

FINANCE AND AUDIT COMMITTEE AGENDA

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

In attendance: Robin Blackwood, Chair; Gary Lemel; Barry Malphrus; Ed Miller;
Stephanie Rawlinson; Mary Poole; Pat Maley; Chris Clark; Kevin Yacobi

July 10, 2020

3:00 p.m.

1. Call to Order *Robin Blackwood, Committee Chair*
2. Statement of Announcement *Robin Blackwood, Committee Chair*
3. Adoption of the Agenda

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

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

[Committee Vote\(s\) \(if any\)](#): Approved as presented.

4. Review Minutes of the June 5, 2020 meeting

[Brief Summary](#): Minutes of prior meeting were presented.

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

[Committee Vote\(s\) \(if any\)](#): Approved as presented.

5. Waiver Slot Validation Project *Kevin Yacobi*

[Brief Summary](#): Kevin provided a detail discussion of the Waiver slot validation project completed by Internal Audit. He discussed the final results of the project and explained the variation between the figures provided to them and the figures they finalized. He expressed that the variation was immaterial and that management and internal audit agreed on the final resolution as outlined in Internal Audit's report.

[Committee Member\(s\) Guidance \(if any\)](#): Questions were posed by committee members related to the information presented. All questions were answered to the satisfaction of the committee members.

[Committee Vote\(s\) \(if any\)](#): None taken – for information only.

6. COVID-19 Financial Resources for Providers

Chris Clark

Brief Summary: Chris explained to the Committee members the variety of federal funds and assistance available to the provider network. A conversation was held related to concerns that we have related to proper cost reporting for the Agency. Also, a conversation was held related to the need for SCDDSN to issue some form of guidance to ensure that providers are not counting the same expenses for multiple funding sources. A discussion was held about a cost report training that will be offered in August. Part of this training will be dedicated to training on reporting of allowable costs considering these other funding sources.

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

Committee Vote(s) (if any): None taken – for information only.

7. Capital Needs Recap

Chris Clark

Brief Summary: Chris expressed his desire to share with the Committee the level of capital funds that will be needed over the next five years. A schedule of known capital needs was presented to the Committee. A discussion was held related to the condition of the Agency's fleet.

Committee Member(s) Guidance (if any): Questions were asked by Committee members and were answered to their satisfaction.

Committee Vote(s) (if any): None taken – for information only.

8. State Master Lease Program

Chris Clark

Brief Summary: Chris presented an option that is available to the Agency to assist in financing certain capital projects such as fleet replacement, IT equipment, generators, and other removable equipment. Details on the State Treasurer's Office State Master Lease program were shared.

Committee Member(s) Guidance (if any): Mr Malphrus expressed his concern related to the appearance of SCDDSN borrowing funds right now. Management expressed that they would speak with legislators and others to determine their views related borrowing funds through the State Treasurer Office.

Committee Vote(s) (if any): None taken – for information only.

9. Directives Referred to Committee

Chris Clark

- a. 103-01-DD Federal Grant Application and Change Policy
- b. 200-14 –DD Community Capital Funding Applications

Brief Summary: Committee members were informed that the Policy Committee would be referring these two directives to the Committee for review and approval for submission to the Commission. Chris informed the members that management would begin a review of these directives and present suggested changes to them in a future meeting.

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

Committee Vote(s) (if any): None taken – for information only.

10. Band B and I Project Update

Chris Clark

Brief Summary: Committee members were informed that the project is currently stalled out due to other demands on the implementation team. They were informed that at this time the target date of October 1, 2020 conversion is still a viable target date. The Committee will be kept up to date on the progress made and any barriers the team encounters.

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

Committee Vote(s) (if any): None taken – for information only.

11. Chief Financial Officer Report

Chris Clark

Brief Summary: Chris informed the Committee that a memo went out to providers explaining the changes related to the revisions to directive 300-05-DD. Also, Chris discussed the intention of DDSN to offer a cost report training that is desperately needed by our Provider network.

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

Committee Vote(s) (if any): None taken – for information only.

12. Director of Internal Audit Report

Kevin Yacobi

Brief Summary: Kevin mentioned that he was working on the internal audit charter for the Committee to review based on an every three year review. Also they are working on the internal audit directive 275-05-DD “General Duties of the Internal Audit Division”.

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

Committee Vote(s) (if any): None taken – for information only.