County Board

August 20, 2015
Handouts

1. Item XI
   - Presentation of FY2014 Audit

2. Item XII
   - Nursing Home Quarterly Report

3. Item XIII – NACO Attendees Reports
   - County Board Chair's Report
   - County Board member Shore's Report

Champaign County, Illinois
December 31, 2014

Financial Report Presentation

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CliftonLarsonAllen

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Required Communications (Governance Letter)

Area	Comments
Significant accounting policies	• Implemented GASB 65 this fiscal period. This reclassified certain deferred revenues to a deferred inflow of resources.
Significant accounting estimates	• Determined based on management's knowledge and experience • No significant estimates of financial data which would be particularly sensitive and require substantial judgments by management.
Corrected and uncorrected misstatements	• No material audit adjustments. • No uncorrected misstatements.
Disagreements with management	• No disagreements with management on financial accounting and reporting matters, auditing procedures, or other matters
Difficulties encountered in performing the audit	• No difficulties encountered in performing the audit

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Report Findings

Findings (pg 277-280)	Description
2014-001—Allowable Grant Cost Controls	• Applicable allowable cost compliance requirements state that interest expense is not an allowable grant cost. We noted credit card interest expense being charged to the grant related to Access Initiative ($135).
2014-002 – Proper Control Over Cash Management	• Cash management compliance requirements state that grantees must establish procedures to minimize time between the receipt of federal funds and the disbursement of them. We noted in four of four receipts for Access Initiative this did not occur so there was excess federal cash on hand through out the year.
2014-003– Proper Controls over Grant Reporting	• We noted four of four monthly Access Initiative reports tested had incorrect program income.
2014-004—Controls over Subrecipient Monitoring	• Federal funds passed through from the County to subrecipients have to be monitored in accordance with compliance requirements. We noted for one subrecipient tested for Access Initiative that the subrecipient has excess cash on hand.

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Management Letter Communication

Area	Comments
Information Technology	- Financial system user access controls are not implemented in the system. - Financial software has very limited support internally. - AS/400 operating system auditing functions (tracking of changes) are not enabled on the system supporting the financial applications. - Lack of documented disaster recovery plan.
Court Services Bank Statements	Cancelled checks or check images are not returned with the bank statements. We recommend these be requested and reviewed as part of the reconciliation process as an additional internal control.

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Financial Statement Highlights

Highlights for 2014 (13 month period):

- Page   23 – Audit report, clean unmodified opinion
- Page   26 – Management Discussion and Analysis
- Page   41 – Government-wide statements
  - o Full accrual basis
  - o Assets of $174m, Liabilities and Deferred Inflows $84m, Net Position $90
  - o Change in net position - $400,000
- Page 43 – Fund financial statements
  - o Modified accrual basis
  - o Major govt funds: General, Mental Health, RPC
  - o Major enterprise fund—Nursing Home

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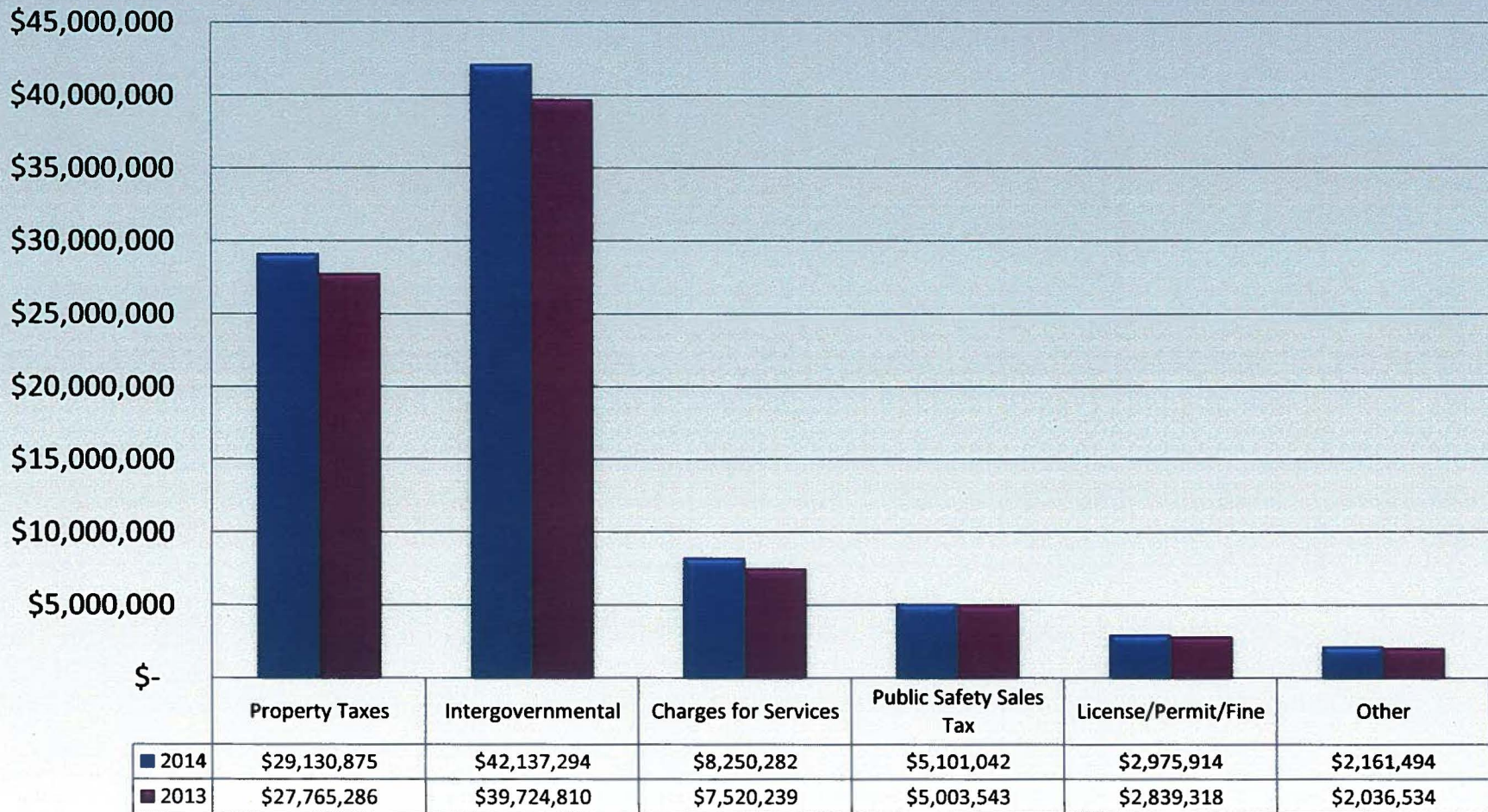
Financial Statement Highlights - Continued

