

NEW MEXICO PUBLIC REGULATION COMMISSION

COMMISSIONERS

DISTRICT 1 Karen L. Montoya
DISTRICT 2 Patrick H. Lyons
DISTRICT 3 Valerie Espinoza
DISTRICT 4 Theresa Becenti-Aquilar
DISTRICT 5 Ben L. Hall



1120 Paseo de Peralta
P.O. Box 1269
Santa Fe, NM 87504-1269
Johnny Montoya, Chief of Staff
CORPORATIONS BUREAU
(505) 827-4508

June 19, 2013

MINDY ALLISON

11300 LOMAS BLVD. NE
ALBUQUERQUE NM 87112

RE:ARCA

NMPRC# 296905

This Commission has approved and filed the Articles Of Amendment (Reference # 7744846) for the above captioned corporation effective April 22, 2013. The enclosed Certificate Of Amendment is evidence of filing, and should become a permanent document of the corporations records.

The referenced approval does not constitute authorization for the above referenced organization to transact any business which requires compliance with other applicable federal or state laws, including, but not limited to, state licensing requirements. It is the organizations' sole responsibility to obtain such compliance with all legal requirements applicable thereto prior to engaging in the business for which it has obtained approval of the referenced document.

Your canceled check, as validated by this commission, is your receipt. If you have any questions, please contact the Charter Document Section at (505) 827-4511 for assistance.

Charter Document Section

Ryan Roybal

RYAN.ROYBAL@STATE.NM.US

505-827-4663



NEW MEXICO PUBLIC REGULATION COMMISSION

Certificate Of Amendment

OF

ARCA

7744846

NEW MEXICO

The Public Regulation Commission certifies that the Articles Of Amendment, duly signed and verified pursuant to the provisions of the

Nonprofit Corporation Act

(53-8-1 To 53-8-99 NMSA 1978)

have been received by it and are found to conform to law. Accordingly, by virtue of the authority vested in it by law, the Public Regulation Commission issues this Certificate Of Amendment and attaches hereto a duplicate of the Articles Of Amendment.

Dated: April 22, 2013

In testimony whereof, the Public Regulation Commission of the State of New Mexico has caused this certificate to be signed by its Chairman and the seal of said Commission to be affixed at the City of Santa Fe.

Stacy Starr-Garcia

Bureau Chief

Ben Hall

Chairman

**SUBMIT ORIGINAL AND A COPY
TYPE OR PRINT LEGIBLY**

FILED APR 22 2013
NMPRC
corporation Bureau

**Nonprofit Corporation
ARTICLES OF AMENDMENT
TO THE ARTICLES OF INCORPORATION**

Pursuant to the provisions of the New Mexico Nonprofit Corporation Act, the undersigned corporation adopts the following Articles of Amendment for the purpose of amending its Articles of Incorporation:

ARTICLE ONE: The name of the corporation is (include NMPRC#): ARCA - #.296905

ARTICLE TWO: The following articles are amended as set forth here: *(identify by article number and attach additional pages if necessary)*

Article II - see attachment	Article IV - see attachment
Article VII - see attachment	Article VIII - see attachment

ARTICLE THREE: *(select the appropriate action taken)* The date of the meeting of members at which the amendment was adopted was _____.

A quorum of the members entitled to vote was present and the amendment received at least two-thirds (2/3) of the votes which members present at the meeting or represented by proxy were entitled to cast.

OR

The amendment was adopted by a consent in writing signed by all members entitled to vote thereon.

OR

____ The date of the meeting of the board of directors at which the amendment was adopted was * 9/5/12, 10/17/12, 11/7/12 . The corporation has no members, or no members entitled to vote thereon, therefore the amendment was adopted by a majority of the board of directors in office.

ARTICLE FOUR: If these Articles of Amendment are not to be effective upon filing with the commission, the effective date is: *(if an effective date is specified here, it cannot be a date prior to the date the articles are received by the commission)* _____

Dated: _____

ARCA

Name of Corporation

Two officers must sign: By X

Donald B. Wright Secretary

Signature of Authorized Officer

By X Carol M. Pierce President

Signature of Authorized Officer

Form DNP-AM (revised 07/03)

RECEIVED APR 22 2013
NMPRC

Corporation Bureau

**ARTICLES OF AMENDMENT
TO THE AMENDED
ARTICLES OF INCORPORATION
of ARCA**

Pursuant to the provisions of Section 53-8-37 NMSA 1978 of the Nonprofit Corporation, the undersigned corporation adopts the following Articles of Incorporation:

ARTICLE ONE: The name of the corporation is ARCA.

"ARTICLE II

The location of the registered offices of the corporation in the State of New Mexico shall be 11300 Lomas Blvd. N.E., Albuquerque, New Mexico, 87112.

"ARTICLE III

The period of duration of the corporation shall be perpetual."

"ARTICLE IV

The purposes for which the corporation shall be formed are:

The corporation is organized exclusively for charitable and educational purposes, which shall include the power to make distributions for such purposes to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

The purposes of the corporation shall be limited to those contained in and permitted by Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

The Corporation's powers shall include any and all purposes permitted by the New Mexico Non-Profit Corporation Act (§S3-8-1 N.M.S.A (1978)) which do not violate or exceed those purposes permitted by Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

RECEIVED
NMPC
Corporation Bureau

7/11/2013

The specific purposes of the corporation shall be to:

- Provide premier community based services supports for people with developmental disabilities in order to continually enhance their ability to be in and of the community.
- Provide individual and systems advocacy, education, public awareness and other methods appropriate to influence public opinion about people with developmental disabilities.
- To perform such acts as are consistent with the purposes stated above.
- To engage in any lawful purpose authorized by the laws of the State of New Mexico, including, but not limited to the ownership, rental, lease and transfer of real property and personal property."

"ARTICLE V

No part of the net earnings of the corporation shall inure to the benefit of or be distributed to, its members, trustees, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article IV. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501 (c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code."

"ARTICLE VI

Upon dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to another organization(s) organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization(s) under Section 501 (c)(3) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code, as the Board of Directors shall determine. Any assets not disposed of shall be disposed of in this manner by the District Court of the county in which the principal office of the corporation is then located, exclusively for the purposes of the corporation directly or by distribution to another organization(s), which is (are) organized and operated for such purposes as the court shall determine."

"ARTICLE VII

Members. The corporation shall be a membership organization. Nominal annual dues are charged for membership in ARCA and the members of ARCA shall have the power and authority to elect the Board of Directors in accordance with the Bylaws of the corporation. The qualifications of the members to serve and to vote in the election of the Board of Directors shall be controlled by the Bylaws.”

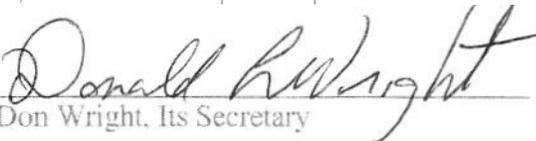
“ARTICLE VIII

Board of Directors. The number of Directors of the corporation shall be set by the Board of Directors, but the number shall never be less than seven(7) nor more than fifteen (15). The current Board of Directors shall consist of eleven (11) members. The Board shall be elected by the membership in accordance with the Bylaws. All Directors shall be elected for three- year terms and shall not serve more than three consecutive terms. Approximately one-third of the Directors shall be elected each year. Employees of the Corporation and their families shall not be eligible to serve on the Board of Directors. All powers of the corporation, except for the election of the Board of Directors, shall be vested in the Board of Directors, including the power to amend the Articles of Incorporation.”

IN WITNESS WHEREOF, the undersigned President and secretary of said corporation have executed this certificate this ____ day of _____.

ARTICLE THREE: No members are entitled to vote thereon, therefore, the vote of a majority of the Board of Directors in office voted for the adoption of said amendments
Dated:_____ 2012

ARCA, a New Mexico Nonprofit Corporation

By 
Don Wright, Its Secretary

RECEIVED MAY 10 2006

Internal Revenue Service
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: MAY 02 2006

ARCA
11300 LOMAS BLVD NE
ALBUQUERQUE NM 87112

Person to Contact:
GREGORY RENIER
ID #31-07231
Toll Free Telephone Number:
877-829-5500
Employer Identification Number:
85-6005755

Dear Sir or Madam:

This is in response to your request of March 27, 2006, regarding your tax-exempt status.

Our records indicate that a determination letter was issued in April 1953 that recognized you as exempt from Federal income tax. Our records further indicate that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records also indicate you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Cindy Westcott
Manager, Exempt Organizations
Determinations

SAM Search Results
List of records matching your search for :

Functional Area: Entity Management
Record Status: Active
DUNS Number: 182769034

ENTITY ARCA	Status: Active
DUNS: 182769034 +4:	CAGE Code: 47AP2 DoDAAC:
Expiration Date: 10/24/2019	Has Active Exclusion?: No Debt Subject to Offset?: No
Address: 11300 Lomas Blvd N E	
City: Albuquerque	State/Province: NEW MEXICO
ZIP Code: 87112-5512	Country: UNITED STATES



LOFTIS GROUP LLC
CERTIFIED PUBLIC ACCOUNTANTS ▪ BUSINESS ADVISORS



Consolidated Financial Statements
and
Independent Auditor's Report

June 30, 2018 and 2017

ARCA

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Independent Auditor's Report

To the Board of Directors of ARCA

We have audited the accompanying consolidated financial statements of ARCA (a nonprofit organization), which comprise the consolidated statements of financial position as of June 30, 2018 and 2017, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to ARCA's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of ARCA's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of ARCA as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Reports on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating statements of financial position and consolidating statements of activities on pages 35 through 46 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Loftis Group ^{WC}

Albuquerque, New Mexico
January 3, 2019

Consolidated Financial Statements

ARCA
Consolidated Statements of Financial Position
June 30,

	2018	2017
Assets		
Current assets		
Cash and cash equivalents	\$ 3,979,462	\$ 3,577,249
Investments	1,822,384	1,801,836
Accounts receivable	2,366,566	2,283,249
Unconditional promises to give	24,397	19,241
Prepaid expenses	325,684	488,019
Total current assets	8,518,493	8,169,594
Property, furniture and equipment, net	8,372,216	8,873,270
Other Assets		
Restricted deposits and funded reserves		
Cash held in trust for persons served	2,160,221	1,915,778
Real estate	1,123,875	1,123,875
Investment - quasi endowment	344,122	319,867
Investment - permanently restricted endowment	903,867	879,646
Accrued interest and other assets	1,600	1,600
Total other assets	4,533,685	4,240,766
Total assets	\$ 21,424,394	\$ 21,283,630

The accompanying notes are an integral part of these financial statements.

ARCA
Consolidated Statements of Financial Position - continued
June 30,

	2018	2017
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 552,305	\$ 442,353
Accrued liabilities:		
Salaries and payroll taxes	791,400	712,210
Compensated absences	815,648	825,591
Mortgage interest	6,414	8,933
Deferred revenue	167,048	219,884
Current portion of long-term debt	<u>274,605</u>	<u>267,953</u>
Total current liabilities	<u>2,607,420</u>	<u>2,476,924</u>
Long-term Liabilities		
Long-term debt, less current portion	2,431,593	2,774,646
Cash held in trust for persons served	2,160,221	1,915,778
Other long-term liabilities	<u>9,470</u>	<u>5,047</u>
Total long-term liabilities	<u>4,601,284</u>	<u>4,695,471</u>
Total liabilities	<u>7,208,704</u>	<u>7,172,395</u>
Net assets		
Unrestricted:		
Undesignated	8,709,412	8,909,253
Board designated - quasi endowment	344,122	319,867
Board designated	<u>4,067,285</u>	<u>3,747,418</u>
Total unrestricted	13,120,819	12,976,538
Temporarily restricted	228,593	274,749
Permanently restricted	<u>866,278</u>	<u>859,948</u>
Total net assets	<u>14,215,690</u>	<u>14,111,235</u>
Total liabilities and net assets	<u>\$ 21,424,394</u>	<u>\$ 21,283,630</u>

The accompanying notes are an integral part of these financial statements.

ARCA
Consolidated Statement of Activities
For the Year Ended June 30, 2018

	<u>Unrestricted</u>	Temporarily <u>Restricted</u>	Permanently <u>Restricted</u>	<u>Totals</u>
Public Support and Revenue				
Public support				
Government funding:				
NM Department of Health and Human Services	\$ 848,236	\$ -	\$ -	\$ 848,236
NM Children, Youth and Families Department	1,417,791	-	-	1,417,791
U.S. Department of Transportation	143,898	-	-	143,898
Private contracts	490,301	-	-	490,301
Contributions	551,453	265,409	6,330	823,192
Grants	70,000	-	-	70,000
Total public support	<u>3,521,679</u>	<u>265,409</u>	<u>6,330</u>	<u>3,793,418</u>
Revenue				
Medicaid waiver	13,352,690	-	-	13,352,690
Medicaid ICF/MR	8,853,491	-	-	8,853,491
Fees and rent	1,655,831	-	-	1,655,831
Investment income:				
Endowment fund	19,121	-	-	19,121
Other investments	38,181	-	-	38,181
	<u>23,919,314</u>	<u>-</u>	<u>-</u>	<u>23,919,314</u>
Interest income from cash and cash equivalents	5,285	-	-	5,285
Other	411,952	-	-	411,952
Contracts and sales	397,042	-	-	397,042
Total revenue	<u>24,733,593</u>	<u>-</u>	<u>-</u>	<u>24,733,593</u>
Net Assets Released from Restrictions				
Donor and time restrictions	311,565	(311,565)	-	-
Total public support and revenue	<u>28,566,837</u>	<u>(46,156)</u>	<u>6,330</u>	<u>28,527,011</u>

The accompanying notes are an integral part of these financial statements.

ARCA
Consolidated Statement of Activities – continued
For the Year Ended June 30, 2018

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
Expenses				
Program services:				
Community services	15,658,242	-	-	15,658,242
InterCare	7,861,140	-	-	7,861,140
Business enterprises	723,011	-	-	723,011
Total program expenses	<u>24,242,393</u>	<u>-</u>	<u>-</u>	<u>24,242,393</u>
Supporting services:				
Management and general	4,002,591	-	-	4,002,591
Fundraising	177,572	-	-	177,572
Total supporting expenses	<u>4,180,163</u>	<u>-</u>	<u>-</u>	<u>4,180,163</u>
Total expenses	<u>28,422,556</u>	<u>-</u>	<u>-</u>	<u>28,422,556</u>
Change in net assets	144,281	(46,156)	6,330	104,455
Net assets, beginning of year	<u>12,976,538</u>	<u>274,749</u>	<u>859,948</u>	<u>14,111,235</u>
Net assets, end of year	<u>\$ 13,120,819</u>	<u>\$ 228,593</u>	<u>\$ 866,278</u>	<u>\$ 14,215,690</u>

The accompanying notes are an integral part of these financial statements.

ARCA
Consolidated Statement of Activities
For the Year Ended June 30, 2017

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Totals</u>
Public Support and Revenue				
Public support				
Government funding:				
NM Department of Health and Human Services	\$ 969,202	\$ -	\$ -	\$ 969,202
NM Children, Youth and Families Department	1,961,284	-	-	1,961,284
U.S. Department of Transportation	54,856	-	-	54,856
Private contracts	610,263	-	-	610,263
Contributions	1,671,177	92,857	63,034	1,827,068
Grants	85,980	134,370	-	220,350
Total public support	<u>5,352,762</u>	<u>227,227</u>	<u>63,034</u>	<u>5,643,023</u>
Revenue				
Medicaid waiver	13,696,798	-	-	13,696,798
Medicaid ICF/MR	8,645,724	-	-	8,645,724
Fees and rent	1,552,762	-	-	1,552,762
Investment income:				
Endowment fund	48,939	-	-	48,939
Other investments	61,483	-	-	61,483
	24,005,706	-	-	24,005,706
Interest income from cash and cash equivalents	2,992	-	-	2,992
Other	224,736	-	-	224,736
Contracts and sales	253,053	-	-	253,053
Total revenue	<u>24,486,487</u>	<u>-</u>	<u>-</u>	<u>24,486,487</u>
Net Assets Released from Restrictions				
Donor and time restrictions	227,595	(227,595)	-	-
Total public support and revenue	<u>30,066,844</u>	<u>(368)</u>	<u>63,034</u>	<u>30,129,510</u>

The accompanying notes are an integral part of these financial statements.

ARCA
Consolidated Statement of Activities – continued
For the Year Ended June 30, 2017

	Unrestricted	Temporarily Restricted	Permanently Restricted	Totals
Expenses				
Program services:				
Community services	16,567,735	-	-	16,567,735
InterCare	7,777,714	-	-	7,777,714
Business enterprises	359,563	-	-	359,563
Total program expenses	<u>24,705,012</u>	<u>-</u>	<u>-</u>	<u>24,705,012</u>
Supporting services:				
Management and general	4,466,822	-	-	4,466,822
Fundraising	130,922	-	-	130,922
Total supporting expenses	<u>4,597,744</u>	<u>-</u>	<u>-</u>	<u>4,597,744</u>
Total expenses	<u>29,302,756</u>	<u>-</u>	<u>-</u>	<u>29,302,756</u>
Change in net assets	764,088	(368)	63,034	826,754
Net assets, beginning of year	<u>12,212,450</u>	<u>275,117</u>	<u>796,914</u>	<u>13,284,481</u>
Net assets, end of year	<u>\$ 12,976,538</u>	<u>\$ 274,749</u>	<u>\$ 859,948</u>	<u>\$ 14,111,235</u>

The accompanying notes are an integral part of these financial statements.

ARCA
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2018

	Program Services			Total Program Services
	Community Services	InterCare	Business Enterprises	
Salaries, taxes and benefits	\$ 11,329,083	\$ 6,300,150	\$ 540,986	\$ 18,170,219
Expenses for persons served	2,693,284	762,263	6,431	3,461,978
Facilities	939,498	542,581	63,210	1,545,289
Transportation	628,169	205,894	27,709	861,772
Contractual services	27,059	11,337	54,469	92,865
Office expenses	32,589	28,925	25,622	87,136
Public relations	8,560	9,990	4,584	23,134
Total expenses	\$ 15,658,242	\$ 7,861,140	\$ 723,011	\$ 24,242,393

The accompanying notes are an integral part of these financial statements.

ARCA
Consolidated Statement of Functional Expenses - continued
For the Year Ended June 30, 2018

	Support Services		Total Supporting Services	Totals
	Management and General	Fundraising		
Salaries, taxes and benefits	\$ 2,484,134	\$ 105,110	\$ 2,589,244	\$ 20,759,463
Expenses for persons served	55,743	-	55,743	3,517,721
Facilities	393,284	-	393,284	1,938,573
Transportation	19,657	-	19,657	881,429
Contractual services	909,446	-	909,446	1,002,311
Office expenses	112,295	-	112,295	199,431
Public relations	28,032	72,462	100,494	123,628
Total expenses	\$ 4,002,591	\$ 177,572	\$ 4,180,163	\$ 28,422,556

The accompanying notes are an integral part of these financial statements.

ARCA
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2017

	Program Services			Total Program Services
	Community Services	InterCare	Business Enterprises	
Salaries, taxes and benefits	\$ 11,623,803	\$ 6,327,242	\$ 267,444	\$ 18,218,489
Expenses for persons served	3,160,732	705,730	159	3,866,621
Facilities	978,895	490,259	41,463	1,510,617
Transportation	630,212	195,275	14,843	840,330
Contractual services	122,546	33,172	21,778	177,496
Office expenses	39,559	16,359	12,600	68,518
Public relations	11,988	9,677	1,276	22,941
Total expenses	\$ 16,567,735	\$ 7,777,714	\$ 359,563	\$ 24,705,012

The accompanying notes are an integral part of these financial statements.

ARCA
Consolidated Statement of Functional Expenses - continued
For the Year Ended June 30, 2017

	Support Services		Total Supporting Services	Totals
	Management and General	Fundraising		
Salaries, taxes and benefits	\$ 2,881,637	\$ 100,149	\$ 2,981,786	\$ 21,200,275
Expenses for persons served	133,018	-	133,018	3,999,639
Facilities	520,685	-	520,685	2,031,302
Transportation	17,434	-	17,434	857,764
Contractual services	706,007	-	706,007	883,503
Office expenses	146,138	-	146,138	214,656
Public relations	61,903	30,773	92,676	115,617
Total expenses	\$ 4,466,822	\$ 130,922	\$ 4,597,744	\$ 29,302,756

The accompanying notes are an integral part of these financial statements.

ARCA
Statements of Cash Flows
For the Years Ended June 30,

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Cash received from government funding	\$ 24,388,891	\$ 25,490,185
Cash received from contributors	1,019,854	930,272
Cash received from other sources	2,685,908	2,649,090
Cash paid to employees	(20,692,735)	(21,239,689)
Cash paid to suppliers	(6,560,086)	(7,359,675)
Investment income	34,387	30,100
Interest paid	<u>(138,253)</u>	<u>(170,548)</u>
Net cash provided by operating activities	<u>737,966</u>	<u>329,735</u>
Cash flows from investing activities		
Proceeds from sale of investments	704,803	338,949
Purchase of investments	(745,627)	(453,385)
Purchase of property and equipment	(469,711)	(378,626)
Proceeds from the sales of property and equipment	<u>499,103</u>	<u>6,314</u>
Net cash used by investing activities	<u>(11,432)</u>	<u>(486,748)</u>
Cash flows from financing activities		
Mortgage repayments	(336,401)	(256,015)
Restricted contributions	<u>12,080</u>	<u>63,034</u>
Net cash used by financing activities	<u>(324,321)</u>	<u>(192,981)</u>
Net increase (decrease) in cash and cash equivalents	402,213	(349,994)
Cash and cash equivalents, beginning of year	<u>3,577,249</u>	<u>3,927,243</u>
Cash and cash equivalents, end of year	<u>\$ 3,979,462</u>	<u>\$ 3,577,249</u>

The accompanying notes are an integral part of these financial statements.

ARCA
Statements of Cash Flows – continued
For the Years Ended June 30,

	2018	2017
Reconciliation of change in net assets to net cash provided by operating activities		
Change in net assets	<u>\$ 104,455</u>	<u>\$ 826,754</u>
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	740,880	737,730
Unrealized (gain)/loss on investments	31,676	(177,799)
Realized (gain)/loss on investments	(59,876)	94,485
Loss (gain) on sale of assets	(269,218)	8,276
Donated property and equipment	-	(1,123,875)
Restricted contributions	(12,080)	(63,034)
(Increase) decrease in:		
Accounts receivable	(83,317)	217,177
Unconditional promises to give	(5,156)	14,907
Prepaid expenses	162,335	(91,974)
Cash held in trust for persons served	(244,443)	(92,661)
Increase (decrease) in:		
Accounts payable	109,952	(68,185)
Accrued liabilities	66,728	(39,414)
Cash held in trust for persons served	244,443	92,661
Deferred revenue and other long-term liabilities	(48,413)	(5,313)
Total adjustments	<u>633,511</u>	<u>(497,019)</u>
Net cash provided by operating activities	<u>\$ 737,966</u>	<u>\$ 329,735</u>

Supplemental Disclosure

During the year ended June 30, 2017, the ARCA Foundation received a donation of six real estate lots valued at \$1,123,875.

The accompanying notes are an integral part of these financial statements.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

1) Nature of Organization

ARCA is a not-for-profit corporation that was originally founded in 1957 by a group of parents desiring community-based opportunities for their family members with developmental disabilities. ARCA is dedicated to providing premier services to approximately 600 individuals with developmental disabilities in the Albuquerque area and provides services to approximately 60 individuals statewide as part of New Mexico's Prader Willi Project. ARCA's primary program activities are divided into three divisions: InterCare, Community Services, and Business Enterprises. InterCare provides 24-hour residential services along with employment services at their La Paloma Greenhouses. Community Services provides various community living options, family living services and employment and other community inclusion opportunities. The Business Enterprises primarily provides employment services to individuals.

ARCA Foundation (Foundation) conducts fundraising for the purpose of providing financial resources to ARCA.

The Board of Directors of ARCA appoints the Board of Directors of the Foundation and can remove them at any time with a majority vote.

2) Summary of Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements referred to as "ARCA" present the consolidated financial position, changes in net assets, cash flows and functional expense of ARCA and ARCA Foundation. All significant intercompany accounts and transactions have been eliminated. ARCA has board control and economic interest in the ARCA Foundation. Accordingly, the ARCA Foundation's financial statements have been consolidated with ARCA's financial statements.

ARCA follows the accounting and reporting standards required by *Not for Profit* Entities. Generally accepted accounting standards require ARCA to report information regarding its financial position and activities according to three classes of net assets:

Unrestricted Net Assets – These assets result from revenues from providing services, producing goods, unrestricted contributions, and dividends and interest from income-providing assets less applicable related expenses. ARCA treats restricted contributions whose restrictions are satisfied during the same fiscal year as unrestricted support. All contributions made to ARCA are considered to be available for unrestricted use unless restricted by the donor.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

2) Summary of Significant Accounting Policies — continued

Temporarily Restricted Net Assets – These assets result from (a) contributions and other inflows of assets whose use by ARCA is limited by donor imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of ARCA pursuant to those stipulations; (b) other assets enhancements and diminishments subject to the same kinds of stipulations; and (c) imposed stipulations, their expiration by passage of time, or their fulfillment and removal by actions of ARCA pursuant to those stipulations.

Permanently Restricted Net Assets – These assets have donor-imposed restrictions that stipulate that resources be maintained permanently but permit ARCA to use or expand part or all of the time economic benefits derived from the donated assets.

The accounting records supporting the accompanying consolidated financial statements are organized on the basis of divisions. The revenues and expenditures of each division are accounted for separately. The divisional revenues and expenses are consolidated into a single set of accounts that summarize ARCA's assets, liabilities and net assets. Divisions maintained are InterCare, Community Services and Business Enterprises.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United State of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Instruments

The carrying amounts of cash, receivables, payables, accrued expenses, and other liabilities approximate fair value due to short maturity periods of these instruments. The fair value of long-term debt is the carrying value due to the adjustable market rate of interest. For purposes of the consolidated statements of cash flows, ARCA does not consider restricted deposits, or tenant deposits to be cash or cash equivalents. Cash is defined as amounts held in checking accounts, savings accounts, and money market funds. A cash equivalent is a highly liquid investment having an original maturity of three months or less.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

2) Summary of Significant Accounting Policies — continued

Financial Instruments – continued

Liquid investments are defined as those investments with a remaining maturity of one year or less and include certain types of fixed income investments such as CDs, U.S. Treasury and Agency debt securities. ARCA maintains a portion of its cash and cash equivalents in bank deposit accounts, which, at times, exceed federally insured limits. ARCA has not experienced any losses in such accounts.

Accounts Receivable

ARCA's primary income source is from Medicaid funds, which are received after the service is performed. Accounts receivable are stated at the amount management expects to collect from outstanding balances due from the State and other fees for service contracts. Individual accounts are evaluated and determined delinquent based on known facts and circumstances. Management believes all accounts receivable are collectible, and as a result, no allowance has been recorded.

Investments

Investments in marketable securities with readily-determinable fair values and all investments in debt securities are reported at fair values in the consolidated statements of financial position. ARCA also invests in certificates of deposit, which are collateralized by U.S. Government Securities.

Income Taxes

ARCA and the Foundation are non-profit corporations and qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code and are classified as other than a private foundation. As such, their normal activities not directly related to ARCA's tax exempt purpose is subject to taxation as unrelated business income. There was no taxable unrelated business income for the years ended June 30, 2018 and 2017.

ARCA files information tax returns as prescribed by the tax laws of the jurisdictions in which it operates. ARCA's income tax filings are subject to audit by various taxing authorities. As of June 30, 2018, ARCA's open audit periods are for 2015 and thereafter.

ARCA believes that it has appropriate support for any tax position taken as such, and does not have any uncertain tax positions that are material to the financial statements.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

2) Summary of Significant Accounting Policies — continued

Property, Furniture, and Equipment

ARCA has a Board adopted capitalization policy. Property and equipment over \$5,000 are capitalized at cost or, if donated, at fair market value at the day of donation. Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives for buildings are 30 years, furnishings are 5 years, building improvements and leasehold improvements range from 5 to 30 years, furnishings and equipment ranges from 3 to 10 years and vehicles have estimated useful lives of 5 years.

