

# ALBERTINA KERR

## ALBERTINA KERR CENTERS Finance, Audit & Compliance Committee

### Meeting Agenda Tuesday, November 12, 2019 4 to 6 p.m. Kerr Administration Center 2<sup>nd</sup> Floor Board Room

- 4:00 p.m.     **Convene** (Karen Rasmussen, Chair)
- 4:00  
pp. 2-4     **Approve Minutes of October 8, 2019 Committee Meeting** (All)
- 4:01     **Review Audit Results** (Gary McGee & Co., Janice Jacobs)
- 4:45     **Approve Recommendation to the Board to Accept FY2018-2019  
Financial Audit Results** (All)
- 4:50     **Discuss Evaluation of Auditor Performance & Determine Next Steps**  
(All)
- 5:00     **September FY2019-2020 Financial Statements** (Janice Jacobs)
- 5:30  
pp. 5-9     **Review Compliance Dashboard** (Owen Gibson)
- 5:45     **Executive Session** (Committee, Owen Gibson)
- 6:00     **Adjourn** (Karen Rasmussen)

*Attachment: Committee Objectives FY2019-2020 for Reference*

**ALBERTINA KERR CENTERS**  
**Finance, Audit & Compliance Committee Minutes**  
**October 8, 2019**  
**4 to 6:00 p.m.**  
Kerr Admin Center – 2<sup>nd</sup> Floor Board Room

**Members Present**

David Connell (via phone), David Lake, Paul Litwinczuk, Melissa May, Jill Nickerson, Karen Rasmussen, Laura Shipley

**Members Excused**

Craig Payne

**Community Member Present**

Mark Thoenes

**Staff Present**

Jeff Carr, Owen Gibson, Janice Jacobs

**Convene** (Karen Rasmussen, Chair)

Karen convened the meeting at 4:03 p.m.

**Approve Minutes of August 13<sup>th</sup> Finance, Audit & Compliance Committee Meeting**

**ACTION: David Lake moved that the minutes of the August 13<sup>th</sup> meeting be approved. Laura Shipley seconded. The motion passed via unanimous vote.**

**Review & Approve Committee Charter & Committee Objective with Recommended Revisions from August 13<sup>th</sup> Meeting** (Owen Gibson, Holly Edgar)

- Owen and Holly provided the revised Committee Charter and Objectives in the meeting packet. The Committee reviewed the updates.
- There was discussion regarding the timing of the audit process, including: 1) the function of the audit in the fall; 2) the review and evaluation of the auditors, also in the fall after the audit is complete; 3) review of 990 tax filings in the spring; and, 4) the selection of auditors and planning for the next audit, also in the spring.
- Janice Jacobs will conduct an insurance review and report to the Committee in conjunction with the Risk Management Assessment in the spring.

**ACTION: Committee members expressed the need for a financial executive summary to accompany the regular statements. Janice will develop and provide an executive summary and welcomes any best practices and examples from Committee members.**

**August FY2019-2020 Financial Statements** (Janice Jacobs)

- August MTD saw operating results better than budget, \$15.8K loss vs. a budgeted \$83k loss. Summer months are planned accordingly in kids' group homes while the kids are not in school. Job Services did not produce revenue in July and August during the recruitment cycle for the next Project SEARCH interns. Portland Art and Learning Studios is stabilizing and performing better than budget. Group home programs overall are strong. The combined increase in kids' DD

reimbursement rates, along with DSP wage increases, will produce significant swings in the numbers beginning in October. Kerr Bikes is seasonal. Outpatient mental health continues to see improvement in productivity and tracking services. Billable hours have increased from 19% to 40-45% currently.

- August YTD reflects reduced census in subacute during the summer months. Revenue is flat and close to budget. Expenses show underspending in July and August. Transitions in finance team management produced changes to salaries and contract labor.
- July to August on the balance sheet shows cash is up and receivables are down. Changes in staff in Accounts Payable is an area of focus in the audit and an opportunity to refine processes. The coding role at Kerr is very good. There was an adjustment for the prior year in contract receivables.
- The consolidated financials show losses in investments, but an otherwise healthy balance sheet.
- Discussion was held regarding the Investment Committee, which is a standing committee under the Foundation, meets quarterly, and manages Kerr investment funds. Investment portfolio statements are included in reports to the full Board.

