

# MINUTES

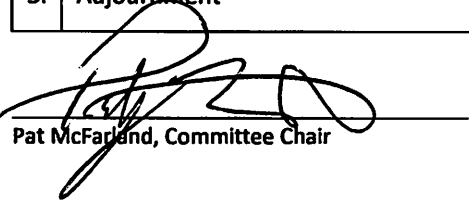
## BAY ARENAC BEHAVIORAL HEALTH BOARD OF DIRECTORS AUDIT COMMITTEE MEETING

Monday, July 13, 2026 at 5:00 pm  
Room 225, Behavioral Health Center, 201 Mulholland Street, Bay City, MI 48708

|                           |                |                |               |                           |                |                |               |                                   |
|---------------------------|----------------|----------------|---------------|---------------------------|----------------|----------------|---------------|-----------------------------------|
| <b>Committee Members:</b> | <b>Present</b> | <b>Excused</b> | <b>Absent</b> | <b>Committee Members:</b> | <b>Present</b> | <b>Excused</b> | <b>Absent</b> | <b>Others Present:</b>            |
| Pat McFarland, Ex Off, Ch | X              |                |               | Staci Tuggle              |                | X              |               | BABH: Marci Rozek, Michele Perry, |
| Tim Banaszak, V Ch        | X              |                |               | Sally Mrozinski, Ex Off   | X              |                |               | Eric Strode, and Sara McRae       |
| Richard Byrne             | X              |                |               | Robert Pawlak, Ex Off     | X              |                |               |                                   |
| Patrick Conley            | X              |                |               |                           |                |                |               | Legend: M-Motion; S-Support; MA-  |
|                           |                |                |               |                           |                |                |               | Motion Adopted; AB-Abstained      |

|    | Agenda Item                                                                                                                                                                                                                                    | Discussion                                                                                                                                                                                                                                                                                                                                                                                                                            | Motion/Action                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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| 1. | Call To Order & Roll Call                                                                                                                                                                                                                      | The Committee Chair, Pat McFarland, called the meeting to order at 5:00 pm.                                                                                                                                                                                                                                                                                                                                                           | On the motion by P. Conley and support by S. Mrozinski, S. Tuggle was excused. The motion passed unanimously.                                                                                                                                                                                                                                                                                                                                  |
| 2. | Public Input (Maximum of 5 Minutes)                                                                                                                                                                                                            | There were not any members of the public present.                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 3. | Unfinished Business<br>3.1) AT&T Administration Service Fee                                                                                                                                                                                    | 3.1) M. Rozek reported there was an inquiry at the last meeting regarding the administration service fee from AT&T and that this \$12 charge is for a foreign listing in the yellow pages.                                                                                                                                                                                                                                            | 3.1) No action was necessary                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 4. | New Business<br>4.1) Selection of Disbursements & Health Care Claims from Summary Report<br><br>4.2) Financial Statements for the Period Ending June 30, 2026<br><br>4.3) Electronic Fund Transfers (EFTs) for the Period Ending June 30, 2026 | 4.1) Administration found the source information for the claims selected for review.<br><br>4.2) M. Rozek reviewed the report noting the unrestricted fund balance, the performance incentive bonus payments, and the overall funding trends for Medicaid, Healthy Michigan, and Autism dollars.<br><br>4.3) M. Rozek reviewed the EFTs. There were discussions regarding the status of the transition to 1 <sup>st</sup> State Bank. | 4.1) No action was necessary<br><br>4.2) On the motion by P. Conley and support by T. Banaszak, the Financial Statements for the period ending June 30, 2026 were referred to the full Board for approval. The motion was adopted unanimously.<br><br>4.3) On the motion by R. Pawlak and support by P. Conley, the EFTs for the period ending June 30, 2026 were referred to the full Board for approval. The motion was adopted unanimously. |

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|    | <p>4.4) Review of Selected Disbursements &amp; Health Care Claims Chosen from Summary Report by CFO</p> <p>4.5) Consideration of Approval of Disbursements &amp; Health Care Claims Totals</p> | <p>4.4) Administration reviewed the disbursements and health care claim invoices selected for further review. These included 102874 Clements Electric, Inc. for retro fitting lights to LEDs at the Madison Building; E10648 JE Johnson Contracting, Inc. for back flow connection and boiler safety check at North Bay; E10650 McCoy Heating &amp; Cooling for a thermostat sensor and yearly maintenance at various sites; 102888 Michigan Department of Health and Human Services for donated funds agreement; E10662 Walgreens for jail and other medications; 102911 Camp Fish Tales for consumer respite camps; 102899 Rural Wisconsin Health Cooperative for credentialing services; 102926 Community Mental Health Association of Michigan for special assessment; E10782 New Dimensions for supported employment outcomes; E10742 Peter Chang Enterprises, Inc. for the electronic health record monthly maintenance fee; 102917 Fowler Center for consumer respite camps; E10718 Liberty Living for specialized residential services; E10677 Do-All, Inc. for community living supports, skill building, and supported employment services; and E10634 Keith Specialized Residential for specialized residential services. There were general discussions related to the back flow work performed by JE Johnson, the location and length of respite summer camps, and per diems for residential homes.</p> <p>4.5) The Committee reviewed the disbursement and claim totals.</p> | <p>4.4) No action was necessary</p> <p>4.5) On the motion by R. Pawlak and support by R. Byrne, the disbursements and health care payments from June 13, 2026 through July 10, 2026 were referred to the full Board for approval. The motion was adopted unanimously.</p> |
| 5. | Adjournment                                                                                                                                                                                    | On the motion by P. Conley and support by T. Banaszak, the meeting adjourned at 5:18 pm. The motion passed unanimously.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                           |

  
Pat McFarland, Committee Chair