMPACT:

Participating Counties will fund at their discretion. Alameda County will join the program with \$500,000 in funding.

RECOMMENDATION:

Authorize the expansion of the Contra Costa County Loan Forgiveness Program to a broader Subsidy Program, to allow other counties to participate at different funding levels and scopes of work.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

- Existing Participation Agreement with Contra Costa County
- Draft Participation Agreement with Alameda County



OFFICE OF THE
DIRECTOR
CONTRACTS & GRANTS

50 Douglas Drive, Suite 320 A
Martinez, California 94553

Ph (925) 957-5500
Fax (925) 957-5509

August 16, 2017

Wayne Clark, PH.D.
California Mental Health Services Agreement
3043 Gold Canal Drive. Suite 200
Rancho Cordova, CA 95670

Dear: Dr. Clark

RE: **Contract #74-546**

Enclosed is your signature copy of the document identified above, which has been approved by the County.

If you have any questions regarding the content of this document, you may call Stephanie Chenard at 925-957-7544, who is the program contact person for your contract.

Cordially,


Edney Suisala
Contracts and Grants Specialist





Contra
Costa
County

To: Board of Supervisors
From: William Walker, M.D., Health Services Director
Date: August 15, 2017

Subject: Participation Agreement #74-546 with California Mental Health Services Authority

RECOMMENDATION(S):

Approve and authorize the Health Services Director, or his designee, to execute, on behalf of the County, Participation Agreement #74-546 with California Mental Health Services Authority, a corporation, in an amount not to exceed \$900,000, to provide fiscal intermediary services for the Mental Health Services Act's Student Loan Forgiveness Program, for the period from August 1, 2017 through June 30, 2020.

FISCAL IMPACT:

This Contract is funded 100% Mental Health Services Act (MHSA).

BACKGROUND:

Under Participation Agreement #74-546, the Contractor will provide fiscal intermediary services for the Mental Health Services Act's Student Loan Forgiveness Program, including management of funds received, processing checks to employee lending institutions and providing regular fiscal reports, for the period from August 1, 2017 through June 30, 2020.

CONSEQUENCE OF NEGATIVE ACTION:

If this participation agreement is not approved, eligible Mental Health employees will not be able to participate in the Mental Health Services Act's Student Loan Forgiveness Program.

APPROVE

OTHER

RECOMMENDATION OF CNTY
ADMINISTRATOR

RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: 08/15/2017 APPROVED AS
RECOMMENDED

OTHER

Clerks Notes:

VOTE OF SUPERVISORS

- AYE: John Gioia, District I Supervisor
- Candace Andersen, District II Supervisor
- Diane Burgis, District III Supervisor
- Karen Mitchoff, District IV Supervisor
- Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: August 15, 2017

David J. Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Cynthia Belon
925-957-5501

cc: E Suisala, M Wilhelm

Agreement No. 2017-CCBHS-01

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY
PARTICIPATION AGREEMENT
COVER SHEET

1. **Contra Costa County** ("Participant") desires to participate in the Program identified below.

Name of Program: Contra Costa Behavioral Health Services (CCBHS) Employee Loan Forgiveness Program

2. California Mental Health Services Authority ("CalMHSA") and Participant acknowledge that the Program will be governed by CalMHSA's Joint Powers Agreement and its Bylaws, and by this participation agreement. The following exhibits are intended to clarify how the provisions of those documents will be applied to this particular Program.

- Exhibit A Program Description and Funding
- Exhibit B Scope of Services
- Exhibit C General Terms and Conditions

3. The maximum amount payable under this Agreement is \$900,000.00.

4. The term of the Program is August 1, 2017 through June 30, 2020.

5. Authorized Signatures:

CalMHSA
 Signed: [Signature] Name (Printed): Wayne Clark
 Title: Executive Director or Chief Operation Officer Date: 8/10/2017

Participant: Contra Costa County
 Signed: [Signature] Name (Printed): Cynthia Belon
 Title: Contra Costa Behavioral Health Services Director Date: 8/09/2017

PARTICIPATION AGREEMENT

Exhibit A – Program Description and Funding

I. Name of Program – CCBHS Employee Loan Forgiveness Program

II. Term of Program – This is a three year contract, beginning August 1, 2017 and terminating on June 30, 2020, with the option for early termination or extension as provided below.

Participant may extend the contract by written request, forty-five (45) days prior to expiration of current contract. Additionally, either party may withdraw from the Program upon six-months written notice. Notice shall be deemed served on the date of mailing.

III. Program Objective and Overview-

Objective: To pay employee loan debt incurred by current or prospective Participant County employees or contractors who fill positions that the Participant has deemed to be, a) hard to fill or retain, or b) part of a mental health career pathway.

Overview: The Participant will identify to CalMHSA the names of current or prospective employees or contractors, their respective employee lending institutions, employee loan amounts owed, and the schedule and amount to be paid to the employee lending institutions. Upon verification by Participant of an employee's continued eligibility for loan forgiveness, CalMHSA will make payments directly to the employee's identified employee lending institution(s), and verify funds receipt by the employee lending institution and the reduced balance owed by the employee.

IV. Funding – Contra Costa County will pay an amount not to exceed \$900,000.00 to CalMHSA who will act as a fiscal intermediary in the implementation of the Program. CalMHSA shall invoice the Participant in three equal installments on August 1, 2017, July 1, 2018, and July 1, 2019.

Upon cancellation, termination or other conclusion of this contract, any funds remaining undisbursed after CalMHSA satisfies all obligations arising from the administration of the Program shall be returned to Participant.

V. Compensation for Administration- CalMHSA will retain reimbursement for actual expenses incurred, calculated at our current blended hourly rate (for 2017-18 \$96.00), in the administration of the program, (e.g. such as costs of staffing, facilities, and executive functions to provide contract management and the specific services in the agreement). Annual adjustments for cost of living, shall be limited to 2% per annum, with an option to adjust the compensation via an Agreement Amendment, if deemed appropriate by both parties.

VI. CalMHSA Reporting - CalMHSA will report each month in arrears to the Participant the following information:

- A. Names of employees the Participant has identified as eligible for the Program, and their respective employee loan balances.
- B. Amounts verified as paid by CalMHSA and received by employee lending institutions in the previous month and total to date on behalf of employees that the Participant has directed to be paid.

C. A fund ledger indicating by date payments made by the Participant to CalMHSA, funds paid by CalMHSA to employee lending institutions, funds paid to CalMHSA for administrative costs, and closing balance of funds available.

VII. Participant Reporting - As employees are deemed eligible, the Participant will identify to CalMHSA the names of these current or prospective employees, their respective employee lending institutions, employee loan amounts owed, and the schedule and amount to be paid to the employee lending institutions. The Participant will update to CalMHSA employees' continued eligibility for loan forgiveness, and any changes in schedule and/or amount to be paid.

PARTICIPATION AGREEMENT

Exhibit B – Scope of Services

I. Definitions

Throughout this Participation Agreement, the following terms are defined as follows:

- A. CalMHSA - California Mental Health Services Authority, a Joint Powers Authority created to jointly develop and fund mental health services and education programs for its Member Counties and Partner Counties.
- B. Member – refers to a County (or JPA of two or more Counties) that has joined CalMHSA and executed the CalMHSA Joint Powers Agreement.
- C. Mental Health Services Act (MHSA) – Initially known as Proposition 63 in the November 2004 election, which added sections to the Welfare and Institutions Code providing for, among other things, PEI and WET Programs.
- D. Participant– County participating in the Program either as Member of CalMHSA or as Partner under a Memorandum of Understanding with CalMHSA.
- E. Program – The program identified in the Cover Sheet.
- F. Employee—the employee who has been identified as eligible for and to receive funding for repayment of loan

II. Responsibilities

- A. Responsibilities of CalMHSA:
 - 1. Act as fiscal and administrative agent for Participant in the Program.
 - 2. Management of funds received consistent with the requirements of any applicable laws, regulations, guidelines and/or contractual obligations.
 - Process W-9 and 1099 forms
 - Maintain and account for funds
 - Process and release checks to employment lending institutions per instructions
 - Provide accounting and reporting for funds
 - Retain records including those necessary for audit
 - Maintain confidentiality of employee records
 - 3. Provide regular fiscal reports to Participants and/or other public agencies with a right to such reports.
 - 4. Compliance with CalMHSA's Joint Powers Agreement and Bylaws.

B. Responsibilities of Participant:

1. Transfer of funds from the Participant to CalMHSA that are assessed for the Program shall be made upon invoice by CalMHSA at the beginning of each fiscal year in three equal yearly installments.
2. Make all determinations regarding employee eligibility for and award of program benefits in compliance with applicable laws.
3. Make all determinations as to the appropriateness of the specific loan to be included as repayment, as well as the appropriateness of the lending institution.
4. Identify employee recipients and provide check distribution instructions to CalMHSA.
5. Provide pertinent identification information for all employee recipients
6. Identification of a representative authorized to act for Participant and receive notices on behalf of Participant.
7. On a quarterly basis provide recorded hours worked of employee
8. Cooperate by providing CalMHSA with requested information and assistance in order to fulfill the purpose of the Program.
9. Timely and complete submission in response to requests for information and items needed.
10. Compliance with applicable laws, regulations, guidelines, contractual agreements, joint powers agreements and bylaws.
11. Be responsible for all issues pertaining to employee and fulfillment of this Agreement.
12. Notify employee of their responsibility to determine the effects of this reimbursement on their personal tax situation.

PARTICIPATION AGREEMENT

Exhibit C – General Terms and Conditions

I. Duration and Term

- A. The term of the Program is for three years.
- B. Participant may extend the contract by written request, forty-five (45) days prior to expiration of current contract.
- C. Either party may withdraw from the Program upon six months written notice. Notice shall be deemed served on the date of mailing.

II. Withdrawal, Cancellation and Termination

- A. The withdrawal of the Participant from the Program shall not automatically terminate its responsibility for its share of the expenses and liabilities of the Program.
- B. Upon cancellation, termination or other conclusion of the Program, any funds remaining undisbursed after CalMHSA satisfies all obligations arising from the administration of the Program shall be returned to Participant.

III. Fiscal Provisions

- A. Funding required from the Participants will not exceed the amount stated in the Cover Sheet.

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY
PARTICIPATION AGREEMENT
COVER SHEET

1. Alameda County ("Participant") desires to participate in the Program identified below.

Name of Program: Alameda County Loan Repayment Program ("ACLRP")

2. California Mental Health Services Authority ("CalMHSA") and Participant acknowledge that the Program will be governed by CalMHSA's Joint Powers Agreement and its Bylaws, and by this participation agreement. The following exhibits are intended to clarify how the provisions of those documents will be applied to this particular Program.

- Exhibit A Program Description and Funding
- Exhibit B Scope of Services
- Exhibit C General Terms and Conditions

3. The maximum amount payable under this Agreement is \$500,000.00.

4. The term of the Program is March 1, 2020 through May 31, 2022.

5. Authorized Signatures:

CalMHSA

Signed: _____ Name (Printed): John E. Chaquica

Title: Interim Executive Director Date: _____

Participant: Alameda County

Signed: _____ Name (Printed): _____

Title: _____ Date: _____

PARTICIPATION AGREEMENT

Exhibit A – Program Description and Funding

- I. Name of Program – Alameda County Loan Repayment Program (“ACLRP”)**
- II. Term of Program –** This is a twenty-six-month contract, beginning March 1, 2020 and terminating on May 31, 2022, with the option for early termination or extension as provided below.

Participant may extend the contract by written request, forty-five (45) days prior to expiration of current contract. Additionally, either party may withdraw from the Program upon six-months written notice. Notice shall be deemed served on the date of mailing.

III. Program Objective and Overview-

Objective: To provide financial incentive to hire and retain qualified, eligible employees in “hard to fill/retain” positions in the Alameda County Behavioral Health Care system, including employees of community-based organizations.

