

**Delaware Health and Social Services
Division of Developmental Disabilities Services
Office of the Director**

Interim

CERTIFIED PROVIDER SYSTEM
BUSINESS PLAN OUTLINE
MINIMUM REQUIRED ELEMENTS

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CHIEF OF ADMINISTRATION

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EXECUTIVE SUMMARY

The Executive Summary includes an overview of the most important points of the business plan. The Executive Summary is a cumulative overview of the business and the business plan that will follow.

BACKGROUND

The background contains a brief history of the agency.

VISION/MISSION STATEMENT

The agency should include a vision or mission statement.

LEGAL ENTITY/BUSINESS INFORMATION

The agency should include a statement such as below:

The Delaware Example Association, Inc., is a Delaware nonprofit organization. This section should also include the agency's full name and federal identification number.

THE CERTIFIED PROVIDER AGENCY

ASSURANCES FROM RESIDENTIAL PROVIDERS – Requirements for all providers, unless otherwise indicated.

- Assurance and evidence by the agency that a comprehensive individual plan of service (ELP) is developed and updated at least annually that includes input from the individual served and all relevant stakeholders.
- Assurance and evidence that each person's ELP fully and accurately reflects and promotes those things important to the individual (choice, independence, satisfaction, etc.), is modified as necessary, and is carried out on a consistent basis.
- Assurances that the agency supports and promotes individual's achievement of their goals and desired outcomes and that the people served are treated fairly and with respect.
- Adherence to applicable State and Federal Standards, which include but are not limited to, Neighborhood Home Regulations and Community Living Standards, as well as licensing regulations.
- Evidence of an established incident tracking system along with quarterly submission to the Division of Developmental Disabilities Director of Quality Assurance of all incidents that occur with regard to individuals being supported by the agency (Residential providers with contracts \$100,000+ only).

- **Agencies must describe and document internal Performance Measures and implement an accompanying Quality Assurance and Improvement (QA/I) system to measure efforts at meeting these objectives. A summary of the results of this monitoring and, when indicated, accompanying plans for Performance Measure improvement should be submitted by the agency to the DDDS Quality Assurance Department on a semi-annual basis. The agency will make available, upon request, copies of their internal surveys to the DDDS (Residential providers with contracts \$100,000+ only).**
- **Compliance is assured and maintained with reporting and completing/cooperating with investigations relative to the DHSS Policy Memorandum #46 and divisional procedures.**
- **The agency will assure that timely and fully complete reports will be submitted to DDDS regarding:**
 - **Correcting QA survey deficiencies and**
 - **Implementing recommendations for improvement that result from either internal or external investigations.**

ASSURANCES FROM DAY SERVICE PROVIDERS

- **Assurances that the agency supports and promotes individuals' achievement of their goals and desired outcomes and that the people served are treated fairly and with respect.**
- **Adherence to applicable State and Federal Standards, which include but are not limited to, Neighborhood Home Regulations and Community Living Standards, as well as licensing regulations.**
- **Evidence of an established incident tracking system, along with quarterly submission to the DDDS Director of Quality Assurance of all incidents that occur with regard to individuals being supported by the agency (Day providers with contracts \$100,000+ only).**
- **Agencies must describe and document internal Performance Measures and implement an accompanying Quality Assurance and Improvement (QA/I) system to measure efforts at meeting these objectives. A summary of the results of this monitoring and, when indicated, accompanying plans for Performance Measure improvement should be submitted by the agency to the DDDS Quality Assurance Department on a semi-annual basis. The agency will make available, upon request, copies of their internal surveys to the DDDS.**
- **Compliance is assured and maintained with reporting and completing/cooperating with investigations relative to the DHSS Policy Memorandum #46 and divisional procedures.**
- **The agency will assure that timely and fully complete reports will be submitted to DDDS regarding:**
 - **Correcting QA survey deficiencies and**
 - **Implementing recommendations for improvement that result from either internal or external investigations.**

EXISTING POLICIES/SERVICES

The agency must state approval Certification status by the CPS Review Committee. The agency must also confirm meeting all minimum expectations on all objectives contained in the fully approved DDDS contract.

