

# Board of Directors Meeting Agenda

Wednesday, February 14, 2018

3:15 p.m. – 5:00 p.m.

(916) 233-1968

Code: 3043



## Meeting Locations:

### **Courtyard Sacramento Cal Expo**

1782 Tribute Road  
Sacramento, CA 95815

#### **San Francisco County**

1380 Howard Street, 5<sup>th</sup> Floor  
San Francisco, CA 94103

#### **El Dorado County**

3057 Briw Road, Suite B  
Placerville, CA 95667

#### **Kings County**

460 Kings County Behavioral Health Suite 101  
Hanford, CA 93230

#### **Lake County**

6302 Thirteenth Avenue  
Lucerne, CA 95458

California Mental Health Service Authority  
(CalMHSA)  
Board of Directors Meeting  
Agenda

Wednesday, February 14, 2018

3:15 p.m. – 5:00 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. BOARD OF DIRECTORS REGULAR MEETING**

**1. CALL TO ORDER**

**2. ROLL CALL AND INTRODUCTIONS**

**3. 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.

<b>4. CONSENT CALENDAR</b> .....	05
A. Routine Matters	
1. Minutes from the December 14, 2017 Board of Directors Meeting.....	07
B. Reports / Correspondence	
1. Cash Balance as of January 31, 2018.....	13
2. Projected Cash Flow as of January 31, 2018.....	14
3. Treasurer’s Report as of December 31, 2017.....	15

4. CalMHSA Financial Statement for Quarter Ending September 30, 2017.....	19
5. Member Emails Regarding Fiscal Participation .....	25
6. CalMHSA Annual Revenue and Expenditure Report – January 2018 Revised Budget June 30, 2018.....	27
7. Presumptive Transfer - AB 1299.....	30

***Recommendation: Approval of the Consent Calendar.***

**5. PROGRAM MATTERS**

A. Private Fund Development (LCG) – Leadership Council Status Update.....	31
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***Recommendation: None, information only.***

B. Sustainability Task Force Report: Consideration of Contracts for FY 18/19 Phase III Statewide PEI Project.....	34
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***Recommendation: Approve Sustainability Task Force and CalMHSA Executive Committee Recommendation to extend and amend FY 17/18 Phase III Statewide PEI Project contracts for implementation of the Phase III Statewide PEI Project in FY 18/19, based on available funding.***

C. Los Angeles County Phase Three PEI Sustainability Participation Agreement (LA Mental health Promotion and Awareness Campaign).....	36
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***Recommendation:***

- 1. Affirmation of the Los Angeles County DMH Participation Agreement for Phase III Statewide PEI Sustainability Funding.***
- 2. Authorize staff to amend Los Angeles County’s PEI Participation Agreement to increase the statement of work and funding to approximately \$15 million dollars.***
- 3. Authorize staff to enter into direct contracts with two contractors based upon the CalMHSA sole source procurement policy and available funding.***

**6. GENERAL DISCUSSION**

A. Report from CalMHSA President – Terence M. Rooney.....	44
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- General

***Recommendation: Discussion and/or action as deemed appropriate.***

B. Report from CalMHSA Executive Director – Wayne Clark.....	45
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- 1299 Banking Pool
- Board of Directors’ Meeting Schedule
- Board of Directors’ Strategic Planning Session
- General

***Recommendation: Discussion and/or action as deemed appropriate.***

**7. 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.

**8. NEW BUSINESS**

General discussion regarding any new business topics for future meetings.

**9. CLOSING COMMENTS**

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

**10. ADJOURNMENT**

**CONSENT CALENDAR**  
**Agenda Item 4**

**SUBJECT: CONSENT CALENDAR**

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**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 the December 14, 2017 Board of Directors Meeting

B. Reports / Correspondence:

1. Cash Balance as of January 31, 2018
2. Projected Cash Flow as of January 31, 2018
3. Treasurer's Report as of December 31, 2017
4. Financial Statement for Quarter Ending September 30, 2017
5. Member Emails Regarding Fiscal Participation
6. CalMHSA Annual Revenue and Expenditure Report – January 2018 revise Budget June 30, 2018
7. Los Angeles County Phase Three PEI Sustainability Participation Agreement
8. Presumptive Transfer – AB 1299

**FISCAL IMPACT:**

See staff reports for fiscal impact.

**RECOMMENDATION:**

Approval of the Consent Calendar.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIAL(S) ATTACHED:**

- December 14, 2017 Board of Directors Minutes
- Cash Balance as of January 31, 2018

- Projected Cash Flow as of January 31, 2018
- Treasurer's Report as of December 31, 2017
- Financial Statement for Quarter Ending September 30, 2017
- Member Emails Regarding Fiscal Participation
- CalMHSA Annual Revenue and Expenditure Report – January 2018 Revise Budget June 30, 2018
- Los Angeles County Phase Three PEI Sustainability Participation Agreement
- Presumptive Transfer – AB 1299



"A George Hills Company Administered JPA"

**CalMHSA Board of Directors  
Meeting Minutes from December 14, 2017**

***BOARD MEMBERS PRESENT***

Butte County – **Dorian Kittrell**  
Colusa – **Terence Rooney**  
El Dorado County – **Patricia Charles-Heathers**  
Inyo County - **Gail Zwier**  
Kern County – **Bill Walker**  
Kings County – **Lisa Lewis**  
Los Angeles County – **William Arroyo** (*Alternate*) (*Not at posted location*)  
Madera County – **Dennis P. Koch**  
Mariposa County – **Chevon Kothari**  
Merced County – **Yvonnia Brown**  
Modoc County – **Karen Stockton**  
Mono County – **Robin Roberts**  
Napa County – **Bill Carter**  
Nevada County – **Michele Violett** (*Alternate*)  
Orange County – **Mary Hale**  
Sacramento County – **Uma Zykofsky**  
San Bernardino County – **Veronica Kelley**  
San Diego – **Alfredo Aguirre**  
San Luis Obispo County – **Anne Robin**  
San Mateo – **David Young**  
Stanislaus County – **Kevin Panyanouvong** (*Alternate*)  
Trinity County – **Noel O’Neill**

***BOARD MEMBERS ABSENT***

Alameda County  
Alpine County  
Berkeley County  
Contra Costa County  
Del Norte County  
Glenn County  
Humboldt County  
Imperial County  
Lake County  
Lassen County  
Marin County  
Mendocino County  
Monterey County  
Placer County  
Plumas County  
Riverside County

San Benito County  
San Francisco County  
San Joaquin County  
Santa Barbara County  
Santa Clara County  
Santa Cruz County  
Shasta County  
Siskiyou County  
Solano County  
Sonoma County  
Sutter/Yuba County  
Tri-City County  
Tulare County  
Tuolumne County  
Ventura County  
Yolo County

***MEMBERS OF THE PUBLIC***

Becky Fein, MPH Active Minds  
Dr. Janet Nuñez-Pineda, Stanislaus County PEI Manager  
Mandy Taylor, CA LGBT Health and Human Services Network  
Poshi Walker, NorCalMHA  
Katie Arnst, Kings County  
Michael Zottel, SAS  
Matthew Gallagher, Sacramento County

***STAFF PRESENT***

Wayne Clark, CalMHSA Executive Director  
John Chaquica, CalMHSA Chief Operations Officer  
Ann Collentine, CalMHSA Deputy Director for Programs  
Laura Li, CalMHSA JPA Administrative Manager  
Douglas Alliston, CalMHSA Legal Counsel  
Theresa Ly, Program Manager  
Armando Bastida, CalMHSA Business Systems Analyst  
David Kert, CalMHSA Administrative Analyst

**1. BOARD OF DIRECTORS REGULAR MEETING**

**1. CALL TO ORDER**

Treasurer, William Walker, Kern County, called the board of directors meeting of the California Mental Health Services Authority (CalMHSA) to order at 10:08 A.M. on December 14, 2017, at the Courtyard by Marriott Sacramento Cal Expo, California. CalMHSA Treasurer William Walker welcomed those in attendance as well as those listening in on the phone, and asked all present to introduce themselves.

Treasurer, William Walker asked CalMHSA JPA Administrative Manager Laura Li to call roll, in order to confirm a quorum of the Board.