Overview: An ACLRP award recipient may receive up to \$10,000 to repay educational loans in exchange for a 12-month service obligation in a hard-to-fill/retain position as determined by Alameda County Mental Health Service Act (MHSA), Workforce Education and Training, the 2017 Alameda County Behavioral Health Care Services (“BHCS”) Workforce Needs Assessment, and priority workforce needs for Alameda County behavioral health services. Awardees cannot have an existing service obligation.

- IV. Funding –** Alameda County will pay an amount not to exceed \$500,000.00 to CalMHSA who will act as the administrative and fiscal intermediary in the implementation of the Program, of which \$75,000 or 15% are administrative expenses. This administrative fee of \$75,000, will be paid within 30 days from execution of the contract. CalMHSA will receive the remaining \$425,000 to provide loan awards of up to \$10,000 each, to repay educational loans, during the 11th month of the awardee’s completion of service obligation.

Upon cancellation, termination or other conclusion of this contract, any funds remaining undisbursed after CalMHSA satisfies all obligations arising from the administration of the Program shall be returned to Participant.

- V. Compensation for Administration-** CalMHSA will be paid an administration fee of 15% of total program funding as defined in item IV. Funding, above.

In the event of early termination due to dissolution of CalMHSA, CalMHSA will refund prepaid administrative fees equal to 15% of the undisbursed funds.

PARTICIPATION AGREEMENT

Exhibit B – Scope of Services

I. Definitions

Throughout this Participation Agreement, the following terms are defined as follows:

- A. CalMHSA - California Mental Health Services Authority, a Joint Powers Authority created to jointly develop and fund mental health services and education programs for its Member Counties and Partner Counties.
- B. Member – refers to a County (or JPA of two or more Counties) that has joined CalMHSA and executed the CalMHSA Joint Powers Agreement.
- C. Mental Health Services Act (MHSA) – Initially known as Proposition 63 in the November 2004 election, which added sections to the Welfare and Institutions Code providing for, among other things, PEI and WET Programs.
- D. Participant – County participating in the Program either as Member of CalMHSA or as Partner under a Memorandum of Understanding with CalMHSA.
- E. Program – The program identified in the Cover Sheet.
- F. Employee - the employee who has been identified as eligible for and to receive funding for repayment of loan

II. Responsibilities

- A. Responsibilities of CalMHSA:
 - 1. Develop ACLRP application form and instructions, and marketing and outreach materials.
 - 2. Coordinate with BHCS about program timeline including application start and end dates.
 - 3. Make announcement about application cycle opening through web posting on CalMHSA website.
 - 4. Make application available on the CalMHSA website for applicants to complete the application
 - 5. Work with the designated BHCS Workforce Development staff to schedule and present one day of in-person, informational overview workshops and the application process to potential applicants (per cycle).
 - 6. Schedule and host technical assistance calls to provide opportunities for applicants to ask questions and receive technical assistance pertaining to their applications.
 - 7. Respond to calls or emails from applicants about their applications and online submissions.
 - 8. Organize and select an application review committee with consumer/family member experience to review and score applications.

9. Provide recommendations for award to the designated BHCS Workforce Education and Training (WET) staff
 10. Coordinate with BHCS WET to make award announcement and notify selected awardees.
 11. Review and monitor awardees who have met 12 consecutive month service obligation and loan eligibility.
 12. Review and sign off on applicant's loan information and distribute checks to the lending institutions.
 13. Collect and report demographic data as determined by BHCS
 14. Develop contracts with each awardee.
 15. Provide quarterly status reports to BHCS indicating program updates, loan payment amounts, closing balance of funds and administrative costs
- B. Responsibilities of Participant:
1. Make announcement about application cycle opening through web posting on BHCS internet and intranet, sharing information in systems of care staff meetings.
 2. Coordinate and deliver presentations and provide workshops on ACLRP application information and eligibility criteria to potential applicants.
 3. Establish and provide hard-to-fill/retain eligibility guidelines.
 4. Respond to all email and phone inquiries from potential applicants and organizations about eligibility criteria, including changes in employment, and work-site eligibility.
 5. Make all determinations regarding employee eligibility and certifications for and award of program benefits in compliance with applicable laws.
 6. Send eligible applicant list to CalMHSA.
 7. Transfer of funds from the Participant to CalMHSA of \$425,000 upon receipt of a confirmation letter from CalMHSA stating the total award amount of those who completed 11 months of the total 12 months required service obligation.
 8. Management of funds received consistent with the requirements of any applicable laws, regulations, guidelines and/or contractual obligations.
 9. Provide regular fiscal reports to Participants and/or other public agencies with a right to such reports.
 10. Compliance with CalMHSA's Joint Powers Agreement and Bylaws.

PARTICIPATION AGREEMENT

Exhibit C – General Terms and Conditions

I. Duration and Term

- A. The term of the Program is for twenty-six (26) months.
- B. Participant may extend the contract by written request, forty-five (45) days prior to expiration of current contract.
- C. Either party may withdraw from the Program upon six months' written notice. Notice shall be deemed served on the date of mailing.

II. Withdrawal, Cancellation and Termination

- A. The withdrawal of the Participant from the Program shall not automatically terminate its responsibility for its share of the expenses and liabilities of the Program.
- B. Upon cancellation, termination or other conclusion of the Program, any funds remaining undisbursed after CalMHSA satisfies all obligations arising from the administration of the Program shall be returned to Participant.

III. Fiscal Provisions

- A. Funding required from the Participants will not exceed the amount stated in the Cover Sheet.

PROGRAM MATTERS
Agenda Item 7.C

SUBJECT: MULTI-COUNTY FSP INNOVATION PROJECT

ACTION FOR CONSIDERATION:

Board Approval of the following:

1. Implementation of the multi-county Full Service Partnership (FSP) Innovation Project and execution of a Participation Agreements with interested counties, currently Fresno County.
2. CalMHSA entering into a sole source contract with Third Sector, as the contractor performing the services being requested, with funding deriving from participating counties. Authorize Executive Director to execute contract on behalf of CalMHSA.

BACKGROUND AND STATUS:

In September 2019, CalMHSA was approached to provide administrative support to several members as they sought to develop an FSP Innovation project.

The project is focused on creating a data-driven FSP that will increase the local capacity and use data to better design, implement, and manage FSP services across various age groups and populations. The goal of the plan is to effectively understand important client outcomes and continuously working to improve them. CalMHSA will oversee the administrative support for this innovation project, including contracting with Third Sector who will be the project manager. As this project has been developed as a multi-county collaborative, CalMHSA will oversee the continued administrative functions to ensure additional counties are incorporated into the project when appropriate for the respective county timelines. The final phase of the project will consist of an evaluation. CalMHSA will oversee the contracting for the selected evaluator.

At this time Fresno County will be the first to enter into a Participation Agreement with CalMHSA at the amount of \$840,000.

Request for Sole Source Approval of the Multi-County FSP Innovation Project – Third Sector

The CalMHSA Purchasing and Procurement Policy, Section 8: Competitive Selection Process Exceptions details several exceptions to the competitive selection process for services, of which the following apply to this particular project and provider:

- c. The prior experience of the proposed vendor is vital to the goods or services.*

The Mental Health Services and Oversight Accountability Commission (MHSOAC) selected Third Sector due to their considerable expertise with public-private partnerships, performance-based contracting in the public sector, and performance of similar work with the County of Los Angeles for research and development efforts around FSP. Third Sector's expertise and knowledge of earlier work is vital to the implementation, efforts and success of the project

f. The vendor's availability to provide goods or services in the required time frames.

Having performed similar work with the County of Los Angeles, and having considerable expertise in this project, Third Sector can implement the program prior to the June 30, 2020 reversion date at which the funds must be encumbered. Initiating a new competitive bid process would delay implementation and jeopardize the project in totality due to reversion of funds.

Third Sector has agreed to provide services to CalMHSA on substantially the same terms as it provides to the MHSOAC.

Counsel has reviewed this justification and concludes that it complies with Section 8 of CalMHSA's Procurement Policy.

FISCAL IMPACT:

Funding will derive from participating counties, with Fresno County currently joining at a funding level of \$840,000.

RECOMMENDATION:

Board Approval of the following:

1. Implementation of the multi-county Full Service Partnership (FSP) Innovation Project and execution of a Participation Agreements with interested counties, currently Fresno County.
2. CalMHSA entering into a sole source contract with Third Sector, as the contractor performing the services being requested, with funding deriving from participating counties. Authorize Executive Director to execute contract on behalf of CalMHSA.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

None.

PROGRAM MATTERS
Agenda Item 7.D

SUBJECT: MULTI-COUNTY PSYCHIATRIC ADVANCE DIRECTIVE INNOVATION PROJECT

ACTION FOR CONSIDERATION:

Board approval of the following:

1. Implementation of the multi-county Psychiatric Advance Directive Innovation Project and execution of Participation Agreements with interested counties, currently Fresno County.
2. CalMHSA entering into a sole source contract with Saks Institute for Mental Health, Law, Policy and Ethics as the contractor performing the services being requested, with funding derived from participating counties. Authorize Executive Director to execute contract on behalf of CalMHSA.

BACKGROUND AND STATUS:

In December 2019, CalMHSA was approached by Members to provide administrative support as they sought to develop a Psychiatric Advance Directive Innovation project.

The project is focused on participating in pilot efforts sponsored with the Mental Health Services Oversight and Accountability Commission (MHSOAC) to establish the development of a Psychiatric Advance Directive tool for use in California, based on a supportive decision-making model. CalMHSA will oversee the administrative support for this innovation project, including contracting with the Saks Institute for Mental Health, Law, Policy and Ethics who will be the project manager. As this project has been developed as a multi-county collaborative, CalMHSA will oversee the continued administrative functions to ensure additional counties are incorporated into the project when appropriate for the respective county timelines. The final phase of the project will consist of an evaluation. CalMHSA will oversee the contracting for the selected evaluator.

At this time, Fresno County will be the first to enter into a Participation Agreement with CalMHSA at the amount of \$950,000 over the next three (3) years.

Request for Sole Source Approval of the Multi-County Psychiatric Advance Directive Innovation Project – Saks Institute for Mental Health, Law Policy and Ethics

The CalMHSA Purchasing and Procurement Policy, Section 8: Competitive Selection Process Exceptions details several exceptions to the competitive selection process for services, of which the following apply to this particular project and provider:

- c. The prior experience of the proposed vendor is vital to the goods or services.*

The Mental Health Services and Oversight Accountability Commission (MHSOAC) selected Saks Institute for Mental Health, Law, Policy, and Ethics due to their considerable knowledge and

expertise with the subject matter of supported decision making, as well as Dr. Saks' reputation as a leader in mental health law and policy for initial research and development efforts towards psychiatric advanced directive efforts. Saks Institute for Mental Health, Law, Policy and Ethics' expertise and knowledge of earlier work is vital to the implementation, efforts and success of the project. No other vendor would have the same knowledge or experience working with the MHSOAC.

f. The vendor's availability to provide goods or services in the required timeframes.

Having considerable knowledge and expertise with the subject matter, Saks Institute for Mental Health Law, Policy, and Ethics can implement the program prior to the June 30, 2020 reversion date at which the funds must be encumbered. Initiating a new competitive bid process would delay implementation and jeopardize the project in totality due to reversion of funds.

Counsel has reviewed this justification and concludes that it complies with Section 8 of CalMHSA's Procurement Policy.

FISCAL IMPACT:

Counties will fund at their discretion. Fresno County will join the program funding \$950,000 over the next three years.

RECOMMENDATION:

Board approval of the following:

1. Implementation of the multi-county Psychiatric Advance Directive Innovation Project and execution of Participation Agreements with interested counties, currently Fresno County.
2. CalMHSA entering into a sole source contract with Saks Institute for Mental Health, Law, Policy and Ethics as the contractor performing the services being requested, with funding derived from participating counties. Authorize Executive Director to execute contract on behalf of CalMHSA.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

None.

