

THE STATE OF MARYLAND
POLICIES & PROCEDURES
MANUAL FOR
LOCAL
MANAGEMENT
BOARDS





Issued by The Governor's Office for Children
on Behalf of The Children's Cabinet
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LEGEND	
	Text highlighted yellow denotes a change from the previous Manual.
	Text highlighted green denotes Manual requirements that will be monitored.

INTRODUCTION

A. Scope

1. This Manual provides instruction on the administration and management of Maryland's Local Management Boards (Boards).
2. The Board shall incorporate by reference the relevant contents of this Manual into its contracts, as appropriate.

B. Reference Materials

1. Some documents referenced in this Manual are included in the Appendices of the Manual.
2. Other resources are referenced as part of the Code of Maryland Regulations ("COMAR") and the Maryland Annotated Code. These resources can be found online at: <http://www.dsd.state.md.us> and <http://mlis.state.md.us/#stat>.

C. Distribution and Updates

1. The Manual will be issued and available for downloading from the Governor's Office for Children (Office) website (<http://www.goc.maryland.gov>).
2. Updates to the Manual will be distributed as they are finalized.

D. Definitions

1. "Agreement" means the Community Partnership Agreement contract that is executed by the Children's Cabinet and the Board.
2. "Carry-forward" means unspent funds from a fiscal year that are applied as a payment against a grant in the following fiscal year. Carry-forward funds do not increase the award.
3. "Carry-over" means unspent funds from a fiscal year that are applied to a grant in the following fiscal year. Carry-over funds increase the amount of the award.
4. "Child" means any individual under the age of eighteen (18) years, or under any other age, as specified by applicable State or federal law.
5. "Child and Adolescent Needs and Strengths Assessment (CANS)" is an open domain, multi-purpose tool developed by the Praed Foundation for children's services to support decision making, including level of care and service planning, to facilitate quality improvement initiatives, and to allow for the monitoring of outcomes of services.

- 6.** “Children’s Cabinet” means the Secretaries of the Departments of Budget and Management, Disabilities, Health, Human Services, and Juvenile Services, the Superintendent of the Maryland State Department of Education, and the Executive Director of the Governor’s Office for Children who convene on a regular basis to develop and implement coordinated State policies to improve the health and welfare of children and families. The Children’s Cabinet is chaired by the Executive Director of the Governor’s Office for Children and may include the Secretaries or Executive Directors of other Executive Agencies or Offices at the discretion of the Chair.
- 7.** “Children’s Cabinet Fund” means the fund established by §8-502 of the Human Services Article of the Annotated Code of Maryland, the expenditures of which are allocated to each jurisdiction through the jurisdiction’s Local Management Board to support a locally-driven interagency effort to maximize all available resources for children and family services, and which reflects the priorities, policies, and procedures adopted by the Children’s Cabinet. Also known as the Children’s Cabinet Interagency Fund (Fund) or Interagency Fund.
- 8.** “Children’s Cabinet Results Team” means the standing committee of the Children’s Cabinet that prepared policy recommendations for consideration by the Children’s Cabinet and performed other duties as directed by the Children’s Cabinet. The Children’s Cabinet Results Team is defunct.
- 9.** “Children’s Cabinet Implementation Team (Team)” means the committee made up of the Deputy Secretaries/Assistant Superintendent (or other executive staff) of each of the Children’s Cabinet agency members and deputies of the Departments of Labor, Licensing and Regulation, Public Safety and Correctional Services and the Governor’s Office of Crime Control and Prevention.
- 10.** “Community Needs Assessment” means a systematic methodology for gathering information from the community regarding current problems, community strengths, and available programs, services and resources that is used by the Board to guide local development, expansion and implementation of resources, services and programs.
- 11.** “Community Planning” means a process that includes assessing community needs and gaps and other data gathering activities. A community plan and a strategic plan are the same.
- 12.** “Continuum of care” means the necessary array of services and supports (both professional and natural) that are available in a community to support a spectrum of intensity of need, from opportunities and prevention to intensive therapeutic interventions.

13. "Core Service Agency" has the meaning stated in COMAR 10.21.17.
14. "Direct Service" means hands-on involvement working with individuals or a group to meet people's immediate needs (for food, shelter, clothing, or medical care, etc.) or to provide clinical or other interventions.
15. "Disconnected Youth" means teenagers and young adults between the ages of 16 and 24 years of age who are neither working nor in school. Also known as "Opportunity Youth".
16. "Ex officio" means by right of the office. An ex officio member of a body (a board, committee, council, etc.) is a member by virtue of holding another office.
17. "Family" means a child's natural, adoptive, or foster parents, including a guardian, a person acting as a parent of a child, and a relative or stepparent with whom a child lives.
18. "Fee-for-Service" means payment to a provider of services rendered, at a pre-determined rate, separately for each particular service rendered.
19. "Fiscal Year" is the State Fiscal Year which begins on July 1 and ends on June 30 of each year.
20. "Fixed Asset" means an item with a useful life greater than one reporting period that is purchased for the productive use by the Board or its vendor (e.g. computer equipment and software, furniture and fixtures, vehicles, etc.).
21. "Flex Funds" means discretionary funds available to purchase goods and services.
22. "Governor's Office for Children (Office)" has the meaning stated in Executive Order 01.01.2006.03.
23. "Health Care Practitioner" means any individual who is licensed, certified, or otherwise authorized under the Health Occupations Article of the Annotated Code of Maryland to provide health care services in the ordinary course of business or practice of a profession.
24. "Indicator" means a measure that helps quantify the achievement of a Well-Being Result.
25. "Local Access Mechanism" means an identifiable structure and method that helps families access and coordinate available services and supports, both public and private, to address the full range of needs encountered by families with children.

26. “Local Access Mechanism Information and Referral” means the initial interaction of the consumer with the system which is initiated by an individual seeking resource(s) either for a child or a family member or for the whole family.
27. “Local Access Mechanism Screening” means the initial triage to identify children at risk and link them to appropriate resources.
28. “Local Access Mechanism Assessment” means a comprehensive review of data from multiple sources to identify strengths, resources and needs to develop plans of care.
29. “Local Access Mechanism Evaluation” means the discipline-specific intensive study of a clinical issue performed by an appropriately credentialed professional.
30. “Local Access Mechanism Navigation” means assistance provided to families to help them identify strengths and needs and to obtain necessary services (does not constitute clinical evaluation). The individuals who provide this assistance do not carry a caseload, and are available to families as they present themselves.
31. “Local Care Team” has the meaning as stated in the Maryland Human Services Article, Title 8, Subtitle 4 of the Annotated Code of Maryland.
32. “Local Management Board” or “Board” means the entity established and maintained by each local jurisdiction pursuant to §8-301 of the Human Services Article of the Maryland Annotated Code for the purpose of overseeing and ensuring the implementation of a local interagency service delivery system for children, youth and families in that jurisdiction.
33. “Mandated Programs” are those that “reflect the priorities, policies, and procedures that the Children’s Cabinet adopts” pursuant to §8-504 of the Human Services Article of the Maryland Annotated Code.
34. “Manual” means the State of Maryland Policies and Procedures Manual for Local Management Boards issued by the Governor’s Office for Children, on behalf of the Children’s Cabinet, to provide guidance on the administration and management of Maryland’s Local Management Boards.
35. “Office” means the Governor’s Office for Children.
36. “Opportunity Youth” means teenagers and young adults between the ages of 16 and 24 years of age who are neither working nor in school. Also known as “Disconnected Youth”.
37. “Out-of-home placement” means the 24-hour substitute care for children and youth placed away from their parents or guardians for more than 24 hours and for whom

- the Departments of Human Services, Juvenile Services, or Health or the Maryland State Department of Education/Local School System has supervision and care responsibility.
- 38.** “Performance Measure” means a measure used to assess how well a program, agency, or service system is achieving its objectives.
 - 39.** “Plan of Care” means a written document that comprehensively describes the services to be provided to a child and family across life domains.
 - 40.** “Private Sector” means those entities that are not government-controlled. The private sector encompasses for-profit entities and non-profit entities that are not owned or operated by government.
 - 41.** “Public Sector” means those entities that are government-controlled. The composition of the public sector varies by jurisdiction, but generally includes the police, libraries, military, public roads, public transit, primary education and healthcare for the poor.
 - 42.** “Recoverable Funds” means expenditures that have been identified as not allowable during monitoring or as unspent during reconciliation.
 - 43.** “Residential Treatment Center” has the meaning stated in Health-General Article, §19-301, Annotated Code of Maryland.
 - 44.** “Result” means a condition of well-being for children, adults, families or communities.
 - 45.** “Scorecard” means the performance management and reporting web-based application available through Clear Impact, LLC used to track Result and Indicator data and data for performance measures for all Local Management Board programs funded through the Children’s Cabinet Interagency Fund and/or the Governor’s Office for Children. Also known as the Results Scorecard™ and the Clear Impact Scorecard.
 - 46.** “Service Record” means the original or a copy of any documentary material, including referral information formal and informal assessments, recommendations, and closing material, for a child receiving service.
 - 47.** “Stipend” means a fixed sum of money paid periodically for services or to defray expenses.
 - 48.** “Systems of Care” means a comprehensive spectrum of mental health and other necessary services which are organized into a coordinated network to meet the

multiple and changing needs of children and adolescents and their families and that are family-driven, youth-guided, individualized, culturally and linguistically competent, and community-based.

- 49.** “Sustainability” means the ability to be implemented and maintained over a series of fiscal years.
- 50.** “Youth Services Bureaus” has the meaning stated in Human Services Article, §9-233, Annotated Code of Maryland.
- 51.** “Wraparound” means a service delivery model that includes a collaborative process in which the Child and Family Team assists in the development and implementation of an individualized Plan of Care that includes specified outcomes and adheres to the standards and guidelines set forth by the National Wraparound Initiative.

SECTION I – OVERVIEW

Subsection 10 – Establishment

- A.** The establishment of Local Management Boards was originally provided for in Article 49D that was enacted in 1990 and expired on June 30, 2005.
- B.** In response to the sunset of Article 49D, Executive Order 01.01.2005.34 was issued on June 9, 2005 establishing the Children’s Cabinet and the Office (later amended by Executive Order 01.01.2006.03).
- C.** Local Management Boards were re-codified in Title 8 of the Human Services Article of the Maryland Annotated Code effective October 1, 2007.

Subsection 20 – State Structure

A. Children’s Cabinet

- 1.** The Children’s Cabinet, through the Office,:
 - a.** Specifies the roles and responsibilities of the Boards;
 - b.** Establishes minimum standards for the composition of the Boards;
 - c.** Establishes fiscal and program accountability in the implementation of Community Partnership Agreements (Agreements) and the use of other State resources by the Boards;
 - d.** Establishes procedures to ensure the confidentiality of information shared by Board members and employees in accordance with State and federal law;
 - e.** Develops a Three-Year Children’s Plan for improving outcomes for Maryland’s children and families; and,
 - f.** Reports annually to the Governor and the Legislature on progress towards established goals.
- 2.** The Children’s Cabinet is chaired by the Executive Director of the Office.
- 3.** The Children’s Cabinet is composed of the Secretaries of the Departments of Budget and Management; Disabilities; Health; Human Services; Juvenile Services; the State Superintendent of the State Department of Education; and the Executive Director of the Office. The Chair may include other Secretaries or Executive Directors.

B. The Governor's Office for Children

1. The Role of the Office is to:

- a.** Partner “with Local Management Boards to plan, coordinate, and monitor the delivery of integrated services along the full continuum of care and oversee the use of Children’s Cabinet Interagency funds in accordance with policies and procedures established by the Children’s Cabinet....”
- b.** Serve as the policy advisor to the Governor, the Children’s Cabinet and the agency members of the Children’s Cabinet.
- c.** Provide staff to the Children’s Cabinet.
- d.** Oversee an accountability system on behalf of the Children’s Cabinet by developing, collecting and analyzing data to track progress towards achieving prioritized results.
- e.** Work with the Children’s Cabinet to develop creative financing options through new federal grants, philanthropic sources, public/private partnerships and repurposing resources.
- f.** Oversee the allocation and use of the Children’s Cabinet interagency funds in accordance with policies and procedures established by the Children’s Cabinet.
- g.** Provide technical assistance and training to support the implementation of the Children’s Cabinet strategic plan and/or Three-Year Children’s Plan.

C. Children’s Cabinet Implementation Team (Implementation Team)

- 1.** The Implementation Team is chaired by the Deputy Director of the Office.
- 2.** The Implementation Team is composed of the Deputy Secretaries/Assistant Superintendents or another executive staff of the Children’s Cabinet and other agencies or offices as determined by the Executive Director of the Office.
- 3.** The role of the Implementation Team is to:
 - a.** Develop an implementation plan for approval by the Children’s Cabinet;
 - b.** Match expectations and resources, both existing and newly-developed (collectively or individually from alternative sources);
 - c.** Identify and address factors that may impede effective implementation;
 - d.** Provide technical assistance, monitoring, and oversight to local programs and agencies;

- e. Support ongoing evaluation and continuous program improvement, including resolution of interagency barriers or shared service delivery obstacles;
- f. Monitor performance and results; and,
- g. Report progress to the Children’s Cabinet on a quarterly basis.

