

**MARION COUNTY SERVICES FOR THE
DEVELOPMENTALLY DISABLED**

FUNDING POLICY AND PROCEDURE MANUAL

Fiscal Year Ending: June 30, 2012

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MARION COUNTY SERVICES FOR THE DEVELOPMENTALLY DISABLED

FUNDING POLICY AND PROCEDURE MANUAL

AVAILABILITY OF FUNDS

In 1969 the Missouri Legislature passed legislation (Senate Bill 40) to allow Missouri Counties and cities not a part of counties to approve local property taxes to generate locally controlled funds for the delivery of services to persons who are mentally retarded/developmentally disabled.

Marion County Services for the Developmentally Disabled (hereafter referred to as the "Board") has the responsibility for the administration and management of special tax revenues generated from a county-wide property tax currently set at 0.1350 cents per \$100 assessed valuation.

The Board's fiscal year is from July 1 through June 30. The Board adopts an annual budget in June/July of each year which establishes an allocation plan by which funds are budgeted by administrative and service areas in accordance with priorities set by the Board's goals and objectives.

Agencies seeking funds from the Board should be aware that its funds are limited, and the competition for them is great.

STATEMENT OF BASIC PRINCIPLES OF FUNDING

The following are basic principle statements of the Board concerning the funding of services:

1. The Board desires to enhance, initiate and/or expand services utilizing its funds, without the possible commensurate loss of other sources of funding.
2. The Board recognizes that persons with developmental disabilities of all ages are in need of some type of service. Within the service delivery system there are defined areas of responsibilities pursuant to Local, State and Federal statutory mandates. The Board believes that for the service delivery system to be truly comprehensive in meeting the needs of the developmentally disabled, funding responsibilities must be shared. No one funding source can be expected to effectively meet all the needs of the developmentally disabled. The Board's funding policy concentrates on services that are not a primary mandate or focus of other major public funding resources.
3. The Board may, at its discretion, expend its funds through contractual agreement with not-for-profit agencies, provide direct provision of services or utilize a combination of either method. This includes additional, forfeited or unused funds during each fiscal year.
4. Marion County levy funds shall be used to supplement, not to supplant, all other public and private expenditures.
5. With respect to funding requests for the establishment of new or substantially expanded services, all applicants must demonstrate the need/demand for the proposed service by means of a waiting list verified by the referring or sponsoring entity (i.e., Department of Mental Health, Division of Vocational Rehabilitation) and, if applicable, a needs survey should be conducted within Marion County.
6. In the case of projects for which the applicant is requesting partial funding, applicants must demonstrate the availability and source of other funds other than those requested from the Board for the development and/or continued operation of the proposed service.
7. In order to serve the maximum number of persons with developmental disabilities, the Board desires to use its available funds to leverage other funding sources. To this end, the Board may, at its discretion, request that agencies seeking Board funds consider using their own financial resources and/or other resources in partnership with Board funds.
8. The Board will not utilize funds to assist agencies in retiring their long-term debts. To be considered for funding, the debt must be incurred within the last twelve (12) months.
9. The Board will not, except under special circumstances, approve funds for services rendered/expenses incurred by an Agency prior to the date of Board approval of the Agency's application.

STATEMENT OF BASIC PRINCIPLES OF FUNDING

10. The Board reserves the right to establish the conditions and requirements of the funding agreement between the Agency and the Board for approved applications.
11. An Agency that has failed to perform in accordance with the contractual agreement with the Board on any one project shall therefore be considered by the Board to be in default on all other projects, and no further funds shall be disbursed until the problem has been resolved to the satisfaction of the Board.
12. The Agency must demonstrate an on-going effort toward publicizing its programs, functions and location to all segments of the community utilizing all feasible media. It is expected that public education materials and media information state that funding is being received from the Marion County Services for the Developmentally Disabled.
13. Agencies are required to submit a Board of Directors membership list showing names, addresses, telephone numbers, occupation, term of office including identification of officers.
14. Agencies requesting funds from the Board shall comply with all requirements as stated in the Board's **Funding Policy & Procedure Manual** unless the board in its discretion waives any requirements.

BOARD-OWNED REAL ESTATE

Buildings constructed or purchased by the Board shall remain the property of the Board unless specific Board action designates otherwise. Buildings may be leased for specific purposes, by written agreement formally agreed to by the Board, with program intentions and maintenance provisions identified therein.

The amount of the lease shall be determined on an annual basis unless specific Board action designates otherwise.

