PERIODIC PROGRESS REPORT

Name and Address of Applicant or Certificate Holder:

Boys and Girls Home and Family Services, Inc.
(dba Boys and Girls Home of Alaska, Inc.)
2101 Court Street
PO Box 1197
Sioux City, Iowa 51102-1197

Project Description: 44-bed Residential Psychiatric Treatment Center (RPTC) in Fairbanks, AK with an anticipated completion date of December 31, 2008

Date Certificate of Need Issued: 4/17/06

Approved Cost: $10.5 million

All persons who have requested an exemption or have been issued a certificate of need are required to submit periodic reports until the project has been completed or terminated, as required under 7 AAC 07.105. Submittal dates are on or before January 1 and July 1 each year.

Please respond to the following questions. If the question is not applicable, please state why.

1. ***Is the project fully obligated? (An obligation is defined as an enforceable contract for acquisition, construction, or lease of a capital asset; or, in the case of donated property, the date on which the gift is completed in accordance with applicable state law.) If not, explain. If yes, indicate the nature and date of all obligations incurred to date. If the project is not fully obligated, indicate the cost and the date those obligations will be incurred.***

Full obligation to this project is completed. Date and nature of all obligations incurred is detailed in the following summary per reporting period beginning with the most current report period.

Report #3: Period Ending 12/31/2007

To present date	Buildings are fully enclosed with interior construction continuing throughout this report period
9/20/2007	Initial Boys and Girls Home of Alaska, Inc. Board of Directors meeting in Fairbanks
12/07	Beginning the licensing process for services
12/07	Hired for the Clinical Director position. Hiring for the Administrative Director position will be secured by year's end
1/29/2008	Next Boys and Girls Home of Alaska, Inc. Board of Director's Meeting scheduled

Report #2: Period Ending 6/30/2007

01/15/07	Ordered steel for project
03/22/07	Bonds secured
03/26/07	Contract signed with builder
03/26/07	Finalize land purchase
04/15/07	Preparation of land and back fill for project
04/15/07	Begin footings and foundation
05/31/07	Finalized major building equipment purchases
To present date	Construction fully underway

Report #1: Period Ending 12/31/2006

05/07/06-05/12/06	Jim Brygger, Design Architect; Greg Pranke and Bob Sheehan, staff of Boys and Girls Home met with Bill Hogan and other State officials around concerns they had for the design of the building.
05/07/06-05/12/06	Designed a process to where all had input through Bill Hogan and Jim Brygger to negotiate the concerns.
05/07/06-05/12/06	Continued to meet with community leaders in Fairbanks community.
09/01/06	Finalized campus plan with all structural building concerns being addressed.
09/01/06	Holes drilled on property to take samples for chemical test, permafrost issues and ice lenses.
10/01/06	Report back to architect and builder regarding land issues and plan created to deal with issues.
10/01/06	Signed contract with USKH Architecture firm. They have begun to create full plans from the concept plans created and approved by your departments and ours.
12/13/06	Have contract ready for surveying the land at 30th and Lathrop, Fairbanks. The land cost will be paid in full at the closing of the bond sale.
11/01/06	Began bond process with closing set for mid-January, 2007
11/01/06	GHEMM Construction chosen as the General Contractor and have began working with USKH on plans for the building.
11/01/06	Continued to bring community leaders up to date on the project.
11/15/06	Assessor's Office assigned 3101 Lathrop Avenue as address for site.
11/29/06	Articles filed and Certificate of Incorporation Nonprofit Corporation received for Boys and Girls Home of Alaska, Inc.

Projected targets:

04/01/08–09/01/08	Complete interior structure, exterior landscaping, parking lot, and driveways
4/1/08	Order furnishings

2. ***What are all expenditures by category (e.g., land fees, construction, etc.) made to date on the project? Attach an expense sheet that compares the proposed costs to the expenses for the reporting period, as well as all expenses since the certificate of need was issued.***

   Refer to Attachment: **SECTION VIIB: FINANCIAL DATA – CONSTRUCTION ONLY**

3. ***What is the anticipated completed date (operational date)? How does this differ from the project schedule submitted in the certificate of need application? Please explain any significant differences in the schedules. How will future milestones in the schedule be affected?***

   Operational target date continues to be on or about December 1, 2008 compared to the CON required completion date of December 31, 2008. Since construction is ahead of schedule, we are exploring the possibility of establishing an earlier operational start date, which will be determined within the first quarter of CY2008.