## 2. ROLL CALL AND INTRODUCTIONS

Ms. Li called roll and informed Treasurer, William Walker a quorum was not reached.

## 3. INSTRUCTIONS FOR PUBLIC COMMENT AND STAKEHOLDER INPUT

CalMHSA Legal Counsel, Douglas Alliston 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 to be submitted to Laura Li and individuals on the phone were instructed to email Laura Li with their comments.

## 4. CONSENT CALENDAR

Treasurer, William Walker acknowledged the consent calendar and asked for comment from Board members. Hearing none, Treasurer, William Walker entertained a motion for approval of the Consent Calendar.

**Action:** *Approval of the consent calendar.*

**Motion:** *Dorian Kittrell, Butte County*

**Second:** *Anne Robin, San Luis Obispo County*

**Motion passed unanimously.**

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

*None*

## 5. FINANCIAL MATTERS

A. Report out from the CalMHSA Finance Committee – Bill Walker

The Finance Committee met on December 4, 2017 and the following items were discussed:

1. Review of draft CalMHSA Financial Audit, Fiscal Year ended June 30, 2017
2. Innovation Tech Suite
3. AB 1299
4. Fund Development – Lester Consulting Group
5. State Hospitals
6. Short Doyle
7. DHCS Audit Update

The Finance committee discussed the need for additional budget changes due to the implementation of the Tech Suite and additional counties joining later, research and development with 1299, and other potential endeavors soon. The committee seeks

Board approval for the Finance Committee to review and recommend to Executive Committee for approval, revisions to the budget as additional programs are rolled out, based on funding, required FTE and other such topics.

**Recommendation:** *Authorize Finance Committee to review and recommend to Executive Committee for approval, revisions to the budget as additional programs are rolled out, based on funding, required FTE, etc. (All board members are welcome to participate).*

**Motion:** *Terence Rooney, Colusa County*

**Second:** *Dawan Utecht, Fresno County*

**Motion passed unanimously.**

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

*None.*

## 6. PROGRAM MATTERS

### A. INN Tech Suite Update

Deputy Director for Programs, Ann Collentine, provided an update regarding the overview of the project and the RFQ process. CalMHSA recently had an independent review for potential vendors of the INN Tech Suite Project for Los Angeles and Kern Counties. The next steps are for staff to develop Participation Agreements for each participating county and negotiate county-selected vendor contracts. Opportunities are there for additional counties to join in as the project moves forward.

Various members discussed the need for a possible outline of information or flow chart in the future of how counties could invest in the tech suite project and a project manager that could help with the counties that may want to join in on this venture. Furthermore, comments were made regarding the use of reversion dollars and whether the proclivity to spend large sums of money within this fiscal year is possible.

**Recommendation:** *Discussion and/or action as deemed appropriate.*

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

1. *Poshi Walker, NorCalMHA*
2. *Mandy Taylor, CA LGBT Health and Human Services Network*

## 7. GENERAL DISCUSSION

### A. Report from CalMHSA President – Terence Rooney

Discussed ideas of certification and implementation of local funds by acting collectively to reduce risk and burden.

B. Report from CalMHSA Executive Director – Wayne Clark

Executive Director, Wayne Clark, discussed the AB 1299’s focus to ensure that foster children placed outside their county are able to access mental health services in a timely manner when the responsibility for providing services remains with the county of original jurisdiction. Various members discussed whether this would be a burden to counties and what a minimum level of participation would look like. Additionally, a conversation followed regarding the mechanism to make this program potentially broader in scope and create a system that is both efficient and will produce results.

**8. PUBLIC COMMENTS**

Treasurer, William Walker invited members of the public to make comments on non-agenda items.

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

1. *Poshi Walker, NorCalMHA*
2. *Mandy Taylor, CA LGBT Health and Human Services Network*

**9. NEW BUSINESS**

General discussion regarding any new business topics for future meetings

**10. CLOSING COMMENTS**

**11. ADJOURNMENT**

Hearing no further comments, the meeting was adjourned at 11:13 a.m.

Respectfully submitted,

\_\_\_\_\_  
Steve Steinberg,  
Secretary, CalMHSA

\_\_\_\_\_  
Date

**CONSENT CALENDAR**  
**Agenda Item 4.B.1**

**SUBJECT: CASH FLOW MANAGEMENT**

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**ACTION FOR CONSIDERATION:**

For information and discussion.

**BACKGROUND AND STATUS:**

Historically, CalMHSA has held adequate balances of cash and investments. Cash balances are decreasing as we payout on the contract obligations, and annual funding is decreasing. After the January 31st cash disbursements, our cash balance is \$10.8 million. Cash Management continues to be a priority for CalMHSA, therefore becoming a regular item in the agenda.

**As of January 31, 2018:**

- CalMHSA received \$6.6 million (90%) of member committed Phase III PEI funding (\$7.3 million), however the 4% goal (\$12 million) was not attained.
- The State Hospitals program received \$192,074.00 (30%) of member required funding of \$626,510.00, however many counties are in process of getting approvals for the new amendment to the MOU, participation agreements and payments.

**FISCAL IMPACT:**

None.

**RECOMMENDATION:**

For information and discussion.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIALS ATTACHED:**

- Cash Balance as of January 31, 2018
- Projected Cash Flow as of January 31, 2018

**CalMHSA**  
**Cash Balance**  
**As of January 31, 2018**

Cash Balance, 6/30/2017	6,316,053.82
Cash Received 07/01 to 1/31/2018	9,057,234.00
Cash Payments 07/01 to 1/31/2018	(4,526,937.72)
Cash Balance, 1/31/2018	<u><u>10,846,350.10</u></u>

<b>Cash Balance by Institution</b>	
California Bank & Trust	378,264.39
Morgan Stanley Smith Barney	1,471.23
Local Agency Investment Fund	10,466,614.48
<b>Cash Total 1/31/18</b>	<b>10,846,350.10</b>