Impairment of Long-lived Assets and Long-lived Assets to be Disposed of

ARCA reviews its long-lived assets and certain identifiable intangibles for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. Assets to be disposed of, if any, are reported at the lower of the carrying amount or the fair value less costs to sell.

Revenue Recognition

ARCA reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donation. All other gifts of cash or other assets are reported as increases to unrestricted net assets. Donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of activities as net assets released from restriction.

Revenues on fee-for-service contracts and Medicaid revenue are recognized when the services are provided to the persons served. Such revenue is subject to audit by the grantor or funding agency and could result in a request for reimbursement. In the event that it may be determined that ARCA receives Medicaid payments in excess of the agreed-upon contract rates, these amounts would be due back to Medicaid. It is management's opinion that amounts, if any, that may be found to be refundable would not be significant and, therefore, would be charged against income in the period detected.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

2) Summary of Significant Accounting Policies — continued

Promises to Give

Unconditional promises to give are recognized as revenues or gains in the period awarded and as assets, decreases of liabilities or expenses, depending on the form of the benefits received. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Endowment Fund

ARCA has adopted generally accepted accounting standards as they related to *Endowment of Not-for-Profit Organizations – Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act and Enhanced Disclosures for All Endowment Funds*, which includes the following financial statement disclosure requirements for ARCA for the years ended June 30, 2018 and 2017.

Classification of Net Assets – Endowment funds are used to account for investments in which the principal is temporarily or permanently restricted or Board-designated for a specific purpose.

Interpretation of Relevant Law – ARCA has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, ARCA classifies as permanent restricted net assets: (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulation to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by ARCA in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, ARCA considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effects of inflation and deflation, (5) the expected total return from the income and the appreciation of investments, (6) other resources of ARCA, and (7) ARCA investment policies.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

2) Summary of Significant Accounting Policies — continued

La Paloma and ARCA Organics Greenhouses

ARCA operates greenhouses that provide vocational training to persons served. Items produced in the greenhouses are sold to the public. Gross revenue, as defined by the IRS, generated by the La Paloma Greenhouse is not subject to unrelated business income tax. Gross revenue, as defined by the IRS, generated by ARCA Organics Greenhouse would be subject to unrelated business income tax.

Deferred Revenue

Income from Children, Youth and Family Department (CYFD) related to respite care and private pay is deferred and recognized when the service is provided. Advance payments for camp fees are deferred until the event occurs.

Donated Services and Materials

Contributions of services and materials are recognized in the accompanying consolidated financial statements in accordance with ASC 958-605 if the services received enhance or create non-financial assets, require specialized skills, are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation.

Donations of property and equipment are recorded as contributions at their estimated fair value at the date of donation. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted contributions. In the absence of any donor stipulations regarding how long donated assets must be maintained, ARCA reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. ARCA reclassifies temporarily restricted net assets to unrestricted net assets at that time.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

2) Summary of Significant Accounting Policies — continued

Fair Value of Financial Instruments

ARCA adopted generally accepted accounting standards as they relate to Fair Value Measurement which provides a framework for measuring fair value under GAAP and expands disclosures about fair value measurement. Generally accepted accounting standards defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. These standards require that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. The standards also establish a fair value hierarchy, which priorities the valuation inputs into three level inputs that may be used to measure fair value:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 – Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability (such as interest rates and yield curves, prepayment speeds, loss credit risk, etc.).

Level 3 – Unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Unobservable inputs shall be developed based on the best information available in the circumstances, which might include the reporting entity's own data and assumptions.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

2) Summary of Significant Accounting Policies — continued

Fair Value of Financial Instruments – continued

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2018 and 2017.

Pooled Trust-Units held in pooled separate accounts are valued using the net asset value (NAV) of the fund. The NAV is based on the fair value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of units outstanding. The net asset value of the pooled separate account is calculated based on a compilation of primarily observable market information. The number of units of the fund that are outstanding on the calculation date is derived from observable purchase and considered Level 2 of the valuation hierarchy. ARCA invests in the following pooled investment funds:

New Mexico Community Foundation - Fund strategy is long-term capital appreciation without undue risk to principal, capital appreciation by investing primarily in securities of emerging or growth-oriented companies.

Albuquerque Community Foundation – Fund strategy is long-term capital appreciation without undue risk to principal, capital appreciation by investing primarily in securities of emerging or other growth-oriented companies.

Trading Securities – Value at the closing price reported on the major market on which the individual securities are traded.

Fixed Income Securities – Value at the closing price reported on the major market on which the individual securities are traded.

Mutual Funds – Valued at the net asset value (NAV) of shares held at year end using prices quoted by relevant pricing agent.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

2) Summary of Significant Accounting Policies — continued

Fair Value of Financial Instruments – continued

There are three general valuation techniques that may be used to measure fair value, as described below:

Market Approach – Uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities. Prices may be indicated by pricing guides, sale transactions, market trades, or other sources.

Cost Approach – Based on the amount that currently would be required to replace the service capital of an asset (replacement cost).

Income Approach – Uses valuation techniques to convert future amounts to a single present amount based on current market expectations about the future amounts (includes present value techniques and option-pricing models). Net present value is an income approach where a stream of expected cash flows is discounted at an appropriate market interest rate.

ARCA carries its investments in marketable securities with readily determinable fair values. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities.

Functional Allocation of Expense

The costs of providing various programs and other activities have been summarized on a functional basis in the consolidated statements of activities and the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Advertising and Marketing

Advertising costs included in public relations expense, are expensed when the advertising first takes place. Advertising expense was approximately \$49,000 and \$44,000 for fiscal years 2018 and 2017, respectively.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

3) Fair Value Measurements

Assets itemized below were measured at fair value during the year ended June 30, 2018 using the market approach for Level 1 and Level 2 inputs.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
Investment in community funds			
Pooled trust	\$ 1,855,886	\$ 865,836	\$ 2,721,722
Total stocks	<u>1,855,886</u>	<u>865,836</u>	<u>2,721,722</u>
Fixed income securities			
Alternative	329,936	-	329,936
Pooled fixed income funds	13,615	-	13,615
Total fixed income securities	<u>343,551</u>	<u>-</u>	<u>343,551</u>
Cash and cash equivalents	<u>-</u>	5,100	5,100
Total investments	<u>\$ 2,199,437</u>	<u>\$ 870,936</u>	<u>\$ 3,070,373</u>

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

3) Fair Value Measurements - continued

Assets itemized below were measured at fair value during the year ended June 30, 2017 using the market approach for Level 1 and Level 2 inputs.

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
Investment in community funds			
Pooled trust	\$ 793,650	\$ 841,421	\$ 1,635,071
Trading securities			
Equities - multi-strategy equity funds	<u>151,590</u>	<u>-</u>	<u>151,590</u>
Total stocks	<u>945,240</u>	<u>841,421</u>	<u>1,786,661</u>
Fixed income securities			
Foreign obligations	324,845	-	324,845
Pooled fixed income funds	<u>818,021</u>	<u>-</u>	<u>818,021</u>
Total fixed income securities	<u>1,142,866</u>	<u>-</u>	<u>1,142,866</u>
Cash and cash equivalents	<u>66,821</u>	<u>5,001</u>	<u>71,822</u>
Total investments	<u>\$ 2,154,927</u>	<u>\$ 846,422</u>	<u>\$ 3,001,349</u>

Investments at June 30, are shown on the consolidated statements of financial position as follows:

	<u>2018</u>	<u>2017</u>
Investments	<u>\$ 1,822,384</u>	<u>\$ 1,801,836</u>
Quasi endowment	<u>344,122</u>	<u>319,867</u>
Permanently restricted endowment	<u>903,867</u>	<u>879,646</u>
	<u>\$ 3,070,373</u>	<u>\$ 3,001,349</u>

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

3) Fair Value Measurements - continued

Investment income as shown on the consolidated statements of activities is comprised of the following for the years ended June 30:

	<u>2018</u>	<u>2017</u>
Interest and dividend income	\$ 48,090	\$ 43,855
Expenses	(18,988)	(16,747)
Net realized and unrealized gains	<u>28,200</u>	<u>83,314</u>
	<u>\$ 57,302</u>	<u>\$ 110,422</u>

4) **Accounts Receivable**

Accounts receivable were as follows at June 30:

	<u>2018</u>	<u>2017</u>
New Mexico Department of Health and Human Services:		
Medicaid waiver	\$ 1,098,729	\$ 1,175,135
Medicaid ICF/MR	785,990	722,469
General fund	65,749	94,952
New Mexico Children, Youth and Families Department:		
Family-based services	109,149	147,860
Other	<u>306,949</u>	<u>142,833</u>
Total accounts receivable	<u>\$ 2,366,566</u>	<u>\$ 2,283,249</u>

At June 30, 2018 and 2017, \$41,987 and \$3,980 respectively, of accounts receivable were outstanding over 90 days.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

5) Restricted Deposits

ARCA serves as the custodian for certain funds that ARCA holds in trust for persons served. These funds are recorded as a liability on the statement of financial position and are not available for use in ARCA's operations.

6) Property and Equipment

At June 30, property and equipment were comprised of the following:

	<u>2018</u>	<u>2017</u>
Building	\$ 9,065,256	\$ 9,321,589
Vehicles	3,176,657	2,999,972
Building improvements	2,773,003	2,706,059
Furnishing and equipment	881,703	887,375
Other	<u>15,351</u>	<u>15,351</u>
	15,911,970	15,930,346
Less accumulated depreciation	<u>10,140,225</u>	<u>9,783,074</u>
	5,771,745	6,147,272
Land	<u>2,600,471</u>	<u>2,725,998</u>
Property and equipment, net	<u>\$ 8,372,216</u>	<u>\$ 8,873,270</u>

7) Short-Term and Long-Term Debt

ARCA opened a \$1,200,000 revolving line of credit on August 24, 2016, expiring on October 30, 2019. This line is collateralized by a UCC filing, inventory, and equipment. Interest is payable monthly on outstanding balances at an interest rate of LIBOR plus 2.25%. There were no borrowings during the years ended June 30, 2018 and June 30, 2017.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

7) Short-Term and Long-Term Debt - continued

ARCA had mortgages payable for the purchase of residential homes and office space, all secured by land and buildings, as follows at June 30:

	2018	2017
Mortgages payable to a mortgage company due in monthly installments ranging from \$265 to \$1,683, including interest at 4.50% - 4.875%, with final payments due between September 2024 and July 2025	\$ 899,835	\$ 1,098,660
Mortgages payable to a bank, due in monthly installments ranging from \$1,276 to \$3,146, including interest at 3.5% - 4.25%, with final payments due between January and March 2021	245,868	327,803
Mortgages payable to a bank, due in monthly installments ranging from \$910 to \$10,551, including interest at 4.95% - 5.08%, with final payments due July 2035	1,560,495	1,616,136
	2,706,198	3,042,599
Less current portion	274,605	267,953
	\$ 2,431,593	\$ 2,774,646

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

7) Short-Term and Long-Term Debt - continued

Future minimum principal payments are as follows:

<u>Year ending June 30</u>		
2019	\$	274,605
2020		270,607
2021		274,017
2022		217,719
2023		228,681
Thereafter		<u>1,440,569</u>
	\$	<u><u>2,706,198</u></u>

8) **Leases**

ARCA leases a building used to provide care to individuals under a month-to-month operating lease agreement. Monthly rent payments are approximately \$1,900. Total minimum future lease payments are \$22,000 for 2019. Rental expense under this operating lease was approximately \$24,000 and \$39,000 for the years ended June 30, 2018 and 2017, respectively. ARCA also leases printers on monthly lease agreements.

9) **Commitment and Contingencies**

ARCA places its cash with financial institutions and investment brokerage firms. Cash with financial institutions is federally insured and cash held by brokerage firms is insured by the investment brokerage firm. Cash held by community foundations is insured by the community foundations' brokerage firms.

ARCA receives a significant portion of its revenues from Medicaid waiver and Medicaid ICF/MR and is, therefore, subject to possible cutbacks due to changes in funding priorities. During each of the years ended June 30, 2018 and 2017, ARCA received approximately 76%, of its gross public support and revenues from Medicaid waiver and Medicaid ICF/MR. Accounts receivable for the Medicaid waiver and Medicaid ICF/MR represented approximately 80% and 83% of total accounts receivable, respectively, at June 30, 2018 and 2017.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

10) Temporarily and Permanently Restricted Net Assets

Temporarily restricted net assets consist of donations restricted for purpose and time restrictions of \$228,593 and \$274,749 as of June 30, 2018 and 2017, respectively. These purpose restrictions were for specific ARCA programs and projects.

Permanently restricted nets assets consist of donations made to an endowment fund. The purpose of the endowment fund is to provide a permanent source of capital for future needs. ARCA has adopted investment and spending policies, approved by the Board of Directors, for endowment assets that attempt to achieve a return consistent with the level of risk authorized by the investment policy that provide optimum growth consistent with a long-term time horizon. The investment policy establishes that the assets will be invested in a pooled fund and the risk tolerance of the pooled fund will be monitored annually. If at any time the risk tolerance is not aligned with the investment policy objectives, the funds will be redirected. The current return objective over a complete business cycle (three to five years) is for an overall annualized return, after deducting transaction costs and advisory, money manager and custodial fees, equal to or above the benchmark index for the pooled fund of the assets. On an annual basis, the Board of Directors may elect to withdraw up to five percent of the average market value based on the previous 12 quarters. The withdrawals are to be used for ARCA's programs as determined by the Board of Director's.

Endowment fund composition by type of fund as of June 30, 2018 is as follows:

	Unrestricted	Permanently Restricted	Total Endowment Net Assets
Endowment net assets, beginning of year	\$ 339,565	\$ 859,948	\$ 1,199,513
Investment return			
Interest income	6,783	-	6,783
Net appreciation - realized and unrealized	<u>62,455</u>	<u>-</u>	<u>62,455</u>
	408,803	859,948	1,268,751
Contributions	5,750	6,330	12,080
Amounts appropriated for expenditure	<u>(32,842)</u>	<u>-</u>	<u>(32,842)</u>
Endowment net assets, end of year	<u>\$ 381,711</u>	<u>\$ 866,278</u>	<u>\$ 1,247,989</u>

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

10) Temporarily and Permanently Restricted Net Assets – continued

Endowment fund composition by type of fund as of June 30, 2017 is as follows:

	<u>Unrestricted</u>	<u>Permanently Restricted</u>	<u>Total Endowment Net Assets</u>
Endowment net assets, beginning of year	\$ 210,521	\$ 796,914	\$ 1,007,435
Investment return			
Interest income	4,452	-	4,452
Net depreciation - realized and unrealized	113,139	-	113,139
	328,112	796,914	1,125,026
Contributions	48,853	63,034	111,887
Amounts appropriated for expenditure	(37,400)	-	(37,400)
Endowment net assets, end of year	<u>\$ 339,565</u>	<u>\$ 859,948</u>	<u>\$ 1,199,513</u>

11) **Designation of Unrestricted Net Assets**

It is the policy of the Board of Directors of ARCA to review its plans for future estimated cash shortfalls and to designate appropriate sums of unrestricted net assets to assure adequate cash reserves to provide necessary working capital. The total amount of designated net assets for these purposes was \$4,067,285 and \$3,747,418 at June 30, 2018 and 2017, respectively.

During the year ended June 30, 2014, the board of directors established a quasi-endowment with a significant contribution from one contributor. The quasi-endowment of \$344,122 and \$319,867 is recorded as board designated unrestricted net assets as of June 30, 2018 and 2017, respectively. This board designation can be changed by a majority vote of the board of directors.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

12) Retirement Plan

ARCA employees have the option of participating in the 401(k) plan, a defined contribution plan, which began operation on September 5, 2014.

ARCA's 401(k) Plan (the Plan) covers all employees eligible for Plan participation. There is no service requirement for employee pre-tax deferrals. ARCA matches participants' contributions to the Plan up to 4% of the individual participant's compensation. Total expense for each of the years ended June 30, 2018 and 2017, was approximately \$501,000.

13) Compensated Absences

Full-time and part-time regular employees earn from 15 to 25 days of Paid Time Off (PTO) each year. ARCA's compensated absence policy allows regular employees to accumulate a maximum of 320 hours of PTO for employees who work 40 hours per week or pro-rated for part-time employees. Leave in excess of the maximum hours will not be paid out to employees annually, but instead will be transferred into a Long-Term PTO (LTPTO) bank which can only be used for designated Family Medical Leave. An employee's LTPTO will be capped at five weeks of leave (200 hours) for full-time and pro-rated for part-time employees. Annually, on July 1, unused excess LTPTO beyond the cap will be forfeited by the employee. Employees who resign or are terminated shall be paid for all unused PTO up to 320 hours at their current rate of pay. Unused accrued LTPTO will be not payable upon separation.

ARCA accrues the cost incurred for PTO as obligations of unrestricted net assets. At June 30, 2018 and 2017, ARCA had accrued approximately \$816,000 and \$826,000, respectively.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

14) Donated Services, Materials, Property and Equipment

During the years ended June 30, 2018 and 2017, ARCA received the following non-cash contributions of services and materials:

	<u>2018</u>	<u>2017</u>
Professional Services	7,598	5,200
Rent	-	2,000
Total	<u>\$ 7,598</u>	<u>\$ 7,200</u>

ARCA receives in-kind services from a network of advertising agencies that advertise using various media throughout the state of New Mexico. Management believes they derive minimal benefits from advertising that take place outside the Albuquerque area. The value of the advertising within the Albuquerque area donated during the fiscal years ended June 30, 2018 and 2017 was approximately \$221,000 and \$226,000, respectively. ARCA would not have purchased this advertising had it not been donated to them and, therefore, did not record the revenue and related expense for the donated service, in accordance with generally accepted accounting standards as they related to, *Accounting for Contributions Received and Contributions Made*.

Additionally, ARCA receives donated services for the Community Service and InterCare program. Activities include assisting with the wellness initiative, camp and tax preparation for individuals served by ARCA. Activities also include various duties at the ARCA Organics farm. The volunteers do not have specialized skills to perform these activities nor were assets enhanced by these activities; therefore, the revenue and the related expense are not recorded in the statements of activities. Fair value of these services for the years ended June 30, 2018 and 2017 was approximately \$61,000 and \$66,000, respectively.

ARCA
Notes to Consolidated Financial Statements
June 30, 2018 and 2017

15) Subsequent Events

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or are available to be issued. ARCA recognized in the financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the balance sheet, including the estimates inherent in the process of preparing the financial statements. ARCA's financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the balance sheet but arose after the balance sheet date and before the financial statements are available to be issued.

ARCA has evaluated subsequent events through January 3, 2019 which is the date the financial statements were available to be issued. There were no subsequent events that require accrual or disclosure in the financial statements.

Consolidating Statement of Financial Position

ARCA
Consolidating Statement of Financial Position
June 30, 2018

	ARCA	Foundation	Eliminating Entries	Consolidated
Assets				
Current assets				
Cash and cash equivalents	\$ 2,960,108	\$ 1,019,354	\$ -	\$ 3,979,462
Investments	-	1,822,384	-	1,822,384
Accounts receivable	2,449,965	-	(83,399)	2,366,566
Unconditional promises to give	-	24,397	-	24,397
Prepaid expenses	325,684	-	-	325,684
Total current assets	<u>5,735,757</u>	<u>2,866,135</u>	<u>(83,399)</u>	<u>8,518,493</u>
Property, furniture and equipment, net	<u>8,326,816</u>	<u>45,400</u>	<u>-</u>	<u>8,372,216</u>
Other Assets				
Restricted deposits and funded reserves				
Cash held in trust for persons served	276,147	1,884,074	-	2,160,221
Real estate		1,123,875		1,123,875
Investment - quasi endowment	-	344,122	-	344,122
Investment - permanently restricted endowment	-	903,867	-	903,867
Accrued interest and other assets	1,600	-	-	1,600
Total other assets	<u>277,747</u>	<u>4,255,938</u>	<u>-</u>	<u>4,533,685</u>
Total assets	<u>\$ 14,340,320</u>	<u>\$ 7,167,473</u>	<u>\$ (83,399)</u>	<u>\$ 21,424,394</u>

ARCA
Consolidating Statement of Financial Position - continued
June 30, 2018

	ARCA	Foundation	Eliminating Entries	Consolidated
Liabilities and Net Assets				
Current liabilities				
Accounts payable	\$ 552,305	\$ 83,399	\$ (83,399)	\$ 552,305
Accrued liabilities:				
Salaries and payroll taxes	791,400	-	-	791,400
Compensated absences	815,648	-	-	815,648
Mortgage interest	6,414	-	-	6,414
Deferred revenue	167,048	-	-	167,048
Current portion of long-term debt	274,605	-	-	274,605
Total current liabilities	<u>2,607,420</u>	<u>83,399</u>	<u>(83,399)</u>	<u>2,607,420</u>
Long-term Liabilities				
Long-term debt, less current portion	2,431,593	-	-	2,431,593
Cash held in trust for persons served	276,147	1,884,074	-	2,160,221
Other long-term liabilities	9,470	-	-	9,470
Total long-term liabilities	<u>2,717,210</u>	<u>1,884,074</u>	<u>-</u>	<u>4,601,284</u>
Total liabilities	<u>5,324,630</u>	<u>1,967,473</u>	<u>(83,399)</u>	<u>7,208,704</u>
Net assets				
Unrestricted:				
Undesignated	4,858,645	3,850,767	-	8,709,412
Board designated - quasi endowment	-	344,122	-	344,122
Board designated	4,067,285	-	-	4,067,285
Total unrestricted	8,925,930	4,194,889	-	13,120,819
Temporarily restricted	89,760	138,833	-	228,593
Permanently restricted	-	866,278	-	866,278
Total net assets	<u>9,015,690</u>	<u>5,200,000</u>	<u>-</u>	<u>14,215,690</u>
Total liabilities and net assets	<u>\$ 14,340,320</u>	<u>\$ 7,167,473</u>	<u>\$ (83,399)</u>	<u>\$ 21,424,394</u>

Consolidating Statement of Activities

ARCA
Consolidating Statement of Activities
For the Year Ended June 30, 2018

	ARCA Unrestricted	ARCA Temporarily Restricted	ARCA Permanently Restricted	Totals
Public Support and Revenue				
Public support				
Government funding:				
NM Department of Health and Human Services	\$ 848,236	\$ -	\$ -	\$ 848,236
NM Children, Youth and Families Department	1,417,791	-	-	1,417,791
U.S. Department of Transportation	143,898	-	-	143,898
Private contracts	490,301	-	-	490,301
Contributions	61,417	89,760	-	151,177
Grants	775,330	-	-	775,330
Total public support	<u>3,736,973</u>	<u>89,760</u>	<u>-</u>	<u>3,826,733</u>
Revenue				
Medicaid waiver	13,352,690	-	-	13,352,690
Medicaid ICF/MR	8,853,491	-	-	8,853,491
Fees and rent	1,655,831	-	-	1,655,831
Investment income (loss):				
Endowment fund	-	-	-	-
Other investments	-	-	-	-
	<u>23,862,012</u>	<u>-</u>	<u>-</u>	<u>23,862,012</u>
Interest income from cash and cash equivalents	993	-	-	993
Other	281,048	-	-	281,048
Contracts and sales	<u>397,042</u>	<u>-</u>	<u>-</u>	<u>397,042</u>
Total revenue	<u>24,541,095</u>	<u>-</u>	<u>-</u>	<u>24,541,095</u>
Net Assets Released from Restrictions				
Donor and time restrictions	<u>121,242</u>	<u>(121,242)</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>28,399,310</u>	<u>(31,482)</u>	<u>-</u>	<u>28,367,828</u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2018

Foundation Unrestricted	Foundation Temporarily Restricted	Foundation Permanently Restricted	Totals	Eliminating Entries	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 848,236
-	-	-	-	-	1,417,791
-	-	-	-	-	143,898
-	-	-	-	-	490,301
543,855	175,649	6,330	725,834	(53,819)	823,192
-	-	-	-	(705,330)	70,000
<u>543,855</u>	<u>175,649</u>	<u>6,330</u>	<u>725,834</u>	<u>(759,149)</u>	<u>3,793,418</u>
-	-	-	-	-	13,352,690
-	-	-	-	-	8,853,491
-	-	-	-	-	1,655,831
19,121	-	-	19,121	-	19,121
38,181	-	-	38,181	-	38,181
<u>57,302</u>	<u>-</u>	<u>-</u>	<u>57,302</u>	<u>-</u>	<u>23,919,314</u>
4,292	-	-	4,292	-	5,285
130,904	-	-	130,904	-	411,952
-	-	-	-	-	397,042
<u>192,498</u>	<u>-</u>	<u>-</u>	<u>192,498</u>	<u>-</u>	<u>24,733,593</u>
<u>190,323</u>	<u>(190,323)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>926,676</u>	<u>(14,674)</u>	<u>6,330</u>	<u>918,332</u>	<u>(759,149)</u>	<u>28,527,011</u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2018

	ARCA Unrestricted	ARCA Temporarily Restricted	ARCA Permanently Restricted	Totals
Expenses				
Program services:				
Community services	15,658,242	-	-	15,658,242
InterCare	7,861,140	-	-	7,861,140
Business enterprises	723,011	-	-	723,011
Total program expenses	<u>24,242,393</u>	<u>-</u>	<u>-</u>	<u>24,242,393</u>
Supporting services:				
Management and general	3,874,112	-	-	3,874,112
Fundraising	67,829	-	-	67,829
Total supporting expenses	<u>3,941,941</u>	<u>-</u>	<u>-</u>	<u>3,941,941</u>
Total expenses	<u>28,184,334</u>	<u>-</u>	<u>-</u>	<u>28,184,334</u>
Change in net assets	214,976	(31,482)	-	183,494
Net assets, beginning of year	<u>8,710,954</u>	<u>121,242</u>	<u>-</u>	<u>8,832,196</u>
Net assets, end of year	<u>\$ 8,925,930</u>	<u>\$ 89,760</u>	<u>\$ -</u>	<u>\$ 9,015,690</u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2018

Foundation Unrestricted	Foundation Temporarily Restricted	Foundation Permanently Restricted	Totals	Eliminating Entries	Totals
364,998	-	-	364,998	(364,998)	15,658,242
-	-	-	-	-	7,861,140
394,151	-	-	394,151	(394,151)	723,011
<u>759,149</u>	<u>-</u>	<u>-</u>	<u>759,149</u>	<u>(759,149)</u>	<u>24,242,393</u>
128,479	-	-	128,479	-	4,002,591
109,743	-	-	109,743	-	177,572
<u>238,222</u>	<u>-</u>	<u>-</u>	<u>238,222</u>	<u>-</u>	<u>4,180,163</u>
<u>997,371</u>	<u>-</u>	<u>-</u>	<u>997,371</u>	<u>(759,149)</u>	<u>28,422,556</u>
(70,695)	(14,674)	6,330	(79,039)	-	104,455
<u>4,265,584</u>	<u>153,507</u>	<u>859,948</u>	<u>5,279,039</u>	<u>-</u>	<u>14,111,235</u>
<u>\$ 4,194,889</u>	<u>\$ 138,833</u>	<u>\$ 866,278</u>	<u>\$ 5,200,000</u>	<u>\$ -</u>	<u>\$ 14,215,690</u>

Consolidating Statement of Financial Position

ARCA
Consolidating Statement of Financial Position
June 30, 2017

	ARCA	Foundation	Eliminating Entries	Consolidated
Assets				
Current assets				
Cash and cash equivalents	\$ 2,426,112	\$ 1,151,137	\$ -	\$ 3,577,249
Investments	-	1,801,836	-	1,801,836
Accounts receivable	2,338,390	-	(55,141)	2,283,249
Unconditional promises to give	-	19,241	-	19,241
Prepaid expenses	487,545	474	-	488,019
Total current assets	<u>5,252,047</u>	<u>2,972,688</u>	<u>(55,141)</u>	<u>8,169,594</u>
Property, furniture and equipment, net	<u>8,834,370</u>	<u>38,900</u>	<u>-</u>	<u>8,873,270</u>
Other Assets				
Restricted deposits and funded reserves				
Cash held in trust for persons served	278,965	1,636,813	-	1,915,778
Real Estate	-	1,123,875	-	1,123,875
Investment - quasi endowment	-	319,867	-	319,867
Investment - permanently restricted endowment	-	879,646	-	879,646
Accrued interest and other assets	1,600	-	-	1,600
Total other assets	<u>280,565</u>	<u>3,960,201</u>	<u>-</u>	<u>4,240,766</u>
Total assets	<u>\$ 14,366,982</u>	<u>\$ 6,971,789</u>	<u>\$ (55,141)</u>	<u>\$ 21,283,630</u>

