



**MINUTES OF THE REGULAR MEETING
WEDNESDAY, AUGUST 18, 2021**

The LifeWays Board of Directors met in regular session in the Board Room at the LifeWays Building, 1200 N West Avenue, Jackson, Michigan on Wednesday, August 18, 2021.

BOARD MEMBERS PRESENT: Jeffrey Peterson (Chair); Bruce Caswell (Vice Chair) via Zoom; Ruth Brown (Secretary); John Clark (Treasurer); Bradley Bohner; Melissa Callison via Zoom; Christine Carlson via Zoom; Earl Poleski; Carl Rice, Jr. via Zoom; Edward Woods via Zoom

BOARD MEMBERS ABSENT: Mark Wiley

STAFF MEMBERS PRESENT: Maribeth Leonard (Chief Executive Officer), Kenneth Berger, Latrelle Burk, Richard Carpenter, Karen Cascaddan, Shannan Clevenger, Amon Hodge, Jon Johnston, Casie Robertson

OTHERS PRESENT: Doug Barber

CALL TO ORDER

Chair Peterson called the Board Meeting to order at 7:02 p.m.

Chair Peterson stated that the New Business portion of the agenda would be moved before the Special Order Topic.

INVOCATION AND PLEDGE OF ALLEGIANCE

The Invocation was presented by Christine Carlson, which was followed by a recitation of the Pledge of Allegiance to the American Flag by audience and Board members.

RECORDING OF ATTENDANCE

The presence of all attending this meeting was recorded.

APPROVAL OF BOARD AGENDA

LW 20-21-037 - Approval of Agenda of the August 18, 2021 Regular Business Meeting

MOTION BY BRADLEY BOHNER, SUPPORTED BY EARL POLESKI, FOR APPROVAL OF THE AGENDA OF THE AUGUST 18, 2021 REGULAR BUSINESS

MEETING, AS AMENDED. MOTION CARRIED: 10-0

APPROVAL OF BOARD MINUTES

LW 20-21-038 - Approval of the Minutes of the Regular Business Meeting held on July 21, 2021

MOTION BY JOHN CLARK, SUPPORTED BY EARL POLESKI, FOR APPROVAL OF THE MINUTES OF THE REGULAR BUSINESS MEETING HELD ON JULY 21, 2021, AS PRESENTED. MOTION APPROVED: 10-0

CEO COMMUNICATIONS

Maribeth Leonard, Chief Executive Officer, briefly highlighted the communications provided in the Board Folder.

Additionally, Ms. Leonard announced that the Jackson Board of County Commissioners have appointed Commissioner Ray Snell to the Board. Mr. Snell will attend meetings beginning next month. Mr. Snell will fulfill the remaining term of late board member Jim Shotwell, Sr., which will expire March 31, 2023.

(A copy of the Board Folder contents can be found in the Supplemental Minutes portion of the Board Minutes Book.)

PUBLIC COMMENT

There were no public comments.

NEW BUSINESS

LW 20-21-040 - Approval for the Subject of Pension Plan Investments in Chinese Communist Companies be Explored Further and a Report Given to the Full Board for Further Exploration and Discussion

To reiterate, the advice in an investment article suggested that no one in the United States should invest in communist owned companies based in China due to the possibility that the investments could be cut off at the will of China's leadership. There are currently upwards of 17% of the pension plan fund invested in international companies. The main questions that arose from this article are: (1) Should LifeWays be invested in communist China; (2) how much of the international investment is allocated to Chinese companies; (3) do the investments made in Chinese companies give LifeWays ownership in these companies; and (4) if #3 is a yes, can the value of LifeWays' investments be negated at the will of China's leadership?

Doug Barber, Principal, Rehmann, stated that LifeWays does not technically own shares in any companies; that is a bit of a misnomer as mutual funds are used as the underlying investment vehicle for the pension plan. Mutual funds are a pooled fund; a report will show

the aggregation on how the account is invested. LifeWays has shares in a mutual fund, which are managed professionally, that buy the underlying shares. These shares can be purchased by American Depository Receipt (ADR), which are clones of the actual stocks. The shares can also be purchased on the Shanghai exchange.

