

ANNUAL REPORT
SEPTEMBER 1, 1987 THROUGH AUGUST 31, 1988
HEALTH AND HUMAN SERVICES COORDINATING COUNCIL

Submitted by: Patricia O. Thomas
Executive Director

H 375.3



Texas Health and Human Services Coordinating Council

November 30, 1988

Honorable William Clements, Governor
Jim Oliver Director, Legislative Budget Board
Lawrence F. Alwin, State Auditor
Honorable Bob Bullock, State Comptroller

Gentlemen:

We are pleased to submit the Annual Financial Report of the Texas Health and Human Services Coordinating Council for the year ended August 31, 1988, in compliance with the General Provisions of the Appropriations Act, Article V, and in accordance with the requirements established by the Comptroller of Public Accounts.

The State Auditor has not audited the accompanying annual financial report and, therefore, has not expressed an opinion on the financial statements and related information contained in this report.

If you have any questions, please contact Bonnie Kuhles at 463-2195. Bonnie may be contacted for questions related to the Schedule of Federal Financial Assistance.

Sincerely,

Patricia O. Thomas
Executive Director

POT/tb

Enclosure

Government Publications
Texas State Documents
MAR 29 1989
Dallas Public Library



Texas Health and Human Services Coordinating Council

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Sincerely,

A handwritten signature in cursive script, appearing to read "Patricia O. Thomas".

Patricia O. Thomas
Executive Director

POT/tb

Enclosure

ANNUAL REPORT
SEPTEMBER 1, 1987 THROUGH AUGUST 31, 1988
HEALTH AND HUMAN SERVICES COORDINATING COUNCIL

Submitted by: Patricia O. Thomas
Executive Director

TEXAS HEALTH & HUMAN SERVICES COORDINATING COUNCIL (649)

(UNAUDITED)

EXHIBIT I

COMBINED BALANCE SHEET

ALL FUND TYPES AND ACCOUNT GROUPS

For the Year Ended August 31, 1988

	GOVERNMENTAL	ACCOUNT GROUPS		TOTALS (Memorandum only)
	FUND TYPES	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
	GENERAL 001			
ASSETS				
Cash and Temporary Investments:				
	\$	\$	\$	\$
Legislative Appropriations	48,287			48,287
Receivables:				
Accounts Receivable	33,846			33,846
Due from Other Funds (NOTE 3)	1,148			1,148
Inventories:				
Consumable Inventories	441			441
Fixed Assets:				
Furniture and Equipment		62,528		62,528
Amts To Be Provided in Future Years:				
Employees Compensable Leave			6,402	6,402
TOTAL ASSETS	\$ 83,722	\$ 62,528	\$ 6,402	\$ 152,652
LIABILITIES				
Payables:				
	\$	\$	\$	\$
Accounts Payable	28,755			28,755
Due To Other Funds (NOTE 3)	6,430			6,430
Employees Compensable Leave			6,402	6,402
Adjustment to Payables	(133)			(133)
TOTAL LIABILITIES	35,052	0	6,402	41,454

TEXAS HEALTH & HUMAN SERVICES COORDINATING COUNCIL (649)

(UNAUDITED)

EXHIBIT I

COMBINED BALANCE SHEET

ALL FUND TYPES AND ACCOUNT GROUPS

For the Year Ended August 31, 1988

	GOVERNMENTAL	ACCOUNT GROUPS		TOTALS (Memorandum only)
	FUND TYPES	GENERAL FIXED ASSETS	GENERAL LONG-TERM DEBT	
	GENERAL 001			
FUND EQUITY				
Contributed Capital	\$	\$	\$	\$
Investment in General Fixed Assets		62,528		62,528
FUND BALANCES(DEFICITS):				
Inventories	441			441
Undesignated:				
Available for Subsequent Years	47,829			47,829
Other	400			400
TOTAL FUND EQUITY	48,670	62,528	0	111,198
TOTAL LIABILITIES				
& FUND EQUITY	\$ 83,722	\$ 62,528	\$ 6,402	\$ 152,652

The accompanying notes to the financial statements are an integral part of this financial statement.