PROGRAM MATTERS
Agenda Item 7.E

SUBJECT: CALMHSA PEI THREE-YEAR PROGRAM PLAN, FISCAL YEARS 2020 – 2023

ACTION FOR CONSIDERATION:

Approval of the Prevention and Early Intervention (PEI) Three-Year Program Plan for Fiscal Years 2020 through 2023 and the release of a Request for Proposals (RFP) for the specified components of the PEI Three Year Program Plan.

BACKGROUND AND STATUS:

On November 14, 2018, the CalMHSA Board approved the continuation of the Prevention and Early Intervention (PEI) program through Fiscal Year (FY) 2019/2020 and on June 13, 2019, the CalMHSA Board approved the contracts for the PEI program for FY 2019/2020. CalMHSA contracted with RAND Corporation to assist in the research and development phases to support the development of the PEI Three Year Program Plan 2020 - 2023. During this process RAND interviewed 10 CalMHSA Board Members and collected survey responses from CalMHSA Board Members to help further illuminate key priorities and goals of PEI funding. The RAND report (attached) relies on the interviews, research, and prior evaluation of past CalMHSA funded PEI programming to lay a framework for the next three years.

The plan largely builds on the considerable past program successes and helps frame the future work with an eye towards the intersectionality of behavioral health and the growing realization of the impact that social determinants of health have on California's communities. CalMHSA and our contractors will continue to employ a social marketing campaign strategy which has shown to impact the willingness and methods used by individuals to seek care. The priority populations for the PEI Three-Year Program Plan will continue to be:

- California General Population
- English and Spanish-speaking Latino and/or Hispanic communities
- Rural populations
- Youth, and in particular Transitional Aged Youth (TAY)

The PEI Three-Year Program Plan 2020 – 2023 builds upon the PEI strategies of the Phase III Plan (FY 2017-2020), which were developed with broad statewide stakeholder input and approved by the Board of Directors on December 15, 2016.

CalMHSA Staff is also recommending that a Request For Proposals (RFP) be issued for the following components of the PEI programs, Student Mental Health, Marketing, Suicide Prevention County Technical Assistance and CBO Technical Assistance. Staff recommends that EMM, Directing Change, and Evaluation remain with their current vendors due to the unique qualifications of the existing providers.

FISCAL IMPACT:

There is no fiscal impact, at this time

RECOMMENDATION:

Approval of the Prevention and Early Intervention (PEI) Three-Year Program Plan for Fiscal Years 2020 through 2023 and the release of a Request for Proposals (RFP) for the specified components of the PEI Three Year Program Plan.

TYPE OF VOTE REQUIRED:

Majority vote

REFERENCE MATERIAL(S) ATTACHED:

- CalMHSA Three-Year Plan Slide Deck
- Draft CalMHSA Three-Year Plan

Mental Health Prevention and Early Intervention Three-Year Program Plan (Fiscal Years 2020-2023)

CalMHSA Board of Directors Meeting

January 28, 2020

Jeremy Wilson



10 YEARS SERVING CALIFORNIA



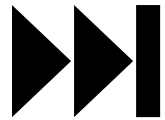
Background



Plan is based on



- RAND Corporation interviews and surveys of CaIMHSA Board Members
- Research literature
- RAND's work as external evaluator of the CaIMHSA PEI programs





- New plan is largely a continuation of previous CaIMHSA activities, with some changes to make the PEI initiatives more relevant and effective.







Goals



Top Goals Remained the Same

-  Stigma reduction
-  Suicide prevention

Other Key Goals

-  Increase access to mental health care
-  Reduce disparities in access to care
-  Improve student mental health
-  Explore ways to address the intersectionality of mental health and other Social Determinants of Health (SDOH)

Priority Populations



Most Remained the Same



California general population



Latino and/or Hispanic communities



Youth, particularly transition to adulthood

Other Key Goals



Rural populations

Strategies

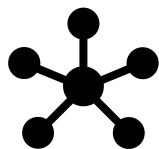


Social marketing campaigns continue to be a key strategy



10 YEARS SERVING CALIFORNIA

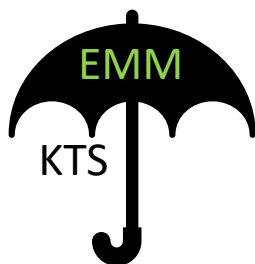
But the campaigns need some refinement to better serve Californians



Increased emphasis on *directly* reaching individuals with experiencing mental health challenges and the general public via **social media content** and **digital/online resources**.



Greatly increase number of EMM social media followers



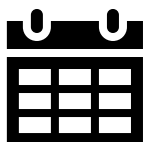
Better integrate the KTS suicide prevention campaign under the EMM umbrella



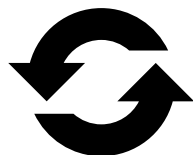
But the campaigns need some refinement to better serve Californians



Create content for counties/cities and organizations working on SDOH to share on social media, including **local** information



Promote **year-round visibility** of EMM beyond Mental Health Month in May



Refresh content of EMM messages to reflect CaIMHSA board member priorities and current research evidence

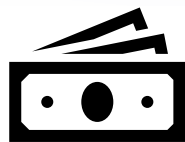


Continue to prioritize **information dissemination**

- Particularly creation and distribution of **culturally and linguistically responsive** materials and resources



Other key strategies include...



Provide mini-grants to CBOs in local communities



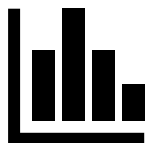
Reach out to **TAY**, which may include continued partnerships with California community colleges and continued support of Directing Change



Facilitate **collaboration and partnerships** among Member counties and cities



Improve **communication** to Member counties and cities



Conduct **independent, external outcomes evaluation and surveillance** and create communications tool(s) for Members regarding outcomes



Provide **technical assistance and subject matter expertise** to individual counties, cities, community based organizations, and other key partners

Questions and Discussion



CaIMHSA

California Mental Health Services Authority

Compassion. Action. Change.



10 YEARS SERVING CALIFORNIA

California Mental Health Services Authority Prevention and Early Intervention Three-Year Program Plan (Fiscal Years 2020-2023)

DRAFT: DO NOT CITE

The California Mental Health Services Authority (CalMHSA) is undergoing a planning process to identify its goals and priorities for Prevention and Early Intervention (PEI) efforts for the coming three years. CalMHSA contracted with the RAND Corporation to assist with this effort. RAND interviewed and surveyed CalMHSA Board Members from Member counties and cities in order to understand their goals and priorities for CalMHSA PEI initiatives, reviewed the research literature to identify effective strategies for achieving these goals and priorities, and drew on its prior research and observations as the external evaluator of the CalMHSA PEI programs for the past eight years.

The interviews and survey revealed that CalMHSA Board Members' priorities for the next three years are consistent with CalMHSA's current priorities – namely an emphasis on strategic goals related to stigma and discrimination reduction and suicide prevention, and strategies such as social marketing campaigns and mini-grants to achieve those goals. In addition, prior evaluation of CalMHSA programs suggested that efforts such as the social marketing campaigns are associated with improved outcomes such as reduced stigma¹, increased mental health service utilization², and greater confidence to intervene with those at risk for suicide³ and are projected to yield a positive return on investment for the state of California^{4,5}.

Based on these findings, the current plan is largely a continuation of previous CalMHSA activities. However, the stakeholder process revealed ways to make CalMHSA's PEI initiatives more relevant and effective, such as increasing social media presence and outreach efforts specific to rural regions of the state. In addition, in light of growing recognition of the impact social determinants of health (SDOH) have on the wellbeing of all communities, and particularly low income and diverse racial and ethnic communities, CalMHSA endeavors to build linkages to other organizations targeting social needs. The FY 2020-2023 Three-Year Program Plan builds upon the PEI strategies of the Phase III Plan (FY 2017-2020), which were developed with broad statewide stakeholder input and approved by the Board of Directors on December, 15, 2016⁶. The current plan does not shift CalMHSA's overarching goals; it identifies how combining some previously utilized strategies with some updated strategies can help them better achieve these goals. It also helps CalMHSA prioritize where to spend resources based on strategies that are evidence-based and desired by CalMHSA Member counties and cities.

The plan is comprised of three major components, defined as follows:

- **Goals** – What CalMHSA aims to accomplish (e.g., prevent suicide).
- **Priority Populations** – Key target populations for these goals (e.g., Latino/Hispanic communities).
- **Strategies** – What CalMHSA will *do* to work toward these goals for these target populations (e.g., social marketing campaigns).

FY 2020-2023 Three-Year Program Plan Timeframe

FY 2020-2021 through FY 2022-2023 (July 1, 2020 through June 30, 2023)

FY 2020-2023 Three-Year Program Plan Goals

CalMHSA will continue to utilize PEI strategies that can result in social impact (e.g., changes in attitudes, knowledge, and intentions), benefit Members locally and statewide, are cost efficient, and prevent mental illnesses from becoming severe. PEI strategies can accomplish this by improving access to necessary treatment services, reducing the duration of untreated severe mental illnesses, and assisting people in quickly regaining productive lives.

In this phase, CalMHSA's top two goals are to **prevent suicide** and **decrease stigma**, consistent with their previous goals. These goals support the following three additional goals: **increasing access to mental health care**, **reducing disparities in access to care**, and **improving student mental health**. CalMHSA will also explore ways to address the intersectionality of mental health and other social determinants of health.

FY 2020-2023 Three-Year Program Plan Priority Populations

The California general population remains a key target population. CalMHSA will ensure that the programs implemented under the PEI Project continue to have a statewide presence. Specifically, CalMHSA will focus on strategies that prevent suicide, decrease stigma, and promote increased access to mental health care at the statewide level.

However, CalMHSA will continue to target its resources to specific high priority groups. There will be a continued focus on English and Spanish-speaking **Latino and/or Hispanic communities**. CalMHSA Board Members identified this population as a particular target of their goal of reducing disparities in access to mental health care. Further, RAND's evaluations found evidence of higher levels of stigma and lower levels of mental health service utilization among some Latino groups⁷.

CalMHSA will add a new focus on reaching **rural populations**. Rural populations were particularly identified as a key priority of small counties. CalMHSA specifically seeks to address suicide prevention and access to mental health care in rural areas. Suicide rates are highest among California's more rural counties⁸, and access to mental health care is particularly challenging in rural areas^{9,10}.

Latino/Hispanic populations and rural populations intersect, and different materials and strategies are appropriate for Latino/Hispanic communities in urban versus rural areas. CalMHSA will target both urban and rural Latino and/or Hispanic populations, as well as reaching out to Latino/Hispanic communities and rural California residents more broadly.

Finally, CalMHSA will also focus on **youth**. Some counties noted a lack of materials and resources appropriate for elementary school and middle school children, and transition age youth (TAY) were particularly identified as a target of larger counties. TAY are an important target because mental health problems often first emerge during the transition to adulthood¹¹ and there is often a long delay between onset of mental disorders and start of needed treatment¹², disrupting a key developmental period where individuals are pursuing higher education, forming close relationships, and entering the workforce.

FY 2020-2023 Three-Year Program Plan Strategies

Social marketing campaigns will continue to be a key strategy in the FY 2020-2023 Three-Year Program Plan, as they were overwhelmingly the preferred strategy among those surveyed. The Each Mind Matters (EMM) campaign will continue to focus on stigma reduction while the Know the Signs (KTS) campaign will continue to focus on preventing suicide among the **California general population**. RAND evaluations found evidence that exposure to EMM is associated with reduced stigma¹. Moreover,

the campaign increased mental health service utilization by leading more individuals to interpret symptoms of distress as indicating a need for treatment².

RAND evaluations also found that exposure to the KTS campaign is associated with greater confidence to intervene with those at risk for suicide³. Both campaigns are projected to yield a positive return on investment for the state^{4,5}.

