

## FINANCE AND AUDIT COMMITTEE AGENDA

Commission of the South Carolina Department of Disabilities and Special Needs  
3440 Harden Street Extension  
Conference Room 251 (TEAMS)  
Columbia, South Carolina

**November 15, 2021**

**3:00 p.m.**

**In attendance: Robin Blackwood, Chair; Barry Malphrus; Ed Miller; Pat Maley; Candis Golston; Debra Leopard; Debbie Punzirudu; Nancy Rumbaugh; Lisa Comfort; and Christie Linguard**

1. Call to Order *Robin Blackwood, Committee Chair*

[The meeting was called to order at 3:00 p.m.](#)

2. Statement of Announcement

*Robin Blackwood, Committee Chair*

[Commissioner Blackwood read a statement of announcement about the meeting that was distributed to the appropriate media, interested persons, and posted at the Central Office and on the website in accordance with the Freedom of Information Act.](#)

3. Adoption of the Agenda

[Brief Summary:](#) Agenda was presented.

[Committee Member\(s\) Guidance \(if any\):](#)

[Committee Vote\(s\) \(if any\):](#) Commissioner Miller made a motion to adopt the agenda as written; the motion was seconded by Commissioner Malphrus and unanimously approved by the committee.

4. Review Minutes of the October 18, 2021 Meeting

[Brief Summary:](#) The October 18, 2021 minutes were presented to the committee for approval.

[Committee Member\(s\) Guidance \(if any\):](#) None

[Committee Vote\(s\) \(if any\):](#) The approval of the minutes were tabled until the next meeting.

5. Financial Approval & Threshold Report for November 2021 *Pat Maley*

[Brief Summary:](#) Mr. Maley presented one new non-service contract of \$200,000 or greater for residential services for children. This is a multi-agency contract.

[Committee Member\(s\) Guidance \(if any\):](#) None.

Committee Vote(s) (if any): Commissioner Miller made a motion to approve the non-service contract, seconded by Commissioner Malphrus and unanimously approved by the committee. This will go to the full commission as information only.

6. Monthly Band B & I Report (Outliers and Band Changes) *Pat Maley*

Brief Summary: Mr. Maley presented two band outlier increases for approval. Mr. Maley noted that there are no requests pending and that this program will be coming to an end in December.

Committee Member(s) Guidance (if any): None.

Committee Vote(s) (if any): Commissioner Miller made a motion to deny the two (2) outlier increases that were presented, seconded by Commissioner Malphrus and unanimously approved by the committee.

7. Fee-For-Service (FFS) Update *Pat Maley*

Mr. Maley stated that FFS is on target to begin on January 1<sup>st</sup>. A plan and communication is forthcoming from both the state director of the DHHS and our agency to work with our provider network on residential rates, cash flow conversion and the direct billing component. He reminded the committee that the ID/RD Waiver Renewal will roll-out at the same time next year. We are working very hard to make these two huge projects run smoothly on day one.

8. Cost Report Update *Pat Maley*

Cost reports for FY13, FY14, FY15 and FY2019 have been completed and at DHHS. FY13 and FY14 have been provided to DHHS. FY16 and FY17 have been completed several years ago so the remaining backlog of cost reports to be done are FYs 18, 20 and 21. FY18 should be completed by February, depending on how much FFS pulls on the entire finance staff downstairs. FYs 20 and 21 should be completed next year. This should put us on track.

9. Internal Audit Update *Courtney Crosby*

Ms. Crosby started with the Agreed-Upon Procedures Report.

- At our last meeting, we noted that the review of 2020 AUP reports for the DSN Boards was complete, but we had seven (7) remaining 2020 reports for providers to review. We completed the review of two (2) of these reports, and have five (5) outstanding. Contract reductions related to 2020 reports total \$20,300. (In line with PY - \$19,100)
- October 31<sup>st</sup> was the deadline for 2021 reports for the DSN Boards. We have received 28 reports, and 10 Boards were granted extensions. The remaining two (2) have indicated that submission of the report is imminent.
- Of the nine (9) providers with June 30 year ends resulting in Oct. 31<sup>st</sup> reporting deadlines, we have received seven (7) AUP reports; the other two (2) are on extension.

Internal Audit division is still working to complete the FY 2021 audits that carried over into FY 2022 and anticipate issuing the Environmental Modifications report later this month. The

division initiated a consumer funds and personal property audit in the provider network during October, and have begun performing follow-up procedures to determine if corrective action plans have been implemented by management.

At the October meeting, Ms. Crosby briefed this committee on the development of an audit observation tracking report designed to comply with this standard. A draft of the audit observation tracking report was presented to Commissioner Blackwood earlier today, and it will be shared with Dr. Fry for feedback as well. The report will be populated with outstanding audit observations and have proposed quarterly reporting to the Finance and Audit Committee and Commission with the first quarterly report being sent in advance of the December meeting dates.

10. Chief Financial Officer Report

*Pat Maley*

Mr. Maley reported that this month he and Andrew Tharin will work on the 59 Legacy Homes. Mr. Tharin's initial estimate cost for these homes is \$1.17 million. Commissioner Malphrus asked that the Legacy Homes be a separate item on the agenda for this committee next month.

11. Next Meeting

The next committee meeting will take place on Monday, December 13, 2021 at 3:00 PM.

12. Adjournment

At 3:38 PM on a motion by Commissioner Miller and seconded by Commissioner Malphrus, the meeting was adjourned.