**Columbia County Community Healthcare Consortium, Inc.
Notes from the Board of Directors Meeting of June 4, 2014**

**DIRECTORS PRESENT:** B. Schuster, K. Dornemann, T. Sharpe, N. Winch, T. Lux, N. Watrous, J. Campion, A. Koweek, P. Mossman, L. Tripp, L. Pierro, S. Thomas, J. Thompson, M. Ublacker,

**DIRECTORS ABSENT:** R. Andrews, M. Cole, L. Evans, PJ Keeler, T. Mustapha, A. Proper, J. Rovitz, K. Stall, A. Timothy

**STAFF PRESENT:** C. Parde, K. Houston, J. Ray

**CC BOARD OF SUPERVISOR REPRESENTATIVE:** Jesse DeGroodt

**GUEST SPEAKER:** Matt Vanderbeck, PKHB

The meeting was opened at 2:35 p.m. by Beth Schuster.

**INTRODUCTIONS**

Beth reported that she received a letter of resignation, effective May 16, 2014, from Kary Jablonka as representative of the Office for the Aging. She requested a motion to accept his resignation.

**Tina Sharpe made a motion to accept the resignation of Kary Jablonka. Leitha Pierro seconded the motion, all approved and the motion carried.**

Beth requested a motion to elect Michelle Ublacker, Acting Administrator of the Office for the Aging, to fill the vacancy.

**Linda Tripp made a motion to elect Michelle Ublacker to represent the Office for the Aging for the remainder of the term ending April 2015. Theresa Lux seconded the motion, all approved and the motion carried.**

**REPORT ON AUDIT FINDINGS BY AUDITOR MATT VANDERBECK, PATTISON, KOSKEY, HOWE AND BUCCI**

Matt VanDerbeck reviewed the findings of his audit of the period January 1, 2013 to December 31, 2013:

* Matt indicated that, as in years past, he has issued an unmodified opinion
* On page 3 in the Statement of Financial Position, Matt noted that agency assets totaled $651,526, with unrestricted assets total at $396,478 and the temporarily restricted assets total at $52,578. The latter funds for stipulated purposes remain “restricted” until spent.
* Matt mentioned that the advanced funding payables were $101,837 and the Grants and Contracts receivables were $311,775.
* Referring to the Statement of Activities beginning on page 4, Matt reminded the Board members that there are no figures were offered for the purposes of comparison since the last audit was for a six-month, rather than twelve-month, period as a result of the change to fiscal year.
* On page 5 in the Statement of Activities, Matt noted that the change in unrestricted net assets of $28,885 exceeded agency expenses.
* On page 6 in the Statement of Cash Flows, Matt noted the net cash used for investing activities was $36,922.
* On page 7 in the Statement of Functional Expenses, Matt noted that there was considerable discussion at the Joint Executive/Audit Committee meeting regarding the agency’s methodology used to attribute expenses to Management and General Administration, which are currently 18% of the total.
* On page 12 of the in the Notes to the Financials, Matt noted the addition of section 11, “Related Party Transactions”. This section states the existing financial relationships and the respective amounts paid to the following entities, all of whom have representation on the Board of Directors: Columbia County, a non-profit organization, and a doctor. In providing this information, the agency is seeking transparency in its financial dealings.
* In the Management Letter, Matt noted it was a clean report, with no deficiencies regarding controls or compliance.
* In an attachment to the Management Letter, Matt made several recommendations as follows:
* Formalize and implement an IT “Disaster Recovery Plan” to include, if possible, storage of files in an off-site location; and perform an IT risk assessment. Claire noted that a risk-assessment tool is available online. She said the agency is investigating methods to increase security for sensitive information, whether stored on paper, computer workstations, or laptops. This may include a feature to automatically log-out after a few minutes of being idle.
* Review the Non Profit Revitalization Act of 2013 with an attorney to ensure compliance.
* Review the changes to HIPAA and the HITECH Act to determine the impact on the organization.
* Matt did not summarize the 990, noting that it was provided to the Board one week prior and it is the responsibility of all members to review it. He asked if there were questions; there were none.
* Matt complimented the thoroughness of agency staff in preparing the audit.

**Karyn Dornemann made a motion to approve the audited financial statements. Paul Mossman seconded the motion, all approved and the motion carried.**

**Nancy Winch made a motion to approve and file the IRS 990. Jim Campion seconded the motion, all approved, and the motion carried.**

Claire provided her thanks to John Ray, Fiscal Manager, for his excellent work preparing the audit, after which he was dismissed.