The Board shall maintain property and general liability insurance coverage on buildings, grounds and Board-owned equipment. The lessee organization shall be responsible for its own organizational liability and property coverage.

Lease agreements shall represent a contract for service and shall specify Board action in the event of lessee default or failure to operate the building or program adequately.

Maintenance of Board-owned property, or property maintained by the Board according to grant provision, shall be specified and outlined by contract.

ELIGIBILITY REQUIREMENTS

The following policies describe who is eligible to apply for and receive funding from the Board.

I. AGENCY ELIGIBILITY

1. The Agency must be registered as a not-for-profit corporation in the State of Missouri. In the case of not-for-profit corporations in existence for a period exceeding one year, the corporation must be recognized as being in "Good Standing" with the State of Missouri.
2. The Agency shall not discriminate in the hiring or employment of staff on the basis of race, color, national origin, sex, religion, familial status or disability.
3. The Agency shall establish and maintain a system of client rights as provided by Chapter 630, Sections 630.110 through 630.200, RSMo., and the Department of Mental Health's rules and regulations.
4. The Agency services shall be available to persons without regard to sex, race, color, creed or national origin.
5. The Agency shall have a Conflict of Interest policy consistent with the Missouri Ethics Commission Chapter 105, RSMo. If a conflict of interest should be identified, a statement of full disclosure should be on record with the Agency.
6. The Agency's Board of Directors should have representation from the consumer group for whom it provides services.
7. The Agency should demonstrate that they have a sound financial management system with fiscal management controls and record keeping in accordance with generally accepted accounting principles as promulgated by the American Institute of Certified Public Accountants.
8. The Agency must demonstrate that they have the programmatic, technical expertise and facilities to accomplish the Agency's stated goals.
9. The Agency shall meet at a minimum, those mandatory standards promulgated pursuant to Local, State and Federal statutes. Agencies are encouraged to strive to a level of excellence in service beyond that viewed as minimum/mandatory. Agencies which are accreditable by CARF must obtain CARF accreditation and maintain that CARF accreditation to receive funding. No funding requests will be honored during the period of non-accreditation. Recertification must occur within six (6) months of the loss of accreditation. Upon completion of the CARF accreditation, an agency may back bill for services rendered only for a period not to exceed six (6) months.

ELIGIBILITY REQUIREMENTS

I. AGENCY ELIGIBILITY, Continued

10. The Agency and/or its services must be located within Marion County.

II. PROJECT ELIGIBILITY

The Board reserves the right to establish the conditions of the funding agreement when funding is provided for a project and/or service on a seasonal basis.

III. CLIENT ELIGIBILITY

Persons proposed to be served must be **Developmentally Disabled** defined as outlined below.

For the purposes of Section 205.968 to 205.972, RSMo., the term

1. **"Developmental Disability"** - shall mean either or both paragraph (A) or (B) of this subsection:

A. A disability which is attributable to mental retardation, cerebral palsy, autism, epilepsy, a learning disability related to a brain dysfunction or a similar condition found by comprehensive evaluation to be closely related to such conditions, or to require habilitation similar to that required for mentally retarded persons; and,

- 1) Which originated before age twenty-two; and,
- 2) Which can be expected to continue indefinitely;

B. A developmental disability as defined in Section 630.005, RSMo;

2. **"Handicapped Person"** - shall mean a person who is lower range educable or upper range trainable mentally retarded or a person who as a developmental disability.

Mentally Retarded/Developmentally Disabled and Handicapped Persons are eligible for facilities and services under RSMo. 205.968 - 205.972 regardless of age; except that individuals employed in sheltered workshops must be at least sixteen (16) years of age.

ELIGIBILITY REQUIREMENTS

III. CLIENT ELIGIBILITY, Continued

3. **"Client Eligibility Determination Requirement"** - Persons proposed to be served must be evaluated and determined eligible for services through the Hannibal Regional Office / Department of Mental Health prior to participation in any Board-funded service.

4. **"Resident"** - Definition of citizens eligible for assistance from the Board, is a developmentally disabled/handicapped person:
 - A. Whose true, fixed permanent home is in Marion County; or,
 - B. Who, if living in a facility for the disabled, public or private located in Marion County with the present intent to remain; or,
 - C. Whose parent(s) (in the case of a minor), or legal guardian or conservator is presently residing in Marion County with the present intent to remain; or,
 - D. If of age, and posing "legal rights", the individual MR/DD person of their own volition chooses to reside in Marion County.