Mr. Barber stated that it is possible for communist China's government to negate any investment. It has not happened at any point thus far and Mr. Barber declined to speculate as to whether it would happen in the future.

Of the 17% of the funds invested internationally, 4% (or \$800,000) is split in Chinese markets: 25% (or \$200,000) is invested in mainland China and 15% (or \$120,000) is invested in Taiwan.

Mr. Caswell asked if it wouldn't make more sense to invest even a small amount such as \$200,000 into companies that would not negate LifeWays' assets?

Mr. Barber stated that while 40% of the pension funds are invested in American companies, the mainland Chinese economy is slated to exceed that of the United States in terms of size sometime between 2028-2030. The challenge is should investments ignore a very large market that has a growing and robust middle class. Another consideration is that the mutual funds are overseen by expert managers that navigate geopolitical, economic and corporate risks. These managers have research agencies located in Asia that are able to determine any problems that are brewing on the horizon; this will give the managers time to make portfolio adjustments.

It was reiterated that a full report with pros and cons for investing in Chinese companies would still be appreciated. A full discussion of the investment policy should be included. Also, what are the returns on the 4%?

Mr. Caswell is concerned about the investments of the pension plan on behalf of the staff, some who have been with LifeWays for many years. He wishes to be a good steward with their hard-earned benefit and does not wish to have to scramble to replace any lost funds.

It was noted that the outcomes from the report could incur costs and possible policy change. Any changes in policy may restrict how investments can be made, which may or may not be desirable.

LifeWays is not restricted by federal, state or local laws on how pension funds are invested.

Mr. Barber noted that the report would not incur a separate cost from his firm. He added that permissible investments are governed by the State Constitution of Prudent Investor Rules; generally speaking, that does allow for publicly traded securities. This provides for an appropriate level of risk tolerance via asset allocation, diversification and permissible investments. LifeWays' investments are typically within 65%-67% of stocks via mutual funds with the balance in bonds and cash. The mutual funds are globally diversified, of which emerging markets is part of the sector (this is where the investment in Chinese companies comes in).

Mr. Caswell is not attacking the Rehmann company; he is simply wishing for as much information as possible to be informed on any future implications for the staff pension plan.

Discussion ensued on what the returns are on the 4% invested; whether LifeWays wants to get involved in determining investments; and the aftermath of what would be done once the report is received.

A Roll Call Vote was requested.

MOTION BY BRADLEY BOHNER, SUPPORTED BY BRUCE CASWELL, FOR APPROVAL FOR THE SUBJECT OF PENSION PLAN INVESTMENTS IN CHINESE COMMUNIST COMPANIES BE EXPLORED FURTHER AND A REPORT GIVEN TO THE FULL BOARD FOR FURTHER EXPLORATION AND DISCUSSION, AS PRESENTED. ROLL CALL VOTE: YEAS – BRUCE CASWELL, BRADLEY BOHNER, CARL RICE, JR. NAYS – RUTH BROWN, MELISSA CALLISON, CHRISTINE CARLSON, JOHN CLARK, JEFFREY PETERSON, EARL POLESKI, EDWARD WOODS. ABSENT: MARK WILEY. MOTION DEFEATED: 7-3

SPECIAL ORDER TOPIC: THE STATUS OF CYBERSECURITY AT LIFEWAYS – AMON HODGE, EXECUTIVE DIRECTOR OF INFORMATION TECHNOLOGY

Amon Hodge, Executive Director of Information Technology (IT), presented on the status of cybersecurity at LifeWays. Highlights included:

- Data Breaches Vulnerability
- What is LifeWays Doing for Cybersecurity?
- How are We Protecting Ourselves Against Cyber-Attacks?
- Let's Understand
 - The Threats
 - Our Vulnerabilities
 - How We Minimize Risk
- Our Cybersecurity Posture is Broad, Strong and Effective
- There is No 100% Guarantee
- What are the Threats?
- Cybercrime is Big Business
- What do Cybercriminals Want?
- Data
- Criminal Methods
- Name This Campaign
- Ransomware Attack
- Proactive/Responsive
- Training
- Relevant Trainings
- More Training: Phishing Campaign
- Password Complexity
- Two-Factor Authentication
- Pre-emptive Behavioral Firewall
- Anti-Virus/Endpoint Protection
- Cisco Umbrella DNS Internet Filtering

- Cisco Meraki Firewalls
- Ransomware Attack Revisited
- Game Over
- Conclusion
- Final Thoughts
- Cybersecurity Solutions at LifeWays

There were no further questions from the Board.

Kudos to Mr. Hodge for not only a great report but also to Mr. Hodge and his staff for going above and beyond on protecting LifeWays from cybercriminals.

RECESS BUSINESS MEETING

Chair Peterson recessed the Regular Business Meeting at 7:56 p.m.

RECONVENE

The Regular Business Meeting reconvened at 8:00 p.m.

APPROVAL OF CONSENT AGENDA

LW 20-21-039 - Approval of the Consent Agenda (August 18, 2021 Regular Business Meeting)

MOTION BY BRADLEY BOHNER, SUPPORTED BY EARL POLESKI, FOR APPROVAL OF THE CONSENT AGENDA (AUGUST 18, 2021 REGULAR BUSINESS MEETING), AS PRESENTED. MOTION CARRIED: -10-0

A. Facilities

1. Approval to Accept RW Mercer Co. Invoice #338564 | Draw #19 in the Amount of \$369,298.86 and Recommendation to LifeWays Finance Committee Approval for Payment for Period Ending 7/31/2021

B. Program & Finance

2. Approval to Accept Finance Report – June 2021
3. Approval to Accept Expenses Report – June 2021 - \$8,553,522.62
4. Approval to Accept the Facilities Committee Recommendation for Payment to RW Mercer for Invoice #338564 | Draw #19 in the Amount of \$369,298.86 for Payment for Period Ending 7/31/2021

5. **Approval of Expenditure of \$45,836.00 to Lighthouse Group for Liability Insurance Coverage for a One-Year Term Effective October 1, 2021**
6. **Approval to Expenditure of \$19,071.00 to Community Mental Health Association (CMHA) for Fiscal Year 2022 Annual Dues**
7. **Approval of Expenditure of \$66,390.00 to Vista IT Group for Servers, Network Storage, and Consulting Fees**
8. **Approval of Expenditure of \$27,244.72 to Connection for Cisco Network Switches**

C. Quality Improvement and Credentialing

9. **Approval of the Quality Improvement/Credentialing Report – August 2021**
10. **Approval of Reviewed Policies: 01-08 Corporate Compliance; 01-09 Whistleblowers Protection Policy; 03-02 Budget; 03-04 Billing and Claims; 14-02 Mobile Crisis Team for Adults; 14-03 Intensive Crisis Stabilization Services (ICSS) for Children**
11. **Approval of Revised Policies: 01-01 Board of Directors Authority, Structure, Board Organization and Responsibility; 01-02 Board of Directors Operations; 01-03 Management Operations; 01-04 Management and Organizational Support; 01-05 Conflict of Interest Policy; 01-06 Agency Records Management; 01-07 Delegation of Authority and Succession Planning; 14-01 23 Hour Crisis Living Room**
12. **Approval Revised Governance Procedures: 01-01.01 Board of Directors Authority; 01-01.02 Board of Directors Membership; 01-01.03 Board of Directors Legal and Ethical Obligation; 01-01.04 Board of Directors Orientation; 01-01.05 Board of Directors Evaluation; 01-01.06 Board Executive Committee Role and Responsibility; 01-02.01 Policy Manual; 01-02.02 Board Meetings; 01-02.03 Board Committee Meetings; 01-02.04 Board Member Reimbursement and Documentation; 01-02.05 Board of Director Public Relations and Communications Protocol; 01-02.06 Guidelines for Appointment to LifeWays Board of Directors; 01-02.08 Board Appointment to Region 5 Entity; 01-03.01 Role and Responsibility of Executive Administration; 01-03.02 Leadership Team Meetings; 01-03.03 Financial Audit Services; 01-03.04 LifeWays Communication Process; 01-04.01 Policy and Procedure Management; 01-04.02 Chief Executive Officer Supports; 01-05.01 Regional Entity Board Member Conflict of Interest Guidelines; 01-05.02 LifeWays Board Member Conflict of Interest Guidelines; 01-06.01 Agency Record Retention Guidelines; 01-06.02 Freedom of Information Act (FOIA) Requests; 01-07.01 Organizational Chart and Succession Planning; 01-07.02 Executive**