TEXAS HEALTH & HUMAN SERVICES COORDINATING COUNCIL (649)

(UNAUDITED)
 EXHIBIT II
 COMBINED STATEMENT OF REVENUES, EXPENDITURES & CHANGES IN FUND BALANCES
 ALL SPECIAL REVENUE FUNDS
 For the Year Ended August 31, 1988

	GOVERNMENTAL		FUND TYPES	
	GENERAL Fund #		SPECIAL REVENUE (EXH A-2)	TOTALS (Memorandum only)
REVENUES:				
Legislative Appropriations				
Original	\$ 242,164	\$		\$ 242,164
Budget Reduction	(650)			(650)
Federal Revenues:				
Federal Reimb - SLIAG	63,734			63,734
Registration Fees	1,925			1,925
Sale of Reference Guides	864			864
Other Revenue				
Reimbursements - JTPA	13,020			
Reimbursement - Other	5,982			
Total Revenues	327,039		0	327,039
EXPENDITURES:				
Salaries and Wages	197,230			197,230
Payroll Related Costs:				
Social Security Matching Contribution	15,141			15,141
Social Security Payments by State-5.85%	6,657			6,657
Professional Fees & Services	17,629			17,629
Travel	16,286			16,286
Materials and Supplies	5,492			5,492
Communication and Utilities	6,285			6,285
Repairs and Maintenance	578			578
Rentals and Leases	1,107			1,107
Printing and Reproduction	2,250			2,250
Other Operating Expenditures	1,681			1,681
Capital Outlay	8,608			8,608
Total Expenditures	278,943		0	278,943
EXCESS OF REVENUES OVER EXPENDITURES	48,096		0	48,096
OTHER FINANCING SOURCES (USES):				
Operating Transfers In				
(Agency 300, Fund 001)	23,183			
Operating Transfers Out	(23,183)			
Net Change in Consumable Inventories	(322)			(322)
Total Other Financing Sources (Uses)	(322)		0	(322)
EXCESS OF REVENUE & OTHER FINANCING SOURCES OVER EXPENDITURES & OTHER FINANCING USES	47,774		0	47,774
FUND BALANCES - September 1, 1987	4,183			4,183
Adjustment				0
Lapsed Appropriations	(3,287)			(3,287)
				0
FUND BALANCES - August 31, 1988	\$ 48,670	\$	0	\$ 48,670

The accompanying notes to the financial statements are an integral part of this financial statement.

TEXAS HEALTH & HUMAN SERVICES COORDINATING COUNCIL (649)

(UNAUDITED)
 EXHIBIT III
 COMPARISON OF FUNDS BUDGETED TO FUNDS APPLIED AND ENCUMBERED

For the Year Ended August 31, 1988

Activity	Funds Budgeted				Totals
	Legislative Appropriations	Additional Appropriations and Adjustments	Appropriated Rev. & Other Financing Sources	Transfers Between Appropriations	
Legislative Appropriations					
Current Year					
Administration:					
Director	\$ 49,400	\$	\$	\$	49,400
Administration	192,764	(650)	108,708		300,822
					0
Total Administration	242,164	(650)	108,708	0	350,222
Program Management:					
Consumer Services					0
Special Projects					0
Application Processing					0
Total Program Management	0	0	0	0	0
Capital Outlay					0
Enforcement					0
TOTAL, Current Year					
Legislative Appropriations	242,164	(650)	108,708	0	350,222
Prior Year Appropriations	218,356	(13,879)	1,518		205,995
TOTAL APPROPRIATIONS	\$ 460,520	\$ (14,529)	\$ 110,226	\$ 0	\$ 556,217

Funds Applied and Encumbered

	Expenditures and Other Financing Uses	Appropriations Lapsed	Encumbrances	Totals	Variance
Legislative Appropriations Current Year					
Administration:					
Director Administration	\$ 49,400	\$	\$	\$ 49,400	\$ 0
	252,726			252,726	48,096
				0	0
Total Administration	302,126	0	0	302,126	48,096
Program Management:					
Consumer Services				0	0
Special Projects				0	0
Application Processing				0	0
Total Program Management	0	0	0	0	0
Capital Outlay				0	0
Enforcement				0	0
TOTAL, Current Year Legislative Appropriations	302,126	0	0	302,126	48,096
Prior Year Appropriations	202,708	3,287		205,995	0
TOTAL APPROPRIATIONS	\$ 504,834	\$ 3,287	\$ 0	\$ 508,121	\$ 48,096

Texas Health & Human Services
Coordinating Council

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

The Council is designated a separate reporting entity based on requirements established by the Legislative Budget Board, and the Governor's Budget and Planning Office.