- Page 53 – Footnotes
  - Note 11– Capital Assets, pg 65
  - Note 18 – Long-Term Debt, pg 71 ($9.7m refunding bonds new)
  - Note 21 – Deficit fund balances in four funds, pg 77

- Page 87 – Required Supplementary Information
  - Upcoming GASB 68, pension liabilities, approx $18,000,000
  - General Fund expenses under budget $1m, pg 88

- Page 89 – Supplementary Information
  - Non-major fund combining schedules
  - Budget to actual, comparative fund statements

- Page 275– Federal Awards Section
  - Head Start, Workforce Initiative, and Access Initiative were the major federal programs tested
  - Opinions on pg 270 and 272—unmodified, clean opinions on federal programs and internal control over compliance

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Revenue – All Governmental Funds

2014 - $89,756,901 (13 mo.)   **2013 - $84,889,730**

	Property Taxes	Intergovernmental	Charges for Services	Public Safety Sales Tax	License/Permit/Fine	Other
■ 2014	$29,130,875	$42,137,294	$8,250,282	$5,101,042	$2,975,914	$2,161,494
■ 2013	$27,765,286	$39,724,810	$7,520,239	$5,003,543	$2,839,318	$2,036,534

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Expenditures by Function – All Governmental Funds

2014 - $97,066,799 (13 mo.)   **2013 - $81,502,065**

	General Government	Justice and Public Safety	Health	Education	Social Services	Development	Highways and Bridges	Debt Service
2014	$11,883,993	$32,604,433	$10,766,176	$7,279,568	$109,796	$14,388,842	$9,391,169	$10,642,822
2013	$10,441,759	$29,598,920	$10,495,713	$6,629,675	$24,498	$12,709,298	$5,688,280	$5,913,922

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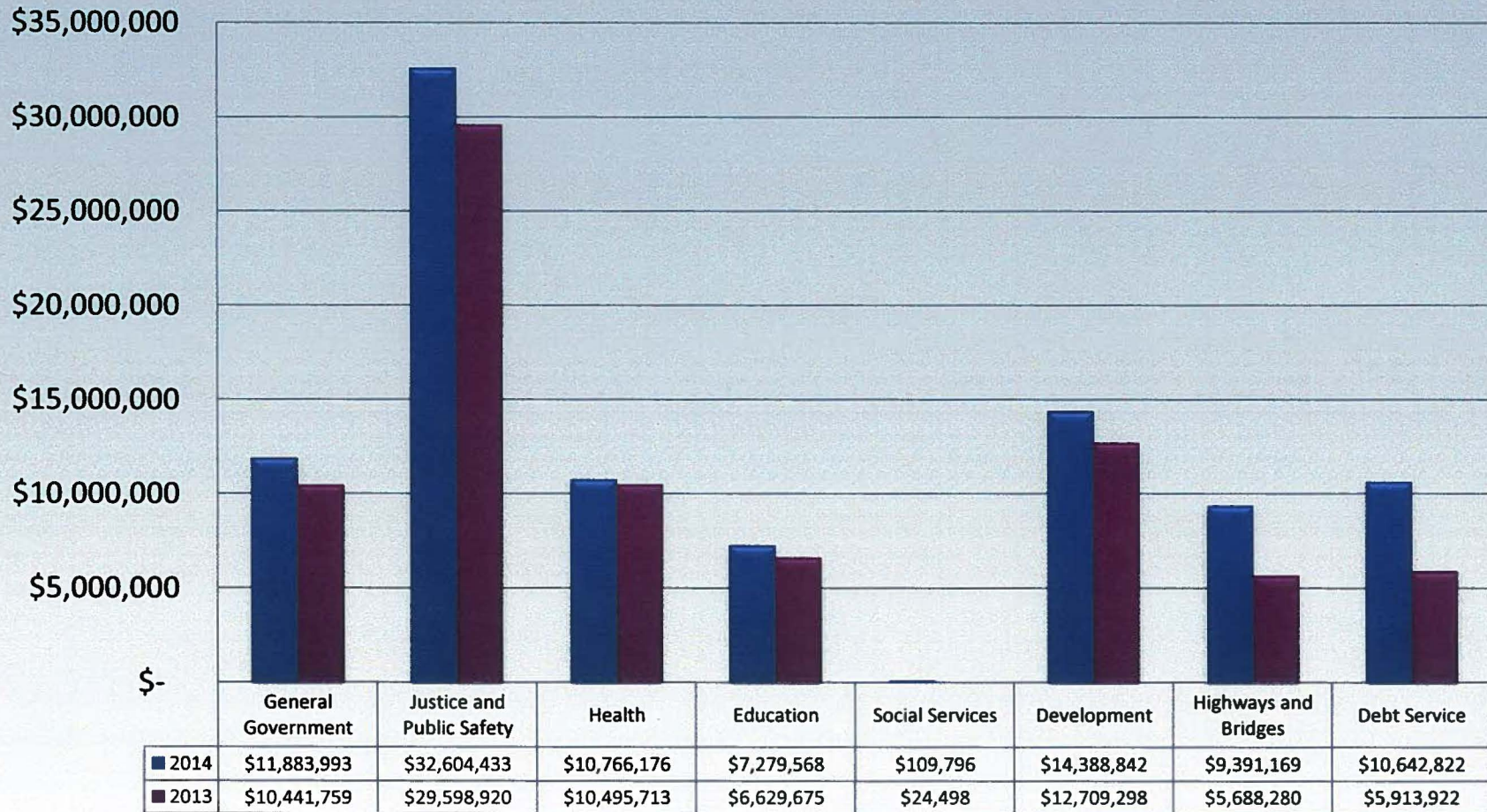
Fund Balances – Major Funds
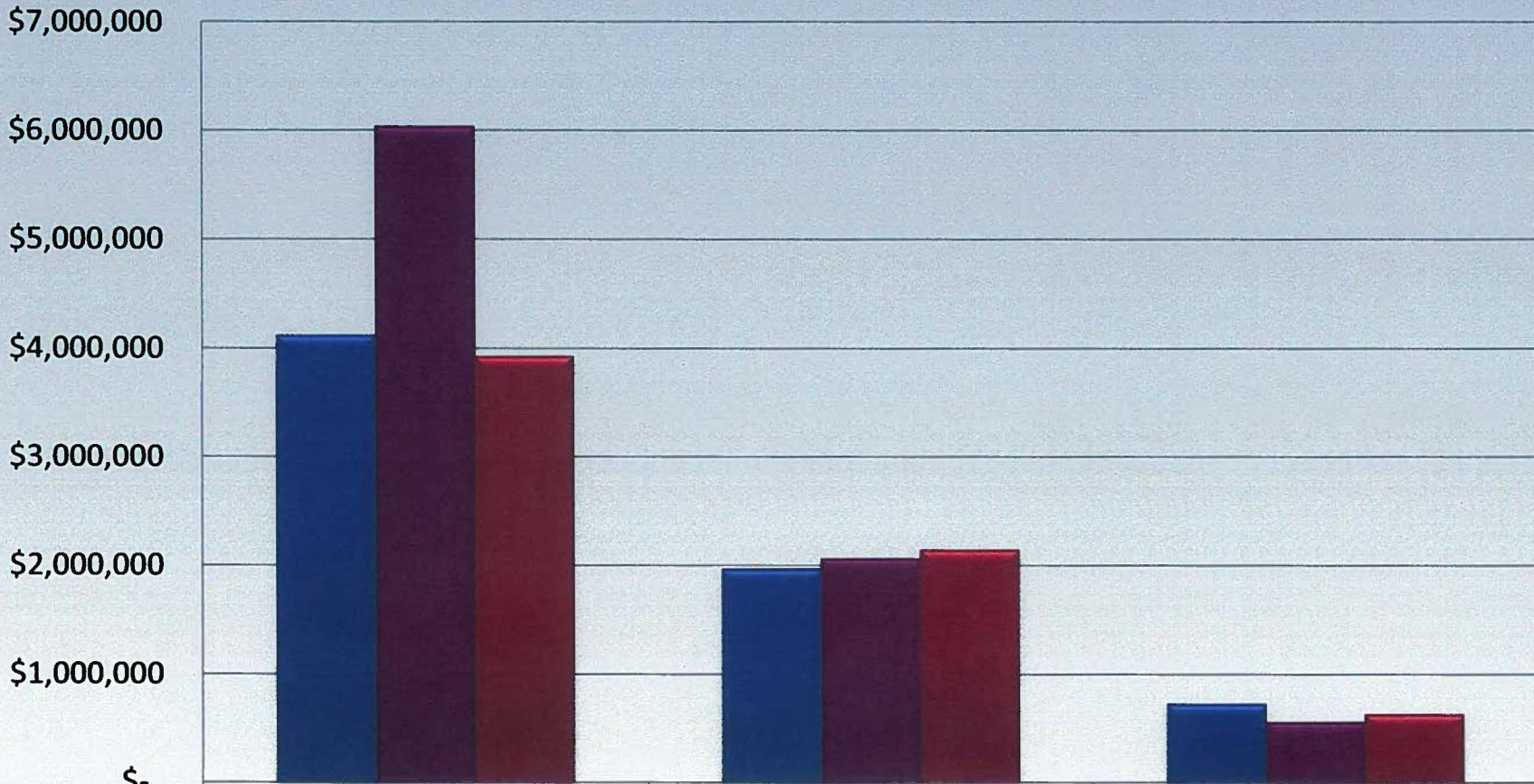
	General Fund	Mental Health Fund	Regional Planning Commission Fund
2014	$4,123,636	$1,971,236	$726,295
2013	$6,040,570	$2,064,614	$558,604
2012	$3,930,086	$2,146,111	$630,920

