



Community • Independence • Empowerment

Jeffrey W. Patton
Chief Executive Officer

Administrative Services:

610 South Burdick Street
Kalamazoo, MI 49007

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(269) 553-8000

24-HOUR CRISIS HOTLINE or NON-EMERGENCY CLINICAL SERVICES: (269) 373-6000

AGENDA

July 28, 2025

Name:

INTEGRATED Services of Kalamazoo Board of Directors

Location:

610 South Burdick St/Kalamazoo, MI., /2nd Fl – [ISK Boardroom #220](#)

Commencement Time:

4:00PM

- I. CALL TO ORDER - CITY & COUNTY DECLARATION
- II. AGENDA
- III. CITIZEN TIME
- IV. RECIPIENT RIGHTS
 - a. Recipient Rights Monthly Report
- V. PROGRAM SERVICE REPORT
 - a. *Cheryl Nebedum & Warwick Barlow*, "Bridging the GAPS Inclusive Outreach and Engagement"
 - b. *Beth Ann Meints*, Administrator of Clinical Services - CCBHC Report **VERBAL**
- VI. CONSENT CALENDAR **VERBAL MOTION**
 - a. Minutes *June 23, 2025*
 - b. Chief Executive Officer Performance III.03 (Policy)
 - c. Chief Executive Officer Role III.01 (Policy)
 - d. Delegation to the Chief Executive Officer III.02 (Policy)
 - e. Board Finance Committee II.10 (Policy)
- VII. MONITORING REPORTS
 - a. QM Year-End Report, [October 1, 2023-September 30, 2024](#) (Report)
 - b. Monitoring Executive Performance III.04 (Policy)
- VIII. FINANCIAL REPORTS
 - a. Financial Condition Report
 - b. Utilization Report
 - c. Investment Report
 - d. June 2025 Disbursement **MOTION**
- IX. CHIEF EXECUTIVE OFFICER [VERBAL REPORT](#)
 - a. CEO Report
- X. CITIZEN TIME
- XI. BOARD MEMBER TIME
 - a. SWMBH (Southwest Michigan Behavioral Health) Updates [Michael Seals](#)
- XII. ADJOURNMENT

IV.a.

Office of Recipient Rights
Report to the Mental Health Board
On Complaints/Allegations
Closed in: June 2025

Office of Recipient Rights Report to the Mental Health Board
Complaints/Allegations Closed in June 2025

	June 2025	FY 24-25	June 2024	FY 23-24
Total # of Complaints Closed	38	318	29	279
Total # of Allegations Closed	55	492	49	495
Total # of Allegations Substantiated	29	164	8	144

The data below represents the total number of closed allegations and substantiations for the following categories:
Consumer Safety, Dignity/Respect of Consumer, Treatment Issues, and Abuse/Neglect.

ALLEGATIONS	June 2025		June 2024	
Category	TOTAL	SUBSTANTIATED	TOTAL	SUBSTANTIATED
Consumer Safety	4	4	2	0
Dignity/Respect of Consumer	14	6	5	1
Treatment Issues/Suitable Services (Including Person Centered Planning)	9	3	11	1
Abuse I	0	0	0	0
Abuse II	4	1	2	1
Abuse III	3	2	7	2
Neglect I	1	1	0	0
Neglect II	5	5	1	0
Neglect III	8	6	10	3
	58	28	51	9

APPEALS	June 2025	FY 24-25	June 2024	FY 23-24
Uphold Investigative Findings & Plan of Action	0	2	0	2
Return Investigation to ORR; Reopen or Reinvestigate	0	1	0	0
Uphold Investigative Findings but Recommend Respondent Take Additional or Different Action to Remedy the Violation	0	1	0	0
Request an External Investigation by the State ORR	0	0	0	0

ABUSE AND NEGLECT DEFINITIONS – SUMMARIZED

Abuse Class I means serious injury to the recipient by staff. Also, sexual contact between a staff and a recipient.

Abuse Class II means non-serious injury or exploitation to the recipient by staff and includes using unreasonable force, even if no injury results.

Abuse Class III means communication by staff to a recipient that is threatening or degrading. (such as; putting down, making fun of, insulting)

Neglect Class I means a serious injury occurred because a staff person DID NOT do something he or she should have done (an omission). It also includes failure to report apparent or suspected abuse I or neglect I of a recipient.

Neglect Class II means a non-serious injury occurred to a recipient because a staff person DID NOT do something he or she should have done (an omission). It also includes failure to report apparent or suspected abuse II or neglect II of a recipient

Neglect Class III means a recipient was put at risk of physical harm or sexual abuse because a staff person DID NOT do something he or she should have done per rule or guideline. It also includes failure to report apparent or suspected abuse III or neglect III of a recipient.

ORR ADDENDUM TO MH BOARD REPORT

July 2025

Re: June 2025 Abuse/Neglect Violations

June

Abuse Violations

- There was one substantiated Abuse II violation in June 2025.
 - The remedial action for this violation was Written Reprimand (4).
- There were two substantiated Abuse III violations in June 2025.
 - The remedial actions for these violations were Written Reprimand (1), Training (1), and Contract Action (1).

The 2 violations occurred at different agencies.

Neglect Violations

- There was one substantiated Neglect I violation in June 2025. It was a Failure to Report Violation.
 - The remedial actions for these violations were Verbal Counseling (2), and Policy Revision/Development (2). Additional action is still being requested for this substantiation.
- There were five substantiated Neglect II violations in June 2025. Four were Neglect II Failure to Report Violations.
 - The remedial actions for these violations were Employee left agency but substantiated (2), Written Reprimand (2), and Written Counseling (3).

Three of the Neglect II Failure to Report violations were at the same agency. Two of those were at the same program site.

- There were six substantiated Neglect III violations in June 2025. One was a Neglect III Failure to Report Violation.

- The remedial actions for these violations were Employment Termination (4), and Written Reprimand (5).

There were four agencies involved. Two of the agencies each had 2 violations occurring at the same program sites. One violation had 3 staff involved. The Neglect III Failure to Report Violation had 3 staff involved.



Community • Independence • Empowerment

INTEGRATED Services of Kalamazoo
(ISK) Board of Director's Meeting
INTEGRATED Services of Kalamazoo
610 South Burdick Street
Kalamazoo MI 49007

June 23, 2025

VI.a.

<u>ISK Board Member</u>	<u>Board Members PRESENT</u>	<u>Declaration of Location City/County</u>	<u>Board Members ABSENT</u>
Karen Longanecker, <i>CHAIR</i>	X	Kalamazoo/Kalamazoo	
Michael Seals, <i>VICE CHAIR</i>	X	Kalamazoo/Kalamazoo	
Nkenge Bergan	X	Kalamazoo/Kalamazoo	
Sarah Carmany	X	Kalamazoo/Kalamazoo	
Patrick Dolly			X
Pat Guenther	X	Kalamazoo/Kalamazoo	
Ramona Lumpkin	X	Kalamazoo/Kalamazoo	
Michael Raphelson			X
Sharon Spears	X	Kalamazoo/Kalamazoo	
Melissa Woosley	X	Kalamazoo/Kalamazoo	
John Taylor, <i>COMMISSIONER</i>			X

ISK - Staff Present:

Jeff Patton, *CHIEF EXECUTIVE OFFICER*
Alecia Pollard
Willa Burns
Sheila Hibbs
Beth Ann Meints
Charlotte Bowser
Wanda Brown
Amy Rottman
Michael Schlack, *CORPORATE COUNSEL*
Dianne Shaffer
Lisa Smith
Ed Sova
Chantel Graham

ISK - Staff Absent:

Demeta Wallace, *BOARD LIAISON*
Kathy Lentz

Providers & Guests:

Shenetta Coleman
Chief Executive
Officer
ROI

Dianne Marquess
Chief Executive
Officer
Family & Children
Services

Rhasheda Shepherd
Executive Director
The Arc Community
Advocates

Call to Order

The Board of Directors (Integrated Services of Kalamazoo) held their meeting on Monday, June 23, 2025. It began @ 4:00PM and was presided over by Chair, Karen Longanecker.

AgendaMOTION

Member Seals,

“I move to approve the agenda as presented.” Supported by Member Guenther and carried without dissent.

MOTION PASSED.

Citizen Time No citizens came forth.