ARCA
Consolidating Statement of Financial Position – continued
June 30, 2017

	ARCA	Foundation	Eliminating Entries	Consolidated
Liabilities and Net Assets				
Current liabilities				
Accounts payable	\$ 441,557	\$ 55,937	\$ (55,141)	\$ 442,353
Accrued liabilities:				
Salaries and payroll taxes	712,210	-	-	712,210
Compensated absences	825,591	-	-	825,591
Mortgage interest	8,933	-	-	8,933
Deferred revenue	219,884	-	-	219,884
Current portion of long-term debt	<u>267,953</u>	<u>-</u>	<u>-</u>	<u>267,953</u>
Total current liabilities	<u>2,476,128</u>	<u>55,937</u>	<u>(55,141)</u>	<u>2,476,924</u>
Long-term Liabilities				
Long-term debt, less current portion	2,774,646	-	-	2,774,646
Cash held in trust for persons served	278,965	1,636,813	-	1,915,778
Other long-term liabilities	<u>5,047</u>	<u>-</u>	<u>-</u>	<u>5,047</u>
Total long-term liabilities	<u>3,058,658</u>	<u>1,636,813</u>	<u>-</u>	<u>4,695,471</u>
Total liabilities	<u>5,534,786</u>	<u>1,692,750</u>	<u>(55,141)</u>	<u>7,172,395</u>
Net assets				
Unrestricted:				
Undesignated	6,157,965	2,751,288	-	8,909,253
Board designated - quasi endowment	-	319,867	-	319,867
Board designated	<u>2,552,989</u>	<u>1,194,429</u>	<u>-</u>	<u>3,747,418</u>
Total unrestricted	8,710,954	4,265,584	-	12,976,538
Temporarily restricted	121,242	153,507	-	274,749
Permanently restricted	<u>-</u>	<u>859,948</u>	<u>-</u>	<u>859,948</u>
Total net assets	<u>8,832,196</u>	<u>5,279,039</u>	<u>-</u>	<u>14,111,235</u>
Total liabilities and net assets	<u>\$ 14,366,982</u>	<u>\$ 6,971,789</u>	<u>\$ (55,141)</u>	<u>\$ 21,283,630</u>

Consolidating Statement of Activities

ARCA
Consolidating Statement of Activities
For the Year Ended June 30, 2017

	ARCA Unrestricted	ARCA Temporarily Restricted	ARCA Permanently Restricted	Totals
Public Support and Revenue				
Public support				
Government funding:				
NM Department of Health and Human Services	\$ 969,202	\$ -	\$ -	\$ 969,202
NM Children, Youth and Families Department	1,961,284	-	-	1,961,284
U.S. Department of Transportation	54,856	-	-	54,856
Private contracts	610,263	-	-	610,263
Contributions	230,852	-	-	230,852
Grants	1,005,191	-	-	1,005,191
Total public support	<u>4,831,648</u>	<u>-</u>	<u>-</u>	<u>4,831,648</u>
Revenue				
Medicaid waiver	13,696,798	-	-	13,696,798
Medicaid ICF/MR	8,645,724	-	-	8,645,724
Fees and rent	1,552,762	-	-	1,552,762
Investment income (loss):				
Endowment fund	-	-	-	-
Other investments	-	-	-	-
	<u>23,895,284</u>	<u>-</u>	<u>-</u>	<u>23,895,284</u>
Interest income from cash and cash equivalents	1,193	-	-	1,193
Other	83,021	-	-	83,021
Contracts and sales	248,340	-	-	248,340
Total revenue	<u>24,227,838</u>	<u>-</u>	<u>-</u>	<u>24,227,838</u>
Net Assets Released from Restrictions				
Donor and time restrictions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total public support and revenue	<u>29,059,486</u>	<u>-</u>	<u>-</u>	<u>29,059,486</u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2017

Foundation Unrestricted	Foundation Temporarily Restricted	Foundation Permanently Restricted	Totals	Eliminating Entries	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 969,202
-	-	-	-	-	1,961,284
-	-	-	-	-	54,856
-	-	-	-	-	610,263
1,663,963	92,857	63,034	1,819,854	(223,638)	1,827,068
-	134,370	-	134,370	(919,211)	220,350
<u>1,663,963</u>	<u>227,227</u>	<u>63,034</u>	<u>1,954,224</u>	<u>(1,142,849)</u>	<u>5,643,023</u>
-	-	-	-	-	13,696,798
-	-	-	-	-	8,645,724
-	-	-	-	-	1,552,762
48,939	-	-	48,939	-	48,939
61,483	-	-	61,483	-	61,483
<u>110,422</u>	<u>-</u>	<u>-</u>	<u>110,422</u>	<u>-</u>	<u>24,005,706</u>
1,799	-	-	1,799	-	2,992
141,715	-	-	141,715	-	224,736
4,713	-	-	4,713	-	253,053
<u>258,649</u>	<u>-</u>	<u>-</u>	<u>258,649</u>	<u>-</u>	<u>24,486,487</u>
<u>227,595</u>	<u>(227,595)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>2,150,207</u>	<u>(368)</u>	<u>63,034</u>	<u>2,212,873</u>	<u>(1,142,849)</u>	<u>30,129,510</u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2017

	ARCA Unrestricted	ARCA Temporarily Restricted	ARCA Permanently Restricted	Totals
Expenses				
Program services:				
Community services	16,567,735	-	-	16,567,735
InterCare	7,777,714	-	-	7,777,714
Business enterprises	359,563	-	-	359,563
Total program expenses	<u>24,705,012</u>	<u>-</u>	<u>-</u>	<u>24,705,012</u>
Supporting services:				
Management and general	4,371,988	-	-	4,371,988
Fundraising	50,738	-	-	50,738
Total supporting expenses	<u>4,422,726</u>	<u>-</u>	<u>-</u>	<u>4,422,726</u>
Total expenses	<u>29,127,738</u>	<u>-</u>	<u>-</u>	<u>29,127,738</u>
Change in net assets	(68,252)	-	-	(68,252)
Net assets, beginning of year	<u>8,779,206</u>	<u>121,242</u>	<u>-</u>	<u>8,900,448</u>
Net assets, end of year	<u><u>\$ 8,710,954</u></u>	<u><u>\$ 121,242</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,832,196</u></u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2017

Foundation Unrestricted	Foundation Temporarily Restricted	Foundation Permanently Restricted	Totals	Eliminating Entries	Totals
-	-	-	-	-	16,567,735
-	-	-	-	-	7,777,714
1,142,849	-	-	1,142,849	(1,142,849)	359,563
<u>1,142,849</u>	<u>-</u>	<u>-</u>	<u>1,142,849</u>	<u>(1,142,849)</u>	<u>24,705,012</u>
94,834	-	-	94,834	-	4,466,822
80,184	-	-	80,184	-	130,922
<u>175,018</u>	<u>-</u>	<u>-</u>	<u>175,018</u>	<u>-</u>	<u>4,597,744</u>
<u>1,317,867</u>	<u>-</u>	<u>-</u>	<u>1,317,867</u>	<u>(1,142,849)</u>	<u>29,302,756</u>
832,340	(368)	63,034	895,006	-	826,754
<u>3,433,244</u>	<u>153,875</u>	<u>796,914</u>	<u>4,384,033</u>	<u>-</u>	<u>13,284,481</u>
<u>\$ 4,265,584</u>	<u>\$ 153,507</u>	<u>\$ 859,948</u>	<u>\$ 5,279,039</u>	<u>\$ -</u>	<u>\$ 14,111,235</u>

**ARCA
FY18**

	FY18	YTD Budget	YTD Variance
Revenue			
ICF	8,853,491	8,612,283	241,208
Waiver	13,352,690	13,485,735	(133,045)
Contracts From States	2,768,250	3,145,871	(377,621)
Fees & Rent	1,655,831	1,521,282	134,549
Contribution and Grants	1,050,471	990,760	59,711
Contracts & Sales	528,098	481,336	46,762
Other	270,211	10,235	259,976
Total Revenue	28,479,042	28,247,502	231,540
Cost of Good Sold			
Salaries	(105,579)	(104,535)	(1,044)
Materials	(95,396)	(77,170)	(18,226)
Total Cost of Good Sold	(200,975)	(181,705)	(19,270)
Expense			
Salaries	16,926,830	16,575,330	(351,500)
Taxes & Benefits	3,673,151	3,953,268	280,117
Person Served	3,515,785	3,669,831	154,046
Facilities	1,935,620	1,892,503	(43,117)
Transportation	881,039	842,192	(38,847)
Contractual Services	960,530	854,070	(106,460)
Office	197,755	181,258	(16,497)
Public Relations	93,626	71,702	(21,924)
Total Expense	28,184,336	28,040,154	(144,182)
Net Income (Loss)	93,731	25,643	(68,088)

**ARCA
FY19
UNAUDITED**

	FY19	YTD Budget	YTD Variance
Revenue			
ICF	9,233,638	9,060,603	173,035
Waiver	13,366,719	13,667,276	(300,557)
Contracts From States	2,875,986	2,659,623	216,363
Fees & Rent	1,545,763	1,443,958	101,805
Contribution and Grants	836,341	940,948	(104,607)
Contracts & Sales	578,438	542,001	36,437
Other	260,188	-	260,188
Total Revenue	<u>28,697,073</u>	<u>28,314,409</u>	<u>382,664</u>
Cost of Good Sold			
Salaries	(344,011)	(243,900)	(100,111)
Materials	(94,644)	(94,600)	(44)
Total Cost of Good Sold	<u>(438,655)</u>	<u>(338,500)</u>	<u>(100,155)</u>
Expense			
Salaries	16,845,501	16,639,350	(206,151)
Taxes & Benefits	3,724,557	3,948,041	223,484
Person Served	3,288,587	3,287,866	(721)
Facilities	1,981,822	1,939,299	(42,523)
Transportation	893,123	861,007	(32,116)
Contractual Services	1,042,917	988,972	(53,945)
Office	207,180	222,484	15,304
Public Relations	93,841	87,390	(6,451)
Total Expense	<u>28,077,528</u>	<u>27,974,409</u>	<u>(103,119)</u>
Net Income (Loss)	<u>180,890</u>	<u>1,500</u>	<u>(179,390)</u>

**ARCA
FY20 Budget**

	<u>FY20 Budget</u>
Revenue	
ICF	9,124,834
Waiver	13,100,476
Contracts From States	3,173,432
Fees & Rent	1,425,520
Contribution and Grants	895,631
Contracts & Sales	<u>580,370</u>
Total Revenue	28,300,263
Cost of Good Sold	
Salaries	(300,317)
Materials	<u>(82,539)</u>
Total Cost of Good Sold	(382,856)
Expense	
Salaries	17,105,697
Taxes & Benefits	3,850,964
Person Served	3,216,981
Facilities	1,934,628
Transportation	811,671
Contractual Services	1,046,651
Office	209,770
Public Relations	<u>94,128</u>
Total Expense	28,270,490
Net Income (Loss)	<u><u>(353,083)</u></u>

ARCA
FY21 Projected Budget

	<u>FY21 Projected Budget</u>
Revenue	
ICF	9,307,331
Waiver	13,231,481
Contracts From States	3,205,166
Fees & Rent	1,425,000
Contribution and Grants	895,000
Contracts & Sales	580,000
Total Revenue	<u>28,643,978</u>
Cost of Good Sold	
Salaries	(300,000)
Materials	(83,000)
Total Cost of Good Sold	<u>(383,000)</u>
Expense	
Salaries	17,447,811
Taxes & Benefits	3,966,493
Person Served	3,220,000
Facilities	1,973,321
Transportation	827,904
Contractual Services	1,050,000
Office	213,965
Public Relations	95,000
Total Expense	<u>28,794,494</u>
Net Income (Loss)	<u><u>(533,516)</u></u>

ITS Corridors for Project Planning/Development Review*

AMPA Boundary *Consultation with agency ITS/Signal Systems staff is needed for applicable project-level requirements.

ITS-Related Project Information by Agency

City of Albuquerque
 Department of Municipal Development. 291-6220
 ABQ Ride. 724-3125

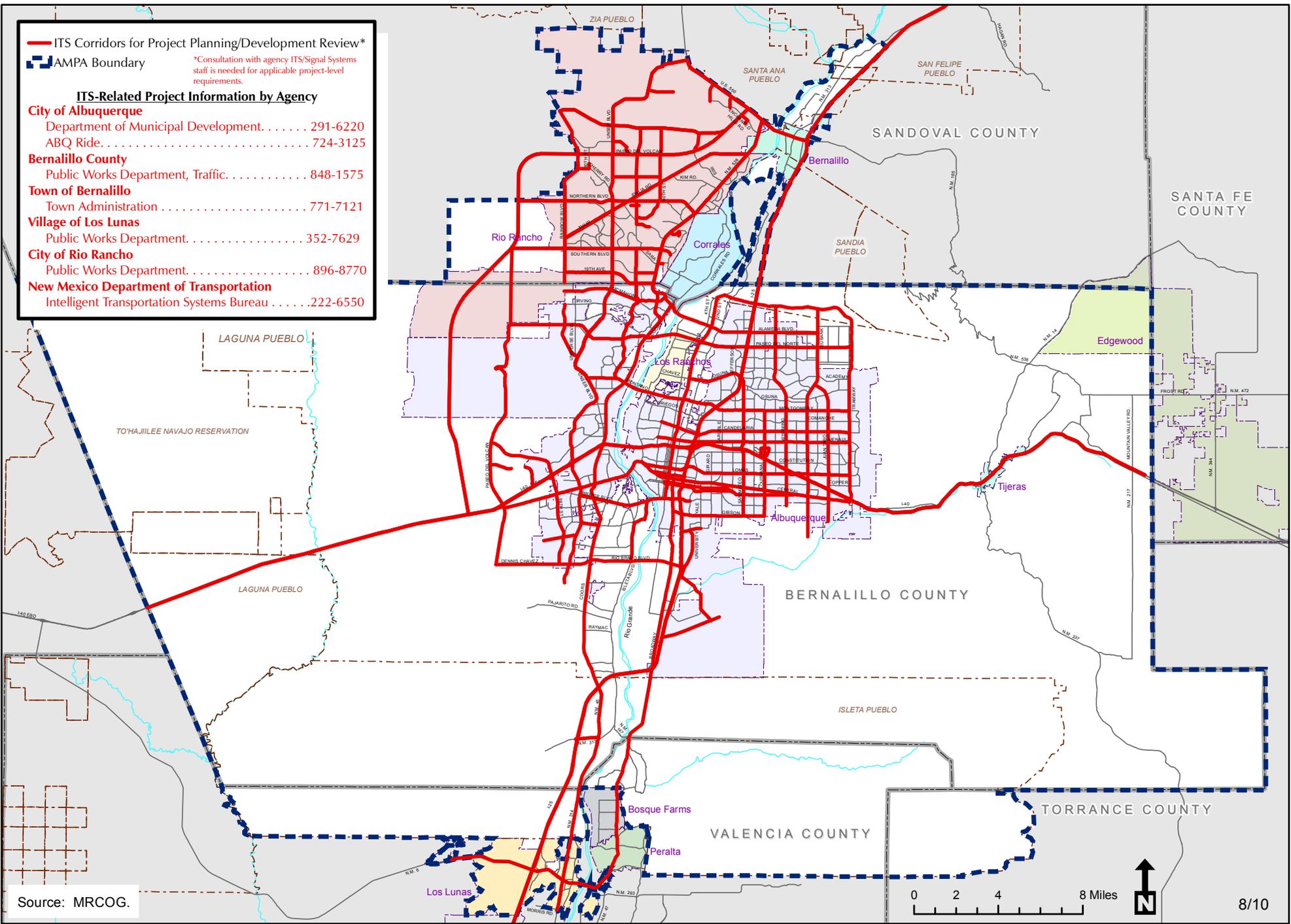
Bernalillo County
 Public Works Department, Traffic. 848-1575

Town of Bernalillo
 Town Administration 771-7121

Village of Los Lunas
 Public Works Department. 352-7629

City of Rio Rancho
 Public Works Department. 896-8770

New Mexico Department of Transportation
 Intelligent Transportation Systems Bureau 222-6550



Source: MRCOG.

Demographic Information

Ethnicity Category	Population	%
Black	22,353	2%
Hispanic	348,332	39%
Asian or Pacific Islander	20,765	2%
American Indian or Alaskan Native	54,102	6%
White	354,352	39%
Other	104,257	12%
	*904,161	100%

=TOTAL*=

%	Population	Seniors & Persons with Disability Category
10%	94,667	Seniors (no disability)
15%	136,039	Persons with Disabilities (including seniors)
75%	673,455	Other (everyone else)
100%	*904,161	

Source: Source: U.S. Census Bureau, 2017 American Community Survey 1-Year Estimates

Ridership and Transit System Statistics

Ridership information is as follows:

	2018	2019*	2020 Projected[^]
Annual Ridership	206,200	222,742	214,471
Annual Mileage	1,081,892	1,104,863	1,093,378
Annual Vehicle Hours[°]	30,601	31,916	31,259

* Prorated statistics to end of FFY.

[^] Average of prior two years.

[°] Includes agency vehicles, staff vehicles and hours travelled by Smart Living Program participants.

Program Coordination

ARCA coordinates transportation services with the City of Albuquerque and other human services agencies including Adelante, Cornucopia, Mandy's Farm, LifeROOTS, Inc. and others to ensure persons served have access to the community resources of their choosing.

ARCA assists persons served as necessary, ensuring individuals are eligible for and have the appropriate supports in place to utilize existing local transportation service providers and local government resources. Staff support each individual as needed, assisting in the securement of identification cards and travel tickets, as well as calling to schedule rides or setting up subscription rides for the City of Albuquerque's SunVan Paratransit Service. Additionally, ARCA's Smart Living Program (SLP) maximizes use of public transportation by providing travel training and access to assistive technology to promote skill development and increase independence. ARCA utilizes agency and staff vehicles to provide transportation when coordination via the above resources is unavailable or not feasible given special circumstances (e.g., time of day, day of week, location, individual health conditions, etc.).

ARCA is also a Gold Level Smart Business Partner with Rio Metro Regional Transit District, disseminating information about and promoting utilization of public transportation among employees.

In addition to the training provided to persons served, ARCA's SLP Supervisor has developed a training on the SLP program and the importance of accessibility for all citizens. This training is provided to all City of Albuquerque bus drivers during their first day of new hire training. ARCA's SLP Coordinator also serves on the City of Albuquerque's Paratransit Advisory Board.



OAK LEVEL (\$50,000 +)

American Advertising Federation
– New Mexico
American General Media
Anonymous Family Foundations
Clear Channel Outdoor
iHeart Media
KOAT-TV
KOB-TV
New Mexico Department of
Transportation
United Way
of Central New Mexico

ASPEN LEVEL (\$25,000 - \$49,999)

Anonymous Family Foundations
EntraVision
LDS Humanitarian Services

BIRCH LEVEL (\$10,000 - \$24,999)

Bank of the West
Intel Corporation
PNM Resources Foundation

PINON LEVEL (\$5,000 - \$9,999)

Albuquerque the Magazine
American Auto Clinic
City Treats Catering
Cunningham Productions, LLC
Ethicon Endo-Surgery, Inc.
French Family of Companies
Hugh and Helen Woodward Fund
of the ACF
Mountain Road Studios
New Mexico Mutual Group
Popejoy Hall
Rodgers and Company, Inc.
Rx Innovations/Best Buy Drugs
Ten Pins and More

*List Current as of 6/30/2018. This list
recognizes our corporate partners
who support ARCA with a minimum
annual gift of \$5,000.*

New Mexico Department of Transportation
Transit and Rail Division
c/o Deborah Bach
P.O. Box 1149
Santa Fe, New Mexico 87504-1149

August 20, 2019

RE: Resolution of Financial Commitment for Local Match

Dear Ms. Bach,

Since 1957, ARCA has provided the opportunity for individuals with intellectual, developmental and cognitive disabilities (IDCD) to lead purposeful and happy lives as valued community members. Transportation is an integral part in assisting people with IDCD to access their community. Funding from the Section 5310 Program enables ARCA to meet the transportation needs of the people we support.

As outlined in ARCA's FY2021 5310 application, ARCA requests capital funding for the following:

- Replace 2 existing vehicles that have surpassed their useful life and/or have repetitive and costly mechanical issues.
- Purchase 2 additional vehicles to increase spare vehicle ratio from 4% to 6%.
- Purchase 10 smartphones/cognitive assistance devices with software to teach individuals with IDCD the skills necessary to safely utilize public transportation and increase their ability to independently access employment, recreational events, medical appointments and other community resources.
- Purchase monitoring service renewal for 22 fleet management devices for one year plus 25 fleet management devices for two months to effectively manage vehicle and driver safety.

The ARCA Board supports the above purchases and agrees to provide the minimum required local match of \$48,668.20 and the additional funds of \$6,650.00 which includes hardware insurance and Innovation Partnership with AbleLink, totaling \$55,318.20.

Sincerely,

Jim Culpepper
Chair, ARCA Board of Directors

Edward J. Kaul
President/CEO

Opening Doors for individuals with intellectual, developmental and cognitive disabilities since 1957.

11300 Lomas Blvd. NE, Albuquerque, New Mexico 87112 • www.ARCAOpeningDoors.org • (505) 332-6700



Greggory D. Hull
Mayor

July 25, 2019

Edward J. Kaul
President/CEO
ARCA
11300 Lomas Blvd NE
Albuquerque, NM 87112

Dear Mr. Kaul,

The City of Rio Rancho fully supports ARCA's application to the New Mexico Department of Transportation for FFY2021 funding through the Federal Transit Administration Section 5310 *Enhanced Mobility of Seniors and Individuals with Disabilities* program.

Transportation is critically important for all citizens, as each person's quality of life depends on his or her ability to access necessary care, community resources and recreational events. ARCA's transportation services directly enrich the lives of individuals with intellectual, developmental and cognitive disabilities (IDCD) by supplementing paratransit resources. Their participation in local transportation efforts on behalf of the children and adults with IDCD they support is vital to our community's success.

The services ARCA has provided since 1957 are in direct alignment with the City of Rio Rancho's core values of cooperation, respect and stewardship. On behalf of the City of Rio Rancho, I am pleased to support ARCA's application for capital assistance through the Section 5310 program.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Greggory D. Hull', written in a cursive style.

Greggory D. Hull
Mayor
City of Rio Rancho

CITY OF ALBUQUERQUE



Office of the Mayor/Chief Administrative Officer

August 13, 2019

ARCA
Mr. Edward J. Kaul
11200 Lomas Blvd. NE
Albuquerque, New Mexico 87112

Dear Mr. Kaul,

As One Albuquerque, we are committed to building a safe, innovative, and inclusive community for all. Therefore, on behalf of the City of Albuquerque, I support ARCA's application for FFY2021 funding through the Federal Transit Administration's Enhanced Mobility of Seniors and Individuals with Disabilities program through the New Mexico Department of Transportation.

Transportation is critical for all people as it provides access to necessary care, community resources and recreational events we all need to live a happy and healthy life. ARCA's collaboration with local governments and transportation providers to ensure the availability of accessible transportation for people with intellectual, developmental, and cognitive disabilities (IDCD) is unmatched. The organization's representation on the City of Albuquerque's Paratransit Advisory Board and the training they provide to our city's bus drivers on the importance of accessibility are vital to our community's success. We are grateful for the services ARCA provides to children and adults with IDCD.

The transportation services ARCA provides directly enrich the lives of individuals with IDCD, helping to make our city a safe, innovative and inclusive community. The City of Albuquerque is pleased to support ARCA's application for capital assistance through the Section 5310 program.

Sincerely,

Timothy M Keller
Mayor

PO Box 1293

Albuquerque

NM 87103

www.cabq.gov

Program Justification

Founded in 1957, ARCA's mission is "***Working together to open doors for individuals with intellectual, developmental and cognitive disabilities to be valued members of the community.***"

ARCA provides a comprehensive array of lifelong community-based services for infants through seniors with intellectual, developmental and cognitive disabilities (IDCD) in New Mexico, including Residential (InterCare, Supported Living, Intensive Medical Living, Independent Living and Family Living), Smart Living (assistive technology), Respite, Customized Community Supports, Community Integrated Employment, Acquired Brain Injury Services, Adult Nursing and Nutritional Services, Health Matters Program, Prader Willi Syndrome Project (the first of its kind in the nation) and our business enterprises including ARCA Organics and ARCA Janitorial Services. Additionally, ARCA holds the state contract for the New Mexico Brain Injury Resource Center, which works with over 1,000 people throughout New Mexico who are affected by brain injury.

As a human services agency dedicated to community-based supports, ARCA's ability to provide and/or assist people with IDCD to secure transportation is vital to our mission. Public transportation systems are essential gateways for participation in community activities, socialization and independence; however, people with IDCD face barriers in safely accessing and navigating such complex large-scale systems. ARCA's transportation goal, which is directly aligned with our organizational mission, is to assist people with IDCD to overcome those barriers and thereby gain access to essential community resources such as medical, dental and therapeutic appointments, volunteer opportunities, paid community work, other modes of transportation and meaningful recreation that not only supports improved quality of life, but full community inclusion.

- Persons served by ARCA are independently certified Medicaid-eligible by the New Mexico Human Services Department. Medicaid eligibility is below the poverty level.

- In addition to their cognitive disability, many people served by ARCA have dual diagnoses ranging from mental disorders to physical disabilities.
- An estimated 90% of the people served by ARCA lack the safety skills, resources and/or self-sufficiency to independently utilize public transportation.
- More than 99% do not or cannot own or drive a personal vehicle due to their disabilities and/or socio-economic status.

To meet the specialized transit needs of the nearly 700 people with IDCD served annually, ARCA's transportation services include direct transportation in our residential and community programs as well as transportation training through our Smart Living Program (SLP). ARCA utilizes over 100 agency-owned vehicles including sedans, passenger vans, mini-buses and mini-vans in addition to a large number of privately-owned staff vehicles, helping people with IDCD travel more than one million miles throughout the Albuquerque Metro region annually. Although there are established paratransit services within the metro region, these services are often overburdened, cannot guarantee timeliness and may deny eligibility based on medical or behavioral support needs. ARCA's transportation services not only supplement the metro's existing paratransit services, but ensure the 24/7 availability of accessible vehicles for all people with IDCD served.

Direct Transportation:

Through the acquisition of ADA-compliant vehicles, collaboration with therapists, doctors and other medical professionals and provision of individualized staff supports, ARCA enhances mobility for people who may have detailed physical therapy or behavioral support plans that preclude them from utilizing mass transportation. For example, someone who is medically fragile may have a specific degree in which their wheelchair needs to be tilted to ensure health and safety during transport. Without ARCA staff being trained to support this person and having access to a vehicle that is built to allow for this specific setup, this person would not be able to enjoy the riches inherent in community life.

Due to the specialized needs of the people we serve, ARCA has a constant need for modified/adapted vans and buses to provide transportation for people who use a wheelchair or walker, need special steps and/or need extra on-board room for adaptive aids such as oxygen.

Smart Living Program:

The overall goal of SLP is to provide the essential skills-building training and support necessary for individuals with IDCD and other disabilities to increase their independence, including utilizing the region's public transportation system. SLP uses smart phone devices and mobile applications such as GPS navigation, route maps and cognitive cues to meet the accessibility needs of people with IDCD. The specialized one-on-one training provided by SLP Instructors increases skills, promotes self-sufficiency, builds self-advocacy and teaches adults with IDCD to independently travel freely and safely to and from work, medical appointments, social and recreational events or any other desired location in their community.

FFY2021 Request:

ARCA is requesting capital funding in the amount of **\$194,6729.81 (federal match)** to:

1. Replace two (2) existing vehicles that have surpassed their useful life and/or have repetitive and costly mechanical issues.
 - We are planning to replace two (2) vehicles purchased in 2008.
 - Both vehicles have already exceeded their minimum useful life in years.
 - While we have continued utilizing these vehicles to ensure maximum usage, each vehicle currently has over 130,000 miles. ARCA vehicles travel an average of about 10,000 miles per vehicle per year and we project these vehicles will have over 150,000 miles by FFY21.
2. Purchase two (2) additional vehicles to increase spare vehicle ratio.
 - ARCA's spare ratio is 4%. The spare vehicles we have are constantly being utilized, rotating from location to location while routine and other necessary maintenance is being performed on permanent vehicles.