The Texas Health and Human Services Coordinating Council operates under the authority of Tex. Hum. Res. Code Ann. Sec.131.001. The functions of the Council are to:

- a) Establish and maintain a comprehensive central data base covering public and private sector health and human services that assures that health and mental health communications and records remain confidential and privileged.
- b) Conduct and contract for studies of significant health and human services that may include needs assessments monitoring and tracking services among agencies, cost analyses, forecasting, consideration of current problems of target populations, long-term results of services, and issues of multi-level or multi-agency service delivery.
- c) Serve as the primary state resource in coordinating and planning for health and human services.
- d) Analyze federal, state, county, municipal, agency and public/private sector relationships to coordinate efforts to plan and deliver health and human services.
- e) Provide a central information and referral source concerning health and human services.
- f) Review existing and proposed actions and policies of federal agencies to determine the health and human services impact on Texas and recommend to the Governor and the Legislature alternative actions and policies consistent with state health and human services policy.
- g) Provide advice to agencies, organizations, and governmental entities concerning the analysis of needs and the development, evaluation, and coordination of health and human services.
- h) Conduct regular and comprehensive reviews and analyses of health and human services policy and make such recommendations as deemed necessary to the Governor and to the Legislature.

B. BASIS OF PRESENTATION

The accompanying financial statements of Sample Agency have been prepared to conform with Generally Accepted Accounting Principles(GAAP) as prescribed by the Governmental Accounting Standards Boards(GASB).

C. FUND STRUCTURE

This section describes the different fund types and account groups used to reflect the agency's transactions.

GOVERNMENTAL FUND TYPES

General Fund

The general fund is used to account for all financial resources of the state except those required to be accounted for in another fund.

ACCOUNT GROUPS

General Fixed Assets Account Group

Fixed assets used by the Agency are accounted for in the General Fixed Asset Account Group, with the exception of those acquired by and accounted for in proprietary, nonexpendable trust and pension trust funds.

General Long-term Debt Group

This account group is used to account for long-term debt to be financed in future periods from governmental funds.

D. MEMORANDUM TOTALS

The total columns on the financial statements are captioned "Memorandum Only" to indicate that they are for informational purposes only. Data in these columns does not present the financial position, results of operations, or changes in financial position in conformity with GAAP, nor is such data comparable to a consolidation.

E. BASIS OF ACCOUNTING

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. All governmental fund types, expendable trust funds and agency funds are accounted for on the modified accrual basis of accounting. Revenues are recognized when they become both measurable and available. Expenditures are generally recognized when the related fund liability is incurred. Exceptions are unpaid employee compensable leave, and the unmatured debt service (principal and interest) on general long-term debt, long-term capital leases, and long-term claims and judgments, which are not recognized until actual payment is made. The principal of these long-term liabilities is reported in the General Long-term Debt Account Group.

F. BUDGETS AND BUDGETARY ACCOUNTING

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the Governor (the General Appropriations Act). Encumbrance accounting is employed for budgetary control purposes.

Unencumbered appropriations are now generally subject to lapse 100 days after the end of the fiscal year for which they were appropriated.

G. ASSETS, LIABILITIES, AND FUND EQUITY

ASSETS

Inventories

Consumable inventories include supplies and postage on hand at year end.

Inventories for governmental funds are accounted for using the purchase method of accounting. The cost of these items is recognized as an expenditure at the time of purchase. These assets are offset by a fund balance reserve which indicates that they do not constitute "available spendable resources". The consumption method of accounting is used to account for these inventories carried in proprietary fund types. The cost of these items is expensed when the items are consumed.

Purchases of fixed assets by governmental or similar trust funds are reported as expenditures. They are capitalized at cost or, if not purchased, at appraised value on the date of acquisition. There is no provision for depreciation or obsolescence of these fixed assets since replacements are financed from current resources.

LIABILITIES

Accounts Payable

Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Employees' Compensable Leave

Employees' Compensable Leave Balances represent the liability that the Agency will be required to liquidate in the future for employee vacation time.

RESERVATIONS/DESIGNATIONS OF FUND EQUITY

Reserved for Consumable Inventories

This represents the amount of supplies, postage and prepaids held to be used in the next fiscal year.

Reserved for Unencumbered Appropriations:

Subject to Lapse represents the unencumbered balance of appropriated funds at fiscal year end which may not be encumbered in future periods.

For Future Operations represents the funds that can be used for future operations (Unexpended Balance (U.B.) authority for appropriations).

H. INTERFUND TRANSACTIONS AND BALANCES

1. Reimbursements

These transactions represent expenditures or expenses applicable to a particular fund but paid from another fund. The transactions are reported as expenditures or expenses in the reimbursing fund and a reduction of corresponding amounts in the reimbursed fund. The accrual of these transactions is reported as accounts receivable and accounts payable on the balance sheet.