STAFF HIRING

- Description and assurance of screening checks done per DHSS policy .
- Other staff hiring description as desired by agency.

STAFF TRAINING

- Description and assurance of staff fully trained per DDDS requirements.
- Description and assurance of one or more administrative staff having completed and been approved in a course in conducting abuse investigation.

SECURE PROGRAM FACILITY

- Provider must provide description of their program facility, including documentation of security (If applicable).

LTC FACILITY LICENSE (Neighborhood Homes Only) (If applicable)

- Agency must approve evidence of LTC Facility License (Neighborhood homes only).

SERVICE DELIVERY MODEL

Agency must provide detail of service delivery model, including the following:

- TARGETED POPULATION (DETAILED)
- SERVICES PROVIDED (DETAILED)

FINANCIAL INFORMATION

The agency must provide financial information on the following. Other detailed information must be provided in the appendix documents.

REVENUE/FEE STRUCTURE
BUDGET PROCEDURES/CASH FLOW ANALYSIS
FINANCIAL ASSUMPTIONS

SAMPLE DOCUMENT

STAFFING TABLE

Agency must provide a staffing table, example below:

11	Year 1 FTE	Year 2 FTE	Year 3 FTE	Year 4 FTE
Executive Director	1	1	1	1
Operations Director	1	1	1	1
Consulting Director	0.5	0.5	0.7	0.7
Consultants	2.5	3.5	4.3	5.3
Training Director	1	1	1	1
Trainers	0.5	0.5	0.5	1
Community Resources Director		1	1	1
Communications/Development Director		1	1	1
Membership Coordinator	1	1	1	1
Office Management/Bookkeeping	1	1	1	1
Administrative Assistant	1	1	2	2

The profile and background of staff will reflect the recruiting priorities of seeking talented staff to implement its critical mission. All staff must be experts in their field of technology and possess in-depth knowledge of the non-profit community. Perhaps, most important, staff must be passionate about helping non-profits use technology to further their missions.

BOARD OF DIRECTORS

The agencies must describe their Board of Directors and selection techniques.

SAMPLE DOCUMENT

**APPENDIX 1: EXPENSE
DETAIL**

	Year 1	Year 2	Year 3	Year 4	Notes
Personnel					
Salaries	\$463,000	\$638,650	\$723,700	\$837,181	
Benefits	\$69,450	\$95,798	\$108,555	\$125,577	15%
Payroll Tax	\$46,300	\$63,865	\$72,370	\$83,718	10%
Subtotal Personnel	\$578,750	\$798,313	\$904,625	\$1,046,476	
Facilities					
Rent	\$80,000	\$84,000	\$88,200	\$92,610	4000 sf @ \$20
Utilities	\$12,000	\$12,600	\$13,230	\$13,892	
Subtotal Facilities	\$92,000	\$96,600	\$101,430	\$106,502	
Operating Costs					
Auditing/Accounting	\$8,000	\$10,158	\$12,316	\$14,473	
Legal Fees	\$15,000	\$15,750	\$16,538	\$17,364	
Contractual	\$20,000	\$20,000	\$21,000	\$22,050	Web, evaluation, facilitators, PR
Business Taxes, Licenses	\$15,000	\$19,046	\$23,092	\$27,138	
Business Insurance	\$15,000	\$15,750	\$16,538	\$17,364	
Printing/Copying	\$30,000	\$38,092	\$46,183	\$54,275	
Postage	\$15,000	\$19,046	\$23,092	\$27,138	
Telephone	\$15,000	\$15,750	\$16,538	\$17,364	
Supplies	\$15,000	\$15,750	\$16,538	\$17,364	
Travel	\$19,000	\$25,000	\$27,000	\$30,000	
Publications	\$5,000	\$5,250	\$5,513	\$5,788	
Staff Training/Memberships	\$19,000	\$25,000	\$27,000	\$30,000	
Equipment Leases	\$8,000	\$8,400	\$8,820	\$9,261	
Equipment Repairs	\$3,000	\$3,150	\$3,308	\$3,473	
Internet Service	\$4,000	\$4,200	\$4,410	\$4,631	
Miscellaneous	\$5,000	\$5,250	\$5,513	\$5,788	
Subtotal Operating Costs	\$211,000	\$245,591	\$273,395	\$303,472	
Capital					
Office Furniture	\$10,000	\$10,000	\$10,000	\$10,000	
Construction Remodel	\$10,000	\$5,000	\$5,000	\$5,000	
Computers	\$30,000	\$12,000	\$12,000	\$20,000	
Other Office Equipment	\$10,000	\$5,000	\$5,000	\$5,000	Printers, fax, scanner
Software	\$30,000	\$20,000	\$20,000	\$20,000	Assumes in-kind contributions
Subtotal Capital Costs	\$90,000	\$1,192,504	\$1,331,450	\$1,516,449	
TOTAL EXPENSES	\$971,750	\$1,192,504	\$1,331,450	\$1,516,449	