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Questions ?

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Champaign County Nursing Home Quarterly Update

August 20, 2015

Scott T. Gima, RN, MHA
Vice President
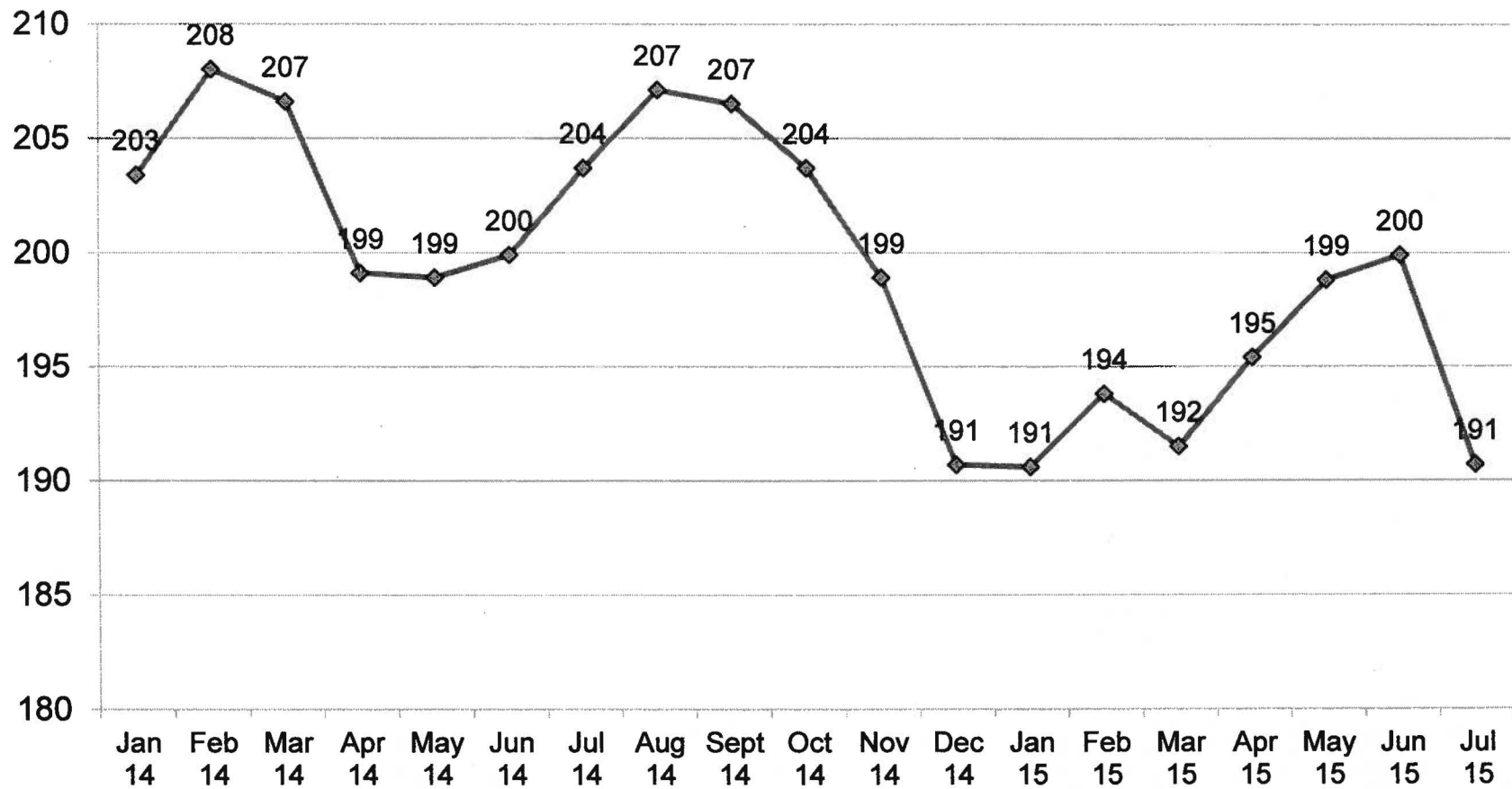Management Performance Associates
Saint Louis, Missouri

