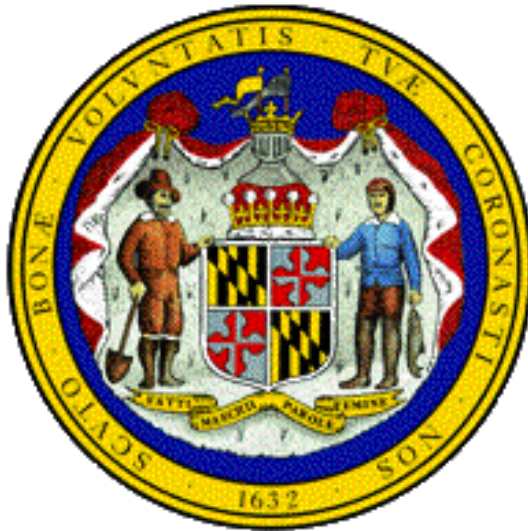


**THE STATE OF MARYLAND
POLICIES & PROCEDURES
MANUAL FOR
LOCAL
MANAGEMENT
BOARDS**



Issued by The Governor's Office for Children
on Behalf of The Children's Cabinet
Effective July 1, 2015

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INTRODUCTION

A. Scope

1. This Manual provides instruction on the administration and management of Maryland's Local Management Boards (LMBs).
2. The LMB 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 Appendix of the Manual.
2. Other resources are referenced as part of the Code of Maryland Regulations ("COMAR") and the Maryland Annotated Code. Links to 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 shall be issued and available for downloading from the Governor's Office for Children (GOC) website (<http://www.goc.maryland.gov>).
2. Updates to the Manual shall be distributed as they are finalized.

D. Required Signatures

1. Where signatures are required, only the complete, original signature of the specified individual(s) will be accepted.
2. 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.

1. Waivers

- a. The LMB may request a waiver of any requirement herein except for the LMB audit requirement noted in Section IV, Subsection 10 B.
- b. The LMB shall mail a written request signed by the LMB Point of Contact and Board Chair to the attention of the Deputy Director of GOC who will review and approve or deny the request on behalf of the GOC and/or the Children's Cabinet.
- c. The request shall include:
 - i. The rationale for the proposed waiver;
 - ii. How the LMB alternately proposes to ensure compliance should a waiver be granted; and

- iii. The timeframe for the proposed waiver.
- d. GOC will respond to the LMB within thirty (30) days of receipt of the request.
 - i. GOC's response may be delayed if additional information from the LMB is required or if the request is incomplete.

2. **Definitions**

- a. In this Manual, the following terms have the meanings indicated.
- b. Terms defined:
 - i. "Agreement" means the Community Partnership Agreement that is executed by the Children's Cabinet and the LMB.
 - ii. "Board" means the group of members established by each jurisdiction to ensure the implementation of a local interagency service delivery system for children, youth, and families, in accordance with §8-302 of the Human Services Article of the Maryland Annotated Code.
 - iii. "Care coordination" means providing intensive care management services to a youth and his or her family, including coordinating Child and Family Team meetings; developing, revising, and managing implementation of the individualized Plan of Care; and, facilitating access to the services and supports outlined in the Plan of Care.
 - iv. "Care coordinator" means an individual employed through the care management entity who is responsible for providing care management services including, but not limited to, coordination of child and family team meetings and completion of the initial and revised plan of care.
 - v. "Care management entity (CME)" means a not-for-profit, 501(c)(3) organization under the Internal Revenue Service (IRS) Code, with whom the Children's Cabinet has a contract, that serves as a central point of service coordination and locus of accountability for identified cross-agency populations of children and youth with intensive needs, and their families.
 - vi. "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.
 - vii. "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.
 - viii. "Child" means any individual under the age of eighteen (18) years, or under any other age, as specified by applicable State or federal law.

- ix. “Child and Adolescent Needs and Strengths Assessment (CANS)” is a 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.”
- x. “Child and Family Team (CFT)” means a team of individuals selected by the participant and family to work with them to design and implement the Plan of Care.
- xi. “Children’s Cabinet” means the Secretaries of the Departments of Budget and Management, Disabilities, Health and Mental Hygiene, Human Resources, 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.
- xii. “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 (CCIF) or Interagency Fund.
- xiii. “Children’s Cabinet Results Team (CCRT)” 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 CCRT is defunct.
- xiv. “Children’s Cabinet Implementation Team (CCIT)” 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 (DLLR), Public Safety and Correctional Services (DPSCS) and the Governor’s Office of Crime Control and Prevention (GOCCP).
- xv. “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 LMB to guide local development, expansion and implementation of resources, services and programs.