SAMPLE DOCUMENT

APPENDIX 2: SUMMARY OF REVENUES AND EXPENSES

	Year 1	Year 2	Year 3	Year 4
Revenues				
Membership Dues	\$113,704	\$141,130	\$168,556	\$212,616
Training	\$138,221	\$165,070	\$197,222	\$270,863
Consulting	\$120,638	\$203,553	\$301,745	\$370,366
Total Program Revenues	\$372,562	\$509,752	\$667,522	\$853,844
Expenses				
Personnel	\$578,756	\$798,313	\$943,213	\$1,086,993
Facilities	\$92,000	\$96,600	\$101,430	\$106,502
Operating Expenses	\$211,000	\$255,591	\$287,895	\$318,947
Capital Costs	\$90,000	\$52,000	\$52,000	\$60,000
Total Expenses	\$971,750	\$1,202,504	\$1,384,538	\$1,571,991
Required Funder Support	\$599,188	\$692,751	\$717,015	\$718,147
Percent of expenses covered by earned revenue	38%	42%	48%	54%

SAMPLE DOCUMENT

APPENDIX 3: POSITION SUMMARIES

Executive Director

Develops primary goals, operating plans, policies, and short and long-range objectives. Oversees implementation of these goals following Board of Directors approval. Directs and coordinates activities to achieve financial stability including playing a lead role in fundraising. Establishes organizational structure, recruits staff and delegates authority to other staff. Leads the organization towards objectives and reviews results of organizational operations. Determines action plans to meet needs of stakeholders. Manages public relations and marketing of services. Represents to non-profit community, government agencies, funders and the public.

Director of Operations

Manages organization operations by directing and coordinating activities consistent with established goals, objectives and policies. Follows direction set by Executive Director and Board of Directors. Oversees implementation of all aspects of operations, including administration, marketing, membership, direct services and evaluation of program results. Participates in developing policy and strategy plans. Participates in fundraising activities. Coordinates development of Website.

Director of Consulting

Coordinates and conducts consulting services rendered to non-profit organizations, including technology assessment, planning and implementation of technology solutions and participates as consultant in non-profit engagements. Recruits consulting staff and coordinates hiring of contract consultants as necessary. Develops and designs approach to consulting, meeting with key non-profit leaders and umbrella groups in the process. Oversees design and maintenance of NPower Capital City internal technology infrastructure.

Consultant

Conducts technology planning and needs assessments, as well as participates in the implementation of specific technology solutions for non-profit clients.

Director of Training

Overall responsibility for development and coordination of training activities. Designs and develops training curricula with the assistance of other staff, NPower Seattle staff and outside experts. Develops partnerships with existing technology trainers to leverage resources and expertise. Oversees hiring of training staff and of contract trainers as necessary. Acts as lead trainer in areas of expertise.

APPENDIX 4: STAFF RECRUITMENT PLAN

{Agency Name} will be committed to recruiting individuals that demonstrate the passion and proficiency required to achieve its mission. Individuals with the appropriate technology skills that also have experience working in the non-profit setting will be sought. In addition, screening will be focused on individuals with a commitment toward teamwork who are motivated, bright, quick learning and energetic.

