



**A Report to the
Audit Committee**

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Metropolitan
Nashville
Office of
Internal Audit

**Audit of Autumn Assisted Living
Partners, Inc. and Vision Real Estate
Investment Corp. Contracts**

Issued: July 18, 2017

Revised: September 11, 2017

(Metropolitan Nashville Hospital Authority response and supplemental support added in Appendix B)

Audit of Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corp. Contracts

EXECUTIVE SUMMARY

July 18, 2017



Why We Did This Audit

Members of the Metropolitan Nashville Council requested an audit of financial and performance matters related to the Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corp. agreements with the Metropolitan Nashville Hospital Authority.

What We Recommend

- Due diligence procedures be developed to assist with the vetting of future strategic partners that operate services.
- Create and execute a contract monitoring plan with performance reporting intervals for significant contracts.

BACKGROUND

In January 2013, Signal Hill Capital Group LLC started work exploring strategic alternatives for the long-term operations of Bordeaux Long-Term Care and J. B. Knowles Assisted Living facilities. In March 2014, redevelopment agreements were approved with a consortium of entities, consisting of Ed Street Development Company, Signature Healthcare Corporation, Vision Real Estate Investment Corp., and Autumn Assisted Living Partners, Inc.

In April 2014, execution of the redevelopment business plan became derailed when the Tennessee General Assembly failed to pass legislation allowing the Metropolitan Nashville Hospital Authority to divide and relocate up to 260 of its Bordeaux Long-Term Care license beds. Also, Vision Real Estate Investment Corp.'s request to rezone 22.98 acres to Specific Plan – Mixed Use Limited was deferred indefinitely in March 2016. Because of these events, Vision Real Estate Investment Corp. was unable to monetize the real estate and Autumn Assisted Living Partners, Inc. remained in an agreement to lease and operate the former J. B. Knowles Assisted Living facility between July 2014 and January 2017.

In March 2015, the Metropolitan Nashville Hospital Authority approved a \$480,000 supplement for fiscal year 2015 and \$360,000 for fiscal year 2016 for Autumn Assisted Living Partners, Inc. to operate the former J. B. Knowles Assisted Living facility. In fiscal year 2014, the subsidy for J. B. Knowles Assisted Living facility was \$1.75 million.

Media reports in 2014 and 2016 highlighted concerns related to day-to-day management of the former J. B. Knowles Assisted Living facility.

OBJECTIVES AND SCOPE

The objective of this audit is to determine if provisions of agreements jointly entered into with the Metropolitan Nashville Hospital Authority and Metropolitan Nashville Government with Vision Real Estate Investment Corp. and Autumn Assisted Living Partners, Inc. were performed. The audit scope was July 1, 2014, through January 31, 2017.

WHAT WE FOUND

Management of Autumn Assisted Living Partners, Inc. mismanaged the fiscal affairs of the former J. B. Knowles Assisted Living facility. Vendors were not paid timely, financial reports were not prepared, resident trust fund accounts were not maintained, and corporate and 1099 tax returns were not filed. Confirmed amounts owed creditors is \$480,952 as of January 31, 2017. Contract performance oversight was lacking by the Metropolitan Nashville Hospital Authority and Metropolitan Nashville Government.

GOVERNANCE

The initiative to explore strategic alternatives for the long-term operations of Bordeaux Long-Term Care and J. B. Knowles Assisted Living facilities was facilitated primarily by the Metropolitan Nashville Government. The final redevelopment agreements and lease were reviewed and approved jointly by the Metropolitan Nashville Hospital Authority Board, Metropolitan Nashville Government, and the Metropolitan Nashville Council.

The financial assistance agreements with Autumn Assisted Living Partners, Inc. were reviewed and approved by the Metropolitan Nashville Hospital Authority Board.

Exhibit A –Schedule of Legal Entities and Licensed Administrators

Entity	Audit Period	Manager or President	Licensed Administrator
Autumn Assisted Living Partners, Inc. (for-profit)	July 2014 to June 2016	Michael Hampton	Paul Miller
Autumn Assisted Living Partners, Inc. (for-profit)	July 2016 to October 2016	Michael Hampton	Michael Hampton
Autumn Hills Assisted Living Facility, LLC (non-profit)	October 2016 to January 2017	Sam Latham	Melvin Corlew
Vision Real Estate Investment Corp. (for-profit)	January 2014 to January 2017	Paul Miller	Not Applicable
ACLF Holding, LLC (non-profit)	June 2016 to January 2017	Sam Latham	Not Applicable

Sources: Tennessee Secretary of State, Tennessee Department of Health, Office of Internal Audit Interviews.

Mr. Michael Hampton stated that all stock for Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corp. is held by a closed real estate investment group based in Florida.

SCOPE LIMITATION

Autumn Assisted Living Partners, Inc. and Autumn Assisted Living Facility, LLC did not maintain a system of internal controls or prepare financial accounting statements. Certain records and documentation supporting transactions and account balances were not available for examination. Other records were not adequately maintained. It cannot be determined if all sources of funds were deposited in Autumn Assisted Living Partners, Inc. or Autumn Hills Assisted Living, LLC bank accounts.

Because of this condition, several internal audit conclusions (Objective questions 1.A, 1.B, 1.C, 2.B, 4.A, and 4.B) could not be made. However, information observed along with application of professional judgement is included in the report for the benefit of management to consider in light of the limitations described above.

OBJECTIVES AND CONCLUSIONS

1. From available Autumn Assisted Living Partners, Inc. information:

a. Did Autumn Assisted Living Partners, Inc. annual revenue exceed annual operating expenses?

Undeterminable. Based on the available financial information obtained from bank statements, utility invoices, and professional judgment the Office of Internal Audit estimates expenses did exceed revenues in excess of \$260,000 each fiscal year. Cumulative losses between July 1, 2014, and January 30, 2017, are estimated at \$955,000 before expenses for facility improvements, see Exhibit B.

Exhibit B– Estimated Statement of Revenues and Expenses (No Depreciation) for Fiscal Year 2014, Fiscal Year 2015, Fiscal Year 2016 and Seven Months Ending January 31, 2017

NOTE Not an Official Financial Statement	Autumn Assisted Living Partners, Inc.			J. B. Knowles
	2017	2016	2015	2014
Estimated Operating Revenues:				
Net Resident Revenue	\$ 758,980	\$ 1,430,280	\$ 1,474,120	\$ 1,198,138
Estimated Operating Expenses:				
Salaries and Wages	675,349	1,055,621	1,097,210	2,657,932
Administrator and CEO Salary	85,226	146,102	146,102	
Food and Nutrition	112,000	192,000	192,000	257,352
Utilities	100,246	172,160	199,298	228,206
Administrative and General	43,750	75,000	75,000	495,020
Insurance	30,300	52,000	52,000	23,260
Legal Expense	117,800			
Total Estimated Operating Expenses	1,164,672	1,692,883	1,761,610	3,661,770
Estimated Net Income/(Loss)	(405,692)	(262,603)	(287,490)	(2,463,632)
Supplement from Metropolitan Nashville Hospital Authority	-	360,000	480,000	1,754,635
Increase (decrease) in net position	\$ (405,692)	\$ 97,397	\$ 192,510	\$ (708,997)
Facility Improvements	\$ -	\$ 70,628	\$ 141,256	

Sources: Estimated net monthly average resident revenue, \$1,370 times monthly census; salaries, wages, and utilities are actual incurred; administrator and chief operating officer salary is Tennessee Comptroller Medicaid Nursing Facility allowable compensation cost schedule. Food, nutrition, administrative and general expense are estimates. Fiscal year 2014 information compiled from Metropolitan Nashville Hospital Authority financial records. *See Scope Limitation on page 1.*

b. Did Autumn Assisted Living Partners, Inc. monthly cash flow and cash position meet current operating obligations?

Undeterminable. Using the estimated revenue and expenses presented in Exhibit B Autumn Assisted Living Partners, Inc., estimated monthly operating expenses exceeded net revenue between \$21,500 and \$24,000 or more each month for fiscal years 2015 and 2016, respectively. The Metropolitan Nashville Hospital Authority provided a \$40,000 and \$30,000 monthly supplement to assist with operating expenses for fiscal years 2015 and 2016, respectively. Analysis of banking records shows a monthly average positive cash flow of \$2,600 for fiscal year

2015 and positive cash flow of \$515 for fiscal year 2016. In fiscal year 2017, the monthly average positive cash flow was \$2,100. **See Scope Limitation on page 1.**

- c. *Did Autumn Assisted Living Partners, Inc. expenses support the mission of providing quality assisted living services?*

Undeterminable. Out of the \$4.5 million withdrawn from Autumn Assisted Living Partners, Inc. and Autumn Hill Assisted Living, LLC bank accounts, \$3.3 million, or 73 percent of the withdrawals were documented with existing records for payroll and utilities. An additional \$1.1 million or 24 percent of the withdrawals are estimated to be needed for food, insurance, general supplies, and capital improvements along with other administrative expense. See Exhibit C for a sample of other types of disbursements observed.

Exhibit C –Examples of Disbursements without Documentation between July 2014 and February 2017

Manager/Administrator	Michael Hampton / Paul Miller or Michael Hampton	Sam Latham / Melvin Corlew
Disbursement Category	July 2014 to October 2016	November 2016 to February 2017
Metropolitan Nashville Government on behalf of Vision Real Estate Investment Corp.	\$25,000	
Le Villa Day Care, no documentation	40,000	
Paul Miller, no documentation	35,000	
Shelby County Government, no documentation	20,008	
Clerk US District Court Settlement for Greenhills Senior Health Center	2,000	
Fisk University, no documentation	2,008	
Automated Teller Machine (ATM) Withdrawals, no documentation	99,443	
Non-Sufficient Funds (NSF) and Other Bank Fees	20,390	\$18
Loans, no documentation	82,932	
Cash, Employee, or Contractor with Notation of Business Purpose (See Note A and B)	114,612 ^A	99,293 ^B
Cash, Employee, or Contractor without Notation of Business Purpose (See Note A and B)	272,604 ^A	6,295 ^B
Personal Credit Card (US Bank) for Reimbursement of Expenses, no documentation	7,447	
Legal Fees, no documentation	30,700	
Accounting Services, no documentation	15,600	

Sources: Office of Internal Audit review of bank statements, deposits, and withdrawals. **See Scope Limitation on page 1.**

Note A – Interviews with staff and contractors indicated that Mr. Michael Hampton requested individuals to cash checks along with obtaining cashier checks for vendor payments on his behalf. Supporting invoices or receipts did not exist, or information did not exist to trace amounts paid to invoices.

Note B – Autumn Hills Assisted Living Facility, LLC was in the process of establishing a system of internal controls and financial records when AnthemCare Tennessee, started managing day-to-day operations on behalf of the Metropolitan Nashville Hospital Authority on January 31, 2017. Some supporting invoices or receipts could not be located.

d. *Did Autumn Assisted Living Partners, Inc. fulfill their fiduciary duty for resident trust accounts?*

No. Resident trust funds were used for operational expenses. The software used to account for individual resident trust transactions, Keane, was discontinued. Residents were provided funds from their accounts when requested, and receipts were normally prepared to document these transactions.

The resident trust account balance as of June 30, 2014, was \$32,182. The Office of Internal Audit estimates an additional \$95,225 in excess resident trust funds may have accumulated between July 2014 and January 2017 for an estimated balance of \$127,407 (see Exhibit D, Potential Amount.) Management of Autumn Hills Living Partners, Inc. charged each resident a \$250 application fee and \$500 deposit paid from individual resident trust accounts. These amounts are not deducted from the estimated balance above.

e. *What was the total liability for Autumn Assisted Living Partners, Inc. / Autumn Hill Assisted Living, LLC as of January 31, 2017?*

Identified liabilities as of January 31, 2017, was \$480,952. In addition, other potential liabilities were estimated to be in excess of \$235,121. Vendors in the potential category include resident trust fund accounts, Social Security Administration, payroll taxes, and other vendors we could not confirm because of privacy concerns or other communication issues. Exhibit D provides a listing of liabilities owed by Autumn Assisted Living Partners, Inc. / Autumn Hill Assisted Living, LLC as of January 31, 2017.

**Exhibit D – Autumn Hills Assisted Living Partners, Inc. / Autumn Hills Living Facility, LLC Creditor
Liability as of January 31, 2017 – Confirmed and Potential Amounts Total \$716,073**

Confirmed Amount		Potential Amount	
Vendor	Amount	Vendor	Amount
Gordon Food Service, Inc.	108,760	Resident Trust Funds	127,407
Gordon Food Service, Inc. Attorney Fees	17,087	Internal Revenue Service - Payroll	26,055
James Rice's Attorneys	59,600	Garnishments Outstanding	22,043
James Rice	58,207	Garnishments Attorney Fees	683
Tennessee Department of Labor & Workforce NES	39,519	SimplexGrinnell	18,364
Atrium Pharmacy	21,553	Sam Latham - Severance	17,000
McKesson	20,474	Social Security Administration - Refund	7,000
Direct Supply	18,777	International Systems of America	3,244
Sam Latham - Payroll Loan	16,000	MCC Nashville	3,241
Consolidated Staffing	14,757	Hobart Service	2,491
J & D Service	10,727	Cintas	2,138
Piedmont Gas	9,338	Directv	1,462
Nashville Water	6,660	Green Olive Tree Consulting	1,133
Life Safety Services	6,308	Stericycle	997
McKesson Attorney Fees	5,325	Shred-It	493
Consolidated Staffing - Attorney Fees	4,427	Republic Services	390
NTT Data	4,317	Holt Plumbing	384
Buckeye Cleaning Center	3,527	Ecolab (Swisher)	309
RJ Young	3,077	ACE Grease Services, Inc.	259
Dr. Vollmer	3,000	O2 Sleep	30
Summit Agency of Nashville	2,500	Comcast	-
IPFS Corporation	1,888	United Healthcare	-
Chemsearch	1,418	Aflac	-
Employee Pay - #1	1,422	ProAssurance Specialty Insurance Company, In	-
Madison Academy	1,085	Colonial Life	-
Accrued Vacation - Employees	970	Total	\$ 235,121
Doorways	942		
Paychex	853		
Employee Pay - #2	800		
Employee Expenses - #3	911		
Employee Expenses - #4	684		
AT&T	415		
Delta Lighting Products, Inc.	381		
Labor Ready	368		
Tennessee Labor & Workforce Boiler Ins	350		
A-1 Janitorial Services	296		
Lewis Bakeries Inc.	295		
HealthWorks	246		
Tennessee Department of Revenue	143		
Total	\$ 480,952		

Sources: Confirmation with vendors, court records, estimate for resident trust accounts, and available vendor files observed.

Notes: Resident Trust Funds consist of balance as of June 30, 2014, plus estimated additions of \$60 per resident per month less average monthly withdrawals. Employee Pay #1 and Employee Expenses #3 were paid by Mr. Hampton in June 2017.