**California Mental Health Services Authority**  
**Projected Cash Flow**  
**2017/2018**

As of January 31, 2018

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals
<b>Beginning Cash Balance</b>	6,316,053	5,927,931	7,546,450	11,200,700	10,700,563	10,487,042	10,658,879	10,846,351	10,363,737	10,207,936	9,485,727	8,733,519	6,316,053
<b>Cash Receipts:</b>													
Phase II - Sustainability 16-17				250,000									250,000
Phase III - Sustainability 17-18	102,570	1,203,197	3,567,048	247,045	297,602	714,893	216,275	374,941	374,941				7,098,512
Private Fund Develop - Member Fee 16-17		22,744					142,548	23,853	23,853				212,998
Private Fund Develop - Member Fee 17-18	27,391	103,829	51,216	6,571	16,752	7,271	2,842	98,145	98,145				412,162
Suicide Prevention Hotline 17-18		517,257	6,644	19,931									543,832
State Hospital Beds 16-17	51,874							269,000					320,874
State Hospital Beds 17-18		92,532	30,844	28,040	16,824	7,010	16,824	180,065	180,065				552,204
RAND - LA Tech Assist						92,000							92,000
CCBHS Loan Forgiveness Program							300,000						300,000
Other (LAIF Interest, donations, etc.)	20,277	4,864	810,374	30,659		90	31,396			30,000			927,660
<b>Total Cash Receipts</b>	<b>202,112</b>	<b>1,944,423</b>	<b>4,466,126</b>	<b>582,246</b>	<b>331,178</b>	<b>821,264</b>	<b>709,885</b>	<b>946,004</b>	<b>677,004</b>	<b>30,000</b>	<b>-</b>	<b>-</b>	<b>10,710,242</b>
<b>Cash Expenses:</b>													
PEI/Phase I Obligations 2014/15								595,812					595,812
Phase II Obligations 2016/17	247,895	133,493	586,410	241,462			-	80,597	80,597				1,370,453
Phase III Obligations 2017/18		20,839	23,064	236,463	296,411	412,533	142,549	428,024	428,024	428,024	428,024	428,024	3,271,976
Suicide Prevention Hotline	57,749			160,036	51,532	46,232	32,766	37,008	37,008	37,008	37,008	37,008	533,356
Plumas Wellness Center	8,573	60	30,070										38,703
TTACB Contract													-
State Hospital Beds	88,750	18		88,713		575	88,713	95,436	95,436	95,436	95,436	95,436	743,951
Fiscal Modernization Project	3,648	10,000											13,648
Sutter	13,183	2,223	16,056	23,475	11,672	7,376	55,482						129,467
RAND - LA Tech Assist				59,668									59,668
LA County - Tech Suite						8,999	98						9,097
Orange County							2,863						2,863
WET Program Expenditures													-
Research & Development													-
Private Fund Development	15,000	23,858	15,000	17,780	15,000	15,000	16,847	21,328	21,328	21,328	21,328	21,328	225,124
Program Management	102,227	102,227	102,227	222,052	132,183	132,183	132,183	21,279					925,283
Executive Director	22,264	22,305	22,476	22,533	22,495	21,373	21,279						154,725
Program Management Direct & Indirect	124,491	124,532	124,703	244,585	154,678	153,556	153,462	155,000	155,000	155,000	155,000	155,000	1,855,007
Legal	22,475	2,788	7,007	4,940	6,050	1,628	3,478	3,246	3,246	3,246	3,246	3,246	64,595
Travel & Meetings	5,537	2,608	3,262	3,024	2,467	2,773	8,047	8,417	8,417	8,417	8,417	8,417	69,800
Insurance													35,000
Financial Audit					4,000		7,300						11,300
Other Contracts	500	4,511	5,321	515	515	590	515	3,750	3,750	3,750	3,750	3,750	31,217
Other Administrative Expenses	2,433	973	984	1,723	2,374	164	10,295						18,948
Total Administrative Expenses	155,437	135,413	141,277	254,786	170,084	158,711	183,096	170,413	170,413	170,413	170,413	205,413	2,085,867
<b>Total Cash Expenses</b>	<b>590,234</b>	<b>325,903</b>	<b>811,876</b>	<b>1,082,383</b>	<b>544,699</b>	<b>649,427</b>	<b>522,414</b>	<b>1,428,617</b>	<b>832,805</b>	<b>752,208</b>	<b>752,208</b>	<b>787,208</b>	<b>9,079,985</b>
<b>Ending Cash Balance</b>	<b>5,927,931</b>	<b>7,546,450</b>	<b>11,200,700</b>	<b>10,700,563</b>	<b>10,487,042</b>	<b>10,658,879</b>	<b>10,846,351</b>	<b>10,363,737</b>	<b>10,207,936</b>	<b>9,485,727</b>	<b>8,733,519</b>	<b>7,946,310</b>	<b>7,946,310</b>



"A George Hills Company Administered JPA"

## Treasurer's Report

As of December 31, 2017

	Book Balance	Market Value	Effective Yield
Local Agency Investment Fund	\$10,435,218	\$10,415,324	1.24%
Morgan Stanley – Money Trust	1,471	1,471	0.03%
Cash with California Bank & Trust	222,189	222,189	0.00%
<b>Total Cash and Investments</b>	<b>\$10,658,879</b>	<b>\$10,638,984</b>	<b>1.21%</b>

Attached are the Local Agency Investment Fund (LAIF) statements detailing all investment transactions.

The LAIF market value was derived by applying the December 2017 fair value factor of 0.998093529 to the book balance.

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,

---

Kim Santin, Finance Director

Accepted,

---

William Walker, Treasurer

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

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)  
 November 08, 2017

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

PMIA Average Monthly Yields

**Account Number:**

Tran Type Definitions

October 2017 Statement

Effective Date	Transaction Date	Tran Type	Tran Confirm Number	Authorized Caller	Amount
10/13/2017	10/12/2017	QRD	1551961	SYSTEM	18,154.56
10/26/2017	10/25/2017	RD	1553242	KIM SANTIN	350,000.00

Account Summary

Total Deposit:	368,154.56	Beginning Balance:	10,067,063.87
Total Withdrawal:	0.00	Ending Balance:	10,435,218.43



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

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)  
December 08, 2017

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

PMIA Average Monthly Yields

**Account Number:**

Tran Type Definitions

November 2017 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	10,435,218.43
Total Withdrawal:	0.00	Ending Balance:	10,435,218.43

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

[www.treasurer.ca.gov/pmia-laif/laif.asp](http://www.treasurer.ca.gov/pmia-laif/laif.asp)

January 02, 2018

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

PMIA Average Monthly Yields

Account Number:

[Tran Type Definitions](#)

December 2017 Statement

Account Summary

Total Deposit:	0.00	Beginning Balance:	10,435,218.43
Total Withdrawal:	0.00	Ending Balance:	10,435,218.43

**CONSENT CALENDAR**  
**Agenda Item 4.B.4**

**SUBJECT: CALMHSA FINANCIAL STATEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2017**

**ACTION FOR CONSIDERATION:**

Approval of the CalMHSA Financial Statement for the Quarter ending September 30, 2017.

**BACKGROUND AND STATUS:**

The Board of Directors will review and discuss the financial statement for the quarter ending September 30, 2017.

Some key items are noted in the financial statement cover memo.

**FISCAL IMPACT:**

None.

**RECOMMENDATION:**

Approval of the CalMHSA Financial Statement for the Quarter ending September 30, 2017.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIALS ATTACHED:**

- CalMHSA Financial Statement Quarter Ending September 30, 2017

**SUMMARY OF SIGNIFICANT CHANGES IN FINANCIAL STATEMENTS  
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017**

**BALANCE SHEET:**

**Cash and Cash Equivalents** – The total cash balance as of September 30, 2017 is \$11.2 million. This is an increase of \$4.9 million compared to the \$6.3 million in cash as of June 30, 2017. The increase in cash is mainly from receipt of contributions for Phase III PEI sustainability, as well as other strategic programs including the State Hospital Bed Program, Suicide Prevention Hotline, Public/Private Partnership Development and the CCBHS Loan Forgiveness Program.

**Receivables** – The balance in accounts receivable as of September 30, 2017, is \$4.8 million. The categories with the most significant balances are as follows:

• PEI Sustainability Funding	\$3,225,579
• State Hospital Beds Program	697,828
• Public/Private Partnership Development	<u>419,980</u>
	\$4,343,387

**Accounts Payable** – The balance in accounts payable as of September 30, 2017, is approximately \$1.7 million. The payables are primarily for payments to program partners. The vendors with the most significant balances are as follows:

• Kings View	\$ 160,036
• Runyon Saltzman & Einhorn, Inc.	183,005
• RAND Corporation	215,822
• University of California	<u>595,813</u>
	\$ 1,154,676

**STATEMENT OF REVENUE AND CHANGES IN NET ASSETS:**

**Operating Revenue** – Total revenue for the three months ended September 30, 2017 was \$9.9 million consisting primarily of revenue for Phase III Sustainability (\$8.1 million), as well as other strategic programs State Hospital Bed Program, Suicide Prevention Hotline, Public/Private Partnership Development and the CCBHS Loan Forgiveness Program.

**Expenses** – Overall expenses for the three months ended September 30, 2017 were \$1.5 million. The expenses consisted mainly of contract expenses for the Statewide Program (Phase III.)

**CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY**

**UNAUDITED  
BALANCE SHEET**

	<u>September 30,</u> <u>2017</u>	<u>June 30,</u> <u>2017</u>
<b>ASSETS</b>		
Current Assets:		
Cash & Cash Equivalents	\$ 11,200,701	\$ 6,309,433
Investments - Current Portion		
Contractor Prepayments		
Receivables:		
State Hospital Bed Funds	697,828	320,874
Public/Private Partnership Development	419,980	212,998
Suicide Prevention Hotline	19,932	
Phase III Sustainability	2,975,579	
Phase II Sustainability	250,000	250,000
Other	404,329	104,367
Interest	18,155	16,877
Prepaid Expense	15,000	44,580
Total Current Assets	<u>16,001,504</u>	<u>7,259,129</u>
Noncurrent Assets:		
Investments		
Total Assets	<u>\$ 16,001,504</u>	<u>\$ 7,259,129</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current Liabilities:		
Accounts Payable and Accrued Expenses	\$ 1,680,618	\$ 1,950,660
Deferred Revenue	551,520	52,093
Total Current Liabilities	<u>2,232,138</u>	<u>2,002,753</u>
Net Assets:		
Operations	310,312	527,118
Obligated Funds Under Contract:		
Fiscal Modernization	96,314	96,314
International SDR Conference	19,884	(50,116)
Tech Asst/Capacity Building	203,272	203,272
WET Program Funding	148,470	148,470
Plumas Wellness Center	139,626	139,626
Community Response Plan	1,041	1,041
PNWE	7,576	7,576
Drug Medi-Cal	(6,603)	(6,603)
Orange County	2,862	2,862
Education Development Center, Inc.	2,024	2,024
SHB Program Funding	2,147,355	1,683,901
Suicide Prevention Hotline	488,445	119,714
Sutter Health Systems	148,723	190,477
LA County Tech Assist	20,333	46,788
Public/Private Partnership Development	542,906	253,230
CCBHS Loan Forgiveness Program	300,000	
Statewide PEI Project	9,196,825	1,890,682
Total Net Assets	<u>13,769,366</u>	<u>5,256,376</u>
Total Liabilities and Net Assets	<u>\$ 16,001,504</u>	<u>\$ 7,259,129</u>

**CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY**

**UNAUDITED  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS**

**For The Quarter Ended September 30, 2017**

	<u>Operations</u>	<u>Strategic Programs</u>	<u>Statewide PEI Program</u>	<u>September 2017 Total</u>	<u>June 2017 Total</u>
<b>OPERATING REVENUES:</b>					
Program Funding Contributions		\$ 1,832,056	\$ 7,865,109	\$ 9,697,165	\$ 6,960,961
Administrative Fee			270,000	270,000	
Private Fund Development Fee		-	-	-	\$ 448,230
Conference Registration				-	-
Donations	3,500			3,500	-
License Royalty Fee				-	600
Application Fee				-	500
Total Operating Revenue	<u>3,500</u>	<u>1,832,056</u>	<u>8,135,109</u>	<u>9,970,665</u>	<u>7,410,291</u>
<b>DIRECT/PROGRAM EXPENSES:</b>					
SDR Conference		(70,000)		(70,000)	-
Program Contract		273,245	656,420	929,665	6,439,740
Program Mgmt. & Oversight	165,783	169,091	148,965	483,839	1,172,284
Other Contract Services		-	-	-	70,676
Private Fund Development Contract		-	-	-	90,000
Legal	4,472	-	-	4,472	168,467
Marketing		-	-	-	-
Meeting and Other	8,354	11,675	649	20,678	38,679
Total Direct/Program Expenses	<u>178,610</u>	<u>384,011</u>	<u>806,034</u>	<u>1,368,654</u>	<u>7,979,847</u>
<b>INDIRECT EXPENSES:</b>					
General Management	23,215	24,393	20,860	68,468	592,412
Other Contract Services	2,550	-	1,997	4,547	30,100
Legal Services	10,263	-	-	10,263	23,218
Insurance	29,583	-	-	29,583	29,920
Investment Management Fees	330	-	-	330	260
Financial Audit		-	-	-	-
Meeting and Other	533	-	75	608	42,922
Total Indirect Expenses	<u>66,473</u>	<u>24,393</u>	<u>22,932</u>	<u>113,797</u>	<u>718,831</u>
Total Expenses	<u>245,082</u>	<u>408,404</u>	<u>828,965</u>	<u>1,482,452</u>	<u>8,698,677</u>
Income/(Loss) from Operations	(241,582)	1,423,652	7,306,144	8,488,213	(1,288,386)
<b>NONOPERATING INCOME:</b>					
Investment Income	18,155			18,155	65,338
Change in Investment Value	6,621			6,621	(11,373)
Total Nonoperating Income	<u>24,776</u>			<u>24,776</u>	<u>53,965</u>
Change in Net Assets	(216,807)	1,423,652	7,306,144	8,512,989	(1,234,421)
Beginning Net Assets	<u>527,118</u>	<u>2,838,576</u>	<u>1,890,682</u>	<u>5,256,376</u>	<u>5,256,376</u>
Ending Net Assets	<u>\$ 310,312</u>	<u>\$ 4,262,228</u>	<u>\$ 9,196,825</u>	<u>\$ 13,769,365</u>	<u>\$ 5,256,376</u>

**CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY**

**UNAUDITED  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS**

**For The Quarter Ended September 30, 2017**

	Strategic Programs							Total Strategic Programs	June 2017 Total
	Total from Page 4	SHB Program	Suicide Prevention Hotline	Sutter Health Systems	LA County Tech Assist	Public/Private Partnership Development	CCBHS Loan Forgiveness Program		
<b>OPERATING REVENUES:</b>									
Program Funding Contributions	\$ -	\$ 552,204	\$ 543,832			\$ 436,020	\$ 300,000	\$ 1,832,056	\$ 1,523,896
Private Fund Development Fee	-							-	448,230
Conference Registration	-							-	-
Total Operating Revenue		552,204	543,832	-	-	436,020	300,000	1,832,056	1,972,126
<b>DIRECT/PROGRAM EXPENSES:</b>									
SDR Conference	(70,000)							(70,000)	-
Program Contract			160,036	41,754	26,455	45,000		273,245	1,123,411
Program Mgmt. & Oversight		77,189	13,215			78,687		169,091	334,799
Other Contract Services								-	65,870
Private Fund Development Contract								-	90,000
Legal								-	796
Travel & Meetings		37				11,638		11,675	11,829
Total Direct/Program Expense	(70,000)	77,226	173,251	41,754	26,455	135,325		384,011	1,626,705
<b>INDIRECT EXPENSES:</b>									
General Management		11,524	1,850			11,019		24,393	
Other Contract Services								-	
Legal Services								-	
Insurance								-	
Financial Audit								-	
Travel & Meetings								-	
Total Indirect Expenses		11,524	1,850	-	-	11,019	-	24,393	
Total Expenses	(70,000)	88,750	175,101	41,754	26,455	146,344	-	408,404	1,626,705
Change in Net Assets	70,000	463,454	368,731	(41,754)	(26,455)	289,676	300,000	1,423,652	345,421
Beginning Net Assets	544,466	1,683,901	119,714	190,477	46,788	253,230	-	2,838,576	2,493,155
Ending Net Assets	\$ 614,466	\$ 2,147,355	\$ 488,445	\$ 148,723	\$ 20,333	\$ 542,906	\$ 300,000	\$ 4,262,229	\$ 2,838,576

**CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY**

**UNAUDITED  
STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS**

**For The Quarter Ended September 30, 2017**

	Strategic Programs									Subtotal Strategic Programs
	Fiscal Modernization	International SDR Conference	Tech Asst/ Capacity Building	WET Program	Wellness Center	Community Response Plan	PNWE	Drug Medi-Cal	Orange County	
OPERATING REVENUES:										
Program Funding Contributions										\$ -
Private Fund Development Fee										-
Conference Registration										-
Total Operating Revenue	-	-	-	-	-	-	-	-	-	-
DIRECT/PROGRAM EXPENSES:										
SDR Conference		(70,000)								(70,000)
Program Contract										-
Program Mgmt. & Oversight										-
Other Contract Services										-
Private Fund Development Contract										-
Legal										-
Travel & Meetings										-
Total Direct/Program Expenses	-	(70,000)	-	-	-	-	-	-	-	(70,000)
INDIRECT EXPENSES:										
General Management										
Other Contract Services										
Legal Services										
Insurance										
Financial Audit										
Travel & Meetings										
Total Indirect Expenses										
Total Expenses	-	(70,000)	-	-	-	-	-	-	-	(70,000)
Change in Net Assets	-	70,000	-	-	-	-	-	-	-	70,000
Beginning Net Assets	96,314	(50,116)	203,272	148,470	139,626	1,041	7,576	(6,603)	2,862	544,466
Ending Net Assets	\$ 96,314	\$ 19,884	\$ 203,272	\$ 148,470	\$ 139,626	\$ 1,041	\$ 7,576	\$ (6,603)	\$ 2,862	\$ 614,466



## Member Emails Regarding Fiscal Participation

### December 30, 2017

Dear Board Members,

CalMHSA is finalizing program funding for FY 17/18 and beginning to plan for FY 18/19. The CalMHSA Finance Committee meets on January 16th and we will be providing an update to the Finance Committee on outstanding receivables for FY 17/18. You are receiving this email because CalMHSA has not received the payment from your county for invoices which are past due.