Subsection 30 – Monitoring

- A. The Board will be monitored to determine compliance with:
 - 1. The requirements of any agreements or contracts funded by the Office and/or the Fund;
 - 2. The State of Maryland Policies and Procedures Manual for Local Management Boards; and,
 - 3. Federal, State and local laws, regulations and policies.
- B. **Scope**
 - 1. Manual requirements that are subject to monitoring are highlighted in green in this Manual.
- B. **Schedule**
 - 1. The Office, or its representative, will monitor the Boards on a periodic basis.
 - 2. The monitoring plan and schedule for the fiscal year will be released to the Boards by the Office.
 - 3. The frequency of monitoring and schedule of site visits is subject to change as determined by the Office and/or directed by the Children’s Cabinet.
 - 4. The Office and the Children’s Cabinet reserve the right to conduct unscheduled monitoring visits and/or other monitoring activities that are not identified in the published plan and/or schedule, and without prior notification to the Board as deemed necessary.
 - a. The provisions in Part D of this Subsection do not apply in the event of an unscheduled monitoring site visit.
- C. **Access**
 - 1. The Board shall make available all data, records, and any other documents as requested.

2. The Board shall ensure access to all materials referenced and any other documents and/or materials as requested.

D. Site Visit

1. Site visits will be conducted in accordance with the published monitoring plan and schedule.
2. Prior to the site visit, the Office staff, or its representative, will contact the Board Point of Contact and Board Chair to:
 - a. Schedule or confirm the site visit;
 - b. Describe the monitoring scope;
 - c. Discuss any materials to be completed in advance of the site visit, as applicable; and,
 - d. Provide a list of required documents to be made available during the site visit.
3. During the site visit, the monitor(s) will review the Board's files, case records, fiscal documents, policies and procedures, monitoring tools and documentation and other materials as needed to ascertain compliance with the requirements as noted in part A, above.
4. The scope of the site visit will be determined prior to the visit and communicated to the Board in advance and will include, but is not limited to:
 - a. Programs/initiatives funded through the Agreement;
 - b. Other programs/initiatives funded by the Office and/or the Children's Cabinet; and,
 - c. Program Monitoring and Evaluation.
5. The monitor(s) will review revenue and expenditures to ensure standards, policies, and procedures are consistent with the approved budget and supported by adequate documentation in accordance with Generally Accepted Accounting Principles (GAAP) or Generally Accepted Government Accounting Principles (GAGAP), the Agreement and this Manual.

E. Conclusion of Monitoring

1. At the conclusion of the monitoring process, the monitor(s) may provide the Board with the opportunity for:
 - a. An informal debriefing;

F. Recovery and Reconsideration

1. If recoverable funds are identified in the monitoring report that is accepted by the Board, the Office will issue a request for payment of funds due, and will provide the Board with thirty (30) days to either make payment or submit a request for reconsideration of the requirement for fiscal recovery to the Children's Cabinet.
2. In any request for reconsideration, the Board should clearly state the basis for, and include documentation in support of, its position.
3. The Children's Cabinet will set a date to review the request for reconsideration and adopt a schedule for resolution of the matter within sixty (60) days of receipt of the request for reconsideration.
4. The decision of the Children's Cabinet regarding a request for reconsideration of intended fiscal recovery is final and is not subject to further appeal.

Subsection 40 – Letters of Support/Commitment

- A. A Board that desires to obtain a letter of support/commitment from the Office for a project or grant proposal must submit to the Deputy Director of the Office a request that includes:
 1. The details about the project (abstract, Executive Summary, etc.);
 2. A draft of the proposed letter of support/commitment; and,
 3. The date by which the letter is requested.
- B. Requests:
 1. Requests must be submitted by the beneficiary of the proposed grant. The Office will not accept a request from a grant writer/agent/other third party.
 2. Requests should be submitted as soon as possible to the Office, but no later than fourteen (14) days from the date the support/commitment letter is due.
- C. Any commitment/support to be given by the Office will be for the concept and will be for a defined period - usually one (1) year.
- D. A request to categorize funding from the Office or the Children's Cabinet as match for any grant (including a renewal or reapplication) must be submitted to the Office by the beneficiary of the proposed grant and not a grant writer/agent/other third party.

Subsection 50 - Required Signatures

- A. Where signatures are required, only the complete, original signature of the specified individual(s) will be accepted.
- B. Electronic signatures, signature stamps, and other alternatives will not be accepted, except when requested to be submitted as a reasonable accommodation under the Americans with Disabilities Act.

Subsection 60 – Waivers

- A. The Board may request a waiver of any requirement herein except for the audit requirement and the provision regarding ownership of fixed assets noted in Section IV, Subsections 10 B and 10 D, respectively.
- B. If a Board intends to propose a program for funding that falls outside of the required criteria set by the Children’s Cabinet, the Board may request a waiver under the following circumstances:
 - 1. The program has been identified as a critical need in the community plan;
 - 2. No other similar service exists in the jurisdiction to meet the need;
 - 3. The Board has received no less than three (3) letters of rejection for funding for the program from a public sector, charitable trust, or foundation funder; and,
 - 4. The Board can demonstrate that the loss of service will have a significant negative impact on vulnerable children or families in the jurisdiction.
- C. The Board should mail a written request for a waiver to the attention of the Deputy Director of the Office who has been authorized to review and approve or deny the request on behalf of the Office and/or the Children’s Cabinet.
 - 1. The request should include:
 - a. The rationale for the proposed waiver;
 - b. How the Board will ensure compliance should a waiver be granted;
 - c. The timeframe for the proposed waiver;
 - d. Signatures by the designated Point of Contact and Board Chair; and,
 - e. In the case of a proposed program that falls outside of the Children’s Cabinet criteria for funding, documentation that demonstrates the requirements contained in Subsection 60 B 1-4.

2. The Office will respond to the Board within thirty (30) days of receipt of a waiver request, unless additional information from the Board is required or the request is incomplete.

Subsection 70 – Awards

- A. Effective January 1, 2017, award letters will not be issued to Boards that are delinquent in progress reports, performance measures, financial reports or other required information associated with current funding.

SECTION II – BOARD REQUIREMENTS

Subsection 10 – Board Roles

A. Key Roles of the Board Include:

1. Acting as the neutral convener in each jurisdiction to stimulate local action by State and local government, public and private providers, business and industry, and residents to create an effective system of services, supports, and opportunities that improve outcomes for children, youth, and families;
2. Planning, coordinating, implementing, and managing a local interagency service delivery system for children, youth and families;
3. Participating in the development and the implementation of a community planning process;
4. Developing and expanding the local community-based service delivery system for children and their families;
5. Strengthening the decision-making capacity at the local level;
6. Designing and implementing strategies to achieve desired results;
7. Maintaining standards of accountability for locally-agreed upon results for children and families;
8. Influencing the allocation of resources across systems as necessary to accomplish the desired results;
9. Building local partnerships to coordinate children, youth and family services within the county to eliminate fragmentation and duplication of services;
10. Representing local residents, communities, and State and local government;
11. Writing grants and assisting with local resource development to diversify local funding sources; and

B. Administrative Functions of the Board Include:

1. Assessment of community needs;
2. Development, review and implementation of a community planning process;
3. Local Care Team membership;

4. Development, review and implementation of Request for Proposal/Notice of Funding Availability and other solicitations, as applicable; and,
5. Contracting with the State and vendors as needed to achieve desired results.

Subsection 20 – Board Responsibilities

A. Each Board will:

1. Monitor and evaluate funded programs and contracts for performance and compliance;
2. Designate staff to fully-execute the Agreement and other grants awarded from the Office and/or the Children’s Cabinet, within budgetary limits;
3. Ensure policies and procedures are in place as required;
4. Notify the Office in writing of any Board changes, including, but not limited to Board name, address, phone number, Point of Contact, Board chair, etc. Notification of changes should be sent to the Deputy Director of the Office via email as soon as the change is known;
5. Designate a Point of Contact for the Board as a means of communication with the Office;
6. Designate an individual to attend or participate by phone in meetings with the Office. These meetings provide a regular forum for communication between the Office and the Boards about expectations, changes in policies and regulations, best practices, highlights of Board work, and other pertinent information;
7. Operate according to written practices, rules and/or protocols;
8. Adopt its jurisdiction’s policies and/or establish its own written policies and procedures for personnel, procurement, finance and accounting;
 - a. When adopting its own policies, the Board shall revise those polices as necessary to reflect changes in this Manual and other applicable federal, State, and/or local laws, regulations and policy; and,
9. Make its policies and procedures accessible to its community partners.

Subsection 30 – By-Laws

- A. Each Board shall have written by-laws that reflect actual practice and are approved by the Board and the governing body of the jurisdiction, as applicable.
- B. If the Board elects not to include conflict of interest requirements in the by-laws, the Board shall establish a separate policy specifying the procedures for Board member and staff conflicts of interest.

Subsection 40 – Board Meetings

- A. The Board should meet on a regular basis in accordance with its by-laws.
- B. The Board should maintain minutes to document attendance and the business conducted at the meetings.
- C. Committees established by the by-laws or other action of the Board should maintain minutes to document attendance and the business conducted at the meetings.

Subsection 50 – Laws, Regulations and Policies

- A. The Board shall comply with all applicable federal, State and local laws, regulations, and policies, including any regulations or written requirements adopted by the Office and/or the Children’s Cabinet.
- B. **Criminal Background Checks and Clearances**
 - 1. A national and State criminal history records check is required for individuals in accordance with State law, including Family Law Article, Title 5, Subtitle 5, Annotated Code of Maryland and COMAR 12.15.02.
 - 2. The Board shall ensure that vendors are in compliance with the criminal background check requirements.
 - 3. The Board shall ensure that vendors develop and comply with policies and procedures to respond to situations in which a criminal background check discloses criminal activity.
 - 4. When a criminal background check is not required pursuant to the Family Law Article noted above, it is recommended that the Board seek legal counsel and consider the possible liabilities of not requiring a criminal background check for all persons who have contact with children.

C. Confidentiality

- 1.** In accordance with federal and State law, the Board and its vendors shall maintain the confidentiality of children and families served and shall not disclose the name or other identifying information about the child and/or family, including in its written or electronic correspondence with the Office or other entities, except as permitted by law.
- 2.** When communicating, as applicable, regarding a child:
 - a.** Electronic files shall be in an encrypted format and password protected;
 - b.** The file and the password shall be sent to the recipient in separate emails;
 - c.** The Board shall develop and implement its own procedure to ensure confidentiality is maintained; and
 - d.** Hard copy communication shall have identifying information redacted.

D. Record Retention

- 1.** Records will be maintained in accordance with the provisions noted herein and in compliance with federal and State law.
- 2.** Records that are developed and/or maintained in hard copy format will be stored, accessed, and retained in accordance with federal and State laws and procedures.
- 3.** Records that are developed and/or maintained in electronic format will be stored, accessed, and retained in accordance with federal and State laws and procedures including Section 508 of the Rehabilitation Act.
- 4.** The following protections will be implemented in addition to federal and State requirements:
 - a.** Electronically-formatted records will be maintained for the required retention period in a format that is accessible to authorized Office staff and equipment;
 - b.** Access and storage authorization and procedures for electronic records will be the same as for hard copy records;
 - c.** Any and all electronically-formatted records that are stored on a server will be encrypted with limited password-only access to authorized persons; and,
 - d.** Any and all electronically-formatted records that are stored on a system controlled by a vendor will be in an encrypted format, and governed by written certification from the vendor that the records will be accessed,

maintained, stored, and retained in accordance with federal and State laws and procedures, and that the vendor will implement all reasonable methods to preserve the confidentiality of the records and limit access to only those authorized access to the records.

Subsection 60 – Using Results and Indicators

- A.** This Subsection details how results and indicators will be used by the Board.
- 1.** The Children’s Cabinet and the Office are committed to partnering with the Boards to improve outcomes for Maryland children, youth and families.
 - 2.** The methodology for measuring progress towards improve outcomes is Results-Based Accountability (also referred to as Results Accountability) which is the basis for the development of the Community Partnership Agreement that directly connects resource allocation to specific, measurable results.
 - 3.** The application of the Results-Based Accountability framework includes a review of both population-level accountability and performance accountability:
 - a.** Population Accountability
 - i.** Measures how well an entire population in a jurisdiction is faring.
 - ii.** Is established through a process that utilizes the following questions:
 - a)** What results is the Board trying to achieve?
 - b)** What does the data tell the Board? What are the indicators that tell the Board if it is making progress towards reaching the results that the Board is trying to achieve? Is the indicator getting better or worse?
 - c)** What is the story behind the data and the direction it is heading?
 - d)** Who are the partners who have a role to play in doing better?
 - e)** What strategies work to “turn the curve” and make things better?
 - f)** What is the Board’s action plan and budget?
 - b.** Performance Accountability
 - i.** Determines how well individual programs are performing.
 - ii.** Is established through a process that considers the following questions:
 - a)** Who are the customers?
 - b)** How can the Board measure if the customers are better off?
 - c)** What are the current measures with regard to service delivery?
 - d)** What partners have a role to play in doing better?