2. *Did Autumn Assisted Living Partners, Inc. fulfill the terms of the March 19, 2014, Agreement to Lease and Purchase the J. B. Knowles Assisted Living facility as for:*

a. *Rental \$1,000 per year?*

Generally, yes. Out of the two and half years of operations, only one disbursement paid to Metro Nashville for \$1,000 in July 2014 was noted as payment for the lease.

b. *Capital Improvements \$300,000?*

Undeterminable. Autumn Assisted Living Partners, Inc. asserted that \$307,482 was spent on capital improvements. However, their schedule of capital improvements was not supported by invoices, contracts, work orders, or any other type of evidence. A review of the schedule showed \$40,000 reserved for a chiller replacement, which never occurred. In addition, \$19,600 was for a new patient management accounting system that was never implemented.

c. *Regulatory Approvals?*

Yes.

d. *Employment of existing staff for a period of one year?*

Generally, yes. All of the existing full-time staff was retained with the exception of one employee. A jury determined on October 27, 2016, reasonable accommodations from a previous work-related injury were not provided for this employee by Autumn Assisted Living Partners, Inc.

e. *Care of existing residents?*

General, yes. Residents were provided food, shelter, personal care, medical care, physical therapy, and counseling services.

f. *Operate an adult day care?*

Yes. Adult day care operations were offered by Le Villa at Autumn Hills, Inc., which was formed in May 2014.

g. *Collect Metropolitan Nashville Hospital Authority existing receivables?*

Yes.

h. *Keep accurate books, records, and accounts?*

No. Internal controls were lacking, and financial records were not maintained. Mr. Sam Latham was in the process of developing internal controls and financial statements when the day-to-day operations were assigned to AnthemCare Tennessee.

i. *Maintain facility and equipment in good and substantial repair?*

Generally, no. Autumn Assisted Living Partners, Inc. and Autumn Hills Assisted Living, LLC did perform repairs to air conditioners, fire suppression systems, plumbing, and so forth as funds were available. Management of Autumn Assisted Living Partners, Inc. stated the facility was in need of significant repairs when they took over daily operations in July 2014.

The Metropolitan Nashville Government Department of General Services contracted with Capital Project Solutions to inspect the facility on January 6, 2017. Their report summary of the facility stated, "It appears that this facility is in dire need of some focused maintenance on all building systems to identify any existing failures in the systems---especially the life safety

systems. The overall appearance needs to be upgraded. The work that has been done to maintain the building has been done so superficially as patchwork and not a complete repair to any particular problem.”

Some highlights of their report include:

- Testing and maintenance issues related to life safety (front door egress, sprinkler system, smoke detectors, exit signage, consistent placement of fire escape plans.)
- Entry overhang ceiling damage.
- Americans with Disability Act compliance issues.
- Numerous leak concerns in the ceiling.
- Deferred plumbing issues in bathing rooms.
- Stained fixtures and mold observed in tile joints and grout.
- Some resident room packaged terminal air conditioning units’ partially obstructed impacting performance.
- Hot water heating boiler treatment system not maintained.
- Inefficient air distribution system.
- Inefficient air-cooled chillers.

Vehicles were not maintained in working order, and some chairs were in need of replacement.

j. Insurance?

Generally, no. Required general liability and professional liability insurance coverage lapsed for nine months and three weeks (between March 1, 2015, and October 21, 2015, and between October 21, 2016, and December 21, 2016) during the thirty-one months of operation. Workers compensation insurance coverage could only be confirmed between December 30, 2015, and July 18, 2016, or a little over six months of coverage.

f. Comply with all laws, ordinances, orders, rules, regulations, and requirements of federal, state, and municipal governments and appropriate departments, boards, and officers thereof?

Generally, no. Corporate income tax returns and Form 990 Return of Organization Exempt From Income Tax were not available; Form 1099-MISC Miscellaneous Income forms were not prepared for contract employees; payroll taxes, child support, and other garnishments were not submitted timely; personal property taxes were not paid by the due date, and corporate annual reports were not filed before the due date.

3. Did Autumn Assisted Living Partners, Inc. fulfill the terms of the June 30, 2014, agreement with the Metropolitan Nashville Hospital Authority to recognize accrued vacation time of employees up to a maximum of 40 hours per employee?

Yes. Either all employees were paid for vacation time during the transition between J. B. Knowles Assisted Living and Autumn Assisted Living Partners, Inc., or they took paid vacation time after the transition. As of January 31, 2017, between three employees the total remaining vacation leave balance is 48 hours, or \$970 (see Exhibit D, Confirmed Amount.)

4. *Did Autumn Assisted Living Partners, Inc. fulfill the terms of the March 2, 2015, Agreement for Additional Services for \$40,000 per month and terms of the July 1, 2015, Agreement for Additional Services for \$30,000 per month from Metropolitan Nashville Hospital Authority as for:*

- a. *Highest quality of care for residents?*

Undeterminable. Residents were provided food, shelter, personal care, medical care, physical therapy, and counseling services. The agreement did not specify criteria to measure the standard of care for residents.

- b. *Maintain and/or exceed industry standards, first-class assisted living facility?*

Undeterminable. The agreement did not define the attributes of a first-class facility. An adequate supply of emergency food and backup generator fuel was not always maintained. Complaint surveys conducted by the Tennessee Department of Health Division of Health Care Facilities identified deficiencies of regulation or LSC provisions in April 2016 and again in September 2016.

- c. *Notice of non-trivial resident complaint resolution?*

No. Notices of non-trivial resident complaints were not communicated to the management of the Metropolitan Nashville Hospital Authority.

- d. *Maintain financial records and financial statements on a quarterly basis?*

No. Internal controls were lacking, and financial records were not maintained. Mr. Sam Latham was in the process of developing internal controls and financial statements when the day-to-day operations were assigned to AnthemCare Tennessee.

- e. *Monthly census and revenue report?*

No. Monthly census reports were available, but they were not communicated to the Hospital Authority.

- f. *Audited annual financial statements?*

No. Annual audited financial statements were not available.

5. *Describe the March 25, 2013, Metropolitan Nashville Government Agreement with Signal Hill Capital Group LLC solicitation, review, and selection process for the alternative strategic initiative for the Bordeaux Long-Term Care and J. B. Knowles Assisted Living facilities.*

In January 2013, Signal Hill Capital Group LLC started work on the exploration of strategic alternatives for the long-term operations of Bordeaux Long-Term Care, and J.B. Knowles Assisted Living facilities. Signal Hill Capital Group LLC contacted or was approached by 162 potential buyers, with 63 receiving information packages and 22 receiving a complete supplemental information package. In May 2013, 6 potential buyers submitted non-binding proposals.

May 2013 - Non-Bidding Proposals

Entity	General Structure of May 2013 Proposals
AdCare Health Systems	Purchase campus for \$35,540,000. (Metropolitan Nashville Government stated this offer was withdrawn prior to final offers.)
Brookdale Senior Living, Inc. *	Purchase 60 decommissioned skilled nursing Certificate of Need licensed beds for \$1,200,000.
Ed Street Development Company *	Purchase 240 Certificate of Need licensed beds for \$1,200,000 and construct a new facility with Signature Healthcare Corporation as the operator for the facility. Vision Health Services Corporation will enter into a 3-year lease purchase for the J.B. Knowles Home for Assisted Living facility for \$1,000 per year with the facility purchased along with 4.01 acres of real property for \$500,000. Honor existing employee rate of pay.
The Eden Alternative *	Intent to purchase all or substantially all of the assets at the Bordeaux Campus and continue operations along with developing the 121 acres with small ranch-style senior living. No compensation was included in the proposal.
MH Affiliates and Traditions Management	Purchase all 419 Certificate of Need licensed beds for \$2,100,000. Close the Bordeaux Long-Term Care facility. J. B. Knowles Home for Assisted Living and real property remain with Metropolitan Nashville Hospital Authority.
W.P. Carey, Inc.	Establish a real estate investment trust and purchase the Bordeaux Campus for \$31,300,000. Lease the facility to the Metropolitan Nashville Hospital Authority or another healthcare operator with acceptable credit for an initial term of 20 years at eight to nine percent of the purchase price.

* - Entities invited to provide a best and final offer. Ed Street Development Company provided the only final offer proposal.

February 2014 - Metropolitan Nashville Hospital Authority Board Approval

The Metropolitan Nashville Hospital Authority Board reviewed and approved the Ed Street Development Company proposal in their February 18, 2014, Board meeting.

March 2014 - Metropolitan Nashville Council Approval

The Metropolitan Nashville Council approved Ordinance BL2014-688 and the related attached agreements on March 18, 2014. Signature Healthcare started operating the Bordeaux Long-term Care facility on May 1, 2014, and Autumn Assisted Living Partners, Inc. facility lease and operations of J. B. Knowles Assisted Living facility stated on July 1, 2014.

6. *Did Signal Hill Capital Group LLC earn the fees allowed in the March 25, 2013, agreement with the Metropolitan Nashville Government?*

Yes. Signal Hill Capital Group LLC was compensated the maximum amount allowed in the agreement at \$950,000 for their services. In fiscal year 2014, the Metropolitan Nashville Government subsidy for Bordeaux Long-term Care and J. B. Knowles Home was \$10.5 million. In fiscal year 2015 and 2016, the Metropolitan Nashville Government subsidy was \$7.3 million and \$5.5 million, respectively. This was a saving of \$3.2 million in fiscal year 2015 and \$5 million in fiscal year 2016.

The Formula Compensation portion of the fee was related to a reduction in current subsidy with a maximum compensation of \$950,000.

7. *Describe the overall business plan and confirm the execution or lack of execution of this business plan for the Bordeaux / J. B. Knowles Home campus.*

August 2013 - Ed Street Company Best and Final Offer

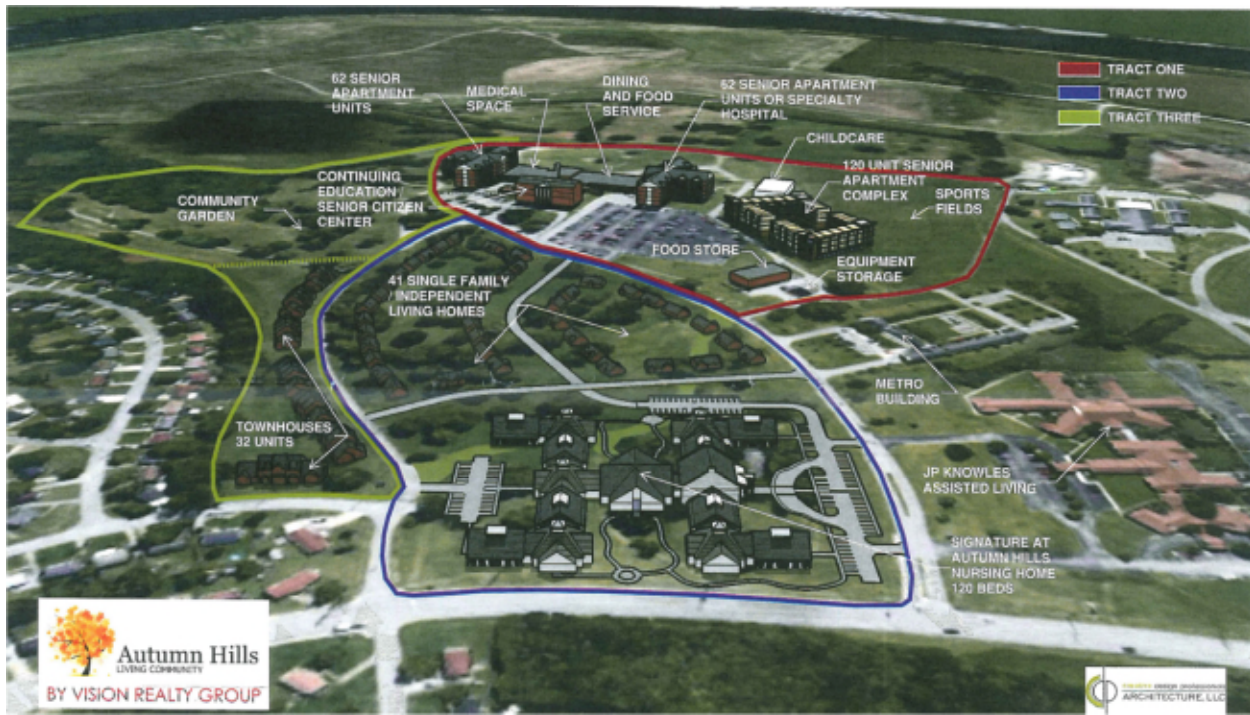
Final offers submitted in August 2013 included the accepted proposal from Ed Street Development to purchase 240 Certificate of Need licensed beds for \$1,200,000, repurposing these beds for a new \$25 million replacement facility, and continuing to offer health care for the indigent. Signature Healthcare Corporation was assigned to operate the new facility.

Autumn Assisted Living Partners, Inc. will spend \$300,000 in capital improvement for the J. B. Knowles Home facility along with leasing the facility for \$1,000 per year. In addition, they will purchase the facility by June 2016 for \$500,000. MIA Senior Living Solutions will manage the day-to-day operations of the facility. The respondent will make all reasonable efforts to retain the facility staff.

The final offer included plans for Vision Real Estate Investment Corp. to purchase the vacated Bordeaux Long-term Care facility for \$2,000,000 and assume existing leases with Kindred Hospital and Linde RSS, LLC. The existing vacant land was to be developed with senior housing, and the Ribeiro building of the Bordeaux Long-term Care facility converted into a 70-unit age 55 plus affordable rental housing community. In addition, Vision Real Estate Investment proposed converting a portion of the existing physical plant into a childcare center for employees and residents in the greater Bordeaux area. See the redevelopment conceptual design illustrated in Exhibit E.

In summary, a total of \$3,700,000 would be paid to the Metropolitan Nashville Government for the Bordeaux campus, a new for-profit 240 long-term care nursing facility was to be developed, J. B. Knowles Assisted Living facility operations were to continue, and an affordable senior housing and childcare center was to be developed.

Exhibit E – Autumn Hills Living Community Redevelopment Conceptual Design



February 2014 - Metropolitan Nashville Hospital Authority Board Approval

The Metropolitan Nashville Hospital Authority Board reviewed and approved the Ed Street Development Company proposal in their February 18, 2014, Board meeting.

March 2014 - Metropolitan Nashville Council Approval

The Metropolitan Nashville Council approved Ordinance BL2014-688 and the related attached agreements on March 18, 2014. Signature Healthcare started operating Bordeaux on May 1, 2014, and Autumn Assisted Living Partners, Inc. facility lease and operations of J. B. Knowles Assisted Living facility stated on July 1, 2014.

April 2014 - Bifurcation of Certificate of Need License Beds Fails

The 108th Tennessee General Assembly failed to pass legislation that would allow the Metropolitan Nashville Hospital Authority to divide and relocate up to 260 of its license beds to two locations. Specifically, legislation HB 2342 was held on the House desk on April 17, 2014. ***The lack of this legislation passing hampered the overall business plan for Ed Street Development Company and Vision Real Estate Investment Corp.***

January 2015 – Tennessee Housing Development Agency Low-Income Tax Credit Application Unsuccessful

The Monarch, L.P., a partnership of Vision Real Estate Investment Corp. and Dale Lancaster, submitted application TN15 – 057 for low-income housing tax credits with the Tennessee Housing Development Agency on January 30, 2015. The Monarch, L.P. was not a recipient of the 2015 low-income housing tax credit allocations for the State of Tennessee.

March 2015 – Metropolitan Nashville Hospital Authority Approves Monthly Supplement Agreement for Autumn Assisted Living Partners, Inc.

The Metropolitan Nashville Hospital Authority approves an agreement to pay Autumn Assisted Living Partners, Inc. \$40,000 per month from July 2014 to June 2015, \$480,000 annually. In the years prior to the purchase and lease agreement, the former J. B. Knowles Home was operating at a \$1.8 million annual loss. The reason for the supplement in part was due to state legislation was not enacted to divide and relocate up to 260 license beds. This lack of passage caused certain proposed land sales not being consummated resulting in the financial turnaround for the former J. B. Knowles Home taking longer than anticipated.