and Director Level Delegation of Authority; 01-07.03 Processing and Signing Legal Documents

13. Approval of the Reappointment of Edward Woods to Mid-State Health Network (MSHN) Board of Directors (Region 5) for a Three-Year Term

APPOINTED COMMITTEE REPORTS

- **LIFEWAYS BOARD EXECUTIVE COMMITTEE**
- **LIFEWAYS RECIPIENT RIGHTS ADVISORY COMMITTEE**
- **MID-STATE HEALTH NETWORK (MSHN) BOARD**
- **MSHN SUBSTANCE USE DISORDER OVERSIGHT POLICY BOARD**
- **NATIONAL COUNCIL FOR BEHAVIORAL HEALTH BOARD**
- **COMMUNITY MENTAL HEALTH ASSOCIATION**

BOARD OF DIRECTORS

- **LIFEWAYS MENTAL HEALTH IN SCHOOLS ADVISORY COMMITTEE**
- **LIFEWAYS SELF-DETERMINATION ADVISORY COMMITTEE**

REPORTS

- **CHIEF EXECUTIVE OFFICER (CEO)**

Ms. Leonard presented the CEO report on the following topics.

- **LifeWays Update**
 - **Michigan Health Endowment Grant Award Announcements**
 - **Substance Use Disorder (SUD) Outpatient Services**
 - **Crisis Residential Unit (CRU)**
 - **Workforce Challenges**
 - **Congratulations to Angie O'Dowd**
 - **Senator and Representative Meetings**
- **State Legislative Update**
 - **Fiscal Year 2022 Budget Update – House and Senate Schedules**
- **Federal Legislative Update**

- **Key Legislation Introduced to Expand Certified Community Behavioral Health Clinic (CCBHC) Program**
- **Community Mental Health Association (CMHA) Update**
 - **CMHA Develop Social Media Messages Highlighting Successes of Public System**
 - **Suicide Among Black Girls is a Mental Health Crisis Hiding in Plain Sight**
 - **CMHA Advocacy on the Behavioral Health Reform Legislation**
- **Upcoming Events**
 - **LifeWays 2021 Strategic Planning Summit**

(A copy of the CEO Report can be found in the Supplemental portion of the Board Minutes Book.)

- **BOARD CHAIR**

Thanks to everyone for your time and effort that you put into LifeWays and the family here.

- **MEMBER COMMENTS**

- **Mr. Clark – No comment.**
- **Mr. Bohner – No comment.**
- **Ms. Brown – The Hillsdale Suicide Prevention Coalition met in the LifeWays Hillsdale board room yesterday. Chad Surque [Director of Communications and Outreach], Chelsea Oliver and Christina Crouch [both are Public Relations Coordinators] were there in support and giving assistance. Just so you're aware, Stomp Out Suicide was changed from September 10 to September 24 but at the same place and time [Michigan Theater and virtually, 5:00-9:00 pm; <https://lifewayscmh.org/STOMP>]. Looking for sponsors and donations for giveaways; see the webpage on how to help.**
- **Mr. Poleski – No comment.**
- **Dr. Rice – I attended Jim Shotwell's celebration of life today; it was a blessing to be there and to be a part of that. It was also a blessing to sit next to Mr. Woods. Our former Finance Director, Alison [Magda] sang throughout the celebration; I knew she was a great Finance Director, but I've never heard anyone with a heavenly voice like she has.**
- **Mr. Woods – It was a beautiful ceremony and one of the nicest funerals I've been to. His granddaughters did some of the readings and Alison did a wonderful job singing. It felt like a proper sendoff for Jim. Dr. Rice got a lot of exercise at the Catholic service with all the sitting down, kneeling and standing up he had to do. It was a good celebration.**
- **Ms. Callison – No comment.**

