

NEW MEXICO PUBLIC REGULATION COMMISSION

COMMISSIONERS

DISTRICT I 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
NMPRC
Corporation Bureau

APR 22 2013

**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: 4/18/13

ARCA

Name of Corporation

Two officers must sign: By X

Donald Wright Secretary
Signature of Authorized Officer

By X

Carol M. Peve President
Signature of Authorized Officer

Form DNP-AM (revised 07/03)

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NMPRC
Corporation Bureau

APR 22 2013

**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 (§§3-8-1 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.

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Corporation Bureau
APR 22 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 18th day of April, 2013.

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: 9/5/12, 10/17/12, 11/7, 2012

ARCA, a New Mexico Nonprofit Corporation

By Carol M. Pierce
Carol Pierce, Its President

By Donald R. Wright
Don Wright, Its Secretary



September 22, 2025

Purpose of Letter

The purpose of this letter is to formally appoint an Entity Administrator for the named Entity and to attest to the accuracy of the information contained in the entity registration. Page 2 includes the official notary requirements.

Designation of Entity Administrator

I, Hollie Lovely, the below-signed individual, hereby confirms that the appointed Entity Administrator holds a position within the entity (e.g., employee, officer, board member). This letter authorizes the appointed Entity Administrator to manage the Entity's registration record, its associated users, and their roles in the System for Award Management (SAM).

Entity Covered by this Letter

- **Unique Entity ID:** WC3QTBBLB6Y8 / 47AP2
- **Legal Business Name:** ARCA
- **Physical Address:** 11300 Lomas Blvd. NE, Albuquerque, NM 87112

Entity Administrator Contact Information

- **Full Name:** Hollie Lovely
- **Phone Number:** (505) 537-4160
- **Email Address:** hlovely@arcaspirit.org

The Entity Administrator must have an individual user account in SAM associated with the email address listed above and hold a position with the entity being registered (e.g., employee, officer, board member), not a third party acting on behalf of the entity.

Attestation

I, the below-signed, attest to the following:

1. All information contained in this letter is complete and accurate.
2. The Entity Administrator has an individual user account in SAM associated with the email address listed and holds a position with the entity being registered.
3. The banking information provided for Electronic Funds Transfer on the Financial Information Page in the SAM.gov registration for the Entity above is correct and accurate.

Signature of Attestee (Entity Administrator)

Hollie Lovely, Grant Writer & Administrator, Entity Administrator
Email: hlovely@arcaspirit.org

ARC A Board of
Directors

Jennifer Lehman,
Chair

Cindy Faris,
Vice Chair

Pat Kominiak,
Secretary

Andrea Kinsley,
Treasurer

Adam Thompson

Mandy Funchess

Rudy Miera

Toni Benton, MD

Eve Rossignol

Ron O'Dowd

James J. Saya

Bernadette Miera

Deanna Mielke

John Phillips, MD

David Mork

Michelle Harmon
ARC A President
& CEO



ARCA

Unique Entity ID WC3QTBBLB6Y8	CAGE / NCAGE 47AP2	Purpose of Registration All Awards
Registration Status Active Registration	Expiration Date Oct 22, 2024	
Physical Address 11300 Lomas BLVD NE Albuquerque, New Mexico 87112-5512 United States	Mailing Address 11300 Lomas BLVD NE Albuquerque, New Mexico 87112-5512 United States	

Business Information

Doing Business as (blank)	Division Name (blank)	Division Number (blank)
Congressional District New Mexico 01	State / Country of Incorporation New Mexico / United States	URL (blank)

Registration Dates

Activation Date Oct 23, 2023	Submission Date Oct 23, 2023	Initial Registration Date Nov 3, 2005
--	--	---

Entity Dates

Entity Start Date Apr 1, 1953	Fiscal Year End Close Date Jun 30
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Immediate Owner

CAGE (blank)	Legal Business Name (blank)
------------------------	---------------------------------------

Highest Level Owner

CAGE (blank)	Legal Business Name (blank)
------------------------	---------------------------------------

Executive Compensation

Registrants in the System for Award Management (SAM) respond to the Executive Compensation questions in accordance with Section 6202 of P.L. 110-252, amending the Federal Funding Accountability and Transparency Act (P.L. 109-282). This information is not displayed in SAM. It is sent to USApending.gov for display in association with an eligible award. Maintaining an active registration in SAM demonstrates the registrant responded to the questions.

Proceedings Questions

Registrants in the System for Award Management (SAM.gov) respond to proceedings questions in accordance with FAR 52.209-7, FAR 52.209-9, or 2. C.F.R. 200 Appendix XII. Their responses are displayed in the responsibility/qualification section of SAM.gov. Maintaining an active registration in SAM.gov demonstrates the registrant responded to the proceedings questions.

Exclusion Summary

Active Exclusions Records?

No

SAM Search Authorization

I authorize my entity's non-sensitive information to be displayed in SAM public search results:

Yes

Entity Types

Business Types

Entity Structure Corporate Entity (Tax Exempt)	Entity Type Business or Organization	Organization Factors (blank)
Profit Structure Non-Profit Organization		

Socio-Economic Types

Check the registrant's Repts & Certs, if present, under FAR 52.212-3 or FAR 52.219-1 to determine if the entity is an SBA-certified HUBZone small business concern. Additional small business information may be found in the SBA's Dynamic Small Business Search if the entity completed the SBA supplemental pages during registration.

Financial Information

Accepts Credit Card Payments
Yes Debt Subject To Offset
No

EFT Indicator
0000 CAGE Code
47AP2

Points of Contact

Electronic Business

🔗
Michele Cody, Chief Development Officer **11300 Lomas BLVD NE**
Albuquerque, New Mexico 87112
United States

Edward J. Kaul, President/CEO 11300 Lomas BLVD NE
Albuquerque, New Mexico 87112
United States

Government Business

🔗
Edward J. Kaul, President/CEO **11300 Lomas BLVD NE**
Albuquerque, New Mexico 87112
United States

Michele Cody, Chief Development Officer 11300 Lomas BLVD NE
Albuquerque, New Mexico 87112
United States

Service Classifications

NAICS Codes

Primary	NAICS Codes	NAICS Title
Yes	624120	Services For The Elderly And Persons With Disabilities
	623210	Residential Intellectual And Developmental Disability Facilities
	623990	Other Residential Care Facilities
	624110	Child And Youth Services

Product and Service Codes

PSC
U099 PSC Name
Education/Training- Other

Disaster Response

This entity does not appear in the disaster response registry.

LOBBYING CERTIFICATION

An Applicant that submits or intends to submit an application to FTA for Federal assistance exceeding \$100,000 is required to provide the following certification. FTA may not award Federal assistance exceeding \$100,000 until the Applicant provides this certification.

- A. As required by 31 U.S.C. 1352 and U.S. DOT regulations, "New Restrictions on Lobbying," at 49 CFR 20.110, the Applicant's authorized representative certifies to the best of his or her knowledge and belief that for each application to FTA for Federal assistance exceeding \$100,000:
- (1) No Federal appropriated funds have been or will be paid by or on behalf of the Applicant to any person to influence or attempt to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress regarding the award of Federal assistance, or the extension, continuation, renewal, amendment, or modification of any Federal assistance agreement; and
 - (2) If any funds other than Federal appropriated funds have been or will be paid to any person to influence or attempt to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any application for Federal assistance, the Applicant assures that it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," including information required by the instructions accompanying the form, which form may be amended to omit such information as authorized by 31 U.S.C. 1352; and
 - (3) The language of this certification shall be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, subagreements, and contracts under grants, loans, and cooperative agreements).
- B. The Applicant understands that this certification is a material representation of fact upon which reliance is placed by the Federal government and that submission of this certification is a prerequisite for providing Federal assistance for a transaction covered by 31 U.S.C. 1352. The Applicant also understands that any person who fails to file a required certification shall be subject to a civil penalty of not less than \$10,000.00 and not more than \$100,000.00 for each such failure.

AFFIRMATION OF APPLICANT

Name of Applicant: ARCA

Printed Name of Authorized Representative: Michelle Harmon

Relationship of Authorized Representative: President/CEO

In signing this document, I declare under penalties of perjury that the foregoing certifications and assurances, and any other statements made by me on behalf of the Applicant are true and correct.

Signature: M. Harmon Date: 9/4/25

Printed Name of Signing Official: Michelle Harmon

RECEIVED MAY 10 2006

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

Department of the Treasury

Date: MAY 02 2006

Person to Contact:

GREGORY RENIER
ID #31-07231

Toll Free Telephone Number:

877-829-5500

Employer Identification Number:

85-6005755

ARCA
11300 LOMAS BLVD NE
ALBUQUERQUE NM 87112

Dear Sir or Madam:

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

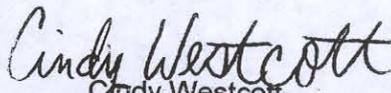
Our records indicate that a determination letter was issued in April 1953 that recognized you as exempt from Federal income tax. Our records further indicate that you are currently exempt under section 501(c)(3) of the Internal Revenue Code.

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

ARCA Purchasing Accounting Policies and Procedures

1. Policy Overview

1.3.10 Purchasing Accounting

ARCA Finance is responsible for the accounting aspects of the purchasing function at ARCA, including:

- Vendor setup
- Accounting document management
- Approval and payment of invoices
- Posting of accounting entries
- Accounting for capitalized assets
- Reporting of purchasing activity

1.3.10.1 All purchasing accounting shall comply with federal and state laws, GAAP, and other accounting standards.

1.3.10.2 The ARCA and ARCA Foundation Boards of Directors authorize the CEO/President and other designated persons to approve all purchases within the annual budget. Purchases of \$35,000 or more require approval by the Treasurer or CEO/President.

1.3.10.3 ARCA management shall obtain comparative pricing for purchases of \$35,000 or more to optimize price, quality, and value.

1.3.10.4 ARCA Finance shall maintain procedures with adequate purchasing controls, staff purchasing limits, and competitive bidding processes.

1.3.10.5 ARCA Finance shall manage vendor guidelines to minimize risk and ensure proper vendor relations.

2. Procedures

I. ARCA Finance Accounts Payable (A/P) Team

The A/P Team, including the Controller and an A/P Specialist, manages:

- Vendor setup
- Accounting document management
- Invoice approval and payment
- Posting of accounting entries
- Financial management of capitalized assets
- Reporting of purchasing financial activity

II. Authority for Purchases

A. Capital Assets

- Purchases over \$35,000: approval by Treasurer, CEO/President, or Board-designated persons.
- Other capital purchases: approval by CFO, Leadership Team, or Divisional Group Directors.

B. Contracts and Leases

1. Contracts \geq \$35,000 or \geq one year: approval by Treasurer, CEO/President, or Board-authorized persons.
2. Other contracts: approval by CFO, Leadership Team, or Divisional Group Directors.
3. Contracts cancelable with less than 60 days' notice fall under section 2.
4. Standard ARCA contracts required for construction on ARCA properties.
5. Progress reports and insurance binders tracked in Teams Capital Spending workbook.

C. Expenses

- Refer to the ARCA Invoice Approver List (approved 8/29/2022) for purchase limits:

Title	Approval Limit
CEO/President	Purchase/sale of properties
ARCA Foundation Executive Director	Purchase/sale of properties
Director of Operations on behalf of CEO/President	Purchase/sale of properties
CFO	\$35,000
Admin Services Director	\$35,000
Human Resource Director	\$10,000
Divisional Group Director	\$10,000
Controller	\$5,000
Department Managers	\$2,500–\$5,000

D. Exceptions

Standard recurring bills (rent, utilities, leases, phone, cable, etc.) can be processed without additional approval if previously approved.

E. Recurring Entries

- General ledger codes need not be written on recurring source documents.

F. Electronic Approval

- Approvals via email allowed if sent by authorized approver, specifying vendor, item, amount, and GL code. A/P Specialist must confirm authenticity.

III. Procurement

A. Competitive Pricing

- Purchases over \$35,000 require efforts to obtain three written bids or document the rationale if multiple bids aren't feasible.

B. Purchasing Objectives

1. Avoid conflicts of interest
2. Consider vendor reputation and past performance
3. Purchase in ARCA's best interest
4. Obtain best value (not necessarily lowest price)
5. Deal fairly with vendors
6. Maintain reliable supply sources

IV. Vendor Management

- New vendors verified by A/P Specialist and approved by Controller.
- Monthly vendor review and unusual expenditures checked by Controller.
- IRS Form W-9 obtained; 1099 processed as required.
- Tax-exempt certificates issued for tangible goods vendors.
- Only approved vendors used except for emergencies (approved by senior leadership).

V. Vendor Requisition Process

- Property and professional services vendors must have contracts, insurance, W9s, and applicable licenses on file.
- CEO/President approves exceptions to documentation requirements.

VI. Purchase Orders (POs)

- POs required for capital goods, coded as Construction in Progress (CIP).

- CFO approval required prior to issuing POs.
- Emergency purchases require CEO, CFO, or Director of Operations authorization.
- Capital spending team tracks completion and assigns asset tag numbers before closing CIP.

VII. Recording Payables

- Only original invoices and receipts processed.
- Source documents must include: approval signature, date, received notation, math check, GL code.
- A/P Specialist enters documents weekly; Controller reviews before posting.
- Vendors paid weekly; discounts applied when possible.
- Access limited to authorized personnel.

Advances & Check Requests

- For new vendors, retail outlets, travel, per diem, employee reimbursements, or aid to individuals.
- Verify receipts match request before processing.
- Check requests submitted before noon Wednesday for Thursday processing.



LOFTIS & LOVATO

— G R O U P —

CERTIFIED PUBLIC ACCOUNTANTS



Consolidated Financial Statements
and
Independent Auditor's Report

June 30, 2024 and 2023

ARCA

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Independent Auditor's Report

To the Board of Directors and Management of ARCA

Opinion

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, 2024 and 2023, 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.