July 2015 - Metropolitan Nashville Hospital Authority Approves Amended Monthly Supplement Agreement for Autumn Assisted Living Partners, Inc.

The Metropolitan Nashville Hospital Authority approves an agreement to pay Autumn Assisted Living Partners, Inc. \$30,000 per month from July 2015 to June 2016, \$360,000 annually. In the years prior to the purchase and lease agreement, the former J. B. Knowles Home was operating at a \$1.8 million annual loss.

August 2015 – Metropolitan Nashville Council Approves Amended Agreement

The Metropolitan Nashville Council Ordinance BL2015-1283 approved a revised agreement with Vision Real Estate Investment Corp. related to scaling down the initially planned housing development. The revised agreement effectively removes the plan to convert the Bordeaux Long-term Care facility Ribeiro building into a 55 plus affordable rental housing community along with the development of an adjacent tract of land. The revised agreement maintains the original conditions for the \$500,000 purchase of the J. B. Knowles Home facility prior to conveyance of two additional undeveloped land tracts totaling 45.5 acres. The two tracts are to be purchased for \$300,000 each.

August 2015 – Metropolitan Nashville Council Approves Bordeaux Redevelopment Plan

Metropolitan Development and Housing Agency prepared a redevelopment plan in May 2015 declaring the 525.5-acres around the Metropolitan Nashville Government Bordeaux campus a blighted area and recommended tax increment financing to encourage redevelopment in the area. The Metropolitan Nashville Council Ordinance BL2015-1273 approved the Bordeaux Redevelopment Plan along with the use of tax increment financing on August 4, 2015.

The Bordeaux Redevelopment Plan was approved by the Metropolitan Nashville Planning Commission on June 25, 2015. At the same meeting, a Specific Plan District Zoning application for the Bordeaux campus was withdrawn by the Metropolitan Development and Housing Agency.

On May 20, 2015, the Metropolitan Nashville Government Director of Public Property granted the Metropolitan Nashville Development and Housing Agency permission to act as its agent for rezoning this property.

December 2015 to March 2016 – Specific Plan District Zoning Application Deferred

The June 2015 Purchase and Sale Agreement between the Metropolitan Government of Nashville and Davidson County and Vision Real Estate Investment Corp., Section 2.04 stated, "Metro will support Vision's application to rezone the subject property to allow the construction of projects specified in the Bordeaux Hills Redevelopment District." On November 20, 2015, the Metropolitan

Nashville Government Director of Public Property granted permission for Vision Real Estate Investment Corp. to act as its agent for rezoning this property.

On December 3, 2015, Vision Real Estate Investment Corp. completed a request to rezone 22.98 acres within the Bordeaux Redevelopment District from Agriculture/Resident District (AR2A) to Specific Plan – Mixed Use Limited (SP-MUL). Metropolitan Nashville Government Planning Department records document this request was deferred on January 14, 2016, February 11, 2016, March 10, 2016, and March 24, 2016, at the Metropolitan Nashville Government Planning Commission meetings. Finally, the request was indefinitely deferred. Mr. Hampton stated the rezoning application indefinite deferral was do to a lack of support by the Metropolitan Nashville Government and other parties.

December 2015 to February 2016 – Metropolitan Development and Housing Agency Land Offer

On February 11, 2016, the Metropolitan Development and Housing Agency offered Vision Real Estate Investment Corp. \$250,000 for approximately six acres for property Vision Real Estate Investment Corp. was to purchase from the Metropolitan Nashville Government. This transaction did not occur.

February 2016 – Application for Tax Increment Financing with Metropolitan Development and Housing Agency

Urban Real Estate Development Partners, LLC submitted an application for tax increment financing for the acquisition and rehab of the existing J. B. Knowles Home Assisted Living facility. This application was rejected by the Metropolitan Development and Housing Agency on February 26, 2016, because the project was not considered a significant new investment within the Bordeaux Redevelopment District.

September 2016 – Project-Based Voucher Proposal with Metropolitan Development and Housing Agency

On September 29, 2016, Vision Real Estate Corporation was notified by the Metropolitan Development and Housing Agency that their Project-Based Voucher Proposal was determined to be incomplete and not considered for the award.

July 2014 to June 2016 – Autumn Assisted Living Partners, Inc.

Autumn Assisted Living Partners, Inc. decided not to contract with MIA Senior Living Solutions to manage the day-to-day operations of the former J. B. Knowles Home Assisted Living facility. Instead, Autumn Hills Assisted Living Partners, Inc. manages the day-to-day operations with Mr. Paul Miller, the State of Tennessee Licensed Administrator, and Mr. Mike Hampton as manager. Between July 2014 and June 2016, the Metropolitan Nashville Hospital Authority provides annual supplemental funding of \$480,000 and \$360,000 for fiscal years 2015 and 2016, respectively. Banking was initially with Pinnacle Bank and subsequently moved to Regions Bank.

July 2016 to October 2016 – Autumn Hills Assisted Living Facility, LLC

Day-to-day operations are changed to the non-profit organization Autumn Hills Assisted Living Facility, LLC. In July 2016. During this period, Mr. Michael Hampton is the Tennessee Licensed Administrator and manager for the facility. New bank accounts are established at Regions Bank for the non-profit entity. On October 11, 2016, ACLF Holding, LLC received approval from the

Metropolitan Nashville Government Industrial Development Board for the sale of \$1,250,000 conduit tax-exempt revenue bonds related to the purchase of the Autumn Hills Assisted Living Facility project.

November 2016 to January 2017 – Autumn Hills Assisted Living Facility, LLC

Autumn Hills Assisted Living Facility, LLC continues day-to-day operations with Mr. Sam Latham as the facility manager and Mr. Melvin Corlew as the Tennessee Licensed Administrator. Mr. Michael Hampton is no longer involved in the day-to-day operations of the facility. Mr. Latham moves banking from Region Bank to Truxton Trust.

December 2016 to January 2017 – Metropolitan Nashville Government Cancels Autumn Assisted Living Partners Lease and Purchase Agreement

On January 6, 2017, the Metropolitan Nashville Government terminated the Vision Real Estate Investment Corporation agreement to purchase J. B. Knowles Home. This was due to the failure of Autumn Assisted Living Partners, Inc. to maintain required insurance coverage and completing the purchase of the facility by July 1, 2016.

A new interim operator AnthemCare Tennessee started managing day-to-day operations on behalf of the Metropolitan Nashville Hospital Authority on January 31, 2017.

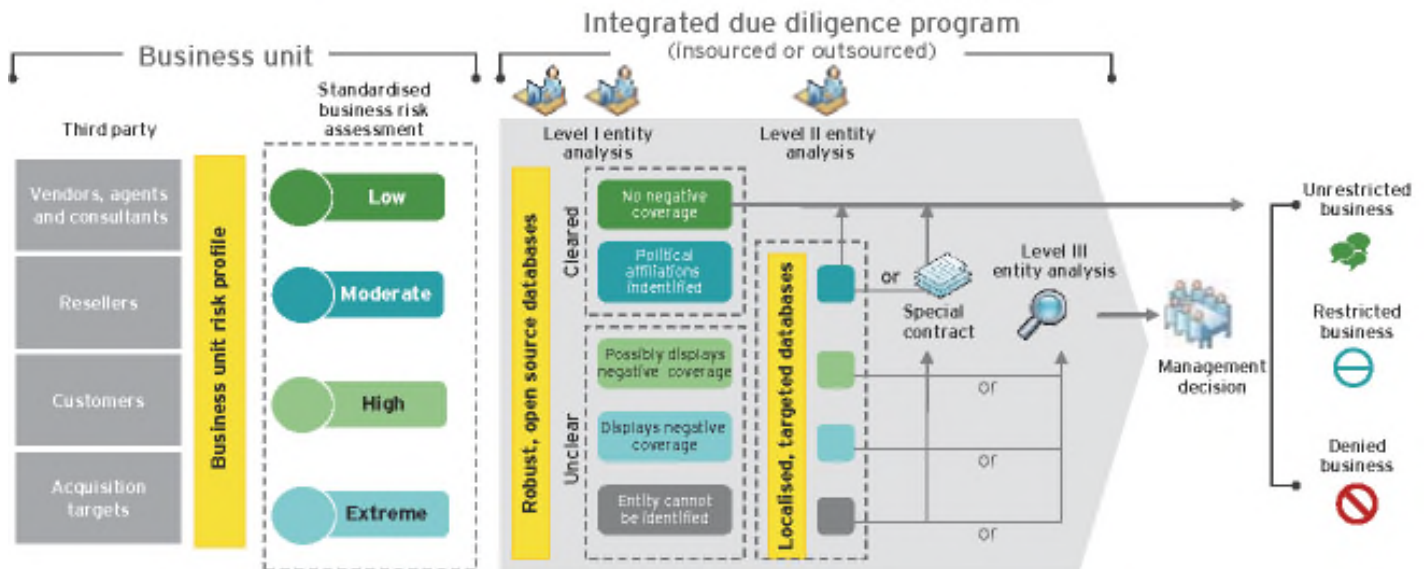
AUDIT OBSERVATIONS

Internal control helps entities achieve important objectives and sustain and improve performance. The Committee of Sponsoring Organizations of the Treadway Commission, *Internal Control – Integrated Framework (COSO)*, enables organizations to effectively and efficiently develop systems of internal control that adapt to changing business and operating environment, mitigate risks to acceptable levels, and support sound decision-making and governance of the organization. The audit observations listed are offered to assist management in fulfilling their internal control responsibilities.

Observation A – Third-Party Screening and Due Diligence Procedures

A procedure to screen and research key third party providers was not in place. Effective alliances with third parties should begin with an assessment of risks and level of due diligence required for potential third party provider of services, see Exhibit E.

Exhibit E – Ernst & Young’s Open Source Third-Party Due Diligence Methodology



Source: *Third-party due diligence, Key components of an effective, risk-based compliance program*, Ernst & Young, Australia, 2012, p. 6.

Criteria:

- COSO, Information and Communication – Principle 7 (identifies risks...determine how risks should be managed) and Control Activities – Principle 12 (documented policies and procedures).
- Prudent business practice.

Recommendation for the management of the Metropolitan Nashville Hospital Authority and Metropolitan Nashville Government to:

Develop a screening and due diligence written plan on how to assess risks and levels of screening required to vet any potential third party providers of services. Screening efforts depending on the assessment of risk may include a media search, professional and business license/registration confirmation, credit review, and search for legal actions against an organization and key officers.

Observation B – Contract Monitoring

A proactive effort to monitor important contract areas was not in place. Effective contract monitoring begins with a contract monitoring plan, attention to detail, timely documentation, and continuing communication with the contractor.

Criteria:

- COSO, Information and Communication – Principle 13 (use relevant and quality information) and Control Activities – Principle 12 (documented policies and procedures).
- Prudent business practice.

Recommendation for the management of the Metropolitan Nashville Hospital Authority and Metropolitan Nashville Government to:

For high-risk contracts, develop a written monitoring plan with designated responsibilities and reporting intervals to monitor each element of contract performance along with other relevant quality of services factors.

GOVERNMENT AUDITING STANDARDS COMPLIANCE

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained, except for objective questions 1.A, 1.B, 1.C, 2.B, 4.A, and 4.B, provides a reasonable basis for our observations and conclusions based on our audit objectives. See Audit Scope Limitation on page 1.

METHODOLOGY

To accomplish our audit objectives, we performed the following steps:

- Interviewed personnel within various functions.
 - Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corporation
 - Autumn Hills Assisted Living Facility, LLC
 - Metropolitan Nashville Hospital Authority
 - Metropolitan Nashville Government Department of Law and Department of Finance
 - Metropolitan Nashville Government Office of the Mayor
 - Metropolitan Nashville Industrial Development Board
 - Metro Planning Department
 - Metropolitan Development and Housing Agency
 - Tennessee Department of Health
 - Tennessee Comptroller of the Treasury, Medicaid/TennCare Section of the Division of State Audit
 - Crosslin, Metropolitan Nashville Hospital Authority External Audit Firm
- Obtained and reviewed entity banking records.
- Reviewed and analyzed documentation for compliance with the Tennessee Code Annotated, Metropolitan Nashville Code of Laws, and other applicable laws, regulations, and policies.
- Evaluated internal controls in place during the audit period, in this case, internal controls were limited.
- Considered risk of fraud, waste, and abuse.
- Considered information technology risks.

AUDIT TEAM

Innocent Dargbey, CPA, MBA, MS, Senior Auditor

Mark Swann, CPA, CISA, CIA, ACDA, CMFO, Metropolitan Auditor

William Walker, CPA, CIA, Quality Assurance

APPENDIX A – MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



MEGAN BARRY
MAYOR

DIRECTOR OF FINANCE
METROPOLITAN COURTHOUSE
ONE PUBLIC SQUARE, SUITE 106
NASHVILLE, TENNESSEE 37201
(615) 862-6151
(615) 862-6156 FAX

July 14, 2017

Mr. Mark Swann, Metropolitan Auditor
Office of Internal Audit
400 James Robertson Parkway, Suite 190
Nashville, TN 37219

Re: Audit of Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corp.
Contracts

Dear Mr. Swann:

The Finance Department is in receipt of the Audit of Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corp. Contracts and is satisfied with the audit work completed and resulting recommendations. We are currently working on implementing measures to address the screening and monitoring of high risk contracts.

We appreciate the work you and your staff put into this assignment. If you have any questions, please let me know.

Sincerely,

A handwritten signature in blue ink, appearing to read "Talia Lomax-O'dneal".

Talia Lomax-O'dneal, Director
Finance Department

cc: Rich Riebeling, Chief Operating Officer
Gene Nolan, Deputy Director of Finance
Kim McDoniel, Deputy Director of Finance
Michelle Lane, Metro Purchasing Agent
Phil Carr, Chief Accountant



17 August 2017

Mr. Mark Swann, Metropolitan Auditor
Office of Internal Audit
400 James Robertson Parkway, Suite 190
Nashville, TN 37219

Re: Audit of Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corp. Contracts

Dear Mr. Swann,

The Hospital Authority is in receipt of your Audit of Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corp. contracts. At the time we received your Audit, our new chief financial officer had not yet started. His arrival delayed our response, but we felt it critical to include him in the review of your findings.

As you know, the Hospital Authority is not a regulatory body and has no power to survey the operations of, or sanction, a licensee operating an assisted living facility. With that in mind, we are particularly grateful for your Audit's findings, recommendations and corrective action plan.

After careful review of your findings, we are satisfied with the breadth of your audit and your resulting recommendations. The Hospital Authority, under the leadership of our Finance Committee, had previously on February 23, 2017, initiated an entire revision process for all contracts, as documented in the Board minutes. Our contract management process tightly aligns with the recommendations in your Audit and allows for the aggressive oversight of all future contracts.

The entire Hospital Authority Board is prioritizing how we vet future strategic partnerships operating within our patient care realm.

Please let me know if you have any questions and in the meantime, I respectfully remain,

Sincerely yours,


Jan Lewis Brandes, MD
Board of Trustees, Chair

C: MNHA Board of Trustees
Joseph Webb, D.Sc., CEO
Rich Riebeling, Metro COO
Talia Lomax-O'dneal, Metro Dir. of Finance
John Cooper, Metro Council Budget Chair

1818 Albion Street ♦ Nashville, TN 37208
T: 615-341-4491 ♦ F: 615-341-4493
we care for YOU. for life.



7 September 2017

Mark S. Swann – Metropolitan Auditor
Metropolitan Nashville Office of Internal Audit
404 James Robertson Parkway
Suite 190
Nashville, TN 37219

Re: Audit of Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corp. Contracts

Dear Mr. Swann:

Thank you again for providing the Hospital Authority with an opportunity to respond to your office's audit of Autumn Assisted Living Partners, Inc. and Vision Real Estate Investment Corp. contracts. This letter will supplement our August 17, 2017 response, and confirm that we accept your conclusions and recommendations.