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Topics

- Census

- Financial Position
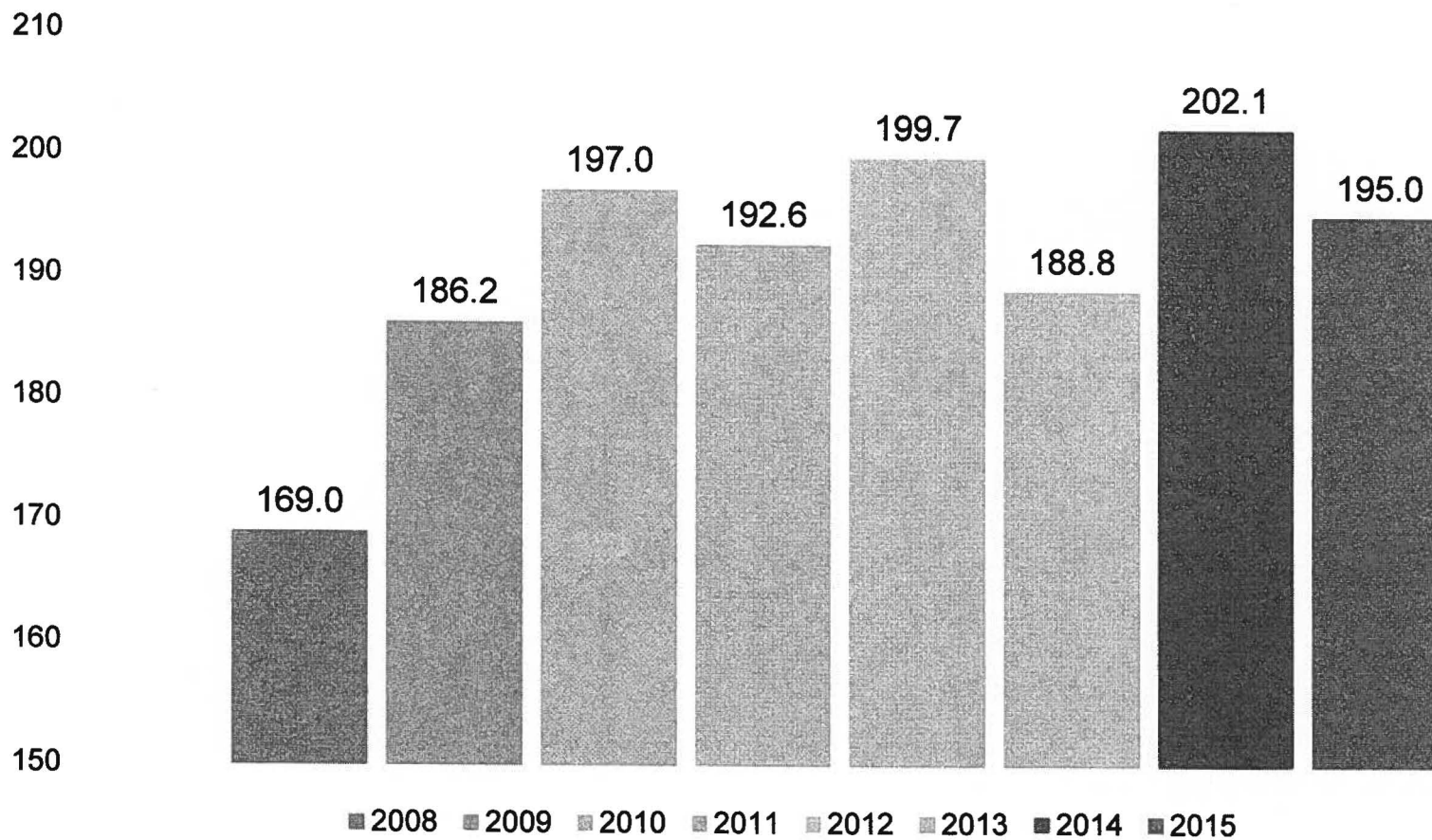
- Cash Position

- Food Service

Census

Average Daily Census
Dec 2013 to July 2015

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Average Daily Census
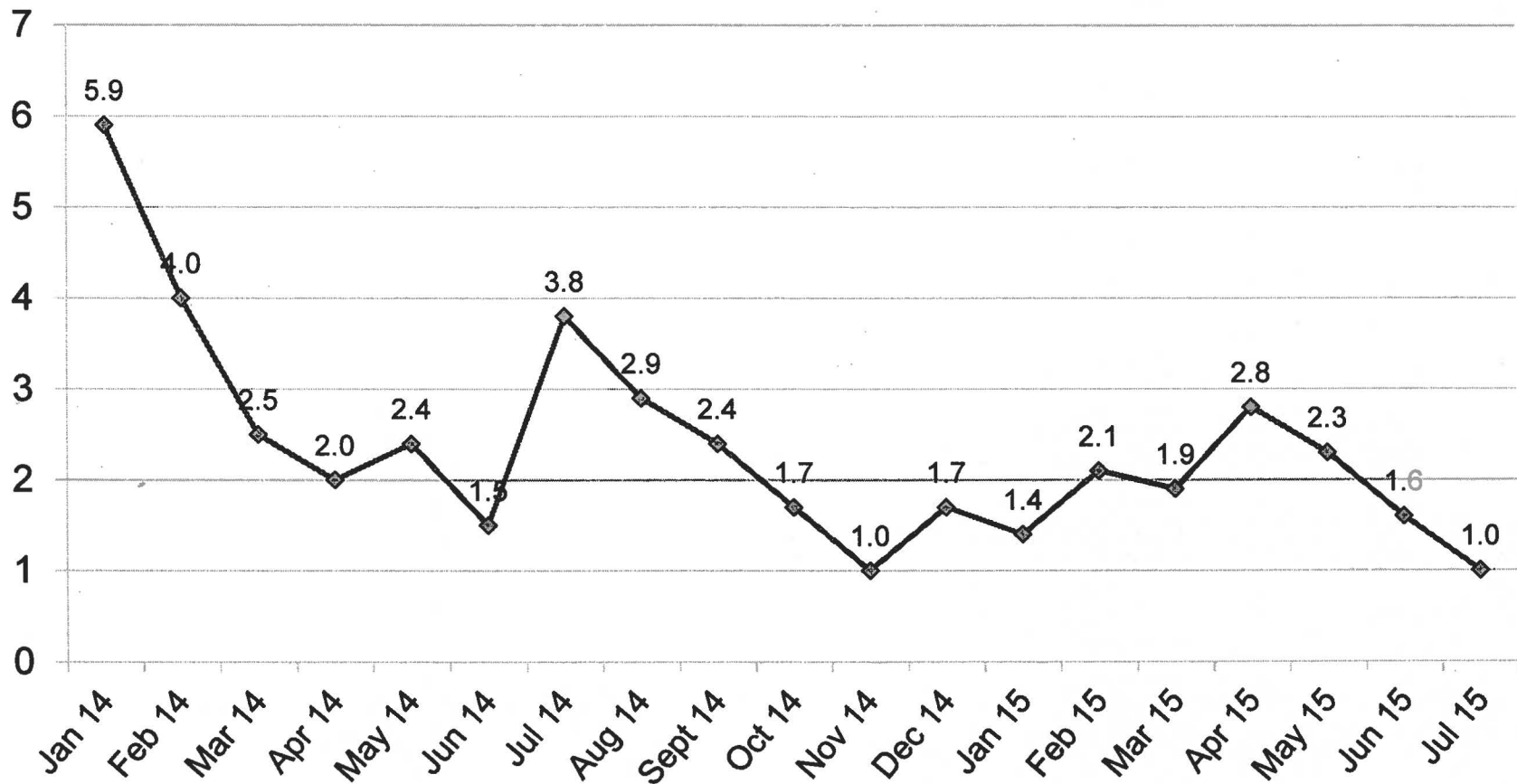# FY2008 to FY2015 (thru July)

VA Average Daily Census
Dec 2013 to July 2015

Financial Position

Revenue and Expenses – Thru 2nd Quarter 2015

Operating Income	$7,283,082
Non-Operating Income	$559,228
Operating Expenses	$7,680,195
Net Income	$162,115
Add Back Depreciation	$355,074
Cash from Operations	$517,189

Cash

Cash, Accounts Receivable, Accounts Payable
As of June 2015(in millions)

Chart showing Cash, A/R, and A/P from Jan 14 to Jun 15.

	Jan 14	Feb 14	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sept 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15
A/R	3.95	3.95	4.09	4.33	4.61	4.31	4.00	4.43	4.64	5.10	5.31	5.01	5.30	5.53	5.37	5.65	5.44	5.06
A/P	1.32	1.48	1.58	1.65	1.74	1.95	1.83	2.03	2.03	2.13	2.09	1.67	1.82	1.74	1.76	1.93	2.11	1.72
Cash	0.613	0.494	0.660	0.557	0.370	0.778	0.998	0.781	0.692	0.317	0.179	0.704	0.330	0.329	0.332	0.292	0.355	0.300