Please respond by January 10th with the status of when CalMHSA will receive payment for your outstanding invoices. Please disregard this notice if your county has recently been in conversation with CalMHSA regarding processing your overdue invoices.

If you have any questions, please contact Laura Li at [laura.li@calmhsa.org](mailto:laura.li@calmhsa.org) or (916) 859-4818.

### August 2017

Good Morning,

Just a friendly reminder that invoices for FY 17-18 were distributed on 7/9/2017, which includes the following programs:

- 1) Phase III Sustainability Funding FY 17-18
- 2) Fund Development - Special Member Fee FY 16-17
- 3) State Hospital Program FY 17-18
- 4) Central Valley Suicide Prevention Hotline.

If you have yet to submit your Annual Member Funding form, then your invoice related to Phase III PEI Sustainability may reflect an amount different than what you may have budgeted for or have approval for.

If this is the case and you would like to change it and/or have additional questions, please feel free to contact me at (916) 859-4818 or [laura.li@calmhsa.org](mailto:laura.li@calmhsa.org).

### May 3, 2017

Subject: CalMHSA Annual Program Funding – Response Requested  
Good Afternoon Name and Name CalMHSA Board Members,

In response to your great input we have prepared an “All Inclusive” Annual Member Contribution Document.

Please review and complete the attachment and return to us as soon as possible (**response target is May 20th, 2017**). Your responses with projected amounts will greatly assist CalMHSA in preparing, for your approval, the most complete and accurate Annual Budget for FY17/18. These estimates have been based on CalMHSA board action and direction.

We are sending this to you now since most FY17/18 county BH budgets have either been started or completed at this time. We understand that your local Board of Supervisors makes each county members’ the final funding determination, as such it is critical we receive your intended member contribution to CalMHSA. The fiscal integrity of CalMHSA and each program you participate in is dependent upon this timely and accurately submitted data.

Thank you for reviewing and submitting this back to us in a timely. If you have questions please contact me or Laura Li at [laura.li@calmhsa.org](mailto:laura.li@calmhsa.org) or (916) 859-4818.

Thank you for continuing to support your Joint Powers Authority!



**CONSENT CALENDAR**  
**Agenda Item 4.B.6**

**SUBJECT: CALMHSA ANNUAL REVENUE AND EXPENDITURE REPORT – JANUARY 2018  
REVISED BUDGET JUNE 30, 2018**

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**ACTION FOR CONSIDERATION:**

- Approve the CalMHSA Revenue and Expenditure Report – January 2018 Revised Budget June 30, 2018; and
- Board of Directors ratification of the George Hills Contract increase of 2.4 FTE.

**BACKGROUND AND STATUS:**

At the October 12, 2017 Board of Directors meeting, the members approved the revised budget which included Los Angeles estimated participation for year ending June 30, 2018. An additional revision is presented with the following:

1. \$50 million in revenue added for Innovations Tech Suite Program and AB1299 program
2. \$232,203 additional expenses for 2.4 FTE of program, general and administrative staffing for a partial period.
3. Additional operating expenses related to programs.

As such, staff is proposing a revised budget reflecting an increase in revenue of \$49.9 million, increased expenses of \$7.5 million, and an increase to obligated reserves of \$42.4 million at June 30, 2018.

**FISCAL IMPACT:**

Increase to obligated reserves of \$42.4 million.

**RECOMMENDATION:**

- Approve the CalMHSA Revenue and Expenditure Report – January 2018 Revised Budget June 30, 2018; and
- Board of Directors ratification of the George Hills Contract increase of 2.4 FTE.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIALS ATTACHED:**

- CalMHSA Annual Revenue and Expenditure Report – January 2018 Revised Budget June 30, 2018

# California Mental Health Services Authority

## January 2018 Revise - 2017/2018 Operating Budget Combined Totals

	(A)	(B)	(C)	(D)	(E)	(F)
	Approved Budget 2016/2017	Unaudited Actuals 2016/2017	Adopted Budget 2017/2018	Adopted Revised Budget 2017/2018	Proposed Revisions 2017/2018	Proposed Revised Budget 2017/2018
<b>Revenues:</b>						
PEI Sustainability	6,423,162	5,437,065	5,160,037	7,730,037		7,730,037
Innovations Technology Suite					50,000,000	50,000,000
Private Fund Development Fees	500,000	448,230	500,005	500,005	(64,796)	435,209
State Hospital Bed Program		550,802	627,912	627,912		627,912
Suicide Prevention Program		636,375	636,375	636,375		636,375
Sutter Health		250,000				-
Other Programs		49,184		300,000		300,000
Licence Royalty Fee		600	0			-
<b>Total Revenues</b>	<b>6,923,162</b>	<b>7,372,256</b>	<b>6,924,329</b>	<b>9,701,788</b>	<b>49,935,204</b>	<b>59,636,992</b>
	1					
<b>Program Expenses:</b>						
Program Contracts	9,091,198	6,272,163	5,184,070	7,483,586	7,250,000	14,733,586
Program Management	1,072,399	1,172,284	1,269,742	1,565,058	12,289	1,577,347
Other Contracts		70,676	35,000	35,000	21,000	56,000
Legal	28,952	168,467	28,952	28,952	6,000	34,952
Travel & Meetings	35,000	38,679	70,000	85,000	19,900	104,900
<b>Total Program Expenses</b>	<b>10,227,549</b>	<b>7,722,269</b>	<b>6,587,764</b>	<b>9,197,596</b>	<b>7,309,189</b>	<b>16,506,785</b>
						(2)
<b>General &amp; Administrative Expenses:</b>						
General & Administrative						
Staffing	584,945	592,412	593,834	648,582	193,630	842,213
Legal	10,000	23,218	10,000	10,000	-	10,000
Travel & Meetings	66,000	42,922	16,000	16,000	-	16,000
Other Contracts	45,000	30,360	10,000	10,000	-	10,000
Insurance	30,000	29,920	37,000	37,000	2,500	39,500
Financial Audit	15,000	0	15,000	15,000	2,500	17,500
<b>Total General &amp; Administrative Expenses</b>	<b>750,945</b>	<b>718,832</b>	<b>681,834</b>	<b>736,582</b>	<b>198,630</b>	<b>935,213</b>
						(2)
<b>Total Expenditures</b>	<b>10,978,494</b>	<b>8,441,101</b>	<b>7,269,598</b>	<b>9,934,178</b>	<b>7,507,819</b>	<b>17,441,997</b>
<b>Net Increase/(Decrease) Unexpended Funds</b>	<b>(4,055,332)</b>	<b>(1,068,845)</b>	<b>(345,269)</b>	<b>(232,390)</b>	<b>42,427,385</b>	<b>42,194,995</b>
Prior Year Reserves	6,491,784	6,490,797	2,648,099	5,421,953		5,421,953
Projected Reserves as of June 30	2,436,452	5,421,952	2,302,830	5,189,563		47,616,948
<b>Less: Obligated Reserves</b>	<b>(2,343,350)</b>	<b>(5,171,854)</b>	<b>(2,191,000)</b>	<b>(5,164,954)</b>		<b>(47,564,954)</b>
<b>Total Available Reserves at June 30, 2018</b>	<b>93,102</b>	<b>250,098</b>	<b>111,830</b>	<b>24,609</b>		<b>51,994</b>

**California Mental Health Services Authority**  
**Administrative Expense Allocation**  
2017/2018 Program Year  
**Proposed Revised Budget**