Towards that end we are filing with your office the completed Appendix A form indicating our response and corrective action plans.

Please let me know if you have any further questions or if I may provide further information.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'J. Webb', is written over a faint, larger version of the signature.

Joseph Webb, D.Sc., FACHE
Chief Executive Officer

C: MNHA Board of Trustees
Rich Riebeling, Metro COO
Talia Lomax-O'dneal, Metro Dir. of Finance
Tanaka Vercher, Metro Council Budget Chair

APPENDIX A – MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN

We believe that operational management is in a unique position understand best their operations and may be able to identify more innovative and effective approaches and we encourage them to do so when providing their response to our recommendations.

Recommendations	Concurrence and Corrective Action Plan	Proposed Completion Date
Management of the Metropolitan Nashville Hospital Authority should:		
<p>A. Develop a screening and due diligence written plan on how to assess risks and levels of screening required to vet any potential third party providers of services. Screening efforts depending on the assessment of risk may include a media search, professional and business license/registration confirmation, credit review, and search for legal actions against an organization and key officers.</p>	<p>Accept. We are in the final stages of implementing an upgraded process and accompanying policy by which we vet potential vendors who may provide services to the hospital. Our new contract management system (MediTract platform) will enable the Hospital Authority to segment the contracting process from the proposal stage through negotiations, execution and on-going assessment of stated deliverables, as well as future tracking of key dates, deliverables and renewal timeframes. Contract management training and specific MediTract training will be provided to all department management within the next three months.</p>	<p>November 1, 2017</p>
<p>B. For high-risk contracts, develop a written monitoring plan with designated responsibilities and reporting intervals to monitor each element of contract performance along with other relevant quality of services factors.</p>	<p>Accept. For high risk contracts our upgraded contract management system will include mandated requirements such as liability/workers compensation insurance, ability to deliver on measurable metrics and the capacity to review on a regular basis their contract performance. The policy includes regular monitoring of contract deliverables, and the assessment of contractor performance. Hospital Authority standard contract terms authorize the institution to either re-negotiate a contact with an underperforming vendor or terminate the agreement altogether.</p>	<p>November 1, 2017</p>
Management of the Metropolitan Nashville Government should:		
<p>A. Develop a screening and due diligence written plan on how to assess risks and levels of screening required to vet any potential third party providers of services. Screening efforts depending on the assessment of risk may include a media search, professional and business license/registration confirmation, credit review, and search for legal actions against an organization and key officers.</p>	<p>Accept. We will immediately implement all screening efforts recommended for high risk service contracts, which will include any services that provide direct care to individuals. A written policy will also be developed and issued to all Metro departments within the next 3 months.</p>	<p>October 31, 2017</p>

APPENDIX A – MANAGEMENT RESPONSE AND CORRECTIVE ACTION PLAN

Recommendations	Concurrence and Corrective Action Plan	Proposed Completion Date
B. For high-risk contracts, develop a written monitoring plan with designated responsibilities and reporting intervals to monitor each element of contract performance along with other relevant quality of services factors.	Accept. The policy referred to above will include requirements around monitoring conducted by the department staff and reporting to the responsible Department of Agency Head.	October 31, 2017

APPENDIX B – FOLLOW-UP QUESTIONS

The Metropolitan Nashville Council Budget and Finance Committee was briefed on Monday, August 14, 2017, concerning this audit report. Appendix B is included to provide additional support in response to questions received from individual responsible for governance during this meeting.

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit F – Autumn Assisted Living Partners Schedule of Capital Expenditures between July 1, 2014 and December 31, 2015 – Agreement to Purchase Required \$300,000 in Capital Improvements

<----- Autumn Assisted Living Partners, Inc ----->	<----- Internal Audit Procedures ----->		
Source of Capital Improvements	Amount	Check Amounts Observed	Reported Purpose
<u>Owner Labor for Construction Projects</u>			
Gerald Bright	\$ 30,621		(In-House Labor Costs)
Calvin Walker	24,978		(In-House Labor Costs)
Joe Tibbs, Jr.	20,373	\$ 42,195	(In-House Labor Costs)
<u>Vendors</u>			
James Newsom Construction	42,814	94,697	painting, drywall repairs
Direct Supply	20,864	4,000	new HVAC systems
Hoskins and Company	19,600	15,600	new patient management accounting system
Simplex Grinnell	18,364		replace sprinkler pipes
Kenneth Larry Contractors	12,300	11,757	resident shower renovations
J and D	10,147	6,968	major HVAC repairs
Door Ways	9,942	13,160	repair and replace doors per state survey
Superior Fire Protection	6,562		replace alarm panel and compressor
Avenue Construction	6,000	1,000	demo & renovations day room
Accu Tint	5,040		window tinting and replacement
Whitley & Whitley Architects	5,000		architect services
J&J Construction and Lawn Care	2,875		repair floor tile
Centry Sprinkler Repairs (Fire Sprinkler LLC)	2,685	5,383	replace damaged smoke dampers
The Breland Group	2,450	1,750	environmental reports
Hobart Services	2,391		replace walk in cooler door
Green Hills Lock and Key	1,620	2,040	replace door in day care
Fast Signs	1,474		new street sign
Door Tech	712	906	replace door
Stanley Steemer	418		clean carpet after renovation paint spill
<u>Supplies and Materials</u>			
Lowe's	37	174	
Home Depot	157	3,784	
<u>Misc Vendors</u>			
Best Buy	655		
Thompson Bros Grass	3,200	445	
SouthLand Flooring Supplies	6,347	2,738	
Sweeping Corp of America	630		
Buds Hardware	2,236		
Tennessee Electric Motors	135		
K Mart	986		
Sears	335		
Reserves for Chiller Replacement	40,000		reserve established to replace old chiller
Total Capital Expenditures	\$ 307,482	\$ 206,597	

Sources: Metropolitan Nashville Government Department of Law, Office of Internal Audit review of bank statements, and audit interviews.

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Examples of Disbursements without Documentation between July 2014 and February 2017

	Manager/Administrator	Michael Hampton / Paul Miller or Michael Hampton	Sam Latham / Melvin Corlew
Supporting Document	Disbursement Category	July 2014 to October 2016	November 2016 to February 2017
1	Metropolitan Nashville Government on behalf of Vision Real Estate Investment Corp.	\$25,000	
2	Le Villa Day Care, no documentation	40,000	
3	Paul Miller, no documentation	35,000	
4	Shelby County Government, no documentation	20,008	
5	Clerk US District Court Settlement for Greenhills Senior Health Center	2,000	
6	Fisk University, no documentation	2,008	
7	Automated Teller Machine (ATM) Withdrawals, no documentation	99,443	
8	Non-Sufficient Funds (NSF) and Other Bank Fees	20,390	\$18
9	Loans, no documentation	82,932	
10	Cash, Employee, or Contractor with Notation of Business Purpose (See Note A and B)	114,612 ^A	99,293 ^B
11	Cash, Employee, or Contractor without Notation of Business Purpose (See Note A and B)	272,604 ^A	6,295 ^B
12	Personal Credit Card (US Bank) for Reimbursement of Expenses, no documentation	7,447	
13	Legal Fees, no documentation	30,700	
14	Accounting Services, no documentation	15,600	

Sources: Office of Internal Audit review of bank statements, deposits, and withdrawals. **See Scope Limitation on audit report page 1.**

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation # 1 – Metro Nashville Government Payment

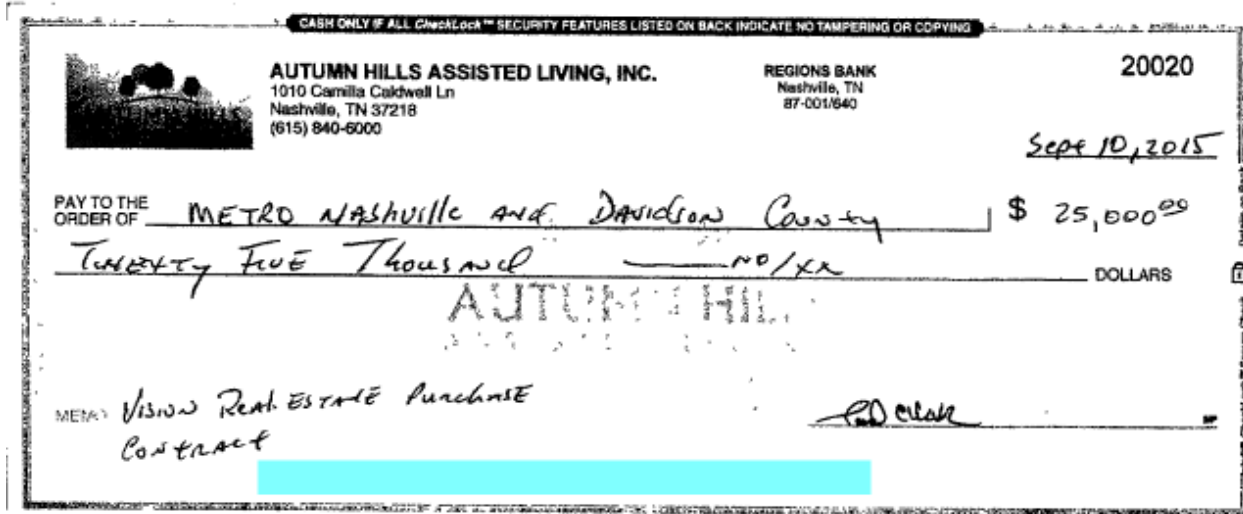


Exhibit G – Support Documentation # 2 Le Villa Day Care, no documentation

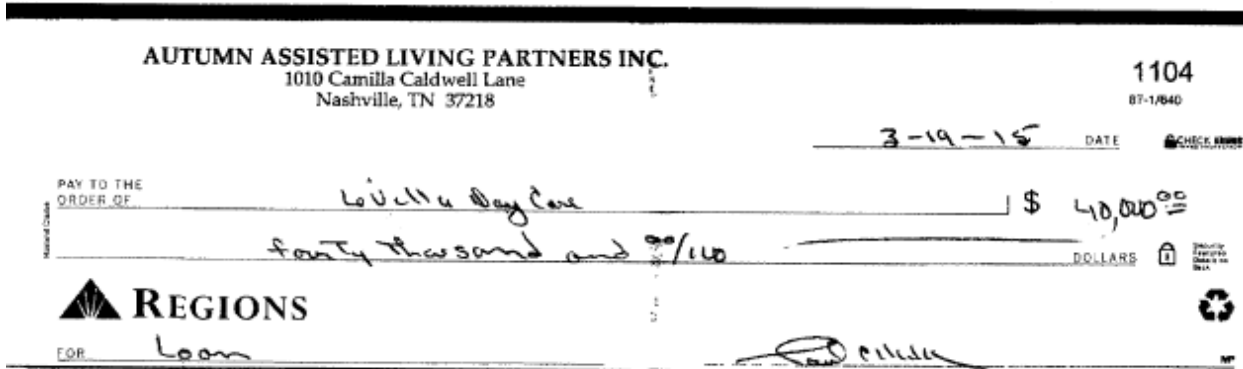
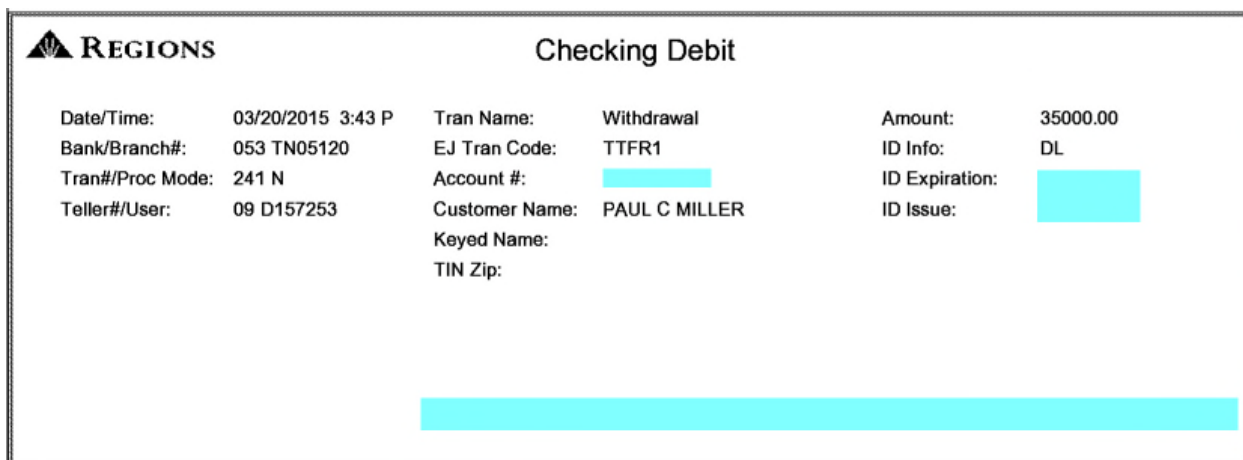


Exhibit G – Support Documentation # 3 – Paul Miller, no documentation



APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G– Support Documentation # 4 – Shelby County Government

AUTUMN ASSISTED LIVING PARTNERS INC.
PAYROLL ACCOUNT
1010 Camilla Caldwell Lane
Nashville, TN 37218

1050
87-1/840

1-7-2015 DATE

PAY TO THE ORDER OF Regions Bank \$ 20,000.00
Twenty thousand Eight and 00/100 DOLLARS

REGIONS

FOR Shelby County Gov't [Signature]

Exhibit G – Support Documentation # 5 – Settlement for Greenhills Senior Health Center

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1167
87-1/840

5-1-15 DATE

PAY TO THE ORDER OF Clerk, U.S. District Court \$ 1,000.00
One thousand and 00/100 DOLLARS

REGIONS

FOR Paul Miller # 3:14-cv-1697 [Signature]

AUTUMN HILLS ASSISTED LIVING, INC.
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001/840

20001

08/03/2015

PAY TO THE ORDER OF Clerk U.S. District Court \$ **1,000.00
One thousand and 00/100 DOLLARS

MEMO Miller go bills

Clerk U S District Court
800 U S Courthouse
801 Broadway
Nashville, TN 37203

AUTUMN HILLS ASSISTED LIVING INC

[Signature]

APPENDIX B – FOLLOW-UP QUESTIONS

United States District Court For Middle District of Tennessee Nashville Exhibit

)	Judge: _____
)	Courtroom: _____
Phyllis Lewis)	Date: _____
Plaintiff)	
Vs.)	
)	
Meridian-Foresight)	<i>CERTIFIED MAIL</i>
dba/ Greenhills)	
Senior Health Center)	
Paul Miller, Administrator)	
Jeremy Grimes, CEO)	
Defendants)	

Notice of Breach
Title VII Settlement Agreement

You have breach the Settlement agreement between the plaintiff, Phyllis Lewis and you the defendants, Meridian-Foresight dba/ Greenhills Senior Health Center that was agreed upon and mediated by the EEOC.

You have breach the agreement for the following reasons:

- I. You agreed to make payments of 500.00 twice a month until 12,000.00 was paid.
- II. You have stopped making payments as agreed.