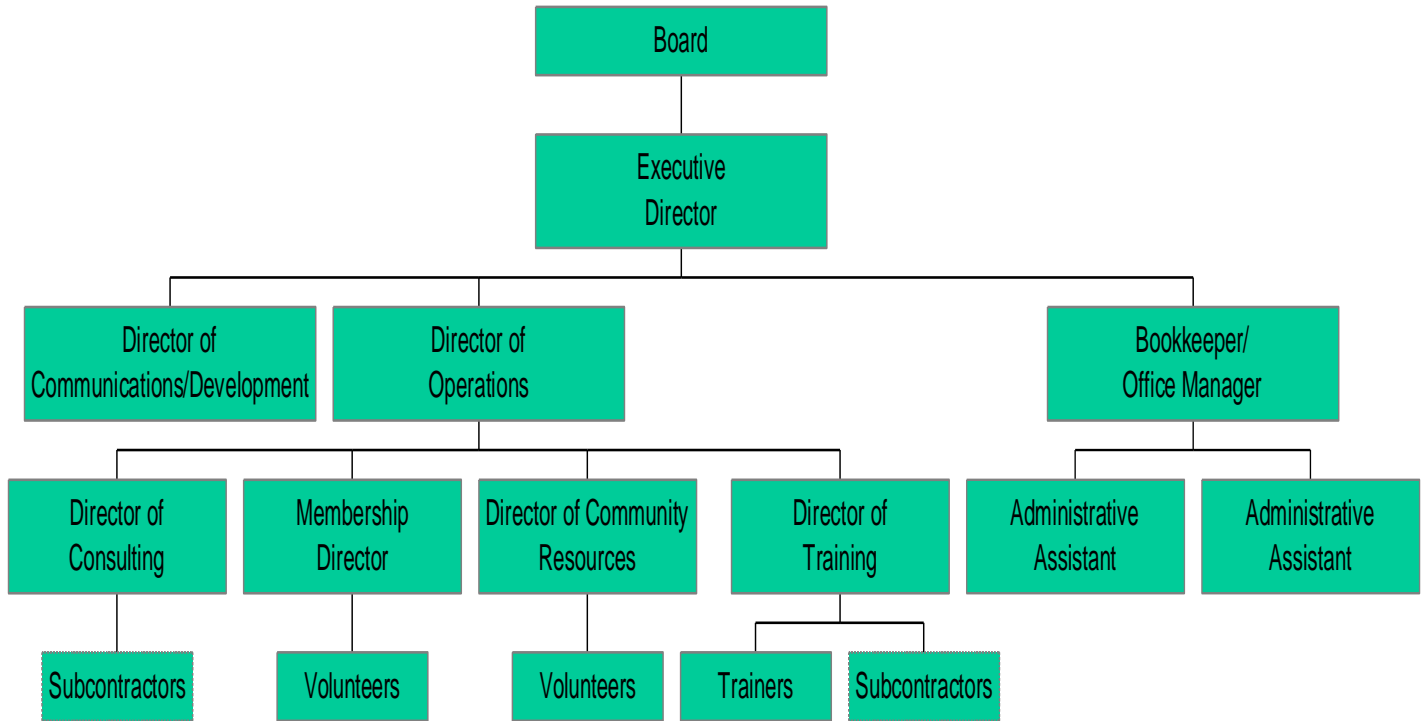
{Agency Name} will also seek to achieve an ethnically diverse staff, reflecting the diversity of Capital City, and is committed to equal employment opportunity. The organization will be committed to developing an environment in which minorities and women feel supported and are able to move into the forefront of the organization.

Several strategies will be implemented in order to achieve these recruitment goals:

- 1) Development of comprehensive job descriptions that outline the job skills required, as well as the characteristics of the ideal job candidate.**
- 2) Development of a thoroughgoing interview tool that screens for skill and character.**
- 3) Recruitment activities will include:**
 - **Ads placed in local technology and non-profit newspapers and journals, as well as minority and ethnic newspapers.**
 - **Job notices sent to non-profit organizations, minority-based community groups and technology companies.**
 - **Job notices sent to community colleges and trade schools.**
 - **Post notices on popular technology and non-profit job sites on the internet.**
 - **Assistance of professional recruiter may be sought for top management positions.**
 - **Assistance from local funders and other supporters will be sought.**