4. ***In the case of construction projects, has the construction started and what has been completed to date (e.g., footings, foundations, etc.)? What percentage of total construction is complete?***

   The project can be viewed by a stationary Webcam @ http://66.230.107.120. The CON targeted 44 beds. The percentage of construction completion per building is identified in the following table.

   a. Central Administration building
   - Includes 8-bed locked unit, administration offices, dining/food service area, gym
   - Targeted completion date: August 1, 2008

- 40% completed according to GHEMM Company, Inc., General Contractors as of 12/12/07 report date with the following itemized percentages
    - 100% Fully enclosed
    - 100%Roofing
    - 90% Gutter and down spouts
    - 20% HVAC
    - 25% Lighting
    - 25% Plumbing
    - 20% Sheetrock

b. CON Cottage C

- 18- bed unit, separated into two living areas
- Targeted completion date: April 1, 2008
- 50% completed according to GHEMM Company, Inc., General Contractors as of 12/12/07 report date with the following itemized percentages
    - 100% Fully enclosed
    - 60% Plumbing
    - 100% Exterior siding
    - 100% Roofing
    - 100% Gutter and downspout
    - 30% Sheetrock
    - 25% Lighting
    - 25% HVAC
    - 30% Plumbing

c. CON Cottage D

- 18- bed unit, separated into two living areas
- Targeted completion date: June 1
- 40% completed according to GHEMM Company, Inc., General Contractors as of 12/12/07 report date with the following itemized percentages
    - 100% Fully enclosed
    - 100% Exterior siding
    - 100% Roof
    - 100% Gutter and downspout
    - 20% Sheetrock
    - 30% Lighting
    - 25% HVAC
    - 45% Plumbing

5. ***Are construction/project activities progressing in conformance with the scope of the project approved by the Commissioner? Explain any variations (e.g., in size or type of construction).***

   Yes. At the present time, construction/project activities are progressing in conformance with the scope of the project approved by the Commissioner.

6. ***Is the projected final project cost currently within the limits approved by the Commissioner? If the project is complete, please submit a final capital budget. Include a documentation of expenses that has been certified by a general contractor, equipment supplier, and/or other authorized representative who can objectively confirm the expenses.***

   Yes. Project costs are currently within the limits approved by the Commissioner.

7. ***Are there any changes in the services or programs from those that were originally proposed and approved? If so, please indicate those changes.***

No changes in services or programs have been made to those originally proposed and approved.

I hereby certify that the statements made in this report are correct to the best of my knowledge and belief.

Signature of Certifying Officer:

Signature on Original as mailed on 12/19/07
Robert P. Sheehan

Title: President and CEO
Telephone: 712-293-4700
Date: December 27, 2007

Send to:
Certificate of Need Program
Health Planning and Systems Development Unit
Office of the Commissioner
Department of Health and Social Services
PO Box 110601
Juneau, Alaska 99811-0601
EMAIL: Brenda_knapp@health.state.ak.us; david_pierce@health.state.ak.us

SECTION VIIB: FINANCIAL DATA – CONSTRUCTION ONLY

Boys and Girls Home and Family Services, Inc.

44- bed Residential Psychiatric Treatment Center (RPTC), Fairbanks, AK
For Period ending: 12/31/2007

Construction Cost	**Original Estimates**	**To-date Expenditures**
a. Site acquisition	450,000	803,783
b. Estimated general construction	6,225,000	4,732,431
c. Fixed Equipment, not included in a	Included above	
d. Total construction costs (sum of items a, b, & c)	6,675,000	5,536,214
e. Major movable equipment	Included above	Included above
f. Other cost:	Estimated below	Estimated below
1. Administration expense	1,875	-
2. Site survey, soils investigation, and materials testing	11,250	14,775
3. Architects and engineering fees	564,000	359,016
4. Other consultation fees (preparation of application included)	3,750	5,899
5. Legal fees	1,125	367
6. Land development and landscaping	249,487	-
7. Building permits and utility assessments (including water, sewer, electrical, phones, etc.)	Included above	Included above
8. Additional inspection fees (clerk of the works)	Included above	Included above
9. Insurance	Included above	Included above
g. Total project costs (sum of items d, e, f)	6,675,000	5,916,271
h. Amount to be financed	10,500,000	10,500,000
i. Difference between 2.g. and 2.h (list, as Schedule 1, available resources to be used, e.g., available cash, investments, grants funds, community contributions, etc.	3,825,000	5,916,271
j. Anticipated long-term interest rate 7.0%		
k. Anticipated interim (construction) interest rate 7.0%		
l. Anticipated long-term interest amount	9,294,527	163,797
m. Anticipated interim interest amount	-	-
n. Total items g, l, and m	15,969,527	6,080,068
o. Estimated annual debt service requirement	1,130,700	1,130,700
p. Construction cost per sq. ft. (RPTC = 33,000)	202	184
q. Construction cost per bed (RPTC = 44)	148,333	138,183
r. Project cost per sq. ft.	202	184
s. Project cost per bed (if applicable)	148,333	138,183