CalMHSA will continue to disseminate an array of quality resource materials that are culturally responsive for California's diverse communities in order to increase awareness and knowledge of mental health, wellness, and services. Resources and materials include, but are not limited to, print, online, social media, and traditional media materials.

However, FY 2020-2023 3-Year Program Plan will be marked by an increased emphasis on **social media content** (e.g., Facebook, Instagram, and Twitter) and **digital/online resources** that *directly* reach out to consumers and the public. CalMHSA Board Members surveyed indicated that these online strategies are a high priority for the next phase of CalMHSA programming. Further, increased online presence is an effective approach for reaching out to the identified target populations of TAY and rural communities. EMM was intended to be a mass campaign targeting the general public, but in practice Phase III (FY 2017-2020) online content did not directly reach large numbers of Californians. For instance, EMM currently has a limited social media presence, with under 10,000 followers on Instagram, Facebook, and Twitter. As such, this **increased focus on directly reaching individuals with mental health problems and the general public** in FY 2020-2023 reflects a shift in strategy. **FY 2020-2023 3-Year Program Plan social media strategies will include the following:**

- EMM will greatly increase its number of social media followers and will push out quality content (posts, memes, graphics, etc.) to these followers on an ongoing basis.
- CalMHSA will also work to integrate the Know the Signs (KTS) suicide prevention campaign under the EMM umbrella, with EMM actively promoting KTS content on social media. More broadly, EMM and KTS should promote one another and leverage each other's efforts.
- CalMHSA will create a Spanish language social media presence for the SanaMente and ReconozcaLasSeñales Spanish stigma reduction and suicide prevention campaigns in FY 2020-2023 Three-Year Plan as funding allows.
- In addition to statewide social messaging strategies directly pushed out to consumers, CalMHSA and EMM will also create and push out content to counties to share on social media. This locally focused content will include messages where counties can insert local contact information, in order to improve access to mental health care – a key goal. In addition to direct and local strategies, CalMHSA will also explore ways of amplifying their messages by engaging social media influencers with large numbers of followers. Further, we aim to build linkages with other organizations addressing SDOH and create tailored social media content appropriate for their use.

More broadly, **EMM will work to have increased visibility** in FY 2020-2023. In addition to **increased social media presence**, EMM will work toward having **year-round visibility** beyond Mental Health Month in May, and will focus on increasing visibility in rural areas of the state. In addition to social media, strategies targeting rural areas may include local radio – in both English and Spanish. CalMHSA recognizes that rural and urban areas require different outreach strategies, and is committed to ensuring that its messages reach individuals in all areas of the state.

The **content of EMM messages will be refreshed** in FY 2020-2023. The key message to convey over the next three years is **how to access local care**; this message is the highest priority for many CalMHSA Members. Other key messages may include: mental health issues are common, people experiencing mental health problems should seek care, people with mental illness can lead meaningful lives, and inclusion and acceptance of people living with mental illness. These messages were prioritized by stakeholders surveyed, and they are consistent with the evidence base on effective social marketing

campaigns. CalMHSA will also explore ways to develop resources that integrate a focus on SDOH (e.g., messaging around social factors that impact ability to seek care).

The FY 2020-2023 EMM campaign will seek to include the following elements which are found in most successful stigma-reduction campaigns¹³⁻²²:

- Depictions of those who have experienced mental health challenges engaging in activities that involve everyday responsibilities.
- Recategorization (messages indicating that mental illness is common and/or that those with mental illness are no different from others)
- A call to action.

KTS messages will continue to be disseminated with minimal changes in approach, as an expert panel determined the campaign to be largely consistent with best practices and one of the best campaigns they had observed²³.

CalMHSA will continue to prioritize **information dissemination**, particularly creation and distribution of **culturally and linguistically responsive materials and resources**. Culturally and linguistically responsive materials and resources are vital in order to reduce disparities in access to mental health care. Responsive materials and resources are particularly needed for Latino and Hispanic populations. While current resources make it difficult to culturally adapt all materials, it is possible to take a tiered approach to culturally adapting and translating materials, in which short core messages are translated and culturally adapted for a wide variety of languages and cultures common in California, and more in-depth materials are available in Spanish only via the SanaMente campaign. It is also possible to have a subset of materials that are consistent across communities, with some materials tailored for cultures and communities. CalMHSA will also continue to **disseminate existing resource materials** developed during Phases II (FY 2014-2017) and III (FY 2017-2020) of the PEI projects.

CalMHSA will complement its social marketing and information dissemination strategies with a number of **additional strategies**:

- CalMHSA will continue to administer **mini-grants to CBOs in local communities** and may increase mini-grant opportunities if there is available funding. Mini-grants will focus on key target populations including Latino/Hispanic communities, rural communities, and TAY. CalMHSA may seek to fund organizations working on SDOH.
- CalMHSA will continue to reach out to TAY via **efforts to mobilize students on high school and/or college campuses**. In particular, efforts in the community colleges continue to be important because community college students are unlikely to be reached by county mental health systems, but they serve a vulnerable population with limited access to mental health resources²⁴. There is evidence that CalMHSA's college-based interventions are effective; they are ²⁵associated with decreased stigma, increased perceived knowledge and helping behaviors, and increased mental health service utilization that is projected to yield a positive return on investment for the state²⁶. CalMHSA will explore other strategies to reach vulnerable TAY not currently enrolled in college.
- CalMHSA will work to **facilitate collaboration and partnerships** among Member counties and cities during FY 2020-2023. CalMHSA can create opportunities for its Members to learn from one another, collaborate, and forge productive working relationships. CalMHSA will itself seek opportunities to partner with other organizations and leverage available materials and resources whenever possible.
- CalMHSA will focus on **improved communication to Member counties and cities** during FY 2020-2023. CalMHSA will focus its communication efforts on informing Members about local CalMHSA-funded events, involving Members more in selecting mini-grant recipients, and

enhancing communication about what Member counties and cities are getting for their CalMHSA investment.

- CalMHSA will continue to focus on **independent, external outcomes evaluation and surveillance** in order to better understand and communicate the value of county and city investments. CalMHSA will work with an independent evaluator to develop metrics and collect data to evaluate selected PEI activities. Statewide surveillance will be used to measure changes in attitudes, knowledge and behavior regarding stigma, service utilization, mental health, and suicide. Evaluation findings will be disseminated to members.
- CalMHSA will continue to provide **technical assistance and subject matter expertise** to individual counties, cities, community based organizations, and other key partners in order to support local and statewide PEI goals and promote sustainability of efforts. Technical assistance will allow counties to access, refine, tailor, and use CalMHSA materials, brands, and resources. CalMHSA will **provide resource navigation** to each contributing county and member city through a designated Each Mind Matters contact person. As in Phase III (FY 2017-2020), counties who invest more in CalMHSA will be able to receive augmented services that focus on local priorities and local target populations (e.g., older adults).

Scope of CalMHSA PEI Activities

It is anticipated that funding for FY 2020-2023 will be similar to Phase III (FY 2017-2020). As such, CalMHSA is focusing on a limited range of evidence-based strategies that are most highly prioritized by its Member counties and cities. If additional funding is available, CalMHSA will be able to implement a broader range of strategies and/or target additional diverse populations.

Projected Outcomes

As described above, evaluations of CalMHSA activities have found evidence that the planned interventions described above can successfully influence short-term outcomes such as measures of stigma, perceived knowledge, helping behaviors, mental health service utilization, and confidence to intervene with those at risk for suicide. Given these promising short-term outcomes, we project that the programming will lead to a number of longer term outcomes which have not yet been measured:

Projected 10 Year Outcomes

- Increased intervention and provision of support by a community helper
- Increased proactive inclusion of individuals with mental health challenges
- Increased community encouragement and acceptance of seeking services early
- Increased knowledge and skills for recognizing and facilitating help seeking
- Increased community college graduation rates
- Increased collaboration and linkages to new partners working on SDOH

Projected 20 Year Outcomes

- Reduced discrimination against persons with mental illnesses
- Reduced social isolation and self-stigma
- Improved functioning at school, work, home, and in the community

- Reduced suicidal behavior
- Reduced societal costs related to untreated mental illness
- Reduced disparities in mental illness stigma among California’s diverse racial and ethnic groups
- Reduced disparities in mental health service utilization among California’s diverse racial and ethnic groups

DRAFT

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25. Sontag-Padilla L, Dunbar MS, Ye F, et al. Strengthening College Students' Mental Health Knowledge, Awareness, and Helping Behaviors: The Impact of Active Minds, a Peer Mental Health Organization. *Journal of the American Academy of Child & Adolescent Psychiatry*. 2018;57(7):500-507.
26. Ashwood JS, Stein BD, Briscoe B, et al. *Payoffs for California college students and taxpayers from investing in student mental health*. Santa Monica, CA: RAND; 2015.

CALMHSA BOARD DISCUSSION
Agenda Item 8.A

SUBJECT: CONTRACT FOR ADMINISTRATOR

ACTION FOR CONSIDERATION:

Authorize President to negotiate and execute contract with George Hills Company (GH) for administration of CalMHSA for another five years with terms substantially similar to the existing agreement.

BACKGROUND AND STATUS:

CalMHSA was formed in July 2009 by six initial members. In October 2009, CalMHSA contracted with GH for day-to-day management and conduct of its operations, general administration, and financial affairs. As CalMHSA grew and its budget fluctuated, the contract was amended in 2010, 2013, 2014, and 2017. The most recent amendment was to expire in 2019 but the contract was extended one year to June 30, 2020, with direction to issue a Request for Proposals (RFP). At the November 2019 Board Meeting, the officers requested Board authorization to initially issue a Request for Information (RFI) to determine whether there were potential competitors to GH, which was approved.

The officers and CalMHSA counsel drafted an RFI which was posted to the CalMHSA website on December 18, 2019 with a response due on January 10, 2020. Counsel for CalMHSA then contacted general counsel at CSAC for suggestions on where to post the RFI. CSAC's general counsel said their job board was not the right fit, since it was aimed at public employees, but provided a list of 11 local government consultants that are part of an informal "county caucus" that CSAC regularly works with that she believed might have an interest in providing staff and administration to CalMHSA. CalMHSA counsel checked the websites for all 11 and three of them indicated on their websites that they administered associations. Counsel emailed a link to the RFI to each of the three and invited their interests.

Also, CalMHSA counsel sent an email to Michelle Cabrera at CBHDA with a link to the RFI and asked her to let him know if there are any providers she thought might be interested if she knew of any places the RFI could be posted to make sure it was made widely available.

Counsel also sent an email to the Executive Director of the California Association of Joint Powers Authorities, a nonprofit which is managed by an association management company called Smith Moore & Associates and provided a link to the RFI.

Counsel telephoned a risk pool JPA administrator who worked for a company called Bickmore before it was absorbed by a larger company, Sedgwick. The office that was formerly Bickmore administers a variety of risk pool JPAs. The administrator did not think it was a fit for his company and did not have any ideas for where else the RFI might be posted.

Finally, counsel contacted a JPA that provides personnel for other public entities, called Regional Government Services, and sent them an email to them with a link to the RFI.

Only GH responded to the RFI.

The CalMHSA Procurement Policy allows noncompetitive selection of a contractor to provide professional services, specifically including the administrator. Another basis for noncompetitive selection is the lack of competition demonstrated by the lack of responses to the RFI. Counsel concludes sole source contracting is appropriate under the circumstances described above.

FISCAL IMPACT:

None.

RECOMMENDATION:

Authorize President to negotiate and execute contract with George Hills Company (GH) for administration of CalMHSA for another five years with terms substantially similar to the existing agreement.

TYPE OF VOTE REQUIRED:

Majority vote.

REFERENCE MATERIAL(S) ATTACHED:

- Existing GH Contract

**AGREEMENT
FOR
ADMINISTRATIVE AND FINANCIAL SERVICES**

This Agreement is made and entered into this First day of July of the year 2009 by and between the California Mental Health Services Authority, hereinafter referred to as "CMHSA," and Optimum Risk Advisors, hereinafter referred to as "ORA", a division of George Hills Company, a California Corporation.