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, 2024 and 2023, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of ARCA and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about ARCA's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about ARCA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Reports on Supplementary Information

Our audits were 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 33 through 44 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 & Lovato Group

Albuquerque, New Mexico
January 8, 2025

Consolidated Financial Statements

ARCA
Consolidated Statements of Financial Position
June 30,

	2024	2023
Assets		
Current assets		
Cash and cash equivalents	\$ 8,975,559	\$ 5,230,485
Accounts receivable	3,749,450	2,672,032
Employee Retention Credit receivable	4,547,181	-
Unconditional promises to give	17,615	18,569
Prepaid expenses	223,854	266,117
Total current assets	17,513,659	8,187,203
Property, furniture and equipment, net	9,908,132	9,746,912
Other Assets		
Restricted deposits and funded reserves		
Cash held in trust for persons served	3,326,697	3,213,864
Real estate	1,123,875	1,123,875
Investment - quasi endowment	5,384,785	4,351,366
Investment - endowment	1,089,218	1,075,708
Total other assets	10,924,575	9,764,813
Total assets	\$ 38,346,366	\$ 27,698,928

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

ARCA
Consolidated Statements of Financial Position - continued
June 30,

	2024	2023
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 816,375	\$ 631,589
Accrued liabilities:		
Salaries and payroll taxes	554,364	443,851
Compensated absences	972,638	957,549
Deferred revenue	135,756	80,034
Current portion of long-term debt	125,267	205,251
Total current liabilities	2,604,400	2,318,274
Long-term Liabilities		
Long-term debt, less current portion	1,081,071	1,207,748
Cash held in trust for persons served	2,853,543	2,760,391
Other long-term liabilities	9,896	7,785
Total long-term liabilities	3,944,510	3,975,924
Total liabilities	6,548,910	6,294,198
Net assets		
Without donor restriction		
Undesignated	24,850,299	15,524,183
Board designated - quasi endowment	5,384,785	4,351,366
Total unrestricted	30,235,084	19,875,549
With donor restriction	1,562,372	1,529,181
Total net assets	31,797,456	21,404,730
Total liabilities and net assets	\$ 38,346,366	\$ 27,698,928

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

ARCA
Consolidated Statement of Activities
For the Year Ended June 30, 2024

	Without Donor Restriction	With Donor Restriction	Totals
Revenue and Public Support			
Revenue			
Medicaid waiver	\$ 14,305,644	\$ -	\$ 14,305,644
Medicaid ICF/IID	9,163,531	-	9,163,531
Fees and rent	1,333,518	-	1,333,518
Total Medicaid, fees, and rent	24,802,693	-	24,802,693
Public support			
Government funding:			
New Mexico Department of Health and Human Services	482,539	-	482,539
New Mexico Children, Youth and Families Department	875,024	-	875,024
Bernalillo County	226,832	-	226,832
Contracts	7,116,488	-	7,116,488
Contributions	950,824	44,391	995,215
Grants	-	-	-
Total public support	9,651,707	44,391	9,696,098
Other income			
Investment income:			
Endowment fund	823,566	-	823,566
Interest income from cash and cash equivalents	95,655	-	95,655
Gain on sale of real estate and other	7,931,956	-	7,931,956
Contracts and sales	470,793	-	470,793
Total other income	9,321,970	-	9,321,970
Net Assets Released from Restrictions			
Donor and time restrictions	11,200	(11,200)	-
Total revenue and public support	43,787,570	33,191	43,820,761

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

ARCA
Consolidated Statement of Activities – continued
For the Year Ended June 30, 2024

	Without Donor Restriction	With Donor Restriction	Totals
Expenses			
Program services:			
Community services	16,492,671	-	16,492,671
InterCare	8,765,189	-	8,765,189
Neuro enterprises	2,893,735	-	2,893,735
Total program expenses	<u>28,151,595</u>	<u>-</u>	<u>28,151,595</u>
Supporting services:			
Management and general	5,199,102	-	5,199,102
Fundraising	77,338	-	77,338
Total supporting expenses	<u>5,276,440</u>	<u>-</u>	<u>5,276,440</u>
Total expenses	<u>33,428,035</u>	<u>-</u>	<u>33,428,035</u>
Change in net assets	10,359,535	33,191	10,392,726
Net assets, beginning of year	<u>19,875,549</u>	<u>1,529,181</u>	<u>21,404,730</u>
Net assets, end of year	<u>\$ 30,235,084</u>	<u>\$ 1,562,372</u>	<u>\$ 31,797,456</u>

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

ARCA
Consolidated Statement of Activities
For the Year Ended June 30, 2023

	Without Donor Restriction	With Donor Restriction	Totals
Revenue and Public Support			
Revenue			
Medicaid waiver	\$ 13,452,699	\$ -	\$ 13,452,699
Medicaid ICF/IID	8,313,410	-	8,313,410
Fees and rent	1,259,428	-	1,259,428
Total Medicaid, fees, and rent	<u>23,025,537</u>	<u>-</u>	<u>23,025,537</u>
Public support			
Government funding:			
New Mexico Department of Health and Human Services	425,262	-	425,262
New Mexico Children, Youth and Families Department	815,655	-	815,655
Bernalillo County	410,453	-	410,453
NM Department of Transportation	115,202	-	115,202
Contracts	2,984,972	-	2,984,972
Contributions	417,453	287,396	704,849
Grants	301,730	-	301,730
Total public support	<u>5,470,727</u>	<u>287,396</u>	<u>5,758,123</u>
Other income			
Investment income:			
Endowment fund	569,286	-	569,286
Interest income from cash and cash equivalents	1,020	-	1,020
Gain on sale of real estate and other	822,802	-	822,802
Contracts and sales	138,427	-	138,427
Total revenue	<u>1,531,535</u>	<u>-</u>	<u>1,531,535</u>
Net Assets Released from Restrictions			
Donor and time restrictions	<u>128,308</u>	<u>(128,308)</u>	<u>-</u>
Total revenue and public support	<u>30,156,107</u>	<u>159,088</u>	<u>30,315,195</u>

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

ARCA
Consolidated Statement of Activities – continued
For the Year Ended June 30, 2023

	Without Donor Restriction	With Donor Restriction	Totals
Expenses			
Program services:			
Community services	14,654,121	-	14,654,121
InterCare	8,347,132	-	8,347,132
Neuro enterprises	2,271,519	-	2,271,519
Total program expenses	25,272,772	-	25,272,772
Supporting services:			
Management and general	4,366,892	-	4,366,892
Fundraising	93,410	-	93,410
Total supporting expenses	4,460,302	-	4,460,302
Total expenses	29,733,074	-	29,733,074
Change in net assets	423,033	159,088	582,121
Net assets, beginning of year	19,452,516	1,370,093	20,822,609
Net assets, end of year	\$ 19,875,549	\$ 1,529,181	\$ 21,404,730

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

ARCA
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2024

	Program Services			Total Program Services
	Community Services	InterCare	Neuro Enterprises	
Salaries, taxes and benefits	\$ 10,468,935	\$ 7,271,269	\$ 2,263,782	\$ 20,003,986
Expenses for persons served	4,418,438	522,281	153,900	5,094,619
Facilities	870,730	641,312	312,595	1,824,637
Contractual services	171,706	158,527	49,248	379,481
Transportation	492,489	138,065	92,733	723,287
Office expenses	63,255	32,932	18,474	114,661
Public relations	7,118	803	3,003	10,924
Total expenses	\$ 16,492,671	\$ 8,765,189	\$ 2,893,735	\$ 28,151,595

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

ARCA
Consolidated Statement of Functional Expenses - continued
For the Year Ended June 30, 2024

	<u>Support Services</u>		Total Supporting Services	<u>Totals</u>
	<u>Management and General</u>	<u>Fundraising</u>		
Salaries, taxes and benefits	\$ 3,049,158	\$ 53,291	\$ 3,102,449	\$ 23,106,435
Expenses for persons served	24,256	-	24,256	5,118,875
Facilities	620,157	-	620,157	2,444,794
Contractual services	1,204,069	-	1,204,069	1,583,550
Transportation	9,597	-	9,597	732,884
Office expenses	263,659	-	263,659	378,320
Public relations	28,206	24,047	52,253	63,177
Total expenses	<u>\$ 5,199,102</u>	<u>\$ 77,338</u>	<u>\$ 5,276,440</u>	<u>\$ 33,428,035</u>

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

ARCA
Consolidated Statement of Functional Expenses
For the Year Ended June 30, 2023

	Program Services			Total Program Services
	Community Services	InterCare	Neuro Enterprises	
Salaries, taxes and benefits	\$ 10,342,786	\$ 6,830,146	\$ 1,727,551	\$ 18,900,483
Expenses for persons served	2,520,350	549,685	120,825	3,190,860
Facilities	1,106,937	627,242	266,641	2,000,820
Contractual services	176,364	140,271	40,319	356,954
Transportation	416,687	144,656	90,062	651,405
Office expenses	83,582	50,456	20,954	154,992
Public relations	7,415	4,676	5,167	17,258
Total expenses	\$ 14,654,121	\$ 8,347,132	\$ 2,271,519	\$ 25,272,772

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

ARCA
Consolidated Statement of Functional Expenses - continued
For the Year Ended June 30, 2023

	Support Services		Total Supporting Services	Totals
	Management and General	Fundraising		
Salaries, taxes and benefits	\$ 2,761,035	\$ 62,199	\$ 2,823,234	\$ 21,723,717
Expenses for persons served	65,930	-	65,930	3,256,790
Facilities	386,116	-	386,116	2,386,936
Contractual services	852,481	-	852,481	1,209,435
Transportation	3,662	-	3,662	655,067
Office expenses	269,354	-	269,354	424,346
Public relations	28,314	31,211	59,525	76,783
Total expenses	\$ 4,366,892	\$ 93,410	\$ 4,460,302	\$ 29,733,074

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

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

	2024	2023
Cash flows from operating activities		
Cash received from government funding	\$ 23,807,153	\$ 22,997,844
Cash received from contributions	996,169	1,005,077
Cash received from other sources	12,228,058	5,029,975
Cash paid to employees	(22,980,833)	(22,252,944)
Cash paid to suppliers	(9,186,411)	(7,228,880)
Investment income	239,660	84,724
Interest paid	(67,540)	(77,683)
Net cash provided (used) by operating activities	5,036,256	(441,887)
Cash flows from investing activities		
Proceeds from sales of investments	272,352	67,041
Purchase of investments	(639,720)	(324,939)
Purchase of property, furniture and equipment	(1,349,809)	(1,616,671)
Proceeds from the sales of property and equipment	632,656	955,817
Net cash used by investing activities	(1,084,521)	(918,752)
Cash flows from financing activities		
Mortgage and line of credit repayments	(206,661)	(214,633)
Net cash used by financing activities	(206,661)	(214,633)
Net increase (decrease) in cash and cash equivalents	3,745,074	(1,575,272)
Cash and cash equivalents, beginning of year	5,230,485	6,805,757
Cash and cash equivalents, end of year	\$ 8,975,559	\$ 5,230,485

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

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

	<u>2024</u>	<u>2023</u>
Reconciliation of change in net assets to net cash provided (used) by operating activities		
Change in net assets	<u>\$ 10,392,726</u>	<u>\$ 582,121</u>
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Depreciation and amortization	860,281	702,520
Unrealized gain on investments	(690,256)	(448,839)
Realized (gain) loss on investments	10,695	(36,743)
Gain on sale of real estate	(304,348)	(702,909)
Change in assets and liabilities:		
Accounts receivable and Employee Retention Credit	(5,624,599)	(11,386)
Unconditional promises to give	954	(1,502)
Prepaid expenses	42,263	219,231
Cash held in trust for persons served	(112,833)	(23,000)
Accounts payable	184,786	(131,560)
Accrued interest and other assets	-	1,600
Accrued liabilities	125,602	(529,227)
Cash held in trust for persons served	93,152	(64,397)
Deferred revenue and other long-term liabilities	57,833	2,204
Total adjustments	<u>(5,356,470)</u>	<u>(1,024,008)</u>
Net cash provided (used) by operating activities	<u>\$ 5,036,256</u>	<u>\$ (441,887)</u>

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

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

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 Neuro 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. Neuro Enterprises primarily provides rehabilitative services to persons with brain injuries.

ARCA Foundation (the "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 the Foundation. All significant intercompany accounts and transactions have been eliminated. ARCA has board control and economic interest in the Foundation. Accordingly, the 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 the following classes of net assets:

Net Assets Without Donor Restriction: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of ARCA. These net assets may be used at the discretion of management and the board of directors.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

2) Summary of Significant Accounting Policies — continued

Basis of Presentation - continued

Net Assets With Donor Restriction: Net assets subject to stipulations imposed by donors and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of ARCA or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

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 Neuro enterprises.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States 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 consolidated 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 liabilities, 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. 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.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

2) Summary of Significant Accounting Policies — continued

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.

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 private foundations. 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, 2024 and 2023.

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. At June 30, 2024, ARCA's open audit periods are for the year ended June 30, 2021 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.

Property, Furniture and Equipment

ARCA has a Board adopted capitalization policy. Property, furniture 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, 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.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

2) Summary of Significant Accounting Policies — continued

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 net assets without donor restriction. Donor-restricted contributions are reported as increases in net assets with donor restriction, depending on the nature of the restriction. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction 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.

Promises to Give

Unconditional promises to give are recognized as revenue in the period awarded. Conditional promises to give are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

2) Summary of Significant Accounting Policies — continued

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, 2024 and 2023.

Classification of Net Assets – Endowment funds are used to account for investments in which the principal is 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 net assets with donor restriction: (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 net assets with restriction 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.

La Paloma and 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 does not generate unrelated business income.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

2) Summary of Significant Accounting Policies — continued

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.

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 contributions with donor restriction. 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 net assets with donor restriction to net assets without donor restriction at that time.

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.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

2) Summary of Significant Accounting Policies — continued

Fair Value of Financial Instruments - continued

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.

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, 2024 and 2023.

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:

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 – Valued at the closing price reported on the major market on which the individual securities are traded.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

2) Summary of Significant Accounting Policies — continued

Fair Value of Financial Instruments – continued

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

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.

Unrealized gains and losses are included in investment income or loss in the accompanying consolidated 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. Such allocations are determined by management on an equitable basis. Significant expenses that are allocated include the following:

<u>Expense</u>	<u>Allocation Method</u>
Salaries, taxes and benefits	Time and effort
Expenses for persons served	Specific identification
Facilities	Specific identification
Contractual services	Specific identification
Transportation	Specific identification
Office expenses	Specific identification
Public relations	Specific identification

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

2) Summary of Significant Accounting Policies — continued

Advertising and Marketing

Advertising costs included in public relations expense, are expensed when the advertising first takes place. Advertising expense was approximately \$13,000 and \$21,000 for the years ended June 30, 2024 and 2023, respectively.

Revenue Recognition

ARCA has adopted Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*. The guidance requires ARCA to recognize revenue to depict the transfer of goods and services to customers in an amount that reflects the consideration to which ARCA expects to be entitled in exchange for those goods and services.

Medicaid waiver and Medicaid ICF/IID contracts are for living supports, community supports, employment services, case management services and other services. These services are billed monthly after services are rendered.

New Mexico Department of Health and Human Services contracts are for community-based services and supports for individuals with developmental disabilities. These services are billed monthly after services are rendered.

Private contracts are for residential client services related to rehabilitation. These services are billed monthly after services are rendered.

Fees and rent are for residential services in the ARCA homes. The fees funded by private pay are billed monthly after services are rendered.

Contracts and sales are for janitorial services and green house sales. The janitorial services are billed monthly after services are rendered. The green house sales revenue is recorded when the sale is made.

Receivables from exchange transactions for the previous year collected during the years ended June 30, 2024 and 2023, were \$2,672,032 and \$2,660,646, respectively. The accounts receivable for exchange transaction at June 30, 2024 and 2023 was \$3,749,450 and \$2,672,032, respectively, (see note 4 for additional information).