- An additional 2 vehicles will increase our spare ratio to 6%. With a higher spare ratio of accessible vehicles, ARCA can better ensure appropriate availability of transportation for all persons served.
3. Purchase 10 smartphones/cognitive assistance devices with software to expand ARCA's Smart Living Program.
- Each participant in SLP is provided their own device, which is individually programmed specific to his or her unique needs.
 - The devices require access to the software included with the Community Access Suite, including WayFinder 3, Visual Impact 3 and Endeavor 3.
 - ARCA's Innovation Partnership includes the Learning Library and Media Builder services as well as training and tech support for further individualization of devices.
4. Purchase monitoring service renewal for 22 fleet management devices for one year plus monitoring service renewal for 25 fleet management devices for two months, to bring the current total of 47 devices onto the same renewal schedule.
- GPS Geotab devices are used in ARCA vehicles to assist with data collection and oversee safety.
 - These GPS devices are only functional with a monthly monitoring service.
 - We are requesting funding to extend the monitoring service and ensure the continued functionality of the devices.

Operations Profile



11300 Lomas Blvd. NE
Albuquerque, NM 87112
(505) 332-6700

www.ARCASOpeningDoors.org

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ORGANIZATIONAL STRUCTURE

ARCA is governed by a volunteer Board of Directors who assumes fiduciary responsibility, overseeing organizational performance and ensuring quality standards meet or exceed expectations by persons served, funding sources and other stakeholders. The Board reviews and approves strategic plans as well as organizational policies and procedures. To ensure sound fiscal practices, the Board reviews and approves annual budgets, monitoring financial performance through monthly financial statements and annual audit reports.

Board members maintain current knowledge in the field of IDCD, including governance issues on the Federal and State level, and are able to communicate ARCA's mission, goals and accomplishments to community partners, legislators and funding entities. The ARCA Board of Directors hires and evaluates the President/CEO and ensures membership within the board committees and advisory councils.

ARCA utilizes a team-centric leadership approach to organizational management. This includes the President/CEO and members of a Leadership Team, who work with the Board of Directors to update status on organizational performance, introduce information and seek approval as needed.

MISSION STATEMENT

"Working together to open doors for people with intellectual, developmental and cognitive disabilities to be valued members of the community."

BRIEF DESCRIPTION OF TRANSIT PROGRAM

Route Design

ARCA provides on-demand transportation services to a variety of community locations as needed and requested by persons receiving services and in accordance with their personal schedules.

On-demand transportation is a vital resource for people with intellectual, developmental and cognitive disabilities (IDCD) who do not otherwise have the means or knowledge to utilize fixed-route systems to attend and participate in medical, dental, therapeutic, vocational, educational, social and recreational activities.

ARCA's Smart Living Program (SLP) provides travel training and technological support for individuals with IDCD to develop the necessary skills to utilize fixed-route

services and increase overall independence. ARCA's transportation services are primarily provided in the Albuquerque Metropolitan area and extend to locations outside of this region as needed to maximize mobility through transportation support for people receiving services.

Schedule (Days and Hours of Operation)

ARCA's operations are community-based and drivers may be required at any time round-the-clock. Transportation is available to persons receiving services 24 hours a day, seven days a week, 365 days a year. Participants in ARCA's Smart Living Program receive training in accordance with their individual schedules and needs.

Fare Structure

No ride fee is charged for travel in agency or staff vehicles. Participants in ARCA's Smart Living Program may be charged a monthly device rental fee.

Advertising/Marketing

There is no advertising or marketing for transportation in agency vehicles. We have a brochure for our Smart Living Program.

See ATTACHMENT:

A – Smart Living Brochure

ADMINISTRATIVE & OPERATIONS EMPLOYEES

ARCA policies apply equally to Administrative and Operations Employees, though not all positions require employees to be approved drivers. An approved driver is someone who meets the criteria specified in agency policies. The role of an approved driver is to transport passengers safely, courteously and reliably in accordance with his or her training. Approved drivers may operate agency-owned and/or personal vehicles.

Titles and Job Descriptions

The majority of approved drivers are Instructors, Supervisors and Managers. Their main responsibility is to ensure the health, safety and happiness of the people they are supporting in alliance ARCA's Mission, Vision and Core Values. Additionally, ARCA employs a Vehicle Coordinator and a Risk & Safety Compliance Specialist who oversee compliance with specific vehicle and safety policies for the agency.

See ATTACHMENT:

B – ARCA Personnel Policies and Procedures 4.4 Job Descriptions

Hiring Procedures

ARCA's Human Resources (HR) Department is tasked with hiring employees and maintaining personnel files. Employees submit bids on open positions within the agency and are hired into those positions by the corresponding Supervisor, Manager or Director. All employees acknowledge their status as an approved driver is contingent on possession of a valid driver's license and approval for coverage by the agency's insurance company, or valid insurance and safe conditions of a personal vehicle if using for work-related purposes. ARCA's insurance company pulls employee driving records on a monthly basis and provides this information to HR, who updates approved driver status accordingly.

See ATTACHMENTS:

- C** – ARCA Personnel Policies and Procedures 4.2 Hiring
- D** – ARCA Policy #2.8 Transportation

Training Plan/Record Keeping Policy and Procedures

ARCA drivers complete Defensive Driving on an annual basis and receive individual specific training as required by the Individual Service Plan. ARCA's Training Department oversees all employee trainings and training records. Other agency records are maintained in accordance with specific department policies.

See ATTACHMENTS:

- E** – ARCA Policy #1.5 Employment, Orientation and Training of ARCA Staff/Family Provider Contractors
- F** – ARCA Policy #1.8 Confidentiality, Maintenance and Destruction of Records

Code of Conduct Policy (includes Drug & Alcohol Policy)

See ATTACHMENT:

- G** – ARCA Personnel Policies and Procedures, Section 4 Employee Conduct

VEHICLE FLEET

ARCA's fleet is currently comprised of 104 vehicles, varying in size and accessibility according to the needs of the individuals being served. Vehicles include wheelchair-accessible vans and buses, vans with ramps and sedans. As the needs of the people being served change, vehicles require modifications and adaptations, such as special steps, oxygen tie-downs and/or extra on-board room for adaptive aids. Staff also utilize privately-owned vehicles as needed to meet the specialized transportation needs of people in ARCA programs.

BlackCat Grant Management System

All ARCA vehicles are added to the BlackCat Grant Management System and updated in the system according to NMDOT requirements, including manufacturer recalls and accident reporting.

Maintenance Schedules

ARCA uses full synthetic oil which allows the agency to operate at 6,000 miles between intervals as per manufacturer guidelines. ARCA's preventive maintenance intervals are 6 months or 6,000 miles. For vehicles with lifts and powered ramps, the preventive maintenance schedule is every 750 cycles.

Each ARCA location is responsible for scheduling preventive maintenance for their assigned vehicle in accordance with these intervals. The ARCA Vehicle Coordinator tracks maintenance from monthly vehicle safety inspections, maintenance invoices and annual vehicle safety inspections.

Maintenance is performed by the dealership (Ford, Dodge, Chevrolet and Creative Bus Sales) if vehicle has a warranty. All other maintenance is performed by American Auto Clinic/Creative Bus Sales, who refer to manufacturer recommendations for preventive maintenance. ARCA vendors check manufacturer recommendations and requirements during every safety inspection and perform maintenance in accordance with the manufacturer's mileage interval standards.

Inspection Procedures

Each time an employee drives an ARCA owned vehicle he/she will conduct a 360 walk-around. Each location has a designated Safety Assistant, who is responsible for completing a Monthly Vehicle Safety Inspection Form. When malfunctions and/or defects are identified on this form, the Vehicle Coordinator is notified and an appropriate plan of action is created and followed.

See ATTACHMENTS:

- D** – ARCA Policy #2.8 Transportation, Section 2.8.5
- H** – Vehicle Safety Inspection Form
- I** – Annual Vehicle Safety Inspection Form

Fleet Replacement Plan for FY21

ARCA vehicles travel an average of about 10,000 miles per vehicle per year. Agency vehicles are scheduled to be replaced on a ten (10) year cycle, though some vehicles may require earlier replacement according to their usage. ARCA follows the NMDOT replacement schedule of seven (7) years or 150,000 miles for 5310 vehicles.

In FFY 2021, at least seven (7) vehicles in ARCA's current fleet will meet both age and mileage replacement criteria. Four (4) of these are NMDOT vehicles. For FY21, we are seeking to replace two (2) of these vehicles.

ACCIDENT/INCIDENT REPORTING PROCEDURES

In accordance with ARCA's Transportation policy, ARCA has established procedures, forms and best practices for driving incidents.

See ATTACHMENTS:

- J** – Driving Incident Procedures
- K** – Vehicle Accident Report
- L** – Vehicle Evacuation Best Practices

PASSENGER CONDUCT POLICY

ARCA provides transportation to people with IDCD who may require intensive behavioral supports. All staff receive training in the Mandt System®, which focuses on healthy relationships to prevent, de-escalate and intervene when the behavior of an individual poses a threat of harm to themselves and/or others. Additionally, staff are trained on individual Positive Behavior Support Plans (PBSPs) to appropriately support each person at all times.

See ATTACHMENTS:

- M** – Transportation Guidelines
- N** – ARCA Policy #3.6 Behavior Support Methodologies

ATTACHMENTS

- A:** Smart Living Brochure
- B:** ARCA Personnel Policies and Procedures Section 1, 4.4 Job Descriptions
- C:** ARCA Personnel Policies and Procedures Section 1, 4.2 Hiring
- D:** ARCA Policy #2.8 Transportation
- E:** ARCA Policy #1.5 Employment, Orientation and Training of ARCA Staff
- F:** ARCA Policy #1.8 Confidentiality, Maintenance and Destruction of Records
- G:** ARCA Personnel Policies and Procedures, Section 4 Employee Conduct
- H:** Vehicle Safety Inspection Form
 - I:** Annual Vehicle Safety Inspection Form
- J:** Driving Incident Procedures
- K:** Vehicle Accident Report
- L:** Vehicle Evacuation Best Practices
- M:** Transportation Guidelines
- N:** ARCA Policy #3.6 Behavior Support Methodologies



I can manage my life.

ARCA's SMART Living program teaches the skills necessary to maximize independence using assistive technology. Our program utilizes a person-centered approach customized to each person's needs, enhancing quality of life through task analysis, scheduling assistance, visual and/or auditory aids, in-home training sessions, field training, GPS programs and more.

Opening Doors.

Since 1957, ARCA has been dedicated to supporting individuals with intellectual, developmental and cognitive disabilities through customized, multi-disciplinary care based on each person's unique needs.

ARCA's SMART Living program is **designed to help people maximize their independence through individualized tools and support.** Whether you need instructions about daily medication schedules, auditory reminders of scheduled activities or help navigating public transportation, our programs and services have been developed over time to encourage independence and instill the confidence needed to live your best life.



CONTACT:
Keely Frazier
SMART Program Manager

(505) 573-0249
KFrazier@ARCASpirit.org



11300 Lomas Blvd. NE
Albuquerque, NM 87112
(505) 332-6700

www.ARCASpirit.org

FOLLOW US!





ARCA's **SMART Living** program • Designed to help people maximize their independence.

SMART Day

ARCA's **SMART Living** program instills safety and self-confidence in every day activities through:

- Technology Training
- Scheduling Assistance
- Reminders / Alerts
- Money Management
- Goal Setting / Task Lists
- Visual Guides / Instructions
- Auditory Guides / Instructions
- Social Etiquette
- Emergency Procedures

Customized programing of smart devices for each individual's needs, from medication alerts to visual reminders on how to complete a task, creates opportunities to maximize independence.



A step by step approach

ARCA's **SMART Living** program uses a person-centered approach to build a foundation for success. From one-on-one assessments to comprehensive training, our goal is to maximize independence through assistive technology.

1 Assessments identify an individual's knowledge, abilities and goals. Results are used to customize the program for the individual to ensure its success.

2 Task Analysis and Scheduling Assistance identifies the actions and cognitive processes required of a user to complete a task or achieve a particular goal and enhance the flow of an individual's day.

3 In-Home Training increases understanding of our customized assistive technology in an environment that feels safe to the individual.

4 Field Training occurs once an individual shows a comprehensive understanding of their device and includes expanded lessons in safety, self-advocacy rights, financial skills and bus and train etiquette. Emergency situations, such as a lost or broken device, are addressed to provide individuals with the tools needed to work through challenging situations.

5 Follow Up after training is complete ensures an individual's continued success and safety. Updates are made to devices and schedules and added supports are provided as needed.

SMART Travel

ARCA's **SMART Living** program provides essential skill-building, training and support for individuals in:

- Navigating the public transit system
- Budgeting
- Safety
- Planning Routes and Schedules
- Communication & Social Behavior
- Identifying Traffic Signs
- Emergency Procedures

Instruction includes developing preprogrammed routes, schedules and cognitive cues enabling individuals to successfully and safely navigate the public transit system.



CONTACT: **Keely Frazier**
SMART Program Manager

(505) 573-0249
KFrazier@ARCASpirit.org
ARCAOpeningDoors.org

ARCA Personnel Policies and Procedures**4.4 JOB DESCRIPTIONS**

Job descriptions for all positions are available at the Human Resource Office. All employees shall be provided a copy of the job description for his/her position. Job descriptions shall be reviewed periodically and updated as needed to reflect appropriate changes or modifications in qualifications, job duties and responsibilities. The job descriptions are not intended to be all-inclusive and may change according to work location, shift and the needs of the people we serve.

ARCA Personnel Policies and Procures

4.2 HIRING

The Board of Directors is authorized to hire a President and CEO to direct the day-to-day operations of the Association. Responsibility for screening, interviewing, and employing all other personnel is vested in the President and CEO, who may delegate this responsibility to the Directors or other designated staff.

Candidates for all positions are required to fully complete all parts of the organization's job application form. Incomplete applications may not be considered for employment. The completed application form shall include the names, addresses, and telephone numbers of previous employers and supervisors, and the names and telephone numbers of professional references.

All applicants for employment shall be subject to verification of their background and credentials and a statewide and nationwide criminal history screening. Applicants with unsatisfactory references, background verification, or criminal history screening shall not be considered for employment with ARCA. Omissions or falsification of information provided during the application process shall result in rejection of the application and consideration for employment, or shall result in discharge after hire. The results of all background verification, reference checks, and criminal history screening shall be kept confidential.

ARCA

Section 2. Organizational Supports

Policy #2.8 - Transportation

Purpose: To assure that ARCA provides safe and reliable transportation for individuals receiving services and that these services meet all pertinent federal, state, and local laws, regulations, and codes pertaining to transportation.

Policy Statement:

- 2.8.1 ARCA shall establish and implement procedures to ensure that all drivers are properly licensed, insured, and meet applicable legal requirements.
- 2.8.2 ARCA shall establish and implement procedures to ensure that all agency-owned vehicles are properly registered, insured, and meet applicable legal requirements.
- 2.8.3 ARCA shall establish and implement procedures to ensure that all agency-owned vehicles are equipped with adequate supplies, information, and equipment as defined by health and safety authorities to deal with emergencies.
- 2.8.4 ARCA shall establish and implement procedures to ensure that all staff are trained on how to safely provide transportation and address emergencies and accident procedures
- 2.8.5 ARCA shall establish and implement procedures to ensure that agency owned vehicles are inspected on a regular basis and maintained in a safe manner.
- 2.8.6 ARCA requires any staff using their personal vehicle to transport individuals receiving services to maintain current vehicle insurance coverage, provide the HR Department with proof of vehicle insurance, and maintain their vehicle in a safe and reliable manner as defined by local and state law. The drivers’ licenses and proof of vehicle insurance for family based contractors shall be maintained in the family provider file.

Most Recent Approval by ARCA Board of Directors

Date: October 4, 2017

Initial Approval by ARCA Board of Directors

Date: April 24, 2002

Procedures for Transportation

- 2.8.1 ARCA requires each person with driving responsibilities to have a current and valid driver's license and maintain a good driving record as determined by the organization's liability insurance carrier. A copy of each staff's driver's license is maintained in the person's personnel file located in the Human Resources Office while copies of family based contractor driver's documentation is located in the family provider file.
- 2.8.2 ARCA maintains current copies of vehicle titles, registrations, and insurance paperwork on each of its vehicles as required by applicable law. A copy of vehicle registration and insurance paperwork is kept in each vehicle and a duplicate is maintained at the Property and Transportation office. The ARCA Vehicle Coordinator will ensure that all vehicle paperwork is maintained and renewed as required.
- 2.8.3 ARCA assures that all agency owned vehicles are equipped with proper safety equipment including, but not limited to:
- a) Seat belts for all drivers and passengers which must be used when vehicle is in motion. ARCA provides wheelchair tie downs and wheelchair lifts and/or ramps as needed. Staff receive specific training on the safe use of vehicles and equipment during home safety orientation;
 - b) Fire extinguisher, first aid kit and bodily fluid clean-up kit. These are maintained and inspected monthly and staff are trained on how to use these safely during orientation and as needed;
 - c) A vehicle information book in each of its vehicles. The book includes emergency and evacuation information, emergency telephone numbers, vehicle information, and inspection information. Staff receive training on the contents and use of the vehicle information at orientation and as needed.
 - d) Oxygen cylinders carried on ARCA vehicles are provided with a designated space and there is a method for securing the cylinders. ARCA Property & Transportation Department staff will install cylinder stands in ARCA vehicles. Staff must ensure that when individuals have sling or backpack style supplemental oxygen delivery systems that the oxygen delivery system is secured during transport. Oxygen tanks may not be placed on a seat or left unattended.

- 2.8.4 ARCA staff/contractors are required to attend and pass a Defensive Driving Course to ensure they provide safe transportation. They receive an initial vehicle orientation including driving, which they must pass. ARCA staff and contractors receive training on the use of emergency equipment and evacuation procedures including the use of fire extinguishers and providing first aid. ARCA staff and contractors providing transportation in vehicles equipped with wheelchair lifts, ramps, and tie downs receive additional training on their safe use. All staff will receive training on how to provide assistance to individuals with boarding and exiting vehicles. This training will include the identification of safe locations for boarding and disembarking passengers and accident procedures.
- 2.8.5 Designated staff at each agency owned service location inspects agency owned vehicles on a monthly basis and writes a plan of action for any item that requires attention. The vehicle inspection reports are submitted monthly to the ARCA Vehicle Coordinator.
- 2.8.5.1 Each time an employee drives an ARCA owned vehicle he/she will conduct a 360 degree walk-around of said vehicle to assess and report damage, observe obstructions, and observe the environment for safety concerns, eg. child in area.
- 2.8.5.2 Each time an employee drives an ARCA owned vehicle that has a wheelchair lift he/she will cycle and test the wheelchair lift before each vehicle run that will utilize the lift.
- 2.8.6 ARCA requires that all ARCA staff/contractors using personal vehicles to transport individuals receiving services to have a valid drivers license, proof of vehicle insurance and to maintain their vehicle in a safe and reliable manner as defined by local and state laws.
- 2.8.6.1 ARCA staff/contractors that transport individuals receiving services shall ensure that all passengers use seat belts and that the vehicle is enclosed.

ARCA

Section 1. Organization and Management

Policy #1.5 Employment, Orientation and Training of ARCA Staff/Family Provider Contractors

Purpose: To ensure that ARCA: recruits, manages, develops, and retains qualified and appropriate personnel with the level of experience and education required to meet the needs of the individuals receiving services; provides initial orientation for new employees and family provider contractors and continuing training that fosters professional development and enables employees and family provider contractors to perform their job duties; fulfills requirements for supporting family provider contractors.

Policy Statement:

- 1.5.1 **Employment Practices:** ARCA shall have policies that address hiring, equal opportunity employment, affirmative action compensation and benefits administration, training, employee conduct and absences from work, and general personnel practices. (Refer to ARCA Personnel Policies and Procedures Manual.)
- 1.5.2 **Orientation and Training of Employees and Family Provider Contractors:** ARCA shall develop and conduct an orientation and in-service training program using trainers and staff that have a thorough knowledge of the field of mental retardation and developmental disabilities and experience working under the policies and procedures of the organization.
- 1.5.3 **Training Requirements:** All employees, casual status employees, and family provider contractors shall receive pre-service orientation training and on-going in-service training throughout their employment, or term of contract for family provider contractors, as required by the New Mexico, Developmental Disabilities Supports Division (DDSD). Participation in ongoing training is the responsibility of the employee or family provider contractor.
- 1.5.4 **Recordkeeping:** ARCA shall maintain systematic processes to document orientation and in-service training of employees and family provider contractors.

Most Recent Approved by ARCA Board of Directors

Date: August 1, 2018

Initial Approval by ARCA Board of Directors

Date: August 25, 1982

Procedures for Policy #1.5 - Orientation and Training of ARCA Staff

- 1.5.1 Refer to the ARCA Personnel Policies and Procedures Manual.
- 1.5.2 The President/CEO or designee shall ensure that ARCA utilizes qualified trainers in accordance with all applicable regulatory standards.
- 1.5.3 All new employees, casual status employees, and family provider contractors, shall receive training that includes but is not limited to:
 - 1.5.3.1 The history, philosophy, mission, organizational values and structure, policies, procedures, record keeping, incident reporting, and practices of the organization.
 - 1.5.3.2 A review of their job description and responsibilities for employees or their contract requirements for family provider contractors.
 - 1.5.3.3 An overview of developmental disabilities, developmental programming, behavioral principles based on a New Mexico DDS approved behavioral intervention system, person centered planning, confidentiality, the HIPAA Privacy Act, health foundation basics, medication, and CPR/first aid.
 - 1.5.3.4 A review of OSHA, safety and emergency procedures.
 - 1.5.3.5 A review of the organization's policies and procedures on abuse, neglect and exploitation to ensure that individuals served are treated with respect, dignity, and positive regard for their rights as citizens.
 - 1.5.3.5.1 The NM DDS Incident Management System (Refer to 7.1.13 NMAC).
 - 1.5.3.6 Family provider contractors shall receive training that is specific to the service contract from qualified personnel.
 - 1.5.3.7 All employees/family provider contractors shall achieve competency through testing in pre-service, orientation, and appropriate individual specific training prior to working alone with an individual with a developmental disability.
 - 1.5.3.8 ARCA will provide appropriate individual specific training to all employees and ongoing in-service training opportunities to all employees/family provider contractors to develop, maintain, and advance their knowledge and competence in meeting the needs of the individuals served, and all other training necessary to comply with all regulatory standards.

- 1.5.3.9 The employee is informed about training requirements during initial orientation, trainings, staff meetings, and performance evaluations. The employee's performance evaluation shall include the employee's training goals.
- 1.5.4 Documentation of the employee's training shall be included as part of the employee's electronic personnel records. Documentation of the family provider contractor's training shall be included in the Family Provider file.
 - 1.5.4.1 The employee's orientation and in-service training will be documented by the trainer and/or their supervisor.
 - 1.5.4.2 The family provider contractor's orientation and in-service training will be documented by the family provider contractor's Program Manager.

ARCA

Section 1. Organization and Management

Policy #1.8 Confidentiality, Maintenance and Destruction of Records

Purpose: To provide for proper storage, retention and destruction, adequate accessibility, and proper release of all paper and electronic records; and to protect the confidentiality of records in compliance with HIPAA and other requirements.

Policy Statement:

- 1.8.1 ARCA shall establish a standardized electronic and hardcopy case record for each individual served and each family provider. ARCA shall develop procedures to ensure the timely and proper documentation of case records.
- 1.8.2 ARCA shall establish procedures to ensure the proper storage and security of case records of individuals' served and family providers and administrative records, whether records are manually or electronically maintained.
- 1.8.3 ARCA shall establish procedures to control the accessibility and dissemination of information, including procedures that protect the privacy and confidentiality of ARCA's information in accordance with applicable federal and state laws and policies including, but not limited to:
- Health Insurance Portability and Accountability Act (HIPAA), and the Health Information Technology for Economic and Clinical Health (HITECH) Act,
 - Department of Health and Human Service Health Information Privacy,
 - New Mexico Inspection of Public Records Act,
 - Internal Revenue Service

Records shall be removed from the agency only in accordance with court order, subpoena or state statute, or established record retention protocols.

- 1.8.4 ARCA shall establish procedures for record retention and destruction that comply with all federal and state laws including adequate internal controls which include proper notification of both leadership and employees of a potential or actual litigation, external audit, investigation or similar proceedings, or potential breach that could affect normal record maintenance.

Most Recent Approval by ARCA Board of Directors

Date: August 1, 2018

Initial Approval by ARCA Board of Directors

Date: February 23, 1983

Procedures for Policy #1.8 – Confidentiality, Maintenance and Destruction of Records

1.8.1 ARCA shall determine the essential components of the case record that document the services provided to each individual.

1.8.1.1 The content of case records shall include, but is not limited to the following:

application forms – referral form, client intake application, admission
social – social history, individual profile, face sheet,
psychological – psychiatric consultation, behavior evaluations,
psychological evaluations,
medical – physical exams, physician orders and progress notes, laboratory
results,
dental – dental exam, sedation for dental work, oral surgery progress notes
employment - internal observation reports, performance evaluations, service
reports, and other appropriate evaluations and/or assessments;
correspondence – release of information, letters, faxes, emails
consents – consent to emergency medical treatment, medication
administration consent,
grievance;
rights;
releases and agreements;
other provider agency forms and reports as required;
program plan;
an **accounting of all services and program transactions** pertaining to
admission, training, transfer, discharge and follow-up from program
component services.

1.8.1.2 All reports and other case record documents generated by ARCA staff shall be dated and signed and carry the title of the author. Reports will be reviewed by supervisors to ensure that case information is clearly, concisely, completely and promptly recorded.

1.8.1.3 Consultative assistance and regular in-service training will be provided to ARCA staff to ensure proper management of the case records of the individuals served.

1.8.1.4 The Electronic Case Record Supervisor shall routinely report the status of the case records to ensure that each case record is kept current.

1.8.1.5 If the organization changes ownership or closes, the case records shall be kept secure and confidential until such time as they are destroyed or legally transferred to another entity.

1.8.2 Administrative and case records will be properly stored and maintained to ensure the security and integrity of the record. Security of electronic records is addressed in IT Procedures Manual, Chapter 7.

1.8.2.1 Administrative records include, but are not limited to corporate, financial, human resource, insurance and legal. Administrative records:

1.8.2.1.1 Electronic and hardcopy records will be kept secure at all times based on applicable federal and state laws.

1.8.2.1.1 Both paper and electronic files shall be indexed, filed and accessed consistent with recognized industry standards.

1.8.2.1.2 Permission and access to electronic and hardcopy case records will be established by the leadership of the organization.

1.8.2.2 Case Records:

1.8.2.2.1 Shall be maintained according to a standardized system of record keeping. The files or offices that files are stored in shall be secured..

1.8.2.2.2 Each individual who resides in a supported or supervised living setting has a case file that is accessible at his/her residence.

1.8.2.2.3 The case record will be made available to the individual served or legal guardian, upon request. The individual served or their legal guardian has the right to receive copies of any information and to submit clarifying or correcting statements and other documentation for inclusion with the confidential information.

1.8.2.2.3 When a physician or other mental health or developmental disabilities professional believes, and notes in the medical records that such disclosure would not be in the best interest of the individual served, the denial of access to such records will occur. In such case, the individual served shall have the right to petition the court for an order granting such access.

1.8.2.2.4 Access shall be limited to those employees listed on the Access to Case Records Authorization list. Access to all of ARCA's computer files is addressed in IT Procedures Manual.

1.8.3 All information regarding potential, current, or inactive status of individuals served by ARCA, whether generated by ARCA or properly released from external sources to ARCA, will be privileged and confidential. ARCA shall comply with all applicable laws for confidentiality and access of ARCA's administrative records.

18.3.1 Information in the case record will be released or transmitted only upon receipt of proper written consent from the individual served or his/her legal guardian, consistent with New Mexico Statutes and the HIPAA Privacy Act.

1.8.3.1.1 Consent from the individual served, parents, or legal guardian to release or transmit confidential information shall not be required in circumstances outlined in New Mexico Statutes.