I. SCOPE OF AGREEMENT

CMHSA enters into this Agreement, with ORA for the purpose of having ORA conduct day-to-day management, operational, general administration, and financial affairs of CMHSA.

II. INTENT OF THIS AGREEMENT

It is the intent of both parties to provide all of the necessary services which may be required of CMHSA; however, the scope of this Agreement is to provide for those requirements which are known to the parties at the time this Agreement was prepared. The recital of duties and responsibilities are not necessarily all inclusive, and CMHSA reserves unto itself the authority to authorize any services which are not specifically set forth in this Agreement.

III. AUTHORITY OF THIS AGREEMENT

ORA shall have the authority to conduct the day-to-day operations and services of CMHSA, carrying out the programs authorized by the Board of Directors of CMHSA, hereinafter referred to as the Board.

IV. APPOINTMENT AS AGENT OF CMHSA

ORA shall be appointed as the principal agent for CMHSA. CMHSA shall notify all other agencies, members, and firms doing business with CMHSA of such appointment and that ORA is authorized to conduct CMHSA business and provide general supervision of CMHSA's administration and related financial programs.

V. ORA Responsibilities

The services listed in this section include activities which ORA staff members and subcontractors are authorized to perform for CMHSA. Any activities not specified in this agreement shall need prior approval from CMHSA.

A. General Administration Responsibilities

- 1) Maintain a business office in Sacramento County, in a location of ORA's choosing

- and pay all costs incidental to the occupancy and maintenance of the office;
- 2) Retain sufficient personnel to conduct the business affairs of CMHSA and to perform the services identified in this agreement. Such personnel shall possess the appropriate experience or be trained to do so; personnel retained by ORA shall not be considered employees of CMHSA;
 - 3) Ensure that the members of ORA's staff and subcontractors who are necessary for the efficient conduct of business, as determined by CMHSA, attend Board meetings;
 - 4) With pre-approval from CMHSA, will negotiate fees and other agreements on behalf of CMHSA to minimize costs and obtain the best services. ORA shall present all resolutions, agreements, and contracts for Services to the Board for approval;
 - 5) Prepare all reports, forms, books, and other documents under this Agreement in a form and content that is acceptable to the Board; and
 - 6) To the extent required, provide advice and assistance to members of the Board regarding service related issues within the scope of this agreement.
 - 7) To be truthful and honest with CMHSA in furnishing all information, whether oral or written.

B. Management Responsibilities

- 1) Provide oversight for other consultants and contractors who provide services for CMHSA;
- 2) Maintain CMHSA's Governing Documents;
- 3) At Board direction, maintain and carry out the Member Criteria for admitting proposed new members;
- 4) Keep CMHSA informed of the need for and timing of financial audits, state filings, and other similar forms of technical assistance;
- 5) Assist CMHSA in the selection of professionals who may from time to time be required to provide services to CMHSA;
- 6) Review alternatives for financially strengthening CMHSA and report on the status of such alternatives; Financial Strengthening strategies may include but is not limited to additional Counties becoming members, assisting in securing funds from the state for Statewide Projects, and new services or changes in procedure or service provided that achieves fiscal savings. All monies shall be invested by the executive committee under direction of the treasurer.
- 7) Act as filing officer to ensure compliance with the Conflict of Interest Code;
- 8) Monitor the status of CMHSA's programs and operations as they are intended and

defined in the Program MOU's and provide appropriate status reports pertaining thereto. Status reports shall be provided at intervals to be determined by CMHSA at a later date;

- 9) Develop and maintain record retention policy. Maintain all records and documents as required by such policy.

C. Recording Secretarial Responsibilities

- 1) Prepare and distribute descriptive agendas for meetings of the Board in accordance with CMHSA's Governing Documents;
- 2) Prepare and distribute minutes of all meetings;
- 3) Assist providers and the staff members of providers who respond to or enter into contracts with CMHSA to carry out the terms of this Agreement between ORA and CMHSA;
- 4) Prepare and obtain Board approval for all correspondence necessary to the operation of CMHSA;
- 5) Maintain a general file of all CMHSA documents including, but not limited to, correspondence, reports, insurance policies, notices, agendas, minutes, and CMHSA's Governing Documents;
- 6) Maintain administrative records and update as necessary;
- 7) When required, prepare and file updated California Secretary of State Statement of Facts form for CMHSA and comply with other reporting requirements of the State of California.

D. Financial Responsibilities

- 1) Annually prepare and submit a budget to the Board of CMHSA for approval;
- 2) Annual budget shall be submitted to the Board of CMHSA within 60 days following the conclusion of each fiscal year.
- 3) Maintain detailed records of all income, expenditures, deposits, and withdrawals;
- 4) Administer all accounts payable and accounts receivable. Accounts payable will require at least two signatures, at least one being from the Board. Accounts payable and receivable are subject to audit as specified in item 10 below;
- 5) Maintain necessary banking relationships and perform monthly bank reconciliations of CMHSA accounts;
- 6) Prepare quarterly financial statements in accordance with Generally Accepted Accounting Principles (GAAP), including Budget to Actual comparisons.

- 7) Prepare and submit to CMHSA's Treasurer for approval a Quarterly Treasurer's Report detailing all funds on hand, classified by depository.
- 8) Prepare and timely file updated California State Controllers Annual Report of Financial Transactions form, and comply with other reporting requirements of the State of California;
- 9) Prepare and monitor CMHSA policy on investments, in accordance with the applicable California Code of Regulations, and oversee the management of CMHSA funds;
- 10) Arrange and ensure an annual financial audit is completed by a CPA firm which has been selected by the Board, within 6 months of year end;
- 11) Respond to requests for confirmation of JPA participation made by the financial auditors of CMHSA's members;
- 12) Prepare and timely file Form 1099s with the Revenue Service for all necessary expenditure payments;
- 13) Maintain any additional financial or other records as may be necessary to the operation of CMHSA;
- 14) All financial statements must receive CMHSA Board approval before submission.

E. Support Services Responsibilities

- 1) Provide the support services required to satisfactorily conduct CMHSA's business, including administrative and clerical support. If support services are not conducted by ORA, then with CMHSA approval, ORA will locate and/or hire the necessary support;
- 2) Maintain up-to-date mailing lists of all CMHSA members, Board members, Executive Committee members, subcommittee members, service providers, and other related parties;
- 3) Arrange meeting facilities including accommodations, equipment, and meals, if desired, for Board meetings;
- 4) Maintain subscriptions to the professional periodicals required to carry out the purposes of this Agreement.

VI. CMHSA Responsibilities

A. General Responsibilities

- 1) Appoint a membership committee and develop criteria to disapprove, approve, or approve with conditions, all applications for membership;

- 2) To require members to provide any information required by ORA in carrying out the duties pursuant to this Agreement;

B. Fiscal Responsibilities

- 1) To name ORA and members of ORA's staff, while working for or on behalf of CMHSA, as additional covered parties on CMHSA's General Liability coverage with the same coverage and limits of coverage provided any other officer of CMHSA; or if CMHSA is insured for these risks, at CMHSA's expense, provide this coverage for ORA and ORA's staff for occurrences where ORA is performing services on behalf of or is in the process of providing any service for CMHSA;
- 2) To pay annual CMHSA membership costs to relevant professional associations;
- 3) To pay all valid invoices for services performed by ORA in a timely fashion; and
- 4) To be truthful and honest with ORA in furnishing all relevant information, whether oral or written.

VII. TERM & TERMINATION OF AGREEMENT

A. Term of Agreement

- 1) This Agreement shall be in effective July 1, 2009 through and June 30, 2014, but is subject to earlier termination as outlined below in Paragraph B, Termination.
- 2) This Agreement may be extended for one-year periods upon written agreement of both parties, unless terminated earlier as outlined below in Paragraph B, Termination.

B. Termination

- 1) This Agreement may be terminated prior to the expiration of the term specified in Paragraph A, Term of Agreement, above in any one of the following ways:
 - (a) By mutual agreement of the parties, expressed in writing.
 - (b) By either party, without cause, by providing the other party not less than one ninety days (90) days written notice.
 - (c) By either party at any time, for good cause, by providing the other party not less than sixty days (60) days written notice. The party attempting to terminate this Agreement for good cause shall specifically outline in writing the factual bases for the allegations of good cause as defined herein, and shall give the other party thirty (30) days after receiving the written notice of termination for good cause to cure the alleged cause for termination. The terminating party shall not unreasonably refuse to accept the proposed cure offered by the other party.

- (d) If CMHSA determines that ORA is abusing or defrauding, or has abused or defrauded CMHSA or others in relation to this Agreement, CMHSA may immediately terminate this Agreement upon verbal notice to ORA to be followed by written notice.
 - (e) If, during the term of this Agreement, State funds appropriated for the purpose of this Agreement are reduced or eliminated, CMHSA may immediately terminate this Agreement upon written notice to ORA.
- 2) The parties agree that any party attempting to terminate this Agreement for good cause shall be objectively fair, reasonable, and honest regarding the factual reasons for the termination, and acknowledge that this Agreement contains a covenant of good faith and fair dealing. Each party agrees not to terminate this Agreement for reasons that are trivial, arbitrary, capricious, pretextual, or unrelated to the legitimate business purposes or goals of either party.
 - 3) "Good cause" is defined as:
 - (a) A substantial and material failure to comply with the obligations in this Agreement that causes an adverse and material financial loss to the other party; or
 - (b) One that affords a material legal excuse to terminate this Agreement, including the inability to meet its financial obligations to the other party; or
 - (c) Actions or omissions constituting gross negligence or willful misconduct in the performance of the obligations in this Agreement that causes an adverse and material financial loss to the other party.
 - 4) In the event of termination, ORA shall deliver to CMHSA, or its designated recipient, all files, reports, and documents, and other work performed by ORA under this Agreement, and upon receipt thereof, CMHSA shall pay ORA, pursuant to the terms of this Agreement, for services performed and authorized reimbursable expenses incurred to the date of termination. ORA shall receive a prorated payment for the month of termination based on the date of termination. Said amount will be paid to ORA within no more than thirty (30) calendar days from the date of receipt of the items listed above.
 - 5) ORA will only be reimbursed for costs and uncancelable obligations incurred prior to the date of termination. ORA will not be reimbursed for costs incurred after the date of termination.
 - 6) The CMHSA Board of Directors is empowered to terminate this Agreement on behalf of CMHSA.

C. Suspension of Services

- 1) In the event CMHSA is unable to obtain funding, subject to negotiations, this contract

maybe suspended until funding acquired and/or terminated as outlined above in Paragraph B, Termination.

VIII. COST OF SERVICES

The following fees represent the total compensation for the services described in Article V, ORA Responsibilities. To the extent the services provided to CMHSA under this Agreement should substantially increase because of the demand for additional services, the parties agree to negotiate in good faith the cost of such additional services.

A. Fees

- 1) Formation Fees – time spent in consultation prior to the official start (July 1, 2009) of CMHSA - \$10,000.
- 2) The initial Service fees, beginning July 1, 2009, are FIVE THOUSAND DOLLARS (\$5,000) to be paid per month. Accrual of these fees will begin on the first day CMHSA begins operations with ORA. This amount shall continue until CMHSA secures program revenues.
- 3) Upon the first Program transaction, CMHSA agrees to pay ORA an Annual Contract Price prorated for the number of months remaining in the fiscal year in which the first program transaction occurs. The Fiscal Year contract fees are increased to \$7,500 per month.

