



SC ADM Board of Directors Fiscal Oversight Committee Meeting

Monday, November 18th, 2024

SC ADM Board Office Trailblazer Conference Room

1867 West Market Street

Suite B2

Akron, OH, 44313



SC ADM Board of Directors Fiscal Oversight Committee Meeting

Monday, November 18th, 2024

I. Call to Order

II. Review and Approve Minutes from September 9, 2024, Meeting

III. Old Business

A. Review of Accounting Standard Operating Procedures

1. F14 Timesheet Processing – Payroll

2. F20 Payroll Adjustments

B. 2.6, Provision #5 Comparatives for Purchases Exceeding \$10,000

IV. New Business

A. Review of Monitoring Report 2.5 - Financial Conditions and Activities (September 30th, 2024)

B. Operational Cash Balance Model

C. Transfer 2024 Capital Project Expenditures from Operations to Permanent Improvement

D. SFY2026 Value Based Purchasing Budget

E. Review of 2025 Meeting Dates

V. Comments from the Public

VI. Adjournment



Minutes for SC ADM Board of Directors Fiscal Oversight Committee Meeting

09/09/2024 | 04:00 PM - 05:00 PM Eastern Time (US & Canada)

SC ADM Board Office Trailblazer Conference Room

Attendees (6)

James E. Merklin; Margaret J. Halter; Henry Johnson; Marc Lee Shannon

Committee Members Absent

Jack Diamond

ADM Board Staff Present

Aimee Wade, Executive Director; Jennifer Peveich, Associate Director of Operations; Olivia Warther, Administrative Assistant

Other Parties Present

Michelle Marshall, CHC Addiction Services; Jessica Bahry, Portage Path Behavioral Health; Anthony Henderson, IBH Addiction Recovery; Patrick Watson, Child Guidance & Family Solutions

Call to Order

With a quorum present, Chair Marc Lee Shannon called the meeting to order at 4:00pm.

Review and Approve Minutes from July 8th, 2024 Meeting

MOTION: Jim Merklin

SECOND: Henry Johnson

That the Summit County ADM Board of Directors' Fiscal Oversight Committee approve the minutes of the June 8th, 2024, meeting as presented.

VOTE: Verbal Vote - Motion Passed

Old Business

A. Policy 3.7 and Committee Member Considerations - Follow Up

- This policy was referred to the Governance Committee to give consideration. There will be no action from this committee at this time. There was no formal action or recommendation from Governance regarding this policy, and it was tabled for their next meeting for further discussion.

New Business

A. Review Monitoring Report 2.5 - Financial Conditions and Activities (June 30th, 2024)

- Director Wade informed this committee that the ADM Board cash flow projection indicates a cash balance of 5.1 months of cash on hand at the end of the levy period in 2026. Our operational cash balance was \$67,759,941 as of June 30th, 2024. The ADM Capital Improvement Fund appropriation as approved by the BoD was sent to County Executive's Director of Budget and Finance who then presented the transfer to County Council for approval. The Associate Director of Operations has been working with the County to ensure the official transfer of cash is done as soon as possible.
- Director Wade noted that Provision 2 in Policy 2.5 was still suspended from previous board action and recommended that the discussion be deferred for consideration until the next meeting to allow time for further information collection to support a recommendation.
- Associate Director (AD) Peveich reviewed certain items in the variance report with this committee. Total revenues were \$616,165 (3%) above budget with property taxes about where we they projected.
- The intergovernmental receipts were above budget as ADM had carryover funds related to OhioMHAS Crisis Funding that we have been looking to utilize for crisis services providers such as Portage Path Behavioral Health (Psychiatric Emergency Services), Oriana House (Detox), and Coleman (Mobile Response and Stabilization Services). This has gone well as we went from \$1.232 million of carryover in June 2023 down to \$118,865 in June 2024. Some of this money was accumulated due to COVID and the start of crisis plans were delayed in that period of time.
- Total expenses are below budget by \$1,816,553 (7%). Administration expenses are within the +/- 10% of the budgeted results at \$159,507 (9%) below budget. This is partially due to one vacancy at the ADM Board. We will end the year with a variance and are unsure how much the gap will close with a new employee added towards the end of the year. Administrative Contracts were above budget \$27,580 (118%) due to temporary staffing charges.

- Non-Medicaid Behavioral Health Provider Services expenses were also within the 10+/-% of the budgeted results, which is movement within the right direction given previous strategies to mitigate significant variances. Ms. Peveich reviewed a few specific agencies with the committee and noted that we continue to monitor Crisis Service expenses.
- Associate Director Peveich noted that the appropriation of \$39,354,061 was successfully established in the the Permanent Improvement Fund. Also, Summit County recently provided instructions related to transfer the cash to the Permanent Improvement Fund which will be completed as soon as possible. AD Peveich concluded the report out noting that the ADM Board approved appropriation amount for the Capital Improvement Fund was incorrectly transferred to the Budget Projection & Carryover report provided to the Board of Directors for the 2025 budget presentation in July. The amount was incorrectly entered as \$38,354,061 rather than the Board approved amount of \$39,354,061. As a result, the projected operating cash at the end of 2024 was \$1M lower than the original presentation indicated. This did not affect the projected revenues and expenditures for the 2025 budget. The Budget Projection & Carryover report was corrected for submission to Social Services Advisory Board (SSAB).

B. Review Monitoring Report 2.6 - Asset Protection (September 1st, 2024),

- Director Wade reported all areas in compliance regarding asset protection in terms of staff, BoD and property insurance and risk management.
- It was noted that one area that was found not to be in compliance due to the Board of Directors policy that no purchase of service, outside of behavioral health services, over \$10,000 be allowed without considering comparative pricing. There was a previously used local minority vendor whose costs was \$219 over due to fluctuating costs and shipping. Director Wade reported that the issue had been discussed involving staff to ensure proper check and balances in place prevent this from happening.
- After some discussion, the BoD recommended that the internal action taken be reflected in the written report before going to the full board.
- It was also recommended that staff gather information from state association and other local public entities to support additional discussion and review of the reasonability the ADM Board's existing policy,

C. Review of SFY2025 OhioMHAS Budget

- Associate Director Peveich Reviewed the SFY2025 OhioMHAS Budget with this committee, and there was some discussion amongst the committee.

MOTION: Jim Merklin

SECOND: Margaret Halter, Ph.D.

That the Summit County ADM Board of Directors' Fiscal Oversight Committee recommends that the Board of Directors approve the State Fiscal Year 2025 budget, as presented.

D. Review of Standard Operating Procedures

a. F4 Vendor Accounts Maintenance

- Associate Director Peveich reviewed this procedure noting that ADM has access to a system where we can ensure that we have proper documentation for a vendor. This is the best way to avoid fraud as there are multiple steps a vendor must take to be placed in our system.

b. F17 Void Check and Replacement Procedure

- It was noted that the Summit County Fiscal Office writes checks on behalf of the ADM Board for those who cannot except electronic transfers. .

c. F29 Banner and Kronos Permission

- It was noted that all accounting and payroll systems can only be accessed by authorized users.

Comments from the Public

- There were no comments from the public.

Adjournment

MOTION: Henry Johnson
Ph.D.

SECOND: Margaret Halter,

That the Summit County ADM Board of Directors' Fiscal Oversight Committee move to adjourn this meeting of Monday, September 9th, 2024.

VOTE: Verbal Vote - Motion Passed

The meeting was adjourned at 5:00pm.