Provided, however, that the Board may render assistance to persons with developmental disabilities/handicaps who do not come within the definition of resident as set out above on a case-by-case basis, if the Board finds that such individual has a relationship to Marion County which, in the interest of justice and equal treatment, permits the Board to give such assistance.

5. **"Limitations to Services"** - The Board may, in its discretion, impose limitations with respect to individuals to be served and services to be provided. Such limitations shall be reasonable in the light of available funds, needs of the persons and community to be served as assessed by the Board and the appropriateness and efficiency of combining services to persons with various types of handicaps or disabilities.

FUNDING CLASSIFICATIONS AND RELATED POLICIES

The Board's primary way of impacting the service delivery system is through agencies that request funds for a variety of purposes and projects. There are three basic forms of funding resources available from the Board: (I) Purchase of Service (POS), (II) Grants and (III) Requests for Proposals. The purpose of this section is to define and set forth policies regarding these areas of funding classifications.

I. PURCHASE OF SERVICE (POS)

Definition:

The Board will contract with eligible agencies for specific well-defined units of service provided to individuals with developmental disabilities residing in Marion County for a mutually agreed to unit cost.

Statement of Policies:

The Board will purchase services at a mutually agreed to unit cost and shall sign a Purchase of Service (POS) Contract with the Agency stating the amount of funds awarded, the effective time period of the award, the services to be delivered utilizing the funds and any additional conditions, stipulations, or contingencies attached to the award.

The Board may require an annual or project-end audit which will certify true and actual unit cost in accordance with generally accepted accounting principles as promulgated by the American Institute of Certified Public Accountants.

The Board will consider adjustment of the funds expended for services, either overpayment or underpayment of 15% (plus or minus) due to a change in the client base. If an agency serves more persons than budgeted, the Board may grant 15% more money than allocated in the current budget. If an agency serves fewer persons than budgeted, the Board may reduce the agency's budget by 15% and redirect the funds to another purpose.

Agencies are required to access and utilize all possible payment sources (i.e. the client, client's guardian, client's estate or persons obligated to pay for services rendered to the client, insurance, Medicaid, social security, etc.) when available prior to expenditure of Board funds.

FUNDING CLASSIFICATIONS AND RELATED POLICIES

II. GRANTS

The Board will provide funds to eligible agencies for expenses related to the following categories:

Definitions:

Personnel Costs

Salaries and wages will be allowable for time or effort devoted to supported project activities.

Equipment/Furnishings

Those items of equipment/furnishings that have a useful life of more than one year.

Start-up/Demonstration Service Projects

Funds for the establishment of new, innovative and heretofore non-existent programs within the service system.

Impact Projects

Funds to develop and implement activities that impact the quality of the service delivery system i.e., Staff and Board Training, Community Awareness/Public Education, Coordinating and Networking of Systems.

Technical Assistance

Funds are provided to contract with appropriate consultants to assist agencies in specific development of Board funded projects (i.e., attorneys, architects, housing consultants, etc.).

Management In-Service Training

Funds to assist agencies in the development of a coordinated, comprehensive in-service training program.

Community Awareness/Integration

Funds for activities scheduled to encourage productive use of leisure time with social and recreational activities at locations throughout the community. Programs should be designed to encourage growth in social, physical, intellectual and/or emotional areas. Activities scheduled are for those persons attending developmental pre-workshop and educational programs, work activity, sheltered workshop and residential facilities including those in community employment and training situations.

FUNDING CLASSIFICATIONS AND RELATED POLICIES

II. GRANTS – Definitions:, Continued

Capital Improvement

Facility purchase, construction, renovation, expansion, repair and/or building modification to the Agency's leased/owned real estate property. To be eligible to request a facility capital improvement, the costs of the project must be \$2,000 or more. If less than \$2,000 the cost should be requested under facility repair/maintenance.

Facility Repair/Maintenance

Applies to those repair and maintenance costs to the Agency's leased/owned real estate property which are less than \$2,000.

Statement of Policies:

Personnel Costs

Salaries and wages shall be based upon planned staffing levels and computed under the Agency's regularly established salary scales for the types of positions involved. When staffing activity is expected to require less than full-time service, the amount of salary support to be budgeted shall be proportionately reduced. Required Federal and State payments for fringe benefits are allowable.

The Board will not provide funds in part or in total for administrative costs which can be met through other means i.e., costs included as part of DMH funding for allowable project costs.

Equipment/Furnishings

It is at the Board's discretion to approve these requests on a case-by-case basis.