You have 30 days from this date/ February 26,2013 to clear your debt to the plaintiff, Phyllis Lewis; payment in full or you leave plaintiff no choice but to file a civil suit against you, the company and it's representatives; the defendants for Breach of Title VII Settlement Agreement and ask for the sum of 12,000.00 minus payments made (twelve thousand dollars all court costs, interest allowed by the court, along with sum of 350.00(three hundred fifty) for personal expenses such as missed worked, travel, parking, miscellaneous costs, attorneys' fees, damages and court costs allow by law; to be determined in

1

Case 3:14-cv-00897 Document 1-1 Filed 04/02/14 Page 4 of 6 PageID #: 8

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation # 6 – Fisk University

MC1142 (Rev. 11/12) M 3558923



Checking Withdrawal

NON-NEGOTIABLE

DATE 10-30-15

Two Thousand and Eight 00/100 \$2008.00 DOLLARS

Transfer / Payment To:

(Fisk University)

Account Type _____ Account Number _____

Print Name Michael Hampton

Signature [Handwritten Signature]



Withdrawal Account Number

Exhibit F – Support Documentation # 7 - Examples of ATM Withdrawals June 2016



Regions Bank
Bordeaux
3701 Clarksville Hwy
Nashville, TN 37218

AUTUMN ASSISTED LIVING PARTNERS INC
1010 CAMILLA CALDWELL LN
NASHVILLE TN 37218-3000

ACCOUNT #



Cycle
Enclosures
Page

LIFEGREEN BUSINESS CHECKING

June 1, 2016 through June 30, 2016

SUMMARY		
Beginning Balance	\$1,073.94-	Minimum Balance
Deposits & Credits	\$32,955.47 +	Average Balance
Withdrawals	\$31,444.52 -	
Fees	\$353.26 -	
Automatic Transfers	\$0.00 +	
Checks	\$0.00 -	
Ending Balance	\$83.75	

APPENDIX B – FOLLOW-UP QUESTIONS

Examples of ATM Withdrawals June 2016

WITHDRAWALS			
06/01	Card Purchase Four Points Mem	3503 Memphis TN 38125	8675 132.65
06/01	ATM Withdrawal Regions	Bordeaux Exp Nashville TN D1F31	8675 700.00
06/02	Recurring Card Transaction Netflix.Com	4899 Netflix.Com CA 95032	8675 8.75
06/02	Card Purchase Kwik Sak #629	5541 Nashville TN 37218	8675 10.00
06/02	Card Purchase Trgreen Equipm	5599 Hendersonvill TN 37075	8675 38.35
06/02	ATM Withdrawal Regions	Bordeaux Exp Nashville TN D1F31	8675 700.00
06/03	Card Purchase McHenry Tractor	5261 Nashville TN 37207	8675 308.74
06/03	Card Purchase IN *hoskins & C	8931 615-3217333 TN 37203	8675 750.00
06/03	Card Purchase Kwik Sak #629	5541 Nashville TN 37218	8675 22.97
06/03	EB to Checking # [REDACTED]	Ref# 000000 8643379	96.00
06/03	ATM Withdrawal Regions	Hermitage Du Hermitage TN Cfa61	8675 300.00
06/06	Card Purchase Friends LLC	5541 Nashville TN 37218	8675 20.00
06/06	Card Purchase Gfs Store #1521	5411 Goodlettsvill TN 37072	8675 826.34
06/06	Card Purchase Chilton Turf Ce	5261 Nashville TN 37204	8675 4.90
06/06	Card Purchase Save-A-Lot #432	5411 Nashville TN 37209	8675 130.44
06/06	Card Purchase Metro Medical S	5047 800-768-2002 TN 37228	8675 545.75
06/06	Card Purchase Cricket Wireles	4814 855-246-2461 FL 33408	8675 57.00
06/06	EB to Checking # [REDACTED]	Ref# 000000 8643383	500.00
06/06	ATM Withdrawal Regions	Bordeaux Exp Nashville TN D1F31	8675 500.00
06/06	ATM Withdrawal Regions	Hermitage Du Hermitage TN Cfa61	8675 220.00
06/06	Card Purchase Lowes #00629*	5200 Nashville TN 37209	8675 128.40
06/08	Card Purchase Autozone #0346	5533 Nashville TN 37218	8675 16.38
06/08	Card Purchase Autozone #0346	5533 Nashville TN 37218	8675 9.82
06/08	Card Purchase Nashville Nurse	0780 Nashville TN 37218	8675 81.50
06/08	ATM Withdrawal Regions	Hermitage Du Hermitage TN Cfa61	8675 420.00
06/09	ATM Withdrawal Regions	Hermitage Du Hermitage TN Cfa61	8675 200.00
06/10	Card Purchase The Home Depot	5200 Nashville TN 37204	8675 65.46
06/10	Card Purchase Kwik Sak #629	5541 Nashville TN 37218	8675 1.50
06/10	ATM Withdrawal Regions	Bordeaux Exp Nashville TN D1F31	8675 300.00
06/10	ATM Withdrawal Regions	Bordeaux Exp Nashville TN D1F31	8675 300.00
06/10	EB to Checking # [REDACTED]	Ref# 000000 8643388	240.00
06/10	EB to Checking # [REDACTED]	Ref# 000000 8643389	12.00
06/10	EB to Checking # [REDACTED]	Ref# 000000 8643390	1,035.00
06/13	Card Purchase Kwik Sak #629	5541 Nashville TN 37218	8675 21.08
06/13	ATM Withdrawal Regions	Hermitage Du Hermitage TN Cfa61	8675 700.00
06/13	Card Purchase Jifty Lube #226	7538 Nashville TN 37209	8675 39.32
06/13	Card Purchase Kwik Sak #629	5541 Nashville TN 37218	8675 25.00
06/13	Card Purchase Regal Providenc	7832 MT Juliet TN 37122	8675 27.81
06/13	ATM Withdrawal Regions	Bordeaux Exp Nashville TN D1F61	8675 280.00
06/14	Card Purchase BP#8773608MAPCO	5542 Hermitage TN 37076	8675 24.25
06/14	Card Purchase Nashville Cash	5499 Nashville TN 37209	8675 199.72
06/14	Card Purchase IN *hoskins & C	8931 615-3217333 TN 37203	8675 1,524.00
06/14	ATM Withdrawal Regions	Bordeaux Exp Nashville TN D1F61	8675 200.00
06/15	Card Purchase Dickens Turf An	0780 615-2271111 TN 37207	8675 170.77
06/15	Card Purchase Bordeaux Foods	5411 Nashville TN 37218	8675 13.66
06/15	Card Purchase Save-A-Lot #432	5411 Nashville TN 37209	8675 68.99
06/15	Card Purchase Nashville Cash	5499 Nashville TN 37209	8675 179.10
06/15	Card Purchase Kwik Sak #629	5541 Nashville TN 37218	8675 23.52
06/15	EB to Checking # [REDACTED]	Ref# 000000 8643397	70.00
06/15	ATM Withdrawal Regions	Bordeaux Exp Nashville TN D1F61	8675 400.00

APPENDIX B – FOLLOW-UP QUESTIONS

Schedule of ATM Withdrawals

	Regions	Regions	Regions	
Statement Date	210	200	237	Totals
July-14				-
August-14				-
September-14				-
October-14				-
November-14			300.00	300.00
December-14			83.00	83.00
January-15				-
February-15				-
March-15				-
April-15				-
May-15				-
June-15				-
July-15			800.00	800.00
August-15			300.00	300.00
September-15			2,820.00	2,820.00
October-15		8,300.00	3,600.00	11,900.00
November-15		9,920.00		9,920.00
December-15		8,840.00		8,840.00
January-16		4,500.00		4,500.00
February-16		5,820.00		5,820.00
March-16		5,260.00		5,260.00
April-16		4,100.00		4,100.00
May-16		7,780.00		7,780.00
June-16		10,140.00		10,140.00
July-16		8,400.00		8,400.00
August-16		3,260.00		3,260.00
September-16		6,280.00		6,280.00
October-16		8,940.00		8,940.00
November-16		-		-
December-16		-		-
January-17		-		-
	\$ -	\$ 91,540.00	\$ 7,903.00	\$ 99,443.00

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation #8 - Examples Non-Sufficient Funds (NSF) and Other Bank Fees June 2016



AUTUMN ASSISTED LIVING PARTNERS INC
 1010 CAMILLA CALDWELL LN
 NASHVILLE TN 37218-3000

ACCOUNT #

Cycle
 Enclosures
 Page

LIFEGREEN BUSINESS CHECKING
 June 1, 2016 through June 30, 2016

SUMMARY		
Beginning Balance	\$1,073.94-	Minimum Balance
Deposits & Credits	\$32,955.47 +	Average Balance
Withdrawals	\$31,444.52 -	
Fees	\$353.26 -	
Automatic Transfers	\$0.00 +	
Checks	\$0.00 -	
Ending Balance	\$83.75	

FEES		
06/01	Cash Deposit Fee	3.26
06/01	Paid Overdraft Item Fee	36.00
06/02	Monthly Fee Refund	10.00
06/06	Paid Overdraft Item Fee	36.00
06/08	Paid Overdraft Item Fee	72.00
06/21	Paid Overdraft Item Fee	36.00
06/22	Paid Overdraft Item Fee	36.00
06/23	Paid Overdraft Item Fee	72.00
06/24	Paid Overdraft Item Fee	72.00
Total Fees		\$353.26

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation #8 - Schedule of Non-Sufficient Funds (NSF) and Other Bank Fees July 2014 through January 2017

Statement Date	Pinnacle 886	Pinnacle 974	Pinnacle 6	Regions 210	Regions 229	Regions 200	Regions 237	Regions 522	Regions 924	Regions 932	Regions 118	Regions 197	Truxton Trust 561	Totals
July-14		36	35											71
August-14		-	10											10
September-14		1,512	10											1,522
October-14	30	720	10											760
November-14		504	(10)	36	123		116							769
December-14				36	792		939							1,767
January-15				-	770		889							1,659
February-15				15	96		802							913
March-15				15	72		-							87
April-15				15	(360)		-							(345)
May-15				15	-		46							61
June-15				15	-		236							251
July-15				15	325		-	12						352
August-15				15	468		663	12						1,158
September-15				15	153		82	12						262
October-15				15	15		36	12						78
November-15				15	252		216	12				10		505
December-15				51	82	180	262	12				10		597
January-16				51	108	-	298	12				10		479
February-16				51	216	180	226	48				10		731
March-16				87	108	216	180	12				10		613
April-16				123	226	144	334	12				10		849
May-16				231	144	721	781	12				10		1,899
June-16				87	257	353	344	12				10		1,063
July-16				87	324	288	334	12				10		1,055
August-16				36	298	324	36	12	216		241	10		1,173
September-16				87		252	-	-	314	46	228	10		938
October-16				108		518		12	261	29	108	10		1,046
November-16				-		10		-	33			1		44
December-16						-		12						12
January-17						-		12					18	30
	30	2,772	55	1,221	4,469	3,186	6,819	240	824	75	577	121	18	20,408

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation # 9 – Schedule of Reported Loan Payments

Date of payment	Bank Name	Bank Account	Check Signer	Payee	Payment Method	Remarks	Amount
7/9/2014	Pinnacle	886	Paul Miller	Dr. Eddie Hamilton	Check #905	Loan Repayment	5,000.00
10/30/2014	Pinnacle	974	Paul Miller	Dr. Eddie Hamilton	Check #1068	Consulting	2,700.00
11/5/2014	Regions	229	Paul Miller	Dr. Eddie Hamilton	Counter check		2,300.00
1/27/2015	Regions	237	Paul Miller	James Garrett	Check #1063	Loan Repayment	2,500.00
12/6/2014	Regions	237	Paul Miller	Health Sphere Wellness Center	Check #1029	Loan Repayment	4,000.00
4/28/2016	Regions	200	Mike Hampton	Victor	Withdrawal	Loan Repayment	4,508.00
11/4/2015	Regions	200	Mike Hampton	Sunshine	Withdrawal	Loan Repayment	5,008.00
5/30/2015	Regions	237	Paul Miller	Kenneth Larry	Check #1194	2nd Installment	4,000.00
12/4/2015	Regions	237	Toni Taylor	Sunshine Capital	Check #20090	Returned checks and loan repayment	2,500.00
11/3/2015	Regions	237	Toni Taylor	Sunshine Capital	Check #20081		600.00
11/6/2015	Regions	237	Toni Taylor	Sunshine Capital	Check #20076	Balance due	3,000.00
6/12/2016	Regions	237	Toni Taylor	Monica Edwards	Check #20200		4,000.00
6/6/2016	Regions	237	Toni Taylor	Monica Edwards	Check #20191		3,700.00
12/31/2015	Regions	237	Toni Taylor	Monica Edwards	Check #20103		3,000.00
3/10/2015	Regions	237	Paul Miller	Ins and P. Thompson	Check #1097		6,600.00
8/4/2015	Regions	237	Paul Miller	Pat	Check #1277		13,016.00
9/8/2015	Regions	237	Paul Miller	Pat Thompson	Check #20028	Replacement of check #20017	4,000.00
9/21/2016	Regions	237	Paul Miller	Pat Thompson	Check #20013		2,500.00
3/3/2016	Regions	237	Toni Taylor	Angela Moore, MD	Check #20134	Loan Repayment	10,000.00
						Total	82,932.00

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G– Support Documentation # 10 – Examples of Cash, Employee, or Contractor with Notation of Business Purpose

Date of Payment	Bank	Bank Account #	Check Signer	Payee	Check #	Remark	Amount
4/15/2015	Regions	237	Paul Miller	Joe Tibbs	Check #1157	Atty Fees	1,000.00
6/9/2015	Regions	237	Paul Miller	Jerry Cunningham	Check #1214	Food and Milk	7,650.00
5/7/2015	Regions	237	Paul Miller	Jerry Cunningham	Check #1176	Food	4,400.00
5/6/2015	Regions	237	Paul Miller	Jerry Cunningham	Check #1174	Food and Milk	3,300.00
5/1/2015	Regions	237	Paul Miller	Jerry Cunningham	Check #1165	Food	1,000.00
7/1/2015	Regions	237	Paul Miller	Jerry Cunningham	Check #1232	MH	1,500.00
7/9/2014	Pinnacle	886	Paul Miller	Dr. Eddie Hamilton	Check #905	Loan Repayment	5,000.00
10/30/2014	Pinnacle	974	Paul Miller	Dr. Eddie Hamilton	Check #1068	Consulting	2,700.00
1/27/2015	Regions	237	Paul Miller	James Garrett	Check #1063	Loan Repayment	2,500.00
12/6/2014	Regions	237	Paul Miller	Health Sphere Wellness Center	Check #1029	Loan Repayment	4,000.00
4/28/2016	Regions	'200	Mike Hampton	Victor	Withdrawal	Loan Repayment	4,508.00
11/4/2015	Regions	200	Mike Hampton	Sunshine	Withdrawal	Loan Repayment	5,008.00
5/30/2015	Regions	237	Paul Miller	Kenneth Larry	Check #1194	2nd Installment	4,000.00
12/4/2015	Regions	237	Toni Taylor	Sunshine Capital	Check #20090	Returned checks and loan repaym	2,500.00
11/6/2015	Regions	237	Toni Taylor	Sunshine Capital	Check #20076	Balance due	3,000.00
9/8/2015	Regions	237	Paul Miller	Pat Thompson	Check #20028	Replacement of check #20017	4,000.00
8/13/2015	Regions	237	Paul Miller	Paul Miller	Check #1291	For MH	4,100.00
3/3/2016	Regions	237	Toni Taylor	Angela Moore, MD	Check #20134	Loan Repayment	10,000.00
3/24/2015	Regions	237	Paul Miller	Paul Miller	Withdrawal	Compensation	40,000.00
6/10/2015	Regions	237	Paul Miller	US Bank	Check #1215	Pay Beauty Miller's credit card	4,445.61
						Total	\$ 114,611.61