**ACTION: The Finance, Audit & Compliance Committee would like to see the Investment Committee Charter, the investment policy, and a Committee report.**

- Discussion was held about Kerr properties being held in Albertina Kerr Centers rather than in the AKC Foundation portfolio, and the advantages and disadvantages of this alignment. Investments and fundraising performance have some impact on Kerr's operating performance. Fundraising contributes approximately \$2 million toward \$50 million in operating revenue.

**Review Compliance Dashboard** (Owen Gibson)

Owen commented on highlights of the report.

- A lawsuit was filed against Kerr several months ago. A kids' group home resident attacked a speech pathologist while at school. Kerr had notified the school of the potential risks with this individual. The school scheduled meetings with the speech pathologist and Kerr was unaware of that arrangement. Counsel is working to get the charges against Kerr dropped. Insurance is covering associated costs.
- Group homes continue to use Therap while Epic is in the final stages of rolling out the pilot program in four homes. The State is still not clear on rules for billing absentee beds. Epic is being built to flag entries for accurate billing. Kerr historically bills conservatively.
- A HIPAA violation was reported in the finance department involving a list of names from the PALS program. The description is noted on page 18 of the report.
- An abuse allegation was founded in Marion County and is described on page 19. Follow-up reporting, root cause analysis, and corrective actions are in process.

**Review Conflict of Interest Policy with Recommended Revisions** (Owen Gibson)

Changes were made in the procedural section of the policy, as highlighted in the meeting packet. The Committee reviewed the changes. Reporting to the Committee will occur in the second half of each fiscal year. Discussion was held about a Conflict of Interest policy at the staff level. COI is covered in the personnel handbook.

**ACTION: Procedure number 6 will be moved before procedure number 5. A procedure number 7 will be added that requires reporting to the Committee if COI violations are discovered.**

**Other Discussion**

A question was asked about the progress of the financial audit. The audit is going well, although a significant number of adjustments will be made. Two areas of focus are related to staff turnover and transition and the associated differences in methods of recording. The audit will serve to clear discrepancies and refine department processes.

**Executive Session**

Committee members entered executive session at 5:35 pm.

**Adjourn** (Karen Rasmussen)

Karen adjourned the meeting at 5:45 p.m.

Recorded by Holly Edgar, Corporate Secretary

# Compliance Dashboard

November 4th, 2019

## Chief Compliance Officer Comments

Over the last 30 days, I have been focusing on the response to Marion County, in coordination with legal counsel, about concerns of client care at our Silverloop program earlier this year (per my previous report). We submitted this response to the county on 10/31/19 and we have also begun the appeal process with the state regarding the founded abuse finding.

Concerning the group home billing issue reported in the last report, the Revenue Cycle group has developed a transparent process for tracking as well as training managers to accurately reporting bed days. Also, the state, due to an issue with their clearinghouse, has reset the out of home days paid out of the general fund to start again on 9/1/19. This additional 60-day buffer should ensure that Kerr does not have any further liability due to the errors found in the absentee day reporting and billing process.

Lastly, we have seen a significant reduction in our incidents of speeding and complaint calls within our fleet and also a trend towards fewer accidents overall.

My focus over the next few months will be the finalization of Kerr's compliance and privacy policies as well as the associated training and rollout plans.