Agencies must make all reasonable attempts to access other resources, such as grant writing and fund raising prior to submitting a request for Board funds for Equipment/Furnishings.

The Board may require that three quotations or three bids be obtained and submitted by the Agency when requesting funds for purchase of equipment and furnishing

The Board requires that all equipment/furnishings purchased with Board funds be depreciated on the books of the Agency, per accepted accounting procedures.

FUNDING CLASSIFICATIONS AND RELATED POLICIES

II. GRANTS - Statement of Policies: **Equipment/Furnishings, Continued**

The annual financial statement shall include a schedule of fixed assets purchased with funds from the Board and shall include a depreciation schedule.

Agencies shall not sell, trade, reassign or otherwise dispose of equipment/furnishings purchased with Board funds without notifying the Board at least 30 days before disposal. If equipment has been in the Agency's possession for five (5) years or less, Agency must obtain Board approval before selling, trading, reassigning or otherwise disposing of equipment/furnishings purchased with Board funds.

Capital Improvement / Facility Repair & Maintenance

It is at the Board's discretion to approve these requests on a case-by-case basis.

Agencies must make all reasonable attempts to access other resources, such as grant writing and fund raising prior to submitting a request for Board funds for Capital Improvement/Facility Repair & Maintenance.

The Board may require that three quotations or three bids be obtained and submitted by the Agency when requesting funds for Capital Improvement. Written specifications are required in sufficient detail to assure consistent response to the bid request.

The Board may require Facility Repair & Maintenance with a unit cost of less than \$2,000 for which funds are being requested outside of the budget process a minimum of three prices be solicited. Formal written specifications are not required.

If applicable, the annual financial statement shall include a schedule of Capital Improvement /Facility Repair & Maintenance items purchased with funds from the Board and shall include a depreciation schedule.

The Board and/or designated committee reserve the right to review and approve all contractual agreements related to proposed projects involving capital improvement and facility repair/maintenance i.e., architect, contractor, lease, purchase contract, etc.

The Board and/or designated committee reserve the right to review and approve all project plans involving capital improvement and facility repair/maintenance, including but not limited to design, cost, regulatory requirements, zoning issues and proposed services when the funds for the improvement have been provided by the Board. Any variance from said project plans originally approved by the Board are subject to review and approval by the Board prior to implementation.

The Board and/or designated committee reserve the right to monitor the progress of the capital improvement and facility repair/maintenance projects when the funds for the improvement have been provided by the Board, and at its discretion, to certify satisfactory percentage of completion prior to funds disbursement.

FUNDING CLASSIFICATIONS AND RELATED POLICIES

II. GRANTS – Statement of Policies:, Continued

Management In-Service Training

Agencies applying for funds for Management In-Service Training shall adhere to the following policies:

Annual submission of a line item entry on the budget application form, or completion in advance of the Board's funding request form outlining the reason for training, identities of those staff and their positions who will be attending the training and a statement of commitment to report back to the Board with an evaluation of the program.

1. Training Eligibility

Training programs for direct care staff employees who deal with the following topics: Personnel Management, Client Financial Management, Personal Management Skills and Programmatic/Client Care Skills.

The Board may also entertain requests for Board Volunteer Training, Fundraising Skills, Working within the Governmental System, Strategic Planning Skills and Financial Management Skills.

2. Conference Eligibility

Those conferences, local, state or national which are sponsored by one of the following professional groups may be eligible for training funds provided by the Board: AAMR, CARF, ARC, MACDDS, Missouri Association of Sheltered Workshop Managers, plus other applicable conferences held within the State of Missouri.

The Board has the option to limit the amount of funding awarded per training program and/or per Agency.

Agency must complete the Board's funding request form which gives a brief description of the program, location, number of persons attending and estimated costs.

The Board has the option to limit the amount of funding awarded per seminar/conference.

All conference and training programs must be included in the Management in-Service Training funding request and must include a brief description of the program, location, number of persons attending and estimated costs.

CARF conference expenses must be included in the Management in-Service Training funding request.

CARF on-site surveys will be reimbursed at the actual current cost and must be included in the Management in-Service Training funding request.

FUNDING CLASSIFICATIONS AND RELATED POLICIES

III. REQUESTS FOR PROPOSALS

Definition:

The call for the submission of project proposals which are in response to specific service needs as identified by the Board.

Statement of Policy:

The Agency responding to requests for proposals shall submit said proposals per specifications as outlined by the Board. The funding of Requests for Proposals may be in the form of Purchase of Service (POS) or Grants.