- e) What is the story behind the measures?
 - f) What works to improve these measures?
 - g) What is the Board's action plan and timeline?
4. Boards are required to use the Results-Based Accountability process in:
 - a. Developing and implementing the Community Partnership Agreement with the Children's Cabinet;
 - b. Utilization of the Scorecard, the web-based application for data collection and reporting required for all Boards and programs funded by the Children's Cabinet and/or the Office; and,
 - c. Board agreements or contracts with vendors.
 5. All vendor agreements for programs/strategies funded by the Children's Cabinet and/or the Office will include performance measures developed through the Results-Based Accountability process and approved by the Office that will be entered in the Scorecard with relevant outcome data entered at intervals determined by the Office.

B. Maryland's Results and Indicators

1. The Children's Cabinet has adopted Maryland's Child Well-Being Results and Indicators (Results and Indicators) as the accountability mechanism for Community Partnership Agreements.
2. The Office and the Children's Cabinet routinely collect data to measure child well-being. This State and jurisdictional data is publically available on the Scorecard at goc.maryland.gov/wellbeingscorecard/.
3. The Boards will use the Results and Indicators for planning, assessing community needs, decision-making, establishing goals for the jurisdiction and measuring progress.
4. Maryland's Child Well-being Results and the corresponding Indicators are:
 - a. Babies Born Healthy
 - i. Infant Mortality: The number of deaths occurring to infants under one year of age per 1,000 live births, for all infants, and for infants in selected racial groups.
 - ii. Births to Adolescents: The rate of births to adolescent females ages 15 through 19 per 1,000 in the age-specific population.
 - iii. Low Birth Weight: The percent of all births and births in selected racial groups with birth weight less than 2,500 grams (approximately 5.5 pounds).

- b. Healthy Children**
 - i. Health Insurance Coverage:** The percent of children who have health insurance coverage.
 - ii. Immunizations:** The percent of children ages 19 through 35 months who have received the full schedule of recommended immunizations.
 - iii. Deaths:** The number of deaths to children ages 0-21 per 100,000 in the age-specific population.
 - iv. Obesity:** The percent of Maryland public school students in grades 9-12 who are overweight or obese.
 - v. Hospitalizations:** The number of non-fatal injury hospitalizations to children ages 0-18 years, 19-21 years, and 0-21 years per 100,000 in the age-specific population for selected categories of injury (unintentional, self-inflicted, assault).
 - vi. Substance Use:** The percent of Maryland public school students in grades 9-12 who have ever had a drink of alcohol.

- c. Children Enter School Ready to Learn**
 - i. Kindergarten Assessment:** The percent of composite scores for Maryland kindergarten students based on their readiness in the domains of the Kindergarten Readiness Assessment (previously measured by the Maryland Kindergarten Assessment).

- d. Children are Successful in School**
 - i. Academic Performance:** The average percent of public school students in grades 3 through 8 performing at or above proficient levels in reading and mathematics on the Partnership for Assessment of Readiness for College and Careers (PARCC) assessment (previously measured by the Maryland School Assessment [MSA]).
 - ii. High School Assessment:** The percent of public school students in grades 9 through 12 performing at the passing level in four core subjects of the Partnership for Assessment of Readiness for College and Careers (PARCC) assessment: Algebra, Biology, English 2, and Government (previously measured by the Maryland High School Assessment [HSA])¹.
 - iii. Alternative Maryland School Assessment:** The percent of students, grades 3 through 8, scoring at or above proficient on the Alternative Maryland School Assessment, by academic year.
 - iv. Truancy:** The percent of students in all grades (public schools) absent more than 20 days of the school year (excluding summer school).

¹ There are still some subjects measured by the HSA (Biology and Government). Biology is moving to some sort of integrated Science assessment while Government stays in the form of the HSA, so the tools will be in flux for a few years.

- v. **Bullying and Harassment:** Total number of bullying, intimidation, or harassment incidents reported by academic year.
- e. **Youth will Complete School**
- i. **High School Dropout:** The percent of public school students, grades 9 through 12, who withdrew from school before graduation or before completing a Maryland-approved educational program during the July to June academic year and are not known to have enrolled in another high school program during the academic year.
 - ii. **High School Completion:** The percent of high school graduates who successfully completed the minimum course requirements needed to enter the University System of Maryland or complete an approved Career and Technology Education program.
 - iii. **Program Completion of Students with Disabilities:** The percent of students with disabilities, ages 14 through 21, who graduate or complete school.
 - iv. **Educational Attainment:** The percent of young adults, ages 18 through 24, who have not completed high school, have completed high school, completed some college or an associate's degree, or attained a bachelor's degree or higher.
- f. **Youth have Opportunities for Employment or Career Readiness**
- i. **Youth Employment:**
 - a) The percent of young adults, ages 16 through 24, who are in the labor force.
 - b) The percent of young adults, ages 16 through 24, who are unemployed.
 - ii. **Disconnected/Opportunity Youth:**
 - a) The number of youth ages 16-24 not in school and not working.
 - b) The percent of youth ages 16-24 not in school and not working.
- g. **Communities are Safe for Children, Youth and Families**
- i. **Child Maltreatment:** The number of unduplicated children (ages 0 through 17) with indicated/unsubstantiated child abuse/neglect findings per 1,000 in the age-specific population.
 - ii. **Juvenile Felony Offenses:** The rate of referrals, per 100,000 youth ages 11 through 17, for felony offenses, including both violent and non-violent charges.
 - iii. **Juvenile Recidivism:** Juvenile and adult re-adjudicated/convicted recidivism rates for youth released from the Department of Juvenile Services committed programs after 12, 24, and 36 months.
 - iv. **Crime:** The number of violent crimes committed per 1,000 persons.

- h. Families are Safe and Economically Stable
 - i. Child Poverty: The percent of children under age 18 whose family income is equal to or below the federal poverty threshold.
 - ii. Hunger: The percent of families who experience a lack of access, at times, to enough food for an active, healthy life for all household members; limited or uncertain availability of nutritionally adequate foods.
 - iii. Out-of-Home Placements: The number of out-of-home placements that occur per 1,000 children in the population.
 - iv. Homelessness: The percent of children enrolled in the public school system who lack a fixed, regular, and adequate nighttime residence or who are awaiting foster-care placement.
5. The Board may prioritize local indicators on which to focus in addition to State indicators.

Subsection 70 – Contracting

A. Contracting with the Office and the Children’s Cabinet:

1. Community Partnership Agreement
 - a. The Agreement is the contract executed between the Children’s Cabinet and each Board that is individualized to the needs of the jurisdiction and details the roles and responsibilities of each party including the services to be provided to the community and the funds awarded.
 - b. The Agreement is composed of the following sections:
 - i. Standard Provisions – Including the scope of the agreement and standard legal clauses such as term, termination and general provisions and conditions of agreement;
 - ii. Appendix A – The Program Description Chart that details the specific programs/strategies to be implemented by the Board including the Results to be addressed, the Indicators to be used to measure progress and the performance measures for each program/strategy;
 - iii. Appendix B – The annual budget for the funds awarded to the Board by the Office and/or the Children’s Cabinet; and,
 - iv. Appendix C – The multi-year budget, as applicable.
 - c. A new Agreement in its entirety, or new Appendices, as appropriate, will be executed for each term.
 - i. The Agreement will be fully-executed by June 30th of each fiscal year.

- d.** The contract period shall be the State's fiscal year (July 1 through June 30) unless otherwise stated in the Agreement.
- e.** In the case of a multi-year Agreement, the Appendices will be approved annually and are subject to annual appropriations.
- f.** Preparation of the Agreement:
 - i.** The Office will issue instructions on the preparation of the Agreement, including the requirements for the Appendices.
 - ii.** Performance measures for each funded program/strategy are required and shall be submitted in accordance with instructions issued by the Office.
 - a)** Performance measures shall include:
 - i)** Quantity of effort: How much did you do?
 - ii)** Quality of effort: How well did you do it?
 - iii)** Quality of effect: Is anyone better off? (Child and family results or outcomes)
 - b)** Incomplete submissions or those that do not adhere to the established guidelines will be rejected by the Office with a request for revision.
 - c)** Failure to submit the data for approved performance measures will result in withholding of payment(s), as applicable.
 - d)** Boards will utilize standardized performance measures adopted for applicable programs/strategies. In the absence standardized measures, the Board will develop measures and submit to the Office for approval in advance of implementation.
- g.** Modification of the Agreement:
 - i.** To request a modification to the Agreement, the Board will submit a request to the attention of the Deputy Director of the Office in accordance with the protocol established by the Office.
 - a)** The Deputy Director will review and approve or deny the request on behalf of the Office/Children's Cabinet within three (3) business days, provided no additional information from the Board is necessary.
 - b)** After the approval of the modification request, the Deputy Director will provide instruction and issue the forms necessary to execute the approved change/modification.
 - ii.** Requests for modifications must be received by May 15th for an Agreement that expires at the close of the fiscal year.
 - iii.** Approved modification forms will be signed by authorized representatives of the Board and/or Subdivision, as applicable, and the Executive Director of the Office.

received and accepted by the Office.

- a) If a report, electronic data submission or other deliverable is not received when due, payments scheduled to follow the due date of the report, etc. will be withheld until the Board is in compliance with all reporting requirements.
- iv. Payment to a Board is made four (4) times per year according to the following schedule:
 - a) The first payment will be for four twelfths (4/12) of the award and will be released in accordance with the guidelines noted above.
 - b) The second payment will be for three twelfths (3/12) of the award and will be released in the second quarter provided the Board is in compliance with all requirements.
 - c) The third payment will be for three twelfths (3/12) of the award and will be released in the third quarter provided the Board is in compliance with all requirements.
 - d) The fourth and final payment will be for the balance of the award and will be released in the fourth quarter provided the Board is in compliance with all requirements.

5. Grant Agreements

- a. A Grant Agreement is a contract executed between the Office (individually or on behalf of the Children’s Cabinet) and the Board for a specific project or the provision of a defined service.
- b. The Office may execute a grant agreement with a Board as necessary and appropriate.
- c. Data entry in the Scorecard may be required and will be completed by the Board in accordance with instructions issued by the Office.
- d. Modification
 - iv. To request a change or modification to the Grant Agreement, the Board will mail a written request signed by the Board Chair and Point of Contact to the attention of the Deputy Director of the Office who will review and approve or deny the request on behalf of the Office and/or the Children’s Cabinet.
 - v. Requests for modifications shall be postmarked forty-five (45) days prior to the expiration date of the Grant Agreement.
 - vi. Requests for modifications that are received by the Office after the expiration date of the Grant Agreement cannot be approved without a request for a waiver of the requirement to submit the request by the due date.

- vii. Modification requests require a short narrative explaining the need for the proposed change.
 - viii. New or revised performance measures, as applicable, may be required.
 - ix. Modification requests may also require a revised budget and corresponding budget narrative, as applicable.
 - x. The Office will respond to the Board within thirty (30) days of receipt of the request. The Office's response may be delayed if additional information from the Board is required.
 - xi. The modification shall be requested and approved by the Office prior to the Board implementing any changes related to the modification.
- e. No-Cost Extension/Carry-Forward/Carry-Over
- i. The Board may request a no-cost extension, a carry-over or carry-forward for a Grant Agreement in accordance with guidelines published by the Office on behalf of the Children's Cabinet.
 - ii. Requests must be received by May 15th for a Grant Agreement that expires at the close of the fiscal year.
 - iii. No-cost extension requests require a short narrative explaining why the project could not be completed as planned and a revised timeline for program completion. Revised performance measures may be required, as applicable.
 - iv. Additional information may be required if the Board requests to modify the scope of the original project or budget.
 - v. No-cost extensions shall be requested and the Office's approval obtained prior to the Board implementing any changes.
- f. A request for modification/carry-forward/carry-over is subject to the following conditions :
- i. Prior written approval from the Office is necessary if a Board desires to expend funds for purposes not approved in the current plan or in a manner different from the approved plan;
 - ii. Grant funding cannot be used to supplant existing funding;
 - iii. Requests for ongoing program funding or for salary expenses require a concrete plan for future sustainability, such as a documented commitment from another entity to provide needed funding;
 - a) A proposal to seek funding, investigate foundation grants, or other tentative action is not a valid sustainability plan; and,
 - iv. Ongoing programs are required to be self-sustaining.
- g. Reporting
- i. Reporting requirements for Grant Agreements are indicated in the terms and conditions of the Grant Agreement.

- ii. The Office may require additional reports not referenced herein or in the terms and conditions of the Grant Agreement.
- iii. The Office may require a Board to amend/correct a report or electronic data submission that is incomplete, incorrect, technically insufficient or includes another error. The Office may issue instructions on the protocol for the completion of reports and/or electronic data submission.
- iv. A request for a grant agreement modification, extension, carry-over or carry-forward will not be approved if the Board is not in compliance with required reports and other deliverables.

h. Payment

- i. No payment will be authorized by the Office without a fully-executed Grant Agreement.
- ii. Payment to a Board for a Grant Agreement is made in accordance with the terms of the Grant Agreement.
- iii. Payment to a Board for a Grant Agreement will be made only after the executed Grant Agreement and/or all required reports and other deliverables are received and accepted by the Office.
- iv. If a report, electronic data submission or other deliverable is not received when due, payments scheduled to follow the due date of the report, etc. will be withheld until the Board is in compliance with all reporting requirements.