- 1.8.3.1.2 The individual served is considered to be able to give consent to release of confidential information unless a Court of Competent Jurisdiction or a qualified professional, along with the Interdisciplinary Team (IDT) has determined that the individual is incapable of giving or withholding valid consent, in which case ARCA shall facilitate guardianship issues. Refer to Guardianship Policy #3.10.
- 1.8.3.1.3 The three elements of consent (capacity, information, and voluntariness), shall be carefully considered when assessing whether an individual served can give consent. ARCA shall help the individual carefully consider whether information to be released presents a degree of risk or intrusiveness to the individual served, and/or if the information to be released will have an irreversible effect on the individual served.
- 1.8.3.1.4 If it is determined that the individual served can give consent, then ARCA will respect the wishes and judgment of the individual regarding the release of confidential information.
- 1.8.3.1.5 A Release of Information form will be completed to record the release or transmission of confidential information and a copy of the form will be placed in the Correspondence section of the case record.
- 1.8.3.1.6 Information received from another source about a person served is to be treated as confidential and can be used only for the purpose it was intended and cannot be disclosed without written consent.
- 1.8.3.1.7 The individuals served will be ensured confidential treatment of all information contained in the records, including information that may be contained in an automated data bank. The individual will be informed of his/her right to confidential treatment of all information contained in his/her record.
- 1.8.3.1.8 All ARCA employees shall receive training on the definition and maintenance of confidentiality of the records of individuals served and the HIPAA Privacy Act.
- 1.8.3.1.9 ARCA shall limit access to individual records to authorized staff, but does not preclude access to representatives of State and Federal regulatory agencies, or properly served subpoena duces tecum.
- 1.8.3.2 ARCA shall release corporate records according to all applicable laws, including but not limited to:
- 1.8.3.2.1 ARCA shall comply with IRS regulations regarding release of Forms 1023 and 990.
- 1.8.3.2.2 ARCA shall comply with NM State's public records law.

- 1.8.3.2.3 Refer to Personnel Policy 4.15 for policies governing access to and release of employee records.
- 1.8.4 Procedures for ARCA's record retention and destruction shall be based on federal and state law/s as they pertain to each division/department. See Appendix 1.8 A for details of retention and destruction.
 - 1.8.4.1 ARCA will keep a record of document destruction for all items outlined in Appendix 1.8 A by utilizing the Approval for and Certificate of Destruction of Records Form.
 - 1.8.4.2 Any ARCA employee or contractor that becomes aware of potential or actual litigation, external audit, investigation or similar proceedings that would cause an exception to the record maintenance listed in 1.8 Appendix A shall contact the President/CEO.
 - 1.8.4.3 Any document related to a potential or actual litigation shall not be destroyed until the litigation has been resolved. After complete resolution of any potential litigation related records shall be maintained or destroyed according to Appendix 1.8 A. After complete resolution of any actual litigation related records shall be destroyed 10 years after the date of the court resolution of the case or according to 1.8 Appendix A, whichever is longer.

Appendix 1.8 A

ARCA Records Retention and Destruction Schedule

Record Category	Retention Location and Item	Retention Period One Copy of each record
<i>Corporate Records</i>	<i>Corporate Records are retained in the Finance or Office Support Department or archive facility.</i>	
<i>Corporate Records</i>	Annual Report	Permanent
<i>Corporate Records</i>	Annual Reports to Secretary of State/Attorney General (Routine, interim, or progress reports)	2 years after close of fiscal year in which created
<i>Corporate Records</i>	State Corporation Reports (to PRC)	Permanent
<i>Corporate Records</i>	Bylaws and Articles of Incorporation (located in Lomas front office Coordinator's office)	Permanent
<i>Corporate Records</i>	ARCA Board of Directors (BOD) Required Documentation (Commitment to Serve, etc.)	Permanent while in service. Archive 3 years after BOD leaves.
<i>Corporate Records</i>	ARCA Board Packets	Permanent
<i>Corporate Records</i>	Board and Committee meeting agendas and minutes (located in Lomas front office Coordinator's office)	Permanent
<i>Corporate Records</i>	Board Policies/Resolutions	Permanent
<i>Corporate Records</i>	Construction Documents	Permanent
<i>Corporate Records</i>	IRS Application for Tax-Exempt Status (Form 1023)	Permanent
<i>Corporate Records</i>	IRS Determination Letter	Permanent
<i>Corporate Records</i>	State Sales Tax Exemption Letter (located in Lomas front office Coordinator's office)	Permanent
<i>Corporate Records</i>	Contracts (after expiration) (located in Lomas front office Coordinator's office)	6 years after termination of contract or agreement
<i>Corporate Records</i>	Correspondence (general) (routine correspondence created or retained below the levels of agency director, deputy director and division director. Letters and memoranda reflect communication regarding program procedures, general work activities, and responses to information requests.)	One year after close of fiscal year in which created Legal correspondence - permanent
<i>Corporate Records</i>	Property Tax Notices (ARCA), Property Tax Bills (ARCA), Property Tax Exempt Applications	Permanent
<i>Corporate Records</i>	Non Taxable Transactions Certificate	Permanent
<i>Corporate Records</i>	Document Destruction Form	Permanent
<i>Insurance Records</i>	<i>Insurance Records are retained in the</i>	

Record Category	Retention Location and Item	Retention Period One Copy of each record
	<i>Human Resources or Finance Department or archive facility.</i>	
<i>Insurance Records</i>	Insurance Policies and Claims (medical, dental, general liability, property, Directors, Officers, etc.) Records concerning insurance coverage of agency property (building and contents, equipment, automobiles, etc)	Permanent Agency property: 10 years after expiration of policy provided no claims or suits pending Claim files: 3 years after case closed
<i>Real Estate</i>	<i>Real Estate Records are retained in the Finance Department</i>	
<i>Real Estate</i>	Real Property Escrows, Deeds	Permanent Transfer to archives 10 years after final disposition of property.
<i>Real Estate</i>	Appraisals	Permanent Transfer to archives 10 years after final disposition of property.
<i>Real Estate</i>	Mortgages/Notes	Permanent Transfer to archives 10 years after final disposition of property.
<i>Real Estate</i>	Lease and Rental Contracts	6 years after termination of lease then transfer to archives for appraisal and final disposal
<i>Accounting and Corporate Tax Records</i>	<i>Accounting and Corporate Tax Records are retained in the Finance Department or archive facility.</i>	
<i>Accounting and Corporate Tax Records</i>	Annual Audited Financial Statements	Permanent
<i>Accounting and Corporate Tax Records</i>	Interim Financial Statements (Routine, interim, or progress reports)	2 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	Depreciation Schedules	Permanent
<i>Accounting and Corporate Tax Records</i>	IRS Correspondence: <ul style="list-style-type: none"> • Assignment of ID #s • Private letter rulings 	10 years after close of tax year in which created
<i>Accounting and Corporate Tax</i>	IRS 990 + 5500 + 1041 Tax Returns	10 years after the close of the tax year in which created, provided no liability exists

Record Category	Retention Location and Item	Retention Period One Copy of each record
<i>Records</i>		
<i>Accounting and Corporate Tax Records</i>	IRS Forms 1099 + 1096	10 years after the close of the tax year in which created, provided no liability exists
<i>Accounting and Corporate Tax Records</i>	Journal Entries (agency machine or hand posted records of original financial entry transactions routinely organized by account type (i.e., encumbrances, vouchers, deposits, transfers, etc.))	6 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	Invoices (vendor)	6 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	Sales Records (concessions, gift shop, greenhouse operations)	6 years after close of fiscal year in which invoice is paid
<i>Accounting and Corporate Tax Records</i>	Petty Cash Vouchers	Until audit report released
<i>Accounting and Corporate Tax Records</i>	Cash Receipts (records concerning the purchase and payment of goods/services provided by the agency. File may include buyer's purchase documents, copy of agency's invoice, correspondence, memoranda, etc.)	6 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	Credit Card Receipts	6 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	General Ledgers (department machine or hand posted books of final entry.)	6 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	Fixed Asset records (records concerning holdings of furniture and equipment. Record shows item description, item location, identification number, serial number, model number, date of acquisition, original cost, etc.)	6 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	Business Expense Records	6 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	Chart of Accounts	Permanent
<i>Accounting and Corporate Tax Records</i>	Intermediate Care Facility (ICF) cost reports	Each ICF-MR provider shall maintain financial and statistical

Record Category	Retention Location and Item	Retention Period One Copy of each record
<i>Records</i>		records of the period covered by a cost report for a period of not less than four years following the date of submittal of the cost report to the state agency. These records must be accurate and in sufficient detail to substantiate the cost data reported.
<i>Accounting and Corporate Tax Records</i>	Check Registers (canceled or voided checks issued for payment of goods and/or services. Information includes date, check number, to whom paid, amount, signature of finance officer, etc.)	Canceled checks: 6 years after close of fiscal year in which created Voided checks: until audit report released
<i>Accounting and Corporate Tax Records</i>	Bank Deposit Slips	6 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	Bank Statement and Reconciliation	6 years after close of fiscal year in which created
<i>Accounting and Corporate Tax Records</i>	Billing – Remittance Advice (RA)	All Medicaid account records: at least 6 years or in case of an audit, until the audit is completed
<i>Accounting and Corporate Tax Records</i>	Financial Records for Persons Served	6 years after death or discharge from our agency. Permanent for Jackson Class members 100 years from date of birth or for sibling group 100 years from the youngest child's date of birth
<i>Accounting and Corporate Tax Records</i>	Electronic Fund Transfer documents	7 years
<i>Accounting and Corporate Tax Records</i>	Unclaimed Property records	10 years
<i>Payroll and Employment Tax Records</i>	<i>Payroll and Employment Tax Records are retained in the Human Resources Department or archive facility.</i>	
<i>Payroll and Employment Tax Records</i>	Retirement and pension records	Permanent
<i>Payroll and Employment Tax</i>	Payroll Registers	Permanent

ARCA FFY21 5310 Application

Record Category	Retention Location and Item	Retention Period One Copy of each record
<i>Records</i>		
<i>Payroll and Employment Tax Records</i>	State Unemployment Tax Records	Permanent
<i>Payroll and Employment Tax Records</i>	Earnings Records	7 years
<i>Payroll and Employment Tax Records</i>	Garnishment Records	7 years
<i>Payroll and Employment Tax Records</i>	Payroll Tax Returns	7 years
<i>Payroll and Employment Tax Records</i>	W-2 statements	Permanent
<i>Donor and Grant Records</i>	<i>Donor and Grant Records are retained in the Foundation Administrator's office and/or the Grant Manager's office</i>	
<i>Donor and Grant Records</i>	Donor Records and Acknowledgement Letters	7 years
<i>Donor and Grant Records</i>	Funded Grant Applications	7 years or as specified
<i>Case Records</i>	<i>Case Records are retained in the Case Records Department or archive facility.</i>	
<i>Administrative Record</i>	Incident and Abuse, Neglect and Exploitation records	6 years from the date of incident Permanent for Jackson Class members
<i>Administrative Record</i>	Med Error Reports	6 years from the date of incident Permanent for Jackson Class members
<i>Administrative Record</i>	Audit documentation (includes CMS, QMB, CPR, Life Safety Surveys, Licensing Reviews)	7 years Permanent for Jackson Class members
<i>Case Records</i>	Referrals for individuals not admitted into ARCA services	18 months from date of last contact.
<i>Case Records (ICFMR, Waiver, SGF and Private</i>	<ul style="list-style-type: none"> • Photo and Marketing Release • Individual Specific Training Signature Sheets. 	Permanent

Record Category	Retention Location and Item	Retention Period One Copy of each record
<i>Pay)</i>		
<i>Case Records (ICFMR, Waiver, SGF and Private Pay)</i>	<ul style="list-style-type: none"> • Application forms (includes referrals for individuals admitted, client intake application, admission agreement, identification documents) • Eligibility Determination (including determination letter, psychological evaluation, MAD 381, freedom of choice) • Legal Documents (includes guardianship, court orders, trust) • Census & Service Change Forms (accounting of all services and program transactions pertaining to admission, transfer, or discharge) 	<p>6 years after death or discharge from our agency.</p> <p>Permanent for Jackson Class members</p>
<i>Case Records (ICFMR, Waiver, SGF and Private Pay)</i>	<ul style="list-style-type: none"> • Social History • Resume • Social Security Documents (includes check stubs, award letters) • HIPAA Consent • Incident Report Orientation Packet Acknowledgement 	
<i>Case Records (ICFMR, Waiver, SGF and Private Pay)</i>	<ul style="list-style-type: none"> • Social (includes individual profile, face sheet, photo) • Psychological (includes psychiatric consultation, behavior evaluations, human rights) • Medical (includes physical exams, physician orders and progress notes, laboratory results, nursing notes, emergency or health care plans, nursing assessments, nutritional, MAR) • Dental (includes dental exam, sedation for dental work, oral surgery progress notes) • Employment (includes internal observation reports, performance evaluations, service reports and other appropriate evaluations and/or assessments) • Correspondence (includes release of information, letters, faxes, emails) • Consents (includes consent to emergency medical treatment, medication administrative consent) 	<p>7 years</p> <p>Permanent for Jackson Class Members</p>

Record Category	Retention Location and Item	Retention Period One Copy of each record
	<ul style="list-style-type: none"> • Grievance • Rights, Releases and Agreements • Other (includes provider agency forms, assessments and reports as required) • Program plan (includes ISP (& individual specific training), ISP reports, therapy reports, assessments, IDT meeting minutes) • Financial Documentation (includes ledgers, bank statements, taxes, receipts, rep-payee reports, housing documents such as Section 8 or HUD) 	
<i>Case Records</i>	DD Waiver Family File	6 years after date of closure of family
<i>Case Records (CYFD Funding)</i>	Child's Record (adoptive)	100 years from date of birth or for sibling group 100 years from the youngest child's date of birth
<i>Case Records (CYFD Funding)</i>	Child's Record (foster)	10 years from the date of case closure
<i>Case Records (CYFD Funding)</i>	Foster Parent Records	10 years after case closure or license expiration
<i>Case Records (CYFD Funding)</i>	Adoptive Parent Records (finalized)	100 years from date of birth or for sibling group 100 years from the youngest child's date of birth
<i>Case Records (CYFD Funding)</i>	Adoptive Parent Records (not finalized)	5 years after the case is closed
<i>Case Records (CYFD Funding)</i>	Agency license	7 years from the date the records were created
<i>Property</i>	<i>Property Department</i>	
<i>Property</i>	Vehicle inspections (internal and external)	Three years or as specified by grant
<i>Property</i>	Vehicle – Sold (Bill of sale and copy of the title)	One year from date of sale
<i>Property</i>	Vehicle – Sold (All documents except Bill of sale and copy of the title)	At point of sale
<i>Property</i>	Home inspections (internal and external)	3 years
<i>Property</i>	Individual's Served Property Lease	3 years
<i>Property</i>	Work orders	60 days
<i>Arts and Entertainment</i>	<i>Arts and Entertainment Administrative Coordinator office</i>	
<i>Arts and Entertainment</i>	Volunteer Applications	2 years

ARCA FFY21 5310 Application

Record Category	Retention Location and Item	Retention Period One Copy of each record
<i>Arts and Entertainment</i>	Seasonal records (ARCA camp, etc.)	2 years
<i>Human Resources</i>	General Personnel Records Current : Lomas HR Office Ex: DOS to 5 years at Lomas Ex: 5 to 10 years at Gun Club Storage	
<i>Human Resources</i>	Correspondence	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Employment application, resume, internal bid forms, interview notes	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Job Descriptions, badge agreements	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Payroll: W4's, Salary Reduction Agreements, Garnishments, Direct Deposit, Child Support Enforcement documents, Income Verification	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Performance Appraisals, commendation/disciplinary actions, professional development plans	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Personnel Action Forms (NOPAs) Hiring Information, Job status changes (i.e. transfers, promotions, raises, evaluations, separation information)	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Policies - signed	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Professional Licenses, Credentials, Education	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	TB Tests and Driver's Licenses	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Training records: Certifications, Tests, Professional Development	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Vital Information Forms	Current EE : Term of Employment Ex-EE:

Record Category	Retention Location and Item	Retention Period One Copy of each record
		10 years
<i>Human Resources</i>	<i>Medical Records: Lomas HR Office</i>	
<i>Human Resources</i>	Bloodborne Pathogens Documentation	Current EE: Outsourced Term of Employment Ex-EE: Outsourced 10 years
<i>Human Resources</i>	Doctor's notes	Current EE: Outsourced Term of Employment Ex-EE: Outsourced 10 years
<i>Human Resources</i>	Drug Tests	Current EE: Outsourced Term of Employment Ex-EE: Outsourced 10 years
<i>Human Resources</i>	FMLA Documents	Current EE: Outsourced Term of Employment Ex-EE: Outsourced 10 years
<i>Human Resources</i>	Job Descriptions with Accommodations	Current EE: Outsourced Term of Employment Ex-EE: Outsourced 10 years
<i>Human Resources</i>	Leave Applications	Current EE: Outsourced Term of Employment Ex-EE: Outsourced 10 years
<i>Human Resources</i>	Worker's Compensation/OSHA	Current EE: Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Medical Records – OSHA: Potential Exposure to Bloodborne Pathogens	Outsourced
<i>Human Resources</i>	Medical Records - OSHA Exposure Records	Term of Employment plus 30 years
<i>Human Resources</i>	<i>Confidential Records Current : Lomas HR Office Ex: DOS to 5 years at Lomas Ex: 5 to 10 years at Gun Club Storage</i>	
<i>Human Resources</i>	Background Check - Criminal records	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Driving Record Checks, Release - permission for periodic check	Current EE : Term of Employment Ex-EE: 10 years

Record Category	Retention Location and Item	Retention Period One Copy of each record
<i>Human Resources</i>	Fingerprint Clearance Letter & Copy of prints	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Past Employer Verifications	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	References	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Release forms	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	<i>Benefit Records: Lomas HR Office</i>	
<i>Human Resources</i>	Health - Invite letters, enrollment forms	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Dental - Invite letters, enrollment forms	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Short Term Disability - enrollment Long Term Disability - enrollment	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Retirement - Invite letters	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	Flexible Spending Account (FSA)	Current EE : Term of Employment Ex-EE: 10 years
<i>Human Resources</i>	<i>HR Administrative Records Lomas HR Office</i>	
<i>Human Resources</i>	I-9's	3 years after the date of hire, or 1 year after the date employment is terminated, whichever is later.
<i>Human Resources</i>	Employee Proof of Auto Insurance	2 years
<i>Human Resources</i>	NM New Hire Reporting	Filed with NM electronically Paper batch records – 7 years

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Record Category	Retention Location and Item	Retention Period One Copy of each record
<i>Human Resources</i>	Applicant Information	2 years
<i>Human Resources</i>	EEO-1 Surveys	2 years, also maintained electronically by EEOC
<i>Human Resources</i>	Fingerprint Reimbursement logs and Check Requests	2 years
<i>Human Resources</i>	Job Descriptions (in binders)	Destroy – maintained electronically
<i>Human Resources</i>	Job Postings (in binders)	2 years – until electronic system has two years of records
<i>Human Resources</i>	OSHA	Five (5) years following the end of the calendar year that the records cover
<i>Human Resources</i>	<i>Training Records</i>	
<i>Human Resources</i>	Sign In Sheets	Permanent
<i>Human Resources</i>	Certifications and Tests - located in personnel file	Current Employees – term of employment. Ex-employees – 10 years
<i>Human Resources</i>	Online Tests - SQL Server	To be determined
<i>Human Resources & Case Records</i>	<i>Legal Records</i>	5 years after final disposition
<i>HUD Files and Audits</i>	<i>Department of Housing and Urban Development (HUD) Files and Audits Lomas Front Office Coordinator's Office</i>	
<i>HUD Files and Audits</i>	HUD Tenant Files	3 years from move-out
<i>HUD Files and Audits</i>	MOR Audits	3 years after audit
<i>HUD Files and Audits</i>	Contract Renewals	3 years
<i>HUD Files and Audits</i>	Occupancy Reports	3 years
<i>HUD Files and Audits</i>	Hap Vouchers	3 years
<i>HUD Files and Audits</i>	Residual Receipts Requests	3 years
<i>HUD Files and Audits</i>	Reserve for Replacement Requests	3 years
<i>HUD Files and Audits</i>	Affirmative Fair Housing Marketing Plan	3 years

Record Category	Retention Location and Item	Retention Period One Copy of each record
<i>Audits</i>		
<i>HUD Files and Audits</i>	HUD Correspondence	3 years
<i>Front Office</i>	<i>Lomas Front Office Coordinators Office</i>	
<i>Front Office</i>	Office Sign-In Log (Lomas & 4 th Street)	1 year
<i>Front Office</i>	Office telephone directories	1 year
<i>Front Office</i>	Roster	1 year
<i>Electronic Records</i>	<i>Electronic documents generated or scanned from software programs (i.e.: iSTAR, Therap, ABRA, Navision, etc.)</i>	
<i>Electronic Records</i>	Electronic documents will follow the same retention period as if they were paper documents.	

ARCA Personnel Policies and Procedures

SECTION 4

EMPLOYEE CONDUCT

ARCA Personnel Policies and Procedures

4.32 ETHICAL STANDARDS - ARCA CODE OF ETHICS

Purpose of the ARCA Code of Ethics:

1. Identify core values on which our mission is based.
2. Establish ethical standards in providing services.
3. Serve as guidelines when conflicts or uncertainties arise in providing services.
4. Guide staff in serving people with developmental disabilities

Employees shall observe the ARCA Code of Ethics, based on concepts from the National Alliance of Direct Support Professions Code of Ethics and ARCA's core values, which are the foundation of our services:

Service excellence
Personal growth
Integrity
Respect
Inclusion
Teamwork

- Provide person-centered supports for individuals served in a manner that requires integrity, compassion, commitment and respect for individual differences and choices;
- Take professional responsibility over any personal interests and be accountable for personal decisions and actions;
- Respect the human dignity and uniqueness of the individuals served and promote equitable treatment of all people including those receiving supports, staff, friends, families and the public, guarding against unethical or illegal practices;
- Interact with respect, honoring the confidentiality and privacy of the individuals served.
- Promote self-determination, justice and full community participation; and
- Treat other staff with dignity and respect working with team members to promote the health, safety and happiness of individuals served, honoring their personal values.

Approved by: ARCA Board of Directors
November 30, 2005

ARCA Personnel Policies and Procedures

4.33 ATTENDANCE AND PUNCTUALITY

Employees are required to report to work on time for all of their scheduled work and training hours and to responsibly notify their supervisor, prior to the start of their work/training schedule, when they will be absent from work or training for any reason. The employee must notify his/her supervisor each day of impending absence or each time he/she will be late unless the employee is on approved Paid Time Off or approved leave without pay. Unauthorized absence from work or scheduled training for two consecutive or three non-consecutive days may be considered an automatic resignation on the part of the absent employee. This policy shall be applicable to unauthorized use of Paid Time Off (PTO) and/or leave without pay. Excess absenteeism, and/or patterns of absenteeism and/or tardiness may result in disciplinary action, including discharge.

Revised: March 26, 2003

4.34 PERSONAL APPEARANCE AND CONDUCT

As a representative of ARCA, the employee's personal appearance and professional conduct are very important in building a positive and credible public perception and confidence in the organization and its services. Employees are expected to maintain high standards of professional conduct and personal appearance at all times in carrying out their assigned job duties and in the preservation of the professional integrity of the work place. Extremes of dress, personal appearance, and conduct shall not be acceptable and may result in disciplinary action including discharge.

ARCA Personnel Policies and Procedures**4.35 CONFLICTS OF INTEREST**

- 4.35.1 Outside Work/Education** – Employees who engage in outside, paid employment, educational instruction or who acquire a financial interest in any new or existing business venture or business property when he/she has reason to believe that it will directly or indirectly affect the employee’s official duties must inform their immediate supervisor of this potential conflict of interest. Employment responsibilities at ARCA take preference over any other outside employment/education/business venture. If outside employment/education/business venture interferes with an employee’s job responsibilities at ARCA, the employee may be subject to disciplinary action including discharge.
- 4.35.2 Employees are prohibited from using their position for private gains for themselves or others** – Every employee who has a financial interest which he/she has reason to believe, may be affected by actions taken within the scope of his/her employment or which may have the appearance and/or represent a potential conflict of interest shall disclose the precise nature and value of such interest. The disclosures shall be made in writing and filed with the Human Resources Director before entering employment or at the time the interest is acquired. The Board of Directors shall review any potential conflicts of interest for administrative staff. Staff will not be permitted to engage in soliciting the people we serve for their time, skills, or money for purposes of personal gain or profit, nor for the personal benefit, gain, or profit of others including family members and/or members of the employee’s immediate household. No employee shall use confidential information acquired by virtue of his/her employment with the organization. Unauthorized personal use of ARCA equipment, vehicles, property (including ARCA funds) and/or supplies, and/or unauthorized use of the property or monies of individuals receiving services is prohibited. Violation of these provisions may result in disciplinary action, including discharge.
- 4.35.3 Employees are prohibited from using the individuals we serve to perform staff functions** – Employees will not use the individuals we serve to perform staff functions. If individuals receiving ARCA services are determined to be capable of performing staff functions, they will follow normal employment procedures and be compensated at a rate not less than the minimum hourly wage or commensurate with the duties performed. Individuals receiving ARCA services shall not be compensated for functions they perform within the scope of the services they receive, and those which are outlined in their Individual Habilitation/Service Plan.

Revised: March 26, 2003

ARCA Personnel Policies and Procedures

4.36 DISCLOSURE, CONFIDENTIALITY AND ACCURACY OF RECORDS

It is the policy of the organization to maintain confidential and accurate records on the individuals we serve and employees. Therefore, all employees shall disclose to the Human Resources Director, Director, or President and CEO, any information which may be vital to the health and safety of the individuals receiving services, employees, or program. Employees are expected to provide truthful, full disclosure of all facts in fulfilling their job responsibilities and in responding to requests for information during the course of investigations. All information regarding the condition, treatment, or status of individuals receiving services or employees shall be strictly confidential, except on a need to know basis or where consent has been granted. Employees who have access to protected health information to carry out their job responsibilities must comply with the Health Insurance Portability and Accountability (HIPAA) privacy rules. Violation of HIPAA regulations and/or ARCA policies regarding confidentiality places the organization and the employee in legal jeopardy and may result in disciplinary action including termination of employment. Falsifying agency records, including but not limited to personnel records, time recording, injury reports, incident reports, investigation reports, or program records may result in disciplinary action up to and including discharge.

Revised: March 26, 2003

4.37 NO SOLICITATION STATEMENT

ARCA prohibits all forms of solicitations on its premises, unless such activity receives prior approval by the Board of Director's President or President and CEO.

ARCA's premises include all its program sites and the property belonging to the program site, including the parking area. The premises include the main administrative office site as well as any satellite office sites.

Employees, while on duty, are prohibited from participating in any and all solicitation activities which are not included within the scope of their employment responsibilities.

Solicitation activities include all forms of meetings, discussions and distribution of literature, whether the item or literature is to be sold or distributed gratis.

The prohibition extends to any and all individuals, employees, non-employees, organizations, and clubs, private or public.

ARCA Personnel Policies and Procedures

4.38 ALCOHOL AND DRUGS IN THE WORKPLACE

Purpose – To ensure that all employees are alert and fit to carry out their job duties and driving responsibilities necessary to provide a safe working and living environment for the individuals we serve and our employees.

Policy Statement:

4.38.1 In compliance with the Drug-Free Workplace Act of 1988, P.L. 100-690 (100th Congress 2nd Session 1988) ARCA prohibits the use of alcohol in the workplace as well as the manufacture, distribution, dispensing, possession, sale or use of illegal drugs and controlled substance abuse in the workplace. ARCA will not hire any individual who engages in drug or alcohol use in violation of this policy.

The term “illegal drug” means drugs and controlled substances, the possession or use of which is unlawful under any federal, state or local laws and regulations in the United States. Drugs and controlled substances that are not legally obtainable, or that are legally obtainable but have not been legally obtained, are considered to be illegal drugs. Examples include street drugs such as cocaine, heroin, marijuana, and phencyclidine, and controlled substances such as amphetamine, methamphetamine and barbiturates.