**GENERAL FISCAL MANAGEMENT POLICIES EXPECTED
OF AGENCIES REQUESTING FUNDING**

1. The Agency shall, on an annual basis established by its Board, approve an operating budget for its fiscal year.

2. The Agency shall establish the overall cost of general administration of the organization. These costs shall be allocated on a formula basis and spread equitably to all cost centers within the Agency. It is recommended that these administrative costs usually should not exceed 15% of the total Agency operating budget.

3. The Agency's fiscal management controls and record keeping shall be in accordance with generally accepted accounting principles as promulgated by the American Institute of Certified Public Accountants.

4. **Agency Accreditation**

Agencies which are accreditable by CARF must obtain CARF accreditation and maintain that accreditation. If agencies are not accreditable by CARF because of the type of service they provide, they are to follow the same timelines with a comparable appropriate monitoring Agency where available.

5. **Inventory Control**

The Agency shall identify and maintain accurate inventory control procedures of equipment/furnishings purchased with Board funds.

A. The Agency may be required to complete an "Equipment and Furnishings Inventory" form on an annual basis and furnish one copy to the Board office. All non-consumable furnishings and equipment items purchased with Board funds having a useful life of more than one year and an acquisition unit cost of \$500 or more must be listed on this record.

B. The Agency shall maintain a control system to insure adequate safeguards to prevent loss, damage or theft of the property. Any loss, damage or theft of non-consumable property purchased with Board funds shall be investigated by the Agency with written documentation of the investigation findings submitted to the Board office in writing, including a statement as to how the Agency intends to replace the item.

6. **Record Retention**

The Agency shall maintain copies of client service records which specify the name of the client, client age, the number of units of service rendered, and the dates service was rendered and the per-client cost. Said records shall be maintained by the Agency for no fewer than seven years.

**GENERAL FISCAL MANAGEMENT POLICIES EXPECTED
OF AGENCIES REQUESTING FUNDING**

7. **Audit**

Agencies shall furnish the Board with an annual and/or project end full scope audit by an independent firm or individual licensed by the Missouri Board of Accountants. This audit shall provide a complete accounting for the Board funds expended by the Agency for the project. This audit report shall be examined in accordance with generally accepted accounting principles as promulgated by the American Institute of Certified Accountants.

Audit reports or financial statements shall be submitted to the Board within 180 days of the project ending date, or Agency fiscal year-end.

Agencies shall make available to the Board upon request, copies of audit reports including management reports conducted by other funding sources or in accordance with other funding/regulating authorities' requirements.

8. **Insurance**

It is required that agencies obtain appropriate insurance to protect the organization from acts of theft from staff, acts of omission of the Directors and Officers and/or acts of negligence/liability by Agency agents. It is also required that the Agency will have and maintain all necessary comprehensive property insurance to assure replacement of the Agency's capital assets. Both comprehensive and liability insurance must have the Board named as an additional insured.

9. **Bid Protocol - Equipment/Furnishings and Facility Repair/Maintenance**

The Agency shall utilize the following bid protocol when obtaining bids on equipment/furnishings:

- A. Specifications shall be written in sufficient detail to assure consistent response to the Agency's request for bids.
- B. Agency bid requests shall be submitted to similar vendors.
- C. Agency shall submit a minimum of three signed bids, specifying Agency bid preference.
- D. In the event that the Agency does not select the lowest and best bid, written rationale must be provided for Board review.
- E. In the event that there are limited (fewer than three) or sole source vendors responding to Agency's bid request, Agency must request a waiver of policy from the Board prior to purchase of item(s).

**GENERAL FISCAL MANAGEMENT POLICIES EXPECTED
OF AGENCIES REQUESTING FUNDING**

10. **Bid Protocol - Capital Improvement**

The Agency shall use the following bid protocol when obtaining bids on capital improvement projects that are funded by the Board.

A. Agency may be requested to submit the following documents for Board review and comment:

1) A concept statement regarding the proposed project to include:

Scope of renovation project
Summary of code and licensing compliance requirements.

2) Agency contractual agreement with selected architect and architect's resume.

3) Preliminary drawings (2 copies).

B. Following Board review and comment, the Agency architect may be requested to prepare and submit final working drawings and specifications. In addition, Agency may be requested to submit the general bid requirements and general form of proposed Agency contractor agreement for Board review and comment. If required two copies of all documents shall be submitted to the Board for final review and comment. These documents must be reviewed by the Board prior to Agency bidding of the project.

