



Southern Resources Consultants, Inc.

2008

ANNUAL REPORT

SRC, Inc.

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*Accredited by
The Rehabilitation Accreditation Commission*

**2008
Annual Report**

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Southern Resources Consultants, Inc. is a for profit Georgia corporation doing business as SRC, Inc. This agency does not discriminate on the basis of race, color, national origin, sex, religion, age, or disabilities in employment or in the provision of services. SRC programs and services are primarily funded on a contractual basis by the Georgia Department of Medical Assistance and the Georgia Department of Human .

Our Mission

*The mission of
Southern
Resources
Consultants, Inc.
is to enrich the
value of life for
the people we
serve in their
community.*

SRC



Southern Resources Consultants, Inc



From our Chief Executive Officer

FY 2008

To all of SRC's stakeholders,

At SRC we have taken the last couple of years to “rebuild” and “re-focus” our business and we have seen some great results.

We took a hard look at our group homes and decided to try and pursue having more group homes in order to serve more individuals in their communities. We opened a group home in Region 1 in April 2007 and it was a real success. About a year later we became aware of a potential and upcoming opportunity to take over some of the operation in Region 1 from a company that was leaving Georgia. Since we had a good experience with the home that we had opened in Adairsville we worked hard toward the goal of taking part or all of the operation in Region 1 from the provider that was leaving Georgia.

It was ultimately agreed by all of the parties involved that we would take over the operation of three group homes and a number of in home care consumers from the company.

Early in fiscal 2008 we were fortunate enough to contract with two other providers who in total have four group homes in the west metro area, also actually in Region 1. This has been a good partnership for their operation and for our company.

Of course with the growth comes some growing pain. We have stretched and scrambled to keep up with the new consumers and provide them an excellent level of support to add to their life in their community and to make sure that SRC is their

Our Services Have Expanded!

“provider of choice.” All of a sudden, or so it seemed, our quarterly Quality Assurance Meetings and our Provider Training Meetings became very large! Payroll expanded, personnel seemed to be being added everywhere and our client record room was bursting at the seams.

We have added staff, expanded office space and have everyone working hard to be the best we can be. We continue to focus on providing quality service, having well trained dedicated employees and contract workers, and continuing to look for areas where we can grow and share our success with others.

SRC continues to provide service in CCSP, ICWP and in Private services in individuals’ homes. We look forward to continue to grow these areas of service in addition to providing in home supports through the NOW and COMP Waivers. Since SRC is licensed as a Private Home Care Provider we are in a great position to offer all of these services to individuals in community settings.

We strongly believe that we offer the best services and we will continue to work with the other stakeholders for the consumers we serve to work with them to help make their lives in their community the best they can be!



President/CEO
President



FY 2008

From our Chief Operating Officer

SRC continued to feel economic pressure during the fiscal year of 2008, well into what we now know was the beginning of an acknowledged recession. We continued to work to try and improve the rates that we are paid for our “core” business. Neither the MRWP nor ICWP have received rate increases in some time – we are hopeful that we will get some relief to this in the coming year. We had, in fact, anticipated that these would be implemented during fiscal 2008, but those rates were delayed – and we now know that the rates are “on hold” for the foreseeable future.

The bright part of our business as we close fiscal 2008 we have finalized an agreement with the Region 1 (Northwest area of state) to take over three group homes and about 3 persons in personal support services.

A key component of the efficiency of an organization continues to be and remain financially viable. It is necessary in order to provide services to the individual consumers / stakeholders / customers that are served by the organization. It, too, is important to our employees and contractors in continuing the excellent services for which SRC has become known. We have become active in a provider’s organization, SPADD, which we feel will be beneficial in the overall “unified voice” for providers.

Through careful planning, implementation and monitoring, SRC finished the year in sound financial shape and the company looks forward to fiscal 2009 in continuing to provide the services that we provide to the individuals served by our company.