G. Contracting with Vendors:

1. Subject to applicable requirements, including, but not limited to, those with respect to procurement, the Board is responsible for the negotiation and execution of contracts for the provision of all programs and services funded by the Office and/or the Children's Cabinet with the exception of the Board's administrative services (including, but not limited to, pest control, bottled water, office cleaning, etc.).
2. In the event that a contract cannot be executed prior to the commencement of services, and in accordance with its applicable policies and procedures, the Board may issue a letter of commitment to the vendor outlining the scope of services and the maximum funds available based on the specified terms.
3. The Board will incorporate the applicable sections of the current Manual into each of its contracts.
4. Contracts will be formalized in writing and set forth the specific terms (e.g., hourly rate, *per diem*, per visit rate, etc.) that are generally accepted standards within the field.
5. Contracts will specify the maximum funds available based on the specified terms

that are measurable and sufficiently documented to enable verification by a qualified auditor.

6. The Board's contracts with its vendors will provide the Board and State agencies access to all information, including client records, consistent with State and federal laws.

7. In addition to other applicable requirements stated herein, contracts with vendors will include the following provisions:

a. Service Records

- i.** Upon completion of services, service records will either be retained by the Board or returned to and retained by the lead agency that referred the child to the program or the Board, as applicable.
- ii.** Service records will be retained for five (5) years after the child turns 21 years old.
- iii.** Service records, except as noted in Section iv below, in any form generated or arising from the use of State funds provided under a contract or an Agreement covered by this Manual are the sole and exclusive property of the State.
- iv.** Case files for Youth Services Bureaus programs are the property of the Youth Services Bureaus; however, access will be provided as stated in number 6 above of this Manual.

b. Federal Law

- i.** Appropriate human services contracts will contain provisions for compliance with federal Health Insurance Portability and Accountability Act and State confidentiality laws.
- ii.** See Section VII, Appendix 2 of this Manual for sample language.

c. Reports, Data, Studies, or Other Materials

- i.** Any reports, data, studies, or other materials in any form, generated or arising from the use of State funds provided under an Agreement covered by this Manual are the sole and exclusive property of the State.
- ii.** The Board is granted a non-exclusive license, without cost or fee, to use such materials. The Board may not assign or transfer its license.
- iii.** With regard to materials generated by a Board's vendor or grantee, the Board will ensure that the State's ownership interests are disclosed and not impaired by the terms and conditions of such grants and contracts.
- iv.** The Board will require each vendor who is providing services for more than one Board to report the amount of the Office's and/or Children's Cabinet funding received from each Board, including a description of the services provided for each Board.

- a) Vendor reports will be used by the Board to determine if a separate schedule of the Office's and/or Children's Cabinet revenue and expenditures is required for the vendor audit in accordance with the requirements of Section IV, Subsection 10.

H. Procurement

1. In accordance with Section II, Subsection 20 of this Manual, the Board will adhere to its adopted procurement policy, as applicable.
2. A Board that is an instrumentality of local government will comply with local government procurement laws and regulations.
 - a. If the local government does not have written procurement laws and regulations, or if it so elects, the Board will establish a procurement policy and procedures in accordance with Section II, Subsection 20, Part A 8 of this Manual.
3. An independently incorporated Board will establish a procurement policy and procedures in accordance with Section II, Subsection 20, Part A 8 of this Manual.
 - a. The applicable sections of State procurement laws will apply until a Board establishes procurement policies and procedures and/or regulations. (See Maryland Annotated Code, State Finance and Procurement Article, Title 13, §13-101, *et seq.* and COMAR 21.03.01 through 21.05.09 for applicable procurement policies and procedures, if needed.)

I. Consultants

1. The Board is responsible for appropriately designating the employment status of an individual/consultant.
2. Claims and penalties resulting from the improper designation of an employee, an independent contractor or a consultant are the responsibility of the Board.
3. Officers, employees, and members of the Board of Directors of the Local Management Board/vendors/subcontractor(s)/subgrantee(s) cannot be paid consultants to the Board, its member agencies, or its contractors and grantees.
4. The use of consultants is subject to compliance with all applicable Manual requirements, including, but not limited to requirements for fiscal management, individual program requirements, etc.

Subsection 80 – Oversight Responsibilities

C. Monitoring:

1. The Board will develop and implement a written monitoring policy that will address the process by which the Board will fulfill its monitoring responsibilities.
2. The following will not be considered the Board's written monitoring policy:
 - a. Minutes of a Board, committee or other meeting;
 - b. A job description; or
 - c. A monitoring tool, instrument, or questionnaire.
3. In accordance with its monitoring policy, the Board will monitor all vendors and consultants for compliance with requirements as set forth in this Manual, its contracts and grants and the terms of its Agreement and other grant agreements and contracts.

D. Evaluation:

1. The Board will evaluate all programs and services it funds, including, but not limited to:
 - a. Focusing on an assessment of approved performance measures;
 - b. Ensuring that services are selected that will make a difference in performance measures and client results;
 - c. Developing and maintaining a quality improvement process to increase the quality of services;
 - d. Developing an ongoing self-assessment process to track achievements; and,
 - e. Measuring outcomes and compliance with standards of quality.

E. Data Collection and Reporting:

1. The Board is required to collect and report on characteristics of children and families served, the services delivered, and the results of those services.
2. Each Board may opt to collect several kinds of data to suit its needs.
3. Data will be utilized to demonstrate not only the achievement of desired outcomes, but also to improve the quality of services provided.
4. Effective July 1, 2015, Boards are required to utilize, as instructed by the Office, the Scorecard web-based application to measure performance of programs/strategies funded by the Office and/or the Children's Cabinet.

SECTION III – PROGRAM REQUIREMENTS

Subsection 10 – Background

- A.** Subject to Appropriations, funding is available through the Office and Children’s Cabinet Interagency Fund for programs/strategies in accordance with guidelines established by the Office and the Children’s Cabinet.
- B.** Any and all programs/strategies funded by a Board in accordance with State law and this Manual are subject to the requirements set forth by State law and this Manual.
- C.** The Board will ensure that programs/strategies funded by the Office and/or the Children’s Cabinet Interagency Fund operate according to specified guidelines and achieve desired results.
- D.** If implementing an evidence-based program/initiative, the Board will ensure that the program/initiative operates with fidelity to the model.
- E.** If the Board requires the implementation of a certain assessment tool for funded programs/strategies, it will ensure that:
 - 1.** Only those individuals who have been certified administer the tool, as applicable;
 - 2.** All administrators have current certification, as applicable; and,
 - 3.** The tool is administered in accordance with established guidelines.

Subsection 20 - Local Care Team

- A.** As required by Maryland Annotated Code, Human Services Article, Title 8, Subtitle 4, there is a Local Care Team in each Maryland jurisdiction that coordinates services for children in need of residential placement and children with intensive needs.
- B.** The Board will participate as a member of the Local Care Team in accordance with the provisions of Title 8, Subtitle 4 of the Human Services Article of the Annotated Code of Maryland.
- C.** The Board may designate staff to provide administrative support for the Local Care Team as locally determined.
- D.** Each Local Care Team will determine how to complete administrative requirements.

Subsection 30 - Local Access Mechanism

- A.** A Board may elect to fund a Local Access Mechanism to improve:
 - 1.** Coordination and utilization of existing resources and supports;
 - 2.** Access to services by families; and/or,
 - 3.** The identification of needed services.
- B.** A Board that elects to fund a Local Access Mechanism will ensure that families requiring clinical evaluation are referred to appropriate child-serving agencies, organizations, or appropriately-credentialed professionals.

Subsection 40 – Juvenile Delinquency Prevention and Diversion Programs

- A.** A Board may elect to fund juvenile delinquency prevention and diversion programs.
- B.** A Board that funds a Youth Services Bureau will ensure compliance with the Youth Services Bureau requirements in Appendix 4.

Subsection 50 – Out-of-School Time Programs

- A.** A Board may elect to fund out-of-school, or afterschool, programs
- B.** A Board that elects to fund an out of school time program is encouraged to utilize evidence-based models as currently identified/approved by the U.S. Department of Education or other federal agency.

Subsection 60 – Home Visiting

- A.** A Board may elect to fund home visiting programs.
- B.** A Board that elects to fund a home visiting program will utilize effective home visiting service delivery models as currently identified/approved by the U.S. Department of Health and Human Services Health Resources and Services Administration (available at: <https://mchb.hrsa.gov/maternal-child-health-initiatives/home-visiting-overview> under the heading “How Does the Program Ensure Effectiveness?”) or other models approved by the Office.

- C. A Board that elects to fund a home visiting program will require the program vendors to comply with data collection requirements as described in the Home Visiting Accountability Act of 2012 (Maryland Human Services Code, Annotated, Title 8, Subtitle 5).

SECTION IV – FISCAL MANAGEMENT REQUIREMENTS

Subsection 10 – General

A. Financial Records – Will be maintained for five (5) years after reconciliation or until an audit/monitoring is completed by the Office and/or the Children’s Cabinet, whichever is later.

B. Board Audit:

1. An independent audit of Board funds will be conducted annually and submitted to the Office by the first Friday in February.
2. The audit will include a separate accounting of revenue and expenditures for:
 - a. The Agreement, disaggregated by approved Board Support budget line item and by approved vendor for each program/strategy; and,
 - b. Other grants issued by the Office/Children’s Cabinet, disaggregated by grant.
3. If the Board is independently incorporated, it will have an annual audit performed by an independent certified public accountant and submit a copy of the *Audited Financial Statement* and *Management Letter* to the Office.
4. If the Board is an instrumentality of local government, the Board will submit to the Office one of the following:
 - a. The Comprehensive Annual Financial Report for the county including a separate, removable (capable of being lifted from the report with opinion and notes) schedule of revenue and expenditures for the Board; or,
 - b. The Comprehensive Annual Financial Report for the county with a Supplemental Schedule in the back section of the report if an opinion is issued on the Board schedule; or,
 - c. An *Audited Financial Statement* and *Management Letter* performed by an independent certified public accountant.
5. Failure to submit the audit when required will result in a delay in completing the year-end reconciliation, the withholding of future payments and may be cause for the Office and/or the Children’s Cabinet to obtain the services of an independent auditor in order to meet the requirements set forth in this Section of the Manual.
 - a. The resulting cost incurred for the audit will be recovered via a corresponding reduction in the Board’s administrative budget.

D. Assets Purchased with Funds from the Office and/or Children's Cabinet:

- 1.** Fixed assets purchased, generated or arising from the use of State funds subject to this Manual are the sole and exclusive property of the Board and/or the County.
- 2.** The Board and/or the County must adhere to Parts 4 a-c and 5 a-d below before assigning, transferring ownership or disposing of any fixed assets purchased with State funds.
- 3. Inventory:**
 - a.** The Board will maintain a written inventory of all fixed assets purchased with funds from the Office and/or Children's Cabinet.
 - b.** The inventory will include the type of item purchased; item make, model and/or serial number as appropriate; purchase date; amount of purchase; and physical location of item.
 - c.** The Board will update the inventory as needed.
 - d.** The Board is responsible for ensuring the whereabouts of all fixed assets at all times.
- 4. Reclamation:**
 - a.** When State funds are used to purchase fixed assets, the Office and/or the Children's Cabinet has the right of first refusal to reclaim and dispose of these fixed assets and the Board will ensure that right is protected.
 - b.** Subject to existing law, the Office and/or the Children's Cabinet may waive its right of recovery.
 - c.** The Board will recover from a vendor any and all fixed assets purchased with State funds at the end of the contract term or in the event that the vendor for a program/strategy ceases to provide services.
 - i.** Fixed assets will be recovered by the Board and transferred to the new vendor, as applicable.
- 5. Transfer and Disposal:**
 - a.** The Board will not transfer or dispose of any fixed assets purchased with funds from the Office and/or Children's Cabinet unless prior approval has been granted by the Office.
 - b.** The Board will contact the Office to discuss the proposed transfer or disposal of fixed assets purchased with funds from the Office and/or Children's Cabinet prior to any action occurring.

- c. Transfer and State disposal of any fixed assets will be done in accordance with State law and regulation.
- d. The Board will maintain documentation of fixed asset purchases and depreciation.

E. Sales and Use Tax Exemption:

- 1. A Board that is exempt from the payment of sales and use taxes should routinely employ an exemption certificate, whenever practicable, to prevent paying such taxes.

Subsection 20 - Funding Principles

A. Maximum Funding - The stated amount of the award is the maximum funding for which the Office and/or the Children's Cabinet will be responsible, unless the award is amended.

B. Supplemental Award:

- 1. The Board may request supplemental funding in writing at any time.
- 2. It is recommended that the Board contact the Deputy Director of the Office prior to submission of a written request for supplemental funding to ensure that additional funds are available and to ascertain if any special conditions may be imposed.
- 3. The Board will provide the rationale for the request for supplemental funding to the Deputy Director in writing, if additional funding is available.

