

Report on the

**Board of Examiners of  
Nursing Home Administrators  
State of Alabama  
Montgomery, Alabama**

**October 1, 2016 through September 30, 2018**

**Filed: January 10, 2020**



**Department of  
Examiners of Public Accounts**

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*Rachel Laurie Riddle, Chief Examiner*



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Rachel Laurie Riddle  
*Chief Examiner*

Honorable Rachel Laurie Riddle  
Chief Examiner of Public Accounts  
Montgomery, Alabama 36130

Dear Madam:

Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I submit this report on the results of the examination of the Board of Examiners of Nursing Home Administrators for the period of October 1, 2016 through September 30, 2018.

Sworn to and subscribed before me this  
the 16 day of December, 2019.

*Corie M. Gore*  
Notary Public

Respectfully submitted,

Janet L. Berry  
Examiner of Public Accounts

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Department of  
**Examiners of Public Accounts**

**SUMMARY**

**Board of Examiners of Nursing Home Administrators  
October 1, 2016 through September 30, 2018**

The Board of Examiners of Nursing Home Administrators (the “Board”) operates under the authority of the *Code of Alabama 1975*, Sections 34-20-1 through 34-20-16. The Board licenses and regulates persons charged with the general administration of nursing homes and conducts investigations and hearings based on complaints against its licensees. No Alabama nursing home can legally operate without a licensed nursing home administrator in charge.

This report presents the results of an examination of the Board and a review of compliance by the Board with applicable laws and regulations of the State of Alabama. This examination was conducted in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12. Our examination was performed for the purpose of determining whether the public officers, agents, and employees of the Board properly and lawfully accounted for all money and other public assets or resources received, disbursed, or in the custody of the Board. Our examination included determining compliance by the Board with state laws and regulations that pertain to financial transactions; personnel; safeguarding of state-owned assets, property, and resources; information dissemination, processing, and retention; and official actions, rulemaking procedures, and meetings. As a part of our examination, we also reviewed internal control policies and procedures relating to the areas listed above. Our examination did not encompass managerial and operational matters, such as whether the Board accomplished its mission or its regulatory, enforcement, investigative, or other oversight activities in an efficient, fair, timely, or legal manner.

Tests performed during the examination did not disclose any significant instances of noncompliance with applicable laws and regulations.

Board members and the Executive Secretary were invited to an exit conference held on November 18, 2019. Individuals in attendance were Board members: Sal.Lee Sasser-Williams and Donald J. Jones; Katrina G. Magdon, Executive Secretary, along with Robin Hutcheson and Janet L. Berry from the Department of Examiners of Public Accounts.



Department of  
**Examiners of Public Accounts**

**COMMENTS**

**Board of Examiners of Nursing Home Administrators  
October 1, 2016 through September 30, 2018**

The Board of Examiners of Nursing Home Administrators (the “Board”) was created by Act Number 986, Acts of Alabama 1969, to bring Alabama into compliance with federal law.

The *Code of Federal Regulations* (CFR) 42, Chapter IV, Subchapter C, part 431, Subpart N, requires that the State’s Medicaid plan must include a state program for licensing nursing home administrators as a condition of participating in Medicare and Medicaid programs.

Section 431.703 specifically requires that nursing homes may only operate if supervised by an administrator licensed in accordance with the requirements of Subpart N.

Section 431.706(a), requires that a state’s nursing home administrator licensing board must be composed of persons representing professions and institutions concerned with the care and treatment of chronically ill or infirm elderly patients, with the following restrictions:

- A majority of the board members may not be representative of a single profession or category of institutions.
- Members not representative of institutions may not have a direct financial interest in any nursing home.

The Board operates under the authority of the *Code of Alabama 1975*, Sections 34-20-1 through 34-20-16. The Board licenses and regulates persons charged with the general administration of nursing homes and conducts investigations and hearings based on complaints against licensees. No Alabama nursing home can legally operate without a licensed nursing home administrator in charge.

The Board is comprised of seven members appointed by the Governor. Members must be residents of the state and not more than one member from any congressional district may be appointed to serve at the same time, unless necessary to ensure diversity of the Board or to satisfy other Board member qualification requirements. Board membership consists of:

- Three licensed nursing home administrators,
- One physician involved with care of the chronically ill and infirm, aged patients,
- One licensed hospital administrator,

- One registered geriatric nurse with at least five years' experience as a geriatric nurse, who is actively serving as a director of nursing in a geriatric facility, and
- One consumer member, who along with the member's immediate family, are prohibited from licensure by the Board, and from employment in the nursing home profession.

The Board appoints an executive secretary to serve as the Board's executive officer. The executive secretary is employed part-time in the unclassified service of the State's Merit System. The Board's executive secretary is also an employee of the Alabama Nursing Home Association. The Board leases office space from the Association.

The Board operates from Special Revenue Fund 0404 in the State Treasury. The Board's operating funds are derived from fees collected by the Board in carrying out its statutory mission. The Board is subject to the State's normal budget procedures and cannot expend funds without legislative appropriation. The Board retains all unexpended funds at year-end.

The Board owned nonconsumable personal property consisting of computers and equipment. Nonconsumable personal property in the custody of the Board was compared with the property records maintained by the Property Inventory Control Division of the State Auditor's Office. No discrepancies were found.

***Schedule of Cash Receipts, Disbursements and Balances  
For the Period October 1, 2016 through September 30, 2018***

	<b>2017-2018</b>	<b>2016-2017</b>
<b>Receipts</b>		
Licensing Fees	\$ 87,375.00	\$ 98,000.00
<b>Disbursements</b>		
Personnel Costs	40,399.76	40,499.76
Employee Benefits	8,248.99	8,238.31
Travel, In-State	3,370.70	3,740.67
Repairs and Maintenance	105.00	240.00
Rentals and Leases	14,438.50	14,385.43
Professional Services	14,108.67	26,103.38
Supplies, Materials and Operating Expenses	2,930.51	2,787.00
Other Equipment Purchases		1,057.25
Total	<u>83,602.13</u>	<u>97,051.80</u>
Excess of Receipts Over Disbursements	3,772.87	948.20
Cash Balances at Beginning of Year	<u>578,462.84</u>	<u>577,514.64</u>
Cash Balances at End of Year	582,235.71	578,462.84
Reserve for Unpaid Obligations	<u>(2,430.50)</u>	<u>(2,630.00)</u>
Available Cash Balances at Year-End	<u>\$ 579,805.21</u>	<u>\$ 575,832.84</u>

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***Board Members and Official***  
***October 1, 2016 through September 30, 2018***

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<b>Board Members</b>		<b>Term Expires</b>
Hon. Sal.Lee Sasser-Williams	Chairman	2020
Hon. Lana Davis	Member	2019
Hon. Chris Capps (1)	Member	2016
Hon. Carol Knight	Member	2020
Hon. Clarence M. Ball, Jr.	Member	2017
Hon. Charles T. Nevels, M.D.	Member	2019
Hon. Donald Jones	Member	2019
Hon. Cherise Ball Wilson	Member	2020

**Official**

Mrs. Katrina Magdon

Executive Secretary  
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(1) Continued to serve until April 2017