Legend: —◆—Cash —▲—A/R —■—A/P

Cash Flow Issues
Medicaid Payments

- State will make Medicaid provider payments

- Restart date unknown - maybe within 30 days

- Internal issues (with the State) on how to process payments without budget appropriations

Cash Flow Issues
MMAI Payments

- Health Alliance Receivables
  - May - $503k
  - July - $357k
  - August - $486k
- Molina Receivables
  - May - $235k
  - July - $42k
  - August - $86k

Cash Flow Issues
Medicaid Applications

- 45 current applications

- Down from almost 60 earlier in the year

- Representative Carol Ammons providing assistance

- HFS/MCO meeting next week in Springfield

Open Positions

CNA

Jan	28.8 FTEs
Feb	34.0
Mar	31.6
Apr	30.9
Aug	30.0

Dietary

Feb	4.45 FTEs
Mar	3.5
Apr	3.85
August	3.5

All Staff

	Jan 14 to Jan 15	Mar 14 to Mar 15	Apr 14 to Apr 15	May 14 to May 15	Benchmark
Turnover Rate	51.3%	58.4%	60.6%	62.2%	45.2%
Retention Rate	68.9%	67.0%	69.2%	68.1%	73.1%

CNAs

	Jan 14 to Jan 15	Mar 14 to Mar 15	Apr 14 to Apr 15	May 14 to May 15	Benchmark
Turnover Rate	64.1%	75.0%	72.0%	74.3%	52.4%
Retention Rate	69.2%	72.2%	70.7%	68.9%	67.5%