SAMPLE DOCUMENT

APPENDIX 5: ORGANIZATIONAL CHART



SAMPLE DOCUMENT

ATTACHMENT 1: AUDITED FINANCIAL STATEMENTS (Examples only)

Statement of Net Assets

The statement of net assets includes all assets and liabilities. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

Statement of Net Assets (in thousands)			
	2004	2003	2002
ASSETS			
Current assets	\$ 34,916	\$ 32,560	\$ 29,363
Capital assets, net	147,059	136,077	112,887
Other non-current assets	<u>19,570</u>	<u>23,993</u>	<u>31,987</u>
Total assets	<u>201,545</u>	<u>192,630</u>	<u>174,237</u>
LIABILITIES			
Current liabilities	22,405	22,802	18,840
Non-current liabilities	68,780	65,384	52,952
Total liabilities	<u>91,185</u>	<u>88,186</u>	<u>71,792</u>
NET ASSETS			
Invested in capital assets, net of related debt	69,732	64,415	56,286
Restricted			
Nonexpendable			
Expendable	21,578	23,709	29,148
Unrestricted	<u>19,050</u>	<u>16,320</u>	<u>17,011</u>
Total Net Assets	<u>\$ 110,360</u>	<u>\$ 104,444</u>	<u>\$ 102,445</u>

A review of the statement of net assets at June 30, 2004, shows that {Agency Name} continues to build upon its strong financial foundation.

Assets

The assets increased by \$27.3 million, or 15.7 percent, from June 30, 2002 to June 30, 2004, and now total \$201.5 million. The majority of this increase is attributable to the construction of several new facilities, including a power plant and parking deck in 2004 and a new science center and student housing facility in 2003. These assets are funded primarily with bond proceeds, capital appropriations and gifts. The expenditure of these funds resulted in a decline of non-current assets, primarily non-current cash and cash equivalents, of \$4.4 million and \$8.0 million for the fiscal years ended June 30, 2004 and June 30, 2003, respectively. As a result of the significant investment in its campus facilities, net capital assets grew from \$112.9 million, or 64.8 percent of total assets, as of June 30, 2002 to \$147.1 million, or 73.0 percent of total assets, as of June 30, 2004.

Current assets increased by \$2.4 million for the year ended June 30, 2004 and \$3.2 million for the year ended June 30, 2003, resulting in a combined increase of \$5.6 million, or 18.9 percent, since June 30, 2002. This increase is attributable to an increase in cash and cash equivalents generated from operations and an increase in notes and accounts receivable balances.

SAMPLE DOCUMENT

Statement of Revenues, Expenses and Changes in Net Assets

The statement of revenues, expenses and changes in net assets presents the revenues earned and expenses incurred during the year. Activities are reported as either operating or non-operating. GASB requires state appropriations to be classified as non-operating revenues. Accordingly, {Agency Name} will generate an operating loss prior to the addition of non-operating revenues. The utilization of long-lived assets, referred to as capital assets, is reflected in the financial statements as depreciation, which amortizes the cost of an asset over its expected useful life.

Statement of Revenues, Expenses and Changes in Net Assets (in thousands)

