



Board of Directors Special Meeting Agenda

Friday, August 23, 2024 at 12:00 PM

Training Room, 540 Jenner Drive, Allegan, MI 49010

(To attend virtually via Microsoft Teams: [Click here to join the meeting](#))

1. Call to Order – Commissioner Gale Dugan
2. Pledge of Allegiance
3. Roll Call – Commissioner Gale Dugan
4. Provision for Public Comment (agenda items only, 5” limit per speaker)
5. Approval of Agenda
6. Discussion on The Appointment of LRE Executive Committee Members Resolution – Commissioner Gale Dugan
7. Provision for Public Comment (any topic, 5” limit per speaker) – Commissioner Gale Dugan
8. Board Member Comments – Commissioner Gale Dugan
9. Adjournment

RESOLUTION OF THE ONPOINT BOARD OF DIRECTORS ON THE APPOINTMENT OF EXECUTIVE COMMITTEE MEMBERS FOR 2025

The Board of Directors of OnPoint, in a special meeting of the Board of Directors that was duly noticed, called, and at which a quorum was present to conduct business, and which was held on Friday, August 23, 2024, hereby adopts the following resolution regarding the nomination of Executive Committee members for the LRE Board of Directors:

WHEREAS, OnPoint is a founding member of the Lakeshore Regional Entity (LRE), and has been a member of the LRE in good standing since its inception in 2014 and has done its part to manage its financial responsibilities as required by the LRE for many years, and

WHEREAS, the LRE's Conflict of Interest Policy requires that LRE board members - and OnPoint itself as a member - exercise our Duty of Care to "*perform his or her duties for the LRE in good faith*" and our Duty of Loyalty to "*act at all times in the best interest of the LRE*", and

WHEREAS, the LRE's Operating Agreement obligates the LRE to "*[ensure] that equality in voice and governance exists, and that the benefit to the citizens meets Medicaid standards while being provided in ways that reflect the needs and resources of the communities in which each CMHSP Member operates.*" , and

WHEREAS, the LRE further "*establishes certain checks and balances to ensure that governance remains balanced and equal and that the operation of the [LRE] is for service to the CMHSP Members in achieving high levels of regulatory compliance, quality of service, and fiscal integrity. In these ways the [LRE] exists to serve in the best interest of and to the benefit of all CMHSP Members and their persons served.*", and

WHEREAS, the LRE's Nominations Committee has proposed officers for 2025 who have been deeply involved in recent litigation against the LRE and/or led and supported actions (Motion LRE 23-23 at May 24, 2023 LRE board meeting) that were seen as inconsistent with the duties of care and loyalty to the LRE, and

THEREFORE, BE IT RESOLVED that the OnPoint Board of Directors urges the LRE Board to appoint individuals who exemplify the Duty of Care and Duty of Loyalty as specified in the LRE’s Conflict of Interest policy.

AND BE IT FURTHER RESOLVED that the OnPoint Board of Directors urges the LRE Board to appoint individuals who will “*[ensure] that equality in voice and governance exists, and that the benefit to the citizens meets Medicaid standards while being provided in ways that reflect the needs and resources of the communities in which each CMHSP Member operates.*” , and

AND BE IT FURTHER RESOLVED that the OnPoint Board of Directors urges the LRE Board to appoint individuals who will help “*[establish] certain checks and balances to ensure that governance remains balanced and equal and that the operation of the [LRE] is for service to the CMHSP Members in achieving high levels of regulatory compliance, quality of service, and fiscal integrity. In these ways the [LRE] exists to serve in the best interest of and to the benefit of all CMHSP Members and their persons served.*”.

RESOLUTION DECLARED ADOPTED

_____ Date:

Gale Dugan, Board Chairperson

I hereby certify that the foregoing is a true and complete copy of the Resolution duly adopted by the OnPoint Board of Directors at a special meeting held on August 23, 2024, at which a quorum was present, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, 1976 P.A. 267 as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

_____ Date:

Mark DeYoung, Board Secretary

**DRAFT VERBAL PRESENTATION IN PUBLIC COMMENT
FOR THE LRE BOARD ON WEDS 8/28/2024**

The following is a message from the OnPoint Board of Directors to the Board of the Lakeshore Regional Entity.

For more than ten years, OnPoint has worked within the structure of the LRE to improve the care provided within Allegan County in our area of responsibility as a CMH. Our earliest days of involvement were not our best – and we do not wish to minimize the discord and disruption our early involvement caused. However, we turned that corner many years ago.

Since 2018, we have worked for the common good through our CMH board and community member representatives. We have honored the expectation to balance our local organizational interests with the interests of the LRE and have worked hard to be responsible in our finances and in our services to operate within and up to the standards of the LRE. All of this has been done to better meet the needs of the people we serve. While not always perfect, we've been focused in our efforts.

OnPoint has worked for many years to maximize the use of LRE resources, but we have also avoided the temptation to build unsustainable programs on temporary revenues fluctuations. We have lived within our LRE allocations. We know that our regional situations vary, yet the financial performance expectation is a one we all must share. We are very encouraged by the recent commitments made by CMH's that have frequently overspent their budgets to present and hold to a balanced budget for FY2025 and operate within their LRE allocations. That is essential to achieving regional success.

The LRE has been a contentious place for many years. It's difficult work to meld the interests of five organizations into a sixth under the rules and resources afforded us all under our state system. Needs outstrip resources. Disparate sizes can create disparate influence. Our obligation together has been to look to the needs of all whether weak or strong, whether large or small. We need leadership in the region and on the board that supports a united vision and positive action.

In that regard, the recommendation your board receives today from the Nominating Committee is a concern. The names put forward are names of otherwise honorable people. However, their positions and actions in the past year put the integrity of this board into question. It calls into question the degree to which the LRE board will uphold the aspiring words of our Operating Agreement (which we note some members have not yet signed). The words that come to mind are these:

“The ENTITY is dedicated to ensuring that equality in voice and governance exists, and that the benefit to the citizens meets Medicaid standards while being provided in ways that reflect the needs and resources of the communities in which each CMHSP Member operates.” ... “It establishes certain checks and balances to ensure that governance remains balanced and equal and that the operation of the ENTITY is for service to the CMHSP Members in achieving high levels of regulatory compliance, quality of service, and fiscal integrity. In these ways the ENTITY exists to serve in the best interest of and to the benefit of all CMHSP Members and their persons served.”

What concerns OnPoint about the nominees for Chair and Vice-Chair is the relationship of these members to the region's most recent financial legal conflicts over financial matters. If the legal actions against the LRE weren't enough to cause the nominations committee to reconsider its options, then the introduction and passage of a verbal motion at the May 24, 2023 LRE board meeting (LRE 23-23) should. That action forced the LRE – against the advice of its administration and several board members – to pay out the bulk of the funds owed from prior years to Network180 and Muskegon County.

It is now the members directly involved in those high-pressure moves and the beneficiaries of those actions who are put forward as Chair and Vice-Chair nominees. Our view is that supporting that recommendation is ill-advised. Let the rifts heal. Let the members demonstrate their support for the words of the Operating Agreement cited above. Select alternative candidates for this year.