**MEETING MINUTES:**Beth Schuster asked the Board to consider the minutes of the annual meeting of April 2, 2014.

**Art Koweek made a motion to approve the minutes of the Annual Meeting of April 2, 2014. Karyn Dornemann seconded the motion, all approved and the motion carried.**

**Paul Mossman made a motion to accept the minutes of the Board of Directors meeting of March 19, 2014. Linda Tripp seconded the motion, all approved, and the motion carried.**

Beth Schuster asked the Board to consider the following Committee meeting minutes:

* Executive Committee – April 23
* Finance and Audit Committee – March 20
* Joint Finance and Audit/ Executive Committee – May 15

**Theresa Lux made a motion made a motion to accept the Committee meeting minutes. Nancy Winch seconded the motion, all approved and the motion carried.**

**EXECUTIVE COMMITTEE’S REPORT:**

As the minutes of the most recent Executive Committee meeting had been approved, there was no separate report from the Executive Committee.

**EXECUTIVE DIRECTOR’S REPORT:**

Claire reported that the Consortium recently received notification that it was awarded the five-year contract for the Tobacco Control Program, to commence on July 1. The award amount is $319,000. We are currently in negotiations regarding the budget and plan of work.

Claire responded to the issues raised by Matt Vanderbeck in his management letter, as follows:

* RE: Non-Profit Revitalization Act: Corporate Compliance Officer, Lisa Thomas, initiated a review of the Non-Profit Revitalization Act and identified items which may need attention in order for us to be fully compliant. Generally, her findings are that we already have the policies in place, but may need to update or add some language to those policies (e.g. re: key employees and related party transactions); similarly, the bylaws may need to be amended. Once those changes are affected, Claire recommended that subject the bylaws to legal review. We also will need to look carefully at the composition of our committees to ensure the independence of directors.
* RE: Disaster Recovery Plan:
* Currently, backups occur to a set of redundant drives on the server, as well as to an external hard drive connected by USB to the server. Matt objected to these being co-located, so we will begin to maintain a copy of the data offsite. We will also formalize our plan, creating a written backup and disaster recovery plan including configuration & schedules
* RE: HIPAA/HITECH Compliance
* We will encrypt email using an appliance device; additionally, we will encrypt the hard drives on the laptops as well as protect them with a “boot pass”
* All terminals will be automatically locked after fifteen minutes of idle time
* Staff will be prompted to change their passwords every 90 days
* We will conduct a risk assessment
* We will initiate business associate agreements with, at minimum, key vendors such as i.t.s. and PKHB.

Finally, Claire reported that she is closely following developments related to the Balancing Incentives Program (BIP) and the Delivery Service Reform Incentive Payment (DSRIP) by participating in conference calls, webinars, etc. A discussion of DSRIP ensued. As familiarity with DSRIP and its implications for the entire health and human service provider network are variable, the group agreed to focus more time on the topic during its next Board meeting in August.

**OLD BUSINESS:**

There was no old business.

**NEW BUSINESS:**

Beth Schuster reported that she received a letter of resignation, effective June 27, 2014, from Paul Mossman, who is retiring from his position as Commissioner of the Columbia County Department of Social Services. Paul spoke eloquently about his history of service with the organization.

**ANNOUNCEMENTS**

* Scott Thomas announced the tag sale and silent auction fundraiser on Saturday, June 28, 2014, to raise funds for ReEntry Columbia, the small and relatively new non-profit organization he directs that helps formerly incarcerated individuals successfully reintegrate into the community upon release. Scott distributed flyers and requested donations for the sale and auction, which will take place between 10 a.m. and 4 p.m. at the First Presbyterian Church at 369 Warren Street.
* Theresa Lux announced an event on Wednesday, June 11th on Prescription Drug Use, Misuse and Abuse, to take place in the Art Center Theater of Columbia-Greene Community College between the hours of 6:00 and 8:30 p.m. Michael Nierney will be the guest speaker. Additionally, poster entries from students at schools in both Columbia and Greene Counties will be displayed, with awards presented to one winner from each county.
* Beth reported on the activities of the Controlled Substance Awareness Task Force, which was formed over two years ago. She reminded the group about its kickoff event at Kozel’s and informed them that there will be a report on progress made to the community at an event at Anthony’s in Catskill, tentatively scheduled for September23rd.
* Linda Tripp reported that Cornell Cooperative Extension is partnering with Columbia Memorial Hospital to present a Safe Sitter Workshop for 11-14 year olds.
* Claire reported that she will be participating in Hudson Flag Day Parade on behalf of Rotary.
* Leitha reported that Columbia Memorial has opened an Open MRI office at the Greene Medical Arts Building in Catskill. She also noted that the annual CMH gala taking place this weekend will raise funds for a pediatric emergency room dedicated to children with autism.

**ADJOURNMENT**

At 3:45 p.m., Art Koweek made a motion to adjourn. The motion was seconded by Leitha Pierro.

*Notes prepared and respectfully submitted by Claire Parde, June 6, 2014*

***Reviewed and approved,***

***Karyn Dornemann, Board Secretary***