Respectfully Submitted,

Owen S. Gibson, MA, CHC

**ALBERTINA  
KERR**

Risk Area	Global Area	Risk Factor (PxI)	Audit Trending
<b>A</b> <b>Charges applied to correct account. Reconciling Patient Charges</b>	A. Accounting- Incorrect Charges to Accounts/Insurance Carrier	1	
	Internal Audits	None	
	External Audits	Annual Financial Audit	
	Notes:	2018 Financial Audit completed. No issues found in fiscal year 17/18 external audit regarding revenue cycle. Issues were found in the process of reconciling revenue with the GL; specifically the General Insurer Accounts Receivable account. The 2019 financial audit process has come to a close and will be reviewed this month with the FAC and the board.	
<b>B</b> <b>Discrepancies in the accounts of those we serve</b>	B. Accounting- Client Accounts Discrepancies	6	
	Internal Audits	All homes are reviewed on every 2 years by accounting to review client fund accounting practices within the programs..	
	External Audits	None	
	Notes:	Due to changes in staffing in accounting, the auditing of client funds by accounting staff was temporarily halted. This will resume in 2019. Kerr is working on implementing a new debit card system for all group homes that will significantly reduce the use of cash and streamline both tracking as well as auditing. This process will also meet HCBS rules regarding client/agency fund co-mingling.	

	Risk Area	Global Area	Risk Factor (PxI)	Audit Trending																																				
C	Supervisory issues resulting in employment related settlements	C. Employment-Supervisory Issues	4	<p>Average of Problem with Supervisor Average of Moral or Ethical Issues Average of Poor Work Culture Average of Inadequate Training Average of Pay</p> <p>Reason Leaving Kerr- Voluntary Separation</p> <table border="1"> <caption>Reason Leaving Kerr- Voluntary Separation</caption> <thead> <tr> <th>Reason</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Average of Problem with Supervisor</td> <td>16%</td> </tr> <tr> <td>Average of Moral or Ethical Issues</td> <td>8%</td> </tr> <tr> <td>Average of Poor Work Culture</td> <td>16%</td> </tr> <tr> <td>Average of Inadequate Training</td> <td>20%</td> </tr> <tr> <td>Average of Pay</td> <td>58%</td> </tr> </tbody> </table>		Reason	Percentage	Average of Problem with Supervisor	16%	Average of Moral or Ethical Issues	8%	Average of Poor Work Culture	16%	Average of Inadequate Training	20%	Average of Pay	58%																							
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Average of Pay	58%																																							
	Internal Audits	Survey of staff voluntarily separating from Kerr																																						
	External Audits	None																																						
	Notes:	The above indicates the reason for leaving Kerr employment (voluntary) from August 2019 through October 2019. This is the last survey before the implementation of the 2019 pay raise for staff.																																						
D	Documentation is inadequate or inaccurate to support service; Start and Stop Times Incorrect	D. Fraud, Waste and Abuse- Lacking Documentation	18	<p>Fraud Waste and Abuse Training Completion</p> <table border="1"> <caption>Fraud Waste and Abuse Training Completion</caption> <thead> <tr> <th>Year</th> <th>Percent Completed</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>97.50%</td> </tr> <tr> <td>2017</td> <td>96.00%</td> </tr> <tr> <td>2018</td> <td>99.00%</td> </tr> </tbody> </table>		Year	Percent Completed	2016	97.50%	2017	96.00%	2018	99.00%																											
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2016	97.50%																																							
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E	Review and approval process for billing fails to detect inaccurate encounters; Lack of authorizations; Lack of verifying insurance coverage; Overpayments; Improper collection of co-pays.	E. Fraud, Waste and Abuse- Billing Process Errors	12	<p>Overpayment Paybacks</p> <table border="1"> <caption>Overpayment Paybacks</caption> <thead> <tr> <th>Year</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>\$7,496</td> </tr> <tr> <td>2017</td> <td>\$0</td> </tr> <tr> <td>2018</td> <td>\$198,432</td> </tr> </tbody> </table>		Year	Amount	2016	\$7,496	2017	\$0	2018	\$198,432																											
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2018	\$198,432																																							
	Internal Audits	Ongoing audits reviewing potential overpayments, Place of Services coding, type of service coding, Start and Stop times, Medical Necessity Linkages, Notice of Privacy Practices		<p>Number of Internal Audits Completed</p> <table border="1"> <caption>Number of Internal Audits Completed</caption> <thead> <tr> <th>Year</th> <th>Qtr</th> <th>Coding</th> <th>Medical Necessity</th> <th>Overpayment</th> <th>Place of Service</th> <th>NOPP</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td></td> <td>1</td> <td>2</td> <td>2</td> <td>1</td> <td>0</td> </tr> <tr> <td>2018</td> <td>Qtr1</td> <td>2</td> <td>3</td> <td>2</td> <td>0</td> <td>0</td> </tr> <tr> <td>2019</td> <td>Qtr2</td> <td>1</td> <td>2</td> <td>1</td> <td>0</td> <td>0</td> </tr> <tr> <td>2019</td> <td>Qtr3</td> <td>1</td> <td>2</td> <td>1</td> <td>0</td> <td>0</td> </tr> </tbody> </table>		Year	Qtr	Coding	Medical Necessity	Overpayment	Place of Service	NOPP	2017		1	2	2	1	0	2018	Qtr1	2	3	2	0	0	2019	Qtr2	1	2	1	0	0	2019	Qtr3	1	2	1	0	0
Year	Qtr	Coding	Medical Necessity	Overpayment	Place of Service	NOPP																																		
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2019	Qtr3	1	2	1	0	0																																		
	External Audits	Oregon Health Authority and Oregon Department of Developmental Disabilities		<p>Error Rates Found</p> <table border="1"> <caption>Error Rates Found</caption> <thead> <tr> <th>Year</th> <th>Qtr</th> <th>Coding</th> <th>Medical Necessity</th> <th>Overpayment</th> <th>Place of Service</th> <th>NOPP</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td></td> <td>10%</td> <td>10%</td> <td>15%</td> <td>0%</td> <td>0%</td> </tr> <tr> <td>2019</td> <td>Qtr2</td> <td>40%</td> <td>65%</td> <td>0%</td> <td>0%</td> <td>0%</td> </tr> </tbody> </table>		Year	Qtr	Coding	Medical Necessity	Overpayment	Place of Service	NOPP	2017		10%	10%	15%	0%	0%	2019	Qtr2	40%	65%	0%	0%	0%														
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2019	Qtr2	40%	65%	0%	0%	0%																																		
	Notes:	No additional audits completed since the last report.																																						
F	Denial codes are used incorrectly in secondary billings.	F. Fraud, Waste and Abuse- Denial Code Management	2	Metric in development																																				
	Internal Audits	None																																						
	External Audits	None																																						
	Notes:	Metric in development																																						