	Private Fund Development	Tech Asst/Capacity Building	WET Program Funding	Fiscal Modernization	State Hospital Bed Program	Suicide Prevention - Regional Program	PEI Sustainability Projects	Innovations Tech Suite	Totals	Percent of Total Expenses
<b>Direct Expenses:</b>										
Program Contracts	\$ 200,000	\$ 165,227	\$ 148,470	\$ 36,500	\$ 471,049	\$ 462,340	\$ 6,000,000	7,250,000	\$ 14,733,586	84.47%
Program Management - Direct	269,755	32,947		45,302	282,110	45,302	696,010	205,920	1,577,347	9.04%
Other Contracts	15,000						20,000	21,000	56,000	0.32%
Legal				500	5,000		23,452	6,000	34,952	0.20%
Travel & Meetings	50,000				5,000		30,000	19,900	104,900	0.60%
										0.00%
<b>Total Direct Expenses</b>	<b>534,755</b>	<b>198,174</b>	<b>148,470</b>	<b>82,302</b>	<b>763,159</b>	<b>507,642</b>	<b>6,769,462</b>	<b>7,502,820</b>	<b>16,506,785</b>	<b>94.64%</b>
<b>General &amp; Administrative:</b>										
General & Administrative										
Staffing	34,431	4,205	-	5,782	36,008	5,782	504,482	251,521	842,213	4.83%
Legal	623	288	-	175	2,454	348	6,112		10,000	0.06%
Travel & Meetings	996	460	-	281	3,927	556	9,780		16,000	0.09%
Other Contracts	623	288	-	175	2,454	348	6,112		10,000	0.06%
Insurance	2,304	1,064	-	649	9,081	1,286	22,615	2,500	39,500	0.23%
Financial Audit	934	432	-	263	3,681	521	9,168	2,500	17,500	0.10%
<b>Total Indirect Expenses</b>	<b>39,911</b>	<b>6,737</b>	<b>-</b>	<b>7,327</b>	<b>57,606</b>	<b>8,841</b>	<b>558,270</b>	<b>256,521</b>	<b>935,213</b>	<b>5.36%</b>
<b>Total Expenditures</b>	<b>\$ 574,667</b>	<b>\$ 204,911</b>	<b>\$ 148,470</b>	<b>\$ 89,629</b>	<b>\$ 820,766</b>	<b>\$ 516,484</b>	<b>\$ 7,327,731</b>	<b>\$ 7,759,341</b>	<b>\$ 17,441,998</b>	<b>100.00%</b>

**CONSENT CALENDAR**  
**Agenda Item 4.B.8**

**SUBJECT: PRESUMPTIVE TRANSFER – AB 1299**

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**ACTION FOR CONSIDERATION:**

Subsequent to policy action by CBHDA governing board, authorize CalMHSA to establish a banking pool to facilitate transfer of funds between counties in a timely manner, in compliance with Welfare and Institutions Code section 14717.1.

**BACKGROUND AND STATUS:**

Welfare and Institutions Code section 14717.1 is intended to allow foster children who are placed outside of their county of original jurisdiction to access specialty mental health services in a timely manner. The defined process is “presumptive transfer,” which means a prompt transfer of the responsibility for the provision of, or arranging and payment for SMHS from the county of original jurisdiction to the county in which the foster child resides. Implementation of this statute will require a system for counties to make payments to each other, and the county mental health JPA has been suggested as a solution.

The California Mental Health Services Authority (CalMHSA), a joint powers authority was created to administer mental health services as requested by members. Approval of this item will allow the establishment of a banking pool for counties which will be entitled, Presumptive Transfer Program, to facilitate prompt payments between counties as required by Welfare and Institutions Code section 14717.1.

**FISCAL IMPACT:**

To be determined

**RECOMMENDATION:**

Subsequent to policy action by the CBHDA governing board, authorize CalMHSA to establish a banking pool to facilitate transfer of funds between counties in a timely manner, in compliance with Welfare and Institutions Code section 14717.1.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIAL(S) ATTACHED:**

- None.

**PROGRAM MATTERS**  
**Agenda Item 5.A**

**SUBJECT: PRIVATE FUND DEVELOPMENT (LCG) – LEADERSHIP COUNCIL STATUS UPDATE**

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**ACTION FOR CONSIDERATION:**

None, information only.

**BACKGROUND AND STATUS:**

At the October 13, 2016, CalMHSA Board Meeting, the board approved a program workplan and an annual \$500,000 budget for a three-year fund development effort, commencing FY 16-17 (see attached October 2016 Board Report). In addition, it was agreed that it would be necessary to have all counties fiscal participation, via a special member fee. Lester Consulting Group (LCG) is providing the professional expertise in this effort.

Per Board direction, counties were billed in December 2016 for 2016-17 and then billed annually thereafter. Since that time, CalMHSA has received less than full financial support, to meet the annual funding needs of \$500,000 per year.

**Finance Committee Meeting**

At the January 16, 2018 Finance Committee (FC) meeting, staff communicated the fiscal status and challenges of the funding for this program and sought to seek direction from members. However, since a quorum of the members was not present, the item was deferred to the Executive Committee.

**Leadership Council Luncheon**

On January 18, 2018, CalMHSA, in collaboration with Lester Consulting Group, convened a luncheon for select individuals from the private sector, and they were invited to serve for an initial term of six meetings over twelve months, in a Public-Private partnership, referred to as the Leadership Council. The seventeen attendees were highly regarded business and community leaders occupying positions as the chief executive and senior leadership levels within their corporation or organization. More than six attendees indicated a personal or professional interest in CalMHSA's mission and willingness to serve on the Leadership Council.

There was much consensus at the luncheon regarding the importance of Mental Health and the need for better public/private partnership to work together and improve mental health across all sectors through prevention and promotion.

In follow up to the luncheon, Dr. Clark and LCG have been contacting other attendees and non-attendees to confirm their interest in becoming part of the Leadership Council.

It is anticipated there will be interest from these individuals to support our efforts with source funding.

## **Purpose of Leadership Council**

The purpose of the Leadership Council is to serve in an advisory capacity to CalMHSA's Board of Directors and management regarding CalMHSA's efforts related to:

- Informing public mental health policies and implementing best practices to advance California's knowledge, attitudes and behaviors for improved emotional well-being and early detection of mental illness;
- Promoting a more integrated care delivery model by identifying existing problems across systems and designing innovative solutions that improve access to appropriate levels of intervention and treatment, and mental health promotion;
- Securing and distributing funding for strategies impacting needs along the mental health continue.

## **Executive Committee**

At the January 23, 2018 Executive Committee (EC) meeting, per Finance Committee direction, staff communicated the status and challenges of the funding for this program, in an effort to seek direction. The EC directed staff to pursue counties for greater participation and further review the project annual budget of \$500,000 to determine if any reductions were possible.

In follow-up to the EC, staff will be working on this and make recommendations to the Finance Committee for development of the FY18-19 budget. Due to the uniqueness of this program, services are being paid for in the form of an investment, which in turn is to yield a return. As such this presents a fundamental policy that is currently not addressed--are those who are unable to invest, eligible to receive a return? Staff will work with counsel and the FC to develop draft policy language to bring back for board consideration. Staff feels it is imperative for the governance of the JPA to address before this becomes reality.

## **Summary of participation and funding**

**FY16-17** – 43 member participation with \$ 400,524 funds received. Uncollected balance of \$ 90,476, or 20%

**FY17-18** – 37 member participation with \$236,888 funds received, therefore leaving an uncollected balance of \$263,112, or 53%.

**NOTE:** Since the January 23, 2018 meeting, funds collected to date will meet the anticipated expenditures through June 30, 2018.

## **Formation of a Non- Profit**



The formation of a private non-profit is a critical component of the project. Staff have explored the formation of the non-profit and will further develop a timeline, structure and budget for the non-profit.

**FISCAL IMPACT:**

Potential impact June 30, 2018

**RECOMMENDATION:**

None, information only.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIAL(S) ATTACHED:**

None.

**PROGRAM MATTERS**  
**Agenda Item 5.B**

**SUBJECT: SUSTAINABILITY TASK FORCE REPORT: CONSIDERATION OF CONTRACTS FOR FY 18/19 PHASE III STATEWIDE PEI PROJECT**

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**ACTION FOR CONSIDERATION:**

Approve Sustainability Task Force and CalMHSA Executive Committee recommendation to extend and amend FY 17/18 Phase III Statewide PEI Project contracts for implementation of the Phase III Statewide PEI Project in FY 18/19, based on available funding.