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

3) Fair Value Measurements

Assets itemized below were measured at fair value during the year ended June 30, 2024 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	\$ -	\$ 1,276,053	\$ 1,276,053
Trading securities			
Equities	3,696,892	-	3,696,892
Total equities	3,696,892	-	3,696,892
Fixed income securities			
Alternative	592,215	-	592,215
Pooled fixed income funds	705,045	-	705,045
Total fixed income securities	1,297,260	-	1,297,260
Cash and cash equivalents	203,798	-	203,798
Total investments	<u>\$ 5,197,950</u>	<u>\$ 1,276,053</u>	<u>\$ 6,474,003</u>

Assets itemized below were measured at fair value during the year ended June 30, 2023 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	\$ -	\$ 947,427	\$ 947,427
Trading securities			
Equities	3,255,787	-	3,255,787
Total equities	3,255,787	-	3,255,787
Fixed income securities			
Alternative	503,344	-	503,344
Pooled fixed income funds	582,912	-	582,912
Total fixed income securities	1,086,256	-	1,086,256
Cash and cash equivalents	137,604	-	137,604
Total investments	<u>\$ 4,479,647</u>	<u>\$ 947,427</u>	<u>\$ 5,427,074</u>

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

3) Fair Value Measurements - continued

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

	<u>2024</u>	<u>2023</u>
Quasi endowment	\$ 5,384,785	\$ 4,351,366
Restricted endowment	<u>1,089,218</u>	<u>1,075,708</u>
	<u>\$ 6,474,003</u>	<u>\$ 5,427,074</u>

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

	<u>2024</u>	<u>2023</u>
Interest and dividend income	\$ 144,005	\$ 83,704
Net realized and unrealized gains	<u>679,561</u>	<u>485,582</u>
	<u>\$ 823,566</u>	<u>\$ 569,286</u>

4) **Accounts Receivable**

Accounts receivable were as follows at June 30:

	<u>2024</u>	<u>2023</u>
New Mexico Department of Health and Human Services:		
Medicaid waiver	\$ 1,155,426	\$ 1,010,761
Medicaid ICF/IID	1,032,210	818,714
General fund	44,257	26,006
New Mexico Children, Youth and Families Department:		
Family-based services	88,462	90,647
Other	<u>1,429,095</u>	<u>725,904</u>
Total accounts receivable	<u>\$ 3,749,450</u>	<u>\$ 2,672,032</u>

At June 30, 2024 and 2023, \$225,013 and \$80,944 of accounts receivable were outstanding over 90 days, respectively.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

5) Restricted Deposits

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

6) Property, Furniture and Equipment

At June 30, property, furniture and equipment consisted of the following:

	<u>2024</u>	<u>2023</u>
Building	\$ 8,982,430	\$ 9,186,722
Vehicles	3,606,495	3,374,406
Building improvements	6,264,320	5,633,406
Furnishing and equipment	983,794	958,961
Other	<u>15,351</u>	<u>15,351</u>
	19,852,390	19,168,846
Less accumulated depreciation	<u>12,604,954</u>	<u>12,151,829</u>
	7,247,436	7,017,017
Land	2,550,415	2,655,415
Construction in progress	<u>110,281</u>	<u>74,480</u>
Property, furniture and equipment, net	<u>\$ 9,908,132</u>	<u>\$ 9,746,912</u>

7) Debt

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

	<u>2024</u>	<u>2023</u>
Mortgages payable to a mortgage company due in monthly installments ranging from \$262 to \$1,683, including interest at 4.50% - 4.875%, with final payments due between September 2024 and July 2025	\$ 47,418	\$ 178,407
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	<u>1,158,920</u>	<u>1,234,592</u>
	1,206,338	1,412,999
Less current portion	<u>125,267</u>	<u>205,251</u>
	<u>\$ 1,081,071</u>	<u>\$ 1,207,748</u>

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

7) Debt - continued

Future minimum principal payments are as follows:

<u>Year ending June 30</u>		
2025	\$	125,267
2026		85,639
2027		88,382
2028		92,913
2029		97,924
Thereafter		716,213
		<u>\$ 1,206,338</u>

8) **Concentrations**

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/IID and is, therefore, subject to possible cutbacks due to changes in funding priorities. During the years ended June 30, 2024 and 2023, ARCA received approximately 54% and 72%, respectively, of its gross public support and revenues from Medicaid waiver and Medicaid ICF/IID. Accounts receivable for the Medicaid waiver and Medicaid ICF/IID represented approximately 59% and 68% of total accounts receivable, respectively, at June 30, 2024 and 2023.

9) **Net Assets With Donor Restriction**

Net assets with donor restriction consist of donations restricted for purpose and time restrictions of \$473,154 and \$453,473 at June 30, 2024 and 2023, respectively. These purpose restrictions were for specific ARCA programs and projects. Additionally, ARCA has a restricted endowment of \$1,089,218 and \$1,075,708 at June 30, 2024 and 2023, respectively.

Net assets released from restriction during the years ended June 30, 2024 and 2023 were \$11,200 and \$128,308, respectively. The release from restriction was primarily for program support.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

9) Net Assets With Donor Restriction - continued

Net assets with donor restriction also 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 twelve quarters. The withdrawals are to be used for ARCA's programs as determined by the Board of Directors.

Endowment fund composition by type of fund at June 30, 2024 is as follows:

	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Endowment net assets, beginning of year	\$ 4,351,366	\$ 1,075,708	\$ 5,427,074
Investment return			
Interest income	128,289	-	128,289
Net appreciation - realized and unrealized	678,952	-	678,952
	<u>5,158,607</u>	<u>1,075,708</u>	<u>6,234,315</u>
Contributions	260,219	13,510	273,729
Amounts appropriated for expenditure	(34,041)	-	(34,041)
Endowment net assets, end of year	<u>\$ 5,384,785</u>	<u>\$ 1,089,218</u>	<u>\$ 6,474,003</u>

Endowment fund composition by type of fund at June 30, 2023 is as follows:

	Without Donor Restriction	With Donor Restriction	Total Endowment Net Assets
Endowment net assets, beginning of year	\$ 3,807,886	\$ 875,708	\$ 4,683,594
Investment return			
Interest income	84,406	-	84,406
Net depreciation - realized and unrealized	522,850	-	522,850
	<u>4,415,142</u>	<u>875,708</u>	<u>5,290,850</u>
Contributions	3,265	200,000	203,265
Amounts appropriated for expenditure	(67,041)	-	(67,041)
Endowment net assets, end of year	<u>\$ 4,351,366</u>	<u>\$ 1,075,708</u>	<u>\$ 5,427,074</u>

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

10) Designation of Net Assets Without Donor Restriction

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 \$5,384,785 and \$4,351,366 is recorded as board designated net assets without restriction at June 30, 2024 and 2023, respectively. This board designation can be changed by a majority vote of the board of directors.

11) 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, 2024 and 2023, was approximately \$550,000 and \$560,000, respectively.

12) 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 not be payable upon separation.

ARCA accrues the cost incurred for PTO as obligations of unrestricted net assets. At June 30, 2024 and 2023, ARCA had accrued approximately \$973,000 and \$958,000, respectively.

13) Donated Services, Materials, Property and Equipment

ARCA received donated supplies for program services during the years ended June 30, 2024 and 2023 of approximately \$69,000 and \$45,000, respectively.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

14) Subsequent Events

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

ARCA has evaluated subsequent events through January 8, 2025, which is the date the consolidated financial statements were available to be issued. There were no subsequent events that require accrual or disclosure in the consolidated financial statements.

15) Leases

On February 25, 2016, the FASB issued ASU 2016-02 *Leases*, which significantly changes the accounting for leases in the financial statements of lessees and supersedes FASB ASC Topic 840. With this update, U.S. GAAP now will require lessees under operating leases to recognize a liability in the statements of financial position, a liability to make lease payments (the lease liability), and an asset representing its right to use the underlying asset for the lease term. For leases with a term of 12 months or less, a lessee is permitted to make an accounting election not to recognize lease assets and lease liabilities.

At June 30, 2024, ARCA had no leases that were required to be accounted for under ASU-2016-02 *Leases*.

ARCA leases a building used to provide care to individuals under a month-to-month operating lease agreement. Rental expense under this operating lease was approximately \$29,000 and \$22,000 for the years ended June 30, 2024 and 2023, respectively. ARCA also leases printers on a 5 year lease. The lease component was not significant to the financial statements and is not accounted for in accordance with ASC 842 *Leases*.

ARCA
Notes to Consolidated Financial Statements
June 30, 2024 and 2023

16) Liquidity and Availability

ARCA's working capital and cash flows have seasonal variations during the year. To manage liquidity ARCA maintains a cash balance in the operating account to meet daily expenditures as they come due. ARCA's financial assets available within one year of the statement of financial position date for general expenditures were as follows at June 30,:

	<u>2024</u>	<u>2023</u>
Cash and cash equivalents	\$ 8,975,559	\$ 5,230,485
Investments	6,474,003	5,427,074
Receivables	8,314,246	2,690,601
Restricted deposits and funds held for others	<u>3,326,697</u>	<u>3,213,864</u>
Total financial assets	27,090,505	16,562,024
Less those unavailable for general expenditures within one year	<u>(9,800,700)</u>	<u>(8,640,938)</u>
Financial assets available to meet cash needs for expenses within one year	<u>\$ 17,289,805</u>	<u>\$ 7,921,086</u>

17) Employee Retention Credit

The Employee Retention Credit (ERC) is a complex refundable tax credit for businesses and tax-exempt organizations that kept paying employees during the COVID-19 pandemic either when they were shut down due to a government order or when they had a significant decline in gross receipts during certain eligibility periods in 2020 and 2021.

ARCA applied for the ERC of \$7,519,480 for three quarters during 2021. ARCA received payment for the third quarter of 2021 during the year ended June 30, 2024. The remaining receivable in the amount of \$4,547,181, which is net of \$802,444 in fees, is outstanding at June 30, 2024. ARCA anticipates receiving payment for the remaining balance and therefore has not recorded an allowance for credit loss.

Consolidating Financial Statements

ARCA
Consolidating Statement of Financial Position
June 30, 2024

	ARCA	Foundation	Eliminating Entries	Consolidated
Assets				
Current assets				
Cash and cash equivalents	\$ 7,644,407	\$ 1,331,152	\$ -	\$ 8,975,559
Accounts receivable	3,738,674	-	10,776	3,749,450
Employee Retention Credit receivable	4,547,181	-	-	4,547,181
Unconditional promises to give	-	17,615	-	17,615
Prepaid expenses	223,854	-	-	223,854
Total current assets	<u>16,154,116</u>	<u>1,348,767</u>	<u>10,776</u>	<u>17,513,659</u>
Property, furniture and equipment, net	<u>9,862,732</u>	<u>45,400</u>	<u>-</u>	<u>9,908,132</u>
Other Assets				
Restricted deposits and funded reserves				
Cash held in trust for persons served	231,620	3,095,077	-	3,326,697
Real estate	-	1,123,875	-	1,123,875
Investment - quasi endowment	-	5,384,785	-	5,384,785
Investment - endowment	-	1,089,218	-	1,089,218
Total other assets	<u>231,620</u>	<u>10,692,955</u>	<u>-</u>	<u>10,924,575</u>
Total assets	<u>\$ 26,248,468</u>	<u>\$ 12,087,122</u>	<u>\$ 10,776</u>	<u>\$ 38,346,366</u>

ARCA
Consolidating Statement of Financial Position - continued
June 30, 2024

	ARCA	Foundation	Eliminating Entries	Consolidated
Liabilities and Net Assets				
Current liabilities				
Accounts payable	\$ 816,375	\$ (10,776)	\$ 10,776	\$ 816,375
Accrued liabilities:				
Salaries and payroll taxes	554,364	-	-	554,364
Compensated absences	972,638	-	-	972,638
Deferred revenue	135,756	-	-	135,756
Current portion of long-term debt	125,267	-	-	125,267
Total current liabilities	<u>2,604,400</u>	<u>(10,776)</u>	<u>10,776</u>	<u>2,604,400</u>
Long-term Liabilities				
Long-term debt, less current portion	1,081,071	-	-	1,081,071
Cash held in trust for persons served	231,620	2,621,923	-	2,853,543
Other long-term liabilities	9,896	-	-	9,896
Total long-term liabilities	<u>1,322,587</u>	<u>2,621,923</u>	<u>-</u>	<u>3,944,510</u>
Total liabilities	<u>3,926,987</u>	<u>2,611,147</u>	<u>10,776</u>	<u>6,548,910</u>
Net assets				
Without donor restriction				
Undesignated	22,321,481	2,528,818	-	24,850,299
Board designated - quasi endowment	-	5,384,785	-	5,384,785
Total without donor restriction	<u>22,321,481</u>	<u>7,913,603</u>	<u>-</u>	<u>30,235,084</u>
With donor restriction	-	1,562,372	-	1,562,372
Total net assets	<u>22,321,481</u>	<u>9,475,975</u>	<u>-</u>	<u>31,797,456</u>
Total liabilities and net assets	<u>\$ 26,248,468</u>	<u>\$ 12,087,122</u>	<u>\$ 10,776</u>	<u>\$ 38,346,366</u>

ARCA
Consolidating Statement of Activities
For the Year Ended June 30, 2024

	ARCA Without Donor Restriction	ARCA With Donor Restriction	Totals
Revenue and Public Support			
Revenue			
Medicaid waiver	\$ 14,305,644	\$ -	\$ 14,305,644
Medicaid ICF/IID	9,163,531	-	9,163,531
Fees and rent	1,333,518	-	1,333,518
Total Medicaid, fees, and rent	<u>24,802,693</u>	<u>-</u>	<u>24,802,693</u>
Public support			
Government funding:			
New Mexico Department of Health and Human Services	482,539	-	482,539
New Mexico Children, Youth and Families Department	875,024	-	875,024
Bernalillo County	226,832	-	226,832
Contracts	7,116,488	-	7,116,488
Contributions	-	-	-
Grants	70,642	-	70,642
Total public support	<u>8,771,525</u>	<u>-</u>	<u>8,771,525</u>
Other Income			
Investment income:			
Endowment fund	-	-	-
Interest income from cash and cash equivalents	95,655	-	95,655
Gain on sale of real estate and other	7,863,813	-	7,863,813
Contracts and sales	470,317	-	470,317
Total other income	<u>8,429,785</u>	<u>-</u>	<u>8,429,785</u>
Net Assets Released from Restrictions			
Donor and time restrictions	-	-	-
Total revenue and public support	<u>42,004,003</u>	<u>-</u>	<u>42,004,003</u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2024

Foundation Without Donor Restriction	Foundation With Donor Restricted	Totals	Eliminating Entries	Totals
\$ -	\$ -	\$ -	\$ -	\$ 14,305,644
-	-	-	-	9,163,531
-	-	-	-	1,333,518
-	-	-	-	24,802,693
-	-	-	-	482,539
-	-	-	-	875,024
-	-	-	-	226,832
-	-	-	-	7,116,488
956,824	44,391	1,001,215	(6,000)	995,215
-	-	-	(70,642)	-
956,824	44,391	1,001,215	(76,642)	9,696,098
823,566	-	823,566	-	823,566
-	-	-	-	95,655
68,143	-	68,143	-	7,931,956
476	-	476	-	470,793
892,185	-	892,185	-	9,321,970
11,200	(11,200)	-	-	-
1,860,209	33,191	1,893,400	(76,642)	43,820,761

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2024

	ARCA Without Donor Restriction	ARCA With Donor Restriction	Totals
Expenses			
Program services:			
Community services	16,492,671	-	16,492,671
InterCare	8,765,189	-	8,765,189
Neuro enterprises	2,893,735	-	2,893,735
Total program expenses	<u>28,151,595</u>	<u>-</u>	<u>28,151,595</u>
Supporting services:			
Management and general	5,070,752	-	5,070,752
Fundraising	14,680	-	14,680
Total supporting expenses	<u>5,085,432</u>	<u>-</u>	<u>5,085,432</u>
Total expenses	<u>33,237,027</u>	<u>-</u>	<u>33,237,027</u>
Change in net assets	8,766,976	-	8,766,976
Net assets, beginning of year	<u>13,554,505</u>	<u>-</u>	<u>13,554,505</u>
Net assets, end of year	<u>\$ 22,321,481</u>	<u>\$ -</u>	<u>\$ 22,321,481</u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2024

Foundation Without Donor Restriction	Foundation With Donor Restriction	Totals	Eliminating Entries	Totals
76,642	-	76,642	(76,642)	16,492,671
-	-	-	-	8,765,189
-	-	-	-	2,893,735
<u>76,642</u>	<u>-</u>	<u>76,642</u>	<u>(76,642)</u>	<u>28,151,595</u>
128,350	-	128,350	-	5,199,102
<u>62,658</u>	<u>-</u>	<u>62,658</u>	<u>-</u>	<u>77,338</u>
<u>191,008</u>	<u>-</u>	<u>191,008</u>	<u>-</u>	<u>5,276,440</u>
<u>267,650</u>	<u>-</u>	<u>267,650</u>	<u>(76,642)</u>	<u>33,428,035</u>
1,592,559	33,191	1,625,750	-	10,392,726
<u>6,321,044</u>	<u>1,529,181</u>	<u>7,850,225</u>	<u>-</u>	<u>21,404,730</u>
<u>\$ 7,913,603</u>	<u>\$ 1,562,372</u>	<u>\$ 9,475,975</u>	<u>\$ -</u>	<u>\$ 31,797,456</u>