The term “controlled substance abuse” includes prescribed drugs not being used for prescribed purposes or in a prescribed manner.

4.38.2 ARCA prohibits employees from working while under the influence of illegal drugs or alcohol or engaged in controlled substance abuse. The use of any such substances during or prior to work hours in such a fashion as to inhibit or impair an employee’s work performance is prohibited.

4.38.3 ARCA will provide a drug-free awareness program to inform employees about the dangers of on-the-job abuse of drugs and alcohol and the penalties it carries, as well as counseling and rehabilitation programs available.

4.38.4 Employees who violate this policy will be subject to disciplinary action up to and including discharge.

4.38.5 ARCA will comply with agency policy regarding confidentiality of employee personnel and medical records. Pursuant to any subpoena issued by a court of competent jurisdiction, in accordance with any request by a state, federal or local agency, or in connection with the defense of any claim asserted by the employee, drug and alcohol testing results will be released by ARCA.

ARCA Personnel Policies and Procedures**Procedures:**

- 4.38.1.1** ARCA will meet the intent of this policy and comply with the Drug-Free Workplace Act by doing the following:
- A. Pre-employment drug screening:** ARCA will not hire prospective employees found to be in violation of this policy. All applicants who receive an offer of employment will be required to undergo a drug and alcohol screen prior to the start of his/her employment. Any offer of employment is contingent upon successfully passing the drug/alcohol screen. All employees must comply with ARCA's policy on alcohol and drugs in the workplace.
 - B.** All employees will receive training regarding ARCA's policy on alcohol and drugs in the workplace and the penalties that violation of the policy carries. This training will be provided at the time of initial orientation and through periodic in-service training.
 - C.** If an employee is found in possession of illegal substances at any ARCA work site and/or while performing company business, ARCA will report such findings to local law enforcement officials and will cooperate fully with local law enforcement investigations.
 - D.** An employee convicted of an on-the-job alcohol or drug-related offense must notify his/her employer within five days. Within ten days ARCA will notify government authorities including but not limited to the State Police and the Drug Enforcement Administration (DEA).
- 4.38.2.1** Due to the nature of the job responsibilities and the high degree of care and caution required in providing services to persons with developmental disabilities, no employee shall be permitted to work or provide transportation while under the influence of illegal drugs or alcohol.
- 4.38.2.2** If a co-worker or supervisor observes behavior or performance problems by an employee, which appear to have an adverse effect on the employee's job performance or safety or the safety of others, the co-worker or supervisor should notify the Director or designee immediately. The Director or designee will evaluate the situation and take action to ensure the safety of the program and the people we serve.
- 4.38.2.3 Testing of employees for policy violations:** Employees will be asked to submit to testing for use of illegal substances or alcohol as follows:
- a. Should there be reason to believe that the employee's ability to perform required duties is impaired by alcohol or drugs while on ARCA's property or while conducting ARCA business;
 - b. or there is reason to believe that violation of this policy has occurred;

ARCA Personnel Policies and Procedures

- c. or when the employee has been involved in an on-the-job accident where there is reason to believe that the employee's use of alcohol or drugs may have caused or contributed to the accident;
 - d. or when an employee is involved in a vehicle accident in an ARCA vehicle or their personal vehicle while on duty,
- 4.38.2.2.1** Any employee requested to submit to testing for the enforcement of this policy will be informed of the reasons. The employee may be suspended, without pay, pending the results of the test. A member of management may accompany the employee to the site for specimen collection and testing. If the test results indicate no use of illegal substances or alcohol, the employee will be paid for any scheduled hours missed due to the suspension. Any employee who fails to submit the specimen for testing within three hours of being requested by management to do so, may be informed that this refusal constitutes failure to obey management's request pursuant to this policy and that this may result in termination of employment.
- 4.38.2.3** Additional acts which may be considered a violation of this policy, shall include but not be limited to the following:
- a. Switching or altering, or attempts to switch or alter any specimen submitted for drug or alcohol testing.
 - b. Refusing to consent to testing, submit a specimen for testing, or participate in testing procedures when requested by management in accordance with this policy.
 - c. Refusing to submit to an inspection of personal property when requested by management pursuant to this policy.
 - d. Conviction under any criminal drug statute under circumstances which may adversely affect ARCA's reputation or endangers ARCA's certification or accreditation, licensures, and /or contractual status.
 - e. Refusing to sign a statement of compliance with ARCA's policy on illegal substance and alcohol abuse.
 - f. Loss of professional licensure or professional censure due to the use of illegal substance or other actions involving substance abuse.
- 4.38.2.4** Any employee who, as a result of drug or alcohol testing and screening, is found to have detectable levels or identifiable trace quantities of a prohibited drug or substance in his/her system regardless of when or where the drug or substance entered that person's system, will be subject to disciplinary action, up to and including termination of employment.
- 4.38.2.7** **Random testing:** ARCA reserves the right to conduct random testing for the presence of alcohol, drugs and/or controlled substances at any time without notice or cause. Consent to such medical tests is a condition of initial employment. Consent to particular testing at the time of the testing is a condition of continued employment. Refusal of consent may result in immediate termination of employment.

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- 4.38.2.8 Searches and inspections:** When ARCA suspects a violation of this policy, it reserves the right to search any and all personal property on ARCA's homes, grounds, vehicles, and buildings. Employee entry on ARCA's premises or work sites constitutes consent to searches or inspections. Consent to such searches and inspections is a condition of initial employment. Consent to a particular search at the time of the search is a condition of continued employment and refusal may result in immediate termination of employment. All searches will be conducted by two members of the management staff. The employee will have the right to be present. All materials suspected to be of an illegal nature may be submitted to local law enforcement officials for testing.
- 4.38.2.9** Employees who are convicted or plead guilty or nolo contendere because of drug or alcohol-related off-the-job activities may be considered in violation of this policy and may be subject to disciplinary action, up to and including termination of employment.
- 4.38.2.10** ARCA realizes that the use of over-the-counter or prescribed medications is necessary from time to time. Employees are expected to be in suitable mental and physical condition and able to perform his/her assigned duties satisfactorily. Any employee who is taking a drug or other medication, whether or not prescribed by the employee's physician for a medical condition, who believes that the medication may adversely affect his/her ability to perform work in a safe and productive manner must notify the his/her supervisor or the Human Resources Director prior to starting work. The supervisor or management will decide if the employee can remain at work or on ARCA's premises or work site and what work restrictions, if any, are deemed necessary. It is the responsibility of all staff to ensure all medication(s) remains on their person or locked in a secure area while at any work site. Abuse of controlled substances or any use of over-the-counter or prescribed medications that might impair the employees' ability to perform their job safely and effectively is prohibited. Any concerns related to the over-the-counter or prescribed medications should be directed to the Human Resources Director or if unavailable, concerns should be directed to the Service or Division Director.
- 4.38.2.11** ARCA will provide training to supervisory and management employees on recognition of unusual patterns of behavior which may indicate potential substance abuse. Supervisors should immediately report to their Service Director or Division Director any action by any employee which demonstrates an unusual pattern of behavior. Failure to report such actions may result in disciplinary action up to and including termination of the supervisor's employment. The Division Director, Service Director and/or Human Resources Director will determine whether the employee should be examined by a physician or required to submit to testing for drugs and alcohol.

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4.38.2.12 Any employee may be granted applicable paid or unpaid leave for which he/she is eligible to undertake rehabilitation treatment (refer to Policies 4.22, 4.24, 4.25, 4.26). The employee will not be permitted to return to work until written certification from the treatment provider is presented to the Human Resources Director that the employee is capable of performing his/her job. Failure to cooperate with an agreed upon treatment plan may result in discipline up to and including termination. Participation in a treatment plan does not insulate an employee from imposition of disciplinary action for violations of this or other policies.

4.38.2.13 This policy does not alter the at will status of ARCA's employees.

4.38.3.1 ARCA's drug-free awareness program shall include but not be limited to the following:

- a) periodic in-service training on ARCA's policy on alcohol and drugs as well as the dangers of on-the-job abuse of illegal drugs and alcohol.
- b) provision of information to employees regarding counseling and rehabilitation programs available which may include the employee assistance program (EAP) available to all regular employees.

4.38.4.1 Employees who violate this policy will be subject to disciplinary action up to and including discharge.

4.38.5.1 ARCA will comply with agency policy regarding confidentiality of employee personnel and medical records. Pursuant to any subpoena issued by a court of competent jurisdiction, in accordance with any request by a state, federal or local agency, or in connection with the defense of any claim asserted by the employee, drug and alcohol testing results will be released by ARCA.

Approved by: ARCA Board of Directors
October 1993

Revised: August 1, 2016
June 24, 2009
November 30, 2005
August 29, 2001

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4.39 SMOKING POLICY

In compliance with the City of Albuquerque’s Clean Indoor Air Ordinance, and our commitment to promote a tobacco and smoke free environment, ARCA prohibits smoking or the use of tobacco in any form through the use of tobacco products, smokeless tobacco products, or “vaping” with e-cigarettes in the organization’s offices, vehicles and residences except in designated areas. ARCA also prohibits employees from smoking or using tobacco products in their personal vehicles while transporting individuals receiving services.

Employees may smoke, use tobacco products, including chewing tobacco, or vape only in designated smoking areas. Smoking is defined as the use of smokeless tobacco products or tobacco products through pipes, cigars and cigarettes and the use of e-cigarettes regardless of whether they contain tobacco. Employees must safely dispose of tobacco products in appropriate containers.

Approved by: **ARCA Board of Directors**
April 19, 1989

Revised: May 2, 2012
February 17, 1999
May 14, 1997
January 24, 1990

ARCA Personnel Policies and Procedures

4.40 DISCIPLINARY ACTIONS

The President and CEO, Directors, Human Resources Director or authorized supervisor may reprimand, suspend, demote, refer an employee to the employee assistance program (EAP), or dismiss an employee.

The purpose of any disciplinary action is intended to be corrective, to encourage employees to improve their conduct or performance, thereby enhancing the effectiveness of the organization. As such, many factors may be considered in determining the most appropriate corrective action including, but not limited to, the nature and seriousness of the offense, the employee's past record, impact on the organization and the work environment, etc. Failure to comply with corrective action may result in discharge from employment.

- A. **Demotion/Re-assignment** – The President and CEO may offer an employee a different position, including a position with less pay. The employee must meet the qualifications for a vacant position in order to move into that position. The employee shall receive oral and written notice of the demotion or re-assignment.
- B. **Suspension** – The President and CEO may suspend an employee as part of the disciplinary process. When ARCA is conducting an investigation and places an employee on paid suspension, the employee will receive administrative pay at their regular rate of pay for up to a maximum of five scheduled work days.
- C. **Sexual Harassment** – ARCA expressly forbids harassment of any kind including sexual harassment in the work place. An employee with a harassment complaint or who suspects harassment may be occurring should immediately contact the Human Resources Director, President and CEO, or another managerial employee. Managers who receive a harassment complaint must notify the Human Resources Director or President and CEO immediately. He/she will ensure that a prompt and thorough investigation into the complaint is conducted. If we have reason to believe that harassment may have occurred, immediate and appropriate corrective action shall be taken to eliminate harassment and discipline the employee(s) up to, and including, discharge. Refer to Policy 4.42 - Policy against Sexual and other Harassment.
- D. **Procedures for Alleged Abuse, Exploitation, or Neglect of Individuals Receiving ARCA Services**
In accordance with the New Mexico Resident Abuse and Neglect Act (SJCS/Senate Bill 89) and the New Mexico Adult Protective Services Act NMSA 1978 including the 1997 Amendment, ARCA prohibits the use of physical, verbal, sexual, or psychological abuse, exploitation, or punishment of the individuals we serve including withholding of food or hydration that contributes to a nutritionally adequate diet. Refer to ARCA Program Policy II.6 – **Dignity and Respect** for definition of terms and reporting requirements.

ARCA Personnel Policies and Procedures

Employees are required to report any incidence of alleged abuse, exploitation, or neglect of individuals receiving services as well as injuries of unknown source to their supervisor, immediately after notifying appropriate authorities as required by law, (see Program Policy – **Dignity and Respect**). The following procedures shall be used in cases of alleged abuse or neglect of individuals receiving services.

1. The direct supervisor or the on-call person shall make an immediate initial assessment of the alleged violation and take action deemed necessary to ensure the safety of the person(s), which may include:
 - a) suspension of the employee with pay up to a maximum of five (5) working days, pending further investigation,
 - b) identify any additional and/or potential witnesses who may have knowledge of the alleged incident,
 - c) preserve the scene and any evidence following instructions of any investigative entities.
2. The direct supervisor or on-call person will immediately notify the Director or designee, who will report the incident to the President and CEO or designee. An incident report is completed and submitted to the appropriate authorities and the President and CEO within 24 hours of the incident. In the absence of the President and CEO, the report must be given to the designee.
3. The Director is responsible for conducting a thorough investigation of the alleged violation within five working days including collection of evidence, statements, and other documents from the employee, witnesses and other involved parties.
4. Within five (5) working days of the alleged violation, the results of the investigation shall be reviewed by the Administrative Review Team (ART). The ART shall be comprised of a minimum of four (4) administrative team members including the person who presents the case. The ART recommendation shall be submitted to the President and CEO, the Human Rights Committee and other officials in accordance with applicable State and Federal Laws.
5. All reported incidents of abuse, exploitation or neglect shall be referred to the Human Rights Committee for review, in accordance with their procedures. The Committee has the option to request the presence of the employee, witnesses, or other involved parties at their Committee meeting for further questioning. The Committee then informs the Director of the results of their investigation. The Director is responsible for notifying the employee of the results of the investigation.

ARCA Personnel Policies and Procedures

6. All documents involved in the investigation as well as the results of the investigation shall remain confidential and shall be maintained in a confidential record separate from the employee's personnel file. Release of information shall be made on a need to know basis only or where consent has been granted. Documentation of any personnel actions resulting from the investigation shall be placed in the employee's personnel file.
7. All incidents of suspected abuse, exploitation or neglect shall be reported to the appropriate authorities, as required by law, including but not limited to the protective services of the State of New Mexico. Additionally, the employee and ARCA shall cooperate fully with outside authorities, as they conduct investigations. ARCA will take necessary action to prevent future abuse, exploitation, or neglect.
8. If ARCA has reason to believe that abuse, exploitation or neglect may have occurred, the employee may be subject to disciplinary actions, including discharge.

E. Procedures for Alleged Violation of Health Insurance Portability and Accountability Act (HIPAA) Regulations:

In accordance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), ARCA prohibits the use or disclosure of protected health information (PHI) to anyone who does not need access to PHI to carry out their job duties and/or anyone outside of ARCA, whether it's oral, written, or in electronic form. Refer to ARCA Personnel Policies 4.36 Disclosure Confidentiality and Accuracy of Records, 4.11 Training and Education and ARCA Program Policy I.9 Maintenance and Confidentiality of Administrative Records and Case Records.

Employees are required to receive training on HIPAA regulations and report any incidence of alleged violations of the regulations to the ARCA Privacy Officer. HIPAA requires sanctions against members of the workforce who fail to comply with HIPAA rules or with the organization's privacy policies and procedures. Employees who violate HIPAA privacy regulations and/or ARCA policies regarding confidentiality will be subject to disciplinary action up to and including discharge from employment. In addition, HIPAA has a three-level sanction structure for its own penalties outlining a broad range of penalties, including fines and jail time, depending on the violation.

Revised: April 25, 2007
March 2003

ARCA Personnel Policies and Procedures

4.41 WORKPLACE VIOLENCE

Acts of aggression and violence will not be tolerated at this organization and may result in disciplinary action up to and including discharge. Employees are prohibited from bringing firearms or other weapons into the workplace. In addition, if federal, state, or local laws are violated, prosecution may result.

Acts of aggression include: verbal or physical action that is intended to create the apprehension of bodily harm or threaten the safety of a co-worker, individuals receiving services or the general public.

Acts of violence include any intentional or reckless physical or verbal act that causes injury to a co-worker, individuals receiving services or the general public.

It is the responsibility of all employees to immediately report any threats and/or acts of aggression and violence in the workplace to the immediate supervisor, Human Resources Director or any managerial employee.

Domestic Abuse: An employee experiencing domestic abuse should refer to Policy 4.26 Domestic Abuse Leave, regarding eligibility for leave, and procedures for the notification and verification requirements to request Domestic Abuse Leave.

Approved by: ARCA Board of Directors
December 1995

ARCA Personnel Policies and Procedures

4.42 Policy against Sexual and other Harassment

ARCA is committed to maintaining a work environment that is free of discrimination and harassment based on a person's race, color, sex, sexual orientation, gender identity, age, religion, disability, ancestry, or national origin, consistent with applicable laws.

All employees should respect the rights, opinions and beliefs of others. Harassment of any person because of race, color, sex, sexual orientation, gender identity, age, religion, disability, ancestry, or national origin is strictly prohibited, whether directed at an employee, vendor, or customer. Any such harassment is prohibited by this policy whether or not it also violates the equal employment opportunity laws. This policy applies to all employees, officers and directors of the organization, up to and including its President and CEO and Board of Directors.

Sexual Harassment

No one may threaten or imply that an employee's submission to or rejection of sexual advances will in any way influence any decision about that employee's employment, advancement, duties, compensation, or other terms or conditions of employment. No one may take any personnel action based on an employee's submission to or rejection of sexual advances.

No one may subject another employee to any unwelcome conduct of a sexual nature. This includes both unwelcome physical conduct, such as touching, blocking, staring, making sexual gestures, and making or displaying sexual drawings or photographs, and unwelcome verbal conduct, such as sexual propositions, slurs, insults, jokes and other sexual comments and/or sending sexually suggestive or explicit texts and pictures. An employee's conduct will be considered unwelcome and in violation of this policy when the employee knows or should know it is unwelcome to the person subjected to it.

Other Harassment

No one may harass anyone because of that person's race, color, age, religion, ancestry, national origin, or disability. Examples of conduct prohibited by this policy include using racial and ethnic slurs or offensive stereotypes and making jokes about these characteristics.

Making complaints and reporting violations

If you believe you are a victim of harassment, you are requested and encouraged to make a complaint to the organization. You are not required to complain first to the person who is harassing you. If you prefer, you may complain directly to the supervisor of the harasser, the Director of Human Resources, or any other management employee, including the President and CEO. After regular business hours or on the weekend, you may complain directly to a management employee or the person who is on-call. Similarly, if you observe

ARCA Personnel Policies and Procedures

harassment of another employee, you are requested and encouraged to report this to one of the persons described above. No reprisal, retaliation, or other adverse action will be taken against any employee for making in good faith a complaint or report of harassment, or for assisting in good faith in the investigation of any such complaint or report. Any suspected retaliation or intimidation should be reported immediately to one of the persons described above.

Investigations of complaints and reports

ARCA will promptly and thoroughly investigate any complaint or report of a violation of this policy. A thorough investigation can take several weeks in some cases. You may at any time ask the person you complained or reported to about the status of the investigation.

Penalties for violations

ARCA will take prompt disciplinary and remedial action if its investigation shows a violation of this policy. Depending on the circumstances, the disciplinary action may range from a warning to a discharge.

A complaint or report that this policy has been violated is a serious matter. Dishonest complaints or reports are also against our policy, and the organization will take appropriate disciplinary action if its investigation shows that deliberately dishonest and bad faith accusations have been made.

Additional information

If you have any questions about this policy, please contact the Human Resources Director for additional information. If you have other questions or concerns about discrimination or harassment, you may ask the Human Resources Director.

Approved by: ARCA Management Services Board of Directors
February 17, 1999

Revised: March 26, 2003

ARCA Personnel Policies and Procedures

4.43 Deficit Reduction Act

Purpose – To ensure that ARCA is in compliance with the standards of conduct established by (1) the federal False Claims Act, 31 U.S.C. §§ 3729, *et seq.*; (2) the New Mexico Medicaid False Claims Act, NMSA 1978, §§ 27-14-1, *et seq.*; and (3) state Medicaid plan amendments promulgated to comply with Section 6032 (*Employee Education About False Claims Recovery*) of the Deficit Reduction Act of 2005 ("DRA"), and to ensure that all ARCA employees, contractors and agents receive training about and have access to written and web-based materials regarding compliance with the False Claims Act and other relevant false claims laws.

Policy Statement:

- 4.43.1 **Compliance:** ARCA shall comply with the standards of conduct established by (1) the federal False Claims Act, 31 U.S.C. §§ 3729, *et seq.*; (2) the New Mexico Medicaid False Claims Act, NMSA 1978, §§ 27-14-1, *et seq.*; and (3) the Program Fraud Civil Remedies Act. A summary of these provisions is provided in Appendix A to this Policy. This Policy addresses (1) the federal civil False Claims Act ("FCA"); (2) state laws pertaining to civil or criminal penalties for false claims and statements; (3) the whistleblower protections provided under both federal and state laws, and the role of these laws in preventing and detecting fraud, waste and abuse; (4) the administrative remedies found in the Program Fraud Civil Remedies Act; and (5) ARCA's policies and procedures for detecting and preventing fraud, waste and abuse and complying with all relevant federal and state law and regulations including, but not limited to, those laws and regulations related to billing and coding practices.
- 4.43.2 **Scope:** This Policy applies to all ARCA Staff. For purposes of this Policy, the term Staff includes employees, officers and directors of ARCA and its affiliated entities, *as well as* all independent contractors and their employees who, on behalf of the entity, furnish or otherwise authorize the furnishing of Medicaid healthcare items or services or are involved in the monitoring of health care or other Medicaid services provided by ARCA. No ARCA Staff has the authority to direct, participate in, approve, or tolerate any violation of any of the laws described in this Policy.
- 4.43.3 **Training:** ARCA shall educate all Staff by distributing copies of this Policy to all Staff and ensuring that all Staff have access to written and/or web-based materials regarding compliance with the Federal False Claims Act and other relevant fraud and abuse laws. ARCA shall provide training to all employees, officers and directors regarding compliance with these laws. ARCA's President and CEO shall be accountable for compliance with these training requirements.
- 4.43.4 **Reporting of Compliance Concerns:** Any member of ARCA's Staff who knows or has reason to believe that ARCA or any member of its Staff may be involved in any activity prohibited by the FCA, the New Mexico False Claims Act, or other fraud and abuse laws is required to immediately report such belief using established ARCA reporting procedures, which include reporting the

ARCA Personnel Policies and Procedures

matter to the President and CEO, Service Director, Division Director or other responsible member of management, or by calling the ARCA confidential reporting system at 1-888-493-1868.

- 4.43.5 **Retaliation Prohibited:** ARCA shall not take, or tolerate, any intimidating or retaliatory act against an individual who, in good faith makes a report of practices reasonably believed to be a violation of this Policy or of any laws described in this Policy. Examples of prohibited retaliation include discharge, demotion, suspension, harassment or discrimination of any kind against an individual as a result of that individual making, in good faith, a report of an alleged or suspected violation of this Policy or any of the laws described in this Policy.
- 4.43.6 **Policies and Procedures for Detecting and Preventing Fraud, Waste, and Abuse**
ARCA's President and CEO is responsible for ensuring the proactive prevention of fraud and abuse through education and training of ARCA employees, contractors and agents. Similarly, ARCA employees, contractors and agents have a responsibility to report concerns about actual or potential wrong-doing and are not permitted to overlook such actual or potential wrong-doing. ARCA has administrative policies and procedures aimed at protecting fraud, waste, and abuse. These include:
- Financial Planning and Management policy I.3
 - Accounting Procedures
 - ARCA Personnel Policy 4.35 Conflicts of Interest
 - ARCA Code of Ethics
- 4.43.7 **Reporting obligation:** ARCA is committed to providing an environment of honesty, integrity and trust. Whenever an ARCA employee, contractor or agent has any question or concerns about the possible application of the above laws to any activities, s/he should contact the President and CEO, Service Director, Division Director or other responsible member of management, or call the ARCA confidential reporting system at 1-888-493-1868.

Approved by: ARCA Board of Directors
May 30, 2007

ARCA Personnel Policies and Procedures

Appendix A

I. Federal Civil False Claims Act ("FCA")

The False Claims Act ("FCA") provides, in pertinent part, that:

(a) Any person who (1) knowingly presents, or causes to be presented, to an officer or employee of the United States Government or a member of the Armed Forces of the United States a false or fraudulent claim for payment or approval; (2) knowingly makes, uses, or causes to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the Government; (3) conspires to defraud the Government by getting a false or fraudulent claim paid or approved by the Government; . . . or (7) knowingly makes, uses, or causes to be made or used, a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the Government,

is liable to the United States Government for a civil penalty of not less than \$5,000 and not more than \$10,000, plus 3 times the amount of damages which the Government sustains because of the act of that person . . .

(b) For purposes of this section, the terms "knowing" and "knowingly" mean that a person, with respect to information (1) has actual knowledge of the information; (2) acts in deliberate ignorance of the truth or falsity of the information; or (3) acts in reckless disregard of the truth or falsity of the information, and no proof of specific intent to defraud is required.

31 U.S.C. § 3729. While the False Claims Act imposes liability only when the claimant acts "knowingly," it does not require that the person submitting the claim have actual knowledge that the claim is false. A person who acts in reckless disregard or in deliberate ignorance of the truth or falsity of the information, also can be found liable under the Act. 31 U.S.C. 3729(b).

In sum, the False Claims Act imposes liability on any person who submits a claim to the federal government that he or she knows (or should know) is false. An example may be a physician who submits a bill to Medicare for medical services she knows she has not provided. The False Claims Act also imposes liability on an individual who may knowingly submit a false record in order to obtain payment from the government. An example of this may include a government contractor who submits records that he knows (or should know) is false and that indicate compliance with certain contractual or regulatory requirements. The third area of liability includes those instances in which someone may obtain money from the federal government to which he may not be entitled, and then uses false statements or records in order to retain the money. An example of this so-called "reverse false claim" may include a hospital who obtains interim payments from Medicare throughout the year, and then knowingly files a false cost report at the end of the year in order to avoid making a refund to the Medicare program.

In addition to its substantive provisions, the FCA provides that private parties may bring an action on behalf of the United States. 31 U.S.C. 3730 (b). These private parties, known as “*qui tam* relators,” may share in a percentage of the proceeds from an FCA action or settlement.

Section 3730(d)(1) of the FCA provides, with some exceptions, that a *qui tam* relator, when the Government has intervened in the lawsuit, shall receive at least 15 percent but not more than 25 percent of the proceeds of the FCA action depending upon the extent to which the relator substantially contributed to the prosecution of the action. When the Government does not intervene, section 3730(d)(2) provides that the relator shall receive an amount that the court decides is reasonable and shall be not less than 25 percent and not more than 30 percent.

The FCA provides protection to *qui tam* relators who are discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of their employment as a result of their furtherance of an action under the FCA. 31 U.S.C. 3730(h). Remedies include reinstatement with comparable seniority as the *qui tam* relator would have had but for the discrimination, two times the amount of any back pay, interest on any back pay, and compensation for any special damages sustained as a result of the discrimination, including litigation costs and reasonable attorneys’ fees.

II. State False Claims Acts

New Mexico, like many states, has enacted a statute like the federal FCA that provides a civil remedy for the submission of false and fraudulent claims to state health care programs, including primarily Medicaid. Like the federal FCA, the New Mexico False Claims Act includes whistleblower provisions that allow enforcement through *qui tam* actions, and protect whistleblowers from retaliation. New Mexico also imposes administrative remedies and penalties for the submission of false claims to a state health care program.

III. Program Fraud Civil Remedies Act

The Program Fraud Civil Remedies Act of 1986 (PFCRA), provides for administrative remedies against persons who make, or cause to be made, a false claim or written statement to certain federal agencies, including the Department of Health and Human Services. PFCRA was enacted as a means to address lower dollar frauds, and generally applies to claims of \$150,000 or less. PFCRA provides that any person who makes, presents, or submits, or causes to be made, presented or submitted a claim that the person knows or has reason to know is false, fictitious, or fraudulent is subject to civil money penalties of up to \$5,000 per false claim or statement and up to twice the amount claimed in lieu of damages. Violations are investigated by the Inspector General and enforcement actions must be approved by the Attorney General. PFCRA enforcement can begin with a hearing before an administrative law judge. Penalties may be recovered through a civil action brought by the Attorney General or through an administrative offset against “clean” claims. Because of the availability of other criminal, civil and administrative remedies, cases are not routinely prosecuted under PFCRA; however, the Department of Health and Human Services, Office of Inspector General has asserted its administrative authority under PFCRA in settlement agreements that resolve cases arising under the federal FCA or other federal fraud and abuse statutes.