Recipient Rights

Lisa Smith, ISK, Director of ORR, presented the complaints/allegations closed in April and May 2025.

Abuse Violations

- There were two substantiated Abuse II violations in April 2025.
 - The remedial actions for these violations were Written Reprimand (2), and Training (2).

The 2 violations occurred at 2 different agencies.

- There was one substantiated Abuse III violation in April 2025.
 - The remedial action for this violation were Written Reprimand (1), and Training (1).

Neglect Violations

- There was one substantiated Neglect II violation in April 2025. It was a Neglect II, Failure to Report violation.
 - The remedial action for this violation were Written Reprimand (1), and Training (1).
- There were six substantiated Neglect III violations in April 2025. Three were Neglect III, Failure to Report violations: There were 3 staff involved in one violation, and 2 staff involved in 2 other violations.
 - The remedial actions for these violations were Employment Termination (1), Written Reprimand (9), Training (2), and Policy Revision/Development (1).

The 6 violations occurred at 4 different agencies. One agency had 2 violations occurring at the same program site, 1 of which was a Failure to Report violation. A second agency had 2 violations occurring at the same program site and 1 of those violations was a Failure to Report.

Abuse Violations

- There was one substantiated Abuse II violation in May 2025.
 - The remedial actions for this violation were Written Reprimand (1) and Training (1). There were two staff involved.

Neglect Violations

- There was one substantiated Neglect I violation in May 2025. The violation was a Failure to Report.
 - The remedial action for this violation is Pending (1). There were three staff involved in one violation.
- There were eight substantiated Neglect III violations in May 2025.
 - The remedial actions for these violations were Employee Left Agency (2), Written Counseling (2), Written Reprimand (4), Policy Revision/Development (1) and Training (5). Of the 8 violations there were two staff involved in two violations.

All 8 violations occurred at different agencies.

All of the ORR case information is sent to the ISK Population Directors on a monthly basis for any tracking/trending of the RR information in their areas of authority. *(Agencies can include ISK).

Program Services Report

Beth Ann Meints, ISK, Administrator of Clinical Services, presented the June Program Services Report.

CCBHC Board Update

The Michigan Department of Health and Human Services (MDHHS) Certified Community Behavioral Health Clinic (CCBHC) Demonstration Team held a meeting with the Michigan CCBHC Demonstration sites announcing the transition from utilizing the PIHPs to the state paying the PPS directly to the CCBHCs. On October 1, 2025, the PPS payment will be paid to CCBHCs directly for each eligible daily visit. The PPS will be inclusive of both the base and supplemental capitation as one payment.

The MDHHS CCBHC Demonstration sites are holding workgroups within the following areas: SUD Services, WSA (used to enroll individuals into the CCBHC), Utilization Management, Internal Process Changes, Reporting Requirements – programmatic reporting, Reporting Requirements – Financial and IT System Groups. ISK is either leading or participating within each of the groups to support this transition. ISK will be holding biweekly meetings to ensure system changes can occur to support this transition.

Beth Ann turned over the discussion to Amy to address the perspective payment (PPSI Rate) will be paid directly from the state's CHAMPS System which is the billing system that the state uses. We will be submitting that data directly to MDHHS rather than through SWMBH. This will become a reimbursement-based payment which is a little different than what we experience now. Currently, the state, through SWMBH, pays pre-payment then there is a settlement (reconciliation process). This change will be reimbursement-based. The state understands that this might cause some challenges, in Amy's opinion it *will*, cause some challenges in the short term because of cash flow. As we transition to this new model, we will have to start using the CHAMPS System. There may be some delays in getting information flowing, so the state has committed to a cash advance to facilitate time so we will still get money as this change is underway. There are many changes to be made between now and October 1 so hiccups are to be expected, and that cash advance will help us get through them.

Amy is on the Financial Reporting and Billing Workgroups to make sure ISK continues to be represented in the conversations that the state is having. Amy further explains what the changes with SWMBH will be between now and October 1. She feels that there will not be a whole lot of change until after October 1.

We will no longer have to go through the exercise of figuring out what amount of our PPSI payment is supplemental or base. Amy reviews how we currently do this and refers the board to the CCHB activity on page 7 of the current financial statements to demonstrate.

She talks about the three different ways we receive the PPSI rate under Medicaid and Healthy Michigan. The first is the Prepaid Amount. The second, Base Payment, must currently be calculated to determine how much of our CCBHC PPSI payment comes from capitation. This is unique to Michigan based on our current system and how we are paid the rest of our funding through capitation. Other CCBHCs across the country don't have to do this because their states pay this directly, which is the direction Michigan is headed. Thirdly, Remaining CCBHC Revenue Due, is reconciled by providing information quarterly to SWMBH to ensure that we are consistent with that calculation but cash, or revenue payments, is exchanged only once per year. This is set to end in 2026 when the upcoming changes are put into place and Michigan will start to pay this directly.

This will simplify some of the reporting but will require more in-depth analysis and review on the billing side. This new process is not necessarily going to be easier but could possibly even out and become an easier process as things progress and become established. It will definitely be a change we are working through and investing time and energy in while we are getting it right.

That concludes my report.

Consent Calendar

MOTION

Chair Longanecker, "Is there anything that is on the Consent Calendar that anyone wants pulled out?" No materials were requested to be removed.

- b. Board Member Responsibility II.12 (Policy)
- c. Input From Stakeholders II.13 (Policy and Report)
- d. Accessibility II.15 (Policy)

Member Bergan, "I MOVE TO ACCEPT THE CONSENT AGENDA [CALENDAR] AS PRESENTED." Supported by Member Spears. MOTION PASSED.

Monitoring Reports

There were no Monitoring Reports to review this month.

Financial Reports/Financial Condition Reports

Amy Rottman, ISK, Chief Financial Officer, presented the Financial Condition Reports for May 31, 2025.

To review the financial reports, please use the following link: <https://iskzoo.org/about-us/board/>

Utilization Reports

Charlotte Bowser, ISK, Director of Finance, presented the Utilization Report for the period ending May 31, 2025.

- Autism Services is at (180) clients and is unfavorable at \$620,366.
- Youth Community Inpatient Services is at (85) days and is unfavorable at \$35,003.
- MI Adult Community Inpatient Services is at (608) days and is favorable at \$412,549.
- Community Living Supports, Personal Care, and Crisis Residential is favorable at \$170.

March Disbursements

MOTION

Member Guenther, "BASED ON THE BOARD FINANCE MEETING REVIEW, I move that ISK approve the April 2025 vendor disbursements of \$13,939,361.74 and the May 2025 vendor disbursement of \$14,017,484.81." Supported by Vice Chair Seals.

MOTION PASSED.

ACTION ITEMS - NEW or REVISITED

MOTION

- a. Board Nominating Committee
 - i. Board Nominating Committee Report

Board Member Nkenge Bergan introduces the Board Nominating Committee as consisting of herself, the Committee Chair, Michael Raphelson, Melissa Woosley & Ramona Lumpkin. She reported that, via email, they requested that those who are interested in holding the Board Officer positions, Chair and Vice Chair, express so in an email response. Karen Longanecker expressed interest in continuing her role as Board Chair and Michael Seals expressed interest in continuing his role and Board Vice Chair. Sarah Carmany also expressed an interest in being nominated as the Board Vice Chair.

The committee held a discussion and agreed to recommend to the board Karen Longanecker as Chair and Michael Seals as Vice Chair.

Sarah Carmany announced that her last application to renew her term as an ISK Board Member was denied and Nkenge confirmed that that was why she wasn't able to be considered for the Vice Chair position. Also taken into consideration was the experience of the members who showed interest in the positions. The committee felt that the current officers have served the ISK Board well and will continue to do so.

Sarah expressed an interest in reapplying and Nkenge supported her in that. Jeff also let Sarah know that someone would forward her the information. Karen thanked Sarah for her interest.

Nkenge asked the Board Members if there were any other nominations at this time or if there were any members present who were interested in either position. No one responded.

- ✚ Karen Longanecker – Chair
- ✚ Michael Seals – Vice-chair

Respectfully given by ISK Board Nominating Committee: Nkenge Bergan, Michael Raphelson, Melissa Woosley & Ramona Lumpkin

ii. Election of Officers

Member Carmany, "I MOVE TO APPROVE THE ELECTION RESULTS OF KAREN LONGANECKER AS THE CHAIR AND MICHAEL SEALS AS THE VICE CHAIR."
Supported by Member Spears.

