

**ALCOHOL, DRUG ADDICTION AND MENTAL HEALTH SERVICES BOARD
OF CUYAHOGA COUNTY**

RESOLUTION NO. 17-05-06

**APPROVAL OF ADVANCE AGAINST CY2017 NON-MEDICAID ALLOCATION
FOR HITCHCOCK CENTER FOR WOMEN**

WHEREAS, the Hitchcock Center for Women submitted a letter to Mr. Denihan requesting consideration of a cash advance; and,

WHEREAS, Hitchcock Center for Women's Executive Director advised of the need to request an advance against their CY 2017 contract agreement in order to pay the Internal Revenue Service for payroll taxes; and,

WHEREAS, an advance in the amount of \$110,000.00 would allow Hitchcock Center for Women to save an estimated \$60,000.00 in penalties and interest which the Internal Revenue Service would waive if timely payment were made; and,

WHEREAS, The ADAMHS Board conducted a Financial Stability Review of Hitchcock Center and ascertained that an advance is needed; and,

WHEREAS, Hitchcock Center for Women has made a request to their bank to increase the existing line-of-credit balance in order to make payment to the Internal Revenue Service and final approval by the bank has not been made to-date; and,

WHEREAS, the advance would be recouped between the months of June through December 2017. The repayments would be made against Hitchcock's Residential Treatment claims submissions.

NOW, THEREFORE, BE IT RESOLVED:

- A. The ADAMHS Board of Directors approves the request for an advance in the amount of \$110,000.00 to Hitchcock Center for Women. Such amount will be advanced by the ADAMHS Board and will be recouped by means of an offset of the Board's monthly payments to Hitchcock Center for Women. The recoupment amount will be \$15,714.29 per month for the months of June 2017 through November 2017, and in the amount of \$15,714.26 for the month of December 2017.
- B. The advance request would be cancelled in the event Hitchcock Center for Women's line-of-credit balance is increased by the bank.

On the motion of Reginald C. Blue, Ph.D., seconded by Mary R. Warr, M.Ed., the foregoing resolution was adopted.

AYES: R. Blue, R. Fowler, C. Handler, P. Jones, S. Killpack, H. Snider, M. Warr, A. Williams

NAYS: None

ABSTAIN: None

DATE ADOPTED: May 24, 2017