Contract Nursing Monthly Expenses
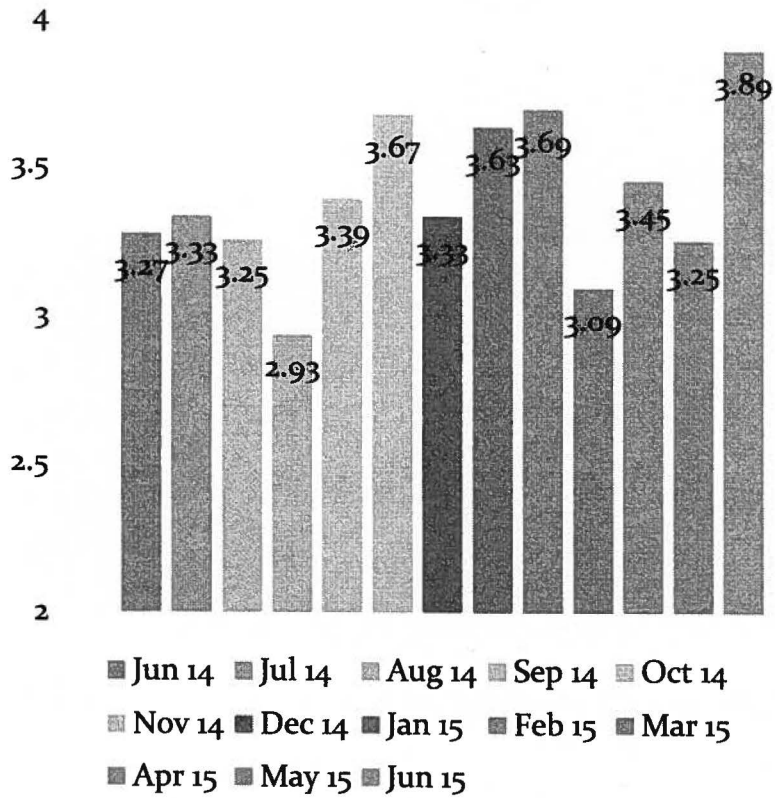## January 2014 thru June 2015
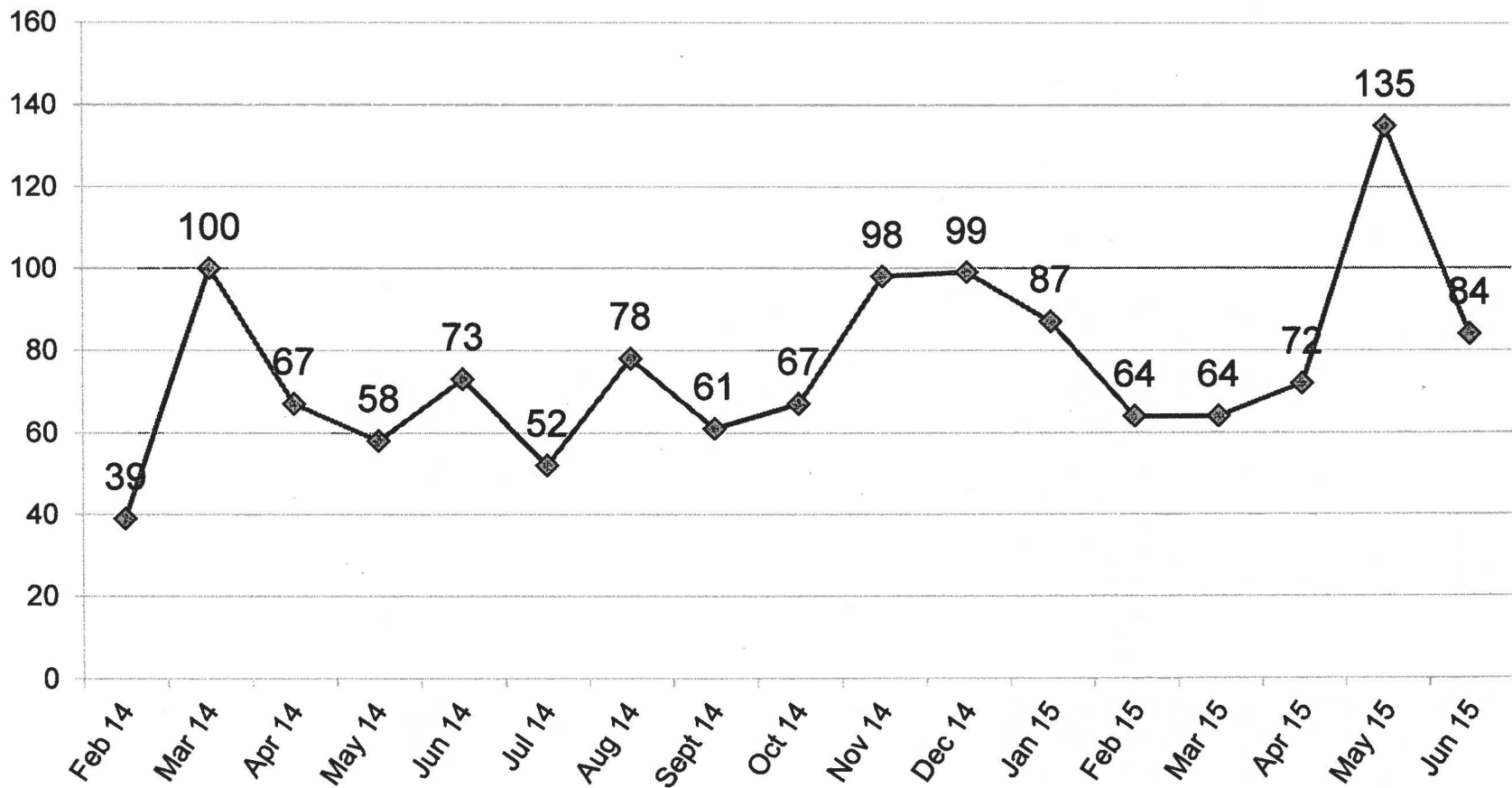
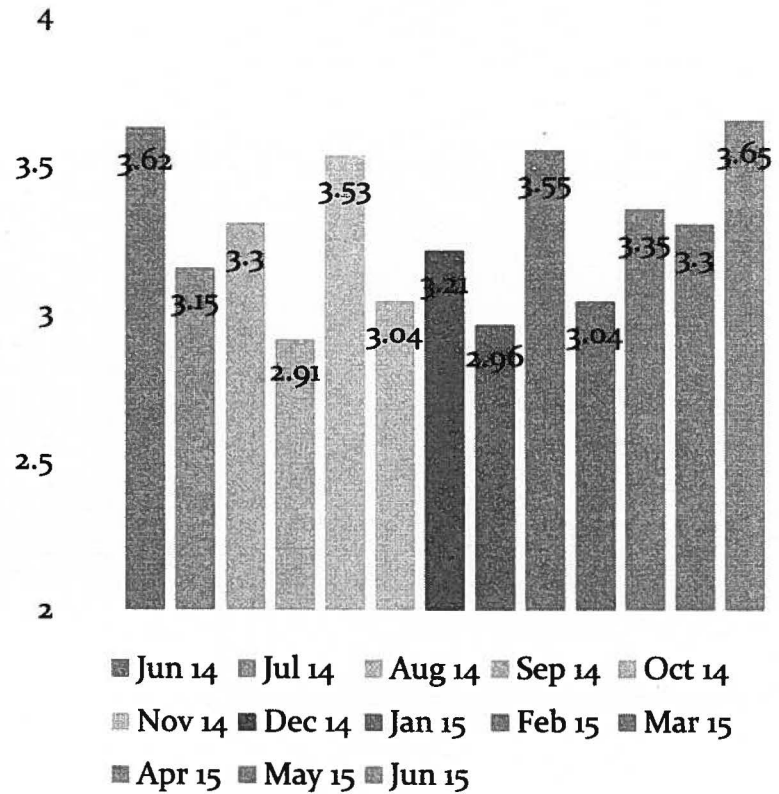# Staffing/Retention/Turnover
Areas of Focus