2. Transfers

Operating Transfers represent routine transfers of resources. Operating transfers are reported in the Other Financing Sources(Uses) section for governmental and expendable trust fund types and under the Operating Transfers section for proprietary, nonexpendable trust, and pension trust funds.

NOTE 2: PROPERTY, PLANT & EQUIPMENT

A summary of changes in General Fixed Assets for the year ended August 31, 1988:

Asset Type	Balance 9/01/87	Additions	Deletions	(Exh. 1) Balance 8/31/88
Land	\$	\$		0
Buildings				0
Furniture and Equipment	53,918	8,610		62,528
Vehicle, Boats & Aircraft				0
Library Books				0
Construction in Progress				0
TOTAL	\$ 53,918	\$ 8,610	0	62,528

NOTE 3: EMPLOYEES COMPENSABLE LEAVE

A summary of changes in employees' compensable leave balance, which reflect employees' accrued rights to future compensated absences, should be disclosed. Changes and balances are stated in terms of hours:

	ANNUAL LEAVE	FLSA & STATE COMP TIME	TOTALS
Compensable Leave Hours (9-1-87)	128	16	144
Leave hours earned	609	377	986
Leave hours compensated			
By time off	(316)	(346)	(662)
By monetary payment	(62)		(62)
Leave hours lost or cancelled			0
Other changes			0
Transferred from previous State Employer	34		34
Compensable Leave Balance (8-31-88)	393	47	440

NOTE: FLSA hours accumulated are one and one half times hours worked.

The Council's monetary liabilities for compensable future absences as of August 31, 1988, as computed by multiplying the above ending balances by the year-end average hourly salary rate for all employees, were as follows:

	General Long- term Debt Account Group
Annual Leave	\$ 5,718
FLSA & State Compensable Time	684
Total (Exh. I)	\$ 6402

NOTE 4: EMPLOYEES RETIREMENT PLANS

The State has joint contributory retirement plans for substantially all its employees. The Agency participates in the plans administered by the Employees (or Teachers) Retirement System of Texas. Future pension costs are the liabilities of the Retirement System. The System does not account for each State agency separately. Annual financial reports prepared by the System include audited financial statements and actuarial assumptions and conclusions.

Total cost to the State, related to this Agency for the year ended August 31, 1988, was \$13,834. This includes the amount shown in Note 6 and \$90 paid from operating funds.

NOTE 5: DEFERRED COMPENSATION

At August 31, 1988 one employee of the Agency were participating in the State's Deferred Compensation Program. This program allows employees to defer a portion of their monthly salary for income tax and investment purposes. During the 1988 fiscal year \$7500 was withheld from employees' salary to be invested in approved plans as designated by the employee. The State has no additional or unfunded liability for this program.

NOTE 6: INDIRECT COSTS

In addition to the direct expenditures as shown in Exhibit II, certain costs were paid on behalf of employees from appropriations of the state's General Revenue Fund made available to other state agencies. Listed below are these indirect costs:

Retirement Contributions and Related Costs:	\$	
Employees Retirement System (Teachers Retirement System)		13,834
State Contributions for Group Insurance:		
Active Employees		7,336
Retired Employees		
Unemployment Compensation Benefits		
Workers' Compensation Benefits		

Totals	\$	21,170
		=====

* Included in the amounts are \$ 84. paid by the Employees Retirement System on behalf of employees for group insurance premiums from the Employee Life, Accident, and Health Insurance and Benefits Account.

NOTE 7: CONTINGENT LIABILITIES

Sick leave, the accumulation of which is unlimited, is earned at a rate of 8 hours per month and is taken only in the event of illness or paid to the estate of an employee in the event of illness or paid to the estate of an employee in the event of his/her death. The maximum sick leave that may be paid an employee's estate is one-half of the employee's accumulated entitlement of 336 hours, whichever is less. Such payments are recognized as expenditures of governmental funds when paid. No liability is recorded in the General Long-Term Debt Account Group since experience indicates the probability of a material effect on any given year's operation as a result of death or abnormally high rate of illness is minimal.