MOTION PASSED.

ISK Corporate Counsel, Michael Schlack asked for a motion to move into Closed Session.

Closed Session

ROLL CALL

Member Seals,

"I move that the ISK Board of Directors enter a CLOSED SESSION for strategic discussions regarding pending litigation, as allowed under the Michigan Open Meetings Act, MCL 15.268(l)(e)." Supported by Member Guenther

ROLL CALL VOTE:

ISK Board Member	Yes	No
<i>Chair Karen Longanecker</i>	X	
<i>Vice Chair Michael Seals</i>	X	
<i>Member Nkenge Bergan</i>	X	
<i>Member Sarah Carmany</i>	X	
<i>Member Pat Guenther</i>	X	
<i>Member Ramona Lumpkin</i>	X	
<i>Member Sharon Spears</i>	X	
<i>Member Melissa Woosley</i>	X	
MOTION PASSED	X	

Need 8 yes votes (2/3 of currently appointed board) no matter how many members are in attendance. The Board moved to Jeff's office for Closed Session.

MOTION PASSED.The ISK Board convened the CLOSED SESSION at 4:53PM.The ISK Board adjourned the CLOSED SESSION at 5:14PM.Chief Executive Officer Report

Jeff began his report by announcing his plan to retire June 2026 for public record. He expressed his appreciation and pride for the almost 26 years of working with an amazing staff and providers who have been dedicated over the years to assuring the highest quality of care to over 8,000 consumers of mental health services in Kalamazoo County. During his evaluation last November, Jeff indicated to the Board that he would give up to one year for the Board to seek and hire another Chief Executive Officer after giving notice of his plans for retirement. He expressed that he has now reached that point in his life, with difficulty, to begin the process of retirement. He plans to retire no later than next year in June. This time will provide the Board up to one year to perform a formal search for the next Chief Executive Officer of Integrated Services of Kalamazoo. He plans, over the next few months, to assist the Board in putting in place a formal process for interviewing and selecting the next CEO of ISK, however, he does not plan on being part of the hiring process.

Jeff took time to extend his sincerest appreciation to the ISK Board for their confidence and support and notes that these last 25 years as their Chief Executive Office have been amazing.

Jeff moved on to his verbal CEO Report. He began by revisiting the financial situation with SWMBH that Amy touched on during her report. He announced some good news! SWMBH received a substantial payment of Medicaid dollars. While this payment doesn't completely clear their deficit, it greatly reduced it. He also anticipates further improvements from the state, possibly come October. While this additional support will be greatly appreciated, he is not sure it will completely wipe out SWMBH's deficit. We are continuously monitoring the numbers, and they keep changing, so it is hard to say where they will land once a final calculation is reached. But he reiterates that the changes are positive, regardless. He notes that SWMBH did improve quite a bit when reviewing the Acuity Factors, but not in comparison to the data from other PIHPs. There is concern that SWMBH's rates are still lower than other Michigan PIHPs.

Jeff then shifts the conversation to the announcement from the state of its re-procurement of PIHPs. The state has indicated on its website and through various announcements, that they will be reducing the number of Managed Care Entities. It is currently assumed that this will be PIHPs, but he expressed that he is not sure that this is the direction that the state will go. His reasoning is that the state is opening up bidding to the private sector. What this means is that per the CFR (Code of Federal Regulations), the state of Michigan, which has been able to sole source contract with the Public Community Mental Health System since 1998, will likely no longer operate this way. Jeff will update the board as information becomes available and we see the procurement, which will be thoroughly scrutinized line by line. He has no doubt, however, that despite all the upcoming changes, ISK will land on its feet.

Jeff briefly touched on the Mental Health Framework, at Beth Ann's prompting, which he stated that will permit the Medicaid Health Plans, which are private entities, to begin admitting and likely paying for people that are in hospitals. More information on this will come, also, when we receive the procurement information and be passed on.

That concludes my report.

Citizen Time

No citizens came forth.

SWMBH (Southwest Michigan Behavioral Health) Updates/Michael Seals

Michael Seals shared his update from the SWMBH Board meeting. He said that this meeting was a difficult meeting based on the events of the meeting. There is a lot of uncertainty and he hopes that we can come up with a good resolution. He recommended to SWMBH that they perform a fiscal assessment done by Rehmann.

That concludes my report.

Member Carmany

Member Carmany announced that this evening's meeting was her last as her application for appointment was denied. She expressed that she planned on reapplying and was met with support from the rest of the board. She wanted to let everyone know that she also plans to continue her advocacy work in the meantime.

Member Woosley

Member Woosley said she was happy because her application for re-appointment was accepted. She received congratulations from the rest of the board.

Member Spears

Member Spears wished everyone a happy 4th of July. She was excited that it fell on a Friday this year.

Member Guenther

Member Guenther thanks Member Seals for taking on the responsibility of dealing with SWMHB on ISK's behalf. She is very appreciative.

She also expressed how she hopes that Jeff's departure is as smooth as silk but adds that we won't just let him go that easily. Jeff replied that he knew they wouldn't. Everyone shared a laugh.

Member Bergan

Member Bergan said that she and the rest of the board will miss him but is so glad we have a whole year to actually feel his absence.

She also reminded everyone that summer is here, and our young people are out of school. She asked everyone who has young people in their circle of influence to encourage them to take advantage of the

many programs and activities that the community, school district and colleges. Jeff added volunteering and she agreed. The goal is to keep our young folks engaged and their minds activated.

Finally, Member Bergan suggested, for those seeking a first degree or certification, to look into taking classes at KVCC. She expressed how she feels that KVCC is an awesome place to accomplish that. She spoke about the many programs and classes that are up and starting and hopes that Michiganders will take advantage of the many, various opportunities available.

Member Lumpkin

Member Lumpkin let Jeff know how much of a joy it has been to work with him over the years and that she had heard of his retirement through the grapevine (outside of ISK) last week or the week before. Jeff responded that it was a small world. She continued that she feels that he deserves his flowers while he can still enjoy them and how much she appreciates him.

Member Longanecker

Member Longanecker reminded the group of the renaming ceremony this upcoming Thursday, June 26 at 2pm. She also reminded the board to turn in their per diem sheets for her signature.

Meeting adjourned by voice vote @ 5:50PM.

Alecia M. Pollard

Program Specialist

Integrated Services of Kalamazoo Board of Directors



INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY III.03

AREA:	Governance	
SECTION:	Board – Executive Relationship	PAGE: 1 of 1
SUBJECT:	CHIEF EXECUTIVE OFFICER PERFORMANCE	SUPERSEDES: 07/26/2010 REVISED: 07/25/2011

PURPOSE/EXPLANATION

To define the job contribution of the Chief Executive Officer (CEO).

POLICY

As the Board's single official link to the operating organization, the CEO's performance will be considered to be synonymous with organization performance.

Consequently, the CEO's job contributions can be stated as performance in only two ways:


- A. Organizational accomplishment of the provisions of Board policies on Ends.
- B. Organization operation within the boundaries of prudence and ethics established in Board policies on Executive Limitations.

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

APPROVED



Erik Krogh
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY III.01

AREA:	Governance	
SECTION:	Board-Executive Relationship	PAGE: 1 of 1
SUBJECT:	CHIEF EXECUTIVE OFFICER ROLE	SUPERSEDES: 07/26/2010 EFFECTIVE: 07/25/2011

PURPOSE/EXPLANATION

To define the role of the Chief Executive Officer (CEO) and the relationship of the position to the Board.

POLICY

The CEO is accountable to the Board. The Board will instruct the CEO through Board policies and the CEO's contract, delegating to him/her interpretation and implementation of those policies.

The CEO will provide an orientation of new Board members that addresses the mission, philosophy, scope and service array; legal framework, history and future trends; service development, monitoring and management; and financial management. This will be coordinated when there is new Board membership.