ARCA Personnel Policies and Procedures

4.44 Social Media Policy

ARCA recognizes that employees may engage in “social networking”. Social networking while on duty is not permitted and access to social networking sites is blocked unless it is specifically within the scope of your job responsibilities. This policy pertains to social networking whether employees are on or off duty.

“Social networking,” for purposes of this policy, includes all types of postings on the Internet, including, but not limited to, social networking sites, (such as Facebook©, Instagram, Snap Chat or LinkedIn©); blogs and other on-line journals and diaries; bulletin boards, discussion forums and chat rooms; instant messaging such as Yahoo (YIM), AOL (AIM), Skype, MSN, Google Talk or texting (a.k.a. text messaging & SMS) microblogging, such as Twitter©; live face time calls or video chats; and the posting of video on YouTube© and similar media. Social networking also includes permitting or not removing postings by others where an employee can control the content of postings, such as on a personal profile or blog.

Employees who engage in social networking should be mindful that their postings, even if done off premises and while off duty, could have an adverse impact on ARCA’s legitimate business interests. For example, some readers may view you as a *de facto* spokesperson for ARCA. To reduce the likelihood that your personal social networking will have an adverse effect on ARCA, employees must observe the following guidelines when social networking:

- a. Do not engage in social networking using any of ARCA’s electronic resources unless social networking is specifically within the scope of your job.
- b. Any malicious disclosure or discussion of any ARCA business or related information is prohibited.
- c. Your social networking is subject to all of ARCA’s policies, including policies regarding ethical standards, sexual or other harassment, workplace violence, HIPAA violations, inappropriate conduct, alcohol and drug-free workplace, conflict of interest, and technology and internet use. Directors, Managers, or Supervisors will not send requests to establish social networking relationships to subordinates or accept social networking relationships with subordinates. Any employee may reject requests for social networking relationships from any other employee without repercussion. ARCA employees will not send requests to establish social networking relationships to ARCA individuals receiving services or accept social networking relationships from individuals receiving services.
- d. All requests for references or recommendations, even those that are received through social networking, should be handled in accordance with ARCA’s policy for responding to such requests. Refer to Personnel Policy 4.15 Personnel Records
- e. Remember that the names of the individuals receiving ARCA services are considered to be protected health information under HIPAA and should not be disclosed.
- f. Do not defame or otherwise maliciously discredit ARCA’s services, or the products or services of its vendors or competitors. Do not mention or reference co-workers, customers, business partners, or suppliers without prior approval.

ARCA Personnel Policies and Procedures

- g. Do not use ARCA's, logo, trademark or proprietary graphics, or photographs of ARCA's premises, services, or the individuals receiving services.
- h. Do not disclose personal or contact information, or post photographs, of coworkers or supervisors without their prior permission. Posting photographs of individuals who receive services is strictly prohibited.
- i. If someone from the media or press contacts you about your social networking activities, please contact the President/CEO or his/her designee before responding.
- j. ARCA has spent substantial time and resources building its reputation and good will. These are valuable and important corporate assets. Before you engage in any social networking that identifies yourself as an employee of ARCA, or that identifies ARCA, please consider whether your actions will result in malicious damage to ARCA's reputation. If you are uncertain, you should consult your manager or the Human Resources Director before posting.
- k. As part of ARCA's culture, we want employees to use direct avenues to resolve concerns. You are more likely to resolve complaints about work by speaking directly with your co-workers, supervisor or other management-level personnel than by posting complaints on the Internet.
- l. ARCA may, in its discretion, review your social networking activities. Please note that this Policy applies even if your social networking is anonymous or under a pseudonym. If you do engage in such social networking, you should be aware that in appropriate circumstances ARCA may take steps to determine your identity.
- m. If you need clarification of any aspect of this policy, contact your supervisor or the Human Resources Department.
- n. Failure to comply with this policy may lead to corrective action up to and including termination and, if appropriate, ARCA may pursue additional legal remedies. ARCA also may report suspected unlawful conduct to appropriate law enforcement authorities. Note, however, that nothing in this policy will be interpreted to limit or interfere with your rights under Section 7 of the National Labor Relations Act.

Approved by: ARCA Board of Directors
May 2, 2012
Revised: June 1, 2016
August 1, 2018



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Vehicle Safety Inspection

Date Completed: _____ Employee #: _____ Individual Served: N/A
If applicable. If applicable. If applicable.

Month/Day/Year of Inspection: _____

Location/ Home: _____

Vehicle License Plate #: _____ Vehicle Number: _____

List the last six numbers and letters of safety bumper sticker. _____

Current Mileage: _____ Mileage for Next Scheduled Maintenance: _____

Employee Name (Printed): _____ Employee # : _____

Employee Signature: _____

Please answer every question on the inspection sheet. If the question does not apply to the vehicle, answer with N/A (not applicable).

Vehicle Exterior:

N/A No Yes Explain if applicable

Vehicle Exterior:	N/A	No	Yes	Explain if applicable
Are there any new scratches, dents, or other damage to this vehicle?				
Is the safety bumper sticker in good condition?				
Are there any leaks under the vehicle?				
Are tires in good condition? (Cuts to sidewall, missing tread, etc.)				
Are all exterior lights working? (Headlights, brake lights, emergency blinkers, turn signals etc.)				
Is there any windshield damage?				
Are windshield wipers working properly?				
Are the wipers blades in need of repair or replacement?				
Are the mirrors in usable condition (sides & rear view)?				
Is this vehicle current on its American Auto Clinics' routine maintenance checks? [Each ARCA vehicle should schedule an appointment with American Auto Clinic (884-2303) every 5,000 miles or 6 months.]				

UNIQUE IDENTIFIER: PT11180007

FORM STORAGE LOCATION: Vehicle File

PAGES: 1 of 2

OWNER: Property & Transportation Mgr.

CASE RECORD FILE: N/A

USER GROUP: 6
[Link to User Legend.](#)

Individual Served: N/A
If applicable.



Vehicle Interior:	N/A	No	Yes	Explain if applicable
Are all interior lights working?				
Are all gauges working properly? (Gas, cooling system, etc.)				
Are there any problems with the heater or air conditioner?				
Is the vehicle book present and complete?				
Is the permanent vehicle registration in the vehicle book?				
Are all proof of insurance and handicap placement cards current?				
Is there any damage to the interior of this vehicle? (Floor, upholstery, tie down tracts, dashboard, etc.)				
Is there any wear or damage to the seatbelts or wheelchair tie downs?				
Where is the seatbelt cutter located?				
Do all doors open freely and close/lock securely?				
Is the wheelchair lift working properly?				
Are there any issues with the emergency manual override for the wheelchair lift?				
What is the next recharge/replacement date on the fire extinguisher?				
Is the fire extinguisher signed on the back monthly?				
Are there any missing or out dated items from the First Aid or Body Fluid spill kits?				
<i>If your vehicle has a G before or after the vehicle number.</i> Are there a flashlight, reflective vest, and reflective triangles in the vehicle				

**Items in need of repair: Document any mechanical issues reported or observed.
(Contact the ARCA Vehicle Coordinator immediately at 553-2264.)**

Document plan of action and completion of any noted issues by staff at location:
(If your vehicle has been serviced within the past 30 days information needs to be provided here.)

Program/Residential Manager or QIDP Approval: _____

Vehicle Coordinator Signature: _____ Date: _____

UNIQUE IDENTIFIER: PT11180007

FORM STORAGE LOCATION: Vehicle File

PAGES: 2 of 2

OWNER: Property & Transportation Mgr.

CASE RECORD FILE: N/A

USER GROUP: 6



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Annual Vehicle Safety Inspection

Date Completed: _____ Employee #: _____ Individual Served: _____
If applicable. If applicable. If applicable.

Vehicle License Plate #: _____ Vehicle Number: _____ Current Mileage: _____

Location: _____ Inspector Name (Printed): _____

Visual Exterior:

ITEM	NEW	GOOD	REPLACE	JUSTIFICATION:
R.F. TIRE				
R.R. TIRE				
L.R. TIRE				
L.F. TIRE				
HUB CAPS				
L.F. FENDER				
NOSE				
R.F. FENDER				
R. DOORS				
R.R. QUARTER				
TAIL				
STICKER				
LICENCE PLATE				
VEHICLE#S				
REAR DOOR				
L.R. QUARTER				
L. DOORS				
WINDSHEILD				
WIND WIPERS				
R.S. WINDOWS				
REAR WINDOW				
L.S. WINDOWS				
R.S. WINDOWS				
ROOF				
HEAD LIGHTS				
HAZARDS				
R.F. BLINKER				
R.R. BLINKER				
HAZARDS				
BRAKE LIGHTS				
AUX. LIGHTS				

Notes: If this Vehicle has been in a collision within the past 12 months or since the previous Annual Inspection was completed, include information (date & damage) below and describe any repairs made as a result.

UNIQUE IDENTIFIER: PT09190011
OWNER: Property & Transportation Dept. Mgr.

FORM STORAGE LOCATION: Property File
CASE RECORD FILE: N/A

PAGES: 1 of 2
USER GROUP: 5d

Individual Served: _____
If applicable.



VISUAL INTERIOR:

ITEM	NEW	GOOD	REPLACE	JUSTIFICATION:
FRONT SEATS				
STEERING WHEEL				
HORN				
GAUGES				
SHIFT				
PEDALS				
R. VIEW MIRROR				
S. BELT DRIVER				
S.B. PASSENGER				
ALL REARBELTS				
ALL BACKSEATS				
FLOORING				
FLOORMATS				
S.B. CUTTER				
VEHICLE BOOK				
INSURANCE CARD				
REGISTRATION				
DRIVER DOOR				
PASS DOOR				
R.R. DOOR				
L.R. DOOR				
REAR DOOR				
HEADLINER				
DASH				
FIRE EXT.				
1 ST AID KIT				
BODY FLUID KIT				
*ROAD HAZARD KIT				(Flashlight, triangle and reflective vest.)
*TIE DOWNS				

*EMERGENCY EVACUATION				
E.E. WINDOWS				
E.E. HATCH				

*LIFT/RAMP PREVENTIVE MAINTENANCE <input type="checkbox"/> N/A (Check if vehicle does not have a lift or powered ramp.)		
<i>Lift Preventive Maintenance to be done every 750 cycles.</i>		
DATE OF LAST P.M./INSP.	COMPANY/TECHNICIAN WHO PERFORMED	CYCLE COUNT

*Required documentation for NMDOT Section 5310 Grant Vehicles.

Notes:

Inspector Signature: _____ Date: _____

Vehicle Coordinator Signature: _____ Date: _____

UNIQUE IDENTIFIER PT09190011

FORM STORAGE LOCATION: Vehicle File

CASE RECORD FILE: N/A

PAGES: 2 of 2

USER GROUP: 6

OWNER: Property & Transportation Dept. Mgr.



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Driving Incident Procedures

Date Completed: _____ Employee #: _____ Individual Served: N/A
If applicable. If applicable. If applicable.

I. Motorist Observation Report/ GPS Exception:

ARCA will implement the following procedures upon receipt of a Motorist Observation Report.

- A. When the Safety Coordinator receives a Motorist Observation Report he or she will identify the specific employee who was driving the ARCA vehicle on the date and at the time of the Motorist Observation Report.
- B. The Safety Coordinator will send copies of the MOR, ARCA Driver identity and MOR meeting request to appropriate Service Director, Program/Residential Manager/QIDP & HR Director.
- C. After receiving the information stated about the MOR, the Service/Division Director & HR Director discuss the MOR & give direction on any disciplinary action needed.
- D. After consultation with the Service/Division Director and Human Resources Director, The Safety Coordinator & Program/Residential Manager will meet with the ARCA driver & review the MOR.
- E. The Program / Residential Manager will document the meeting, discussion & action taken on the Driver Incident Tracking & Accountability Form. The Program or Residential Manager will meet with the employee who was driving the ARCA vehicle and review the content of the Motorist Observation Report, including the nature of the driving incident (i.e. speeding, unsafe lane changes, tailgating, using a cell phone while driving, etc.). Note: the caller's identity should remain confidential. Action taken may include, but not be limited to:
 - 1) **Counseling:** Counsel the employee regarding the importance of following NM State law and ARCA's policies and procedures regarding safe driving procedures.
 - 2) **Additional training, reorientation on the vehicle and/or retaking Defensive Driving course.** Within 30 days of the meeting with the employee, the Program Manager or Residential Manager will communicate with the Training Department and/or specific work location staff to ensure documentation is submitted to the HR office that additional training and/or a vehicle re-orientation has been completed.
 - 3) **Final Warning:** Any further driving incidents may result in reassignment to a non-driving position and/or discharge from employment.
 - 4) **Immediate change of driver status** with ARCA and reassignment to a non-driving position and/or discharge from employment.
- F. The Program/Residential Manager will document the discussion with the employee on the *ARCA Driver Incident Tracking and Accountability form* and have the employee sign that s/he has reviewed the Driver's Report and understands the actions that may be taken if further driving incidents occur. The original form will be submitted to the HR office for placement in the employee file. A copy of the counseling document will be provided to the employee.
- G. An employee may deny that the reported driving infraction occurred and may document this on the counseling form; however, the counseling document will still be filed in his/her personnel file.
- H. Safety Department will input relevant information into the Vehicle Incidents database.
- I. Safety Coordinator will forward all documentation, including copies of the completed *ARCA Driver Incident Tracking and Accountability form* to the HR Department.

UNIQUE IDENTIFIER: HR09190027
OWNER: HR Director

FORM STORAGE LOCATION: Personnel File
CASE RECORD FILE: N/A

PAGES: 1 of 6
USER GROUP: 6

Individual Served: N/A
If applicable.**II. Photo Stop Citations:**

ARCA will implement the following procedures upon receipt of a Photo Stop citation:

- A. The photo stop citation will be forwarded to the HR Director.
- B. The HR Team will enter the photo stop citation information into the Vehicle Incident Database.
- C. The HR Team will forward the original Photo Stop Citation to a Service/Division Director to determine the location of the ARCA vehicle pictured in the citation.
- D. The Service/Division Director will give the Photo Stop Citation to the applicable Program Manager or Residential Manager responsible for supervising the location where the ARCA vehicle is assigned.
- E. The Program Manager or Residential Manager will communicate with the applicable Program Managers, Home Supervisors, or Residential Instructor 3s to review their employees' work history to identify the specific employee who was driving the ARCA vehicle pictured in the citation on the date and at the time of the citation.
- F. The Program Manager or Residential Manager will meet with the employee who was driving and review the content of the citation, including the nature of the driving incident (i.e. speeding or running a red light).
- G. The Program Manager or Residential Manager will counsel the employee regarding the importance of following NM State law and ARCA's policies and procedures regarding safe driving practices. The counseling will be documented on the *ARCA Driver Incident Tracking and Accountability form*.
- H. The Employee will be required to pay the photo stop citation following the directions outlined on the photo stop citation, as follows:
 - 1) The employee will sign the *Pay Roll Deduction form* giving ARCA permission to deduct the fine from his/her pay check in compliance with the Fair Labor Standards Act (FLSA).
- I. Based on consultation with the Service/Division Director and Human Resources Director, the Program Manager or Residential Manager will take appropriate action based on the seriousness of the driving citation and the specific employee's driving history and status. This may include, but not be limited to:
 - 1) **Written counseling**, using the *ARCA Driver Incident Tracking and Accountability form*, signed by the employee and his/her supervisor and placed in his/her personnel file.
 - 2) **Additional training**, and/or retaking Defensive Driving course.
 - 3) **Warning** that any further driving incidents may result in reassignment to a non-driving position and/or discharge from employment.
 - 4) **Immediate change of driver status** with ARCA and reassignment to a non-driving position and/or discharge from employment.
- J. The Program Manager or Residential Manager will document the discussion with the employee and have the employee sign that s/he has reviewed the Photo Stop Citation and understands the actions that may be taken if further driving incidents occur.
- K. All documentation, including copies of the completed Photo Stop Citation will be forwarded to the HR Office and entered by an HR Team member into the Vehicle Incident Database within fifteen days.

UNIQUE IDENTIFIER: HR09190027
OWNER: HR Director

FORM STORAGE LOCATION: Personal File
CASE RECORD FILE: N/A

PAGES: 2 of 6
USER GROUP: 6

Individual Served: N/A
If applicable.



III. Vehicle Collisions or Incidents:

ARCA will implement the following procedures following notice of an employee involved in a vehicle collision or incident while on duty using an ARCA vehicle or a personal vehicle:

A. ARCA Employee Driver Responsibilities.

- 1) Stop the vehicle immediately after the collision. Remain at the scene. Move to a safe location. Take precautions to ensure the safety of all parties.
- 2) If appropriate, notify emergency services – 911 and cooperate with police investigation.
 - a. Emergency service will assess for further medical care.
 - b. In some cases, ARCA driver may be instructed to file a Police Report at the local substation.
- 3) Notify supervisor or ARCA Office or On-Call Staff.
- 4) Make no admission of liability or responsibility for a collision. The investigating agencies will make a determination of responsibility.
- 5) Exchange information with the driver(s) of the other vehicle(s). The driver's name(s), license number(s), telephone numbers, and the name of the insurance carrier(s) should be exchanged with the police and the other driver(s).
- 6) Attempt to get the name and phone number of any witnesses.
- 7) ARCA employees must complete a General events Report(GER / ANE) if applicable to incident and/or Service area requirements. Send the original report to the Supervisor or On-call Supervisor within 24 hours or next business day.
- 8) Complete the ARCA Vehicle Accident Report within 24 hours. This is required for all vehicle collisions involving both ARCA and employee's personal vehicles. Send original report to the Benefits Coordinator and/or Designee.
- 9) ARCA employees must complete a "Notice of Accident" Form, (1st pg. of Workers Compensation Packet) within 15 days. Send the original report to the HR Benefits Team.

B. ARCA Supervisor Responsibilities

- 1) The Supervisor or his/her designee will drive to scene or arrange for support staff to drive to scene if possible.
- 2) If persons served involved – notify ARCA Nurse/On-call Nurse and follow directions of ARCA Nurse.
- 3) Notify ARCA Benefits Team immediately.
- 4) Refer the employee(s) involved for medical care follow-up if required. If the employee is not comfortable driving assistance needs to be provided by the Supervisor or his/her designee.
- 5) Refer the employee driving the vehicle to Quest Diagnostics Labs for a drug screen as outlined in ARCA Personnel Policy 4.38 Alcohol and Drugs in the Workplace, under 4.38.2.3. If the employee is not comfortable driving assistance needs to be provided by the Supervisor or his/her designee.

UNIQUE IDENTIFIER: HR09190027
OWNER: HR Director

FORM STORAGE LOCATION: Personal File
CASE RECORD FILE: N/A

PAGES: 3 of 6
USER GROUP: 6

Individual Served: N/A
If applicable.



- 6) If an ARCA vehicle is disabled make arrangements to have vehicle towed to designated repair shop. Refer to the Vehicle Vendor List located in the Vehicle Book for this information. Contact Vehicle Coordinator or ARCA Property Department.
- 7) If the collision involves an employee's personal vehicle, the Supervisor may need to assist the employee to make towing arrangements.
- 8) Review the Incident Report (GER, ANE) and follow the Incident Management Systems and Reporting Process (pgs. 3-5 Acknowledgment of the Receipt of the Incident Management Systems and Reporting Process).
- 9) A Manager, Supervisor or Director will need to meet with the employee(s), complete the ARCA Accident Investigation Form and send the original reports to the Benefits Coordinator and/or Designee within 24 hours or the next business day.

C. ARCA Administrative Reporting Procedures

- 1) The collision/incident will be reported to the ARCA Benefits Team, and/or Supervisor immediately or on the first business day following the collision/incident.
- 2) The Benefits Team or Supervisor will implement the employee drug screening procedures. The Benefits Coordinator and/or Designee will implement the worker's compensation reporting procedures.
- 3) If the collision/incident occurred in an ARCA vehicle, the Supervisor or Benefits Coordinator and/or Designee will notify the Vehicle Coordinator and Safety Coordinator immediately, or the first business day following the collision/incident.
- 4) The Vehicle Coordinator will contact ARCA's insurance carrier to report the collision/incident and if the collision involves an ARCA vehicle, the Vehicle Coordinator will follow up with applicable reporting requirements and obtain an insurance claim number.
- 5) The Benefits Team and/or the Vehicle Coordinator will obtain a copy of the Police report as applicable.
- 6) The Benefits Team and/or Designee will notify the employee's Service Director, Division Director and/or Program Manager/Residential Manager of the driving incident/collision.
- 7) The HR Team will enter the collision/incident information into the Vehicle Incident Database.
- 8) The Division Director and/or Program Manager/Residential Manager will meet with the employee who was driving and discuss the nature of the collision/incident including severity, responsible party, damage to the vehicle, and citations if applicable.
- 9) The Division Director and/or The Program Manager or Residential Manager will counsel the employee regarding the importance of following NM State law and ARCA's policies and procedures regarding safe driving practices. The counseling will be documented on the *ARCA Driver Incident Tracking and Accountability form*.
- 10) Based on consultation with the Service/Division Director and Human Resources Director, the Program Manager/Residential Manager will document the action taken based on the seriousness of the driving infraction and the specific employee's driving history and status. Action taken may include, but not be limited to:

UNIQUE IDENTIFIER: HR09190027
OWNER: HR Director

FORM STORAGE LOCATION: Personal File
CASE RECORD FILE: N/A

PAGES: 4 of 6
USER GROUP: 6

Individual Served: N/A
If applicable.

- a. **Written counseling**, using the *ARCA Driver Incident Tracking and Accountability form*, signed by the employee and his/her supervisor and placed in his/her personnel file. For all backing-up collisions the counseling section of the driver Incident Tracking Form and accountability form is **required** to be filled out.
 - b. **Charge for damages**: The employee may be required to reimburse ARCA up to \$100.00 to assist with the cost of repairs to or replacement of the ARCA vehicle. The charges will be reviewed with the employee and deducted from the employee's paycheck in accordance with FLSA regulations.
 - c. **Additional training**, reorientation on the vehicle and/or retaking Defensive Driving course.
 - d. **Warning** that any further driving incidents may result in reassignment to a non-driving position and/or discharge from employment.
 - e. **Immediate change of driver status** with ARCA and reassignment to a non-driving position and/or discharge from employment.
- 11) **Documentation**: The Program Manager will document the discussion with the employee and have the employee sign that s/he has reviewed the vehicle incident/collision report and understands the actions that may be taken if further driving incidents occur.
- 12) All documentation, including copies of the completed *ARCA Vehicle Accident Report* will be forwarded to the HR Office and entered by an HR Team member into the Vehicle Incident Database within 15 days.

D. ARCA Vehicle Coordinator and ARCA Property Department Responsibilities: ARCA Vehicles Only

- 1) Work with employee (driver) or Supervisor or On-Call to assess condition of ARCA vehicle and make arrangements to have vehicle towed to designated repair shop. Refer to the Vehicle Vendor List located in the Vehicle Book for this information.
- 2) Arrange for assignment of a spare vehicle if available.
- 3) Notify insurance carrier of collision and follow all documentation requirements of the carrier.
- 4) If NMDOT holds lien on the vehicle:
 - a. Notify NMDOT immediately and copy Grants Manager.
 - b. Add accident information (date, brief description of incident and photo of damage) to vehicle in NMDOT's online inventory.
 - c. Upload evidence of repair, if applicable.
 - d. Work with Grants Manager to follow additional NMDOT documentation and reporting requirements.
- 5) The Benefits Team and/or the Vehicle Coordinator will obtain a copy of the Police report as applicable.
- 6) File copies of Police Report, ARCA Vehicle Accident Report, and other pertinent documents in Human Resources Department.
- 7) Meet with Insurance adjuster and repair shop to make arrangements for repairs to vehicle.
- 8) Ensure that all documentation, including copies of the completed the *ARCA Vehicle Accident Report* is forwarded to the HR Office.

UNIQUE IDENTIFIER: HR09190027
OWNER: HR Director

FORM STORAGE LOCATION: Personal File
CASE RECORD FILE: N/A

PAGES: 5 of 6
USER GROUP: 6

Individual Served: N/A
If applicable.



IV. Other Driving Incidents and/or Citations:

A. On Duty Driving Incidents and/or Citations:

- 1) If an employee is stopped by the police while driving on duty, s/he is expected to cooperate and comply with the law enforcement officer. If the employee is cited for speeding, other moving violations, or other reasons, the employee is expected to notify his/her supervisor or HR Team member and pay any resulting fines. The employee status as an approved driver may be suspended until s/he is reapproved to continue as an approved driver.

B. Off Duty Driving Incidents and/or Citations:

- 1) **ARCA Driving Policy/Essential Function:** As per ARCA Personnel Policy 4.8 Employee Driving Procedures, employment in positions which require driving are contingent on the employee's ability to maintain a good driving record and be approved as a driver by ARCA's liability insurance carrier to drive an ARCA vehicle or personal vehicle while on duty.
- 2) **Reporting:** ARCA employees are required to immediately report to their supervisor or the HR Director if their driver's license is expired, suspended or revoked, or upon receipt of any driving citations, or moving violations which may affect their driving record.
- 3) **Periodic Monitoring:** ARCA contracts with a company that monitors on a monthly basis, the status of the driver's licenses and driving records for all ARCA employees approved as drivers. Any employee who is reported to have an expired, suspended or revoked driver's license, and/or who has received citations that may impact his/her status as an approved driver for ARCA, will be immediately suspended as an approved driver until the issue(s) is resolved and the employee is reapproved as a driver.

C. Driver Status:

- 1) Employment in positions which require driving are contingent on the employee's ability to maintain a good driving record and be approved as a driver by ARCA's liability insurance carrier to drive an ARCA vehicle or personal vehicle while on duty. Employees may be subject to reassignment to a non-driving position if an appropriate position is available or to discharge from employment if he/she is excluded from coverage by ARCA's liability insurance carrier and is unable to perform his/her driving responsibilities.

I _____ (print name) certify that this information has been reviewed with me on _____ (date) by my trainer. I understand that failure to comply with these guidelines may result in loss of approved driver status, possible transfer to a non-driving position, or termination from employment with ARCA. In addition a violation of this time left unattended guideline may be considered to be a case of abuse or neglect by both an internal agency review and external oversight authorities.

Employee Signature

Date

Trainer

Date

UNIQUE IDENTIFIER: HR09190027
OWNER: HR Director

FORM STORAGE LOCATION: Personal File
CASE RECORD FILE: N/A

PAGES: 6 of 6
USER GROUP: 6



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Vehicle Accident Report

Date Completed: If applicable. Employee #: If applicable. Individual Served: If applicable.

Complete for all vehicle accidents (ARCA and Personal Vehicles)

Name of Driver: _____ Date of Birth: _____

Driver's Telephone Number: _____

Driver's License Number: _____

Vehicle License Plate Number: _____

Vehicle Make/Model: Agency _____ Personal: _____

Complete Home Address: _____

Agency Vehicle Assigned: _____

Date of Accident: _____ Time of Accident: _____ AM _____ PM

Location of Accident: _____

Names of All Passengers in the Vehicle:

Were there any injuries? Yes No

Did passengers receive medical attention? Yes No

Describe Damage to Agency Vehicle(s) and/or Property:

Briefly Describe Accident:

UNIQUE IDENTIFIER:

FORM STORAGE LOCATION: HR: Workman's Comp File
Property: Vehicle Accident

PAGES: 1 of 2

OWNER: Human Resources Director

CASE RECORD FILE: N/A

USER GROUP: 6
[Link to User Legend.](#)

Individual Served:
If applicable.