APPENDIX B – FOLLOW-UP QUESTIONS

Date of Payment	Bank	Bank Account #	Check Signer	Payee	Check #	Remark	Amount
Nov-16	Truxton Trust		Sam Latham	Sam Latham	504	Repayment	150.00
Nov-16	Truxton Trust		Sam Latham	Cash	511	Check cashed for s??te	1,009.95
Nov-16	Truxton Trust		Sam Latham	Sam Latham	512	1200 Draw, 200 gas	1,300.00
Nov-16	Truxton Trust		Sam Latham	Autumn Hills	516	New acct.	200.00
Nov-16	Truxton Trust		Sam Latham	Cash	524	Supplies for repair on bath floors	135.00
Nov-16	Truxton Trust		Sam Latham	Melvin Corlew	527	Robt Orr 1975; Cash 150	2,125.00
Nov-16	Truxton Trust		Sam Latham	Don Vollmer	529	Services	500.00
Nov-16	Truxton Trust		Sam Latham	Melvin Corlew	530	Corlew 2,000; Joe 970	2,970.00
Nov-16	Truxton Trust		Sam Latham	Jerry Cunningham	541	Reimbursement	50.00
Nov-16	Truxton Trust		Sam Latham	Sam Latham	1001	Management Fee Nov 16	2,200.00
Nov-16	Truxton Trust		Sam Latham	Jerry Cunningham	1003	Reimbursement Food	383.84
Nov-16	Truxton Trust		Sam Latham	Cash	1006	Reimbursement J. Cunningham	219.00
Nov-16	Truxton Trust		Sam Latham	Truxton Trust	1007	Robert Orr SYSCO	2,271.56
Nov-16	Truxton Trust		Sam Latham	Cash	1008	Resident Cash Fund	150.00
Dec-16	Truxton Trust		Sam Latham	Emily McGae..y	1005	Fire Watch	120.00
Dec-16	Truxton Trust		Sam Latham	Cash	1010	Reimb Jerry \$520, Melvin \$50.00 t	650.00
Dec-16	Truxton Trust		Sam Latham	Cash	1011	Thelara Wilson \$241.00	241.00
Dec-16	Truxton Trust		Sam Latham	Truxton Trust	1012	Cashiers CK for Rob Orr	2,231.25
Dec-16	Truxton Trust		Sam Latham	Sam Latham	1013	Draw	1,500.00
Dec-16	Truxton Trust		Sam Latham	Brianna Lee	1014	Administrative Services	1,500.00
Dec-16	Truxton Trust		Sam Latham	Melvin Corlew	1015	Mgmt.	1,500.00
Dec-16	Truxton Trust		Sam Latham	Cash	1018	RTF; Purity Dairy	375.00
Dec-16	Truxton Trust		Sam Latham	Shelia Watkins	1019	Partial Reimbursement	500.00
Dec-16	Truxton Trust		Sam Latham	Joe Tibbs	1022	Fire Watch	90.00
Dec-16	Truxton Trust		Sam Latham	James Harris	1023	Fire Watch	55.00
Dec-16	Truxton Trust		Sam Latham	Thomas Lawrence	1027	RTF H..... Brown	532.57
Dec-16	Truxton Trust		Sam Latham	Cash	1028	Robert Orr Sysco	2,700.00
Dec-16	Truxton Trust		Sam Latham	Cash	1029	Purity Milk \$350 cash	350.00
Dec-16	Truxton Trust		Sam Latham	Truxton Trust	1030	NES	3,000.00
Dec-16	Truxton Trust		Sam Latham	Sam Latham	1031	Fee	700.00
Dec-16	Truxton Trust		Sam Latham	Brianna Lee	1033	Payroll	1,500.00
Dec-16	Truxton Trust		Sam Latham	Sam Latham	1038	Mngt.	2,300.00

APPENDIX B – FOLLOW-UP QUESTIONS

Date of Payment	Bank	Bank Account #	Check Signer	Payee	Check #	Remark	Amount
Dec-16	Truxton Trust		Sam Latham	Melvin Corlew	1039	Mgmt plus \$40 expense	1,540.00
Dec-16	Truxton Trust		Sam Latham	Cash	1040	Milk Money	375.00
Dec-16	Truxton Trust		Sam Latham	Blank	1162	Robert Orr SYSCO	3,936.53
Dec-16	Truxton Trust		Sam Latham	Truxton Trust	1165	NES - \$3000 Cashiers CK	3,000.00
Dec-16	Truxton Trust		Sam Latham	Cash	1166	Wanda Lpres	27.00
Dec-16	Truxton Trust		Sam Latham	Rosalind Champlin	1167	Reimb for Craft Supplies	305.00
Dec-16	Truxton Trust		Sam Latham	Cash	1168	Remb. Calvin Walker/Kitchen food	118.56
Dec-16	Truxton Trust		Sam Latham	Cash	1169	Purity Milk	350.00
Dec-16	Truxton Trust		Sam Latham	Cash	1170	Resident Banking	100.00
Dec-16	Truxton Trust		Sam Latham	Cash	1171	Maintance Supply	100.00
Dec-16	Truxton Trust		Sam Latham	Cash	1172	Sthepnie Singleton, ..., Hand Soap	650.00
Dec-16	Truxton Trust		Sam Latham	Sam Latham	1173	Mngt.	1,000.00
Dec-16	Truxton Trust		Sam Latham	Donald Vollmer	1175	Dr./Medical Dir.	500.00
Dec-16	Truxton Trust		Sam Latham	Sanura Latham	1176	Sam latham (Mngt)	400.00
Jan-17	Truxton Trust		Sam Latham	Melvin Corlew	1042	Mngt Fee	2,000.00
Jan-17	Truxton Trust		Sam Latham	Calvin Walker	1043	G...ment?	250.00
Jan-17	Truxton Trust		Sam Latham	Brianna Lee	1044	Professional Services	1,500.00
Jan-17	Truxton Trust		Sam Latham	Truxton Trust	1045	Nash Electric Service	5,000.00
Jan-17	Truxton Trust		Sam Latham	Sam Latham	1052	Back Salary	7,500.00
Jan-17	Truxton Trust		Sam Latham	Truxton Trust	1081	NES Payment	3,000.00
Jan-17	Truxton Trust		Sam Latham	Brianna Lee	1082	1-5-15 pay period	1,500.00
Jan-17	Truxton Trust		Sam Latham	Cash	1083	Purity Milk	225.00
Jan-17	Truxton Trust		Sam Latham	Truxton Trust	1084	Robert Orr SYSCO	2,969.73
Jan-17	Truxton Trust		Sam Latham	Cash	1086	RTF Account	50.00
Jan-17	Truxton Trust		Sam Latham	Cash	1087	For Purity Diary (Milk)	251.54
Jan-17	Truxton Trust		Sam Latham	Sam Latham	1090	Loan Repayment	1,000.00
Jan-17	Truxton Trust		Sam Latham	Sam Latham	1091	Mngt: 1/2 month	425.00
Jan-17	Truxton Trust		Sam Latham	Truxton Trust	1095	Robert Orr	3,407.31
Jan-17	Truxton Trust		Sam Latham	Truxton Trust	1097	Emg. Diesel fuel for Generator	848.76

APPENDIX B – FOLLOW-UP QUESTIONS

Date of Payment	Bank	Bank Account #	Check Signer	Payee	Check #	Remark	Amount
Jan-17	Truxton Trust		Sam Latham	Truxton Trust	1099	Robert Orr/Food Supply	2,998.01
Jan-17	Truxton Trust		Sam Latham	Cash	1100	Purity Milk Supply \$300/ \$50 Mair	350.00
Jan-17	Truxton Trust		Sam Latham	Freddie Gleaves	1102	Rent Reimbursement -Janis Gleave	884.68
Jan-17	Truxton Trust		Sam Latham	Thomas Lawrence	1103	Rent Rimbursement -??Herbert Br	816.91
Jan-17	Truxton Trust		Sam Latham	Cash	1177	RTF	2,000.00
Jan-17	Truxton Trust		Sam Latham	Cash	1178	Purity Milk	350.00
Jan-17	Truxton Trust		Sam Latham	Truxton Trust	1179	Robert Orr Sysco	3,667.09
Feb-17	Truxton Trust		Sam Latham	Sam Latham	580	Jan 31, Payroll	4,250.00
Feb-17	Truxton Trust		Sam Latham	Cash	1047	Purity Milk	323.43
Feb-17	Truxton Trust		Sam Latham	Truxton Trust	1048	Sysco	2,864.16
Feb-17	Truxton Trust		Sam Latham	Cash	1049	Cafeal? & Misc	700.00
Feb-17	Truxton Trust		Sam Latham	Sam Latham	1189	1/1-15 pay period	4,250.00
						Total	\$ 99,292.88

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation # 10 – Examples of Cash, Employee, or Contractor with Notation of Business Purpose

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1029
87-1/640

DATE 12/6/14 CHECK NUMBER

PAY TO THE ORDER OF Health Sphere Wellness Center \$ 4,000⁰⁰
Four Thousand ————— no/xx DOLLARS

REGIONS
FOR LOAN PAYMENT [Signature]

[Redacted]

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1214
87-1/640

DATE 6-9-15 CHECK NUMBER

PAY TO THE ORDER OF Jerry Cunningham \$ 7650⁰⁰
Seven thousand Six Hundred fifty and 00/100 ————— DOLLARS

REGIONS
FOR Food and Milk [Signature]

[Redacted]

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1232
87-1/640

DATE July 1, 15 CHECK NUMBER

PAY TO THE ORDER OF Jerry Cunningham \$ 1500⁰⁰
fifteen Hundred and 00/100 ————— DOLLARS

REGIONS
FOR xxx [Signature]

[Redacted]

APPENDIX B – FOLLOW-UP QUESTIONS

MC1142 (Rev 11/12) M 357639



Checking Withdrawal

DATE 4/28/16

NON-NEGOTIABLE

\$ 4508.00

Four thousand five hundred and eight⁰⁰/₁₀₀ DOLLARS

Transfer / Payment To:

VICTOR LOAN DEPARTMENT

Account Type - Account Number

Print Name *Mark Hampton*

Signature

Withdrawal Account Number

CASH ONLY / READ INSTRUCTIONS / SECURITY FEATURES LISTED ON BACK / INDICATE BY STAMPING OR DOUBLING

AUTUMN HILLS ASSISTED LIVING, INC.
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001/640

20076

November 6, 2015

PAY TO THE ORDER OF SUNSHINE CAPITAL \$ 4,000⁰⁰

Four Thousand NO/KX DOLLARS

MEMO BALANCE DUE \$3,000

Louis Left

Autumn Hills Asst Living Facility, LLC
1010 Camilla Caldwell Ln
Nashville TN 37218-3000
TN DL 038428403

527

11/16/16 DATE

PAY TO THE ORDER OF Melvin Corlew \$ 2,125.00

Two Thousand One Hundred Twenty Five⁰⁰/₁₀₀ DOLLARS

TRUXTON TRUST
A PRIVATE BANK
4526 Harding Road, Nashville, TN 37205

FOR Roll over 1975; Cash 150

Sam Fatha

APPENDIX B – FOLLOW-UP QUESTIONS

Autumn Hills Asst Living Facility
1010 Camilla Caldwell Ln
Nashville, TN 37218-3000

1008
87-891/640

11-28-2016
Date

PAY TO THE ORDER OF Cash \$ 150.00

One Hundred Fifty + $\frac{00}{100}$ DOLLARS

TRUXTON TRUST
A PRIVATE BANK

FOR Resident cash Fund Sam Latham MP

Autumn Hills Asst Living Facility
1010 Camilla Caldwell Ln
Nashville, TN 37218-3000

1052
87-891/640

1-30-17
Date

PAY TO THE ORDER OF SAM LATHAM \$ 7500.00

Seventy Five Hundred + $\frac{00}{100}$ DOLLARS

TRUXTON TRUST
A PRIVATE BANK

FOR Back Salary Sam Latham MP


APPENDIX B – FOLLOW-UP QUESTIONS

Autumn Hills Asst Living Facility
1010 Camilla Caldwell Ln
Nashville, TN 37218-3000

1083
87-891/640


01-10-2017
DATE

PAY TO THE ORDER OF CASH \$ 225⁰⁰

Two Hundred Twenty Five Dollars & 00/100 DOLLARS 

TRUXTON TRUST
A PRIVATE BANK

FOR Purity Milk Sam Latham



APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation # 11 – Schedule for Examples of Cash, Employee, or Contractor without Notation of Business Purpose

Date of Payment	Bank	Bank Account #	Check Signer	Payee	Check #	Remark	Amount
7/3/2014	Pinnacle	886	Deborah Neal	Deborah Neal	Withdrawal	Blank	7,000.00
7/4/2014	Pinnacle	886	Deborah Neal	Deborah Neal	Withdrawal	Blank	2,600.00
7/8/2014	Pinnacle	886	Deborah Neal	Deborah Neal	Withdrawal	Blank	1,336.62
7/10/2014	Pinnacle	886	Deborah Neal	Deborah Neal	Withdrawal	Blank	5,000.00
7/15/2014	Pinnacle	886	Deborah Neal	Deborah Neal	Withdrawal	Blank	2,700.00
7/21/2014	Pinnacle	886	Deborah Neal	James Newsome	Ck 1005	Blank	2,500.00
7/24/2014	Pinnacle	886	Deborah Neal	James Newsome	Ck 1008	Blank	2,560.00
8/15/2014	Pinnacle	886	Paul Miller	James Newsome	Ck 1073	Blank	810.00
9/8/2014	Pinnacle	006	Blank	James Newsome Contractor	Withdrawal	Blank	1,000.00
10/21/2014	Pinnacle	886	Paul Miller	James Newsome	Ck 1137	Blank	3,600.00
11/5/2014	Regions	229	Paul Miller	Dr. Eddie Hamilton	Counter check	Blank	2,300.00
11/7/2014	Regions	229	Paul Miller	James Newsome	Blank	Blank	1,200.00
11/14/2014	Regions	237	Paul Miller	James Newsome	Ck 1007	Blank	480.00
11/21/2014	Regions	229	Paul Miller	James Newsome	Ck 1036	Blank	1,580.00
11/28/2014	Regions	229	Paul Miller	James Newsome	Ck 1038	Blank	928.00
12/6/2014	Regions	237	Paul Miller	James Newsome	Ck 1031	Blank	910.00
12/11/2014	Regions	237	Paul Miller	Paul Miller	Check #1033	Blank	7,000.00
12/12/2014	Regions	237	Paul Miller	Cash	Check #1036	Blank	2,000.00
12/31/2014	Regions	237	Paul Miller	Joe Tibbs	Check #1041	Blank	3,000.00
1/13/2015	Regions	237	Paul Miller	Intergra Realty Resources - Mem	Check #1057	Blank	2,500.00
1/20/2015	Regions	229	Paul Miller	James Newsome	Ck 1055	Blank	1,344.00
1/21/2015	Regions	237	Paul Miller	James Newsome	Ck 1059	Blank	4,200.00
1/23/2015	Regions	237	Paul Miller	James Newsome	Ck 1060	Blank	1,400.00
2/5/2015	Regions	229	Paul Miller	James Newsome	Ck 1059	Blank	1,344.00
2/10/2015	Regions	237	Paul Miller	Joe Tibbs	Check #1072	Blank	1,500.00
2/13/2015	Regions	237	Paul Miller	Jerry Cunningham	Check #1078	Blank	2,700.00
3/6/2015	Regions	229	Paul Miller	James Newsome	Ck 1069	Blank	1,344.00
3/7/2015	Regions	237	Paul Miller	Joe Tibbs	Check #1093	Blank	1,228.00
3/10/2015	Regions	237	Paul Miller	Ins and P. Thompson	Check #1097	Blank	6,600.00
3/19/2015	Regions	229	Paul Miller	James Newsome	Ck 1073	Blank	4,000.00
3/20/2015	Regions	237	Paul Miller	Unknown	Withdrawal	Blank	35,000.00