C. Budget Modification:

- 1. A budget modification is a revision to the budget that restates the original total budget amount, and incorporates line item changes desired by either the Board or the Office and/or the Children's Cabinet to result in a revised budget.
 - a. See Section II, Subsection 70 of this Manual for more information on modifications.
- 2. The Office will issue guidelines addressing when budget modifications are necessary and the instructions for requesting a modification.

D. Reduction of Award:

- 1. The Office, individually or on behalf of the Children's Cabinet, or the Board may reduce the amount of an award.
- 2. Generally, the reasons the amount of an award may be reduced include, but are not limited to:

- a. Delay in developing a new program;
- b. Failure to meet service goals;
- c. Reduction in the scope of services to be delivered;
- d. Reduction in appropriations;
- e. Request of the Board; and/or,
- f. Failure to comply with the terms and conditions of the Agreement.

E. Termination of the Board:

- 1. Upon termination of operation or a change in the designation of the Board:
 - a. The terminating Board will submit to the Office a final report of receipts and expenditures within forty-five (45) days after the effective date of termination.
 - i. If money is due to the Office and/or the Children’s Cabinet, a check in the full amount due will accompany the report.
 - b. The terminating Board will transfer any accumulated earned reinvestment funds to the new Board within forty-five (45) days after the effective date of termination.

F. Unauthorized Expenditures:

- 1. Unauthorized expenditures are the responsibility of the Board.
- 2. Unauthorized expenditures include, but are not limited to:
 - a. All expenditures that cause total expenditures to exceed the amount of the approved budget;
 - b. All expenditures that exceed the approved budgeted amount (for controlled categories or line items only); and,
 - c. All expenditures that are at variance with the Manual provisions or an explicit provision of the Agreement or Grant Agreement.

Subsection 30 - Income Principles

- A. **Income** - All income from all sources resulting from, earmarked for, or allocated to the support of the Board or programs/strategies funded by the Office and/or the Children’s Cabinet will be identified in all budgets and the expenditure reports in accordance with instructions issued by the Office.

B. Deposits:

1. The Board will deposit all funds from the Office and the Children’s Cabinet and those funds allocated to program(s) supported by the Office and/or the Children’s Cabinet in an interest-bearing account that is either federally-insured or secured when such funds are not required to meet current expenses, with the exception of any federal funds which shall be handled in accordance with the appropriate federal guideline(s).
 - a. Deposited funds, per account, should not exceed the amount covered by Federal Deposit Insurance Corporation insurance, unless collateralized.

C. Income Shortfall:

1. Any income shortfall is the liability of the Board unless recognized by the Office and/or the Children’s Cabinet through an approved budget modification or another approval.
2. Such a shortfall may be compensated for either by a reduction in the Board’s expenditures or by an increase in other income, or both.

D. Investments:

1. If investing funds from the Office and/or Children’s Cabinet, the value of the principal and any interest or other investment earnings should be protected.
2. Funds from the Office and/or Children’s Cabinet may not be invested with the possibility that the value of the investment may decrease.

Subsection 40 - Accounting Standards

A. Standards – The Board will maintain financial records on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) or Generally Accepted Governmental Accounting Principles (GAGAP), except as otherwise specifically provided in this Manual.

B. Accounting Policy:

1. Each Board is required to develop and operate in accordance with a written accounting/policy manual, a copy of which will be made available to the Office and/or the Children’s Cabinet or its representative upon request.
2. At minimum, the information in Appendix 5 of this Manual will be addressed in the Board’s written accounting/policy manual.

C. Related Party Transactions:

1. Transactions with organizations that are associated with or controlled by the Board, its members, and/or employees should be disclosed.

2. Such transactions may be subject to additional review by the Office to determine the propriety of the transaction, *e.g.*, that a fair price was paid for goods or services obtained.

D. All proposed expenditures in the budget and actual expenditures will be attributed to the appropriate line item of the budget.

Subsection 50 - Cost Principles

A. Reasonable Costs:

1. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.
2. The question of reasonableness is particularly important when governmental units or components are predominately federally-funded.
3. In determining the reasonableness of a given cost, consideration should be given to:
 - a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the Board and/or program/strategy;
 - b. The restraints or requirements imposed by such factors as: sound business practices; arm's length bargaining; federal, State and other laws and regulations; and terms and conditions of the award;
 - c. Market prices for comparable goods or services; and,
 - d. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities.

B. Direct Costs:

1. Direct costs are those that can be identified specifically with a particular final cost objective.
2. Typical direct costs chargeable to funding from the Office and/or Children's Cabinet include:
 - a. Compensation of employees for the time devoted and identified specifically to the performance of the funding;
 - b. Cost of materials acquired, consumed, or expended specifically for the purpose of the funding;

- c. Equipment and other approved fixed assets purchased specifically to carry out the purpose of the funding; and/or,
- d. Travel expenses incurred specifically to carry out the purpose of the funding.

C. Indirect Costs:

- 1. Indirect costs are those incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved.
- 2. Indirect costs will not be identified in budgets and expenditure reports. All costs must be disaggregated and attributed to the appropriate line item of the budget.

D. Allowable Costs:

- 1. Allowable costs include, but are not limited to:
 - a. All reasonable direct costs associated with activities funded by the Office and/or Children's Cabinet, except for any indirect costs and direct costs identified as unallowable costs listed in Section V, Subsection 10, Part E; and,
 - b. Bonuses:
 - i. Allowable:
 - a) Are based on documented job performance, a written job appraisal or some other documented, measurable criteria;
 - b) Are available to all employees within the same class;
 - c) Are part of a defined benefit plan; and
 - d) Do not increase an employee's salary and/or to circumvent payroll limitations.
 - ii. The award of a bonus will be based on documented job performance, a written job appraisal or some other documented, measurable criteria and which is available to all employees within the same class.

Subsection 60 - Earned Reinvestment

- A. Earned reinvestment dollars were State General Funds that were "earned" through FY16 from administrative funds and interest income (except interest earned on federal funds, unless said interest does not have to revert to the federal government) in accordance with the provisions of the Manual.
- B. Effective July 1, 2017, no new earned reinvestment funds will be awarded to the Board and it is not necessary for the Board to obtain the Office's approval prior to the expenditure of these funds or funds previously awarded as earned reinvestment in FY16 or a prior year.

- C. There are no reporting requirements for earned reinvestment funds effective July 1, 2017 regardless of when funds were awarded.
- D. All accumulated funds previously awarded as earned reinvestment should be transferred to the new Board when the jurisdiction changes the Local Management Board designation from one entity to another.

Subsection 70 - Reconciliation

- A. Reconciliation is a fiscal resolution of the Agreement, earned reinvestment funds for FY16 and earlier and applicable Grant Agreements pending audit and settlement, usually conducted at the termination of the award period or at the end of each fiscal year.
 - 1. The reconciliation operation is an arithmetic check of expenditures and incomes, a determination of net balances, and disposition of those balances.
 - 2. Reconciliation is a review of the award, the reported expenditures and incomes, and audited revenue and expenditures, subject to correction by the Office, on behalf of the Children's Cabinet.
- B. Funds not expended at the conclusion of fiscal year for the Agreement or the term of grant award will be returned to the Office and/or the Children's Cabinet Interagency Fund unless otherwise directed by the Office and/or the Children's Cabinet or a carry-forward, carry-over or no-cost extension is approved as applicable.
- C. The reconciliation of the Agreement and applicable Grant Agreements may involve resolving post-audit issues, as identified in audit, monitoring and reporting documents.
- D. Unbudgeted expenditures and over-expenditures in line items that have not been previously approved by the Office and/or the Children's Cabinet are subject to non-recognition.
- E. **Recognition of Expenditures and Income Subject to Audit:**
 - 1. All expenditures and income recognized for purposes of reconciliation, whether incurred in accordance with an approved budget or not, are subject to audit by the Office and/or the Children's Cabinet or its agent.
 - 2. Subsequent to identification as an audit exception, an expenditure may or may not be allowed in whole or in part by the Office and/or the Children's Cabinet as part of final settlement.
- F. **Findings:**
 - 1. The reconciliation process can conclude in several ways.
 - a. **Expenditures are Greater than Payments** - When the Board's expenditures

are greater than the payments from the Office and/or Children's Cabinet, the result is dependent on the relationship of the total of payments to the award as follows:

- i. When payments to the Board are less than or equal to the award, the difference between the Board's expenditures and payments to the Board is payable to the Board.
- ii. When payments to the Board are equal to the award, no money is payable to either party.
- iii. When payments to the Board are greater than the award, the difference between the payments and the award is payable to the Office and/or the Children's Cabinet.

b. Expenditures are Less than Payments - When the Board's expenditures are less than the payments from the Office and/or Children's Cabinet, the result is dependent on the relationship of the expenditures to the award as follows:

- i. When the Board's expenditures are less than or equal to the award, the difference between the total payments to the Board and the expenditures is payable to the Office and/or the Children's Cabinet.
- ii. When the Board's expenditures are greater than the award, the difference between the total payments to the Board and the award is payable to the Office and/or the Children's Cabinet.

c. Expenditures are Equal to Payments - When the Board's expenditures equal payments from the Office and/or Children's Cabinet to the Board, the result is dependent on the relationship of the payments to the award as follows:

- i. When payments to the Board are less than or equal to the award, no money is payable to either party.
- ii. When payments to the Board exceed the award, the difference between the total payments to the Board and the award is payable to the Office and/or the Children's Cabinet.

G. Disposition of Reconciliation:

1. Net balances due to the parties will be handled as follows:

- a. No balance payable - No action required.
- b. Balance payable to the Board:
 - i. The Office will instruct its fiscal agent to issue payment to the Board if there is no outstanding receivable for the Board.
- c. Balance payable to the Office/Children's Cabinet - A balance payable to the Office and/or the Children's Cabinet will be handled in one or more of the following ways:

- i. Account Receivable**
 - a)** An invoice will be issued to the Board upon completion of the reconciliation process.
 - b)** The Board shall remit payment as soon as is practical upon receipt of the invoice.
 - c)** If the organization has ceased to be a Local Management Board, an account receivable will be established and the organization that holds the funds shall be billed by the Office.
- ii. Carry-Over**
 - a)** If the Board continues to fund services, the amount due may be considered a cash advance (payment) of the following year's award.
 - b)** This is referred to as carry-over, and can only be initiated by the Office.
 - c)** The Office and/or the Children's Cabinet may invoke the carry-forward procedure concurrent with the reconciliation operation.
- iii. Carry-Forward**
 - a)** The Office and/or the Children's Cabinet may elect to permit the Board to utilize the balance due from one year in the following year's operations.
 - b)** This is referred to as carry-forward, and can only be initiated by the Office.
 - c)** The balance due will be re-awarded to the Board.
 - d)** The Board and/or the Children's Cabinet may invoke carry-forward procedures concurrent with the reconciliation operation.
- iv. No-cost extension.**

SECTION V – RESTRICTIONS

Subsection 10 – Restrictions

- A. The Board may not utilize funding from the Office and/or the Children’s Cabinet to provide direct services.
- B. The Board may not operate as a child placement agency and may not place a child in an out-of-home placement.
- C. The Board will ensure that the funding from the Office and/or Children’s Cabinet is not used for services that could be provided by another organization or State agency. Funding from the Office and/or Children’s Cabinet Interagency Funds are the funding source of last resort.
- D. Funding from the Office/Children’s Cabinet will not be used to supplant income from other sources.
- E. The award of a bonus to Board staff will not be used to increase an employee’s salary and/or to circumvent payroll limitations;
- E. Funding from the Office/Children’s Cabinet will not be used for unallowable costs including, but not limited to:
 - 1. Alcoholic beverages;
 - 2. Bad debts;
 - 3. Contributions and donations to charitable organizations not in support of a defined activity;
 - 4. Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringement;
 - 5. Entertainment costs;
 - 6. Incentive compensation, as follows:
 - a. That does not involve all sources of funding;
 - b. That is not based on job performance, a written job appraisal or some other documented, measurable criteria;
 - c. That is not available to all employees within the same class;
 - d. That is not part of a defined benefit plan;

- e. Does not increase an employee's salary and/or to circumvent payroll limitations; and/or
 - f. That is not issued pursuant to an agreement or an established plan entered into in good faith between the organization and the employees before the services were rendered.
- 7. Personal use by employees of organization-furnished automobiles (including transportation to and from work) and other assets;
- 8. Fines and penalties and interest on fines and penalties;
- 9. Assets, goods or services for personal use;
- 10. Interest on borrowed capital/lines of credit;
- 11. Costs of organized fundraising;
- 12. Costs of investment counsel/management;
- 13. Lobbying;
- 14. Losses on other awards;
- 15. Renovation/remodeling and capital projects;
- 16. Gifts for Board members and/or employees;
- 17. Food and beverages, except for:
 - a. Those incurred by Board members and employees traveling overnight on official Board business;
 - b. Bulk drinking water for coolers where tap water is not potable;
 - c. Those routine expenses for the operation of a program serving children and youth (*e.g.*, snacks served to children on a regular basis at an out-of-school time program funded by the Board);
 - d. Meetings/focus groups/forums where the majority of attendees expected are family and/or youth; and/or,
 - e. Special events where the majority of attendees are not Board members or staff or State/local Agency representatives.