ARCA
Consolidating Statement of Financial Position
June 30, 2023

	ARCA	Foundation	Eliminating Entries	Consolidated
Assets				
Current assets				
Cash and cash equivalents	\$ 4,427,300	\$ 803,185	\$ -	\$ 5,230,485
Accounts receivable	2,692,032	-	(20,000)	2,672,032
Unconditional promises to give	-	18,569	-	18,569
Prepaid expenses	266,117	-	-	266,117
Total current assets	<u>7,385,449</u>	<u>821,754</u>	<u>(20,000)</u>	<u>8,187,203</u>
Property, furniture and equipment, net	<u>9,701,512</u>	<u>45,400</u>	<u>-</u>	<u>9,746,912</u>
Other Assets				
Restricted deposits and funded reserves				
Cash held in trust for persons served	238,050	2,975,814	-	3,213,864
Real Estate	-	1,123,875	-	1,123,875
Investment - quasi endowment	-	4,351,366	-	4,351,366
Investment - endowment	-	1,075,708	-	1,075,708
Total other assets	<u>238,050</u>	<u>9,526,763</u>	<u>-</u>	<u>9,764,813</u>
Total assets	<u>\$ 17,325,011</u>	<u>\$ 10,393,917</u>	<u>\$ (20,000)</u>	<u>\$ 27,698,928</u>

ARCA
Consolidating Statement of Financial Position – continued
June 30, 2023

	ARCA	Foundation	Eliminating Entries	Consolidated
Liabilities and Net Assets				
Current liabilities				
Accounts payable	\$ 630,238	\$ 21,351	\$ (20,000)	\$ 631,589
Accrued liabilities:				
Salaries and payroll taxes	443,851	-	-	443,851
Compensated absences	957,549	-	-	957,549
Deferred revenue	80,034	-	-	80,034
Current portion of long-term debt	205,251	-	-	205,251
Total current liabilities	<u>2,316,923</u>	<u>21,351</u>	<u>(20,000)</u>	<u>2,318,274</u>
Long-term Liabilities				
Long-term debt, less current portion	1,207,748	-	-	1,207,748
Cash held in trust for persons served	238,050	2,522,341	-	2,760,391
Other long-term liabilities	7,785	-	-	7,785
Total long-term liabilities	<u>1,453,583</u>	<u>2,522,341</u>	<u>-</u>	<u>3,975,924</u>
Total liabilities	<u>3,770,506</u>	<u>2,543,692</u>	<u>(20,000)</u>	<u>6,294,198</u>
Net assets				
Without donor restriction				
Undesignated	13,554,505	1,969,678	-	15,524,183
Board designated - quasi endowment	-	4,351,366	-	4,351,366
Total without donor restriction	<u>13,554,505</u>	<u>6,321,044</u>	<u>-</u>	<u>19,875,549</u>
With donor restriction	-	1,529,181	-	1,529,181
Total net assets	<u>13,554,505</u>	<u>7,850,225</u>	<u>-</u>	<u>21,404,730</u>
Total liabilities and net assets	<u>\$ 17,325,011</u>	<u>\$ 10,393,917</u>	<u>\$ (20,000)</u>	<u>\$ 27,698,928</u>

ARCA
Consolidating Statement of Activities
For the Year Ended June 30, 2023

	ARCA Without Donor Restriction	ARCA With Donor Restriction	<u>Totals</u>
Revenue and Public Support			
Revenue			
Medicaid waiver	\$ 13,452,699	\$ -	\$ 13,452,699
Medicaid ICF/IID	8,313,410	-	8,313,410
Fees and rent	<u>1,259,428</u>	-	<u>1,259,428</u>
Total Medicaid, fees, and rent	<u>23,025,537</u>	<u>-</u>	<u>23,025,537</u>
Public support			
Government funding:			
New Mexico Department of Health and Human Services	425,262	-	425,262
New Mexico Children, Youth and Families Department	815,655	-	815,655
Bernalillo County	410,453	-	410,453
New Mexico Department of Transportation	115,202	-	115,202
Contracts	2,984,972	-	2,984,972
Contributions	10,000	-	10,000
Grants	<u>497,420</u>	-	<u>497,420</u>
Total public support	<u>5,258,964</u>	<u>-</u>	<u>5,258,964</u>
Other Income			
Investment income:			
Endowment fund	-	-	-
Interest income from cash and cash equivalents	1,020	-	1,020
Gain on sale of real estate and other	751,908	-	751,908
Contracts and sales	<u>137,264</u>	-	<u>137,264</u>
Total other income	<u>890,192</u>	<u>-</u>	<u>890,192</u>
Net Assets Released from Restrictions			
Donor and time restrictions	<u>-</u>	<u>-</u>	<u>-</u>
Total revenue and public support	<u>29,174,693</u>	<u>-</u>	<u>29,174,693</u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2023

Foundation Without Donor Restriction	Foundation With Donor Restricted	Totals	Eliminating Entries	Totals
\$ -	\$ -	\$ -	\$ -	\$ 13,452,699
-	-	-	-	8,313,410
-	-	-	-	1,259,428
-	-	-	-	23,025,537
-	-	-	-	425,262
-	-	-	-	815,655
-	-	-	-	410,453
-	-	-	-	115,202
-	-	-	-	2,984,972
452,689	287,396	740,085	(45,236)	704,849
-	-	-	(195,690)	301,730
452,689	287,396	740,085	(240,926)	5,758,123
569,286	-	569,286	-	569,286
-	-	-	-	1,020
70,894	-	70,894	-	822,802
1,163	-	1,163	-	138,427
641,343	-	641,343	-	1,531,535
128,308	(128,308)	-	-	-
1,222,340	159,088	1,381,428	(240,926)	30,315,195

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2023

	ARCA Without Donor Restriction	ARCA With Donor Restriction	Totals
	<u> </u>	<u> </u>	<u> </u>
Expenses			
Program services:			
Community services	14,654,121	-	14,654,121
InterCare	8,347,132	-	8,347,132
Neuro enterprises	<u>2,271,519</u>	<u>-</u>	<u>2,271,519</u>
Total program expenses	<u>25,272,772</u>	<u>-</u>	<u>25,272,772</u>
Supporting services:			
Management and general	4,195,172	-	4,195,172
Fundraising	<u>10,988</u>	<u>-</u>	<u>10,988</u>
Total supporting expenses	<u>4,206,160</u>	<u>-</u>	<u>4,206,160</u>
Total expenses	<u>29,478,932</u>	<u>-</u>	<u>29,478,932</u>
Change in net assets	(304,239)	-	(304,239)
Net assets, beginning of year	<u>13,858,744</u>	<u>-</u>	<u>13,858,744</u>
Net assets, end of year	<u>\$ 13,554,505</u>	<u>\$ -</u>	<u>\$ 13,554,505</u>

ARCA
Consolidating Statement of Activities - continued
For the Year Ended June 30, 2023

Foundation Without Donor Restriction	Foundation With Donor Restriction	Totals	Eliminating Entries	Totals
240,926	-	240,926	(240,926)	14,654,121
-	-	-	-	8,347,132
-	-	-	-	2,271,519
<u>240,926</u>	<u>-</u>	<u>240,926</u>	<u>(240,926)</u>	<u>25,272,772</u>
171,720	-	171,720	-	4,366,892
<u>82,422</u>	<u>-</u>	<u>82,422</u>	<u>-</u>	<u>93,410</u>
<u>254,142</u>	<u>-</u>	<u>254,142</u>	<u>-</u>	<u>4,460,302</u>
<u>495,068</u>	<u>-</u>	<u>495,068</u>	<u>(240,926)</u>	<u>29,733,074</u>
727,272	159,088	886,360	-	582,121
<u>5,593,772</u>	<u>1,370,093</u>	<u>6,963,865</u>	<u>-</u>	<u>20,822,609</u>
<u>\$ 6,321,044</u>	<u>\$ 1,529,181</u>	<u>\$ 7,850,225</u>	<u>\$ -</u>	<u>\$ 21,404,730</u>



September 16, 2025

**ARCA Board of
Directors**

Jennifer Lehman,
Chair

Cindy Faris,
Vice Chair

Pat Kominiak,
Secretary

Andrea Kinsley,
Treasurer

Adam Thompson

Mandy Funchess

Rudy Miera

Toni Benton, MD

Eve Rossignol

Ron O'Dowd

James J. Saya

Bernadette Miera

Deanna Mielke

John Phillips, MD

David Mork

Michelle Harmon
**ARCA President
& CEO**

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

Resolution of Financial Commitment of Local Match

Dear Ms. Bach,

Since 1957, ARCA has provided opportunities for individuals with intellectual, developmental and cognitive disabilities (IDCD) to lead purposeful and happy lives as valued community members. Transportation is an integral part of 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 FFY2027 5310 application, ARCA requests capital funding for the purchase of one expansion van for our agency fleet.

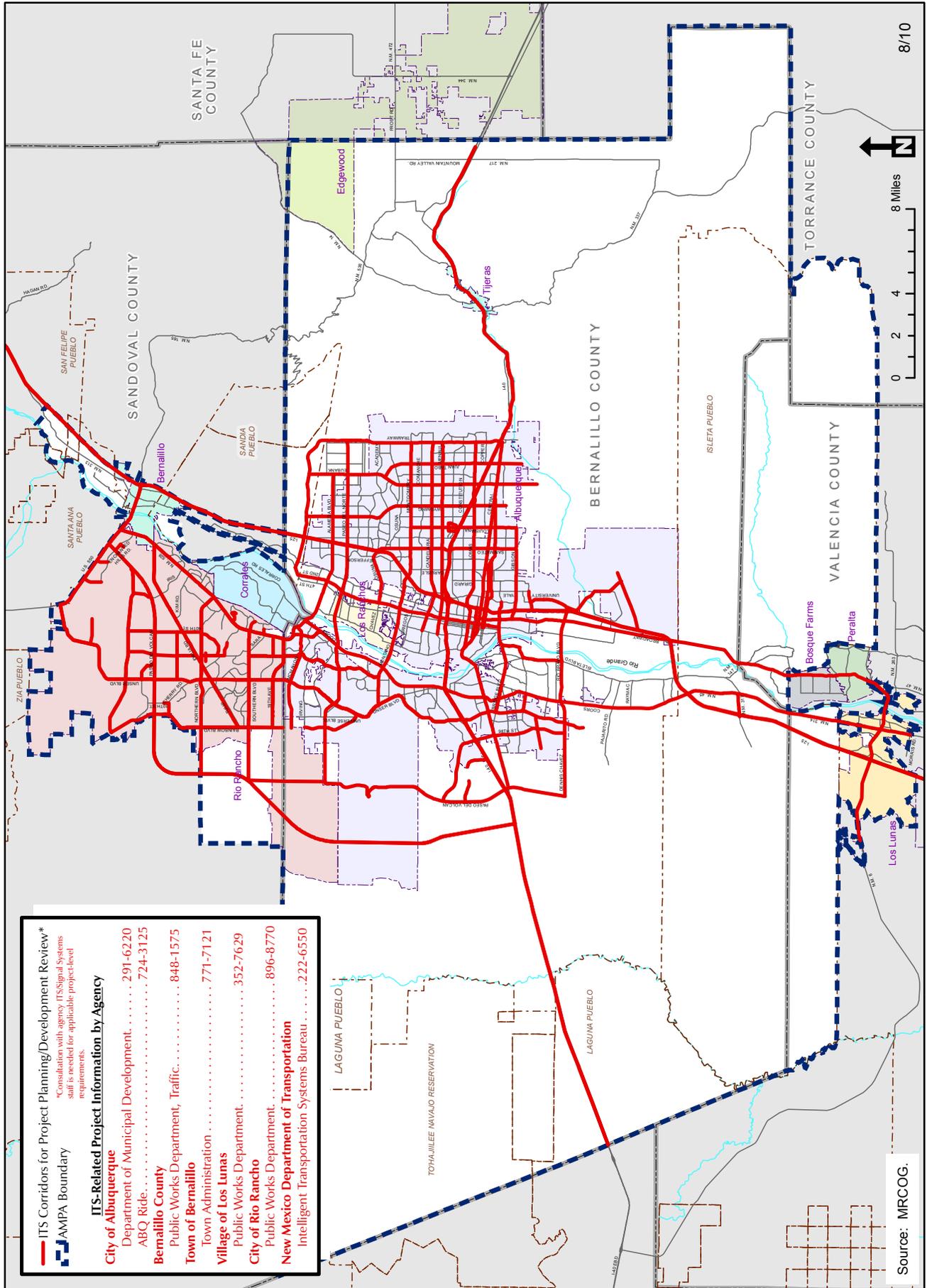
The ARCA Board supports the above purchases and agrees to provide the minimum required local match totaling \$23,470.40.

Sincerely,


Jennifer Lehman
President
ARCA Board of Directors

ARCA
Annual Operating Budgets

	FY23	FY24	FY25	FY26	FY27 Preliminary
Revenue					
ICF/IID	9,974,588	10,077,000	10,993,161	9,019,654	8,839,261
Waiver	13,725,827	13,325,650	14,170,397	14,605,925	14,313,807
Contracts From States	1,346,467	763,835	1,232,434	1,126,931	1,104,392
Private Pay/Contracts	3,027,290	4,827,814	8,466,544	12,544,934	12,294,035
Fees & Rent	1,324,624	1,372,668	1,354,316	1,448,670	1,448,670
Contribution and Grants	-	-	-	175,000	175,000
Other	10,000	260,000	53,208	238,440	238,440
Contracts & Sales	565,749	388,176	401,636	411,700	411,700
Related Party					
Rest FND Donations	-	403,000	150,000	500,000	500,000
Unrest FND Donations	782,760	247,000	-	-	-
Other	87,757	96,532	82,788	87,787	87,787
Total Related Party	870,517	746,532	232,788	587,787	587,787
Total Revenue	30,845,062	31,761,675	36,904,484	40,159,041	39,413,092
Cost of Goods Sold					
Salaries	(409,070)	(338,423)	-	-	
Materials	(67,530)	(100,230)	(55,800)	(23,500)	(23,500)
Total Cost of Goods Sold	(476,600)	(438,653)	(55,800)	(23,500)	(23,500)
Operating Expenses					
Salaries	18,879,479	19,634,803	21,309,161	20,740,093	21,154,895
Taxes & Benefits	4,383,125	5,048,128	4,981,142	4,332,140	4,418,783
Persons Served	2,827,447	3,576,579	5,591,961	8,238,255	8,403,020
Facilities	2,322,622	2,267,747	2,599,668	2,776,020	2,831,540
Transportation	662,110	666,579	797,857	814,413	830,701
Professional & Other Fees	986,097	1,248,950	1,125,404	1,213,482	1,237,752
Office	407,069	364,566	421,762	312,132	318,375
Public Relations	65,735	73,625	62,750	106,750	108,885
Total Operating Expenses	30,533,684	32,880,978	36,889,703	38,533,286	39,303,951
Net Surplus (Deficit)	(165,223)	(1,557,955)	(41,019)	1,602,255	85,641



ITS Corridors for Project Planning/Development Review*
 *Consultation with agency ITS/Signal Systems staff is needed for applicable project-level requirements.

AMPA Boundary

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.

Ridership and Transit System Statistics

Ridership information is as follows:

Line #	Category	2023	2024	2025 Projected	2026 Projected	2027 Projected
1	Annual Ridership	33875	33158	34721	34359	34470
2	Annual Mileage	461731	464892	459368	460834	460544
3	Annual Vehicle Hours	21018	22729	22934	23232	23495

ⁱ Prorated statistics to end of federal fiscal year.

ⁱⁱ Average of prior two years +10%.



September 9, 2025

To whom it may concern:

A list of any active lawsuits or complaints naming the potential subrecipient that allege discrimination on the basis of race, color, creed, sex, or national origin with respect to service or other transit benefits. If there have not been any lawsuits or complaints, there will be no upload.

ARCA does not have any active lawsuits or active complaints related to transit benefits.