	Risk Area	Global Area	Risk Factor (PxI)	Audit Trending																																				
G	User names and passwords are not protected; Loss due to lack of encryption or other security; Email not secured; BAA risk; PHI released improperly or lost; denying release of PHI when requested, Social Media Posts, Releasing to wrong client, Phishing, Hacking	G. HIPAA- Loss of client information	25	<p>Physical PHI Audit</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Low</th> <th>None</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>1</td> <td>1</td> </tr> <tr> <td>2018</td> <td>1</td> <td>1</td> </tr> <tr> <td>2019</td> <td>1</td> <td>1</td> </tr> </tbody> </table>	Year	Low	None	2017	1	1	2018	1	1	2019	1	1	<p>Total BAA Missing Rate</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>15%</td> </tr> <tr> <td>2016</td> <td>35%</td> </tr> <tr> <td>2017</td> <td>13%</td> </tr> <tr> <td>2018</td> <td>13%</td> </tr> </tbody> </table>	Year	Total	2015	15%	2016	35%	2017	13%	2018	13%	<p>HIPAA Training Completed</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Quarter</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>Qtr1</td> <td>98.0%</td> </tr> <tr> <td>2019</td> <td>Qtr2</td> <td>87.5%</td> </tr> <tr> <td>2019</td> <td>Qtr4</td> <td>93.0%</td> </tr> </tbody> </table>	Year	Quarter	Total	2018	Qtr1	98.0%	2019	Qtr2	87.5%	2019	Qtr4	93.0%
Year	Low	None																																						
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	Internal Audits	Inspection of physical spaces, review of Business Associate Agreements, Review of HIPAA trainings, tracking of HIPAA breaches, review of outbound emails.		<p>Total HIPAA Breach Clients Impacted</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>35</td> </tr> <tr> <td>2017</td> <td>3</td> </tr> <tr> <td>2018</td> <td>3</td> </tr> <tr> <td>2019</td> <td>25</td> </tr> </tbody> </table>	Year	Total	2016	35	2017	3	2018	3	2019	25	<p>% Emails sent without security</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>28%</td> </tr> <tr> <td>2016</td> <td>20%</td> </tr> <tr> <td>2017</td> <td>1%</td> </tr> <tr> <td>2018</td> <td>14%</td> </tr> <tr> <td>2019</td> <td>3%</td> </tr> </tbody> </table>	Year	Total	2015	28%	2016	20%	2017	1%	2018	14%	2019	3%													
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	External Audits	External Audits																																						
	Notes:	<p>Completed audit of access to Epic to ensure that staff with access to the Electronic Health Record had completed the required HIPAA training. All staff had completed the training (100%). We also see a continued increase in training compliance agency-wide.</p> <p>We have concluded that 18 clients were impacted by an error in accounting where multiple client's information was accidentally disclosed to a single client's broker. All clients impacted are currently being notified. There is low risk of harm to clients due to this breach only contained their name and no other sensitive information.</p>																																						
H	Lack of Disaster Recovery in place/ Disruption in business continuity	H. HIPAA- Disaster Recovery	5																																					
	Internal Audits	None																																						
	External Audits	External Audits																																						
	Notes:	The 2018 Hi-tech external audit completed by Lightpoint. No significant findings. Primary issue was a lack of some specific policies. Will be addressing policy updates in 2020. Also, the IT team will be working on a "Phishing test" of staff to see how many click into a fake login.																																						
M	Lack of controls in Payroll. BOLI risk.	M. Employment-BOLI Complaints	6																																					
	Internal Audits	Review of internal controls																																						
	External Audits	Annual Financial Audit																																						
	Notes:	Due to issues with timely pay and 401k distributions, a BOLI complaint and investigation occurred. This investigation is still in progress. This was also noted as a finding in the 2018 audit. Internal auditing to start 2020.																																						