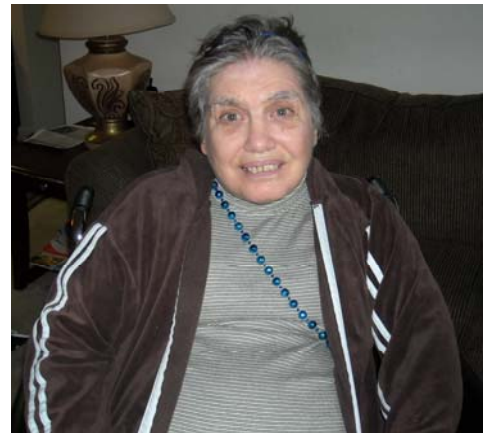
Chief Operating Officer

2008 Highlights

The income of the company continues to follow existing patterns of receiving most of the income from Medicaid. Medicaid funding is combination of Federal and State monies. The funds are administrated by the Georgia Department of Community Health / Division of Medical Assistance. Programs are approved and overseen by the Georgia Department of Human Resources, Division of Mental Health, Developmental Disabilities and Addictive Disease. During 2005 SRC ceased operating a program which had been funded by the Community Service Board, providing funding for an intensive training residence. SRC receives a small amount of funding directly from the State of Georgia / Department of Human Resources (DHR). The funds from DHR are to supplement room and board for individuals in one of the group home residences. The individuals in the MR/DD portion of the programs provide income that they receive from Social Security or Supplemental Security Income toward room, board, transportation, recreation as well as their spending money and personal allowances.



Chief Operating Officer

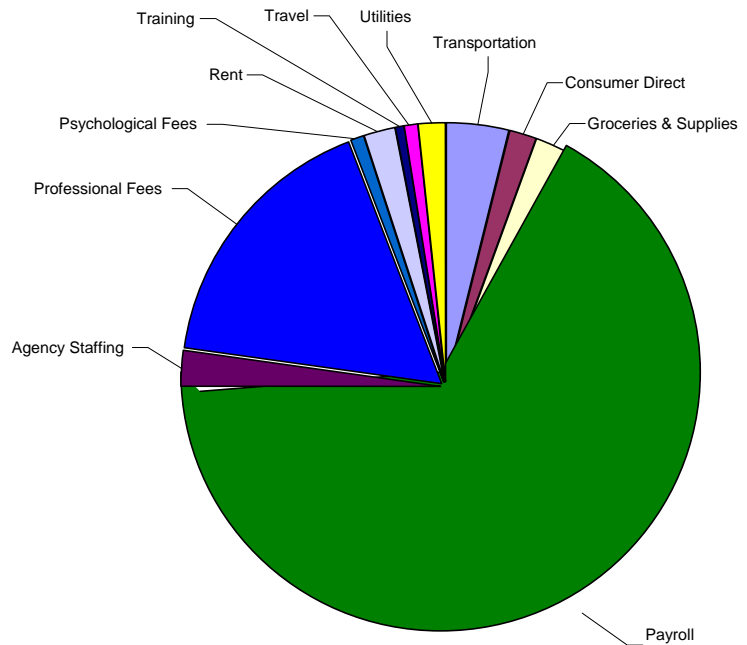




The expenses of the company are reflected on two graphs. These are divided into expense that is directly related to consumer care and expense that is related to the “business” portions of the program.