APPENDIX B – FOLLOW-UP QUESTIONS

Date of Payment	Bank	Bank Account #	Check Signer	Payee	Check #	Remark	Amount
4/3/2015	Regions	210	Paul Miller	James Newsome	Ck 1027	Blank	960.00
4/6/2015	Regions	237	Paul Miller	James Newsome	Ck 1119	Blank	2,000.00
4/20/2015	Regions	229	Paul Miller	James Newsome	Ck 1085	Blank	1,056.00
4/29/2015	Regions	237	Paul Miller	Several	Check #1161 Cash	Blank	8,000.00
5/4/2015	Regions	237	Paul Miller	Billy Golden	Check #1170	Blank	1,000.00
5/4/2015	Regions	237	Paul Miller	James Newsome	Ck 1172	Blank	1,100.00
5/5/2015	Regions	210	Paul Miller	James Newsome	Ck 1040	Blank	1,296.00
5/8/2015	Regions	237	Paul Miller	James Newsome	Check #1184	Blank	2,000.00
5/8/2015	Regions	237	Paul Miller	Unknown	Withdrawal	Blank	5,000.00
5/8/2015	Regions	237	Paul Miller	James Newsome	Ck 1184	Blank	2,000.00
6/3/2015	Regions	237	Paul Miller	Kenneth Larry	Check #1200	Blank	3,857.00
6/5/2015	Regions	229	Paul Miller	James Newsome	Ck 1090	Blank	1,776.00
6/5/2015	Regions	237	Paul Miller	Kenneth Larry	Check #1207	Blank	3,900.00
6/12/2015	Regions	237	Paul Miller	Paul Miller	Check #1216 Cash	Blank	14,066.00
6/15/2015	Regions	237	Paul Miller	James Newsome	Ck 1218	Blank	750.00
6/19/2015	Regions	229	Paul Miller	James Newsome	Ck 1094	Blank	1,260.00
6/30/2015	Regions	229	Paul Miller	James Newsome	Ck 1102	Blank	200.00
7/3/2015	Regions	229	Paul Miller	James Newsome	Ck 1105	Blank	1,416.00
7/3/2015	Regions	237	Paul Miller	Kenneth Larry	Check #1233	Blank	2,883.00
7/10/2015	Regions	229	Paul Miller	James Newsome	Ck 1112	Blank	648.00
7/13/2015	Regions	229	Paul Miller	James Newsome	Ck 1110	Blank	1,500.00
7/27/2015	Regions	237	Paul Miller	James Newsome	Ck 1268	Blank	388.00
8/4/2015	Regions	237	Paul Miller	Pat	Check #1277	Blank	13,016.00
8/5/2015	Regions	229	Paul Miller	James Newsome	Ck 1115	Blank	1,189.00
8/13/2015	Regions	237	Paul Miller	US Bank	Check #1287	Blank	3,001.73
9/18/2015	Regions	237	Paul Miller	James Newsome	Ck 20015	Blank	960.00
9/29/2015	Regions	237	Mike Hampton	Sunshine Corporate Hldgs	Check #20017	Blank	4,000.00
10/5/2015	Regions	237	Paul Miller	James Newsome	Ck 20046	Blank	1,152.00
10/20/2015	Regions	237	Toni Taylor	James Newsome	Ck 20062	Blank	1,152.00
10/23/2015	Regions	200	Mike Hampton	Stan McNeese	Withdrawal	Blank	9,008.00

APPENDIX B – FOLLOW-UP QUESTIONS

Date of Payment	Bank	Bank Account #	Check Signer	Payee	Check #	Remark	Amount
10/23/2015	Regions	200	Mike Hampton	Ms. Jones	Withdrawal	Blank	2,408.00
10/30/2015	Regions	200	Mike Hampton	Fisk University	Withdrawal	Blank	2,008.00
11/3/2015	Regions	237	Toni Taylor	Sunshine Capital	Check #20081	Blank	600.00
12/4/2015	Regions	200	Mike Hampton	James Newsome	Withdrawal	Blank	800.00
12/18/2015	Regions	237	Toni Taylor	James Newsome	Ck 20093	Blank	924.00
12/31/2015	Regions	237	Toni Taylor	Monica Edwards	Check #20103	Blank	3,000.00
1/21/2016	Regions	200	Mike Hampton	Joe Tibbs	Withdrawal	Blank	930.00
2/5/2016	Regions	237	Toni Taylor	James Newsome	Ck 20114	Blank	996.00
5/24/2016	Regions	200	Mike Hampton	Roger Seone	Withdrawal	Blank	5,000.00
6/6/2016	Regions	237	Toni Taylor	Monica Edwards	Check #20191	Blank	3,700.00
6/12/2016	Regions	237	Toni Taylor	Monica Edwards	Check #20200	Blank	4,000.00
7/7/2016	Regions	237	Toni Taylor	Timothy Niarhos	Check #20215	Blank	2,500.00
9/21/2016	Regions	237	Paul Miller	Pat Thompson	Check #20013	Blank	2,500.00
10/12/2016	Regions	200	Toni Taylor	James Newsome	Withdrawal	Blank	950.00
11/3/2016	Regions	210	Paul Miller	Unknown	Withdrawal	Blank	20,488.55
12/5/2016	Regions	210	Toni Taylor	Unknown	Withdrawal	Blank	14,162.74
1/4/2017	Regions	210	Toni Taylor	Unknown	Withdrawal	Blank	5,437.00
						Total	272,603.64

Date of Payment	Bank	Bank Account #	Check Signer	Payee	Check #	Remark	Amount
November	Truxton Trust		Sam Latham	Autumn Hills	Blank	Blank	700.00
November	Truxton Trust		Sam Latham	Autumn Hills	Blank	Blank	1,000.00
November	Truxton Trust		Sam Latham	Sam Latham	Blank	Blank	375.00
November	Truxton Trust		Sam Latham	Sam Latham	Blank	Blank	700.00
November	Truxton Trust		Sam Latham	Autumn Hills	Blank	Blank	150.00
November	Truxton Trust		Sam Latham	Sam Latham	521	Blank	500.00
November	Truxton Trust		Sam Latham	Ricardo Gana	513	Blank	420.00
November	Truxton Trust		Sam Latham	Joe Tibbs	514	Blank	700.00
December	Truxton Trust		Sam Latham	Milton Clark	1032	Blank	250.00
February	Truxton Trust		Sam Latham	Brianna Lee	1163	Blank	1,500.00
						Total	6,295.00

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation # 11 – Examples of Cash, Employee, or Contractor without Notation of Business Purpose

**AUTUMN HILLS ASSISTED LIVING
OPERATING ACCT**
1010 CAMILLA CALDWELL LN
NASHVILLE, TN 37218

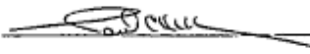
1102
87-0663 0640
22

DATE 9-10-14

PAY TO THE ORDER OF Cash \$ 1100⁰⁰

One thousand DOLLARS

Pinnacle
615-744-3700 www.pnlp.com

FOR Subcontractor 

[Redacted]

**AUTUMN HILLS ASSISTED LIVING
OPERATING ACCT**
1010 CAMILLA CALDWELL LN
NASHVILLE, TN 37218


1130
87-0663 0640
22

DATE 10-7-14

PAY TO THE ORDER OF Mike Hampton \$ 2,000.00

Two thousand and 00/100 DOLLARS

Pinnacle
615-744-3700 www.pnlp.com

FOR Subcontractor 

[Redacted]

OK D. Dillon

**AUTUMN HILLS ASSISTED LIVING
OPERATING ACCT**
1010 CAMILLA CALDWELL LN
NASHVILLE, TN 37218

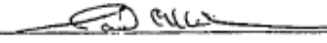
1137
87-0663 0640
22

DATE 10-21-14

PAY TO THE ORDER OF James Newson \$ 360⁰⁰

Three hundred and 00/100 DOLLARS

Pinnacle
615-744-3700 www.pnlp.com

FOR Subcontractor 

[Redacted]

APPENDIX B – FOLLOW-UP QUESTIONS

OK D. Dillon

AUTUMN HILLS ASSISTED LIVING OPERATING ACCT
1010 CAMILLA CALDWELL LN
NASHVILLE, TN 37218

1137
87-06630540
22

DATE 10-21-14

PAY TO THE ORDER OF James Newson \$ 3600⁰⁰

Three Six Hundred and 00/100 DOLLARS

Pinnacle
615-744-3700 www.pnlp.com

FOR [Redacted] *[Signature]*

MC1142 (Rev 11/12) 31 3400025

REGIONS
(FOR INTERNAL USE ONLY)

Checking Withdrawal
NON-NEGOTIABLE

DATE 11/6/14

\$ 15,000.00
~~15,000.00~~

Fifteen Thousand and 00/100 DOLLARS

Transfer / Payment To:

Account Type _____ Account Number _____

Print Name Paul C Miller

Signature *[Signature]*

Withdrawal Account Number [Redacted]

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1041
87-10640

DATE 12/31/14

PAY TO THE ORDER OF Joe Tibbs \$ 3,000⁰⁰

Three Thousand — NO/KX DOLLARS

REGIONS

FOR [Redacted] *[Signature]*

APPENDIX B – FOLLOW-UP QUESTIONS

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1059
87-1/640

1-21-15 DATE CHECK NUMBER

PAY TO THE ORDER OF James Newsome \$ 4200⁰⁰
forty two hundred DOLLARS

REGIONS

FOR [Redacted] [Signature]

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1090
87-1/640

3-5-15 DATE CHECK NUMBER

PAY TO THE ORDER OF Regions \$ 4316⁰⁰
forty three hundred sixteen and 00/100 DOLLARS

REGIONS

FOR [Redacted] [Signature]

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1188
87-1/640

5-22-15 DATE CHECK NUMBER

PAY TO THE ORDER OF Cash \$ 1200⁰⁰
twelve hundred and 00/100 DOLLARS

REGIONS

FOR [Redacted] [Signature]

APPENDIX B – FOLLOW-UP QUESTIONS

3041

AUTUMN HILLS ASSISTED LIVING FACILITY, LLC
OPERATING ACCOUNT
1010 CAMILLA CALDWELL LANE
NASHVILLE, TN 37218
615-840-6000

REGIONS BANK
87-1/640

August 11, 2016

PAY TO THE ORDER OF

TWO THOUSAND THREE HUNDRED FORTY EIGHT ⁰⁰/₁₀₀ DOLLARS

\$2,348⁰⁰

MEMO

Louis Ly
AUTHORIZED SIGNATURE

Security features. Details on back.

[REDACTED]

MC1142 (Rev 11/12) M 3538925



Checking Withdrawal

NON-NEGOTIABLE

DATE _____

\$ 5,600

_____ DOLLARS

Transfer / Payment To:

Account Type _____ Account Number _____

Print Name Louis Ly
Signature _____

[REDACTED]
Withdrawal Account Number

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation # 12 – Personal Credit Card, US Bank

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1287
87-1/640

Aug 13, 15 DATE CHECK #

PAY TO THE ORDER OF U.S. Bank \$ 3001.77

Three thousand one and 17/100 DOLLARS

REGIONS

FOR [Signature]

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1215
87-1/640

June 10 15 DATE CHECK #

PAY TO THE ORDER OF US Bank \$ 4445.61

forty four Hundred forty five and 61/100 DOLLARS

REGIONS

FOR [Redacted] 421

00053 01738 0001 06/10/2015 11:11 US
CHECK E/L [Redacted] 921 H
BEAUTY P MILLER

\$4,445.61

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation # 13 – Legal Fees

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1021
87-1640

12-1-14 DATE

PAY TO THE ORDER OF Atty Stan McNeal \$ 3000
Three Thousand DOLLARS

REGIONS

FOR Legal Services [Signature]

[Redacted]

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1228
87-1640

June 30-15 DATE

PAY TO THE ORDER OF Thompson Burton PLLC \$ 5000
Five Thousand and 00/100 DOLLARS

REGIONS

FOR James Lee - Atty Retainer [Signature]

[Redacted]

CASH ONLY IF ALL CheckLock™ SECURITY FEATURES LISTED ON EACH INDICATE NO TAMPERING OR COPYING

AUTUMN HILLS ASSISTED LIVING, INC.
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001640

20159

APR 15, 2014

PAY TO THE ORDER OF Thompson Burton PLLC \$ 2,000.00
Two Thousand — NO/XX DOLLARS

REFER TO Invoice #5420 [Signature]

[Redacted]

APPENDIX B – FOLLOW-UP QUESTIONS

CASH ONLY IF ALL CheckLock™ SECURITY FEATURES LISTED ON BACK INDICATE NO TAMPERING OR COPYING

AUTUMN HILLS ASSISTED LIVING, INC.
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001640

20107

12/31/15

PAY TO THE ORDER OF Bradley ARANT Boulton \$ 5,000⁰⁰

FIVE THOUSAND 00/100 DOLLARS

MEMO 208415
LEGAL Services

Joni Lyle

CASH ONLY IF ALL CheckLock™ SECURITY FEATURES LISTED ON BACK INDICATE NO TAMPERING OR COPYING

AUTUMN HILLS ASSISTED LIVING, INC.
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001640

JUL 01 2016 20208

6/28/16

PAY TO THE ORDER OF STONE HIGGS DREXLER \$ 5,000⁰⁰

FIVE THOUSAND DOLLARS DOLLARS

MEMO 15-913
GORDAN FOODS
-65- Autumn Hills

Joni Lyle

CASH ONLY IF ALL CheckLock™ SECURITY FEATURES LISTED ON BACK INDICATE NO TAMPERING OR COPYING

AUTUMN HILLS ASSISTED LIVING, INC.
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001640

20103

12/31/15

PAY TO THE ORDER OF Monica Edwards \$ 3,000⁰⁰


THREE THOUSAND 00/100 DOLLARS

MEMO

Joni Lyle

APPENDIX B – FOLLOW-UP QUESTIONS

CASH ONLY IF ALL CHECKSAFE™ SECURITY FEATURES LISTED ON BACK INDICATE NO TAMPERING OR COPYING

 **AUTUMN HILLS ASSISTED LIVING, INC.**
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001640

20200

June 12, 2016

PAY TO THE ORDER OF MONICA EDWARDS \$ 4,000⁰⁰

Four Thousand Dollars DOLLARS


AUTUMN HILLS ASSISTED LIVING, INC.