Michelle Harmon, MA LPCC, NCC, CBIST

President and CEO

ARCA | NeuRoads NM

Phone: 505-332-6843 | Cell: 505-440-8574 | Fax: 505-332-6800

Program Coordination

To ensure efficient use of available resources, ARCA coordinates transportation services for individuals with intellectual, developmental and cognitive disabilities (IDCD) with other existing local transportation service providers and local governments, including:

- Local human services agencies such as Adelante, Cornucopia and Mandy's Farm to ensure individuals receiving services from multiple agencies have access to the community resources of their choosing.
- City of Albuquerque
Sun Van Paratransit Service – ARCA staff go above and beyond the requirements of ADA by supporting each individual as needed, including:
 - assisting in the securement and renewal of passes,
 - calling to schedule rides, and
 - contacting Sun Van for any other purpose (lost items, reports, etc.).
- Rio Metro Regional Transit District – as a Gold Level Smart Business Partner, ARCA promotes utilization of public transportation options among employees and persons served through the dissemination of information including service updates and upcoming events.
- ARCA provides travel training to individuals needing or wanting to travel via the New Mexico Rail Runner Express.

ARCA utilizes agency and staff vehicles to provide transportation when coordination via the above resources is unavailable or not feasible (e.g., time of day, day of week, location travelling to, individual health conditions, and emergencies).



September 10, 2025

ARCA Board of
Directors

Jennifer Lehman,
Chair

Cindy Faris,
Vice Chair

Pat Kominiak,
Secretary

Andrea Kinsley,
Treasurer

Adam Thompson

Mandy Funchess

Rudy Miera

Toni Benton, MD

Eve Rossignol

Ron O'Dowd

James J. Saya

Bernadette Miera

Deanna Mielke

John Phillips, MD

David Mork

Michelle Harmon
*ARCA President
& CEO*

Michelle Harmon
ARCA President & CEO
11300 Lomas Blvd. NE
Albuquerque, NM 87112

Dear Ms. Harmon:

As President of ARCA's Board of Directors, I am honored to express my full support for ARCA's application to the New Mexico Department of Transportation for FFY2027 funding through the Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program.

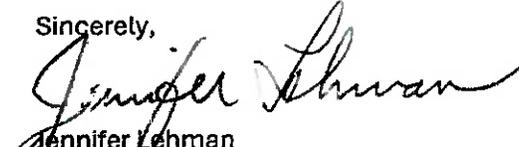
Accessible and reliable transportation is critical for the individuals ARCA serves—those with intellectual, developmental, and cognitive disabilities who deserve the same opportunities for independence, community involvement, and quality of life as all New Mexicans. The ability to travel safely to medical appointments, employment, volunteer work, and recreational activities is essential to health, well-being, and inclusion.

ARCA has a proud history, dating back to 1957, of removing barriers and opening doors for individuals with disabilities. The transportation services provided through this program not only supplement the region's existing paratransit system, but also extend far beyond, with individualized support, specialized vehicles, and dedicated staff ensuring that no one is excluded due to lack of access.

As both Board President and a long-time supporter of ARCA's mission, I can attest to the organization's steadfast commitment to equity, dignity, and innovation. This funding will allow ARCA to continue enhancing mobility and, in doing so, strengthen our communities across the Albuquerque metropolitan area.

I strongly endorse this request and look forward to seeing the continued positive impact ARCA's transportation services will have for the people we serve and the community at large.

Sincerely,


Jennifer Lehman
President, ARCA Foundation Board of Directors



September 10, 2025

Michelle Harmon
ARCA President & CEO
11300 Lomas Blvd. NE
Albuquerque, NM 87112

ARCA Foundation
Board of Directors

David Sahd,
President

Misty Sanders,
SHRM-SCP,
Vice President and
ARCA Board Chair

DeeYonda Batres,
Secretary

Kris Stiehman,
Immediate Past
President

Betty Valdez

Phil Mayo

Joey Sanchez

Gary Bertholf

James Stromberg

John Attwood

Jennifer Maldonado
Greenwood,
Executive Director,
Chief Development
Officer, ARCA
Foundation

Dear Ms. Harmon:

As President of ARCA's Board of Directors, I am honored to express my full support for ARCA's application to the New Mexico Department of Transportation for FFY2027 funding through the Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program.

Accessible and reliable transportation is critical for the individuals ARCA serves—those with intellectual, developmental, and cognitive disabilities who deserve the same opportunities for independence, community involvement, and quality of life as all New Mexicans. The ability to travel safely to medical appointments, employment, volunteer work, and recreational activities is essential to health, well-being, and inclusion.

ARCA has a proud history, dating back to 1957, of removing barriers and opening doors for individuals with disabilities. The transportation services provided through this program not only supplement the region's existing paratransit system, but also extend far beyond, with individualized support, specialized vehicles, and dedicated staff ensuring that no one is excluded due to lack of access.

As both Foundation Board President and a long-time supporter of ARCA's mission, I can attest to the organization's steadfast commitment to equity, dignity, and innovation. This funding will allow ARCA to continue enhancing mobility and, in doing so, strengthen our communities across the Albuquerque metropolitan area.

I strongly endorse this request and look forward to seeing the continued positive impact ARCA's transportation services will have for the people we serve and the community at large.

Sincerely,

Misty Beehner

President, ARCA Foundation Board of Directors



September 26, 2025

ARCA Board of
Directors

Jennifer Lehman,
Chair

Cindy Faris,
Vice Chair

Pat Kominiak,
Secretary

Andrea Kinsley,
Treasurer

Adam Thompson

Mandy Funchess

Rudy Miera

Toni Benton, MD

Eve Rossignol

Ron O'Dowd

James J. Sava

Bernadette Miera

Deanna Mielke

John Phillips, MD

David Mork

Michelle Harmon
ARCA President
& CEO

Michelle Harmon
ARCA President & CEO
11300 Lomas Blvd. NE
Albuquerque, NM 87112

Dear Ms. Harmon:

As a long-time advocate, I am honored to express my full support for ARCA's application to the New Mexico Department of Transportation for FFY2027 funding through the Federal Transit Administration Section 5310 Enhanced Mobility of Seniors and Individuals with Disabilities Program.

Accessible and reliable transportation is critical for the individuals ARCA serves—those with intellectual, developmental, and cognitive disabilities who deserve the same opportunities for independence, community involvement, and quality of life as all New Mexicans. The ability to travel safely to medical appointments, employment, volunteer work, and recreational activities is essential to health, well-being, and inclusion.

ARCA has a proud history, dating back to 1957, of removing barriers and opening doors for individuals with disabilities. The transportation services provided through this program not only supplement the region's existing paratransit system, but also extend far beyond, with individualized support, specialized vehicles, and dedicated staff ensuring that no one is excluded due to lack of access.

As a New Mexico State Representative, and long-time supporter of ARCA's mission, I can attest to the organization's steadfast commitment to equity, dignity, and innovation. This funding will allow ARCA to continue enhancing mobility and, in doing so, strengthen our communities across the Albuquerque metropolitan area.

I strongly endorse this request and look forward to seeing the continued positive impact ARCA's transportation services will have for the people we serve and the community at large.

Sincerely,

Kathleen Cates,
NM State Representative

Kathleen Cates

Digitally signed by Kathleen
Cates
Date: 2025.09.29 14:13:11 -06'00'

Program Justification

About ARCA

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 is a leading human services organization providing community-based support that promotes independence, inclusion, and quality of life for people with intellectual, developmental, and cognitive disabilities (IDCD).

The Need for Transportation

Transportation is essential for community inclusion, yet people with IDCD face significant barriers in accessing and navigating public transit systems. Complex routes, safety risks, and behavioral or medical needs often make independent travel unsafe or impossible. Without reliable transportation, individuals lose access to essential services, including medical care, therapy, employment, and social opportunities, resulting in isolation and a diminished quality of life.

More than 90% of the people ARCA serves lack the safety skills, resources, or ability to use public transportation independently, and over 99% cannot own or operate a personal vehicle due to disability and low income. Many also experience dual diagnoses, such as mental health disorders or physical disabilities, which further complicate mobility.

Who We Serve

ARCA serves nearly 600 individuals annually across the Albuquerque metropolitan area. Our participants range from infants to seniors and are independently certified as Medicaid-eligible by the New Mexico Human Services Department, which confirms income below the federal poverty level. In addition to intellectual and developmental disabilities, many individuals require intensive medical or behavioral support.

ARCA Services

Our comprehensive service array includes:

- Residential programs: InterCare, Supported Living, Intensive Medical Living, Customized In-Home Supports, Family Living, NeuRoads NM
- Community support: Customized Community Supports, Community Integrated Employment, Respite, NeuRoads NM non-residential services
- Specialized programs: Prader-Willi Syndrome Project (first in the nation), Smart Living (assistive technology), ARCA Janitorial Services
- Health supports: Adult Nursing, Nutritional Services, Health Matters Program.

ARCA's Transportation Program

To overcome mobility barriers, ARCA provides coordinated, specialized transportation services that exceed ADA requirements. These services include:

- Direct transportation using ADA-compliant sedans, vans, mini-buses, and mini-vans

- Travel training when appropriate, to build independence
- Coordination with other providers while filling critical gaps in service

We operate nearly 100 agency-owned vehicles and supplement capacity with staff vehicles when needed. Unlike overburdened paratransit systems that cannot guarantee timeliness or accommodate individuals with complex medical/behavioral needs, ARCA ensures 24/7 access to safe, accessible vehicles for all participants.

Specialized Support for Complex Needs

ARCA’s transportation program addresses unique medical and behavioral challenges. For example:

- A medically fragile individual using a wheelchair may require a specific tilt angle for respiratory stability during transport.
- Some individuals require additional oxygen or adaptive aids, which demand extra on-board space.
- Behavioral support plans may require the presence of trained staff during travel.

Our fleet includes vehicles equipped with ramps, lifts, wheelchair tie-downs, and custom adaptations, ensuring that no one is denied access to healthcare, employment, volunteer opportunities, recreation, or other essential community resources due to a lack of transportation.

Impact

Transportation is not just about mobility; it is about access, independence, and inclusion. ARCA’s specialized transportation program ensures that people with IDCD can fully participate in community life, maintain health and safety, and achieve their personal goals.

FFY2027 Request:

In FFY 2027, ARCA is requesting \$117,352.00 in funding through NMDOT to replace one existing vehicle with excessive age and condition issues, with a Ford Transit Upfitted Van with a Braun Rear entry Lift.

Line #	Category	2023	2024	2025 Projected	2026 Projected	2027 Projected
1	Annual Ridership	33875	33158	34721	34359	34470
2	Annual Mileage	461731	464892	459368	460834	460544
3	Annual Vehicle Hours	21018	22729	22934	23232	23495

Operations Profile



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

www.ARCASOpeningDoors.org

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MISSION STATEMENT

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

BRIEF DESCRIPTION OF TRANSIT PROGRAM

Service Routes

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 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.

Fare Structure

No ride fee is charged.

ORGANIZATIONAL STRUCTURE

ARCA is governed by a volunteer Board of Directors which assumes fiduciary responsibility, overseeing organizational performance and ensuring quality standards meet or exceed expectations of 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 intellectual, developmental and cognitive disabilities (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’s committees and advisory councils.

ARCA utilizes the Baldrige Performance Excellence Framework to form the basis of our internal strategies and best practices. Our Quality Framework includes teams tasked with Planning, Implementation, Innovation and Development in seven key performance areas: Leadership, Quality, Operations, Strategy, Workforce, Data Management and Customer Experience. Each team is responsible for overseeing processes within its performance area.

In alignment with ARCA's vision to "be the role model of excellence in lifelong services for individuals with intellectual, developmental and cognitive disabilities", programs report on service delivery via a system of performance measures called Stoplights. Stoplights are key indicators with ideal result ranges established by the Quality Improvement Team and analyzed on a quarterly basis.

ARCA's team-centric leadership approach to organizational management includes the President/CEO and the Leadership Team, comprised of directors for each service area, who work with the Board of Directors to update status on organizational performance, introduce information and seek approval as needed.

See ATTACHMENT:

A – ARCA Organizational Chart

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 Direct Support Professionals, though other employees may provide transportation as necessary. The main responsibility is to ensure the health, safety and happiness of the people they are supporting in accordance with ARCA's Mission, Vision and Core Values. Additionally, ARCA employs a Vehicle Coordinator and a Risk & Safety Compliance Administrator who oversee compliance with specific vehicle and safety policies for the agency.

See ATTACHMENT:

B – ARCA Personnel Policies and Procedures, Section 1, 4.4 Job Descriptions

C – ARCA Residential Instructor 1, 2, 3 Job Description

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 driving records on a monthly basis and provides this information to HR, who updates approved driver status and revokes driving privilege accordingly.

See ATTACHMENTS:

- D** – ARCA Personnel Policies and Procedures, Section 1, 4.2 Hiring
- E** – ARCA Policy #2.8 Transportation

Code of Conduct Policy (includes Drug & Alcohol Policy)

See ATTACHMENT:

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

Training Plan/Record Keeping Policy and Procedures

ARCA's Training Department oversees all employee trainings and maintains training records. In accordance with ARCA policy, all drivers complete training as follows:

- First Aid/CPR, biannually
- Blood-borne pathogens, annually
- Defensive Driving, biannually
- Wheelchair lifts and securement, upon hire and as required for job site
- Passenger safety and sensitivity, annually or more frequently as needed
- Crisis management, annually or more frequently as needed

ARCA drivers are required to complete a Vehicle Orientation for each make and model of vehicle prior to their being approved to drive that vehicle type. ARCA's HR Department maintains all employee-specific records and documents.

All agency records are maintained in accordance with funder requirements and specific department policies.

See ATTACHMENTS:

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

VEHICLE FLEET

ARCA's fleet is currently comprised of 99 vehicles, varying in size and accessibility according to the needs of individuals 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.

Preventive Maintenance Plans & Schedules

ARCA's preventive maintenance intervals are 6 months or 5,000 miles. For vehicles with lifts and powered ramps, preventative maintenance is performed annually to ensure compliance with the manufacturer guidelines of 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.

Recall and warranty maintenance is performed by the dealership (Ford, Dodge, Chevrolet and Model 1 Commercial Vehicles). All other maintenance is performed by American Auto Clinic, who refers 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.

Pre/Post 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:

- E** – ARCA Policy #2.8 Transportation, Section 2.8.5
- J** – Vehicle Safety Inspection Form
- K** – Annual Vehicle Safety Inspection Form

Fleet Replacement Plan for FY27

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 175,000 miles for 5310 vehicles.

In FFY 2027, ARCA is requesting funding through NMDOT to replace one existing vehicle with excessive age and condition issues.

Accident/Incident Reporting Procedures

ARCA has established procedures, forms and reports for driving incidents.

