



July 10, 2014

Jeff Wise
Executive Director
New York State Justice Center
for the Protection of People with Special Needs
161 Delaware Avenue
Delmar, NY 12054

Re: Footings, Inc.

Dear Mr. Wise:

I am pleased to provide you with this correspondence as an update regarding the Office for People With Developmental Disabilities (OPWDD) actions to address the concerns identified in the April 2014 report of the Justice Center's investigation of and resultant serious findings of Footings, Inc.'s Management Practices and Board Governance. As you are aware, OPWDD has worked closely with staff at the Justice Center and the NYS Attorney General's Charities and Public Integrity Units to ensure that appropriate actions were and continue to be taken to address the issues identified. OPWDD, as the state oversight agency, has taken aggressive and decisive action to address these issues while at the same time keeping the agency's programs intact, at the request of families and service recipients, to preserve the decade's long friendships and program services they have enjoyed.

After meeting with the Footings Executive staff, Board of Directors and attorneys in November of 2013, OPWDD placed Footings, Inc. on Early Alert status due to the findings shared with us by the Justice Center. In general, these findings included the lack of an independent Board of Directors, operating the agency as a "family business", illegal loans made to a shell corporation, questionable financial transactions to a family held auto business, falsification of Medicaid records, excess/false contract claiming, and a substantiated allegation of psychological abuse by the Executive Director. As you are aware, Early Alert status requires many actions, including close monitoring, a ban on service expansion, the development of a management plan to satisfactorily address all concerns, and meetings with the Board and agency management. In addition, OPWDD has the authority to take adverse actions such as imposing fines and/or revoking operating certificates and cancelling contracts.

OPWDD imposed certain expectations while crafting a management plan with Footings and their attorneys. This included (with resultant status to date):

- 1. Footings must establish an independent and viable Governing Board where there is no conflict of interest, and a policy addressing such, and who receive appropriate training to perform their duties and responsibilities.**

To date, all Corbin family members have resigned from the Board along with family friends including the Board Chair person. The Board of Directors has been reconstituted and now consists of nine independent members including business leaders and parents of individuals served. The new Board has established a conflict of interest policy, amended their by-laws, scheduled in-depth Board training with Orange AHRC, and established a Parent Advisory Council which will act as advisors to the Board. OPWDD continues to monitor governing board activity and will review all Board minutes and subcommittee minutes while Footings is on Early Alert status.

As a systemic correction, OPWDD's Division of Quality Improvement conducted a review of voluntary agency Board of Directors membership and in cases where the Executive Director/CEO was also listed as Board Chairperson, written communication was issued to the agency with an expectation that these agencies submit a plan to address this concern to ensure future compliance with the provisions of the NYS Not for Profit Revitalization Act.

- 2. Footings must establish a new Executive Management team to work cooperatively with the Board of Directors. Both Rori and Will Corbin must resign their positions and not be allowed to return in any capacity.**

Rori and Will Corbin resigned from their respective Executive Director and Chief Financial Officer positions effective May 1, 2014. Another family member, Laurel Dodgson resigned from her Corporate Compliance position effective April 26, 2014. In addition, Footings has entered into a management agreement with Orange AHRC effective June 5, 2014. Orange AHRC effectively has taken over responsibility for administrative, financial, and incident management of the entire agency.

- 3. Footings must sever all business arrangements with Dynamic Motor Works and provide effective oversight of all billing and payment systems to prevent reoccurrence of overbilling/overcharging.**

All business dealings with Dynamic Motor Works (a Corbin family business) were terminated effective March 31, 2014 and a new independent vendor was identified and engaged. The new President of the Board of Directors is reviewing all accounts payable prior to authorizing payment and it is anticipated Orange AHRC will assume billing and payment operations in the near future.

- 4. Footings must work with OPWDD Regional Office staff to reconcile contracts and payback any overpayments for Individualized Support Services, assistive support, or any other billing and claiming discrepancies that are identified.**

The President of the Board, along with the accounting staff, is working closely with OPWDD district staff to reconcile billings and payments. Footings staff will continue to search for missing documents and provide them to OPWDD when located. This continues to be a work in progress.

OPWDD has also commenced an audit of Footings billing and claiming for Home and Community Based Services (HCBS) Waiver services. We anticipate results of the audit will be completed in the near future.

5. Footings must comply with Incident Management and Investigation regulations and ensure that investigations and incident reviews are completed as required, including timely updates into the IRMA system.

Footings staff received training on incident management from OPWDD staff as well as Orange AHRC staff. Footings has also been working with Orange AHRC and OPWDD regional compliance officers to update and complete all outstanding incident investigations and reviews. At this time, it can be reported that substantial progress has been made in this area.

While on Early Alert, OPWDD will continue to closely monitor Footings, Inc. to ensure that these significant changes continue to result in positive outcomes for the individuals the agency supports and independent and effective governance is provided by the Board of Directors. Footings is required to provide OPWDD with monthly reports on their progress of meeting their management plan objectives. We will advise the Justice Center of any future updates. We request that this correspondence be included in the Footings, Inc. public record and posted on your website with your report.

Thank you again for working in partnership with OPWDD to address the concerns identified with this agency.

Sincerely,



Megan O'Connor-Hebert
Deputy Commissioner
Division of Quality Improvement

cc: Kerry Delaney, Acting Commissioner
John Rybaltowski, Justice Center