	Risk Area	Global Area	Risk Factor (PxI)	Audit Trending																																											
I	<b>Incidents of abuse or other harm to clients</b>	I. Licensing-Instances of Abuse	25																																												
	Internal Audits	RCA or independent investigations as needed																																													
	External Audits	OTIS investigations																																													
	Notes:	An update to the founded abuse allegation in a home in Marion County. As a reminder, this allegation was initiated after a death in the home of a client, which was ruled a natural cause. Kerr has submitted a plan of action to Marion County and also has appealed the abuse finding. As of time of report, we are waiting on Marion County's response to our submission.																																													
J	<b>Violating rules due to changes/Lack of monitoring rules</b>	J. Licensing-Violating Rules	16	Sum of Number of Issues																																											
	Internal Audits	Internal reviewed by QIC staff at least quarterly.		<p><b>Licensing Findings (# Violations)</b></p> <table border="1"> <caption>Licensing Findings Data</caption> <thead> <tr> <th>Year</th> <th>Community Based Services - Low</th> <th>Developmental Disabilities - High</th> <th>Developmental Disabilities - Low</th> <th>Developmental Disabilities - Moderate</th> <th>Studios - High</th> <th>Subacute - Low</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>0</td> <td>1</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>2016</td> <td>0</td> <td>0</td> <td>0</td> <td>2</td> <td>0</td> <td>1</td> </tr> <tr> <td>2017</td> <td>0</td> <td>0</td> <td>1</td> <td>0</td> <td>0</td> <td>0</td> </tr> <tr> <td>2018</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>2</td> <td>1</td> </tr> <tr> <td>2019</td> <td>0</td> <td>0</td> <td>0</td> <td>0</td> <td>4</td> <td>0</td> </tr> </tbody> </table>	Year	Community Based Services - Low	Developmental Disabilities - High	Developmental Disabilities - Low	Developmental Disabilities - Moderate	Studios - High	Subacute - Low	2015	0	1	0	0	0	0	2016	0	0	0	2	0	1	2017	0	0	1	0	0	0	2018	0	0	0	0	2	1	2019	0	0	0	0	4	0	Internal Auditing will be added here 2020
Year	Community Based Services - Low	Developmental Disabilities - High	Developmental Disabilities - Low		Developmental Disabilities - Moderate	Studios - High	Subacute - Low																																								
2015	0	1	0	0	0	0																																									
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2018	0	0	0	0	2	1																																									
2019	0	0	0	0	4	0																																									
	External Audits	State reviews																																													
	Notes:	No other significant licensing issues found since last report.																																													