See ATTACHMENTS:

L – Driving Incident Procedures

M – Vehicle Accident Report

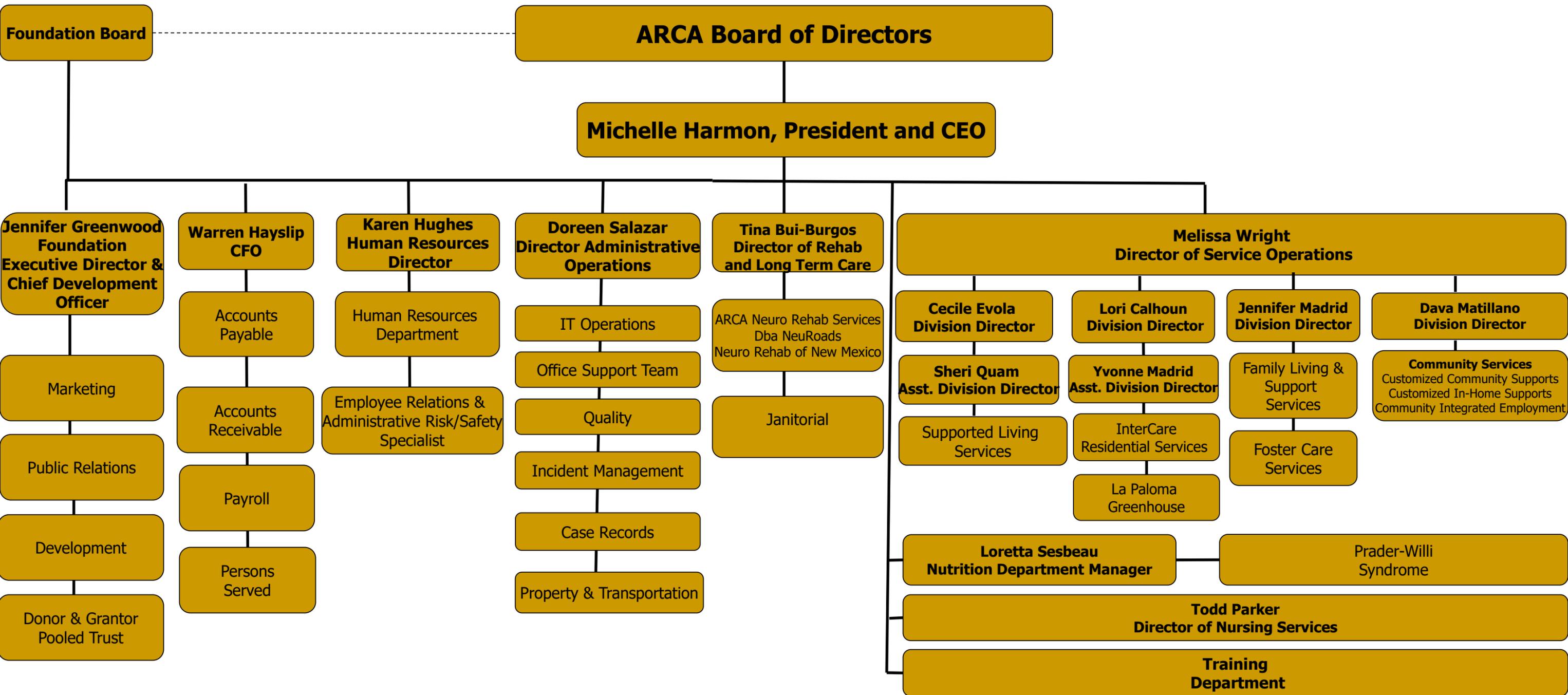
N – Driver Incident Tracking and Accountability Form

ATTACHMENTS

- A:** ARCA Organizational Chart
- B:** ARCA Personnel Policies and Procedures, Section 1, 4.4 Job Descriptions
- C:** ARCA Direct Support Professionals Job Description
- D:** ARCA Personnel Policies and Procedures, Section 1, 4.2 Hiring
- E:** ARCA Policy #2.8 Transportation
- F:** ARCA Policy #1.5 Employment, Orientation and Training of ARCA Staff/Family Provider Contractors
- G:** Vehicle Orientation
- H:** ARCA Policy #1.8 Confidentiality, Maintenance and Destruction of Records
- I:** ARCA Personnel Policies and Procedures, Section 4 Employee Conduct
- J:** Vehicle Safety Inspection Form
- K:** Annual Vehicle Safety Inspection Form
- L:** Driving Incident Procedures
- M:** Vehicle Accident Report
- N:** Driver Incident Tracking and Accountability Form



ARCA Organizational Chart



Leadership Team Members

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ARCA Employee Handbook of 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 the position. Job descriptions shall be reviewed periodically and updated 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 Employee Handbook of Personnel Policies and Procedures

4.2 Hiring

The Board of Directors is authorized to hire a President/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/CEO, who may delegate this responsibility to the Directors or other designated staff.

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

All applicants for employment shall be subject to verification of their background and credentials and a statewide and nationwide criminal history screening, including the New Mexico Abuse Registry (COR) in compliance with 2006 New Mexico Statutes Article 7A-Employee Abuse Registry Act, 27-7A-1 through 27-7A-8 and Department of Health 7.1.12.2 NMAC-N, 01/01/2006. 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 a discharge after hire. All background verification, reference checks, and criminal history screening results shall be confidential and treated with sensitivity.

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.

Policies are approved by the Board of Directors within three years and as applicable to meet laws and regulations. _____

Edward J. Kaul, ARCA President/CEO

Most Recent Approval by ARCA Board of Directors

Date: October 6, 2021

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.
 - 1.8.1.2 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 Case Record Manager 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 based on their role within the organization. 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 filed in 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.

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 intellectual and developmental, and cognitive 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.

Policies are approved by the Board of Directors within three years and as applicable to meet laws and regulations.

Edward J. Kaul, ARCA President/CEO

Most Recent Approved by ARCA Board of Directors
Date: October 6, 2021

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, communication, advocacy, confidentiality, the HIPAA Privacy Act, health foundation basics, medication, defensive driving, and CPR/firstaid.
 - 1.5.3.4 A review of OSHA standard precautions, infection control, 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.

- 1.5.3.10 DD Waiver Training Requirements for Direct Support Professional and Direct Support Supervisors: Direct Support Professional (DSP) and Direct Support Supervisors (DSS) include staff and contractors from agencies providing the following services: Supported Living, Family Living, CIHS, IMLS, CCS, CIE and Crisis Supports.
- a) DSP/DSS must successfully complete within 30 calendar days of hire and prior to working alone with a person in service:
 - 1) Complete IST requirements in accordance with the specifications described in the ISP of each person supported and as outlined in Chapter 17.9 Individual-Specific Training of the New Mexico Department of Health Developmental Disabilities Waiver Service Standards, November 1, 2021.
 - 2) Complete DDSD training in standards precautions located in the New Mexico Waiver Training Hub.
 - i) Complete and maintain certification in First Aid and CPR. The training materials shall meet OSHA requirements/guidelines.
 - ii) Complete relevant training in accordance with OSHA requirements (if job involves exposure to hazardous chemicals).
 - iii) Become certified in a DDSD-approved system of crisis prevention and intervention (e.g., MANDT, Handle with Care, Crisis Prevention and Intervention (CPI)) before using Emergency Physical Restraint (EPR). Agency DSP and DSS shall maintain certification in a DDSD-approved system if any person they support has a BCIP that includes the use of EPR.
 - iv) Complete and maintain certification in a DDSD-approved Assistance with Medication Delivery (AWMD) course if required to assist with medication delivery.
 - v) Complete DDSD training regarding the HIPAA located in the New Mexico Waiver Training Hub.
 - b) Any staff being used in an emergency to fill in or cover a shift must have at a minimum the DDSD required core trainings as identified in the NM Waiver Training Hub, Job Classification Documents, and be on shift with a DSP who has completed the relevant IST.

- c) Staff providing direct services shall complete safety training within the first 30 calendar days of employment and before working alone with a person receiving services. The training shall address at least the following:
 - 1) Operating a fire extinguisher;
 - 2) Proper lifting procedures;
 - 3) General vehicle safety precautions (e.g., pre-trip inspection, removing keys from the ignition when not in the driver's seat);
 - 4) Assisting passengers with cognitive and/or physical impairments (e.g., general guidelines for supporting people who may be unaware of safety issues involving traffic or those who require physical assistance to enter/exit a vehicle);
 - 5) Operating wheelchair lifts (if applicable to the staff's role);
 - 6) Wheelchair tie-down procedures (if applicable to the staff's role); and
 - 7) Emergency and evacuation procedures (e.g., roadside emergency, fire emergency).

- d) DSP and DSS must also complete DDSD-approved core curriculum training facilitated by certified trainers and mentors which includes:
 - 1) Complete ANE (Abuse, Neglect and Exploitation) Awareness training within 30 calendar days of hire and prior to working alone with a person in services, then complete ANE Awareness every year;
 - 2) Introduction to Person Centered Planning web-based within 30 calendar days of hire and before working alone with any person receiving DD Waiver services; and before taking the Planning Individual Service Plan (ISP) DSP-DSS course;
 - 3) Keys to Health within 30 calendar days of hire and before working alone with any person receiving DD Waiver services;
 - 4) Introduction to the Waivers web-based within 30 calendar days of hire;
 - 5) Individual Service Plan (ISP) DSP/DSS within 60 calendar

days of hire;

- 6) Communication Supports Training within 90 calendar days of hire;
 - 7) Positive Supports Training within 90 calendar days of hire;
 - 8) Advocacy in Action training within 90 calendar days of hire;
 - 9) Person-Centered Planning within 60 calendar days of hire;
 - 10) Assistance with Medication Delivery (AWMD) within 90 days of hire if designated as required in the Medication Administration Assessment Tool (MAAT);
 - 11) Introduction to Supporting Sexuality for Persons with Intellectual and/or Developmental Disabilities (I/DD) designated in the ISP or by the IDT within 90 days of hire; and
 - 12) Any other training that DDSD designates as being required.
- e) Staff providing services on a temporary or interim basis shall comply with the training requirements of the staff for whom they are replacing.
- f) Coverage: ARCA maintains a floater/substitute personnel pool for coverage and back-up for personnel critical to the agency's operation for all individuals receiving services. This includes coverage for earned PTO, staff vacancies and Earned Sick Leave as written in the ARCA Personnel Policies. ARCA provides 24 hour on call services for all programs. All residential models of service in Living Supports (Supported Living, Family Living, and IMLS) must be available 24 hours per day, 365 days a year. Twenty-four (24) hour care must be provided when non-routine changes to a person's daily schedule are required such as:
- 1) during illness, or recovery from illness, accidents, or hospitalizations;
 - 2) in the event of emergencies, natural disasters, and/or a pandemic;
 - 3) if the person works or accesses CCS during non-traditional hours (e.g., outside of weekdays from 9 am to 3 pm or 5pm);
 - 4) on weekends and holidays; and

- 5) when the person chooses to stay home.

Service Coordinators (SCs) refer to staff at agencies providing the following services: Supported Living, Family Living, Customized In-home Supports, Intensive Medical Living, Customized Community Supports, Community Integrated Employment, and Crisis Supports.

- a) A SC must successfully complete within 30 calendar days of hire and prior to working alone with a person in service:
 - 1) Complete IST requirements in accordance with the specifications described in the ISP of each person supported, and as outlined in the Chapter 17.10 Individual-Specific Training of the New Mexico Department of Health Developmental Disabilities Waiver Service Standards, November 1, 2021.
 - 2) Complete DDSD training in standard precautions located in the New Mexico Waiver Training Hub.
 - 3) Complete and maintain certification in First Aid and CPR. The training materials shall meet OSHA requirements/guidelines.
 - 4) Complete relevant training in accordance with OSHA requirements (if job involves exposure to hazardous chemicals).
 - 5) Become certified in a DDSD-approved system of crisis prevention and intervention (e.g., MANDT, Handle with Care, CPI) before using emergency physical restraint. Agency SC shall maintain certification in a DDSD-approved system if a person they support has a Behavioral Crisis Intervention Plan that includes the use of emergency physical restraint.
 - 6) Complete and maintain certification in AWMD if required to assist with medications.
 - 7) Complete DDSD training regarding HIPAA located in the New Mexico Waiver Training Hub.
- b) Any staff being used in an emergency to fill in or cover a shift must have at a minimum the DDSD required core trainings as identified in the NM Waiver Training Hub, Job Classification Document, and be on shift with a DSP who has completed relevant IST.

- c) SCs shall complete safety training within the first 30 calendar days of employment and before working alone with a person receiving services. The training shall address at least the following:
 - 1) operating a fire extinguisher;
 - 2) proper lifting procedures;
 - 3) general vehicle safety precautions (e.g., pre-trip inspection, removing keys from the ignition when not in the driver's seat);
 - 4) assisting passengers with cognitive and/or physical impairments (e.g., general guidelines for supporting people who may be unaware of safety issues involving traffic or those who require physical assistance to enter/exit a vehicle);
 - 5) operating wheelchair lifts (if applicable to the staff's role);
 - 6) wheelchair tie-down procedures (if applicable to the staff's role); and
 - 7) emergency and evacuation procedures (e.g., roadside emergency, fire emergency).

- d) SC shall also complete at DDSD-approved core curriculum training facilitated by certified trainers and mentors which includes:
 - 1) Complete ANE (Abuse, Neglect and Exploitation) Awareness training within 30 calendar days of hire and prior to working alone with a person in services, then complete ANE Awareness every year;
 - 2) Intro to Person Centered Planning web-based within 30 calendar days of hire and before working alone with any person receiving DD Waiver services; and before taking the Individual Service Plan (ISP) CM/SC course;
 - 3) Keys to Health within 30 calendar days of hire and before working alone with any person receiving DD Waiver services;
 - 4) Introduction to the Waivers web-based within 30 calendar days of hire;
 - 5) Individual Service Plan (ISP) CM/SC within 60 calendar days of hire;

- 6) Promoting Effective Teamwork within 60 calendar days of hire;
- 7) Communication Supports Training within 90 calendar days of hire;
- 8) Positive Supports Training within 90 calendar days of hire;
- 9) Advocacy in Action Training within 90 calendar days of hire;
- 10) ISP Critique within 90 calendar days of hire (must have prerequisite Person- Centered Planning first, and 60 calendar days experience with ISP's);
- 11) Introduction to Supporting Sexuality for Persons with I/DD within 90 calendar days of hire;
- 12) Complete the Aspiration Risk Management (ARM) course offered by the DDS within 180 calendar days of hire.
- 13) If a service coordinator at an agency providing Crisis Supports, SCs must complete a Crisis Response Orientation by 90 calendar days (of hire or entering into a provider agreement for this service) to include the following topics:
 - i) Knowledge of crisis response;
 - ii) DD Waiver Service Standards regarding behavior support, healthy relationships, and sexuality, and use of psychotropic medications; and
 - iii) Monitoring process for the crisis service; and
- 14) Any other training that DDS designates as being required.

Substitute care and respite staff shall complete a minimum of 40 hours of training within the first year of assignment. Thereafter, they shall complete a minimum of 10 hours per year.

- a) Specific requirements shall include:
 - 1) Applicable safety training requirements described in Chapter 17.1 Training Requirements for Direct Support Professional and Direct Support Supervisors of the New Mexico Department of Health Developmental Disabilities Waiver Service Standards, November 1, 2021.

- 2) Agency-specific course requirements (which may include DDSD core curriculum trainings as well as Personal Care Training);
- 3) Complete ANE (Abuse, Neglect and Exploitation) Awareness training within 30 calendar days of hire and prior to working alone with a person in services, then complete ANE Awareness every year;
- 4) The maximum number of IST hours outside of a formal classroom setting that can be applied to the 40-hour requirement is eight.
- 5) The maximum number of IST hours outside of a formal classroom setting that can be applied to the 10-hour requirement is four.
- 6) Assistance with Medication Delivery (AWMD) within 90 days of hire if designated as required in the MAAT.
- 7) Introduction to Supporting Sexuality for Persons with IDD as designated in the Individual Service Plan (ISP) or by the Interdisciplinary Team (IDT).

Nutritionists

- a) All Nutritionists serving DD Waiver participants are required to complete the following:
 - 1) Complete ANE (Abuse, Neglect and Exploitation) Awareness training within 30 calendar days of hire and prior to working alone with a person in services, then complete ANE Awareness every year;
 - 2) Introduction to Person Centered Planning, web-based within 30 calendar days of hire;
 - 3) Within 180 calendar days of hire complete ARM Training for RD's/LDs.
 - 4) Any additional trainings mandated by DDSD.

