

Audit / Finance Committee Meeting Minutes

Kern Regional Center

March 24, 2014

3:30pm

Present: Susan Lara
Lorie Stewart (by Phone)
KRC Staff: Duane Law, CEO
KRC Staff: Cherylle Mallinson, Director of Community Services

Absent: Tracy Brown (excused)

Meeting began by reviewing one contract at a time.

- 1) Mono County Office of Education – This contract is a renewal with a 36month term from 7/1/2013 to 6/30/2016. The type of service is Public School Early Intervention Program. Vendored in August 2000, the early intervention program is run through the Public School System in Mono County. The program includes comprehensive assessments, home visitations, speech therapy, transition planning, vision and hard of hearing specialist, school nurse, and parent education. The services covered are provided by licensed professionals. These services are for children 0-3. The rate is \$13,750 a month, the rate has not changed since 2000 and they currently have 12 children in the program. Vendor is in good standing.

Motion to recommend approval to BOD. (Stewart / Lara)

- 2) Vendor: Aimes Homes, INC., Facility name: Nobel II
This contract is a new contract, awarded after an RFP for a CPP home in 2011. This is a Specialized Residential Facility for the Elderly to serve a maximum of four consumers (4 bed facility), ages 60 and older in a structured living environment. The consumers will be either moving from a State Developmental Center into the community, or are at risk for placement into a State Developmental Center. The facility was created for forensic and inappropriate sexual behaviors. The RFP was awarded for \$8,000 a month per client, but contract reads the rate will be \$8,000 until the end of the first fiscal year ending 6/30/14, then the rate will change to \$7,870.03 after 7/1/14 for the next fiscal year, rate being converted to code 113. Contract is for 15 months. The committee reviewed the median rates for CPP – Preplacement Continuation/Deflection of \$8,042.65 and the Residential Facility Rate under code 113 of \$7,870.38. The Community Services Director and CEO explained that the change in the rate was due to a DDS Audit finding from 2011 based on years 08/09 and 09/10 that converted CPP rates back to service code 113 after the first fiscal year. KRC initiated a lengthy appeal process regarding this Audit finding, as it has affected one vendor already serving CPP clients. The committee was also aware of some concerns by the vendors regarding clarification of this Audit Finding. The committee was also informed that a Health & Safety Exception can be requested to DDS for each consumer which could, upon approval, keep the rate set at \$8,000.

Motion to wait for recommendation until after the vendor has had time to review Audit finding and meet with Community Services Department, CEO and Board President. (Stewart / Lara)

3) Vendor: Sales Bakersfield, INC. Facility: Sails I Ruston

This contract is a renewal, vendored in 1995. It is a specialized residential facility for adults to provide a 2 bed structured living environment. Consumers may display behaviors such as extreme physical aggression, explosiveness, resistiveness, tantrums, self-injurious behavior, and need constant visual monitoring and interaction. Consumers in this home do not attend a day program and require 1:1 staff. Rate is \$16,000 a month per consumer. Contract is 24 months from 7/1/2013 to 6/30/2015. Sails has provided their 15% Administrative Cap/Cost Statement, but has not provided an Independent Audit report or review report, however, vendor reports that this should be done shortly. Community Services Department reports the clients are being well served.

Motion to recommend approval to BOD. (Stewart / Lara)

4) Vendor: Sails Bakersfield, INC. Facility: Sails V Marradi

This contract is also a renewal, vendored in 1996. It is a specialized residential facility for children ages 12-17. The facility could house up to 5 consumers (5 bed) but is currently serving 4 consumers in a structured living environment. Consumers may display behaviors such as physical aggression, verbal aggression, property destruction, resistiveness, tantrums, self-injurious behavior, AWOL, and have a forensic background. Rate is \$5,379 per month per consumer. Rate is below median rate for a 5 bed facility (6,802.53). Sails' has provided their 15% Administrative Cap/Cost Statement, but has not provided an Independent Audit report or review report, however, vendor reports that this should be done shortly.

Motion to recommend approval to BOD (Stewart / Lara)

Meeting Adjourned by 5:30pm