Joni Lyle

MI, MO

[Redacted]

CASH ONLY IF ALL CHECKSAFE™ SECURITY FEATURES LISTED ON BACK INDICATE NO TAMPERING OR COPYING

 **AUTUMN HILLS ASSISTED LIVING, INC.**
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001640

20191

JUNE 6, 2016

PAY TO THE ORDER OF MONICA EDWARDS, ESQ \$ 3,700⁰⁰

THREE THOUSAND SEVEN HUNDRED ~~NO~~ DOLLARS

AUTUMN HILLS ASSISTED LIVING, INC.

Joni Lyle

MI, MO

[Redacted]

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit G – Support Documentation # 14 Accounting Services, no documentation

AUTUMN HILLS ASSISTED LIVING OPERATING ACCT
1010 CAMILLA CALDWELL LN
NASHVILLE, TN 37218

1090
87-0863/0640
22

DATE 8-29-14

PAY TO THE ORDER OF Hoskins & Company \$ 5,000⁰⁰
five Thousand no/100 DOLLARS

Pinnacle
815-744-3700 www.prip.com

FOR _____ [Signature] MP

Autumn Hills
1010 Camilla Caldwell Ln
Nashville, TN 37218

87-1/640

DATE 11-2-14

PAY TO THE ORDER OF Hoskins & Company \$ 3100⁰⁰
thirty one Hundred DOLLARS

REGIONS 11

FOR _____ [Signature] MP

AUTUMN ASSISTED LIVING PARTNERS INC.
1010 Camilla Caldwell Lane
Nashville, TN 37218

1087
87-1/640

DATE 3/3/15

PAY TO THE ORDER OF HARVEY Hoskins \$ 1,000⁰⁰
ONE Thousand no/100 DOLLARS

REGIONS

FOR _____ [Signature] MP

APPENDIX B – FOLLOW-UP QUESTIONS

CASH ONLY. BACK CHECKS FOR SECURITY FEATURES LISTED ON BACK INDICATE NOT TAMPERING OR FORGING.

AUTUMN HILLS ASSISTED LIVING, INC.
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001/640

20176

MAY 2, 2016

PAY TO THE ORDER OF Hoskins & Company \$ 5,000.00
Five Thousand no/xx DOLLARS

MEMO

[Redacted]

[Signature]

Details on Back. © 2015 InSafe Checks, Inc. Secure Check

CASH ONLY. BACK CHECKS FOR SECURITY FEATURES LISTED ON BACK INDICATE NOT TAMPERING OR FORGING.

AUTUMN HILLS ASSISTED LIVING, INC.
1010 Camilla Caldwell Ln
Nashville, TN 37218
(615) 840-6000

REGIONS BANK
Nashville, TN
87-001/640

20184

MAY 27, 2016

PAY TO THE ORDER OF Hoskins + Company \$ 1,500
One Thousand Five Hundred no/xx DOLLARS

MEMO

[Redacted]

[Signature]

Details on Back. © 2015 InSafe Checks, Inc. Secure Check

APPENDIX B – FOLLOW-UP QUESTIONS

Exhibit H – Agreement with Signal Hill Capital Group LLC

L-2960



2013 JUN 19 PM 4: 15

FILED
METROPOLITAN

March 25, 2013

Mr. Jason E. Boyd
Chief Executive Officer
Metropolitan Nashville Hospital Authority
Nashville General Hospital
1818 Albion Street
Nashville, TN 37208

Mr. Richard M. Riebeling
Director of Finance
Metropolitan Government of Nashville
Metro Courthouse
1 Public Square
Suite 106
Nashville, TN 37201

Dear Sirs:

This Agreement (this "Agreement") will confirm the basis upon which the Metropolitan Nashville Hospital Authority and the Metropolitan Government of Nashville and Davidson County (collectively, the "Client") have engaged Signal Hill Capital Group LLC ("Signal Hill") to provide advisory and investment banking services with respect to the exploration of strategic alternatives that may lead to a possible transaction, through sale, merger, joint venture or otherwise, whether effected in a single transaction or a series of related transactions, in which 40% or more of the assets or interests related to or associated with Bordeaux Long-Term Care and Knowles Home (collectively including any affiliates, the "Company") or all or a substantial portion of its business or assets are combined with or transferred to another entity (a "Transaction").

Section 1. Services to be Rendered. Signal Hill agrees to perform such of the following financial advisory and investment banking services as Client and Company reasonably and specifically request:

- (a) Signal Hill will familiarize itself to the extent it deems appropriate and feasible with the business, operations, financial condition and prospects of the Client and Company;
- (b) Signal Hill will assist Client and Company in identifying and evaluating candidates for a potential Transaction;
- (c) Signal Hill, in coordination with Client and Company, will prepare and implement a marketing plan and, working with the management of and assembling information provided by Client and Company, prepare a memorandum describing Client and Company (the "Selling Memo") for distribution to potential parties to a Transaction;
- (d) Signal Hill will contact potential candidates which Signal Hill and Client and Company have agreed may be appropriate for a potential Transaction, and in rendering such services, Signal Hill may meet with representatives of such candidates and provide such representatives with such information about Client and Company as may be appropriate and acceptable to Client and Company, subject to customary business

SIGNAL HILL CAPITAL GROUP LLC • 300 EAST LOMBARD STREET, SUITE 1700 • BALTIMORE, MARYLAND 21202-3243
TEL 443-478-2400 • FAX 443-478-2401 • www.signalhill.com

APPENDIX B – FOLLOW-UP QUESTIONS

Mr. Jason E. Boyd
March 25, 2013
Page 2 of 6

confidentiality; no contacts will be made of potential candidates without approval of prospective candidate by Client or Company and the Selling Memo or other evaluation materials will not be distributed to any candidate without that candidate's execution of a Confidentiality Agreement in advance;

- (e) Signal Hill will advise and assist Client and Company in considering the desirability of effecting a Transaction, and, if Client and Company believes such a Transaction to be desirable, in developing and implementing a general strategy for accomplishing a Transaction; and
- (f) Signal Hill will advise and assist Client and Company in the course of its negotiation of a Transaction and will participate in such negotiations as requested.

Client and Company will furnish, and, if Client and Company enters into negotiations with a counterparty regarding a possible Transaction, will request such counterparty to furnish, to Signal Hill such information as Signal Hill reasonably requests in connection with the performance of its services hereunder (all such information so furnished is referred to herein as the "Information"). Client and Company understands and agrees that Signal Hill, in performing its services hereunder, will use and rely upon the Information as well as publicly available information regarding Client and Company and any counterparties and that Signal Hill does not assume responsibility for independent verification of any information, whether publicly available or otherwise furnished to it, concerning Client and Company or any counterparties, including, without limitation, any financial information, forecasts or projections, considered by Signal Hill in connection with the rendering of its services. Accordingly, Signal Hill shall be entitled to assume and rely upon the accuracy and completeness of all such information and is not required to conduct a physical inspection of any of the properties or assets, or to prepare or obtain any independent evaluation or appraisal of any of the assets or liabilities, of Client and Company or any counterparty. With respect to any financial forecasts and projections made available to Signal Hill by Client and Company or any counterparty and used by Signal Hill in its analysis, Signal Hill shall be entitled to assume that such forecasts and projections have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of Client and Company or such counterparty, as the case may be, as to the matters covered thereby.

In connection with the services described in this Section 1, Client and Company will authorize Signal Hill, as Client and Company's representative, to transmit the Selling Memo to potential parties to a Transaction once the Selling Memo is properly finalized by agreement of the parties and authorized to be distributed. Client and Company hereby acknowledges that all information contained in the Selling Memo will be provided by or based upon information provided by Client and Company or third parties, and that Client and Company will be solely responsible for the contents thereof.

Section 2. Fees. Client and Company shall pay Signal Hill for its services hereunder a cash fee equal to:

APPENDIX B – FOLLOW-UP QUESTIONS

Mr. Jason E. Boyd
March 25, 2013
Page 3 of 6

- (a) \$50,000, of which \$25,000 is payable upon the execution of this Agreement, and \$25,000 is due 60 days from the date hereof (the "Retainer Fee"), which shall be applied towards the Transaction Fee if a Transaction is consummated; and
- (b) in the event a Transaction is consummated, a cash fee (the "Transaction Fee") payable at the time of closing equal to (i) 2.0% of Aggregate Consideration (as defined below) plus (ii) the present value of future cost savings anticipated from a Transaction which reduces the current subsidies provided by the Metropolitan Government of Nashville to the Client on behalf of the Company (the "Formula Compensation"), but in no event less than \$650,000 (the "Minimum Compensation") nor greater than \$950,000 (the "Maximum Compensation"); provided that the Transaction Fee shall be reduced by the amount of any previously paid Retainer Fee.
- (c) To the extent there are multiple Transactions, the Transaction Fee shall be determined and paid as follows:
 - i. At the closing of the first Transaction, Signal Hill shall be paid the greater of the Minimum Compensation or the Formula Compensation (subject to the Maximum Compensation) based on Aggregate Consideration;
 - ii. If the Minimum Compensation was paid at the closing of the first Transaction, then Signal Hill shall not be entitled to any additional Transaction Fee until such time as the sum of all Formula Compensation, separately calculated with respect to each subsequent Transaction, exceeds the Minimum Compensation, separately calculated with respect to each subsequent Transaction (subject to the Maximum Compensation).

For purposes of this Agreement, the term "Aggregate Consideration" shall mean the total amount of cash and the fair market value on the date of consummation of the Transaction (the "Valuation Date") of all other property paid or payable directly or indirectly to Client and Company in connection with a Transaction including (i) the amount of indebtedness for borrowed money or similar non-trade liabilities or obligations (including unfunded pension liabilities, guarantees, capitalized leases and the like) of Client and Company repaid, retired, extinguished or assumed in connection with, or which otherwise remains outstanding as of the closing of, a Transaction; and (ii) the fair market value of any assets of Client and Company which are retained by or otherwise distributed to its affiliates in anticipation of or in connection with a Transaction.

Section 3. Expenses. In addition to any fees that may be payable to Signal Hill hereunder and regardless of whether any Transaction is proposed or consummated, Client and Company hereby agrees, from time to time upon request, to reimburse Signal Hill for all reasonable fees and disbursements of Signal Hill's counsel and all of Signal Hill's reasonable travel and other out-of-pocket expenses incurred in connection with any actual or proposed Transaction or otherwise arising out of Signal Hill's engagement hereunder. Except as otherwise contemplated by Section

APPENDIX B – FOLLOW-UP QUESTIONS

Mr. Jason E. Boyd
March 25, 2013
Page 4 of 6

8 below, expenses in excess of \$25,000 in the aggregate will require the consent of the Client and Company (which consent shall not be unreasonably withheld).

Section 4. Termination of Engagement. Signal Hill's engagement hereunder may be terminated by either Client and Company or Signal Hill at any time, with or without cause, upon written advice to that effect to the other party; provided, however, that

- (a) Signal Hill will be entitled to its full fee as outlined in Section 2 hereof in the event that (i) at any time prior to the expiration of 24 months after such termination by Client and Company, a Transaction is consummated; or (ii) Client and Company enters into a definitive agreement during the term of this Agreement or during such 24 month period which results in a Transaction; and
- (b) the provisions of this Section 4 and of Sections 3, 7 and 8 hereof shall survive such termination.

Section 5. Reliance on Others. Client and Company confirms that it will rely on its own counsel, accountants and other similar expert advisors for legal, accounting, tax and other similar advice.

Section 6. Publicity. In the event of consummation of any Transaction, Signal Hill shall have the right, at its own expense, to disclose its participation in such Transaction in financial and other newspapers and journals and in Signal Hill marketing materials and transaction lists through the use of customary "tombstone" advertisements. Any other announcements or publicity regarding the execution of this Agreement and Signal Hill's involvement in the Transaction shall be subject to the prior approval by Signal Hill and Client and Company of the contents of such announcement; provided that, Client and Company shall maintain the right to respond to public record requests as required by law.

Section 7. Risk Allocation. Signal Hill's total liability relating to this Agreement shall in no event exceed the fees Signal Hill receives hereunder for the portion of the work giving rise to the liability, or include any special, consequential, incidental or exemplary damages or loss (nor any lost profits, savings or business opportunity). Any limitation of liability as between the parties shall be governed by Tennessee law. To the extent permitted by Tennessee law and subject to the availability of lawful appropriation, Client and Company will indemnify and defend Signal Hill, its affiliates and their respective directors, officers and employees against all costs, fees, expenses, damages and liabilities (including defense costs) associated with any third party claim, relating to arising as a result of the engagement hereunder or this Agreement.

Section 8. Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Tennessee without regard to the conflicts of laws provisions thereof. Any right to trial by jury with respect to any claim, action, suit or proceeding arising out of this Agreement or any of the matters contemplated hereby is waived.

Section 9. No Rights in Shareholders, etc. Client and Company recognizes that Signal Hill has been engaged only by Client and Company, and that Client and Company's engagement of Signal Hill is not deemed to be on behalf of and is not intended to confer rights upon any party

APPENDIX B – FOLLOW-UP QUESTIONS

Mr. Jason E. Boyd
March 25, 2013
Page 5 of 6

associated with the Client and Company or any other person not a party hereto as against Signal Hill or any of its affiliates or any of their respective directors, officers, agents, employees or representatives. Unless otherwise expressly agreed, no one other than Client and Company is authorized to rely upon Client and Company's engagement of Signal Hill or any statements, advice, opinions or conduct by Signal Hill, and Client and Company will not disclose such statements, advice, opinions or conduct to others (except Client and Company's professional advisors and except as required by law). Without limiting the foregoing, any opinions or advice rendered to Client and Company's Board of Directors or management in the course of Client and Company's engagement of Signal Hill are for the purpose of assisting the Board or management, as the case may be, in evaluating the Transaction and do not constitute a recommendation to Client and Company concerning action that such party might or should take in connection with the Transaction. Signal Hill's role herein is that of an independent contractor; nothing herein is intended to create or shall be construed as creating a fiduciary relationship between Client and Company and Signal Hill.

Section 10. Amendments. No modifications or amendments to this Agreement shall be valid or enforceable unless mutually agreed to in writing by the parties.

Section 11. Miscellaneous. In order to coordinate most effectively the activities of Client and Company and Signal Hill contemplated by this Agreement, both Client and Company (including management or other officers and directors of Client and Company) and Signal Hill will promptly inform the other of inquiries of third parties which it receives concerning a Transaction. Nothing in this Agreement is intended to obligate or commit Signal Hill or any of its affiliates to provide any services other than as set out above. This Agreement may be executed in two or more counterparts, all of which together shall be considered a single instrument. This Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings (both written and oral) of the parties hereto with respect to the subject matter hereof, and cannot be amended or otherwise modified except in writing executed by the parties hereto. The provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of Client and Company and Signal Hill.

APPENDIX B – FOLLOW-UP QUESTIONS

Mr. Jason E. Boyd
March 25, 2013
Page 6 of 6

Section 12. Effective Date. This agreement shall not be binding upon the parties until it has been signed by all the signatories. When it has been signed and approved as required by law, this Agreement shall be effective as of the date written above.

Sincerely,
SIGNAL HILL CAPITAL GROUP LLC

By _____

AGREED TO:
NASHVILLE GENERAL HOSPITAL

By _____

Jason E. Boyd
CEO

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Purchasing Agent

Date 5/22/13

APPROVED AS TO AVAILABILITY OF FUNDS:

Richard M. Riebeling, Director

Date 5/20/13

APPROVED AS TO INSURANCE:

Director of Insurance

Date 5/21/13

APPROVED AS TO FORM AND LEGALITY:

Director of Law

Date 5-17-2013

FILED IN THE OFFICE OF THE METROPOLITAN CLERK:

Metropolitan Clerk

Date 10/19/13