- xvi. “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.
- xvii. “Core Service Agency (CSA)” has the meaning stated in COMAR 10.21.17.
- xviii. “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.
- xix. “Disconnected Youth” means teenagers and young adults between the ages of 16 and 24 years of age who are neither working nor in school.
- xx. “*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.
- xxi. “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.
- xxii. “Fee-for-Service” means payment to a provider of services rendered, at a pre-determined rate, separately for each particular service rendered.
- xxiii. “Fiscal Year” has the meaning of the State Fiscal Year of July 1 to June 30 of each year.
- xxiv. “Fixed Asset” means an item with a useful life greater than one reporting period that is purchased for the productive use by the LMB or its vendor (e.g. computer equipment and software, furniture and fixtures, vehicles, etc.).
- xxv. “Flex Funds” means discretionary funds available to purchase goods and services in support of a child’s Plan of Care when no other resource is available and in compliance with this Manual and local policies.
- xxvi. “Governor’s Office for Children (GOC)” has the meaning stated in Executive Order 01.01.2006.03.

- xxvii. “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.
- xxviii. “Indicator” means a measure that helps quantify the achievement of a result.
- xxix. “Local Access Mechanism (LAM)” 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.
- xxx. “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 of for the whole family.
- xxxi. “Local Access Mechanism Screening” means the initial triage to identify children at risk and link them to appropriate resources.
- xxxii. “Local Access Mechanism Assessment” means a comprehensive review of data from multiple sources to identify strengths, resources and needs to develop plans of care.
- xxxiii. “Local Access Mechanism Evaluation” means the discipline-specific intensive study of a clinical issue performed by an appropriately credentialed professional.
- xxxiv. “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. Families requiring clinical evaluation shall be referred to appropriate child-serving agencies, organizations, or appropriately credentialed professionals.
- xxxv. “Local Care Team” has the meaning as stated in the Maryland Human Services Article, Title 8, Subtitle 4 of the Annotated Code of Maryland.
- xxxvi. “Local Management Board” or “LMB” 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.

- xxxvii. “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 instruction on the administration and management of Maryland’s Local Management Boards.
- xxxviii. “Office” or “GOC” means the Governor’s Office for Children.
- xxxix. “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 DHR, DJS, DHMH, or MSDE/LSS has supervision and care responsibility.
- xl. “Performance Measure” means a measure of how well a program, agency, or service system is performing.
- xli. “Plan of Care (POC)” means a written document that is developed that comprehensively describes the services to be provided to a child and family across life domains.
- xlii. “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.
- xliii. “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.
- xliv. “Residential Treatment Center (RTC)” has the meaning stated in Health-General Article, §19-301, Annotated Code of Maryland.
- xlv. “Result” means a condition of well-being for children, adults, families or communities.
- xlvi. “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.
- xlvii. “SCYFIS” means the State Children, Youth and Family Information System. SCYFIS is a web-based information system designed to keep track of the State-funded interagency services that are provided to children and their families. SCYFIS also assists frontline caseworkers from State agencies and psychiatric hospitals communicate with each other in order to plan for children in State custody to be discharged from psychiatric hospitals. SCYFIS also includes a Resource Directory, available to the

public, which contains a listing of services specific to the needs of children and families.

- xlvi. “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.
- xlix. “Sustainability” means the ability to be implemented and maintained over a series of fiscal years.
 - 1. “Youth Services Bureaus (YSBs)” has the meaning stated in Human Services Article, §9-233, Annotated Code of Maryland.
 - li. “Wraparound” means a service delivery model that includes a collaborative process in which the CFT 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 (LMBs) was originally provided for in Article 49D that was enacted in 1990 and sunset 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 Governor’s Office for Children (GOC).
- C.** During the 2006 legislative session, the General Assembly passed Senate Bill 294/House Bill 301 that re-codified the LMBs. As of March 24, 2006, Executive Order 01.01.2005.34 was amended by Executive Order 01.01.2006.03. House Bill 301 was signed into law on May 2, 2006, re-establishing LMBs in Article 49D. The law became effective on October 1, 2006.
- D.** Effective October 1, 2007, Article 49D was reorganized and recodified as Title 8 of the Human Services Article of the Maryland Annotated Code.