**BACKGROUND AND STATUS:**

In December 2016, the CalMHSA Board approved the Statewide PEI Project Phase III Implementation Plan, which outlined a series of strategies and activities for implementation between July 1, 2017 and June 30, 2020. In April 2017, The CalMHSA Board approved extending and amending, as well as sole-sourcing with two previous subcontractors, for the implementation of the first year of activities in FY 17/18. These contractors are: RSE; The Social Changery; Your Social Marketer; Each Mind Matters Outreach & Engagement; Active Minds; NAMI California; Foundation for California Community Colleges; and the RAND Corporation.

As CalMHSA prepares to implement the second year of the Phase III Implementation Plan in FY 18/19, it must consider which contractors to partner with to continue current activities. CalMHSA staff, the Sustainability Task Force and the CalMHSA Executive Committee recommend to extend and amend current FY 17/18 Phase III Statewide PEI Project contracts for implementation of the Phase III Statewide PEI Project in FY 18/19 for the following reasons:

1. Current contractors have deep and historical knowledge about all activities implemented under the Statewide PEI Project, which is critical to effectively convey information to community partners during outreach efforts, a key component of the Statewide PEI Project
2. It is more cost effective and cost efficient to extend and amend current contracts, compared to the administrative efforts needed to develop RFPs and review applications.
3. As part of the Private Fund Development Project, CalMHSA continues to explore the formation of a leadership council, which will provide further guidance in the development and funding of the Statewide PEI Project and other CalMHSA activities. The Sustainability Task Force believes that undergoing a new procurement process for potential new contractors during this interim period would be premature.

The Sustainability Task Force believes that the most opportune time to develop RFPs and procure new contractors for the Statewide PEI Project would be after the leadership council is developed and CalMHSA receives further guidance from them, or at the conclusion of the Phase III Implementation Plan, as CalMHSA plans for Phase IV of the Statewide PEI Project, whichever comes first.

**FISCAL IMPACT:**

None.

**RECOMMENDATION:**

Approve Sustainability Task Force and CalMHSA Executive Committee recommendation to extend and amend FY 17/18 Phase III Statewide PEI Project contracts for implementation of the Phase III Statewide PEI Project in FY 18/19, based on available funding.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIAL(S) ATTACHED:**

None.

**CONSENT CALENDAR**  
**Agenda Item 4.B.7**

**SUBJECT: LOS ANGELES COUNTY PHASE THREE PEI SUSTAINABILITY PARTICIPATION AGREEMENT (LA MENTAL HEALTH PROMOTION AND AWARENESS CAMPAIGN)**

**ACTION FOR CONSIDERATION:**

- 1) Affirmation of the Los Angeles County DMH Participation Agreement for Phase III Statewide PEI Sustainability Funding.
- 2) Authorize staff to amend Los Angeles County's PEI Participation Agreement to increase the statement of work and funding to approximately \$15 million dollars.
- 3) Authorize staff to enter into direct contracts with two contractors based upon the CalMHSA sole source procurement policy and available funding.

**BACKGROUND AND STATUS:**

At the June 15, 2017 CalMHSA Board meeting, the members approved the 2017/18 proposed budget which included a target budget in the event of Los Angeles County receiving Board of Supervisor's approval for its participation in the Phase III Statewide PEI Sustainability Program. On June 13, 2017, the Los Angeles County Board of Supervisors approved their participation in the Phase III Statewide PEI Program for a three-year term at \$1,800,000 per year for three years, and a one-time administrative fee in the amount of \$810,000 for a total funding amount of \$6,210,000.

Given the June 2017 Board approval, CalMHSA entered into a Participation Agreement with Los Angeles County DMH for a three-year term and funding levels previously described.

Los Angeles County has requested to amend its current PEI Participation Agreement, for the purpose of adding to the current statement of work to include a media campaign promoting mental health awareness during May's Mental Health Month. This would consist of utilizing campaign strategies such as TV ads, billboards, trade shows, community engagement efforts, a symposium event and social media. These efforts are consistent with CalMHSA's purpose and authority. This mental health promotion campaign will impact Los Angeles and surrounding counties.

It is expected that the added statement of work will increase the funding by approximately \$15 million dollars, pending Los Angeles County Board of Supervisors approval on March 20, 2018.

As part of the above Los Angeles County has requested the participation of the following two agencies 1) Los Angeles County Office of Education and 2) Hershey Cause Communications, for sole source contracts, for the following reasons:

Los Angeles County Office of Education (LACOE) will revise and update the existing website for Youth Suicide Prevention. This website was built by LACOE to meet the needs of addressing Youth Suicide Prevention. LACOE maintain this website but the website needs upgrading and revisions to meet current demand in Los Angeles County. As the creator and administrator of the Youth Suicide Prevention website, LACOE has unique ability to upgrade the existing site at significant cost savings.

Based on Hershey Cause Communications' (Cause Communications) experience with Los Angeles County and knowledge of the LA media market, they should be able to quickly come up to speed and deliver on the Los Angeles County media campaign, which is targeted for May as part of the Mental Health month. Cause Communications would have to start the work in March.

Cause Communications is based in Los Angeles and has participated in the city's long tradition of being on the cutting edge of innovation. Cause Communications' existing work for L.A. County and other similar clients gives them an understanding of state-wide issues which enables them develop to media messaging for influential and important purpose-driven campaigns.

Cause Communications has had numerous contracts with Los Angeles County as well as other local communities and non-profits in California. They have a strong dedication to serving non-profits and governments so they are more than capable of launching a media campaign couched in social responsibility. They are unique in their research-driven approach combined with bold, creative thinking which assisted Los Angeles County to ensure that it put clients on a path that is ambitious yet actionable.

Specifically, Cause Communications worked on "211 LA County" ([www.211la.org](http://www.211la.org)). Cause Communications helped solve two important challenges: increasing demand for its services and addressing significant underfunding of its work. Cause Communications worked with 211 LA County to develop a strategic communications plan to attract funding by raising the visibility of the organization's pioneering programs. After assessing 211's materials and messages, the competitive landscape, media coverage, and audience perceptions, they developed collateral materials for the organization and organized its annual "211 Day" event, designed to attract new supporters among targeted demographics.

With this type of experience geared toward non-profits and government clients, they are uniquely positioned to take on L.A. County's media challenges within the requisite short time frame. The contemplated services are similar to those already being provided by Cause Communications to Los Angeles County. Hershey is willing to provide additional services on terms substantially similar to existing terms with Los Angeles County. Accordingly, the time or cost necessary to engage in a new selection process make a new process unlikely to provide significant benefit to CalMHSA.

CalMHSA counsel has reviewed the foregoing and believes the above justification meets the requirements of CalMHSA's noncompetitive procurement policy.

Given the foregoing information, CalMHSA staff seeks affirmation of Los Angeles County's PEI Participation agreement, approval of the added statement of work with added funding at approximately \$15 million dollars, to include approval of the two sole source contracts.

**FISCAL IMPACT:**

5% of additional funding.

**RECOMMENDATION:**

- 1) Affirmation of the Los Angeles County DMH Participation Agreement for Phase III Statewide PEI Sustainability Funding.
- 2) Authorize staff to amend Los Angeles County's PEI Participation Agreement to increase the statement of work and funding to approximately \$15 million dollars.
- 3) Authorize staff to enter into direct contracts with two contractors based upon the CalMHSA sole source procurement policy and available funding.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIAL(S) ATTACHED:**

- Los Angeles County DMH Phase III Statewide PEI Sustainability Funding Participation Agreement

CALIFORNIA MENTAL HEALTH SERVICES AUTHORITY  
PARTICIPATION AGREEMENT  
COVER SHEET

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

Name of Program: Statewide Prevention and Early Intervention Sustainability Program  
Los Angeles County

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 General Terms and Conditions
- Exhibit C Special Terms and Conditions (optional)

\*The maximum amount payable under this Agreement is \$6,210,000

3. The term of the Program is **July 1, 2017**, through **June 30, 2020**.

4. Authorized Signatures:

**CalMHSA**

Signed:  Name (Printed): Wayne Clark, Ph.D.