B. Fee Adjustments

Due to the fact that the growth and rate of growth is unknown, fees beyond the term of this Agreement shall be subject to mutual agreement based on scope and size of service. Factors determining fee adjustment shall include but not limited to:

- Number of members
- Number of Programs
- Complexity of Programs
- Meeting frequency
- Change in scope of service

- 1) In the event that additional services or extra work not covered by this Agreement are desired by CMHSA, such services will be billed on a time and materials basis at the standard hourly rates ORA charges its other clients or on an agreed upon flat rate basis. Prior to commencing any additional services or extra work, ORA shall prepare a task order describing the scope of work and the costs for the extra services. CMHSA shall have no obligation to pay for extra services by ORA until after the approval of the task order by the President or the Board, as appropriate.
- 2) All valid and approved invoices are due and payable within 30 days of receipt and shall be considered delinquent if not paid in this time period. All delinquent invoices shall accrue interest at the rate of 2% per annum from the due date until payment is

received by ORA.

C. Payment

- 1) During the term of this Agreement, payments shall be made by CMHSA to ORA in arrears on a monthly basis;
- 2) ORA shall bill CMHSA monthly in arrears for services provided by ORA;
- 3) Claims received by CMHSA will be paid by in arrears, on a monthly basis with 30 days of receipt of claim.

IX. PROPERTY RIGHTS

A. Ownership of Records

For the purposes of this section, "public records" shall mean public records as defined by the Public Records Act (Govt. Code Section 6250 et seq.), in its current form and as may be amended during the term of this Agreement.

All public records relating to the operations, administration, activities, and finances of CMHSA and its programs shall at all times be and remain the property of CMHSA. ORA shall make them available to the public pursuant to the Public Records Act. Except as provided below, all computer hardware and equipment and computer software programs shall at all times be and remain the property of ORA.

All records relating to the operations, administration, activities, and finances of CMHSA shall at all times be and remain the property of CMHSA. At the termination of this Agreement, all such materials shall be returned to CMHSA. ORA may, at its sole cost and expense, and with the permission of CMHSA, make and maintain copies of any CMHSA records (but not including confidential or privileged records) for use and retention both during and after the termination of this Agreement. The copies may be made on paper, computer disk, or any other format or media deemed desirable by ORA.

B. Client Intellectual Property

All data, information, documents, books and records, processes, business methods, equipment, software (in source and object code form), data, or other materials supplied or purchased from vendors outside this agreement, by CMHSA relating to, or for use in, the provision of the Services to CMHSA, and all intellectual property rights therein, will be and remain the sole property of CMHSA. ORA shall have no rights or interest in the property described in this section.

C. ORA Intellectual Property

All software and other intellectual property (a) owned by ORA prior to the Effective Date which is used in connection with the Services, or (b) of which ORA acquires

ownership after the Effective Date and which is used in connection with the Services, or (c) developed by or on behalf of ORA for use by CMHSA after the Effective Date will be and remain the exclusive property of ORA, hereafter "ORA and CMHSA will have no rights or interests in the ORA IP except as described in this Section.

D. Copyrights and Trademarks

Any proprietary work including materials that may be copyrighted and names used with respect to products and services provided by ORA in the performance of this Agreement are also the property of ORA, whether formally copyrighted or registered as a servicemark. All rights of use, if any, provided to CMHSA, are subject to ORA's right to terminate use of such materials and names and upon termination are not subject to further use by CMHSA. In the event that such materials have been registered by copyright or trademark, CMHSA as part of this Agreement as to any materials provided to the Board, members affiliates, agents, successors and assigns, agrees to use the appropriate designations; TM, SM, as appropriate and when so advised by ORA.

X. EMPLOYMENT RELATIONSHIP OF ORA

A. Status

- 1) ORA is and at all times shall remain an independent contractor. Neither CMHSA nor any of its agents shall have control over, nor vicarious liability for, the conduct of ORA employees or subcontractors.
- 2) During the term of this Agreement and for twelve (12) months following termination of this Agreement, CMHSA agrees that it will not approach, solicit, attempt to hire, hire, or cause another entity or person to hire any ORA employee without the prior express written permission of ORA.

XI. INDEMNIFICATION

ORA agrees to indemnify, protect, defend, and hold harmless CMHSA and its officers, employees, and agents, from any and all liability claims for damages by reason of any injury to person or persons, including, but not limited to, ORA, its associates or employees, or property damage claims of any kind whatsoever and to whomsoever belonging, including, but not limited to, ORA, its associates, and employees from any cause or causes whatsoever arising out of the negligent performance or failure to perform of ORA, its associates, or employees pursuant to its obligations under the terms of this Agreement; provided, however, that ORA shall not be liable to indemnify CMHSA for any injury to persons or property which may result from the action or non-action of CMHSA, or its directors, officers, agents, or employees (but not including ORA or its employees). ORA shall also hold CMHSA harmless against any liability which the Authority may incur toward ORA's employees, specifically including liability for the payment of workers' compensation benefits.

XII. INSURANCE REQUIREMENTS

ORA shall at all times maintain in full force and effect workers' compensation insurance covering all employees of ORA in an amount required by the laws of the State of California. ORA hereby declares that said employees are the employees of ORA and at no time shall said employees be deemed to be in the employ of CMHSA. ORA shall hold CMHSA harmless against any liability which it may incur toward said employees, specifically including liability for the payment of workers' compensation benefits.

ORA shall maintain Commercial General Liability (CGL), general liability and automobile (vehicles owned or leased by ORA) liability insurance in an amount no less than \$1,000,000 per occurrence.

ORA shall maintain Professional Liability insurance in an amount of not less than \$1,000,000 per occurrence with a deductible of not more than \$25,000.

ORA shall maintain premises property insurance which shall include a provision to provide reimbursement for the expense of reproduction of papers which may be lost due to a fire.

XIII. ASSIGNMENT

CMHSA and ORA each binds itself, its principals, successors, assigns, and legal representatives to the other party to this Agreement and to the principals, successors, assigns, and legal representatives of such other party with respect to all covenants of this Agreement. Neither CMHSA nor ORA shall assign, sublet, or transfer its interest in this Agreement without the written consent of the other.

XIV. ASSURANCES & DISCLAIMERS

A. Conflicts of Interest

ORA hereby certifies, to the best of its knowledge, that it has no conflict of interest in carrying out the provisions of this Agreement. Should any conflict, apparent or real, occur in the future, all parties to this Agreement shall be notified immediately in writing.

B. Disclaimer of Guarantee

ORA has made no promise or guarantee to CMHSA about the outcome of CMHSA's matters, and nothing in this Agreement shall be construed as such a promise or guarantee.

C. Non-Discrimination

ORA agrees that it will not discriminate in any way in the providing of these services on the basis of any characteristic or condition that is illegal or prohibited by law.

D. Further Assurances

Each party agrees to execute any additional documents and to perform any further acts which may be reasonably necessary to effect the purposes of this Agreement.

XV. NOTICES

Except as may otherwise be required by law, any notice to be given shall be in writing and shall be personally delivered, sent by facsimile transmission or sent by first class mail, postage pre-paid and addressed as follows:

CMHSA:

ORA:

John E. Chaquica

Optimum Risk Advisors

3043 Gold Canal Drive, Suite 200
Rancho Cordova CA 95670

Notice delivered personally or successfully sent by facsimile transmission is deemed to be received upon receipt. Notice sent by first-class mail shall be deemed received on the fourth day after the date of mailing. Either party may change the address to which notice is to be given by providing written notice pursuant to this section.

XVI. DISPUTES CONFLICT RESOLUTION

A. Arbitration

If any dispute, controversy, or claim arises out of or relates to the enforcement, or interpretation of this Agreement or any part thereof, the parties agree to submit the dispute, controversy, or claim to binding arbitration. Such arbitration shall be conducted by a single arbitrator. If, within twenty (20) days from the receipt of a request to arbitrate (or such longer period mutually agreed to by the parties), the parties are unable to agree on an arbitrator, then a single arbitrator shall be appointed pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Except as provided in Section V, each party shall bear its own costs and expenses of any arbitration. Each party shall pay one-half of the costs of the arbitrator.

Any arbitration under this section shall be conducted in the County of Sacramento, unless otherwise agreed to by both parties.

The prevailing party in any arbitration, mediation, court trial, jury trial or appeal to enforce or interpret any provision of this Agreement shall be entitled to reasonable attorneys' fees and costs.

B. Waiver

The waiver by either party of a breach by the other party of any provision of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of either the same or a different provision of this Agreement.

C. Severability

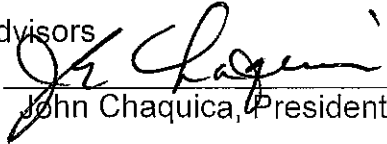
If any section or provision of this Agreement is held to be void, invalid or unenforceable, the remaining sections and provisions will nevertheless continue in full force and effect without being impaired or invalidated in any way.

D. Interpretation, Terms, and Conditions

- 1) This Agreement shall be governed by and interpreted under the laws of the State of California.
- 2) This Agreement integrates all terms and conditions mentioned herein or incidental hereto, and supersedes all oral negotiations and prior writings with respect to the matter hereof. In the event of conflict between terms, conditions or provisions of this Agreement and such document or instrument, the terms and conditions of the Agreement shall prevail.

IN WITNESS HEREOF, the parties hereto have executed this Agreement the day and year first above written.

Optimum Risk Advisors



John Chaquica, President

October 28th 2009
Dated

California Mental Health Services Authority



President

OCTOBER 21, 2009
Dated

California Corporations Code section 313 requires that contracts with a corporation shall be signed by the (1) chairman of the board, the president or any vice-president and (2) the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer; unless the contract is also accompanied by a certified copy of the Board of Directors resolution authorizing the execution of the contract.

Optimum Risk Advisors is the DBA for George Hills Company, Inc,

Federal Employer Identification Number 94-2546177.

**FIRST AMENDMENT TO THE AGREEMENT
FOR
ADMINISTRATIVE AND FINANCIAL SERVICES**

This FIRST Amendment to the Agreement for Administrative and Financial Services (the "First Amended Agreement") is made and is effective as of the 15th day of April, 2010, by and between the California Mental Health Services Authority, hereinafter referred to as "CalMHSA", and Optimum Risk Advisors, hereinafter referred to as "ORA", a division of George Hills Company, a California Corporation.

In consideration of the covenants and conditions hereinafter provided, CalMHSA and ORA do hereby covenant and agree that the Agreement is amended in the following respects:

1. The First Amended Agreement hereby amends several items on the original agreement.
2. Section I, "Scope of Agreement", is hereby amended by adding, thereto, to read as follows:

CalMHSA enters into this Agreement, with ORA for the purpose of having ORA conduct day-to-day management, operational, general and program administration, and financial affairs of CalMHSA.

3. Section V, "ORA Responsibilities", is amended by adding, thereto, a new subsection "F", to read as follows:

F. Mental Health Program Services

- A. Represent CalMHSA in all federal, state or county discussions relating to CalMHSA activities.
- B. Represent CalMHSA on all state level committee and task forces that relate to CalMHSA concerns.
- C. Assist in the development of CalMHSA goals, objectives, priorities, and policy direction for consideration by the CalMHSA Board of Directors and committees.

- D. Work in close collaboration with CalMHSA partners, such as the State Department of Mental Health, the Mental Health Services and Oversight and Accountability Commission (MHSOAC), and the County Mental Health Directors Association to assure alignment as needed.
 - E. Participate in CalMHSA Board and other meetings, leading all discussions for mental health programs.
 - F. Represents CalMHSA in all contract activities related to revenue and expenditure for services.
 - G. Direct and lead all mental health programs.
 - H. Manage and lead all staff in support of mental health programs.
 - I. Conduct consumer meetings to develop and maintain collaborative working relationships with stakeholders.
 - J. Consult with organizations or individuals who may have policy, programmatic or business interest with CalMHSA
4. Section E, "Support Services Responsibilities", is amended by adding, thereto, a new subsection "5", to read as follows:
- E. General Marketing Activities
 - A. Web site maintenance and hosting.
 - B. Design and produce CalMHSA marketing materials; 1). Brochures; 2). Business Cards; and 3). Mailers.
 - C. Identify and evaluate CalMHSA expenses related to conference attendance for presentation of program.
 - D. Preparation and design of materials and presentation for conference materials.
 - E. Assist CalMHSA in the preparation of press releases.
 - F. Design program to brand CalMHSA.
 - G. Develop and execute plan for stakeholder strategic partner communications, such as, community information sharing using monthly e-newsletter, social networking tools, and member only login area on web site.