C. Upon Agency acceptance of bid, Agency may be requested to submit contract and proposal of selected contractor to include a detailed cost breakdown (cost of materials, labor, contractor's overhead and profit). The Board requires the submission of three bids on capital improvement projects.

D. Agency may be required to provide the following to the Board prior to the start of renovation:

1) Building Permit.

2) Evidence of conformity of proposed services to all applicable local, state and federal licensing and regulatory requirements.

3) Evidence of appropriate insurance coverage (Builder's Risk, Hazard/Liability, Flood Insurance, Workers' Compensation, etc.).

E. The Board reserves the right to review and approve all contractual agreements related to the project (i.e., architect, contractor).

**GENERAL FISCAL MANAGEMENT POLICIES EXPECTED
OF AGENCIES REQUESTING FUNDING**

10. **Bid Protocol - Capital Improvement, Continued**

- F. The Board reserves the right to monitor the progress of the project, and at its discretion, to certify satisfactory percentage of completion prior to funds disbursement. Funds will be disbursed on percentage of completion.
- G. Any variance from approved project plans, including; design, cost, regulatory requirements, zoning and proposed services shall be subject to prior Board approval.
- H. In projects where the Agency leases the facility to be renovated, the following additional requirements must be met:
 - 1) Submit copy of lease agreement.
 - 2) Obtain written permission from the owner (Lessor) that they approve of the proposed renovations.
 - 3) Obtain written assurance from the owner (Lessor) that the Agency will be held harmless from returning the facility back to its original state (prior to renovations) at the end of the lease.

APPLICATION FOR FUNDING PROCESS

The following outline provides an overview of the steps that occur from the time the Board announces requests for applications to the time of Board action concerning the applications.

I. APPLICATION ANNOUNCEMENT

The Board announces Requests for Applications:

Applicants contact the Board office for a copy of the **Funding Policy and Procedure Manual**, blank application forms and appropriate instruction.

The Board accepts funding applications based upon the following schedule, or as announced on an annual basis:

- Applications available from Board office - August
- Submit completed Applications for Funding – October 15th by 4:00 pm
- Appliant may be requested to make brief presentation to full Board – December/January
- Board and/or designated committee review Application for Funding - January
- Board and/or designated committee makes recommenndation to full Board and contracts approved – January/February.

II. TYPES OF FUNDING APPLICATIONS

- "FULL" Application for Funding
Applicant completes all forms.
- "MINI" Application for Funding
Applicant requesting funding for a project and/or services offered on a seasonal basis. The applicant must receive prior approval from the Board staff in order to be able to submit the "MINI" Application for Funding.

APPLICATION FOR FUNDING PROCESS

III. APPLICATION REVIEW BY BOARD

The Board and/or designated committee will meet to discuss the application and to formulate its recommendation to the full Board if applicable. The applicant's attendance at the review meeting may be requested by the Board and/or designated committee for the purpose of obtaining additional information/clarification. The Board and/or designated committee may, after consideration of the application, wish to propose modifications to the application. The Board and/or designated committee will submit its recommendation to full Board if applicable. At the next regularly scheduled Board meeting, the Board and/or designated committee will submit recommendations regarding the application in the form of a motion.

IV. BOARD ACTION ON APPLICATION

The full Board votes on the motion, taking one of the following actions:

1. Approve application as recommended by Board and/or designated committee by said Board.
2. Disapprove application as recommended by Board and/or designated committee by said Board.
3. Approve or disapprove application contrary to recommendation of Board and/or designated committee by said Board.
4. Table the motion and refer back to Board and/or designated committee by for further review, clarification and/or obtaining additional information from applicant and return to the Board with recommendation for Board action.

The applicant is notified in writing of the Board's decision. The decision of the Board is final unless the Agency exercises its rights under the Board's Grievance Procedure which will be made available upon request.

CONTRACTUAL AGREEMENTS

General Information:

1. **Award of Funds**

Immediately following approval of an Application for Funds, written notification will be given to the Agency, specifying the Board approved motion, the date of the motion and any conditions of the motion.

2. **Execution of Contractual Agreement**

A contractual agreement will be drafted stating the amount of funds awarded, the effective time period of the award, services to be delivered utilizing the funds and any conditions, stipulations or contingencies attached to the award.

A. The Board Chairman will sign an original and one copy of the contractual agreement.

B. The original and copy will be forwarded to the Agency for review and signature of the Agency's Board Chairman. The Agency shall return the original to the Board office within thirty (30) days of the date of receipt and maintain the other copy for their files. Funds encumbered will not be disbursed until such time as the signed contractual agreement is on file in the Board office and all conditions set forth as contingencies of receiving funds have been met to the satisfaction of the Board.