Title: Executive Director Date: 7/11/17

**Participant: Los Angeles County**

Signed:  Name (Printed): Robin Kay, Ph.D.

Title: Chief Deputy Director Date: 7-6-17



**PARTICIPATION AGREEMENT**  
Exhibit A – Program Description and Funding

I. **Name of Program** – Prevention and Early Intervention (PEI) Sustainability Program in Los Angeles County (County).

II. **Term of Program** – This is a three-year contract, with the option for early termination or extension, as deemed appropriate, with prior written notice and the availability of funds.

Either party may withdraw from the Program upon six months' written notice. Notice shall be deemed served on the date of mailing.

III. **Program Objectives and Overview** – the County Department of Mental Health (DMH) will utilize CalMHSA to expand its efforts in developing, promoting and disseminating statewide approaches to stigma and discrimination reduction, suicide prevention and infusion of mental health services and supports within the communities of the County and on school campuses through the following social and online media programs:

A. Directing Change:

The Directing Change Program is a stigma and discrimination reduction strategy aimed at older children and Transition Age Youth (TAY). CalMHSA along with DMH will provide technical assistance to the Los Angeles Unified School District (LAUSD) and other school districts on how to integrate the Directing Change program into their existing curriculum for the purpose of engaging students in developing public service announcements on mental health. Directing Change will also be promoted through existing higher education partners (community colleges, California universities, etc.) and Community-Based Organizations (CBOs).

B. Suicide Prevention and Stigma Discrimination Reduction Program:

CalMHSA will develop the cultural adaptation and customization of marketing assets and advertisements of the following programs: Know the Signs, Reconozca Las Senales, Each Mind Matters, SanaMente, Walk in Our Shoes, and Ponte En Mis Zapatos, through social and online media, and advertising campaigns to reach residents of the County and promote local services through agencies such as Los Angeles Family/Wellness Resource Centers, TAY Drop-in Centers, Mobile Interdisciplinary Teams, Healthy Neighborhoods, and other community partners.

C. Performance Outcomes:

Continue CalMHSA efforts, through its agreement with the RAND Corporation, to assist DMH with the development of PEI monitoring and outcomes assessments. The goal is to establish a standard approach to measuring and reporting key risk



and protective factors that are intended targets of prevention programs implemented by LACDMH as part of their current three-year plan.

This collaborative effort between CalMHSA and DMH will include the following activities:

- Developing guidelines and tools to help classify PEI programs with respect to their goals and strategies. The purpose of this task is to help LACDMH arrive at a clear, specific and standardized approach to describing and classifying programs, and allowing mapping of programs to categories (Prevention Program, Early Intervention Program, Outreach for Increasing Recognition of Early Signs of Mental Illness Program, Stigma and Discrimination Reduction Program, Suicide Prevention Program, Access and Linkage to Treatment Program, or Program to Improve Timely Access to Services for Underserved Populations) as defined by State PEI Regulations. Facilitating selection of measures and development of evaluation strategies that are appropriate for each type of program, using tools developed as part of this task (e.g. logic models).
- Developing approach and reporting templates for utilizing population surveillance data to track County-level mental health needs and services received. The purpose of this task is to demonstrate ways that information collected at the program level can be combined with population-level data to provide information about the impact of PEI programs, such as extent to which counties are reaching their target populations with appropriate strategies.
- Developing resources for selecting, defining, and measuring risk and protective factors that PEI programs are intended to impact, and for developing evaluation approaches for different types of PEI programs. Many PEI programs are intended to reduce risk factors or increase protective factors that are known to mitigate the severity, prolonged suffering, or other negative consequences of mental illness. The purpose of this task is to assist counties in developing consistent measurement and evaluation strategies that are appropriate for different types of PEI program components.

**IV. Funding** – The County DMH will provide funding in the amount of one million eight hundred thousand dollars (\$1,800,000) per fiscal year for three years, and a one-time administrative fee of \$810,000, which is 15% of total program funding, not to exceed a total funding amount of six million two hundred ten thousand dollars (\$6,210,000) to CalMHSA, in the implementation of the PEI program: Statewide PEI Sustainability Program in the Los Angeles Region. CalMHSA will invoice the County on July 1, 2017, for the full administrative amount of \$810,000, to be paid within 30 days of receiving invoice.



**PARTICIPATION AGREEMENT**  
Exhibit B – General Terms and Conditions

**I. Definitions**

The following words as used throughout this Participation Agreement shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used:

- A. CalMHSA – California Mental Health Services Authority, a Joint Powers Authority (JPA) created to jointly develop and fund mental health services and education programs for its Member Counties and Partner Counties.
- B. Mental Health Services Division (MHSD) – The Division of the California Department of Health Care Services responsible for mental health functions.
- C. Member – Refers to a County (or JPA of two or more Counties) that has joined CalMHSA and executed the CalMHSA Joint Powers Agreement.
- D. 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 Programs.
- E. Participant – County participating in the Program either as Member of CalMHSA or as Partner under a Memorandum of Understanding with CalMHSA.
- F. Program – The program identified in the Cover Sheet.

**II. Responsibilities**

- A. Responsibilities of CalMHSA:
  - 1. Act as fiscal and administrative agent for Program.
  - 2. Management of funds received consistent with the requirements of any applicable laws, regulations, guidelines and/or contractual obligations.
  - 3. Provide regular fiscal reports to Participants and/or other public agencies with a right to such reports.
  - 4. Submission of plans, updates, and/or work plans for review and approval by Participant representative.
  - 5. Compliance with CalMHSA's Joint Powers Agreement and Bylaws.
- B. Responsibilities of Participant: Los Angeles County
  - 1. Transfer of funds assessed for the Program shall be made at the beginning of each fiscal year on July 1, 2017; July 1, 2018; and July 1, 2019, to CalMHSA.
  - 2. Identification of a representative authorized to act for Participant and receive notices on behalf of Participant.



3. Cooperate by providing CalMHSA with requested information and assistance in order to fulfill the purpose of the Program.
4. Provide feedback on Program performance.
5. Compliance with applicable laws, regulations, guidelines, contractual agreements, JPAs and bylaws.

**III. Duration and Term**

- A. The term of the Program is for three (3) years.
- B. Either party may withdraw from the Program upon six (6) months' written notice. Notice shall be deemed served on the date of mailing.

**IV. Withdrawal, Cancellation and Termination**

- A. Upon cancellation, termination or other conclusion of the Program, any funds remaining undisbursed shall be distributed to Participant.
- B. In the event of early termination due to dissolution of CalMHSA, CalMHSA will refund prepaid administrative fees equal to 5% of the undisbursed funds.

**V. Fiscal Provisions**

- A. The County will be obligated to pay no more than \$6,210,000 dollars under this Agreement.

**GENERAL DISCUSSION**  
**Agenda Item 6.A**

**SUBJECT: REPORT FROM CALMHSA PRESIDENT - TERRENCE M. ROONEY**

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**ACTION FOR CONSIDERATION:**

Discussion and/or action on items below, as deemed appropriate.

**BACKGROUND AND STATUS:**

CalMHSA President, Terence M. Rooney, will be reporting on the following items.

- General

**FISCAL IMPACT:**

None.

**RECOMMENDATION:**

Discussion and/or action on items above, as deemed appropriate.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIAL(S) ATTACHED:**

None.

**GENERAL DISCUSSION**  
**Agenda Item 6.B**

**SUBJECT: REPORT FROM CALMHSA EXECUTIVE DIRECTOR - WAYNE CLARK**

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**ACTION FOR CONSIDERATION:**

Discussion and/or action on items below, as deemed appropriate.

**BACKGROUND AND STATUS:**

CalMHSA Executive Director, Wayne Clark, will be presenting a State of the Authority and will be reporting on the following items.

- 1299 Banking Pool
- Board of Directors' Meeting Schedules
- Board of Directors' Strategic Planning Session
- General

**FISCAL IMPACT:**

None.

**RECOMMENDATION:**

Discussion and/or action on items above, as deemed appropriate.

**TYPE OF VOTE REQUIRED:**

Majority vote.

**REFERENCE MATERIAL(S) ATTACHED:**

None.