CHIEF EXECUTIVE OFFICER

Jeff Patton
Chief Executive Officer

APPROVED

Erik Krogh
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY III.02

AREA:	Governance	
SECTION:	Board – Executive Relationship	PAGE: 1 of 2
SUBJECT:	DELEGATION TO THE CHIEF EXECUTIVE OFFICER	SUPERSEDS: 07/25/2011 REVISED: 09/26/2016

PURPOSE/EXPLANATION

To define the authority of the Chief Executive Officer (CEO) and methodology for the modification of that authority.

POLICY

All Board Authority related to staff is delegated through the CEO.

- A. The Board will direct the CEO to achieve specified results, for specified persons served, at a specified cost through the establishment of *Ends* policies. The Board will limit the latitude the CEO may exercise in practices, methods, conduct and other “means” to the ends through establishment of *Executive Limitations* policies.
- B. As long as the CEO uses any reasonable interpretation of the Board’s *Ends* and *Executive Limitations* policies, he/she is authorized to establish all further policies, make all decisions, take all actions, establish all practices and develop all activities.
- C. This authorization shall include entering into contracts with funders, service providers, professional services and administrative services such as maintenance contracts and printing contracts that are consistent with organizational goals and within the approved budget. For contracts that were not included in the approved budget, the CEO will notify the Board of all contracts that are less than \$300,000 and bring to the Board for their approval all contracts of \$300,000 or more. In order to provide for efficient and timely payment of the Authority’s obligations, the Board delegates to the CEO the authority to approve and pay budgeted purchases up to \$300,000 without further advance approval by the Board. The Board retains authority to approve unbudgeted purchases or purchases in excess of \$300,000 in advance of issuance. The CEO will, however, provide the Board (through its Finance Committee) with a detailed listing of all disbursement approved by the CEO in accordance with this policy each month.
- D. Purchase or sale of all real estate must be approved by the Board.

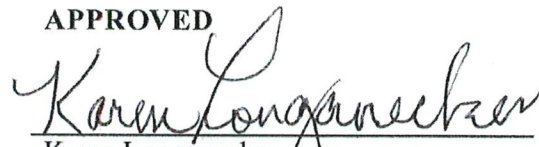
- E. The Board may change its *Ends* and *Executive Limitations* policies, thereby shifting the boundary between Board and CEO domains. By so doing, the Board changes the latitude of choice given to the CEO. But so long as any particular delegation is in place, the Board and its members will respect and support the CEO's choices. This does not prevent the Board from obtaining information in the delegated areas except requesting identifiable information on persons served.
- F. Only decisions of the Board are binding upon the CEO.
1. Decisions or instructions of individual Board members, officers or committees are not binding on the CEO except in rare instances when the Board has specifically authorized such exercise of authority.
 2. In the case of individual Board member(s) requesting information or assistance without Board authorization, the CEO can refuse such requests that require, in the CEO's judgment, a material amount of staff time or funds, or is disruptive.

CHIEF EXECUTIVE OFFICER



Jeff Patton
Chief Executive Officer

APPROVED



Karen Longanecker
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY II.10

AREA: Governance	
SECTION: Board Governance Process	PAGE: 1 of 2
SUBJECT: BOARD FINANCE AND COMPLIANCE COMMITTEE	SUPERSEDES: 03/27/2017 REVISED: 07/23/2018

PURPOSE/EXPLANATION

To define the role of the Board Finance and Compliance Committee.

POLICY

The Finance and Compliance Committee is a standing committee of the ISK Board and consists of up to four (4) Board members and the chairperson of the Board. The ISK Board appoints the members to the Finance and Compliance Committee. The Finance Committee chair is selected by the Finance and Compliance Committee members. The chairperson of the Board shall not also be designated as the Finance and Compliance Committee chair.

- A. The Finance and Compliance Committee exists to support the work of the Board in protecting and managing the financial assets and risks of ISK. The committee will at least annually:
 1. Review and recommend financial and compliance policies to the Board
 2. Review and recommend the budget to the Board
 3. Review the Financial Audit
 4. Review insurance coverage
 5. Review risk
- B. The Committee will:
 1. Review monthly financial reports from the Chief Executive Officer (CEO)
 2. Review the previous month's vendor disbursements and make a recommendation to the ISK Board for approval
 3. Make recommendation on such other issues as delegated to/by the Board
 4. Review compliance activities (including goals, objectives, Risk Assessment) to develop the annual Compliance Plan.
- C. The Finance and Compliance Committee is authorized to create subcommittees and engage in activities that contribute to the fulfillment of its purpose.
- D. The Finance and Compliance Committee is accountable to the full ISK Board.

REFERENCES

- ISK Board Policy II.5 Board Committee Principles
- 42 CFR 438.608 (Program Integrity Requirements under the contract)

**CHIEF EXECUTIVE
OFFICER**



Jeff Patton
Chief Executive Officer

BOARD CHAIR



Karen Longanecker
Board Chair

INTEGRATED SERVICES OF KALAMAZOO

BOARD POLICY III.04

AREA:	Governance	
SECTION:	Board – Executive Relationship	PAGE: 1 of 2
SUBJECT:	MONITORING EXECUTIVE PERFORMANCE	SUPERSEDES: 06/22/2015 REVISED: 06/22/2019

PURPOSE/EXPLANATION

To establish the mechanisms for monitoring the performance of the Chief Executive Officer (CEO).

POLICY

- I. The Board's chief evaluation interest is whether the organization achieves the Board's ends and operates within the Board's executive limitations. The evaluation of the CEO's performance consists of comparing performance data against a reasonable interpretation of the degree to which the Board Ends and Executive Limitation policies are carried out.
 - A. The monitoring of executive performance will take place throughout the year during board meetings through the monitoring reports of the Board Ends and Executive Limitation policies and other mechanism established by the Board. A routine schedule and format will be utilized, requiring a minimum of Board time so that discussion will focus on the future rather than reviewing the past.
 - B. At the discretion of the Board, any ends and limitations policy may also be monitored by any of the following methods at any time:
 1. *Internal Report*
Periodic reports to the Board demonstrating compliance with Board Ends and Executive Limitation policies.
 2. *External Report*
Receipt and review of information having an impact on the Board Ends and Executive Limitation policies from federal, state or local regulatory bodies. Additionally, an external report may be received from an impartial third party selected by the Board to review a particular Board policy or set of circumstances.
 3. *Direct Inspection*
 - a. Monitoring executive performance may also be done through the complaint process (exhibits B & C)
 - b. When other information is brought to the Board's attention causing the Board to question the implementation of a policy, the Board may appoint a

member or committee to conduct a policy compliance review. The results shall be reported back to the Board.

4. *Performance Objectives*

The Board and Chief Executive Officer may establish performance objectives that aim to achieve specific targets for a Board Ends or Executive Limitation policy within a time frame and with available resources.

5. At the discretion of the Board, the results obtained through internal and external reports, direct inspection, or performance objectives may also be included in the CEO's annual evaluation.

- II. The Board Chairperson will appoint a committee to compile the information obtained throughout the year with respect to achievement of ends and limitations policies by the CEO. The Board will conduct a formal review of the CEO in November or as otherwise scheduled (Refer to Exhibit A).

EXHIBITS

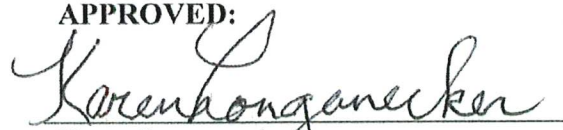
- A. Process for Conducting Executive Evaluation
- B. Handling Complaints About the Chief Executive Officer's Non-Compliance with Board Policy
- C. Chief Executive Officer Board Policy Non-Compliance Complaint Form
- D. CEO Annual Evaluation
- E. CEO Monthly Board Monitoring Activities

CHIEF EXECUTIVE OFFICER:



Jeff Patton
Chief Executive Officer

APPROVED:



Karen Longanecker
Board Chair

Process for Conducting Executive Evaluation

- I. The Board Chairperson will appoint a Chief Executive Officer (CEO) Evaluation Committee with a designated Chairperson for the subcommittee.
- II. As directed by the Board or requested by the CEO, the CEO will submit in writing to the Chairperson of the CEO Evaluation Committee, for approval by the Board, any proposed performance objective(s) for the up-and-coming year with timelines to support the achievement of an ends or limitations policy.
- III. The charge of the CEO Evaluation Committee shall include the following:
 - A. Monitor the ongoing reports to the Board in the area of Board Ends or Executive Limitation policies and for one individual from the CEO Evaluation Committee to record at each Board Meeting the compliance elements on the "Monitoring Executive Performance Worksheet."
 - B. Distribute a copy of the "Monitoring Executive Performance Worksheet" with the completed monthly recordings to each Board member at the September Board meeting. Each Board member will be requested to complete his/her ratings on the worksheet and to return the worksheet to the Chairperson of CEO Evaluation Committee 14 days prior to the October Board meeting.
 - C. Compile and aggregate the information received from each of the Board members on their "Monitoring Executive Performance" forms and transpose the information to complete a draft on the "Chief Executive Officer Evaluation Form".
 - D. Review the proposed objectives for the up-and-coming year if received from the CEO.
- IV. At the October Board meeting the evaluation committee will provide each Board member with their draft of the Chief Executive Officer Evaluation and include their recommendations in regards to the performance objectives if submitted by the CEO.
- V. In November, prior to meeting with the CEO, the Board will finalize and approve the CEO performance evaluation. The results of evaluation will be shared with the CEO in closed session if requested following Board discussion.