3. **Effective Time Period**

Normally, the contractual agreement will be in effect for one year. The Agency must demonstrate implementation of the approved project within three months of the effective beginning date of the agreement or shall show just cause why this cannot be accomplished. Failure to comply with this requirement will be deemed failure to perform.

4. **Failure to Perform**

In the event the Agency at any time fails or refuses to perform according to the terms of the contractual agreement, the Board will be relieved of any obligation to make payments as set forth on said contractual agreement.

A. In cases of perceived failure to perform, the **Board's office personnel** shall communicate to the Agency that a problem exists. The Agency will be asked to provide information and an explanation as to the causes of the problem. **The Board's office personnel** will report in writing to the appropriate Board and/or designated committee for its review and direction for further action. The Agency shall receive in writing, notice of the Board's decision.

CONTRACTUAL AGREEMENTS

General Information:

4. Failure to Perform, Continued

- B. In the event failure or refusal to perform has been determined, this notification shall include a statement of the requirements of the contractual agreement with which the Agency is in non-compliance, the effective date of termination of payment and (if required) re-payment terms of disbursed Board funds.
- C. The Agency may submit a plan of correction to the committee within ten (10) working days of receipt of written notification of termination. The plan of correction must include specific actions of the Agency to correct or amend the areas of non-compliance, and a specific time frame for such actions. Failure to submit a plan of correction shall be considered failure/refusal to perform.
- D. The Board and/or designated committee shall review and take action regarding the plan of correction at its next regularly scheduled meeting.
- E. The Agency shall be given written notification of the Board's decision within ten (10) working days.
- F. If the Board and/or designated committee accept the plan of correction, funds shall be suspended until such time as all actions specified in the plan of correction have been carried out within the prescribed time frame.
- G. Board and/or designated committee may modify or reject the plan of correction. Agency must agree with Board's modifications or show cause why modifications cannot be accepted. Board and/or designated committee may proceed with recommendation of contract termination if a plan of correction cannot be agreed to by both parties.
- H. The Board and/or designated committee shall, during the above process keep the full Board informed of its decisions. Board and/or designated committee must present recommendation for contract termination and/or modification to the full Board for review and approval. All decisions of the Board are final.

INVOICING AND PAYMENT PROCEDURES

General Information:

A signed Contractual Agreement must be on file in the Board office and all conditions set forth as contingencies of disbursement of funds met to the satisfaction of the Board prior to authorization of expenditures.

In most circumstances, Board funds will be utilized to **reimburse** agencies for expenditures for approved services. The agency contract for services will reflect payment schedule details (monthly, quarterly, etc.).

Agencies requiring approved Board funds as an advance to meet project expenses must request exception to the above procedure at the time of negotiation of the Contractual Agreement. The Board reserves the right to review and authorize such requests. Requests for payment shall be made Invoice Form by approved line item category based on the Agency's projection of funds needed. Under no circumstances will funds be released as an advance for a period greater than one quarter (three months). Board funds disbursed in accordance with the Contractual Agreement but not expended by the Agency at the ending date of the Contractual Agreement or project shall be repaid to the Board within thirty (30) days of the ending date of the agreement/project unless otherwise specified by the Board.

Funds awarded to an Agency, with the exception of Purchase of Service (POS) projects, will be designated by categorical line items. Agencies shall be limited to expenditures not to exceed the amount specified for each line item.

Line item adjustments, although not encouraged, may be made within the following process:

- The Board will allow 10% variance not to exceed total cost of grant.

The request will be considered based upon the following:

- There are reasonable and justifiable facts to warrant approval of the request.
- The request does not change the overall intent of the project.
- The adjustment requested does not change the total amount approved for the project.

Prior approval must be obtained from the Board for all **line item transfers** if it exceeds 10% of the approved grant amount.

All requests for payment shall be submitted in writing with documentation as specified in the contract for services.

Invoices received by the Board between the 16th - 31st of the month will be processed by the 15th of the following month. Invoices received between the 1st - 15th of the month will be processed by the last day of the same month.

INVOICING AND PAYMENT PROCEDURES

General Information: Continued

The invoice processing deadline does not apply to disbursements for capital improvement work. Those invoices will be processed upon receipt or in accordance with the disbursement agreement.