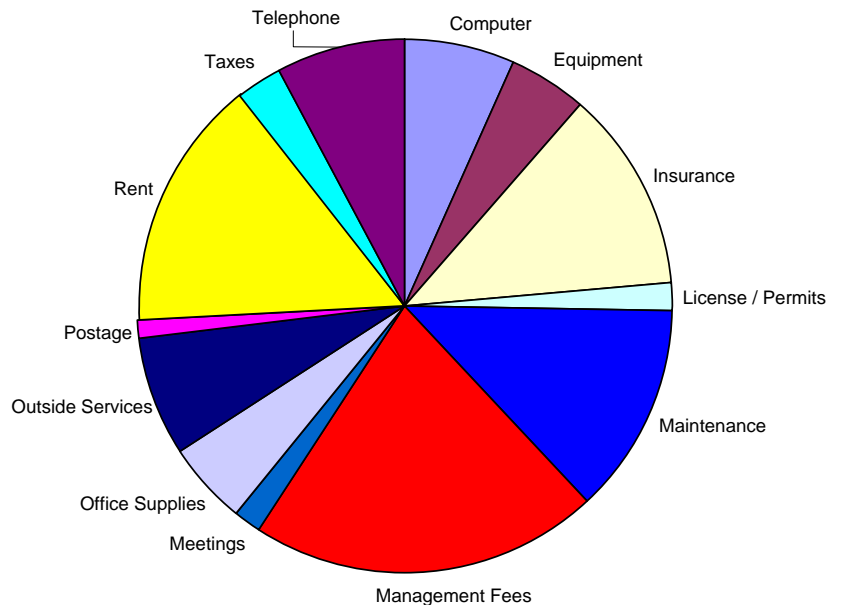
The graph reflecting “SRC Direct Expense” is that portion expense which is directly related to providing services to the consumers in the program. This, as would be expected, is primarily expense pertaining to payroll and staffing of direct care staff.

The second graph depicts “SRC Business Expense.” This is the expense of operating the business. This expense is that pertaining to the professional / management fees, insurance, accounting and legal and other business professional expense, licensing and permits, and employee training and education that is required for the provision of care in the field.



SRC - Direct Expense - 2008

SRC - Business Expense - 2008



Service Achievements



Community Services

As of June 2008 the 53 consumers served in Community Services Programs are funded by the Mental Retardation Waiver Program under Georgia's Home and Community Based Medicaid Wavier for persons with developmental disabilities who choose to live in the community.

SRC Community Living Services

Effectiveness

Expectancy goals are consistently met or exceed in terms of the percent of persons served who meet developed goals.

Efficiency

The cost of labor in our Community Housing program does not exceed revenue and is at a percent that allows for agency operation and profit

Satisfaction

Consumers served in SRC's programs express overwhelming satisfaction with the services they receive in their individual service.

SRC Host Families

Effectiveness

Individual Choice and Community integration continue to be reflected in this program.

Efficiency

The cost of labor in our Community Housing program does not exceed revenue and is at a percent that allows for agency operation and profit

Satisfaction

Satisfaction was as high as 99 percent and consistently exceeded the expectancy goal of 80 percent.

In-Home Care Services



Southern Resources Consultants, Inc. provides in-home supports for persons with physical challenges, developmental disabilities and elderly individuals.

SRC is a licensed provider of Private Home Care Services. We operate with the approval of both the Department of Human Resources and the Department of Medical Assistance. We work with the Department of Medical Assistance (DMA) to assure the optimum level of care for each person choosing our services.

Our well-trained staff provides daily assistance in the consumer's home, including 24 hours a day care if authorized by DMA. We work with the recipient to select the caregiver who can meet his/her needs as well as make the consumer comfortable in their community setting.

We also work with the consumer and their family to have staff available for emergencies and for those times when the primary caregiver cannot be available, as well as assist consumers in traveling in their community based on their wishes and abilities.

SRC utilizes Certified Nurses Assistants and aides who have completed training established by the National League of Nurses.



SRC provides in-home care services:

- **Private Pay**
- **MRWP Waiver**
- **CCSP Waiver**
- **ICWP Waiver**
- **NOW/COMP Waiver**



SRC continues to provide services through the Independent Care Waiver Program (ICWP) as well as the Community Care Services Program (CCSP). We have seen growth during the past fiscal year primarily in the developmental disabilities area where we provide in home care through the MRWP (Mental Retardation Waiver Program) which is a HCBS Wavier program.

SRC is continuing to plan ongoing increases in the services to the elderly or others confined to their homes who may require some level of assistance to remain in their home and in their community.

We continue to provide “In home Services” for the elderly. We continue to plan on growing this business during coming years. We anticipate that the majority of this part of the business will be privately paid or paid by insurance companies, such as long-term care insurance. The demographics, in general, suggest that this should be a very viable part of our business in the coming years. The increase from when we started this business has been at a slower rate than we would have thought. We do, though, continue to believe this will be a good business in the future.