- **Ms. Carlson – No comment.**
- **Mr. Caswell – The MSHN SUD committee didn't meet today but I got this information online. Jackson County has received less than half of what should be received in the course of the year as did Hillsdale. Jackson received \$146,000 and spent \$182,000 through Big Brothers, Big Sisters; Family Services and Children's Aid; Henry Ford Allegiance for Prevention; and Home of New Vision. Hillsdale received \$23,000 and has spent \$8,000 through McCullough, Vargas and Associates, Inc. for Early Intervention and Prevention.**

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

There being no further business to come before the Board, Chair Peterson adjourned the meeting at 8:27 p.m.

Ruth Brown, Secretary



**MINUTES OF THE PUBLIC HEARING ON NEEDS ASSESSMENT –
JACKSON COUNTY
WEDNESDAY, AUGUST 18, 2021**

The LifeWays Board of Directors held a Public Hearing on Needs Assessment – Jackson County in the Board Room at the LifeWays Building, 1200 N West Avenue, Jackson, Michigan, on Wednesday, August 18, 2021

BOARD MEMBERS PRESENT: Jeffrey Peterson (Chair), Bruce Caswell (Vice Chair) via Zoom, Ruth Brown (Secretary), John Clark (Treasurer), Bradley Bohner, Melissa Callison via Zoom, Christine Carlson via Zoom, Earl Poleski, Carl Rice, Jr. via zoom, Edward Woods via Zoom

BOARD MEMBERS ABSENT: Mark Wiley

STAFF MEMBERS PRESENT: Maribeth Leonard (Chief Executive Officer), Kenneth Berger, Latrelle Burk, Richard Carpenter, Karen Cascaddan, Shannan Clevenger, Amon Hodge, Jon Johnston, Casie Robertson

OTHERS PRESENT:

CALL TO ORDER

Chair Jeffrey Peterson called to order at 7:56 p.m. the Public Hearing on Needs Assessment – Jackson County.

Maribeth Leonard, Chief Executive Officer, stated that, in accordance with the Michigan Mental Health Code, each Community Mental Health Services Program (CMHSP) is required to annually conduct an assessment to determine the mental health needs of the residents of the county or counties it represents as well as to identify public and nonpublic services necessary to meet those needs. The information and data concerning the mental health needs of individuals with developmental disability, serious mental illness, and serious emotional disturbance is reported to the Michigan Department of Health and Human Services (MDHHS). This Public Hearing is only one component of data gathering as LifeWays also involves the public and providers in Hillsdale and Jackson counties in various ways to ensure that information is collected from numerous and appropriate sources.

Mr. Poleski noted that the new Jackson County sheriff understands well that many inmates have mental health issues; he would be amenable to any expansion of assistance that LifeWays could provide.

Mr. Woods added that he spoke with both the [Jackson County] sheriff and undersheriff recently; both mentioned how much they appreciated the assistance from LifeWays as well as being given a better understanding of mental health issues. It's impacted their staff and

LIFEWAYS BOARD OF DIRECTORS
Minutes of the Meeting
August 18, 2021
Page 2

their way of policing.

PUBLIC COMMENT

There were no public comments.

ADJOURNMENT

MOTION BY EARL POLESKI, SUPPORTED BY BRADLEY BOHNER, TO CLOSE THE PUBLIC HEARING ON THE NEEDS ASSESSMENT – JACKSON COUNTY AND RETURN TO THE REGULAR BUSINESS MEETING AT 8:01 PM. MOTION CARRIED: 10-0.

Ruth Brown, Secretary