- Recruitment of an Human Resources Director

- Exit surveys

- Preceptor Training Workshop Program

- Teaming with AFSCME to identify solutions

Food Service Pinnacle Scores

Dining Service

Jun 14: 3.27, Jul 14: 3.33, Aug 14: 3.25, Sep 14: 2.93, Oct 14: 3.39, Nov 14: 3.67, Dec 14: 3.33, Jan 15: 3.63, Feb 15: 3.69, Mar 15: 3.09, Apr 15: 3.45, May 15: 3.25, Jun 15: 3.89

Legend: Jun 14 · Jul 14 · Aug 14 · Sep 14 · Oct 14 · Nov 14 · Dec 14 · Jan 15 · Feb 15 · Mar 15 · Apr 15 · May 15 · Jun 15

Food Quality

Jun 14: 3.62, Jul 14: 3.15, Aug 14: 3.3, Sep 14: 2.91, Oct 14: 3.53, Nov 14: 3.04, Dec 14: 3.21, Jan 15: 2.96, Feb 15: 3.55, Mar 15: 3.04, Apr 15: 3.35, May 15: 3.3, Jun 15: 3.65

Legend: Jun 14 · Jul 14 · Aug 14 · Sep 14 · Oct 14 · Nov 14 · Dec 14 · Jan 15 · Feb 15 · Mar 15 · Apr 15 · May 15 · Jun 15

Food Service – Areas of Focus

- Supervision

- New employee orientation

- Retention

- Sanitation

- Additional supervision

CCNH - 5 Star Quality Rating Trend

	Overall Rating	Surveys	Staffing	Quality Measures
Current	★	★	★★★	★★★★
Mar 2015	★★	★	★★★	★★★★★
Jan 2015	★★★★	★★	★★★★	★★★★★
July 2014	★★	★	★★★★	★★★
Jan 2013	★★	★	★★★★	★★
Jan 2012	★★	★★	★★★	★★

NACO 2015 Conference

Stepping Up Initiative

MAJOR "TAKE AWAYS"

- Judicial Involvement

- Implementation Plan

- Budgetary Issues

- Criminal Justice Coordinating Council

JUDICIAL INVOLVEMENT

- Leon Evans—MHB

- NACO Presenter + ILPP + MacArthur Grant Proposal

- Research on Racial Justice TF across country

- Common Theme—change does not happen without judiciary in the leadership

IMPLEMENTATION PLAN

- Another common theme—implementation

- Formative Evaluation of Plan

- Willingness to adjust plan, change course, remove what is not working

- Involve many different sub populations

BUDGET ISSUES

- There is cost to any approach

- 2016 Budget and going forward—how to aggregate and collaborate within the county to reallocate tax dollars—updating IT, facilities, etc.

- Budget decisions at state level will be major driver

CRIMINAL JUSTICE COORDINATION COUNCIL

- Structural theme of the conference

- Includes Juvenile Justice Coordinating Council, Pre-Trial, Data, Racial Justice

- All of these materials have been sent out electronically along with the conference presentations, shortly after the conference—as references

Sam Shore
Champaign County Board Member
Report on "Crafting a County Communications Strategy" workshop from the NACo 2015 annual conference
July 2015

Background/Organization
Having an organizational voice which results from a well thought out county communications strategy can ensure that county government provides high-quality information to educate and inform constituents about issues occurring at the county level. It also allows a county to get ahead of a potential news story, or have a more robust response to a story which is already developing.

For this workshop, we looked specifically at Mecklenburg County's Public Information Department. They have 19 department employees out of a 5500-person county staff, with their latest addition being a social media manager. Mecklenburg County started their process by outlining a communications plan. This plan needed to be a living, breathing document to keep up with changing methods of communication. It is updated annually.

It should be noted that some areas have deemed intergovernmental communications departments to be more appropriate.

Potential Services Provided
- Training for department heads on presenting and public speaking
- Active social media pages
- Meetings live-tweeted/Facebooked
- In Mecklenburg County, county manager has face-to-face communication w/key media frequently to find out what they need to get better info from county. Creates connections and goodwill. Prevents perception of inaccessibility.
- Ensuring communication is two-way. The county has to provide engagement through a meaningful back-and-forth when someone reaches out via social media, etc.
- Creating an online FOIA system
- Producing internal communication, including newsletter to create buy-in and awareness of other departments' actions
- Distributing daily summary of inquiries & related newspaper articles that is sent to executive team & managers. Keeps individuals in the loop.
- *Mecklenburg County's department also:*
    - Manages and supports community meetings for major initiatives, board meetings
    - Facilitates youth outreach
    - Speaks to groups about the county
    - Handles special events planning

Communication Strategies

- Cut down on individual department social media pages, stick to a few main pages.
- Have a policy for negative comments on social media and POST said policy, repeatedly.
- Be sure to put positive stories online showcasing the community at its best, don't just respond in the wake of negative or polarizing stories.
- In terms of engaging different demographics, statistics show that Twitter helps to engage minority populations, Instagram is more for younger people, and Facebook is beginning to skew older.
- Have a reason to have a press conference before calling a press conference.
- Be sure people understand why the county is doing something in terms of its values. It is recommended that framing should sound more like "We are trying to make community safer for citizens" than "We are trying to reduce crime by 30%", even if that is the plan. Specifics can be supporting points.
- Must demonstrate good faith in communicating with the public, even when interacting with those who may not return the favor.
- Have tangible outcomes - measure who is reaching out about what issues and see how to create efficiencies.
- Specialize "from" field in emails and curate who receives what messages. If a message is sent to all, it should really need to go to all.
- Measure public engagement and let that inform your content strategy.
- When Mecklenburg County got rid of print products, they got pushback on some items. Less timely, more bulky publications should be available in print.
- Think about community partners who can help spread information.
- *Recommended tools:*
  - GovDelivery - service for managing email lists
  - SiteImprove - highlights fixes needed on websites

Resources

Communications Plan, Mecklenberg County:
http://mecklenburg.legistar.com/gateway.aspx?M=F&ID=a0a0432b-a43d-4e6b-b94e-c9e36c0246fe.pdf

Tool for creating strategic communications plan:
http://phsharing.org/wp-content/uploads/2015/04/strategic-communication-plan-template.pdf

US Air Force's guide to social media:
http://www.globalnerdy.com/wordpress/wp-content/uploads/2008/12/air_force_web_posting_response_assessment-v2-1_5_09.pdf

Humorous/insightful post on social media policies:
http://morelikepeople.org/social-media-policy-flowchart/

Sam Shore
Champaign County Board Member
Report on Mecklenburg County, NC Reentry Program
July 2015

Background
A little less than a decade ago, Mecklenburg County NC was discussing the perceived need to erect a third jail to house their expanding population of incarcerated individuals. However, by focusing their efforts on building diversionary programs through the support of policymakers and decisionmakers within the criminal justice system, the county jail system has seen a 50% reduction in jail population over the past seven years.