Handling Complaints About Chief Executive Officer Non-Compliance with Board Policy

- I. If there is a complaint that the Chief Executive Officer (CEO) is in non-compliance with a Board policy, the complainant must complete a complaint form, which may be obtained from the Integrated Services of Kalamazoo's (ISK) administration office or the ISK public website, from the Kalamazoo Public Library main branch (law library) or online from the ISK web site (<https://iskzoo.org/about-us/board/https://iskzoo.org/>).
- II. In order to initiate further action, the complainant must complete the form and submit it to the Board chair. A complaint may be submitted by delivering it, in person, to any Board member or; by mailing it to the 610 South Burdick location to the Board chair's attention (a stamped, addressed envelope will be provided for that purpose on request) or by submitting it via e-mail to a secure mailbox. If a Board member receives the complaint, he or she must give it to the Chair within one week. The Board Vice-Chair may receive the submission, submission if the Chair is unavailable.
- III. The Chair will appoint three Board members who are to meet as a committee and investigate the complaint on a confidential basis within two weeks from the date the committee is formed. The three Board members are to be selected on a rotating basis by alphabetical order. If a Board member is unavailable at the time the committee is formed, the next Board member in alphabetical order will be contacted and appointed. The Chair is included in the rotation.
- IV. The committee will strive to complete its investigation within two weeks; however, the committee must notify the complainant if more time is required to complete the investigation and draft a report. The committee may extend the time for investigation and submission of its report for by an additional two weeks. If the committee remains unable to complete its duties within that additional time, it must notify the Board and the complainant complainant, and the Board will consider the issue at its next regular meeting and determine what further action to respond to the complaint is required.
- V. The committee will first determine whether the complaint states an identifiable violation of a Board policy. If the committee determines that the complaint does not state a violation, the committee will notify the Chair and the complainant of its decision. Otherwise, the committee will begin an investigation, which should include (but is not limited to) a review of relevant documents and interviews with persons having knowledge related to the complaint. Upon completing its investigation, the committee will draft a report and submit it to the Board and the CEO.
- VI. The Board will determine whether the complaint has merit based on the committee's report. If the Board determines that the complaint does have merit, the Board, with input from the CEO, will determine the steps to be taken to correct the situation. The complainant will also be notified of the resolution.
- VII. The board will keep the name of the complainant confidential throughout the complaint process.

Chief Executive Officer Board Policy Non-Compliance Complaint

Policy affected:

--

Complaint (specifically how ~~did~~ the Chief Executive Officer ~~did~~ not comply with the policy):

Signature

Date _____

For use to contact you for further clarification and/or to notify you of the resolution:

Printed Name: _____

Address: _____

Phone Number: _____

FOR USE BY ISK BOARD CHAIR:

Date Received: _____ Date Completed: _____

Board Members Assigned:

Please return completed form, in person, to any ISK Board Member or by USPS mail to the following address, **ATTN ISK BOARD CHAIR**: 610 South Burdick Street, Kalamazoo, MI, 49007

Integrated Services of Kalamazoo

CHIEF EXECUTIVE OFFICER ANNUAL EVALUATION

Name: _____ Review Period (Year): _____

Instructions: Please rate the CEO's job performance with regard to the evaluation areas appearing below. Rate your responses of:

- Unsatisfactory (1)
- Satisfactory (2)
- Good (3)
- Excellent (4)

Evaluation Statement	Unsatisfactory (1)	Satisfactory (2)	Good (3)	Excellent (4)
1. Commitment to Mission Effectiveness as a champion promoting ISK Mission, Vision, Values	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Leadership Effectiveness of leadership as evidenced at Board meetings and public events	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Fiscal Management Effectiveness with regard to budget oversight and fiscal compliance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Community and Public Relations Effectiveness representing the Agency at local and state level organizations, associations, and events	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Planning Effectiveness in developing plans for the growth and/or improvement of Agency Programs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Accountability Effectiveness with regard to identifying and responding to Board and organizational priorities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Overall Performance Based on all monitoring reports and activities, rate the overall performance of the CEO	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. How well does the CEO provide adequate, understandable, and sufficient reports to the Board which demonstrates compliance with the Board Executive Limitation policies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CEO Performance Objectives (as applicable): <i>(Comments on CEO Performance Goal and Objective accomplishments, progress, barriers, areas of concern, etc.)</i>

Integrated Services of Kalamazoo
CHIEF EXECUTIVE OFFICER ANNUAL EVALUATION

What do you perceive as the strengths of the CEO?

In what areas do you think the CEO could improve?

Additional Comments (Optional)

**Evaluation
Process**

This is an effective evaluation tool:
If "No" please use back of form to suggest changes

☐ Yes ☐ No

Completed By

Board Member:

Date:

Do you have any suggestions for revisions to a Board Ends or Executive Limitation Policy?

INTEGRATED SERVICES OF KALAMAZOO
CEO EVALUATION ~ MONTHLY BOARD MONITORING ACTIVITIES

Board Member Name: _____

<i>MONTH</i>	<i>MONITORING ACTIVITY</i>	<i>COMPLIANCE (Y or N)</i>	<i>ANY BOARD ACTION TAKEN FOR NON- COMPLIANCE</i>	<i>COMMENTS</i>
October	Board Gov: Board Purpose and Business Description (II.01)			
	Board Gov: Board Business Description (II.03)			
	Limits: Treatment of Persons served (V.01) (include Substantiated Complaints)			
	Mission, Bylaws & Appointments: Board Guidelines for Board Member Appointments (I.03)			
	Investment Report			
	Customer Services Report			
	Family Support Advisory Council (FSAC) Annual Report			
	Customer Advisory Council (CAC) Annual Report			
November	Chief Executive Officer Evaluation (Jeff Patton)			
	Limits: Communication & Counsel to the Board (V.06)			
	Board Gov: Governing Style (II.02)			
	Limits: Emergency Executive Succession (V.05)			
	System Gov: Endowment Fund (VI.03)			
	Limits: Corporate Compliance & Risk Management (V.11)			
	Compliance & Risk: FY Annual Plan			
	Compliance & Risk: FY Status Report			

INTEGRATED SERVICES OF KALAMAZOO
CEO EVALUATION ~ MONTHLY BOARD MONITORING ACTIVITIES

<i>MONTH</i>	<i>MONITORING ACTIVITY</i>	<i>COMPLIANCE (Y or N)</i>	<i>ANY BOARD ACTION TAKEN FOR NON- COMPLIANCE</i>	<i>COMMENTS</i>
December	No monitoring Reports or Policy review this month			
January	Mission, Bylaws & Appointments: Mission/Vision/Value Statement (I.01)			
	Mission, Bylaws & Appointments: Bylaws and Rules of Procedure (I.02)			
	System Gov: Annual Leave Reserve (VI.01)			
	Board Gov: Annual Board Planning Cycle (II.08)			
	Board Gov: Ends Development Process (II.06)			
	Board Gov: Ends for Individuals Served (IV.01)			
	Investment Report			
	Limits: Quality Improvement Plans			
	Limits: Performance Measurement and Management Plan			
	Recipient Rights Annual Report			
	Strategic Plan			
February	Limits: Quality Management (V.09)			
	System Gov: Investment Policy (VI.02)			
	Board Gov: Board Travel (II.14)			
	Limits: Collaboration (V.10)			