Subsection 20 – State Structure

A. Children’s Cabinet

- 1.** Consistent with the requirements of the Executive Order (as amended) and Title 8 of the Human Services Article, the Children’s Cabinet, through GOC, shall:
 - a.** Specify the roles and responsibilities of the LMBs;
 - b.** Establish minimum standards for the composition of LMBs;
 - c.** Establish fiscal and program accountability in the implementation of Community Partnership Agreements (CPAs) and the use of other State resources by LMBs;
 - d.** Establish procedures to ensure the confidentiality of information shared by LMB board members and employees in accordance with State and federal law; and
 - e.** Generally relate to the operation of LMBs.
- 2.** The Children’s Cabinet is chaired by the Executive Director of GOC.
- 3.** The Children’s Cabinet is composed of the Secretaries of the Departments of Budget and Management; Disabilities; Health and Mental Hygiene; Human Resources; Juvenile Services; the State Superintendent of the State Department of Education; and the Executive Director of GOC.

4. Role of GOC:
 - a. As required by the Executive Order, GOC partners “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. GOC serves as the policy advisor to the Governor, the Children’s Cabinet and the agency members of the Children’s Cabinet.
 - c. GOC provides staff to the Children’s Cabinet.

B. Children’s Cabinet Implementation Team (CCIT)

1. The CCIT is chaired by the Deputy Director of GOC.
2. The CCIT is composed of the Deputy Secretaries/Assistant Superintendents or another executive staff of the Departments of Budget and Management; Disabilities; Health and Mental Hygiene; Human Resources; Juvenile Services; Labor, Licensing and Regulation, Public Safety and Correctional Services; the State Department of Education; and the Governor’s Office of Crime Control and Prevention.
3. The role of the CCIT 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 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 LMB shall be monitored to determine compliance with:
 1. The requirements of the CPA, any Grant Agreements funded by GOC and/or the CCIF, and the use of earned reinvestment funds;

2. The State of Maryland Policies and Procedures Manual for Local Management Boards;
3. Federal, State and local laws, regulations and policies; and
4. The implementation of a remediation plan approved by GOC as a result of a previous monitoring visit, as applicable.

B. Schedule

1. GOC will monitor LMBs on a periodic basis.
2. The monitoring plan and schedule for the fiscal year will be released to LMBs by GOC.
3. The frequency of monitoring and schedule of site visits is subject to change as determined by GOC and/or directed by the Children's Cabinet.
4. GOC and the Children's Cabinet reserve the right to conduct unscheduled monitoring visits 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 LMB shall make available all data, records, and any other documents as requested.
2. The LMB shall ensure access to all materials referenced and any other documents and/or materials as requested.

D. Site Visit

1. Site visits shall be conducted in accordance with the published monitoring plan and schedule.
2. Prior to the site visit, GOC staff shall contact the LMB Point of Contact and Board Chair to:
 - a. Schedule the site visit;
 - b. Describe the monitoring scope;
 - c. Provide any materials to be completed in advance of the site visit; 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:
 - a. Review LMB files, case records, fiscal documents, policies and procedures,

- c. The additional documentation shall not have been provided to the monitor(s) during the monitoring period and shall be related to the issues identified and addressed in the monitoring report.
 - d. If additional documentation is provided by the LMB, it will be reviewed by GOC, and GOC will determine if a reconsideration of the conclusion(s) is supported.
 - e. Upon consideration of this additional documentation, GOC may leave its finding(s) and/or conclusion(s) intact, set forth additional finding(s) and/or conclusion(s), or enter new finding(s) and/or conclusion(s). Any such consideration and/or reconsideration shall be final.
9. If no written response by the LMB is received by GOC within twenty-one (21) calendar days of the issuance of the monitoring report, GOC will consider the report to have been accepted by the LMB.
 10. Once the report has been accepted by the LMB, the LMB shall take corrective action on each finding and/or recommendation cited in the monitoring report.
 11. GOC, on behalf of the Children's Cabinet, may require the LMB to develop and implement a written remediation plan, outlining actions to rectify one or more findings and/or implement recommendations as noted in the monitoring report.
 12. Whether or not a written remediation plan is required, the LMB shall be in compliance with Manual requirements at all times and shall implement any corrective action necessary to remedy findings as cited in a monitoring report as soon as is practicable.
 13. GOC reserves the right to conduct site visits and/or other monitoring activities that are not identified on the published plan and/or schedule, and without prior notification to the LMB.