Nurses

- a) Nurses employed or subcontracted by the Adult Nursing, Supported Living, Family Living, and IMLS Provider Agencies must meet the

following training requirements:

- 1) Complete ANE (Abuse, Neglect and Exploitation) Awareness training within 30 calendar days of hire and prior to working alone with a person in services, then complete ANE Awareness every year;
 - 2) Completion of the Introduction to Intellectual and Developmental Disabilities (IDD) Nursing in The New Mexico DD Waiver within the first 30 calendar days of hire or assignment to this service;
 - 3) Introduction to the Waivers, web-based within 30 calendar days of hire;
 - 4) Person Centered Planning for Therapists, BSCs and Nurses, web-based within 60 calendar days of hire;
 - 5) Within the first 60 calendar days of hire or assignment to the service, observation of a full two-day AWMD Course to ensure awareness of expectations of DSP assisting individuals with medication;
 - 6) Health Care Planning for Nurses within 90 calendar days of hire;
 - 7) Complete Effective Individual Specific Training Techniques (EIST) within 90 calendar days of hire;
 - 8) Completion of the DDS-approved curriculum Subtle Signs of Illness and Injury within 90 calendar days of hire;
 - 9) ARM Training within 180 days of hire;
 - 10) Any additional trainings mandated by DDS.
- b) ARCA will notify DDS Regional Office within 90 days of nursing turnover.

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 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.

Policies are approved by the Board of Directors within three years and as applicable to meet laws and regulations.

Edward J. Kaul, ARCA President/CEO

Most Recent Approval by ARCA Board of Directors

Date: October 4, 2023

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 by the Property and Transportation Department. 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, e.g. 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 driver's 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.

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SECTION 4

EMPLOYEE CONDUCT

4.31 Ethical Standards – Code of Conduct

ARCA’s Core Values comprise ARCA’s Ethical Standards – Code of Conduct. These principles were established to ensure that all levels of ARCA’s workforce and leaders understand and live by ARCA’s Core Values. The ethical standards established by ARCA are based on concepts from the National Alliance of Direct Support Professionals Code of Ethics and provide the foundation of ARCA’s services.

SPIRIT of the ARCA Workforce

ARCA’s Core Values		<i>ARCA Employees are committed to:</i>
S	Service Excellence Provide outstanding services to individuals in our care.	<ul style="list-style-type: none"> ★ Listen to and focus on the needs of the individuals we serve. ★ Provide support for individuals with integrity, compassion, commitment, and respect. ★ Communicate effectively with co-workers and supervisors. ★ Promote ARCA’s Vision, Mission, and Values. ★ Be solution-oriented and a problem solver. ★ Take initiative and go beyond what is expected. ★ Be a role model of excellence.
P	Personal Growth Promote active learning and personal development for staff and individuals receiving services.	<ul style="list-style-type: none"> ★ Develop each individual served to their own potential, encourage their growth, and recognize their autonomy. ★ Be motivated to grow, learn and develop your potential. ★ Be open to feedback and coachable. ★ Learn from your mistakes and seek opportunities to learn new skills.
I	Integrity Be accountable and ethical in everything we do.	<ul style="list-style-type: none"> ★ Maintain high ethical standards and practices and hold yourself accountable for achieving service excellence. ★ Comply with ARCA Policies, Procedures, and Guidelines. ★ Be truthful and accountable for personal decisions and actions. ★ Honor commitments, meet deadlines, and provide sufficient notice when commitments or deadlines cannot be met. ★ Protect confidentiality following HIPAA guidelines.
R	Respect Show care and compassion for all people	<ul style="list-style-type: none"> ★ Ensure that the individuals served and coworkers are treated with dignity, respect, and compassion. ★ Honor the confidentiality and privacy of the individuals served and your coworkers. ★ Seek to understand the ideas, opinions, and perceptions of others. ★ Demonstrate behaviors that set the right example.
I	Inclusion Encourage personal choice and opportunities to pursue interests and friendships	<ul style="list-style-type: none"> ★ Promote inclusion and the full community participation of people with intellectual, developmental, and cognitive disabilities. ★ Celebrate diversity and appreciate others with different beliefs and values tailoring responses and behaviors accordingly. ★ Follow through to ensure the needs and expectations of others are met.
T	Teamwork Foster open communication and share responsibility	<ul style="list-style-type: none"> ★ Actively participate as team members to meet job expectations and celebrate accomplishments. ★ Engage with team members to make sound decisions, problem solve and settle conflicts. ★ Ensure understanding by rephrasing, verifying, and summarizing when providing direction or support. ★ Take ownership of team actions and results.

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4.32 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 their supervisor each day of impending absence or each time they will be late unless they are on approved Paid Time Off or Approved Unpaid Leave. Unauthorized absence from work or scheduled training for two consecutive or three non-consecutive days within a 3 month period may be considered an automatic resignation on the part of the absent employee. This policy shall be applicable to the unauthorized use of Paid Time off (PTO) or Approved Unpaid Leave. Excess absenteeism or patterns of absenteeism or tardiness may result in disciplinary action, including discharge.

4.33 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 workplace. Extremes of dress, personal appearance, and conduct shall not be accepted and may result in disciplinary action including discharge.

4.34 Conflicts of Interest

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 they have 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.

Employees are prohibited from using their position for private gains for themselves or others: Every employee who has a financial interest that they have reason to believe may be affected by actions taken within the scope of their employment or which may have the appearance or represent a potential conflict of interest shall disclose the precise nature and value of such interest. The disclosures shall be written and filed with the Human Resources Director before entering employment or when 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 the personal benefit, gain, or profit of others, including family members or members of the employee's immediate household. No employee shall use confidential information acquired by their employment with the organization. Unauthorized personal use of ARCA equipment, vehicles, property (including ARCA funds), supplies, and unauthorized use of the property or monies of individuals receiving services is prohibited. Violation of these provisions may result in disciplinary action, including discharge of employment.

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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 can perform staff functions, they will follow usual 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 their services or those outlined in their Individual Habilitation/Service Plan.

4.35 Disclosure, Confidentiality, and Accuracy of Records

The organization's policy is to maintain confidential and accurate records of the individuals we serve and our employees. Therefore, all employees shall disclose to the Human Resources Director, Director, or President/CEO, any information which may be vital to the health and safety of the individuals receiving services, employees, or programs. Employees are expected to provide truthful, full disclosure of all facts in fulfilling their job responsibilities and responding to requests for information during investigations. 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.

4.36 No Solicitation Statement

ARCA prohibits all solicitations on its premises unless such activity receives prior approval from the President/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.

4.37 Alcohol and Drugs in the Workplace

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

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Policy:

ARCA prohibits employees from working while impaired. Impairment is defined as working while under the influence of illegal drugs or alcohol or while engaging in controlled substance use or abuse. In compliance with the Drug-Free Workplace Act of 1988, P.L. 100-690 (100th Congress 2nd Session 1988) ARCA prohibits the manufacture, distribution, possession of controlled substances or cannabis, sale, or use of alcohol and illegal drugs in the workplace and on company premises.

The term “company premises” includes all buildings, offices, facilities, grounds, parking lots, lockers, places, and vehicles owned, leased, or managed by ARCA or any site on which the Company is conducting business.

Impairment from substance use can cause physical and behavioral changes that affect a person’s ability to work safely. These changes can include decreased motor coordination, reaction time, sensory perception, and psychological or stress-related effects such as mood swings or personality changes.

All employees must inform their supervisor, Division Director, or Human Resource Dept. when their ability to safely perform assigned work is or may be impaired for any reason.

Physical or mental impairment in the workplace can create a significant risk of injury and death to the impaired worker, co-workers, individuals receiving services, and members of the public.

Impairment can have many causes, but the most common substance-related causes of impairment in the workplace are the use of alcohol or drugs that are legal under New Mexico state law, which includes cannabis. The use of illegal drugs. The use of prescription drugs to treat medical conditions and the use of over-the-counter medication.

Procedures:

ARCA will meet the intent of this policy by doing the following:

ARCA will inform applicants for employment that employees are expected to comply with ARCA’s policy on alcohol and drugs in the workplace.

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 orientation.

Impaired behavior: All employees must inform their supervisor, Division Director or Human Resource Department when their ability to safely perform assigned work is or may be impaired for any reason. An employee must inform their supervisor or Division Director, or Human Resource Department if they observe impaired behavior or performance problems by a co-worker that appear to have an adverse effect on the co-worker’s job performance or the safety of others.

ARCA will provide training to supervisory and management employees on the recognition of impaired behavior and unusual patterns of behavior which may indicate potential substance abuse. Supervisors must immediately report an employee who demonstrates an unusual pattern of behavior indicative of potential substance abuse to their Division Director and Human Resources Department.

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Drug testing of employees: Employees will be asked to submit to testing as follows:

- A. When there is 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. When there is reason to believe that a violation of this policy has occurred.

Any employee requested to submit to testing for the enforcement of this policy will be informed of the reasons. Upon notification, by management, an employee will be given three hours to submit a specimen for testing. Two members of management will accompany the employee to the site for specimen collection and testing. If testing locations are closed, the employee will be tested at their work location. The employee will be suspended, pending the results of the test. 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.

Acts that will be considered a violation of this testing 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 test,
- C. Refusing to submit a specimen for testing, or participate in testing procedures within three hours of being requested by management in accordance with this policy.

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 their 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.

Staff medication: It is the responsibility of all staff to ensure all medication(s) remain on their person or locked in a secure area while at any work site. Staff is prohibited from carrying alcohol, cannabis, illegal drugs, and medications that are deemed controlled substances on an ARCA work site or while performing company business.

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 search at the time of the search is a condition of continued employment and refusal will 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.

Plead guilty or nolo contendere: Employees who are convicted or plead guilty or nolo contendere because of drug or alcohol-related off or on-the-job activities will be considered in violation of this policy and will be subject to disciplinary action, including termination of employment.

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Loss of professional licensure: Employees who lose professional licensure or receive a professional censure due to the use of an illegal substance or other actions involving substance abuse will be considered in violation of this policy and will be subject to disciplinary action, up to and including termination of employment.

Rehabilitation Treatment: Employees may be granted paid leave for which they are eligible to undertake rehabilitation treatment (refer to Policies 4.21, 4.23, 4.24, 4.25). The employee will not be permitted to return to work until written certification from the treatment provider says that the employee is capable of performing their job is presented to ARCA. Failure to cooperate with an agreed-upon treatment plan will result in discipline up to and including termination. Participation in a treatment plan does not insulate an employee from the imposition of disciplinary action for violations of this or other policies.

ARCA's drug-free awareness program shall include, but not be limited to, the provision of information to employees regarding counseling and rehabilitation programs available through the employee assistance program (EAP) available to all employees.

Violation of Policy: Employees who violate this policy will be subject to disciplinary action up to and including discharge.

At-Will Status: This policy does not alter the at-will status of ARCA's employees.

Confidentiality of Records: ARCA will comply with agency policy regarding the 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.

4.38 Smoking Policy

In compliance with the City of Albuquerque's Clean Indoor Air Ordinance, and our commitment to promoting tobacco and a 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 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.

4.39 Disciplinary Actions

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

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

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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** – ARCA 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** – ARCA may suspend an employee as part of the disciplinary process. When ARCA conducts a review 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. **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, environmental hazard, suspicious injury, injury of unknown origin, or punishment of the individuals served. Any deliberate action, incident, or behavior on the part of any employee, contractor, individual served by ARCA, visitor, or non-staff representative of ARCA, will be considered to constitute abuse and neglect if it is intended to be physically or emotionally painful to the individual, or detrimental to the individual's care.

Refer to ARCA Program Policy 2.6 – Dignity and Respect and NMAC 7.1.14 for definitions and examples of abuse, neglect, exploitation, and suspicious injury/injury of unknown origin.

In cases of death, abuse, neglect, exploitation, environmental hazard, suspicious injury, or injury of unknown origin, the person with the most direct knowledge must immediately report the allegation to the appropriate authorities, as required by law, including but not limited to New Mexico Department of Health, Division of Health Improvement; or New Mexico Children Youth and Families Department; or Adult Protective Services; or local law enforcement.

Employees are required to report all incidences of abuse, neglect, exploitation, environmental hazard, suspicious injury, and injury of unknown origin to their supervisor or on-call person immediately after notifying all appropriate authorities.

The direct supervisor or the on-call person shall make an immediate initial assessment of the alleged violation and takes all action(s) deemed necessary to ensure the safety of the person(s), including but not limited to Suspension of the employee with pay-up to a maximum of five (5) working days pending review.

ARCA will conduct a thorough review of the alleged violation within five (5) business days including the collection of documents relevant to the alleged incident for the individual or individuals served, employee/s, witnesses, and other involved parties.

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Employees are required to cooperate fully with ARCA's reviews and outside authorities' investigations of all alleged violations.

Within five (5) business days of the alleged violation, the incident will be reviewed by the Administrative Review Team (ART). If the review of the incident shows a violation of ARCA policy(s), the employee may be subject to disciplinary actions, including discharge.

All documents involved in the review, as well as the results of the review, 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.

D. 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 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 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.

4.40 Workplace Violence

ARCA strives to provide a safe workplace for all employees. To ensure a safe workplace and to reduce the risk of violence, all employees should review and understand all provisions of this workplace violence policy.

Prohibited Conduct: ARCA does not tolerate workplace violence committed by or against employees, including co-workers, supervisors, individuals seeking or receiving services, or the general public. Employees are prohibited from making threats or engaging in violent activities. This list of behaviors provides examples of conduct that is prohibited:

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- Causing physical injury to another person
- Making threatening remarks
- Displaying aggressive or hostile behavior that creates a reasonable fear of injury to another person or subjects another individual to emotional distress (bullying)
- Intentionally damaging employer property, property of an individual served, or property of another employee
- Possessing a weapon while on company property or while on company business
- Committing acts motivated by, or related to, sexual harassment or domestic violence

In addition, if federal, state, or local laws are violated, prosecution may result.

Reporting Procedures: It is the responsibility of all employees to immediately report any potentially dangerous situations, threats, and/or acts of aggression and violence in the workplace to the immediate supervisor, Human Resources Director, or any managerial employee. Reports can be made anonymously, and all reported incidents will be investigated. Reports or incidents warranting confidentiality will be handled appropriately, and information will be disclosed to others only on a need-to-know basis. ARCA will actively intervene at any indication of a possibly hostile or violent situation.

Risk Reduction Measures:

- Hiring:* All applicants shall be subject to verification of their background and credentials and a statewide and nationwide criminal history screening prior to an offer of employment. Applicants with unsatisfactory references, background verification, or criminal history screening shall not be considered for an offer of employment with ARCA. Refer to Policy 4.2 – Hiring.
- Safety:* ARCA conducts monthly inspections at each location to evaluate and determine any vulnerabilities to the safety and security of worksites.
- Domestic Abuse:* An employee experiencing domestic abuse should refer to Policy 4.25 Domestic Abuse Leave, regarding eligibility for leave, and procedures for the notification and verification requirements to request Domestic Abuse Leave.

Additional situations: Although ARCA does not expect employees to be skilled at identifying potentially dangerous persons, employees are expected to exercise good judgment and inform the HR department if any employee exhibits behavior that could be a sign of a potentially dangerous situation. Such behavior includes but is not limited to:

- Discussing weapons or bringing them to the workplace location
- Displaying overt signs of extreme stress, resentment, hostility, or anger
- Making threatening remarks
- Showing sudden or significant deterioration of performance
- Displaying irrational or inappropriate behavior

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Training: Workplace Violence, including Active Shooter training, is scheduled annually by using ARCA's emergency preparedness training action plan.

Enforcement: Threats, threatening conduct, or any other acts of aggression or violence in the workplace will not be tolerated. Any employee determined to have committed such acts will be subject to disciplinary action, up to and including separation of employment.

Non-employees engaged in violent acts on ARCA premises will be reported to the proper authorities and fully prosecuted.

ARCA will not tolerate any forms of retaliation from management or employees. If you feel you have experienced retaliation contact the HR Director and provide specific details of the retaliation.

4.41 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, up to and including its President/CEO and Board of Directors.