5. Section VI, "CalMHSA Responsibilities", is amended by adding, thereto, a new subsection "C", to read as follows:

- C. Program Director

- A. CalMHSA, or the acting committee, shall have direct input for the selection of the Program Director. This staff member will be an employee/independent contractor of ORA and will be subject to the annual performance review process.

6. As a result of a dynamic environment as noted in the original contract, and that exists as of the date of this amended contract, the following shall be added, thereto, to create a new Section, "Range of Fees", to read as follows:

- A. A range of fees shall be approved by the Board to acknowledge the dynamic nature and need to react expediently.

- B. The fees payable under this contract shall be limited to five percent (5%) of the annual program dollars received by CalMHSA, subject to provision 6 of this section.

- C. Until such time that CalMHSA program dollars have been approved and have been received, and the JPA has reached annual revenue of \$15,600,000, fees shall be paid upon the following events and by such amounts:

- A. When the contract between CalMHSA and the Department of Mental Health (DMH) is executed, the monthly contract fee will increase to \$25,000 per month.

- B. Upon hiring, and/or contracting with, a Program Director and an additional support person to perform services pursuant to this Agreement, the monthly contract fee will increase to \$45,000 per month.


- C. As program funds become available, and there are twenty (20) members of CalMHSA (or members whose population aggregates to at least 25% of the population of the State of California), additional accounting support and a Program Analyst will be required. When these membership levels are reached, the monthly contract fee will increase to \$65,000 per month.

7. Upon hiring such staff (or when the above triggers take place), the fees shall then be based on a percentage of revenue, when program funding reaches annual projections of \$15,600,000. ORA's compensation will be based on, and limited to, a fixed percentage of total revenue ranges. This amount will be calculated monthly on projected annual revenue as follows:
- A. Fees are calculated monthly on monthly accrued revenue and will be equal to 5%, from \$15,600,000 to \$30,000,000.
 - B. Fees are calculated monthly on accrued revenue, and will be equal to 4.5%, for revenues greater than or equal to, \$30,000,000.
 - C. Fees are calculated monthly on accrued revenue, and will equal 4%, for revenues greater than or equal to, \$40,000,000.
 - D. Fees are capped on accrued revenue. Monthly contract fees will be equal to 3%, for revenues greater than or equal to \$50,000,000, and beyond.

<u>Fee %</u>	<u>Annual Program Revenue</u>		
5%	\$15.6M	-	\$30M
4.5%	\$30M	-	\$40M
4%	\$40M	-	\$50M
3%	>	-	\$50M

IN WITNESS HEREOF, the parties hereto have executed this Agreement the day and year first above written.


Optimum Risk Advisors



John Chaquica, President
4 20 2010

Dated

California Mental Health Services Authority



Allan Rawland, President
4/23/2010

Dated

California Corporations Code section 313 requires that contracts with a corporation shall be signed by the (1) chairman of the board, the president or any vice-president and (2) the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer; unless the contract is also accompanied by a certified copy of the Board of Directors resolution authorizing the execution of the contract.

Optimum Risk Advisors is the DBA for George Hills Company, Inc.

Federal Employer Identification Number 94-2546177.

**SECOND AMENDMENT TO THE AGREEMENT
FOR
ADMINISTRATIVE AND FINANCIAL SERVICES**

This SECOND Amendment to the Agreement for Administrative and Financial Services (which, as modified, may be referred to as the "Second Amended Agreement") is made and is effective as of the 1st day of July, 2014, by and between the California Mental Health Services Authority, hereinafter referred to as "CalMHSA", and Optimum Risk Advisors, hereinafter referred to as "ORA", a division of George Hills Company, a California Corporation. The provisions of the First Amended Agreement shall continue to apply until July 1, 2014.

In consideration of the covenants and conditions hereinafter provided, CalMHSA and ORA do hereby covenant and agree that the First Amended Agreement is amended in the following respects:

1. **The Second Amendment hereby amends the First Amended Agreement as stated below.**
2. **Section V, "ORA Responsibilities", is amended as follows:**

Section V, is amended by adding, thereto, a new subsection "G", to read as follows:

G. Other Projects (as requested)

These services and planning programs that are or are anticipated to be supported by a Participation Agreement between CalMHSA and individual participating counties which among other things will specify the separate additional fees to be paid to ORA for administration.

1. Training Technical Assistance and Capacity Building (TTACB) Program.
2. Workforce Education Training (WET) Program
3. Contract for State Hospital Beds as authorized under Welfare and Institutions Code §4330 et seq.
4. Implementation of various authorized mental health services governed under Division 5 of the Welfare and Institutions Code (including but not limited to §5600 et seq., §5800 et seq., §5840 et seq. and §5850 et seq.)
5. Administration of programs, services, or activities including the Drug Medi-Cal Treatment Program (§30029.7) as authorized under

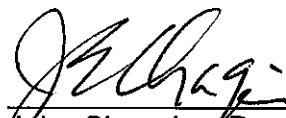
Chapter 6.3 of Division 3 of Title 3 of the Government Code.

6. Implementation of managed mental health care for Medi-Cal beneficiaries and joint county delivery of specialty mental health services, as authorized under Division 9 of the Welfare and Institutions Code (including but not limited to WIC§14712).
 7. Development of statewide program risk pools for mental health plan (MHP) services, as authorized under Division 9 of the Welfare and Institutions Code (including but not limited to WIC §14718).
 8. Any other activity allowed by the Joint Exercise of Powers Agreement and requested by CalMHSA's Board.
3. **Section VII, "Term and Termination of Agreement," Sub Section A, "Term of Agreement," Item 1, is hereby amended by extending the Term of Agreement, to June 30, 2017.**
 4. **Section VIII, "Cost of Services," and Sections 6 and 7 of the First Amended Agreement are replaced as follows:**

For the services described in Section V, ORA Responsibilities,, Subsections A through F, total annual compensation will be as specified in Attachment 1, which shall be paid monthly in arrears. This compensation schedule is based on the assumption that existing PEI Statewide Programs are being concluded within the time specified in Exhibit 1 and is exclusive of services in Subsection G. It is understood that the parties will renegotiate ORA's compensation in the event that PEI Statewide Programs are sustained or extended by addition of funds and/or alteration of existing programs and/or extension of current timelines. Compensation for services under Section V, ORA Responsibilities, Subsection G, shall be separate and as stated in each applicable Participation Agreement.

IN WITNESS HEREOF, the parties hereto have executed this Agreement on December 12, 2013.

Optimum Risk Advisors:



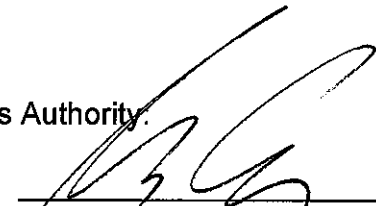
John Chaquica, President

5/12/2014

Dated

Second Amendment to the Agreement
Between ORA and CMHSA
Effective July 1, 2014

California Mental Health Services Authority.



Wayne Clark, President

Dated 5/7/15

Optimum Risk Advisors is the DBA for George Hills Company, Inc.
Federal Employer Identification Number 94-2546177.

ATTACHMENT 1

Current Contract and Extension to Run out Programs							
	Column 1		Column 2		Column 3		
	FY 2014-15		FY 2015-16		FY 2016-17		
Section V, Item(s) A-F	Fees for Administration Services	Contract Amount	\$1,444,444	Contract Amount	\$606,666	Contract Amount	\$224,467
		Percent	Dollars	Percent	Dollars	Percent	Dollars
	JPA Administration						
	Total	23%	\$332,222	20%	\$121,333	48%	\$107,744
	Fiscal						
	Total	24%	\$346,667	47%	\$285,133	52%	\$116,723
	Program						
	Total	53%	\$765,555	33%	\$200,200		
	Program Specific **						
	State Hospital Beds						
	Tech Asst./Capacity Building						
Workforce Education Program							
Total	100%	\$1,444,444	100%	\$606,666	100%	\$224,467	

- Column 1 (fiscal year 2014-15)**—reflects the run out process beginning with current contracts beginning to close throughout the fiscal year. It is projected that many contracts are to receive no-cost extensions with final close-out beginning January 2015.
- Column 2 (fiscal year 2015-16)**—reflects CalMHSA in full run out with only JPA management and Evaluation in operations.
- Column 3 (fiscal year 2016-17)**—reflects the final year of CalMHSA with completion of Evaluation, close-out of books, and final audit.

**** Special Programs** - These services are provided to certain members upon request and such services and fees agreed to in a Participation Agreement.

**THIRD AMENDMENT TO THE AGREEMENT
FOR
ADMINISTRATIVE AND FINANCIAL SERVICES**


This THIRD Amendment to the Agreement for Administrative and Financial Services (which, as modified, may be referred to as the "Third Amended Agreement") is made and is effective as of the 1st day of July, 2014, by and between the California Mental Health Services Authority, hereinafter referred to as "CalMHSA", and Optimum Risk Advisors, hereinafter referred to as "ORA", a division of George Hills Company, a California Corporation. The provisions of the Second Amended Agreement shall continue to apply until July 1, 2014.

In consideration of the covenants and conditions hereinafter provided, CalMHSA and ORA do hereby covenant and agree that the First Amended Agreement is amended in the following respects:

- 1. The Third Amendment hereby amends the Second Amended Agreement to reflect an updated Attachment I which includes a new column 4, sustainability funding.**

IN WITNESS HEREOF, the parties hereto have executed this Agreement on June 12, 2014.

Optimum Risk Advisors:




John Chaquica, President

6/27/14

Dated

California Mental Health Services Authority:



Maureen F. Bauman, LCWS, MPA, President

6/26/14

Dated

Optimum Risk Advisors is the DBA for George Hills Company, Inc.
Federal Employer Identification Number 94-2546177.

ATTACHMENT 1

Current Contract and Extension to Run out Programs								New Contract Sustainability Plan	
	Column 1		Column 2		Column 3		Column 4		
	FY 2014-15		FY 2015-16		FY 2016-17		Per Fiscal Year ¹		
	Contract Amount	Percent	Contract Amount	Percent	Contract Amount	Percent	Contract Amount	Percent	
Fees for Administration Services	\$1,444,444		\$606,666		\$224,467		\$2,000,000		
	Dollars		Dollars		Dollars		Dollars		
	Percent		Percent		Percent		Percent		
JPA Administration									
Total	23%		20%		48%		20%		
	\$332,222		\$121,333		\$107,744		\$400,000		
Fiscal									
Total	24%		47%		52%		17%		
	\$346,667		\$285,133		\$116,723		\$340,000		
Program									
Total	53%		33%				63%		
	\$765,555		\$200,200				\$1,260,000		

Section V, Item(s) A-F

¹ If approved this funding amount replaces funding identified in columns 1-3.