NOTE 8: INTERFUND RECEIVABLES AND PAYABLES

As explained in Note 1 on Interfund Transactions and Balances there are numerous transaction between funds and agencies. At year-end amounts to be received or paid are reported as Due From or Due To Other Funds. Individual interfund receivable and payable balances at August 31, 1988 were as follows:

	DUE FROM OTHER FUNDS -----	DUE TO OTHER FUNDS -----
GENERAL REVENUE		
Agency 101, Fund 001	\$	\$ 2,155
Agency 105, Fund 001		2
Agency 301, Fund 001	407	
Agency 303, Fund 001		2,234
Agency 303, Fund 900	51	
Agency 334, Fund 001	690	
Agency 342, Fund 001		1,912
Agency 582, Fund 041		19
Agency 719, Fund 001		108
	-----	-----
	1148	6430
	-----	-----
 TOTAL (EXH I)	 \$ 1148 =====	 \$ 6430 =====

NOTE 9: CONTINUANCE SUBJECT TO REVIEW

Under the Texas Sunset Act, the Agency will be abolished effective September 1, 1991, unless continued in existence by the 72nd Legislature as provided by the Act. If abolished, the agency may continue until September 1, 1992 to close out its operations.

TEXAS HEALTH & HUMAN SERVICES COUNCIL(649)

(UNAUDITED)

SCHEDULE I

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE

For the Year Ended August 31, 1988

FEDERAL GRANTOR/ PASS THROUGH GRANTOR/ PROGRAM TITLE -----	FEDERAL CFDA NUMBER -----	EXPENDITURES -----
U.S. Dept. of Health & Human Services State Legalization Impact Assistant Grant (SLIAG)		\$63,734.00 -----
TOTAL FEDERAL ASSISTANCE		\$63,734.00

Texas Health & Human Services
Coordinating Council

SCHEDULE II

Payee	Description of Services	Amount
Elisa Bolton	Student Intern	\$1,991.30
Elizabeth Birkes	Student Intern	\$3,600.00
Patricia Locke	Bookkeeper	\$9,096.00

		\$14,687.30

Texas Health & Human Services
Coordinating Council

Addendum I

ORGANIZATION AND MISCELLANEOUS

The Texas Health and Human Services Coordinating Council consists of:

The Governor
The Lieutenant Governor
The Speaker of the House of Representatives
The Chairman of the Texas Board of Human Resources
The Chairman of the Texas Board of Health
The Chairman of the Texas Board of Mental Health and Mental
Retardation
The Chairman of the State Board of Education
Two additional board chairmen of state agencies delivering health
and human services, appointed by the Governor
Two Senators appointed by the Lieutenant Governor
Two members of the House of Representatives appointed by the Speaker
of the House
Two members of the general public appointed by the Governor
Two members of the general public appointed by the Lieutenant Governor
Two members of the general public appointed by the Speaker of the
House

Texas Health & Human Services
Coordinating Council

Members serving at August 31, 1988, their respective professions and termj
expiration date are listed below:

NAME	PROFESSION	TERM EXPIRES
William P. Clements	Governor	January 1991
William P. Hobby	Lt. Governor	January 1991
Gibson D. Lewis	Speaker of the House	January 1991
Chet Brooks	Senator	September 1989
Gonzalo Barrientos	Senator	September 1989
Ann Cooper	Representative	September 1989
Debra Danburg	Representative	September 1989
Frank Bryant, Jr.	Chair, Dept. of Health	September 1989
Jon Brumley	Chair, Texas Education Agcy	September 1989
Anne Ashy	Citizen Representative	September 1989
Jerry Cunningham	Chair, TCADA	September 1989
Pattilou Dawkins	Chair, Dept. of MHMR	September 1989
Dick Durbin	Citizen Representative	September 1989
Sharon Flippen	Citizen Representative	September 1989
Jerry Kane	Chair, Texas Rehab. Comm.	September 1989
J. Livingston Kosberg	Chair, Dept. of Human Services	September 1989
Floyd Rhoades	Citizen Representative	September 1989
Gloria Rodriguez	Citizen Representative	September 1989
Polly Sowell	Citizen Representative	September 1989

Texas Health & Human Services
Coordinating Council

General Comments

The Organization Chart presented at the end of this addendum offers additional insight into the Council's organizational structure. At August 31, 1988, there were 5 employees on the Council's payroll, of which, 3 created by Executive Order. All employees are covered to the extent of \$10,000 each by an honesty blanket position bonds. The Council's headquarters is located at 311-A East 14th Street in Austin, which is provided by the Governor's Office.

Although the Council has never submitted a request for the destruction of nonessential records, administrative personnel are aware of the recommended retention period guidelines and intent to destroy whatever unneeded records are on hand when storage problems so dictate.

TEXAS HEALTH AND HUMAN SERVICES COORDINATING COUNCIL

Organizational Chart

COUNCIL

EXECUTIVE DIRECTOR

ADMINISTRATION

DATA RESEARCH AND
DEVELOPMENT

PROJECT COORDINATION
AND ANALYSIS