Sexual Harassment: No one may threaten or imply that an employee's submission to, or rejection of, sexual advances would 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 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 or sending sexually suggestive or explicit texts and pictures. An employee's conduct is 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

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first to the person harassing you. You may complain directly to the supervisor of the harasser, Human Resources, or any other management employee, including the President/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 harassment of another employee, you are requested and encouraged to report this 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 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 the investigation shows a violation of this policy. Depending on the circumstances, disciplinary action may range from a warning to a discharge.

Dishonest Reporting: 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.

Retaliation: No reprisal, retaliation, or other adverse action will be taken against any employee for making, in good faith, a complaint or 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.

If you have any questions about this policy, please contact the Human Resources Director.

4.42 Deficit Reduction Act

Purpose – To ensure that ARCA complies 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.

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

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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.

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.

Training: ARCA shall educate all staff by distributing copies of this Policy to all staff and ensuring that all staff has access to written and 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/CEO shall be accountable for compliance with these training requirements.

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 are required to immediately report such belief using established ARCA reporting procedures, which include reporting the matter to the President/CEO, Service Director, Division Director or another responsible member of management, or by calling the ARCA confidential reporting system at 1-888-493-1868.

Retaliation Prohibited: ARCA shall not take, or tolerate, any intimidating or retaliatory action 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.

Policies and Procedures for Detecting and Preventing Fraud, Waste, and Abuse ARCA's President/CEO are responsible for ensuring the proactive prevention of fraud and abuse through the 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 wrongdoing and are not permitted to overlook such actual or potential wrongdoing. ARCA has administrative policies and procedures aimed at protecting against fraud, waste, and abuse. These include:

Financial Planning and Management policy I.3 Accounting Procedures
CA Personnel Policy 4.35 Conflicts of Interest ARCA Code of Ethics

Reporting obligation: ARCA is committed to providing an environment of honesty, integrity, and trust. Whenever an ARCA employee, contractor, or agent has any questions or concerns about the possible application of the above laws, they should contact the President/CEO or Director or call the ARCA confidential reporting system at 1-888-493-1868.

Vehicle Inspection

Month/Day/Year of Inspection?	2024-08-13
Location/Home?	
Vehicle License Plate Number?	
Vehicle Number?	
List the last six numbers and letters of "How Am I Driving" sticker?	
Current Mileage?	
Mileage for Next Scheduled Maintenance:?	
Are there any new scratches, dents, or other damage to this vehicle?	Yes
Explain; any new scratches, dents, or other damage to this vehicle?	
Is the "How Am I Driving" bumper sticker in good condition?	Yes
Are there any leaks under the vehicle?	No
Explain; Any leaks under the vehicle?	
Are tires in good condition?	Yes
Explain, if tires are not in good condition?	
Are all exterior lights working?	Yes
Explain, if exterior lights are not working?	
Is there any windshield damage?	No
Explain, any windshield damage?	
Are the wiper blades in need of repair or replacement?	No
Explain, if the wiper blades in need of repair or replacement?	
Are the mirrors in usable condition (sides & rear view)?	Yes
Explain, if mirrors are not in usable condition (sides & rear view)?	
Is this vehicle current on its American Auto Clinics' routine maintenance checks?	Yes
Explain; if this vehicle current on its American Auto Clinics' routine maintenance checks?	
Are all interior lights working?	Yes
Explain, if all interior lights are not working?	

Are all gauges working properly?	Yes
Explain, any gauges not working properly?	
Is the heater and air conditioner working properly?	Yes
Explain, if the heater and/or air conditioner are not working properly?	
Is the vehicle book present in the vehicle and contains current registration and proof of insurance?	Yes
Explain, if the vehicle book is not present in the vehicle or if the current registration and proof of insurance is not in the vehicle book.?	
Are all handicap placement cards current?	Yes
Explain, if handicap placement cards are not current?	
Is there any damage to the interior of this vehicle?	No
Explain, any damage to the interior of this vehicle?	
Are seatbelts and wheelchair tie downs present and in good working order?	Yes
Explain, if seatbelts and wheelchair tie downs are present and not in good working order?	
Is the seatbelt cutter within drivers reach and in good condition?	Yes
Explain, if the seatbelt cutter is not within drivers reach and in good condition?	
Do all doors open freely and close/lock securely?	Yes
Explain, if all doors do not open freely and close/lock securely.?	
Is the wheelchair lift/ramp working properly?	Yes
Explain, if the wheelchair lift/ramp working properly?	
What is the current lift count?	
Are there any issues with the emergency manual override for the wheelchair lift?	No
What is the next service date on the fire extinguisher?	
Is the fire extinguisher signed on the back monthly?	Yes
Are there any missing or out dated items from the First Aid kits?	No
Explain, any missing or out dated items from the First Aid kits?	
If your vehicle has a G before or after the vehicle number. Is there a flashlight, reflective vest, and reflective triangles, body fluid cleanup kit in the vehicle?	Yes
Explain; For a vehicle has a G before or after the vehicle number. and there is not a flashlight, reflective vest, and reflective triangles, body fluid cleanup kit in the vehicle?	
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?	
---	--

Name and Title of Employee completing the Vehicle Inspection?	
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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 and GPS Speeding Reports.

- A. When the Risk/Safety Compliance Administrator receives a Motorist Observation and/or GPS Speeding Report, the employee who was driving is identified using the vehicle log from the ARCA vehicle on the date and time of the incident.
- B. Upon receiving the driver information, the Risk/Safety Compliance Administrator will assess if there have been previous driving incidents to determine the level of corrective action. An electronic Driver Incident Tracking and Accountability form is sent to the employee's email for review, response and acknowledgement. Once acknowledged this form goes to the Risk/Safety Compliance Administrator to review and upload into the employee's personnel file.
- C. The employee's Division Director and HR Director are notified by the Risk/Safety Compliance Administrator when a final warning or separation is recommended for further review and approval. Speeding incidents older than two years will not be considered in disciplinary actions.

Corrective Action Procedures:

- 1) **Counseling:** Driver Incident Tracking and Accountability electronic form. Counsel the employee regarding the importance of following NM State law and ARCA's policies and procedures regarding safe driving procedures.
- 2) If an employee has three vehicle incidents within a three-month period the employee will receive a Driver Incident Tracking & Accountability counseling and is required to attend ARCA's Defensive Driver Course and review/sign ARCA's Transportation Guidelines.
- 3) **Final Warning:** Upon a fourth vehicle incident within in a six-month period will result in a final warning.
- 4) **Separation/transfer - Immediate change of driver status** will occur if an employee continues to have vehicle incidents without improvement during a six-month period. ARCA may reassign employee to a non-driving position if one is available or discharge from employment.
- D. If a final warning or separation is the action, the Division Director will meet with the employee and Risk/Safety Compliance Administrator to notify in person any action that is a final warning or change in driver status.
- E. An employee disputing the vehicle incident may document this on the Driver Incident Tracking & Accountability counseling; this will be reviewed by ARCA's Risk/Safety Compliance Administrator and Vehicle Coordinator. If the inquiry finds in favor of the employee the action will be removed, if the inquiry finds that the employee was responsible for the vehicle incident the Risk/Safety Compliance Administrator will explain to the employee the findings via email.
- F. Risk/Safety Compliance Administrator tracks all vehicle incidents in database that is used to review trends analysis.

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 OWNER: HR Director CASE RECORD FILE: N/A USER GROUP: 6



II. Photo Stop / Parking Citations:

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

- A. The photo stop or parking citation is reviewed by the HR Director and then forwarded to the Risk/Safety Compliance Administrator to follow through with the same procedures as MOR/GPS reporting.
- B. The Risk/Safety Compliance Administrator will determine the assigned location of the ARCA vehicle pictured in the citation by using Extended Reach. Once the ARCA vehicle location is identified then the site supervisor will be contacted to provide the vehicle log from the identified vehicle.
- C. Once the employee is identified from the vehicle log, Risk/Safety Compliance Administrator will submit a Driver Incident Tracking & Accountability counseling to the employee, along with a copy of the citation and fees.
- D. The employee will be required to pay the photo stop or parking citation following the directions outlined on the in the citation, as follows:
 - a. The employee will sign the *Authorization to Deduct Charges from Paycheck form* giving ARCA permission to deduct the fee(s) from employee's paycheck in compliance with the Fair Labor Standards Act (FLSA).
- E. If the police while driving on duty stop an employee, s/he will 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. The incident will be documented on the Driver Incident Tracking and Accountability Form. Follow procedures for this action as noted in Procedure I.
- F. See Corrective Action Procedures on page one of these guidelines.

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 used for work functions:

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 the Risk/Safety Compliance Administrator, Vehicle Coordinator or On-Call Staff.
- 4) Make no admission of liability or responsibility for a collision. The investigating agencies will decide responsibility.

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- 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). ARCA's vehicle book has all insurance, registration and who to contact information.
- 6) If the accident/collision is a serious accident, contact ARCA's Risk/Safety Compliance Administrator immediately to meet at the scene of the accident. The Risk/Safety Compliance Administrator will conduct an inquiry and take photos for insurance claims.
- 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 Risk/Safety Compliance Administrator.
- 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 Risk/Safety Compliance Administrator. Supervisor will complete the on-line injury investigation report.

Vehicle Evacuation Guidelines in the event of a fire or other on-board emergency:

- 1) Use external emergency doors as needed.
- 2) Utilize wheelchair and door overrides if needed.
- 3) If needed seat belt cutters are located under the dash.
- 4) For safety, move everyone at least 200 feet or more from disabled vehicle and traffic.
- 5) Use emergency reflective triangles to warn other drivers of disabled vehicle.
- 6) If safe to do so, use fire extinguisher to distinguish fires.
- 7) Remove first aid kit from designated area in vehicle and take with you.
- 8) Complete a headcount of everyone in the vehicle.
- 9) Utilize emergency numbers in the vehicle book.

B. ARCA Supervisor Responsibilities

- 1) The Supervisor or designee will drive to scene or arrange for support staff to drive to scene if possible.
- 2) Notify the Risk/Safety Compliance Administrator to ensure appropriate documentation is completed at the scene for insurance purposes can complete an immediate inquiry.
- 3) If persons served involved – notify ARCA Nurse/On-call Nurse and follow directions of ARCA Nurse.
- 4) Refer the employee(s) involved for medical care follow-up if required.
- 5) Transport the employee driving the vehicle to Concentra or contact the after-hours collector to complete a drug/alcohol screen as outlined in ARCA Personnel Policy 4.38 Alcohol and Drugs in the Workplace, under 4.38.2.3.

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- 6) If an ARCA vehicle is disabled, arrange to have vehicle towed to designated repair shop or you may contact the Vehicle Coordinator to assist. Refer to the Vehicle Vendor List located in the Vehicle Book for this information. Notify the Vehicle Coordinator or ARCA Property Department.
- 7) If the collision involves an employee's personal vehicle, the Supervisor may assist the employee to make towing arrangements. Employees are responsible for costs associated to their personal vehicles and will use their personal insurance carrier when personal vehicles are involved in work related vehicle accidents. Please refer questions to the HR Director or the Risk/Safety Compliance Administrator.
- 8) Review the General Events 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 electronic ARCA Accident Investigation Form and send the original reports to the Risk/Safety Compliance Administrator within 24 hours or the next business day. This may also be completed by the Risk/Safety Compliance Administrator to support the department and ensure appropriate information is provided on the claim with ARCA's insurance carrier.

C. ARCA Administrative Reporting Procedures

- 1) The Risk/Safety Compliance Administrator will implement the worker's compensation reporting procedures.
- 2) Drug/alcohol test results will be sent to the HR Generalist or Director. Risk/Safety will be advised of results to inform worker's compensation claims adjuster.
- 3) If the collision/incident occurred in an ARCA vehicle, the Supervisor will notify the Vehicle Coordinator and Risk/Safety Compliance Administrator immediately, or the first business day following the collision/incident.
- 4) The Risk/Safety Compliance Administrator will file a claim with ARCA's insurance carrier when incidents involve an ARCA vehicle, Risk/Safety will follow up with applicable reporting requirements and obtain an insurance claim number.
- 5) The Vehicle Coordinator will obtain a copy of the Police report as applicable.
- 6) The Risk/Safety Compliance Administrator will ensure the employee's Division Director, is aware of the driving incident/collision.
- 7) The Risk/Safety Compliance Administrator will track the collision/incident information in the Vehicle Incident Database.
- 8) The Driver Incident Tracking and Accountability form will be sent electronically to the employee advising the corrective action needed to make immediate improvement and if there are any costs that apply. Depending on the severity of the collision/incident the corrective action may be an in-person discussion with the Division Director and Risk/Safety Compliance Administrator - the nature of the collision/incident including severity, responsible party, damage to the vehicle, and citations if applicable.

In addition to corrective action procedures:

- a. **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 are reviewed with the

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employee and will be deducted from the employee's paycheck in accordance with FLSA regulations.

- b. **Additional training**, reorientation on the vehicle and/or retaking Defensive Driving course.
- c. **Immediate change of driver status** with ARCA and reassignment to a non-driving position and/or discharge from employment.

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

- 1) Work with employee (driver) or Supervisor or On-Call to assess condition of ARCA vehicle and decide 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) 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.
- 4) The Vehicle Coordinator will obtain a copy of the Police report as applicable.
- 5) Provide copies of Police Report, ARCA Vehicle Accident Report, and other pertinent documents to the Risk/Safety Compliance Administrator.
- 6) Meet with Insurance adjuster and repair shop to arrange for repairs to vehicle.

IV. Other Driving Incidents and/or Citations:

A. 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 that 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. The timeline to resolve this matter is two weeks from the date reported to HR.

B. Driver Status:

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OWNER: HR Director

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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 employee is excluded from coverage by ARCA's liability insurance carrier and is unable to perform 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 discharge from employment with ARCA.

Employee Signature: _____ **Date:** _____

Trainer: _____

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Driver Incident Tracking and Accountability Form

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

Name _____ Employee # _____ Date: _____
Job Title: _____ Work Location: _____ Supervisor: _____

Type of Incident (check all that apply) :

- Cell phone/electronic device use while driving
- 1-800 Report (describe) _____
- License Suspension/Revocation
- GPS-Speeding → Single Incident in that week Multiple incidents that week Top Speed by GPS: _____
- Vehicle Accident → ARCA Vehicle Personal Vehicle
- Citation
- Other: _____

Plan of Action/Employee Counseling/Warning:

The Supervisor and employee met on _____ to review and discuss this incident. Based on this discussion it was agreed that the following action will be taken: *(Please check all that apply)*

- Employee will retake the **Defensive Driving course** on _____.(date)
- Employee will have a **reorientation** on the ARCA vehicle with a member of the property department on _____.(date)
- Employee will pay **damages** to the ARCA vehicle up to \$100. Amount: _____ (Attach payroll deduction form)
- The employee will pay the **citation fine**. Amount: _____ (Attach payroll deduction form)
- Cell phone/electronic device use:** The employee understands that the use of **cell phones/electronic devices while driving**, including texting or using a hands free (Bluetooth) system **is prohibited while driving for ARCA** in a personal vehicle or ARCA vehicle.
- Employee will complete target driver training with Risk and Safety Department
- Written Counseling: (if the driver incident is a Backing-up collision written counseling is **required**)

- Final Warning.** Any further driving issues may result in loss of approval as a driver for ARCA. If this occurs, the employee may be transferred to a non-driving position (if available) or may be subject to discharge from employment.
- No longer an approved driver** for ARCA. Employee may not drive while on duty.

I, _____, certify that this document has been reviewed with me on this date.

Comments/additional information: _____

Employee Signature Job Title Date Supervisor Signature Job Title Date

Program Manager/RM/QMRP Signature Date Director/Division Director Signature Date

For HR use: Entered in Spreadsheet: _____ Scanned and Entered in UltiPro: _____