INTEGRATED SERVICES OF KALAMAZOO
CEO EVALUATION ~ MONTHLY BOARD MONITORING ACTIVITIES

MONTH	MONITORING ACTIVITY	COMPLIANCE (Y or N)	ANY BOARD ACTION TAKEN FOR NON- COMPLIANCE	COMMENTS
	<i>(Discussion on Board Retreat)</i>			
March	Board Gov: Board Compensation (II.07)			
	Board Gov: Board Member's Code of Conduct (II.09)			
	Board Gov: Depreciation (VI.04)			
	Board Gov: Conflict of Interest (II.11)			
	Utilization Management (UM) Plan			
April	Board Gov: Board Committee Principles (II.05)			
	Board Gov: Chairpersons Role (II.04)			
	Treatment of Persons Served Substantiated Complaints Report			
	Board Gov: Reserves Management (VI.05)			
	Investment Report			
	Nominating Committee for Board Officers			
	Year-End Report & Ends (All Populations)			
	Compliance & Risk: Board Training			
	Compliance & Risk: Status Report			
	Customer Services Report			
May	Board Elections			

INTEGRATED SERVICES OF KALAMAZOO
CEO EVALUATION ~ MONTHLY BOARD MONITORING ACTIVITIES

MONTH	MONITORING ACTIVITY	COMPLIANCE (Y or N)	ANY BOARD ACTION TAKEN FOR NON- COMPLIANCE	COMMENTS
	Board Gov: Board Member Responsibilities (II.12)			
	Board Gov: Input from Stakeholders (II.13)			
	Board Gov: Accessibility (II.15)			
June	No monitoring Reports or Policy review this month			
	Annual Public Hearing			
July	Board Exec: Chief Executive Officer Performance (III.03)			
	Board Exec: Monitoring Executive Performance (III.04)			
	Board Exec: Chief Executive Officer Role (III.01)			
	Board Exec: Delegation to the Chief Executive Officer (III.02)			
	Board Gov: Board Finance Committee (II.10) (insurance)			
	Investment Report			
	Ends: All populations			
	Recipient Rights Semi-Annual Report			
	Strategic Plan			
August	Limits: Budgeting (V.03)			
	Limits: Finance (V.04)			
	Limits: Asset Protection (V.07)			

INTEGRATED SERVICES OF KALAMAZOO
CEO EVALUATION ~ MONTHLY BOARD MONITORING ACTIVITIES

<i>MONTH</i>	<i>MONITORING ACTIVITY</i>	<i>COMPLIANCE (Y or N)</i>	<i>ANY BOARD ACTION TAKEN FOR NON- COMPLIANCE</i>	<i>COMMENTS</i>
September	Limits: Staff Treatment (V.02)			
	Limits: Compensation & Benefits (V.08)			
	Annual Budget Public Hearing			

Additional Comments:

Board Member Signature: _____ Date: _____

INTEGRATED
SERVICES OF
KALAMAZOO



Period Ended
June 30, 2025

Monthly Finance
Report

This financial report is for internal use only. It has not been audited, and no assurance is provided.

INTEGRATED SERVICES OF KALAMAZOO

Statement of Net Position

June 30, 2025

	June 2024 (unaudited)	June 2025
Assets		
Current assets		
Cash and investments	\$ 28,207,891	\$ 14,058,103
Accounts receivable	3,949,042	6,843,740
Due from other governments	6,560,779	20,444,341
Prepaid items	1,048,960	1,445,548
Total current assets	<u>39,766,672</u>	<u>42,791,733</u>
Non-current assets		
Capital assets, net of accumulated depreciation	13,420,285	14,920,673
Net pension asset, net of deferred outflows	7,214,053	8,442,339
Total non-current assets	<u>20,634,338</u>	<u>23,363,012</u>
Total assets	<u>\$ 60,401,010</u>	<u>\$ 66,154,745</u>
Liabilities		
Current liabilities		
Accounts payable	\$ 10,805,179	\$ 9,074,911
Due to other governments	1,156,158	188,351
Due to providers	193,772	192,785
Accrued payroll and payroll taxes	1,978,786	3,100,089
Unearned revenue	52,023	124,293
Total current liabilities	<u>14,185,918</u>	<u>12,680,428</u>
Net position		
Designated	8,654,636	8,654,636
Undesignated	22,342,389	24,523,412
Investment in fixed assets	17,276,260	13,277,168
Previous year close	-	-
Net gain (loss) for period	(2,058,193)	7,019,101
Net position	<u>\$ 46,215,092</u>	<u>\$ 53,474,317</u>

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through June 30, 2025

Percent of Year is 75.00%

	Original 2025 Budget	YTD Totals 6/30/25	Remaining Budget	Percent of Budget - YTD
Operating revenue				
Medicaid:				
Traditional Capitation	\$ 71,759,922	54,434,068	\$ 17,325,854	75.86%
Healthy Michigan Capitation	13,011,361	3,607,302	9,404,059	27.72%
Settlement	6,448,857	10,174,486	(3,725,629)	157.77%
State General Fund:				
Formula Fundings	3,900,516	3,114,109	786,407	79.84%
CCBHC Demonstration	35,053,525	27,204,563	7,848,961	77.61%
CCBHC Quality Bonus	-	1,326,190	(1,326,190)	0.00%
CCBHC Accrual	-	2,157,260	(2,157,260)	0.00%
County Allocation	1,550,400	1,162,800	387,600	75.00%
Client Fees	620,500	783,313	(162,813)	126.24%
SUD Block Grant	-	439	(439)	0.00%
Other grant revenue	8,558,938	6,383,481	2,175,457	74.58%
Other earned contracts	3,974,361	1,865,863	2,108,498	46.95%
Interest	181,000	115,523	65,477	63.83%
Local revenue	610,000	509,940	100,060	83.60%
Total operating revenue	<u>\$ 145,669,379</u>	<u>\$ 112,839,337</u>	<u>\$ 32,830,042</u>	<u>77.46%</u>
Operating expenses				
Salaries and wages	\$ 32,439,500	\$ 21,550,636	10,888,864	66.43%
Employee benefits	11,472,088	7,141,916	4,330,172	62.25%
Staff development	301,171	138,566	162,605	46.01%
Payments to providers	88,887,199	66,395,338	22,491,861	74.70%
Administrative contracts	10,183,932	8,143,314	2,040,618	79.96%
IT software and equipment	926,784	660,503	266,281	71.27%
Client transportation	50,280	20,389	29,891	40.55%
Staff travel	389,228	261,463	127,765	67.17%
Office expenses	646,434	409,390	237,044	63.33%
Insurance expense	158,746	145,459	13,287	91.63%
Depreciation expense	535,265	405,807	129,458	75.81%
Utilities	358,571	279,063	79,508	77.83%
Facilities	49,039	39,562	9,477	80.67%
Local match	305,108	228,831	76,277	75.00%
Total operating expenses	<u>\$ 146,703,345</u>	<u>\$ 105,820,236</u>	<u>\$ 40,883,109</u>	<u>72.13%</u>
Change in net position	(1,033,966)	7,019,101	\$ (8,053,067)	
Beginning net position	<u>46,455,216</u>	<u>46,455,216</u>		
Ending net position	<u>\$ 45,421,250</u>	<u>\$ 53,474,317</u>		

INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through June 30, 2025

Percent of Year is 75.00%

	Specialty Services		Healthy Michigan		SUD Block Grant		Totals		
	Budget	YTD Totals 6/30/25	YTD Budget	YTD Totals 6/30/25	YTD Budget	YTD Totals 6/30/25	YTD Budget	YTD Totals 6/30/25	Variance
Operating revenue									
Medicaid:									
Traditional Capitation	\$ 53,819,942	\$ 64,789,191	\$ -	\$ -	\$ -	\$ 83,969	\$ 53,819,942	\$ 64,873,160	\$ 11,053,219
Healthy Michigan Capitation	-	-	9,758,521	6,662,506	-	-	9,758,521	6,662,506	(3,096,015)
Autism Capitation	-	-	-	-	-	-	-	-	-
CCBHC Base Payment	-	(10,355,123)	-	(3,055,204)	-	-	-	(13,410,327)	(13,410,327)
Settlement Estimate	10,326,096	9,496,636	(5,489,453)	677,850	-	(83,529)	4,836,643	10,090,957	5,254,314
Client Fees	-	10,076	-	51	-	-	-	10,127	10,127
Total operating revenue	\$ 64,146,038	\$ 63,940,781	\$ 4,269,067	\$ 4,285,203	\$ -	\$ 440	\$ 68,415,105	\$ 68,226,423	\$ (188,682)
Operating expenses									
Internal services	\$ 1,760,440	\$ 1,450,605	\$ 88,022	\$ 11,265	\$ -	\$ 440	\$ 1,848,462	\$ 1,462,310	(386,153)
External services	57,214,304	54,315,928	3,839,960	3,726,113	-	-	61,054,265	58,042,041	(3,012,224)
Delegated managed care	5,171,293	8,174,248	341,085	547,824	-	-	5,512,378	8,722,072	3,209,694
Total operating expenses	\$ 64,146,038	\$ 63,940,781	\$ 4,269,067	\$ 4,285,203	\$ -	\$ 440	\$ 68,415,105	\$ 68,226,423	\$ (188,682)
Change in net position	-	(0)	-	(0)	-	0	-	-	

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INTEGRATED SERVICES OF KALAMAZOO

Statement of Revenue, Expenses and Change in Net Position

October 1, 2024 through June 30, 2025

Percent of Year is 75.00%

	State General Fund		CCBHC		Other Funding Sources		Totals		Variance
	YTD Budget	YTD Totals 6/30/25	YTD Budget	YTD Totals 6/30/25	YTD Budget	YTD Totals 6/30/25	YTD Budget	YTD Totals 6/30/25	
Operating revenue									
General Fund	\$ 2,925,387	\$ 3,114,109	\$ -	\$ -	\$ -	\$ -	\$ 2,925,387	\$ 3,114,109	\$ 188,722
Projected GF Carryforward	-	-	-	-	-	-	-	-	-
CCBHC Demonstration	-	-	26,137,794	31,954,016	-	-	26,137,794	31,954,016	5,816,222
Other Federal and State Grants	-	-	-	-	6,419,203	5,890,664	6,419,203	5,890,664	(528,540)
Earned Revenue	-	-	-	-	2,980,771	1,242,636	2,980,771	1,242,636	(1,738,135)
COFR Revenue	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	135,750	110,959	135,750	110,959	(24,791)
County Allocation	-	-	-	-	1,162,800	1,162,800	1,162,800	1,162,800	-
Local Revenue	-	4,562	-	-	309,411	509,940	309,411	514,503	205,092
Transfer from GF	-	-	-	326,623	-	-	-	326,623	326,623
Settlement Revenue (Expense)	-	-	-	-	-	-	-	-	-
Total operating revenue	\$ 2,925,387	\$ 3,118,671	\$ 26,137,794	\$ 32,280,639	\$ 11,007,935	\$ 8,916,999	\$ 40,071,116	\$ 44,316,310	\$ 4,245,193
Operating expenses									
Internal Programs	\$ 671,168	\$ 642,434	\$ 25,724,432	\$ 25,380,977	-	\$ 335	\$ 26,395,599	\$ 26,023,746	\$ (371,853)
External Programs	1,760,440	1,799,322	-	-	450,000	367,985	2,210,440	2,167,307	(43,133)
Other Federal and State Grants	-	-	-	-	10,819,974	6,632,299	10,819,974	6,632,299	(4,187,675)
HUD Grants	-	-	-	-	1,045,261	1,227,858	1,045,261	1,227,858	182,597
Managed Care Administration	187,047	350,292	-	-	5,446	-	192,493	350,292	157,799
Homeless Shelter	-	-	-	-	352,088	277,275	352,088	277,275	(74,814)
Transfer from GF	306,732	326,623	-	-	-	-	306,732	326,623	19,891
Local match expense	-	-	-	-	228,831	228,944	228,831	228,944	113
Non-DCH Activity Expenditures	-	-	-	-	60,985	62,864	60,985	62,864	1,879
Total operating expenses	\$ 2,925,387	\$ 3,118,671	\$ 25,724,432	\$ 25,380,977	\$ 12,962,585	\$ 8,797,559	\$ 41,612,404	\$ 37,297,208	(4,315,195)
Change in net position	0	0	413,363	6,899,662	(1,954,650)	119,440	\$ (1,541,287)	7,019,101	8,560,389

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INTEGRATED SERVICES OF KALAMAZOO

CCBHC

October 1, 2024 through June 30, 2025

Percent of Year is 75.00%

	CCBHC Medicaid	CCBHC Healthy MI	CCBHC Non-Medicaid	CCBHC YTD Totals
Operating revenue				
Prepayment	\$ 9,136,406	\$ 4,657,830	\$ -	\$ 13,794,236
CCBHC SAMSHA Grant	-	-	492,818	492,818
CCBHC QBP	-	-	1,326,190	1,326,190
CCBHC Base Payment Reclass	10,355,123	3,055,204	-	13,410,327
Remaining CCBHC revenue due	2,915,496	(758,237)	-	2,157,260
Client fees	384,222	55,632	333,331	773,186
Total CCBHC Revenue (PPS-1 of \$367.50 x encounters)	\$ 22,791,248	\$ 7,010,430	\$ 2,152,339	\$ 31,954,016
Operating expenses				
Internal services	\$ 12,527,944	\$ 4,327,946	\$ 2,603,620	\$ 19,459,510
DCO Contracts	3,963,944	1,219,282	738,242	5,921,467
Total operating expenses	\$ 16,491,887	\$ 5,547,228	\$ 3,341,862	\$ 25,380,977
Operating change in net position	6,299,360	1,463,202	(1,189,524)	6,573,039
Reclassification to cover Non-Medicaid	-	-	326,623	326,623
Total change in net position	\$ 6,299,360	\$ 1,463,202	\$ (862,901)	\$ 6,899,662

CCBHC Cost per daily visit

	2023	FY 2024	6/30/25
Total CCBHC Cost	\$ 27,687,187	\$ 31,777,786	\$ 25,380,977
Daily Visits	99,802	110,326	92,643
Cost per daily visit	277.42	288.04	273.97

This financial report is for internal use only. It has not been audited, and no assurance is provided.

AUTISM SERVICES
Report Period: October 1st, 2024 through June 30th, 2025

UTILIZATION COMPARISONS FY 24/25									
	FY 23/24 Actual		FY 24/25 Budget		FY 24/25 Actual		Clients Served Difference	Cost Difference	Cost YTD
							Favorable	Favorable	Favorable
May	395	Dollars	Clients Served	Dollars	Clients Served	Dollars	(Unfavorable)	(Unfavorable)	(Unfavorable)
OCTOBER	325	\$789,944	180	\$879,750	187	\$944,673	(7)	(\$64,923)	(\$64,923)
NOVEMBER	167	\$785,423	180	\$879,750	175	\$894,596	5	(\$14,846)	(\$14,846)
DECEMBER	172	\$882,947	180	\$879,750	170	\$798,111	10	\$81,639	\$81,639
JANUARY	183	\$793,167	180	\$879,750	190	\$938,800	(10)	(\$59,050)	(\$59,050)
FEBRUARY	182	\$832,410	180	\$879,750	197	\$893,115	(17)	(\$13,365)	(\$13,365)
MARCH	182	\$802,870	180	\$879,750	193	\$1,048,856	(13)	(\$169,106)	(\$169,106)
APRIL	182	\$964,823	180	\$879,750	189	\$1,151,162	(9)	(\$271,412)	(\$271,412)
MAY	182	\$973,468	180	\$879,750	199	\$977,622	(19)	(\$97,872)	(\$97,872)
JUNE	181	\$919,481	180	\$879,750	197	\$944,581	(17)	(\$64,831)	(\$64,831)
JULY	180	\$1,020,346	180	\$879,750					
AUGUST	180	\$987,283	180	\$879,750					
SEPTEMBER	179	\$943,423	180	\$879,750					
TOTALS	2,295	\$10,695,585	2,160	\$10,557,005	1,697	\$8,591,516	(77)	(\$673,766)	
MONTHLY AVERAGES	191		180		189				
GROSS ANNUAL COST		\$10,695,585		\$10,557,005		\$8,591,516		(\$673,766)	