	Risk Area	Global Area	Risk Factor (PxI)	Audit Trending																															
K	<b>Fleet Accidents increase costs or cause injury to staff or clients</b>	K. Employment-Significant Fleet Accidents	15	<p><b>Total Fleet Damage</b></p> <table border="1"> <tr><th>Year</th><th>Qtr1</th><th>Qtr2</th><th>Qtr3</th><th>Qtr4</th></tr> <tr><td>2018</td><td>\$22,928</td><td></td><td></td><td></td></tr> <tr><td>2019</td><td></td><td></td><td>\$2,500</td><td></td></tr> </table>	Year	Qtr1	Qtr2	Qtr3	Qtr4	2018	\$22,928				2019			\$2,500		<p><b>Safety First Complaints</b></p> <table border="1"> <tr><th>Year</th><th>Complaints</th></tr> <tr><td>2017</td><td>10</td></tr> <tr><td>2018</td><td>20</td></tr> <tr><td>2019</td><td>15</td></tr> </table>	Year	Complaints	2017	10	2018	20	2019	15							
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Year	Complaints																																		
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2019	15																																		
	Internal Audits	Reviewing damage to the fleet (insurance claims), Calls to our outside complaint number, GPS tracking of speed in Kerr owned vehicles.		<p><b>Number of Speeding Incidents (over 20% Limit of speed limit)</b></p> <table border="1"> <tr><th>Year</th><th>Total</th></tr> <tr><td>2017</td><td>16</td></tr> <tr><td>2018</td><td>20</td></tr> <tr><td>2019</td><td>12</td></tr> </table>	Year	Total	2017	16	2018	20	2019	12	<p><b>Type of Complaint</b></p> <table border="1"> <tr><th>Type</th><th>Count</th></tr> <tr><td>Ignore Stop Sign</td><td>5</td></tr> <tr><td>Merging</td><td>8</td></tr> <tr><td>Rude Behavior</td><td>1</td></tr> <tr><td>Swerving</td><td>6</td></tr> <tr><td>Talking on Cell</td><td>3</td></tr> <tr><td>Texting</td><td>4</td></tr> <tr><td>Other</td><td>3</td></tr> <tr><td>Caused Accident</td><td>2</td></tr> <tr><td>Dangerous Passing</td><td>1</td></tr> <tr><td>Speeding</td><td>2</td></tr> </table>	Type	Count	Ignore Stop Sign	5	Merging	8	Rude Behavior	1	Swerving	6	Talking on Cell	3	Texting	4	Other	3	Caused Accident	2	Dangerous Passing	1	Speeding	2
Year	Total																																		
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Dangerous Passing	1																																		
Speeding	2																																		
	External Audits																																		
	Notes:	In September and October, there were three accidents in Kerr vehicles; an employee backed into another car, a staff side-swiped a parked car, and an employee was rear-ended on the freeway. No injuries reported. No damage estimates yet available. There were zero Safety First calls and also no speeding incidents in September or October. This is a significant improvement over past months.																																	
L	<b>Staff injuries resulting in increased costs</b>	L. Employment-Staff Injuries	10	This metric is reported to the Program and Accreditation Committee																															
	Internal Audits																																		
	External Audits																																		
	Notes:	This metric is reported to the Program and Accreditation Committee																																	
N	<b>Improper Physician Relationships/ Conflict of Interest/ Illegal or unethical employee behavior</b>	N. Stark/Anti-Kickback Issues	3	<p><b>Navex Calls by Type</b></p> <table border="1"> <tr><th>Year</th><th>Qtr2</th><th>Qtr3</th><th>Qtr4</th></tr> <tr><td>2017</td><td></td><td></td><td>2 (Misdirected Call)</td></tr> <tr><td>2018</td><td>1 (Lack of Training)</td><td>1 (Misuse of Funds)</td><td>1 (Privacy Violation)</td></tr> </table>	Year	Qtr2	Qtr3	Qtr4	2017			2 (Misdirected Call)	2018	1 (Lack of Training)	1 (Misuse of Funds)	1 (Privacy Violation)	<p><b>Code of Conduct Training Completion</b></p> <table border="1"> <tr><th>Date</th><th>Completion %</th></tr> <tr><td>10/1/2015</td><td>100%</td></tr> <tr><td>1/1/2016</td><td>100%</td></tr> <tr><td>4/1/2016</td><td>100%</td></tr> <tr><td>7/1/2016</td><td>97%</td></tr> <tr><td>10/1/2016</td><td>97%</td></tr> <tr><td>1/1/2017</td><td>94%</td></tr> <tr><td>4/1/2017</td><td>98%</td></tr> <tr><td>7/1/2017</td><td>97%</td></tr> </table>	Date	Completion %	10/1/2015	100%	1/1/2016	100%	4/1/2016	100%	7/1/2016	97%	10/1/2016	97%	1/1/2017	94%	4/1/2017	98%	7/1/2017	97%
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7/1/2017	97%																																		
	Internal Audits	Review of calls to NAVEX confidential hotline.																																	
	External Audits																																		
	Notes:	There continue to be limited calls to the NAVEX internal reporting line. No calls since the last report. The Code of Conduct for Kerr has been significantly re-written and will be integrated into the employee handbook. The code of conduct training will be integrated into the NEO process.																																	