The county has two jail campuses, one which is more centrally located and secure. The second is largely for individuals who are involved in programs. This location operates at a lower level of security, allowing individuals incarcerated in the jail to walk freely within their pods. I was able to tour this facility thanks to the National Association of Counties and hear about the reentry program run out of that location by the County Sheriff.

Services Provided
Our tour guide, Adult Programs Manager Derek Wilson, described what occurs in Mecklenburg County as a "holistic approach". To prepare incarcerated individuals for reentry, Mecklenburg County provides a wide variety of offerings.

The program offers guided journals from the "Courage to Change" series, which includes topics such as relationships and responsibility. These books provide prompts for participants to reflect on their behavior, decisions, and environment. Reentry program staff follow up with participants after the completion of each book. To increase mindfulness, yoga is also offered to participants. This may be continued on the outside for free through an arrangement with a local yoga studio. Additionally, participants have the opportunity to study for and take North Carolina's GRE equivalent, HiSET, while incarcerated.

The jail provides three different venues on-site for vocational training during incarceration:
- A woodshop, where participants learn about safety and use of power tools in the creation of objects which are then usually donated to the community. Participants can receive a professional carpentry certificate at program completion. A nearby chain hardware store has become a partner through donating scrap wood.
- The jail kitchen, where participants can go through the ServSafe food service certification process. This program was able to run in a more cost-effective manner because the jail was able to work certification class administration into their food service contract.
- A greenhouse, where participants can learn to garden and grow plants which are then usually donated to the community. Next year, the program administrator mentioned a desire to branch out into aquaponics to diversify the learning experience.

Our guide also emphasized the value of building a relationship with departing participants, saying he encouraged those who feel like things are falling apart on the outside to come and ask for him at the jail rather than engaging in unlawful behavior.

The Mecklenburg County Sheriff's Office has data analysts on staff who keep an eye on metrics and budgets to ensure the program is being run efficiently. Our guide defined a couple of performance measures as the number of widgets donated through the greenhouse and woodshop as well as reentry graduates employed in the community.

Concurrent Programs

In addition to a reentry program, Mecklenburg County has used pretrial services and a drug court to lower their jail population. The county uses the Arnold Foundation risk assessment tool for pretrial services, and our guide said it works very well.

A representative from the National Association of Counties who was along for the tour added that some local law enforcement agencies have expanded their use of cite and release when pretrial services are not yet available.

Finances

The Mecklenburg County Reentry program is run through the sheriff's office, with an annual budget of approximately $2 million and 32 employees. The program is uses no tax dollars, instead utilizing funds raised through use of the commissary and phone by the general population of the jail. Additionally, the sheriff's office has given letters of support to nonprofits applying for grants which can be used to support programs at the jail.

Sam Shore
Champaign County Board Member
Report on Mecklenburg County, NC Small Business Incubator
July 2015

Background
In March 2011, a 90,000 sq foot former Packard automobile showroom reopened as the privately-owned Packard Place property which houses the nonprofit small business incubator called The Garage owned by the same individual.

A member of the Charlotte Chamber of Commerce who was on hand noted that one way this program benefitted was by beginning it when Charlotte was already in a position of strength, rather than waiting for a crisis to come up with stopgap measures to save the local economy.

Charlotte is home to the headquarters of a number of major financial services institutions, allowing the incubator to recruit a specialized niche of startups wishing to disrupt that sector around which to build.

Services Offered
The Garage has a ground-floor 28,000 sq foot space that is set up to serve as an internet cafe, self-serve coffee bar, and presentation space for startups. Since opening, they have hosted hundreds of no-cost events that educate local startups and allow those startups to introduce their services. One of the most well-attended activities in this space is an investment pitch rehearsal where startups can give "draft" investment pitches to real angel investors who are there to give feedback rather than money.

Once these startups are ready to have their own office space, there are rentable units upstairs starting at $500/month for at 12'x6' space in downtown Charlotte. The Garage also provides for virtual tenants, who can have a mailing address at the building for $50 a month.

Renters in Packard Place have 24 hour access to the building and its many amenities including: A gym, bike storage, showers, lockers, fiber internet, print services, a data center and 3 kitchens. Tenants also can rent furniture on a month-to-month lease. Landline phone service may also be purchased on a month to month basis, but most tenants prefer the soundproofed closet-sized cell phone rooms for doing telephone business instead.

Additionally, startups in the incubator have the option of submitting proposals to request pro bono legal work from legal service partners and local law schools who provide a certain number of hours to the incubator each year.

Two high-intensity startup accelerator programs - RevTech and QC Fintech - are housed in The Garage as well. Once accepted, startups are provided housing through a partnership with the local extended stay hotel and go through a 3-month program at The Garage. Once that program is over, they may continue to stay for 9 months afterwards at a cost of $200 per desk. The program exists not only to empower promising startups but also entice those startups to stay in Charlotte.

The Garage also incubates social impact programs that will benefit the community and the world.

Concurrent Programs

The incubator has benefitted from the work of a number of outside actors:

- The promise of gigabit internet for startup employees both at home and at work has allowed Charlotte to position itself on the forefront of technological amenities.
- The University of North Carolina-Charlotte has a research park that partners with the incubator.
- A local organization, the Charlotte Entrepreneurial Alliance, works to engage all individuals involved in entrepreneur development.
- Concurrently, a light rail system is being used to drive economic development in a depressed area north of the city center.
- The Charlotte Chamber of Commerce has been successful at driving corporate headquarters relocation, traveling to similar cities and exploring critical factors in their success.

Finances

Local private investors contribute money to projects at The Garage, with a $500,000 matching fund from the city of Charlotte. This money is administered by the board of the incubator. The building operates as a for-profit landlord, taking a portion of rental income from the nonprofit entity.

No government incentives were used in the creation of this incubator.