Third Amendment to the Agreement
Between ORA and CalMHSA
Effective July 1, 2014

Section V, Item(s) G	Program Specific **								
	State Hospital Beds								
	Tech Asst/Capacity Building								
	Workforce Education Program								
	Total	100%	\$1,444,444	100%	\$606,666	100%	\$224,467	100%	\$2,000,000

- Column 1 (fiscal year 2014-15)**—reflects the run out process beginning with current contracts beginning to close throughout the fiscal year. It is projected that many contracts are to receive no-cost extensions with final close-out beginning January 2015.
- Column 2 (fiscal year 2015-16)**—reflects CalMHSA in full run out with only JPA management and Evaluation in operations.
- Column 3 (fiscal year 2016-17)**—reflects the final year of CalMHSA with completion of Evaluation, close-out of books, and final audit.
- Column 4**—Represents the anticipated staffing needed on an on-going basis with the infusion of new funds. The contract analysis is based on the fact the driver of costs and resources is predicated on the number of programs and contracts. The analysis is based on an infusion of \$20m to \$60m annually. Included in this amount are the costs to manage the JPA as an entity, program management, and planning and development for projects requested by the Board. This is a fixed fee for FY 2014-15, FY 2015-16, and 3% inflation increase for 2016-17 (subject to funding availability). The contract shall also reflect, as addendum, amounts for special programs where less than a majority of the members participate, but does not include any program that is later approved that significantly expands scope of work. CalMHSA's Board shall review the contract at least annually to determine whether the funding level is appropriate. In the event that funding exceeds \$60m or falls below \$20m annually, the contract amount will be subject to review and revision by CalMHSA's Board.

**** Special Programs** - These services are provided to certain members upon request and such services and fees agreed to in a Participation Agreement.

**FOURTH AMENDMENT TO THE AGREEMENT
 FOR
 ADMINISTRATIVE AND FINANCIAL SERVICES**

This FOURTH Amendment to the Agreement for Administrative and Financial Services (which, as modified, may be referred to as the "Fourth Amended Agreement") is made and is effective as of the 1st day of July, 2017, by and between the California Mental Health Services Authority, hereinafter referred to as "CalMHSA", and George Hills, hereinafter referred to as "GH", a California Corporation. The provisions of the Third Amended Agreement shall continue to apply until July 1, 2017.

In consideration of the covenants and conditions hereinafter provided, CalMHSA and GH do hereby covenant and agree that the First Amended Agreement is amended in the following respects:

1. The Fourth Amendment hereby amends the Third Amended Agreement to reflect the following:

A. **Term** – Effective July 1, 2017 through, to and including June 30, 2019, with option to extend for one additional year.


B. Program Funding & Compensation -

- i. Program funding and Resources Required – The program funding is budgeted at the same level as prior year, however additional resources are included for the Hospital Program and reserves will be utilized. In the event of future funding decreases and increases, which may result in a need for changes to FTE requirements, compensation shall be adjusted. Compensation adjustments shall be based on changes to FTE requirements, which would be agreed by the parties. This adjustment agreement by CalMHSA may be delegated to Executive or Finance Committee.
- ii. Compensation adjustments would be take effect based upon the above FTE adjustment agreement, at the current hourly rate per FTE.
- iii. Annual adjustments to the above rate, for cost of living, shall be limited to 2% per annum.
- iv. Compensation Summary:

	FTE	FY 16/17	FTE	FY 17-18 Proposed	FTE	FY 17-18 Target
Contract for Admin & Finance Services-Includes state hospitals	6.8	\$1,357,824	7.55	\$1,554,696	9.25	\$1,904,760
Contract for Exec Director -Estimated & Separate Contract	1.5	\$299,520	1.5	\$308,880	1.5	\$308,880
Total	8.3	\$1,657,344	9.05	\$1,863,576	10.75	\$2,213,640

IN WITNESS HEREOF, the parties hereto have executed this Agreement on June 15, 2017.

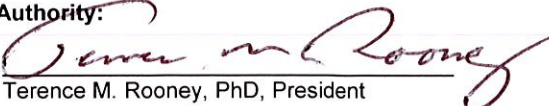
George Hills:



 John Chaquica, CEO
 6/15/2017

 Dated

California Mental Health Services Authority:



 Terence M. Rooney, PhD, President
 6/15/17

 Dated

GENERAL DISCUSSION
Agenda Item 9.A

SUBJECT: REPORT FROM CALMHSA PRESIDENT – DAWAN UTECHT

ACTION FOR CONSIDERATION:

Discussion and/or action as deemed appropriate.

BACKGROUND AND STATUS:

CalMHSA President, Dawan Utecht, will provide general information and updates regarding the JPA.

- CalMHSA Executive Director Recruitment Update
- General

FISCAL IMPACT:

None

RECOMMENDATION:

Discussion and/or action as deemed appropriate.

TYPE OF VOTE REQUIRED:

None.

REFERENCE MATERIAL(S) ATTACHED:

- Executive Director Recruitment Brochure

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY (CaIMHSA)

Sacramento, California



invites your interest in the position of

EXECUTIVE DIRECTOR

CaIMHSA

California Mental Health Services Authority

Compassion. Action. Change.



THE CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY (CalMHSA)

EXECUTIVE DIRECTOR AN EXCEPTIONAL OPPORTUNITY

ABOUT US

The California Mental Health Services Authority (CalMHSA) is a Joint Powers of Authority (JPA), formed in 2009 with George Hills Company, Inc. (the employer). Currently CalMHSA provides administrative, fiscal, and program services in support of the Members' Behavioral Health departments acting alone or in collaboration with other Counties. CalMHSA is governed by a Board of Directors composed of the local county or city mental/behavioral health director. The current membership consists of 56 total members (54 counties, 1 JPA, 1 City). CalMHSA is unique in its partnership with the California Behavioral Health Directors Association (CBHDA) in that they essentially share the same Board of Directors.

The JPA is subject to the regulations of the Fair Political Practices Commission (FPPC) (Title 2, Division 6, California Code of Regulations) and the Ralph M. Brown Act.

Current Operating Programs include:

- Administer Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) services;
- Contract and/or negotiate psychiatric hospital beds similar or related services;
- Contract services for Central Valley and North Valley Suicide Prevention Hotlines;
- Manage Loan Forgiveness Programs;
- Innovation Technology Suite, Help@Hand;
- Facilitation of AB1299 Presumptive Transfer;
- Contract and/or negotiate with the State or Federal government for administration of mental health services, including but not limited to the Drug Medi-Cal Treatment Program, managed mental health care, and specialty mental health services;
- Operate program risk pools;
- Provide fiscal or administrative services of value to Members such as group purchasing, contract management, research and development, data management, research depository, training, technical assistance, capacity building, education and training

Mission: CalMHSA is to provide member counties a flexible, efficient, and effective administrative/fiscal structure focused on collaborative partnerships and pooling efforts.

Purpose: Promoting efficiency, effectiveness and enterprise among Counties and Cities.

Vision: CalMHSA serves California Counties and Cities in the dynamic delivery of mental health and supportive services. A nationally recognized leader, CalMHSA inspires the service community through its commitment to results and values. Successful statewide and regional programs enable the voice of many to be heard.

The future of CalMHSA:

- Maintaining the current works entrusted to CalMHSA
- Increase collaboration with CBHDA addressing the changing landscape of Behavioral and integrated health., leveraging the strength of the shared Board of Directors.
- Integral involvement in developing the new delivery systems under the upcoming 2021 Waivers
- Assist counties develop regional partnerships and solutions
- Expanded partnership with the Department of Health Care Services (DHCS)

EXECUTIVE DIRECTOR

George Hills on behalf of CalMHSA is seeking an innovative, resourceful and dynamic leader effective manager, and great communicator with staff, members, and affiliated agencies.

The successful Executive Director candidate will engage CalMHSA members and be a visionary leader with high energy and great enthusiasm who takes a hands-on, entrepreneurial approach to the position. The successful candidate must be able to perform the following functions:

- The ability to serve as the lead for a member services organization with complex issues of which collaborative solutions can assist.
- Provides executive leadership in long range and daily planning, direction and control of policies and procedures related to the JPA.
- Represent CalMHSA in all state or county policy discussion relating to CalMHSA activities.
- Oversee the development of CalMHSA goals, objectives, priorities, and policy direction recommendations for consideration by the CalMHSA Board of Directors.
- Be connected to each county member and its leadership to better understand how CalMHSA could be a solution.
- Collaborate with CalMHSA partners, such as the State Department of Health Care Services (DHCS), Mental Health Services and Oversight and Accountability Commission (MHSOAC), County Behavioral Health Directors Association (CBHDA) and California Institute of Behavioral Solution (CIBHS) to assure alignment.

The Executive Director will administer a \$50 million budget and serve as the executive director responsible for the day-to-day program operations and work closely with the Chief Operating Officer for operational management of the authority. The Executive Director will provide leadership and direction to the program staff who are talented and capable in advocating for the membership's policy goals and delivering a broad range of beneficial services to member counties and cities.

- Lead fund development and marketing efforts for CalMHSA, as directed.
- Attend CalMHSA Board and other meetings. Report out to the Board policies, appropriate staffing and service levels; the management of monitoring, evaluating the efficiency and effectiveness of all service delivery methods and procedures.
- Manage and mentor Program Director and entire Program Division.
- Participate for approval of all program contract activities with COO related to services, to include but not limited to:
 - Contracts for projects, program, and services, for board approval.
 - Requests for Proposal
 - Monitor contract activities/compliance, provide reports to the CalMHSA Board.

- Oversee submissions to the MHSOAC, DHCS, or another agency.
- Conduct consumer meetings and build solid working relationships with various stakeholders.
- Oversee all mental health projects to meet the goals and objectives established by, and in accordance with, organizational policies contracts and applicable laws and regulations.
- Consult with organizations or individuals who may have policy, programmatic or business interest with CalMHSA.
- In collaboration with the COO, assess and monitor the workload of all staff, technical support systems, and internal reporting relationships; identify opportunities for improvement and directs the implementation of changes.
- Participating in board development, recruitment, orientation, and education of CalMHSA and its program to member counties.

Desired background, qualifications, experience:

The successful candidate should have a master's degree from an accredited institution, in a related field. A minimum fifteen years of progressively higher levels of responsibility in administration of governmental or association programs and services, demonstrated supervisory and organizational development. Relevant experience with intergovernmental issues and processes, or an equivalent combination of education, skills and experience.

- Proven integrity, ethical standards and transparent government operations, ability to sustain consistent compliance with legal requirements and establish a high level of credibility with citizens, county officials and the CBHDA.
- Commitment to maintaining productive working relationships with other associations and institutions, influential citizen groups and business leaders, to advance the interests of good county government.
- Demonstrated sound personnel management experience with willingness and ability to make timely and fair personnel decisions.



MORE INFORMATION:

- George Hills Company:
<https://georgehills.com/>
- California Mental Health Services Authority:
www.calmhsa.org
- County Behavioral Health Directors Association of California:
www.cbhda.org
- National Association of County Behavioral Health and Developmental Disability Directors:
www.nacbddd.org

Please apply online at:

<https://georgehills.com/about-us/careers/>

Direct any questions or inquiries to:

HR@georgehills.com

CaIMHSA
California Mental Health Services Authority

Compassion. Action. Change.

COMPENSATION AND BENEFITS

The Executive Director's compensation will be part of a contract which includes a severance provision. A starting annual salary will be negotiated with the successful candidate in the \$135-\$185K range, based upon experience and qualifications for the position.

Excellent benefits include:

- Medical, Dental, Vision – 100% Paid for Employees
- 401k Plan, with employer match
- Life Insurance/AD&D
- Long Term Disability Insurance
- Voluntary Life Insurance
- Accident Insurance
- Employee Assistance Program (EAP)
- Flexible Spending Accounts (Medical & Dependent Care)
- Paid Time Off/Holidays

George Hills Company/CalMHSA is an Equal Opportunity Employer and values diversity across the work force, in order to serve our membership and the citizens of our counties well.



GENERAL DISCUSSION
Agenda Item 9.B

SUBJECT: REPORT FROM CALMHSA INTERIM EXECUTIVE DIRECTOR – JOHN CHAQUICA

ACTION FOR CONSIDERATION:

Discussion and/or action as deemed appropriate.

BACKGROUND AND STATUS:

CalMHSA Interim Executive Director, John Chaquica, will provide general information and updates regarding the JPA.

FISCAL IMPACT:

None.

RECOMMENDATION:

Discussion and/or action as deemed appropriate.

TYPE OF VOTE REQUIRED:

None.

REFERENCE MATERIAL(S) ATTACHED:

None.