- 18.** Costs of training/technical assistance offered by consultants that the Office and/or the Children's Cabinet or one of its member Agencies makes available to the Board and its vendors at no cost;
- 19.** Any plaque or item presented to a speaker, official, legislator, vendor, or other person in recognition of service provided with a value in excess of \$50;
- 20.** Any expenses relating to the establishment, maintenance or liquidation of foundation or other accounts that the Board utilizes for the purpose of maintaining earned reinvestment and other State funds, to the extent that the Board does not receive prior approval for the expenses;
- 21.** Investment fees and losses;
- 22.** Flex fund expenditures;
- 23.** Gift card expenditures, except for incentives for participants attending meetings/focus groups/forums where:
 - a.** The Board purchases only the number of gift cards necessary based on the number of participants;
 - b.** The Board, or its vendor/consultant, does not establish or maintain an inventory of gift cards; and,
 - c.** The participants are families and/or children/youth.
- 24.** For fee-for-service contracts, vendor staff vacation, sick leave and other leave time during which services were not provided.

SECTION VI – RECOMMENDATIONS

Subsection 10 – Board Composition

- A.** A Board may be composed of:
- 1.** Public and private community representatives who share the responsibility for implementing a community-based, interagency, family-focused service delivery system for children, youth and families; and
 - 2.** A senior representative or department head of the:
 - a.** Local health department;
 - b.** Local office of the Department of Juvenile Services;
 - c.** Core Service Agency/Behavioral Health Administration;
 - d.** Local school system;
 - e.** Local department of social services;
 - 3.** Family members or family advocates; and,
 - 4.** Youth or youth advocates.
- B.** Private sector members may include representatives from business organizations; civic and neighborhood organizations; community collaborative groups; private providers of employment, vocational services or other human services; and religious communities and other individuals involved with children and family issues, such as a member of the early care and education community, etc.
- C.** It is recommended that at least 51% of the Board membership be from the public sector, with no more than 49% of members representing the private sector (such as parents, children, advocacy groups, private service providers, etc.).
- D.** It is recommended that the composition of the Board represent the ethnic and geographical diversity of each jurisdiction.
- E.** It is recommended that the Board review the by-laws at least every three (3) years to ensure that the by-laws are current and meet the needs of the Board and that the review is documented in an appendix of the by-laws.
- F.** It is recommended that the Board meet at least quarterly or four times per year.

Subsection 20 – By-Laws

- A.** It is recommended that the Board by-laws include/address the following, at a minimum:
- 1.** Statement of name;
 - 2.** Board mission/goal;
 - 3.** Function or purpose of the Board;
 - 4.** Identification of Board membership, including the number and composition of members, manner of appointment, length of term, procedure for vacancies, voting authority and process, and attendance requirements;
 - 5.** Officers' terms, removal, resignation, authority and duties;
 - 6.** Meetings;
 - 7.** Quorum:
 - a.** A quorum of 51% of voting membership is recommended unless otherwise specified in the by-laws or other local requirements in order to constitute an official meeting;
 - b.** A meeting in which a quorum is not satisfied, as applicable, is not considered an official meeting.
 - i.** No decisions or votes from the meeting should be considered binding unless and until a majority of the voting members have ratified any actions considered.
 - 8.** Committees;
 - 9.** Indemnification;
 - 10.** Identification of fiscal year;
 - 11.** Conflict of interest; and,
 - 12.** Process for enacting amendments.

Subsection 30 – Assessing Community Needs

- A.** It is recommended that the Board gather information from the community regarding current problems, community strengths, available programs, services and resources. This

information is crucial to the coordination of services within the jurisdiction to eliminate fragmentation and duplication in order to create an effective system of services, supports, and opportunities that improve outcomes for children, youth and families.

- B. As part of the community planning process, it is recommended that the Board complete an assessment of community needs every three (3) years (or sooner, depending on local conditions) prior to developing/updating the community plan.
- C. It is recommended that the assessment of community needs investigate all eight (8) child well-being Results and the associated Indicators.
 - 1. For each indicator or baseline, including a historical part and a forecast part that show where the indicator is headed if nothing is done is preferred.
 - 2. The Board should identify priority indicators from needs assessment(s) and obtain information about the causes and forces that are affecting each indicator.
- D. It is recommended that the assessment of community needs include:
 - 1. A review of data related to indicators;
 - 2. A review of other relevant data;
 - 3. Information from stakeholders and community partners; and
 - 4. Community resource mapping, including:
 - a. Services within the full continuum of care from all child-serving public and private agencies;
 - b. Identification of community strengths; and
 - c. Identification of gaps in addressing results and indicators through a continuum of care.
- E. The information obtained from the assessment of community needs should be used by the Board to identify which Results and Indicators to prioritize, and the causes and forces at work affecting the prioritized Indicators.
- F. It is useful also to identify community strengths, resources, and assets that will help to address each of the prioritized Results and Indicators.

Subsection 40 – Community Plan

- A. It is recommended that each Board develop a written community plan every three (3) years

(or sooner, depending on local conditions).

- B.** The community plan should follow the Results-Based Accountability format below and identify:
- 1.** One (1) or more of the eight (8) Child Well-Being Results that the Board has prioritized as most important to the jurisdiction.
 - 2.** One (1) or more of the primary Indicators for each prioritized Result that will be used to measure achievement.
 - 3.** The “Story Behind” for each of the selected Indicators that are headed in the wrong direction with an analysis of the causes and forces behind that movement.
 - 4.** Partners and their input. Partners may be different for each prioritized Result.
 - 5.** What Works to “Turn the Curve”, including evidence-based, best and promising practices, and other strategies that have been proven successful or have the potential to improve the primary Indicators.
 - 6.** Prioritized strategies that are determined by consideration of:
 - a.** Specificity - Is the strategy specific enough to be implementable?
 - b.** Leverage - Does the strategy have a high degree of leverage to “turn the curve”?
 - c.** Values - Does the strategy meet the Board’s organizational and the community’s values?
 - d.** Reach - Is it practical for the Board to implement this strategy? Is the strategy sustainable over a long period of time? Is it feasible and affordable?
 - e.** Funding sources for each of the prioritized strategies.

Subsection 50 – Community Engagement

- A.** A Board may participate in community engagement activities to:
- 1.** Increase the number of stakeholders, program consumers, family members, and agency and other partners who are committed to take actions that will identify, promote, and support the needs of children, youth, and families in the State; and,

2. Direct the jurisdiction to support an interagency approach to better the lives of children and families.
- B. Community engagement activities include, but are not limited to:**
1. Roundtable Events;
 2. Awards and Other Recognition;
 3. Sponsorship of events and other activities that directly impact prioritized Results and Indicators; and,
 4. Training.

Subsection 60 - Local Access Mechanism

A. Program Recommendations:

1. There is no State entitlement for a Local Access Mechanism or to any services listed in this Subsection.
2. Information in resource databases and directories developed, maintained and implemented with funding from the Office and/or Children's Cabinet should be shared with entities as directed by the Office and/or the Children's Cabinet.

B. Models:

1. The following Local Access Mechanism models are recommended for implementation with funding from the Office and/or the Children's Cabinet:
 - a. Single Point of Access:
 - i. A Single Point of Access is the one point of entry for families who wish to enter the system, regardless of the intensity of the needs of their children.
 - ii. A Single Point of Access provides a pathway for families in the navigation of the service delivery system. Examples include:
 - a) A web-based resource guide.
 - b) A 211 hotline number.
 - c) Another hotline operating within the community.
 - b. "No Wrong Door" Model:
 - i. Under a "no wrong door" model, families become known to the Local Access Mechanism through an array of existing services and agencies.
 - ii. Existing points of access continue to serve children and families, while directing them to the Local Access Mechanism when appropriate.

- c. Hybrid Model:
 - i. In the hybrid model, the Board elects to combine elements of the two models above.
 - ii. The Board may propose to maximize access to local services by funding both a centralized information and referral source (such as the 211 number – principally for families not involved with existing organizations or agencies) *and* points of access through existing services (for families already involved with or seeking categorical services for the first time).
- d. Another model approved by the Office and/or the Children’s Cabinet.

C. Functions of the Local Access Mechanism:

1. At a minimum, the Local Access Mechanism should provide the following functions:
 - a. Information and Referral:
 - i. The first point of contact within the Local Access Mechanism.
 - ii. During that first contact, an information and referral specialist should ask preliminary questions and determine if the child or family is in a crisis situation that requires immediate attention by the police, a crisis response unit, hospital or other medical professional.
 - iii. There is a mechanism in place that will ensure that the family is connected with the appropriate crisis response system.
 - b. Screening to determine a family’s level of need and make the appropriate referral.
 - i. Screening does not constitute clinical evaluation or diagnosis.
 - ii. Families requiring clinical evaluation should be referred to appropriate child-serving agencies, organizations, or appropriately credentialed professionals.
 - iii. Some level of intervention may occur at this point if the individual or family is not willing to obtain the necessary level of service.
 - iv. There are two (2) levels to screening, which may be done at the same time or in two (2) distinct phases:
 - a) A screening to determine if assistance beyond information and referral is needed, including crisis intervention.
 - b) A next level of screening if it is determined that the caller’s needs exceed simple information and referral, such as when a specific problem is presented.
 - v. This screening should generate more detailed information concerning the families’ strengths, needs, previous and current use of services, and other information that is needed to best address the individual or family’s expressed concerns or problems.
 - a) At this stage, there is a fuller identification of needs and concerns than at the first contact (although it is recognized

that this screening may occur during the same encounter as the first contact).

- c. Assessment:
 - i. Assessment is used to identify strengths, resources and needs and to obtain information for measuring client results.
 - ii. An appropriate instrument shall be used to assist in the planning of non-clinical services for children and adolescents and their families, as well as to provide information for quality assurance monitoring.

D. Navigation:

- 1. Navigation is for those families who need additional assistance beyond a simple referral.
- 2. A Board funding the navigation component should ensure that the family is:
 - a. Assisted with identifying strengths and needs and obtaining necessary services.
 - b. Appropriately screened and assessed by asking specific questions about current health conditions, recent family stresses, and other more detailed information.
 - i. This screening is not, however, at the level of a clinical evaluation.
 - ii. Families requiring clinical evaluation or diagnosis should be referred to the appropriate child-serving agency, organization or an appropriately credentialed professional.
- 3. Staff:
 - a. The position that provides navigation services may be filled by:
 - i. A family member with lived experience in the human services system and who has experience in accessing these services (Family Navigator); and/or,
 - ii. Another appropriately-trained professional or paraprofessional without lived experience in the human services system (System Navigator).
- 4. Training:
 - a. Navigators should complete training that will prepare navigators for their role and responsibilities.
 - b. In addition to learning about system services and access:
 - i. Family navigators may receive training to prepare them for their unique dual role as family member and family navigator; and
 - ii. System navigators may receive heightened training on family experiences and concerns.

5. Secondary screening:
 - a. Navigators may provide the second level of screening in a Local Access Mechanism and may complete a strengths and needs assessment with the family.
 - b. Navigators do not provide clinical evaluation.
 - c. Families requiring clinical evaluation or diagnosis should be referred to the appropriate child-serving agency, organization or an appropriately credentialed professional.

E. Child and Adolescent Needs and Strengths (CANS) Tool:

1. Function and Purpose:
 - a. The primary function of the tool is to provide information that will be helpful in care planning and to provide information for outcome measurement and quality assurance.
 - b. The tool is not intended to determine level of care or to prescribe treatment.
2. Use:
 - a. The use of the tool is recommended, as applicable, if the navigation model includes the development of a plan of care with the youth and family.
 - b. An abbreviated version of the tool (in place of the Comprehensive assessment) may be implemented for navigation.

Subsection 60 – Out-of-School Time Programs

A. Recommended Operating Schedule:

1. Programs that serve elementary and middle school students should operate a minimum of two (2) hours per day, for three (3) to five (5) days a week for 12 to 24 weeks during the school year.
2. Programs that serve high school students should operate a minimum of two (2) hours per day, for two (2) to five (5) days a week for 12 to 24 weeks during the school year.
3. Summer programs should operate a minimum of six (6) hours per day, for five (5) days per week for a minimum of four (4) weeks.

B. Recommended Program Design:

1. Programs should incorporate the following core components:
 - a. Time for homework completion with support (during the school year);
 - b. Nutritious snack and/or meals:
 - i. Programs should participate in (State and/or) federal nutrition programs, as applicable.
 - c. Recreation and physical activity of at least thirty (30) minutes for every three (3) hours of programming.
 - d. Intentional and/or project-based learning that:
 - i. Utilizes research-based curricula for academic instruction;
 - ii. Connects to but does not repeat school-day learning;
 - iii. Integrates academic skills with hands-on and engaging activities;
 - iv. Projects and curricula chosen based on the needs of participants and/or targeted outcomes for the program; and
 - v. Offers developmentally-appropriate learning, leadership and participation opportunities in decision making.
 - e. Parent/family engagement.