## ALBERTINA KERR CENTERS

### 2019-2020 Finance, Audit & Compliance Committee Objectives

	Objective	Completed	In Process	To Be Completed	Charter Ref.
1	Review monthly & year to date financial statements	Ongoing		Agenda item for each meeting	1
2	Review Compliance Dashboard Report	Ongoing		Agenda item for each meeting	5, 8, 9
3	Executive Session for Committee members and Chief Compliance Officer	Ongoing		Agenda item for each meeting	8
4	Review Board policies related to the Committee	Ongoing		As needed	4
5	Review Conflict of Interest Results			August 13, 2020	8
6	Review and recommend modification(s) of the Committee Charter			August 13, 2020	13
7	Meet with financial auditor and recommend Board acceptance of 2018-2019 financial audit results			November 12, 2019	6
8	Evaluate financial auditor performance and decide to continue with vendor or send RFPs			November 12, 2019	6
9	Review of 5 year capital and reserve plan			January 7, 2020	1
10	Monitor financial reserves			January 7, 2020	1
11	Review current investment policy and portfolio benchmark performance			January 7, 2020	3
12	Review Risk Management Assessment			March 10, 2020	11
13	Review federal 990 tax filings for AKC, Inc. and AKCF, Inc. prior to submission			March 10, 2020	7
14	Review Corporate Compliance Plan			June 9, 2020	8
15	Recommend board approval of 2020-2021 Operating, Capital, Cashflow and Foundation Budgets			June 9, 2020	2
16	Evaluate Committee performance against 2019-2020 goals and establish goals for 2020-2021			June 9, 2020	12, 14
17	Review Audit Plan with Auditor			June 9, 2020	3

#### Meeting Schedule for 2019-2020

August 13, 2019

October 8, 2019

November 12, 2019

January 7, 2020

March 10, 2020

June 9, 2020

Rev 10/05/19