OTHER VEHICLES INVOLVED
Complete for all vehicle accidents (ARCA and Personal Vehicles)

Driver's Name: _____ Driver's Telephone Number: _____

Complete Address: _____

Driver's License Number: _____

Vehicle Make/Model: _____ Vehicle License Plate Number: _____

Insurance Company Name: _____

Insurance Agent's Name: _____ Telephone Number: _____

Policy Number: _____

Police Report Number: _____

Driver's Name: _____ Driver's Telephone Number: _____

Complete Address: _____

Driver's License Number: _____

Vehicle Make/Model: _____ Vehicle License Plate Number: _____

Insurance Company Name: _____

Insurance Agent's Name: _____ Telephone Number: _____

Policy Number: _____

Police Report Number: _____

Signature of (ARCA) Driver Title Date

Signature of Person Completing Report Title Date

**** SUBMIT COMPLETED FORM TO HUMAN RESOURCES ****

UNIQUE IDENTIFIER:

FORM STORAGE LOCATION: HR: Workman's Comp File
Property: Vehicle Accident File

PAGES: 2 of 2

OWNER: Human Resources Director

CASE RECORD FILE: N/A

USER GROUP: 6



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Vehicle Evacuation Best Practices

Date Completed: If applicable. Employee #: If applicable. Individual Served: If applicable.

Vehicle Evacuation Training

During this Best Practices Session, you will receive operational instructions for emergency exiting, and the safety features available on this vehicle. Reasons for a disabled vehicle may be fire, flat tire, accident, or mechanical failure just to name a few.

The purpose of this exercise is to gain knowledge of the vehicle, its safety features, and to review correct evacuation procedures.

Best Practices Guidelines:

- Know where your external doors are located and how to operate.
- If applicable, know how to use your emergency reflective triangles and where they are located within this vehicle.
- Know where your fire extinguisher is located and how to operate.
- Know where your first aid kit and body fluid kits are located and how to use properly.
- If applicable, know where your emergency wheelchair and door overrides are located and how to operate.
- If possible, move at least 200 feet or more from the disabled vehicle and traffic.
- Account for everyone in the vehicle.
- Use the emergency numbers located within the vehicle book to contact emergency services, the Vehicle Coordinator and/or Safety Officer, Home Supervisor and/or Program Manager for support.
- If applicable, use the radio located within the vehicle to contact the base station for support.
- Discuss the process for filing accident reports, where is the report located, who you contact, 24-hour turnaround time for reporting etc.

The Program Manager and/or Vehicle Coordinator/Safety Department representative will conduct this Best Practices Session.

Vehicle Evacuation Lessons Learned

Date Conducted: _____ Time Conducted: _____ AM PM

Make and model for vehicle _____

Home/business address _____

UNIQUE IDENTIFIER:

FORM STORAGE LOCATION: Safety File

PAGES: 1 of 3

OWNER: Risk Manager

CASE RECORD FILE: N/A

USER GROUP: 1abc,3abc,4ab,5d
[Link to User Legend.](#)

Individual Served:
If applicable.



Please review and discuss the 5 W's

Who was present?

Names of **staff and their employee numbers**, who participated in this Best Practices Session:

Name: _____	Employee# _____	Name: _____	Employee# _____
Name: _____	Employee# _____	Name: _____	Employee# _____
Name: _____	Employee# _____	Name: _____	Employee# _____
Name: _____	Employee# _____	Name: _____	Employee# _____
Name: _____	Employee# _____	Name: _____	Employee# _____

List the name of the individuals who were present:

What actions were taken?

Where would you/did you evacuate to?

When were you made aware of the situation?

Why was it, or would it be, important to evacuate

How can we improve actions taken?

Is there anything identified that needs to be addressed?

UNIQUE IDENTIFIER:

FORM STORAGE LOCATION: Safety File

PAGES: 2 of 3

OWNER: Risk Manager

CASE RECORD FILE: N/A

USER GROUP: 1abc,3abc,4ab,5d

Individual Served:
If applicable.



By typing my name, title, and employee # in the fields below, I certify that I have completed this form.

Printed Name Title Emp #

Click on submit. @arcaspirit.org will appear in pop up click in front of @arcaspirit.org enter the email of receiver (Program Manager, QIDP) in field. Click "ok" to send. (Note: If form is filled out manually – send completed form to Program Manager/ QIDP)

REVIEWER FILLS OUT BELOW:

By typing my name, title, and employee # in the fields below, I certify that I have reviewed this form.

Printed Name Title (Program Manager/QIDP) Emp #

Click on submit. Document will be emailed to Safety Coordinator (Note: If form is filled out manually – send completed form to Safety Coordinator)

UNIQUE IDENTIFIER:

FORM STORAGE LOCATION: Safety File

PAGES: 3 of 3

OWNER: Risk Manager

CASE RECORD FILE: N/A

USER GROUP: 1abc,3abc,4ab,5d



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Transportation Guidelines

Date Completed: _____ Employee #: _____ Individual Served: N/A
If applicable. If applicable. If applicable.

Employee Name: _____ Emp #: _____

1. **Driver status:** Only ARCA Employees who are approved to drive for ARCA, and appropriately licensed, may perform driving responsibilities while on duty in an ARCA Vehicle or personal vehicle including transporting individuals receiving services from ARCA. Drivers must follow State of New Mexico driving and transportation laws and regulations. (See ARCA Program Policy 2.8 Transportation and Personnel Policy 4.8 Driving Responsibilities)
2. **Safe driving practices:** Employees are responsible for their own safety and the safety of their passengers and must be aware of all driving conditions to include inclement weather conditions.
3. **Seat belts:** In accordance with NM State law, all occupants must wear a seat belt while the vehicle is in motion.
4. **Vehicle inspection:** Each time an employee drives an ARCA owned vehicle he/she will conduct a 360 walk-around. (See ARCA Program Policy 2.8.5.1 Transportation)
5. **Smoking:** ARCA prohibits smoking or the use of tobacco in any form through the use of tobacco products, smokeless tobacco products, or “vaping” with e-cigarettes by the employees or passengers in vehicles owned by ARCA. Employees are also prohibited from smoking or using tobacco products in their personal vehicles while transporting individuals served by ARCA. (See ARCA Personnel Policy 4.39 Smoking)
6. **Medications:** The employee who is driving will not operate a vehicle while on medication that could put the passengers or the vehicle at risk. (See ARCA Personnel Policy 4.38 Alcohol and Drugs in the Workplace)
7. **Drugs and Alcohol:** Employees will not be under the influence of illegal drugs, alcohol and/or engaged in controlled substance abuse prior to or while operating a vehicle. (See ARCA Personnel Policy 4.38 Alcohol and Drugs in the Workplace)
8. **Gas card:** The use of the company gas credit card for other than ARCA vehicles is strictly prohibited. Any exceptions must have prior approval from ARCA Director for each specific occasion.
9. **Citations:** The employee driving the vehicle is responsible for any fines or tickets incurred while driving or parking.
10. **Plan ahead:** The employee who is driving is responsible for leaving on time in order to arrive at the appointed destination on time.
11. **Fuel supply:** Employees must ensure that the vehicle does not go below ¼ tank in fuel at all times to avoid running out of gas.
12. **Fueling Vehicles:** While on duty & refueling either an ARCA Vehicle or personal vehicle always turn off the engine and disable or turn off any auxiliary sources. Put the vehicle in park and/or set the emergency brake. NEVER smoke, light matches or use lighters. Never leave the nozzle unattended. Do not overfill or top-off your vehicle tank and never use a cell phone or other personal electronic device.

UNIQUE IDENTIFIER: HR05170027
OWNER: HR Director

FORM STORAGE LOCATION: Personnel File
CASE RECORD FILE: N/A

PAGES: 1 of 3
USER GROUP: 6
[Link to User Legend.](#)

Individual Served: N/A
If applicable.



13. **Security:** Employees who are driving should always secure the vehicle appropriately when it is parked, i.e. lock doors, close windows, put in proper gear, and set brake. Employees should not leave personal valuables or ARCA equipment in the vehicle.
14. **Safety materials:** All employees who drive for ARCA must make themselves familiar with the safety materials made available for use in agency vehicles, i.e., fire extinguisher, bodily fluid and first aid kits.
15. **Insurance coverage:** All employees who transport individuals served by ARCA in their personal vehicle must maintain personal automobile insurance. Additionally, all employees who have driving responsibilities must be approved to drive by ARCA's liability insurance carrier to drive an agency vehicle and/or their personal vehicle for work.
16. **Passenger supports:** All employees should be aware of the behaviors and needs of the passengers they are transporting. If passengers are aggressive or are in need of special attention while in vehicles, the driver should ensure that seating arrangements are planned ahead to ensure safe driving conditions and/or ensure another ARCA employee is available to assist with transporting those individuals in need of special assistance. If an employee does not feel safe transporting specific passengers they should communicate with their supervisor to ensure passenger assistance is available. Employees should ensure that they are following the Individual Service Plan with respect to individual behaviors.
17. **Supervision of individuals:** Individuals receiving services are not to be left unattended in vehicles at any time. When transporting individuals to another location (i.e. work site, day activities, appointment, etc.) staff must ensure the individual(s) are escorted into the building/location and under the supervision of an appropriate responsible person at that location before the staff departs. When transporting individuals in the community (i.e. movies, shopping, restaurant, etc.) staff cannot leave individuals receiving services unattended in any vehicle at any time.
18. **Unloading passengers:** When transporting a large number of individuals receiving services, staff need to be aware of how many individuals they are transporting at all times to ensure that no one is left behind.
19. **Distracted driving:** Employees understand that use of cell phone/electronic devices while driving including texting or using a hands-free (blue tooth) system is prohibited while driving for ARCA in a personal vehicle or ARCA vehicle. Employees are also prohibited from eating or performing other tasks that may be distracting while driving.
20. **Urgent communication during transportation:** For urgent communication events, employees should pull over in a safe location, put the vehicle in park and use a personal cell phone.
21. **Post-accident drug/alcohol screening:** In the event an employee is involved in an accident and/or moving violation while on duty all staff are required to adhere to ARCA policy 4.38 (Alcohol and Drugs in the Workplace) to be promptly tested for drug and alcohol use.
22. **Vehicle loading:** Staff providing transportation in 12 passenger vans and larger Goshen vans should be aware of ensuring proper weight distribution. Avoid loading the van to capacity and ensure that passengers ride in the middle of the vehicle between the front and rear axels when not fully loaded.
23. **Flat tires/roadside assistance:** Employees are not to attempt to change flat tires on agency vehicles at any time. In the event of a flat tire employees are to call for roadside assistance.

UNIQUE IDENTIFIER: HR05170043
OWNER: HR Director

FORM STORAGE LOCATION: Personnel File
CASE RECORD FILE: N/A

PAGES: 2 of 3
USER GROUP: 6

Individual Served: N/A
If applicable.



- 24. **Driving as an essential function:** If an employee, who is required to drive as an essential function of his/her position, has his/her driver's license suspended or revoked for any reason, or receives a moving violation that may effect his/her good driving record, he/she must notify his/her supervisor and the Human Resources Director immediately. The employee may be subject to reassignment to a non-driving position or to discharge from employment if he/she is excluded from coverage by ARCA's liability insurance and is unable to perform his/her driving responsibilities.
- 25. **Accident reporting:** Employees are required to report any vehicle accident that they are involved in while driving ARCA vehicles or their personal vehicles while on the job and acting within the scope of their employment for ARCA.
- 26. **Passengers:** Employees who drive for ARCA may not transport non-employees and/or individuals from another agency in ARCA vehicles or personal vehicles while on duty. Exceptions to this guideline must be approved in advance by an ARCA Director.
- 27. **Pets:** Pets are prohibited from traveling in ARCA vehicles and personal vehicles while on duty unless prior approval from an ARCA Director. Pets must be in a secure kennel at all times while in the vehicle.
- 28. **Motorcycles and scooters:** Motorcycles, motor bikes, and/or motor scooters may not be used to perform work-related driving or transportation.
- 29. **Vehicle Training/Driver role:** All employees must complete driver orientations before driving ARCA vehicles. Employees who will be driving large passenger vans or mini buses must complete specific training before driving these vehicles. Any employees who do not feel confident or safe to drive ARCA vehicles or their own personal vehicle for work must notify a supervisor or management staff person. Employees may be subject to reassignment to a non-driving position or to separation from employment if non-driving positions are not available.

I, _____ (print name) certify that this information has been reviewed with me on _____ (date) by an HR Team member or my supervisor. I understand that failure to comply with these guidelines may result in loss of approved driver status, possible transfer to a non-driving position, or termination from employment with ARCA.

Employee Signature

Date

HR Team Member/Supervisor Signature

Date

UNIQUE IDENTIFIER: HR05170043
OWNER: HR Director

FORM STORAGE LOCATION: Personnel File
CASE RECORD FILE: N/A

PAGES: 3 of 3
USER GROUP: 6

ARCA

Section 3. Individualized Supports

Policy #3.6 – Behavior Support Methodologies

Purpose: To assure quality in programming and the protection of each individual's rights and welfare through the use of non-aversive developmental and educational approaches.

Policy Statement:

- 3.6.1 ARCA shall establish guidelines to assure that services are developed to deal with significant problem behaviors exhibited by individuals.
- 3.6.2 ARCA shall develop guidelines to ensure that behavior support plans are designed to teach and develop the individual's fullest potential.
- 3.6.3 ARCA shall develop guidelines to ensure that behavior support programs employ the least restrictive level of non-aversive intervention or consequence.
- 3.6.4 ARCA shall develop guidelines to ensure that positive behavior support programs are implemented within the context of an effective organizational and management structure.
- 3.6.5 ARCA shall develop guidelines to assure that full written documentation showing approvals, methods, data, and monitoring associated with the programs is available.
- 3.6.6 ARCA shall develop guidelines to assure that proper consent and approval is obtained prior to the implementation of positive behavior support programs.
- 3.6.7 ARCA shall develop guidelines to assure that positive behavior support programs are not intended to inflict emotional or physical pain on the individuals served.
- 3.6.8 ARCA shall establish guidelines to assure that positive behavior support programs are developed and implemented by staff/contractors trained in the specific procedures recommended.
- 3.6.9 ARCA shall abide by established guidelines to assure the proper use and monitoring of medications used for positive behavior support plans.

Most Recent Approval by ARCA Board of Directors

Date: October 5, 2016

Initial Approval by ARCA Board of Directors

Date: August 25, 1982

Procedures for Behavior Support Methodologies

- 3.6.1 Individuals with challenging behaviors will receive positive behavioral supports as agreed to by the Interdisciplinary Team (IDT). The positive behavioral supports will be incorporated as part of the Individual Service Plan (ISP) in the form of a Positive Behavior Support Plan and Crisis Management Plan and/or Risk Management Plan, or other specific strategies that address targeted behaviors.
- 3.6.1.1 The plan will provide a comprehensive description of the individual including diagnosis, strengths, and capabilities.
- 3.6.1.2 The plan will include an adequate description of the Individual's behavioral challenges, including the severity of the behaviors.
- 3.6.1.3 The plan/assessment will provide an adequate description of past attempts to proactively manage behavior challenges.
- 3.6.1.4 The plan will provide an adequate analysis of possible causes of the challenging behavior.
- 3.6.1.5 The positive behavior support plan will have clear goals that are related to the team's efforts to help improve the individual's quality of life.
- 3.6.1.6 The positive behavior support/teaching procedures recommended should be appropriate and comprehensive enough to address the individual's challenging behaviors.
- 3.6.2 Positive Behavior Support Plans and ISPs with behavioral approaches will be designed to support behavior enhancing skills through choice, positive reinforcement, and recognition of the individual's preferences, needs, and long-term vision to shape effective and positive interpersonal and social behavior.
- 3.6.2.1 Behavior Support Programs and ISPs will use strategies to minimize interpersonal, social or environmental factors, which may contribute to challenging behaviors.
- 3.6.2.2 Behavior Support Plans and ISPs will use strategies that will attempt to:
- a) increase the individual's competency within their daily routines;
 - b) increase the individual's ability to cope with a variable environments;
 - c) establish or shape increasingly more complex adaptive behaviors; and
 - d) help the individual progress along the normal developmental sequences.

- 3.6.3 Positive Behavior Support Plans and ISPs will use positive interventions before more intrusive approaches.
- 3.6.3.1 Intervention procedures used in programs and the level of approval required is defined.
- 3.6.3.2 Increasingly stringent requirements for program approval and documentation will be made as the intrusiveness or restrictiveness of the plan increases. Plans that include the following characteristics may be reviewed by the Program Human Rights Committee per regulations:
- a) overcorrection;
 - b) forced physical guidance;
 - c) response cost;
 - d) restitution;
 - e) use of intense, highly structured and specialized treatment strategies, including level systems with response cost or failure to earn components; and
 - f) use of restraints for medical purposes i.e. sedation, papoose boards.
- 3.6.3.3 Positive, non-restrictive procedures will be tried and if they fail to produce the desired behavioral outcomes, more restrictive, negative procedures may be used. Positive teaching techniques will always be included. The following procedures must be placed in a Crisis Management Plan and/or Risk Management Plan per regulations and reviewed by the Program Human Rights Committee:
- a) physical restraints;
 - b) use of law enforcement;
 - c) use of emergency hospitalization; and
 - d) use of PRN psychotropic medications.
- 3.6.3.4 Environmental or physiological factors that may contribute to challenging behaviors will be identified and the plan will include strategies to minimize those effects.
- 3.6.4 Positive Behavior Support Plans will be developed and integrated into the Individual Service Plan.
- 3.6.4.1 Interdisciplinary team meetings with appropriate representation will conduct comprehensive assessments to guide the design and purpose of the positive behavioral supports incorporated into the ISP.
- 3.6.4.2 Collection of sufficient data will be completed to design an effective behavioral support plan and assess it's effectiveness in assisting the individual to achieve the outcomes identified in the ISP.

- 3.6.4.3 Positive Behavior support plans will be implemented under appropriate supervision. They will be reviewed, monitored, and revised as needed.
- 3.6.5 Positive Behavior Support Plans will be documented in writing.
- 3.6.5.1 The written documentation will be in the individual's case record at the main office and at their home and/or work placement, when appropriate.
- 3.6.5.2 The written documentation will be available to the individual and other members of the Interdisciplinary Team as appropriate.
- 3.6.5.3 The written document will include:
- a) assessment of the behavior;
 - b) definition of the behavior(s);
 - c) baseline data that will include rate, frequency, duration, or intensity of the behavior;
 - d) strategies to deal with the behavior(s);
 - e) history of previous approaches used, and the individual's response to these approaches;
 - f) minutes of interdisciplinary team meetings regarding the problem;
 - g) written approval of the designated approval committee;
 - h) written consents, as appropriate;
 - i) records of data collection and program review and monitoring; and
 - j) a Crisis Management Plan, and/or a Risk Management Plan, as needed.
- 3.6.6 Positive Behavior Support and Crisis and Risk Management Plans (plans) will receive the appropriate approvals and consents prior to being implemented.
- 3.6.6.1 Intervention procedures used in the plans and the approvals and consents required for their implementation are outlined in the Behavior Interventions Approval and Consent Requirements.
- 3.6.6.2 The appropriate committee(s) written approval will be obtained as needed.
- 3.6.6.3 The person responsible for the program will refer programs requiring review and approval by the Program Human Rights Committee to the committee facilitator.
- 3.6.6.4 The Program Human Rights Committee will review the plans for technical adequacy and appropriateness of intervention.
- 3.6.6.5 The agency's Program Human Rights Committee will review the plans to ensure protection of individual rights as required by regulations.

- 3.6.6.6 Individuals served and/or their guardians will be informed of intervention procedures being used.
- 3.6.6.7 The agency will ensure that the plans comply with federal and state laws, codes, regulations, and standards pertaining to the rights and treatment of individuals with a developmental disability.
- 3.6.6.8 Individuals served who live independently or in private family homes are viewed as requiring differing levels of monitoring based on funding regulations.
 - 3.6.6.8.1 Adults who live independently are viewed as capable of self-monitoring their medication and program intervention needs in conjunction with ARCA Staff.
 - 3.6.6.8.2 Individuals served, not funded by the Developmental Disabilities Services Division, who live in private family homes benefit from receiving normal child-rearing practices, which are not subject to the same reviews required in more structured residential settings.
 - 3.6.6.8.3 More intrusive plans that may infringe on individuals' rights require review by the Human Rights Committee.
- 3.6.7 Positive Behavior Support and Crisis and Risk Management Plans (plans) will respect the individual's human rights. The following procedures are prohibited from use.
 - 3.6.7.1 Seclusion, time-out and/or isolation programs employing the use of a locked door or other latching devices are prohibited.
 - 3.6.7.2 Depriving the individual of a nutritionally adequate diet is prohibited. Meals will be served in appropriate places that are comfortable and provide opportunity to socialize with others, and individuals will be allowed sufficient time to eat in a relaxed manner.
 - 3.6.7.3 Disciplining of individuals served by other individuals served.
 - 3.6.7.4 Corporal punishment, electric shock, application of water mist, application of noxious tastes, smells or skin agents are prohibited.
 - 3.6.7.5 Chemical/medical restraints shall not be used as a punishment, for convenience of staff, or as a substitute for a program or in quantities that, in any way, interfere with the individual's program.
 - 3.6.7.6 Threats to punish, restrict rights, or intimidate individuals served are prohibited.
 - 3.6.7.7 Mechanical restraint that involves the use of belts, straps, or other mechanical devices to restrict an individual's movements (other than

therapeutic devices prescribed by a therapist or doctor to aid in therapeutic goals) is prohibited.

- 3.6.7.7.1 The use of mechanical or medical restraint to aid in therapeutic medical care must be recommended by the doctor and the IDT and approved by the Program Human Rights Committee. The approvals will be documented in the ISP.
- 3.6.7.7.2 The use of protective devices must be recommended by the IDT and must be approved by the Program Human Rights Committee, if applicable. Protective devices include, but are not limited to, helmets, padding, gloves, wheelchair seat belts, and other devices prescribed by physicians, occupational therapists and physical therapists. These devices are used solely for protection and specialized therapeutic interventions and are not for behavioral control. This procedure may apply to the use of helmets, kneepads, safety goggles, automobile seat belts and other commonly used protective equipment utilized by any individual, disabled or non-disabled, in occupational, transportation or recreational settings.

The use of protective devices must meet the following criteria:

- 1) Be prescribed for a medical reason by a licensed healthcare practitioner who has personally evaluated the individual.
- 2) If appropriate, be reviewed by the behavior therapist and ARCA professional staff responsible for coordinating and monitoring the Positive Behavior Support Plan, as well as the IDT.
- 3) Be used only in situations where the individual's history supports the conclusion that actual tissue damage or health threatening effects are imminent and probable in the absence of such device.
- 4) Be designed, applied and appear in a manner to minimize stigma and negative reactions.
- 5) In Community Services, if the individual has a chronic medical condition (as opposed to a specialized procedure requiring a time limited use of a protective device) the long term use of a device will be reviewed on a yearly basis by the HRC. Otherwise it will be reviewed quarterly. The IDT ensures that the licensed healthcare practitioner completes required reviews throughout the year.

- 3.6.7.8 Exclusionary time-out programs will only be used as part of a systematic positive behavior support plan and are to be closely monitored and supervised.
- 3.6.7.8.1 Exclusion of an individual cannot exceed 10 minutes per episode or exceed sixty minutes within a twenty-four hour period except when approved by PHRC and IDT.
- 3.6.7.8.2 Exclusion should be used with caution when individuals served are known to engage in self-stimulation or self-injurious behaviors.
- 3.6.7.8.3 During the period of exclusion, the staff/contractor will monitor the individual's activities to ensure no harm comes to the individual or other persons that may come into the area.
- 3.6.7.8.4 Exclusionary time-out programs do not use latching or locking devices that prevent the individual's entrance or exit. In Intercare locking devices may be used that prevent the individual entrance or exit when approved by PHRC and IDT.
- 3.6.7.8.5 Data will be collected on all occasions when an individual is excluded. Data will include:
- a) Date and time of exclusion;
 - b) Length of time excluded;
 - c) Behavior exhibited which warranted exclusion;
 - d) Individual's response to exclusion; and
 - e) Name/s of the staff person(s)/contractor(s) implementing exclusion.
- 3.6.8 The agency will ensure that programs are designed and implemented by appropriately trained personnel.
- 3.6.8.1 In-service training on the intervention procedures to be used will be provided to staff.
- 3.6.8.2 The person responsible for the program and staff working with the individual will be trained in behavior support policies.
- 3.6.8.3 Staff will be trained in positive teaching approaches.
- 3.6.8.4 Staff authorized to implement intrusive or time-out elements of a positive behavior support plan will be thoroughly trained on the goal, objective and strategies.
- 3.6.9 Drugs for Behavior Management refer to medication prescribed and administered for the purpose of modifying the behavior of an individual. This includes drugs for

diagnosed psychiatric disorders. Examples include antidepressants, stimulants, major and minor tranquilizers, anti-convulsants that are prescribed for behavioral control. This definition excludes medications that may have behavior modifying properties, but that clearly are prescribed for non-behavioral purposes such as seizure control.

3.6.9.1 A consent form for the use of psychotropic drugs will document potential benefits, risks, and harm of using drugs. A consent form will be completed each time a new medication is prescribed and updated yearly.

3.6.9.1.1 A consent form documenting the written approval for the utilization of psychotropic drugs will be signed prior to the taking or administering of such drugs by the: a) individual served; b) the parents, if the individual is a minor; or c) legal representative of an incapacitated adult.

3.6.9.1.2 Interim approval may be received by phone pending receipt of written consent. Efforts to secure written consent will be documented in the individual's record and will include a copy of the written notice sent to the unavailable party, whose consent is sought.

3.6.9.1.3 In InterCare, the initial utilization of psychotropic drugs must be reviewed and approved by the Program Human Rights Committee prior to the administration of the drugs. Interim approval may be received by phone pending receipt of written consent.

3.6.9.2 Chemical/medical restraints shall not be used as: a) punishment; b) for convenience of staff; or c) as a substitute for a positive behavior support plan.

3.6.9.2.1 The Individual Service Plans for individuals served by Independent Living and Family Services who take prescribed psychotropic drugs will address the need for monitoring and review of their medication use. Family-based programs or individuals receiving services without live-in support may be exempt from the procedural requirements of data collection required for individuals served in other programs.

The ISP will specify what roles the individual served, family, guardian, doctor, staff, family contractors or others will take in administering and monitoring the individual's use of medications. Policies and procedures concerning psychotropic medications that govern consent, approval, and least restrictive alternatives will still apply.

- 3.6.9.2.2 The staff and contractor shall be trained to understand the nature of psychotropic drugs and recognize side effects, and shall have drug reference manual available at the service location.
- 3.6.9.2.3 An individual record will be kept of all psychotropic drugs and the frequency of dosage. Adult individuals served who live independently and are viewed as capable of self-monitoring their medications and program intervention needs.
- 3.6.9.2.4 Periodic assessments of the individual will be done at no more than 180 day intervals by the prescribing physician (and as needed) to determine if they are experiencing intended effects or potentially harmful side-effects from the psychotropic drugs, and to evaluate any drug reaction(s) or interactions.
- 3.6.9.2.5 An increase or decrease in dosage of existing drugs for behavior management and/or diagnosed psychiatric disorders requires a doctor's order and/or written explanation. The use of behavior management drugs and drugs for psychiatric disorders must be authorized in writing by a physician, including an increase or decrease in dosage.
- 3.6.9.3 Recommendations to use psychotropic drugs may be made by the individual's interdisciplinary team, including the physician/certified practitioner (who are the only people who can order the use of psychotropic drugs).
- 3.6.9.3.1 The use of psychotropic drugs to modify an individual's behavior as the sole means to manage or control behavior is prohibited. The use of psychotropic drugs is subject to the policies and procedures that govern other behavior support methodologies.
- 3.6.9.3.2 A written justification for the use of behavior-modifying drugs will be included in the individual's positive behavior support plan and/or ISP. The justification should include;
- a) Clear rationale as to why the medication is being prescribed;
 - b) The intended effect of the medication and an approximate timeline for expected effectiveness;
 - c) Criteria for reviewing, terminating and changing the medication based on its effectiveness or ineffectiveness in producing the desired outcomes;

d) Identification of negative side effects.

- 3.6.9.3.3 The use of psychotropic drugs should be described and included in the ISP positive behavior support plan strategies for improving quality of life and in relationship to other supports, i.e. counseling.
- 3.6.9.3.4 In Intercare the decision to utilize a drug to sedate an individual served or utilize a medical restraint prior to a medical or dental appointment must be made on an individual basis, with input from the interdisciplinary team and under physician's orders. These decisions must be approved by the Program or Administrative Human Rights Committee.
- 3.6.9.3.5 The IDT should explore the appropriateness of implementing a desensitization program in conjunction with the use of medication.