C. Recommended Program Quality:

1. Programs should adopt and apply the Maryland Out-of-School Time (MOST) Quality Standards Framework and shall share and review the framework with all program staff.
2. Programs should participate in the related Quality Improvement System – including all required trainings, professional development opportunities and internal and external assessment.
3. The Youth Program Quality Assessment is recommended to:
 - a. Evaluate the quality of the following domains:
 - i. Safe Environment;
 - ii. Supportive Environment;
 - iii. Interaction;
 - iv. Engagement;
 - v. Youth-Centered Policies and Practices;
 - vi. Expectations for Youth and Staff; and
 - vii. Access.
 - b. Identify staff training needs.
4. Programs should track the following participant information:
 - a. Program attendance;

- b.** School attendance;
 - c.** Results of a pre-post survey designed to measure targeted outcomes for program;
 - d.** Child and parent satisfaction with program; and,
 - e.** Parent participation and involvement.
- 5.** Programs should offer opportunity for children to demonstrate and document mastery of skills (as related to targeted outcomes for program).

SECTION VII – APPENDICES

Appendix 1

Prior Results and Indicators

A. Maryland's Results and Indicators

1. In January of 1999, the following eight Results with corresponding Indicators were adopted to capture the quality of life for children and families in Maryland.
 - a. Babies Born Healthy
 - i. Infant Mortality - The rate of deaths occurring to infants under 1 year of age per 1,000 live births.
 - ii. Low Birth Weight - The percent of babies born at low birth weight, weighing less than 2,500 grams (about 5.5 pounds) and very low birth weight, weighing less than 1,500 grams (about 3.3 pounds).
 - iii. Births to Adolescents - The rate of births to adolescents less than twenty (20) years of age.
 - b. Healthy Children
 - i. Immunizations - The percent of children fully immunized by age two (2).
 - ii. Injuries - The rate of child injuries that require hospitalization.
 - iii. Deaths - The rate of child fatalities among children one (1) year of age and older.
 - iv. Substance Abuse - The percentage of public school students who report using alcohol, tobacco or other drugs.
 - c. Children Enter School Ready to Learn
 - i. Kindergarten Assessment - The percent of kindergarten students who have reached one of three levels of readiness on the Work Sampling System Kindergarten Assessment: full readiness, approaching readiness or developing readiness.
 - d. Children Successful in School
 - i. Absence From School - The percent of students in all grades who are absent more than twenty (20) days annually from school.
 - ii. Academic Performance - The percent of public school students in grades 3 to 8 performing at basic, proficient, or advanced levels in reading and mathematics. Students in grades 3 to 8 take the Maryland School Assessment in reading. Students in grades 3 to 8 and those taking a high school-level geometry course take the MSA in math.
 - iii. Demonstrated Basic Skills - The percent of public school students in grades 9 through 12 performing at the passing level in four core subjects: algebra, biology, English, and government.

- e. Children Completing School**
 - i.** Dropout Rate - The percent of students in grades 9 through 12 who drop out of school in a single year.
 - ii.** High School Completion Program - The percent of high school graduates who complete minimum course requirements needed for career and technology programs, or requirements needed to enter the University of Maryland, or who complete both.
 - iii.** High School Diploma - The percent of persons 25 years of age and over with a high school diploma or equivalent.
 - iv.** Graduation/School Completion of Children with Emotional Disturbance - The percent of children with emotional disturbances who graduate from or complete high school.

- f. Children Safe in Their Families and Communities**
 - i.** Abuse or Neglect - The rate of child abuse or neglect investigations ruled as indicated or unsubstantiated.
 - ii.** Deaths Due to Injury - The rate of injury-related deaths to children.
 - iii.** Juvenile Violent Offense Arrests - The rate of arrests of youth ages 10-17 for violent offenses.
 - iv.** Juvenile Serious Non-Violent Offense Arrests - The rate of arrests of youth ages 10-17 for serious non-violent offenses.
 - v.** Domestic Violence - The rate of victims receiving domestic violence services through community-based programs funded by the Department of Human Resources.

- g. Stable & Economically Independent Families**
 - i.** Child Poverty - The percent of children under 18 whose families have incomes below the poverty level.
 - ii.** Single Parent Households - The percent of all households that are headed by a single parent.
 - iii.** Out-of-Home Placements - The rate of children placed in out-of-home care.
 - iv.** Permanent Placements - The percent of children who leave foster care for a more permanent living status (return home, known as reunification; or adoption) within a specified period of time in foster care.
 - v.** Homeless Adults and Children - The rate of homeless adults and children per 100,000 Maryland residents served by programs funded by the Department of Human Resources and other shelter providers.

- h. Communities That Support Family Life**
 - i.** Indicators were developed by local jurisdictions.

Appendix 2

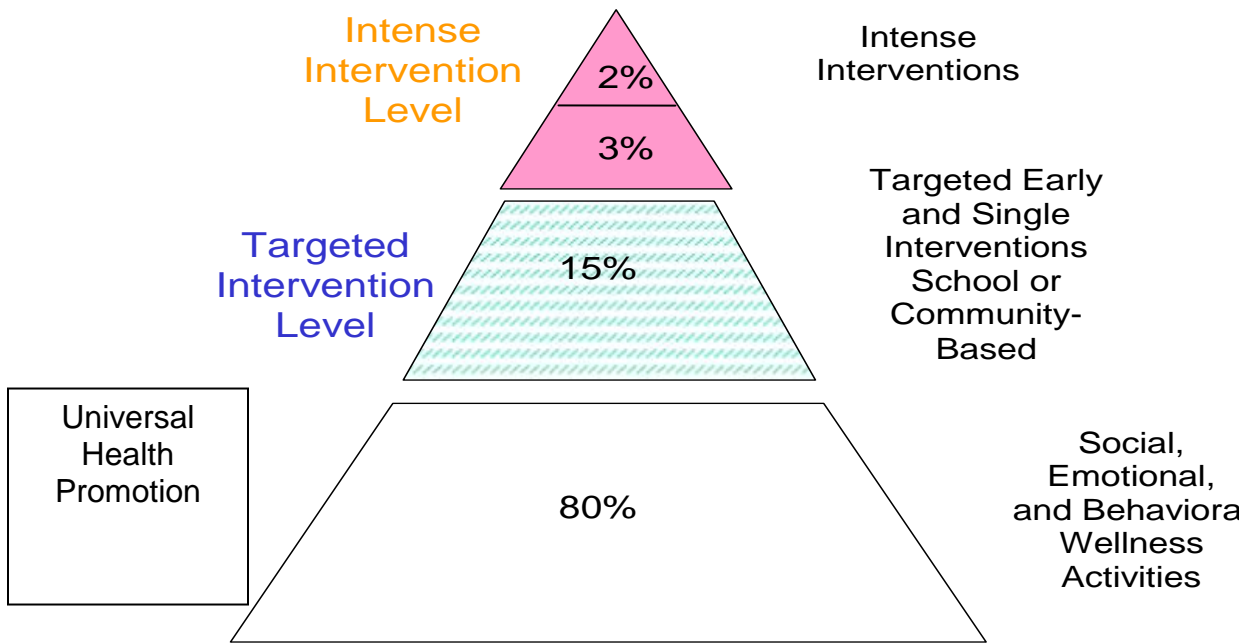
Suggested Vendor Contract Provisions for Compliance with The Health Insurance Portability and Accountability Act and State Confidentiality Law

- A.** The Contractor acknowledges its duty to review and comply, to the extent applicable, with all requirements of the federal Health Insurance Portability and Accountability Act , 42 U.S.C. §1320d, *et seq.* and all implementing regulations including 42 CFR Part 2, 45 CFR Parts 142, 160 and 164. The contractor also agrees to comply, where applicable, with the Maryland Confidentiality of Medical Records Act, Md. Health-General §4-301, *et seq.* This obligation includes, but is not limited to adhering to the privacy and security requirements entailed for protected health information under both Acts, making the transmission of all electronic information compatible with the federal requirements, and otherwise providing good information management practices regarding all health information and medical records.

- B.** Protected Health Information as defined in the federal regulations at 45 CFR 160.103 and 164.501, means information transmitted as defined in the regulations, that is individually identifiable; that is created or received by a healthcare provider, health plan, public health authority, employer, life insurer, school or university, or healthcare clearinghouse; and that is related to the past, present, or future physical or mental health or condition of an individual, to the provision of healthcare to an individual. The definition excludes certain education records as well as employment records health by a covered entity in its role as employer.

Appendix 3

The Needs Triangle



Appendix 4

Youth Services Bureaus

A. Purpose:

1. Youth Services Bureaus (Bureaus) are community-based, nonresidential entities that provide delinquency prevention, youth suicide prevention, drug and alcohol abuse prevention, and youth development services to children, youth and their families.
2. Bureaus work to ameliorate conditions that breed delinquency, youth suicide, drug and alcohol abuse, and family disruption.
3. Each Bureau functions as an advocate of the needs of youth and families.

B. Authority:

1. Human Services Article, §9-233, Annotated Code of Maryland
2. Code of Maryland Regulations (COMAR) 16.17.01

C. Program Requirements:

1. Eligibility for Services
 - a. Bureaus serve children, youth and their families in a specific catchment area approved by the Department of Juvenile Services.
2. Each Bureau shall provide the following services:
 - a. Core Services, including:
 - i. Formal Counseling
 - a) Individual, family, and group counseling shall be considered formal counseling if counseling sessions are provided on a regularly scheduled basis for more than three (3) sessions.
 - b) Case files for each formal counseling case shall contain:
 - i) Intake material;
 - ii) Progress and session notes;
 - iii) Service plan; and
 - iv) Termination summary.
 - c) Service plans shall be developed for each formal counseling case before the fourth (4th) counseling session and shall contain:
 - i) A problem statement;
 - ii) Mutually agreed-upon treatment goals;
 - iii) Strategies used by the counselor to meet treatment goals;

- i. In addition to core services, the Bureau shall identify and provide non-core services to the community.
- ii. Non-core services can include, but are not limited to, tutoring, alternative leisure activities, employment assistance, and community education including training and information relating to youth suicide prevention.
- iii. The Bureau shall document the provision of non-core services as described in Section D, below.

3. Additional Requirements - Each Bureau shall:

- a. Provide services at convenient hours in a manner that is accessible to the community.
- b. Promote community awareness of its services to children, youth and families.
- c. Make referrals to existing public and private services in their communities that are available and appropriate to for the individual, family, or group.
- d. Have a valid organizational structure, including a board of directors or an advisory board.
- e. Follow sound personnel practices and maintain complete personnel files that include for each Bureau staff member:
 - i. A job description;
 - ii. A completed criminal background check;
 - iii. Evidence of the staff person's educational credentials and experience;
 - iv. Annual staff evaluations.
- f. Provide insurance coverage, as appropriate for the services provided.
- g. Establish and maintain such fiscal control and fund accounting procedures as may be necessary to assure prudent use, proper disbursement, and accurate accounting of funds.
- h. Meet the program requirements, the information reporting and confidentiality requirements set forth in statute and regulations.
- i. If the Bureau charges its clients a fee for services, the fee requirements shall meet the requirements set forth in statute and regulations.
- j. Conduct criminal background checks for employees and volunteers in accordance with Family Law Article, Section 5-561 (d) and (e).

- k. Comply with the Department of Juvenile Services' policy on reporting critical incidents.
 - l. As part of its contract with the Board, submit an annual budget.
4. In accordance with Children's Cabinet priorities, if a Board elects to fund a Youth Services Bureau, it shall ensure that funding is utilized for:
- a. Evidence-Based Programs:
 - i. Listed on SAMHSA's National Registry of Evidence-based Programs and Practices (<http://www.nrepp.samhsa.gov/ViewAll.aspx>); or
 - ii. Listed as "Effective," "Promising," or "Exemplary" in the Matrix of Programs updated 1/7/14 listed on the Blueprints for Healthy Youth Development website maintained by the University of Colorado Boulder, Institute of Behavioral Science, Center for the Study and Prevention of Violence <http://www.blueprintsprograms.com/resources/Matrix.pdf>); or
 - iii. Listed in another clearing house approved by the Office; and/or
 - b. Programs/initiatives that have been demonstrated to be effective in addressing one or more of the Children's Cabinet's Strategic Goals:
 - i. Children, Families and Communities Impacted by Parental Incarceration;
 - ii. Disconnected Youth;
 - iii. Childhood Hunger; and/or,
 - iv. Youth Homelessness.
 - c. Other programs/initiatives at the discretion of the Office including but not limited to:
 - i. Locally-developed programs with two (2) to three (3) years of performance measure data that demonstrate positive outcomes/results; or,
 - ii. Proposed programs that have been demonstrated to achieve desired outcomes based on evaluations and/or research.
- D. Data Collection and Reporting** - The Board is responsible for having the Bureau collect the following specific information on program services, demographics, and indicators on at least a quarterly basis.
- 1. Data Collection
 - a. Formal Counseling (3+ Sessions):
 - i. Number of individuals receiving formal counseling.
 - ii. Number of individuals completing formal counseling.
 - iii. Number of families receiving formal counseling.
 - iv. Number of families completing formal counseling.
 - v. Number of groups receiving formal counseling.