Favorable/(Unfavorable):

Total **(673,766)**

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YOUTH COMMUNITY INPATIENT SERVICES
Report Period: October 1st, 2024 through June 30th, 2025

UTILIZATION COMPARISONS FY 24/25									
	FY 23/24 Actual		FY 24/25 Budget		FY 24/25 Actual		Days Difference	Cost Difference	Cost YTD
							Favorable (Unfavorable)	Favorable (Unfavorable)	Favorable (Unfavorable)
May	395	Dollars	Days	Dollars	Days	Dollars			
OCTOBER	92	\$85,808	85	\$81,845	111	\$96,759	(26)	(\$14,914)	(\$14,914)
NOVEMBER	78	\$72,462	85	\$81,845	117	\$114,545	(32)	(\$32,700)	(\$32,700)
DECEMBER	139	\$129,020	85	\$81,845	52	\$51,318	33	\$30,527	\$30,527
JANUARY	73	\$67,966	85	\$81,845	97	\$95,247	(12)	(\$13,402)	(\$13,402)
FEBRUARY	101	\$93,755	85	\$81,845	100	\$97,792	(15)	(\$15,947)	(\$15,947)
MARCH	16	\$14,400	85	\$81,845	77	\$75,342	8	6,503	6,503
APRIL	170	\$157,466	85	\$81,845	80	\$78,400	5	3,445	3,445
MAY	50	\$46,450	85	\$81,845	82	\$80,360	3	1,485	1,485
JUNE	69	\$64,101	85	\$81,845	42	\$41,160	43	40,685	40,685
JULY	143	\$132,763	85	\$81,845					
AUGUST	76	\$70,558	85	\$81,845					
SEPTEMBER	120	\$111,452	85	\$81,845					
TOTALS	1,127	\$1,046,201	7,848	\$982,140	758	\$730,923	7	\$5,682	
MONTHLY AVERAGES	94		85		84				
GROSS ANNUAL COST		\$1,046,201		8,464,327		\$730,923		\$5,682	

Favorable/(Unfavorable): Total **5,682**

COMMUNITY INPATIENT SERVICES
Report Period: October 1st, 2023 through June 30th, 2025

UTILIZATION COMPARISONS FY 24/25									
	FY 23/24 Actual		FY 24/25 Budget		FY 24/25 Actual		Days Difference (Favorable (Unfavorable))	Cost Difference (Favorable (Unfavorable))	Cost YTD (Favorable (Unfavorable))
	395	Dollars	Days	Dollars	Days	Dollars			
May									
OCTOBER	33	\$35,799	608	\$705,361	641	\$610,066	(33)	\$95,295	\$95,295
NOVEMBER	352	\$373,018	608	\$705,361	644	\$707,353	(36)	(\$1,992)	(\$1,992)
DECEMBER	601	\$633,797	608	\$705,361	709	\$779,181	(101)	(\$73,820)	(\$73,820)
JANUARY	583	\$615,285	608	\$705,361	610	\$671,314	(2)	\$34,047	\$34,047
FEBRUARY	681	\$718,593	608	\$705,361	465	\$511,473	143	\$193,888	\$193,888
MARCH	815	\$860,902	608	\$705,361	637	\$699,742	(29)	5,619	5,619
APRIL	616	\$649,551	608	\$705,361	527	\$579,255	81	126,106	126,106
MAY	612	\$644,976	608	\$705,361	526	\$577,479	82	127,882	127,882
JUNE	645	\$680,946	608	\$705,361	624	\$685,811	(16)	19,550	19,550
JULY	709	\$746,405	608	\$705,361					
AUGUST	596	\$626,317	608	\$705,361					
SEPTEMBER	654	\$687,522	608	\$705,361					
TOTALS	6,897	\$7,273,111	7,296	\$8,464,332	5,383	\$5,821,674	89	\$526,575	
MONTHLY AVERAGES	575		608		598				
GROSS ANNUAL COST		\$7,273,111		\$982,142		\$5,821,674		\$526,575	

Favorable/(Unfavorable): Total **526,575**

**COMMUNITY LIVING SUPPORTS (CLS), PERSONAL CARE (PC) & CRISIS RESIDENTIAL
ALL POPULATIONS**

Report Period: October 1st, 2024 through June 30th, 2025

					FY 24/25 Budget	FY 24/25 Actual	
SERVICE	Month	Avg. Daily Rate	No. Served	Days of Service	Dollars	Dollars	Favorable / (Unfavorable)
PC/CLS	June	\$391	395	78,553	\$30,129,168	30,698,520	(\$569,352)
CRISIS RES.		\$602	55	788	\$747,075	\$474,513	\$272,562
CLS (SIP)	June	NA	325		\$10,683,744	10,305,998	\$187
Annual Cost							\$170

Personal Care (P.C.)-hands on of daily personal activities such as laundry, feeding, bathing, etc.

Community Living Supports (CLS)-services to increase or maintain personal self -sufficiency with a goal of community inclusion, independence and productivity.

Specialized Residential (S.R.)-Licensed setting where Personal Care and Community Living Supports occur.

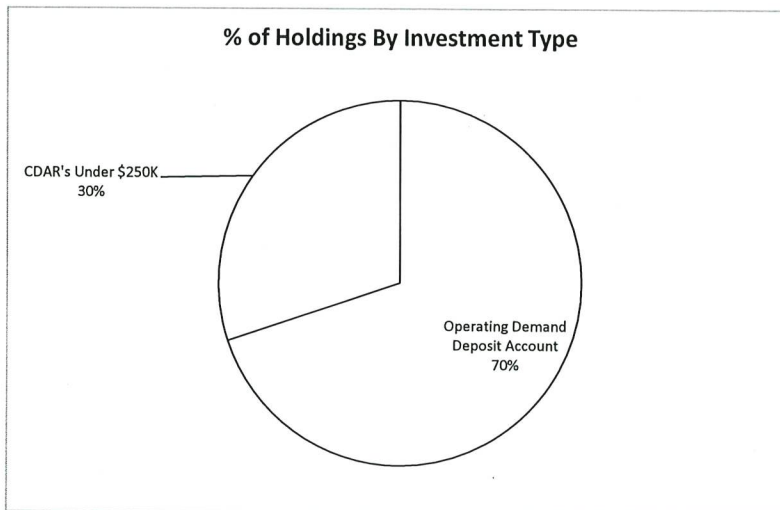
Supported Independent Program (SIP)-more independent setting where Personal Care and Community Living Supports occur.

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Quarterly Cash & Investments Report
Quarter Ending June 30th, 2025

Financial Institution	Type of Investment	Cost Basis	Maturity Date	% Yield
CASH				
PNC	Operating Demand Deposit Account	\$9,684,496	NA	0.03%
	Payroll Account	\$4,815		
	Accrued Leave Reserve	\$123,245		
	Pretax Reimbursement Account	\$69,984		
	Various Petty Cash Funds	\$780		
	Total Cash Accounts	\$9,883,319		
INVESTMENTS				
CDAR's (via Independent Bank)	CD's Issued Under FDIC Limit of \$250,000	\$4,174,783		3.40%
Total CDAR's		\$4,174,783		
	Total Investments	\$4,174,783		
TOTAL CASH AND INVESTMENTS		\$14,058,103		

% of Holdings By Institution		% of Holdings By Investment Type	
PNC - Cash	70.30%	Cash	70.30%
CDAR's (via Independent Bank)	29.70%	CDAR's	29.70%
	100.00%		100.00%



VIII.d.



Community • Independence • Empowerment

Integrated Services of Kalamazoo MOTION

Subject:	<u>June 2025 Disbursements</u>	
Meeting Date:	July 28, 2025	Approval Date:
Prepared by:	Charlotte Bowser	<u>July 28, 2025</u>

Recommended Motion:

“Based on the Board Finance meeting review, I move that ISK approve the June, 2025 vendor disbursements of \$11,334,150.013.”

Summary of Request:

As per the June 2025 Vendor Check Register Report dated 07/03/2025 that includes checks issued from 06/01/2025 to 06/30/2025.

I affirm that all payments identified in the monthly summary above are for previously appropriated amounts.

Staff: Charlotte Bowser, Director of Finance

Date of Board

Consideration: July 28, 2025