Unless prior arrangements are made with the Board, requests for payments should be received within sixty (60) days of services performed; otherwise payment for such services will not be honored.

Conditions of all Board reporting requirements must be satisfied prior to release of any Board funds.

Upon Board review and verification that all conditions have been satisfactorily met, the request will be authorized for payment.

If direct services to Board eligible clients are rendered through contractual agreement with another vendor, Agency shall submit the vendor's signed original invoice including a listing of clients to whom the service was rendered, clients' age, the date(s) service was rendered, the number of units of service, the unit cost if applicable, and written verification from the Agency that services were rendered as specified.

Project Specific Information:

Personnel

Project payroll documentation must be submitted with the invoice which includes employee name, title, and salary for period involved and fringe benefits paid.

Equipment/Furnishings and Facility Repair/Maintenance

Bids for these items must be done as stated on page 9, and the bids must be on file with the Board before funds can be disbursed.

Agency may be requested to submit an Invoice of Expenditures and an inventory list of Equipment and Furnishings.

Agency may be requested to submit a copy of the supplier's invoice with indication of Agency's check number and date of check written on said copy.

When requesting balance of payment on an equipment/furnishings item(s), Agency must verify that item(s) have been received, installed and are in satisfactory condition/working order.

Agency may be required to submit an annual equipment inventory to the Board.

INVOICING AND PAYMENT PROCEDURES

Project Specific Information: Continued

Technical Advisors/Consultant Fees

Agency shall submit the consultant's original signed invoice, a signed log provided by the consultant detailing the date(s) service was rendered, a description of the service rendered, the amount of time (hours) expended in performing services and written verification from the Agency that services were rendered as billed and in a satisfactory manner.

Capital Improvement

Disbursement of funds for capital improvement will require the following:

- A copy of Contractors' signed invoice, detailing work performed and cost.
- Architect of record Certification for Payment.

The Board reserves the right to require through its staff and/or consultants/agents, verification of satisfactorily completed work prior to disbursement of funds.

Purchase of Service

Agency may be required to submit a listing of client names to which the service was rendered, date(s) service was rendered and the number of units of service provided. The Board may require detailed documentation of specific information on a monthly basis beyond that listed above.

MONITORING

General Information:

All organizations performing services for the Board will enter into a contract for services.

As indicated in the Board Contractual Agreement, the Board and/or designated committee reserve the right to conduct on-site visits to the Agency for the purpose of monitoring projects receiving Board funds.

The goals of monitoring are twofold:

1. It allows the Board to measure the progress of the Agency in meeting objectives set forth in the project proposal.
2. It affords the opportunity for open communication between the Board and the Agency with respect to project evaluation, identification of service gaps and creation of services to meet client needs and technical assistance to agencies regarding enhancement of service delivery.

It is important for agencies to understand that the function of monitoring is one of a constructive nature. The primary objective of monitoring involves assurance of appropriate utilization of Board funds and provision of services in keeping with the Agency's approved proposal. Another objective of monitoring is to advocate for the delivery of quality services to persons with developmental disabilities. The Board and/or designated committee will review the Agency's progress toward completion of identified goals and objectives and per the Contract for Services.

The Board and/or designated committee conducting an on-site visit may conduct an exit interview with Agency/staff for the purpose of sharing the findings of the review and making suggestions for corrective action if indicated.

Where indicated, the Board and/or designated committee may contact those agencies involved with the monitoring of clients and/or services of the Board funded projects to obtain their impressions of the projects (i.e., Department of Mental Health, Division of Vocational Rehabilitation, Department of Elementary and Secondary Education, Department of Family Services, consumer groups, etc.).

In accordance with Board Contractual Agreements, agencies shall make available copies of regulatory authorities reports/findings (i.e., CARF, DMH, DESE, VR, etc.) to Board for review.

MONITORING

General Information: Continued

Agencies may be required to submit a quarterly project report for all projects and a quarterly (year-to-date) financial statement, which may include, but not be limited to Agency and/or project Income and Expense Statement including actual to budget comparison and a Balance Sheet.

For approved Purchase of Service (POS) and Grant Application for Funds, the Agency may be required to submit resident eligibility determination application with the first invoice of expenditures and thereafter when clients are added and/or deleted to the service/program.

CONFIDENTIALITY

The Board has an obligation to protect the privacy and dignity of consumers of Board-funded services by insuring that confidentiality of consumer information is maintained. The Board, in conducting its monitoring function, will not discuss a consumer or his/her information with any person who is not involved in the funding of services or care and treatment of the consumer.