	2004	2003	2002
OPERATING REVENUES			
Student tuition and fees, net	\$ 51,844	\$ 44,081	\$ 38,073
Grants and contracts	20,099	17,793	14,997
Sales and services of educational departments	2,445	1,717	1,210
Auxiliary enterprises	5,316	4,183	3,888
Other operating revenues	<u>2,463</u>	<u>1,926</u>	<u>2,118</u>
Total operating revenues	82,167	69,700	60,286
OPERATING EXPENSES			
Educational and general	108,412	105,750	93,087
Depreciation	6,583	5,868	4,622
Auxiliary enterprises (including depreciation)	4,861	3,000	2,590
Other expenditures	<u>243</u>	<u>227</u>	<u>229</u>
Total operating expenses	<u>102,099</u>	<u>114,845</u>	<u>100,528</u>
Net loss from operations	(37,932)	(45,145)	(40,242)
NON-OPERATING REVENUES (EXPENSES)			
State appropriations	45,127	45,258	45,202
Investment income	249	1,818	1,957
Interest on capital asset-related debt	(3,330)	(2,783)	(2,808)
Other non-operating revenues (expenses)	<u>152</u>	<u>558</u>	<u>(253)</u>
Net non-operating revenues	<u>42,198</u>	<u>44,851</u>	<u>44,098</u>
Income (loss) before other revenues, expenses, gains or losses	<u>4,266</u>	<u>(294)</u>	<u>3,856</u>
Capital appropriations	126	599	13,745
Capital grants and gifts	<u>1,524</u>	<u>1,694</u>	<u>873</u>
Total other revenues	<u>1,650</u>	<u>2,293</u>	<u>14,618</u>
Increase in net assets	5,916	1,999	18,474
Net assets-beginning of year	<u>104,444</u>	<u>102,445</u>	<u>83,971</u>
Net assets-end of year	\$ 110,360	\$ 104,444	\$ 102,445

SAMPLE DOCUMENT

Statement of Cash Flows

Another important factor to consider when evaluating financial viability is the ability to meet financial obligations as they become due. The statement of cash flows presents information related to cash inflows and outflows, summarized by operating, capital, financing and investing activities.

Statement of Cash Flows (in thousands)

	2004	2003	2002
Net cash provided (used) by:			
Operating activities	\$ (31,322)	\$ (37,482)	\$ (33,128)
Non-capital financing activities	45,901	45,458	44,970
Capital and related financing activities	(17,954)	(15,559)	(6,225)
Investing activities	<u>1,108</u>	<u>3,833</u>	<u>2,728</u>
Net increase (decrease) in cash	(2,267)	(3,750)	8,335
Cash and cash equivalents, beginning of year	<u>46,104</u>	<u>49,854</u>	<u>42,519</u>
Cash and cash equivalents, end of year	<u>\$ 43,837</u>	<u>\$ 46,104</u>	<u>\$ 49,854</u>

The cash and cash equivalents decreased \$2.3 million primarily as a result of the expenditure of capital appropriations received in prior fiscal years for the construction and acquisition of capital assets in the year ended June 30, 2004. Net cash disbursements of \$8.1 million related to capital acquisitions and principal and interest payments of \$9.9 million resulted in capital and related financing activities cash disbursements of \$18.0 million.

Major sources of funds included in operating activities are student tuition and fees (\$51.6 million) and grants and contracts (\$20.0 million). The largest cash payments for operating activities were made to employees (\$81.5 million) and to vendors and contractors (\$31.5 million). The \$31.5 million deficit in cash from operating activities was more than offset by appropriations from the state. State appropriations are included in non-capital financing activities, as defined by GASB.

The shift in the balance of revenues from non-operating to operating revenues described earlier is also reflected by the decline in the amount of net cash used by operating activities. The total cash generated from operating activities increased by \$20.7 million, or 33.6 percent, from fiscal year 2002 to fiscal year 2004. This increase was fueled primarily by a \$12.6 million, or 33.3 percent, increase in tuition and a \$5.0 million, or 32.8 percent, increase in grants and contracts. Conversely, payments for operating activities increased by only \$18.9 million, or 19.9 percent, from 2002 to 2004.

Capital Asset and Debt Administration

Capital Assets

Capital assets, net of accumulated depreciation, totaled approximately \$147.1 million at June 30, 2004, a net increase of \$11.0 million over the prior year end. Additions to capital assets during the year totaled \$19.2 million, including the new power plant. Depreciation expenses and net capital asset disposals totaled \$8.2 million for the year.

The net capital assets grew by \$34.2 million from June 30, 2002 to June 30, 2004, with increases of \$11.0 million in 2004 and \$23.2 million in 2003. This growth reflects the effort to increase its capacity to accommodate the significant growth in enrollment that {Agency Name} has experienced in recent years.

At June 30, 2004, {Agency Name} had several major capital construction projects underway, including the construction of a new parking deck (scope \$8.5 million). In addition, several major projects were in the design phase, including a new student union facility (\$34 million scope).