- vi. Number of groups completing formal counseling.
 - b. Information and Referral Services
 - i. Number of each type of referral provided (*i.e.*, referrals to outside sources).
 - ii. Number of each type of referrals received (*i.e.*, referrals received from schools, police, Department of Juvenile Services, etc.).
 - c. Crisis Intervention (Including Suicide Prevention).
 - i. Number of each type of crisis intervention provided.
 - ii. Number of individuals receiving crisis intervention services.
 - iii. Number of individuals receiving suicide prevention services.
 - d. Substance Abuse Assessment and Referral Services.
 - i. Number of individuals who received a substance abuse assessment.
 - ii. Number of individual substance abuse referrals made.
 - e. Informal Counseling
 - i. Number of individuals receiving informal counseling.
 - ii. Number of families receiving informal counseling.
 - iii. Number of groups receiving informal counseling.
 - f. Non-Core Services
 - i. Number of each type of non-core service provided.
 - ii. Number of individuals receiving non-core services.
 - iii. Number of families receiving non-core services.
 - iv. Number of groups receiving non-core services.
 - g. Critical Incident Reports
 - i. Number of critical incident reports sent to the Department.
- 2. Reporting
 - a. Information Bureaus Report to the Boards and Department:
 - i. For each Department client on informal supervision, protective supervision, probation, or aftercare status who is referred by the Department to the Bureau, the Bureau shall allow the Department access to the client's information and shall provide the Department confirmation of the acceptance of the client by the Bureau. The Bureau shall keep the Department informed at reasonable intervals to be determined by the Department of the client's attendance and cooperation in the Bureau's program.
 - ii. For all formal counseling clients, excluding those clients referred by the Department, the Bureau shall provide the Department with the first three initials of the client's surname, the initials of the client's

first and middle names, and the client's date of birth. The Bureau shall inform their formal counseling clients that the information in this subsection shall be provided to the Department.

- iii. The Bureau shall obtain an appropriate release of information to comply with statute and COMAR 16.17.05A.(1) and (2).
- iv. For all Bureau clients not covered by COMAR 16.17.05.A.(1) or (2), the Bureau shall provide non-client-identifying information, as requested, regarding program activities and statistics in the form and format approved or provided by the Department.

3. Confidentiality

- a. Client records shall be stored inside a locked file cabinet. The client records shall be supervised and controlled directly by an authorized Bureau staff member.
- b. A Bureau shall allow the Department full access to client-identifying records and files of those children and youth described in COMAR 16.17.05.A (1).
- c. Unless otherwise provided by law or regulation, access to client-identifying records and files without consent of the client shall be restricted to:
 - i. The child or youth who is subject of the record;
 - ii. The parent or guardian of the child or youth named in the record; and
 - iii. Members of the administrative staff of the Bureau.
- d. A Bureau may maintain its client records in a manner that codes client-identifying information as specified in COMAR 16.17.05.A (2).
- e. Individual client records shall be retained by a Bureau for five (5) years after services to the individual are no longer necessary. The records then shall be destroyed by incineration or shredding in a way that preserves the confidentiality of the records.
- f. Nothing in this Manual shall be construed to affect any obligation concerning client record confidentiality that is otherwise set forth in any federal or State statute or regulation.

E. Program-Specific Fiscal Requirements

1. Funding of Bureaus

- a. The funding of an eligible Bureau shall be a shared responsibility of the State of Maryland and of local governments. The State's share shall be not be more than 75 percent of the funding of an eligible Bureau, as provided in the State budget.

- b.** At the option of the local governing body that provides the matching funds for an eligible Bureau, the State funds for the support of the eligible Bureau may be paid directly to its private sponsor or to the local governing body.
- c.** Before the State funds are paid for purposes of the Bureau, the fiscal officer of the local government shall certify, in writing, the source and availability of the 25 percent local funds.
- d.** Subject to appropriation, funding from the Office and/or Children's Cabinet for a Bureau shall be paid to the Board of record for that jurisdiction. No payments can be made prior to the execution of appropriate contracts.

2. Fees

- a.** The Bureau's board of directors may charge clients a fee for services that is based upon the client's family income. However, the Bureau may not assess a fee-for-service provision to a child or youth referred to the Bureau by court order.
- b.** Before implementing its fee plan, the Bureau shall consult with the Department of Juvenile Services.
- c.** Fees obtained from clients may be retained by the Bureau for Bureau purposes.

Appendix 5

Requirements for the Board's Accounting Manual

A. General Ledger

1. The function of the General Ledger is to accumulate and classify the transactions posted from the journals.
 - a. The framework for this system is the chart of accounts.
 - b. The general ledger accounts are the source of all the financial reports used.
 - c. It is therefore, critical that the accounting records are properly controlled.
2. The General Ledger is the starting point for gathering various components of financial information in complying with the financial reporting provisions of the Office's and/or Children's Cabinet contract.
3. The following information will assist in developing the specific financial information required for various reports as well as the overall management of the total organization:
 - a. All amounts in the Report of Final Expenditures and Revenues shall agree with the corresponding account balance(s) in the General Ledger. Any differences shall be reconciled and retained for future review.
 - b. Program(s) funded by the Office and/or Children's Cabinet shall be separately accounted for and identified from other programs by an individual chart of accounts in the General Ledger.
 - c. Any activity reflected in subsidiary records (*e.g.*, Accounts Receivable and Accounts Payable) shall be reflected in the corresponding control account in the General Ledger.
 - d. Specific account balances used in the preparation of various tax returns shall be reconciled to the General Ledger.
 - e. General Ledgers shall contain adequate cross references to the source(s) so they can be easily identified and traced back to original documentation.
 - f. After all adjustments have been entered into the General Ledger at the end of the State fiscal year (or as otherwise designated), a twelve (12)-month General Ledger shall be run. This enables the review of all transactions concerning a single account at the same time, and which shall allow any mistakes to be noticed.

g. At a minimum, all activity shall be posted to the general ledger monthly.

B. General Journal Entries

1. The General Journal is an accounting record used to record all transactions for which special journals have not been provided.
2. All journal entries posted to the General Ledger shall contain sufficient information to explain all the various adjustments and postings made to accounts.

C. Cash Management

1. Internal Control

- a. Division of responsibilities, also known as separation of duties, shall be split into the following three functions:
 - i. Authorization;
 - ii. Custody of assets; and,
 - iii. Record-keeping functions.
- b. Internal control over cash transactions shall also provide assurance that:
 - i. All cash that shall have been received was in fact received and recorded promptly and accurately; and,
 - ii. Cash disbursements are made only for authorized purposes and are properly recorded.

2. Cash Receipts

- a. Control shall be established over all cash and checks received, and they shall be deposited daily in the entity's bank accounts.
- b. Cash receipts shall be protected from misappropriation.
- c. Physical access to cash receipts and cash receipt records shall be limited to authorized personnel; personnel that handle cash shall not be responsible for the recording of cash receipts.
- d. Additionally, cash receipts shall be recorded in the appropriate period.
- e. The following general guidelines shall at a minimum be implemented:
 - i. All cash receipts shall be recorded daily and properly substantiated with supporting documentation;
 - ii. All funding received from the Office and/or the Children's Cabinet shall be recorded in a General Ledger Account designated for Office and/or Children's Cabinet programs;
 - iii. All funds generated or earned in the Office and/or Children's Cabinet program shall be recorded in separate General Ledger Account designed for Office and/or Children's Cabinet programs;

- iv. Maintain cash listing for all receipts;
- v. All checks received shall be restrictively endorsed “for deposit only” immediately upon receipt and deposited daily;
- vi. Generate pre-numbered multi-form receipts when cash is received;
- vii. Account for all pre-numbered cash receipt forms monthly. Any missing cash receipt forms shall be investigated; and
- viii. Perform a periodic independent verification of pre-numbered cash receipt forms to the validated deposit slip. This will ensure that all recorded collections were deposited.

3. Cash Disbursements

- a. Disbursements from bank accounts shall be made only for valid transactions.
- b. The payment of goods and services shall be organized to ensure that no unauthorized payments are made, that complete and accurate records are made of each payment, and that payments are recorded in the appropriate period.
- c. Additionally, physical access to cash and unissued checks shall be restricted to authorized personnel.
- d. The following general guidelines shall at a minimum be implemented:
 - i. All cash disbursements shall be substantiated with supporting documentation which includes, but is not limited to, invoices, canceled checks, properly prepared time sheets, travel expense forms, etc. Statements by themselves are not considered proper documentation;
 - ii. State and federal funds are to be used only for the purpose specified in the Agreement; State and federal funds are not to be used for loans to employees, other programs, etc.;
 - iii. Checks written off or voided that were charged to an Office and/or Children’s Cabinet program in a prior contract period shall be charged back to the appropriated account and reported to the Office and/or the Children’s Cabinet; and
 - iv. All expenditures shall be charged to the proper detail budget and the detail line-item budget accounts.

4. Check Signing - The following general guidelines shall, at minimum, be implemented:

- a. Checks shall have two (2) signatures (for approval) whenever possible. Each person signing the check shall review all the supporting documentation;

- b. Checks shall not be made payable to cash or bearer;
- c. An authorized check signer may not issue a check made payable to him/herself or cash;
- d. Checks shall not be signed with a blank amount;
- e. Bank signature cards shall be reviewed and updated at least annually and whenever an authorized signer terminates employment;
- f. There shall be adequate check controls to ensure that no one staff person has the authority to approve, issue, sign and/or endorse a check; and
- g. Except for electronically issued checks, where signatures are required on checks, only the original signature of the specified individual will be accepted. Electronic signatures, signature stamps, and other alternatives will not be accepted, except when submitted as a reasonable accommodation under the Americans with Disabilities Act.

5. **Other Check Controls** - The following general guidelines, at minimum, shall be implemented:

- a. All disbursements (other than petty cash) shall be made by check;
- b. All checks shall be sequentially numbered so that it can be established that all checks have been accounted for;
- c. All checks shall be preprinted with the organization's name and address; and,
- d. Voided checks shall be maintained and filed in numerical sequence.

6. **Other Cash Disbursement Controls** - The following general guidelines, at minimum, shall be implemented:

- a. Vendors' monthly statements shall be compared with recorded liabilities at the end of each quarter;
- b. Invoice arithmetic and charges shall be checked prior to payment. A comparison is also made to purchase orders and receiving tickets prior to payment; and,
- c. Pre-numbered purchase orders are used for purchases.

7. **Cash Reconciliation**

- a. Adequate steps shall be taken to confirm the accuracy of the bank balances

shown in the general ledger.

- b. All funds shall be properly controlled, maintained, and safeguarded.
- c. At a minimum, the following shall be done:
 - i. Bank balances, as shown by the bank statements, shall be reconciled regularly with the general ledger balance. A monthly bank reconciliation shall be performed for each bank account. These reconciliations shall be performed by someone other than the person responsible for writing or recording checks;
 - ii. Bank reconciliations and proposed adjustments to the general ledger cash balances shall be reviewed by a party independent of the initial reconciliation; and,
 - iii. Any checks found to be over six (6) months old shall be either reissued or written off. If the check(s) from the same contract period are written off, the check amount(s) shall be debited to cash and credited to the same account charged when the check was issued.

8. Petty Cash

- a. Petty cash is the amount of cash on hand (maximum of \$250) available for minor disbursements in accordance with written policy.
- b. Under this system, cash is disbursed and from time to time restored to its original amount through reimbursements equal to sums expended.
- c. All petty cash transactions shall be properly substantiated with supporting documentation in accordance with internal written policy.
- d. Wage or salary advances or loans cannot be made from this fund.

9. Credit Cards

- a. Boards shall establish or adopt written policies for the use of credit cards;
- b. Use of the credit card shall conform to the established policies;
- c. Receipts shall be maintained for each transaction and shall be reconciled to the expenses reported on monthly statements; and,
- d. The use of the credit card may not circumvent established policies – including but not limited to procurement, flex fund, accounting, purchasing, payroll or others.

D. Payroll and Fringe Benefits

- 1. The establishment of strong internal control for payroll functions is important to

reduce the possibility of payroll fraud. Such fraud may involve listing fictitious persons on the payroll, overpaying employees, and continuing employees on the payroll after their separation from the entity;

2. All payroll disbursements shall be properly substantiated with supporting documentation, which includes a properly completed time sheet, in accordance with Board's written human resources policy; and,
3. Salaries from the payroll records shall reconcile to the amount of salaries charged in the General Ledger. Gross salaries reported to governmental entities on payroll tax returns shall reconcile to the General Ledger.

E. Professional and Consultant Fees - The budget usually contains information pertaining to the types of professionals and consultants, rate of compensation, kind(s) of service to be rendered, and any maximum cap for the compensation received by each professional or consultant.

1. All disbursements shall be properly substantiated with supporting documentation.
2. A policy forbidding the acceptance of gifts or other gratuities by employees from professionals and consultants shall be established.
3. The rate of pay and number of hours worked for each type of professional and consultant shall not be greater than the amount budgeted and/or contracted.
4. Determination of the appropriate status of an individual is the sole responsibility of the contracting party. Claims and penalties resulting from improper designation of an employee as an independent contractor or consultant are the responsibility of the contracting party.
5. Officers, employees, and members of the Board shall not be paid consultants to that organization.

F. Equipment Inventory System – Individual program budgets shall contain a specific list of equipment that is approved for purchase, as applicable.

G. The Board shall ensure that the invoices are agreed to the terms of the contracts prior to payment.