E. Fiscal Recovery

1. If recoverable funds are identified in the monitoring report that is accepted by the LMB, GOC will issue a request for payment of funds due, and shall provide the LMB with thirty (30) days to either make payment or file a request for reconsideration of the requirement for fiscal recovery to the Children's Cabinet.
2. In any request for reconsideration, the LMB shall clearly state the basis for, and include documentation in support of, its position.
3. The Children's Cabinet shall 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

- F. An LMB that desires to obtain a letter of support/commitment from GOC for a project or grant proposal shall submit to the Deputy Director of GOC 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.
- G. Submission of requests:
 1. Requests shall be submitted by the beneficiary of the grant. GOC shall not accept a request from a grant writer/agent/other third party.
 2. Requests shall be submitted as soon as possible to GOC, but no later than fourteen (14) days from the date the support/commitment letter is due.
- H. Any commitment/support to be given by GOC will be for the concept and will be for a defined period - usually one (1) year.
- I. A request to categorize GOC or Children's Cabinet Funds as match for any grant (including a renewal or reapplication) shall be submitted to GOC by the beneficiary of the grant and not a grant writer/agent/other third party.

SECTION II – LMB ROLES and RESPONSIBILITIES

Subsection 10 – LMB Roles

A. Key Roles of the LMB 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 strategic plan and the development and expansion of the local community-based service delivery system for children and their families;
4. Strengthening the decision-making capacity at the local level;
5. Designing and implementing strategies to achieve clearly defined results for families and children;
6. Maintaining standards of accountability for locally-agreed upon results for children and families;
7. Influencing the allocation of resources across systems as necessary to accomplish the desired results;
8. Building local partnerships to coordinate children, youth and family services within the county to eliminate fragmentation and duplication of services;
9. Representing local residents, communities, and State and local government;
10. Writing grants and assisting with local resource development to diversify local funding sources; and
11. Designing and implementing strategies needed to achieve desired results.

B. Administrative Functions of LMBs Include:

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

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

Subsection 20 – LMB Responsibilities

A. Each LMB shall:

1. Monitor and evaluate funded programs and contracts for performance and compliance;
2. Designate staff to fully-execute the CPA and other grants awarded from GOC and/or the CCIF, within budgetary limits;
3. Ensure policies and procedures are in place as required;
4. Notify GOC in writing of any LMB changes, including, but not limited to LMB name, address, phone number, LMB Point of Contact, Board chair, etc. Notification of changes shall be sent to the Deputy Director of GOC via email as soon as the change is known;
5. Designate a Point of Contact for the LMB as a means of communication with GOC;
6. Designate an individual to attend or participate by phone in LMB meetings with GOC. These meetings provide a regular forum for communication between GOC and the LMB about expectations, changes in policies and regulations, best practices, highlights of LMB 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 LMB shall revise those polices as necessary to reflect changes in this Manual and other applicable federal, State, and/or local laws, regulations and policy;
9. Make its policies and procedures accessible to its community partners; and
10. Participate in decision-making for the expenditure of all funds received from GOC and the Children's Cabinet in collaboration with the appropriate State agency and/or local entity, except as legislatively mandated.

Subsection 30 – LMB By-Laws

- A.** Each LMB 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 LMB elects not to include conflict of interest requirements in the by-laws, the LMB shall establish a separate policy specifying the procedures for Board member and staff conflicts of interest.
- C.** The by-laws shall include/address the following, at a minimum:
 - 1.** Statement of name and LMB mission/goal;
 - 2.** Function or purpose of the LMB;
 - 3.** 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;
 - 4.** Officers' terms, removal, resignation, authority and duties;
 - 5.** Meetings;
 - 6.** Quorum;
 - 7.** Committees;
 - 8.** Indemnification;
 - 9.** Identification of fiscal year;
 - 10.** Conflict of interest; and
 - 11.** Process for enacting amendments.

Subsection 40 – LMB Meetings

- A.** The LMB shall meet on a regular basis in accordance with its by-laws.
- B.** The LMB shall maintain minutes to document attendance and the business conducted at the meetings.
 - 1.** A quorum of 51% of voting membership is required unless otherwise specified in the by-laws or other local requirements in order to constitute an official meeting;
 - 2.** A meeting in which a quorum is not satisfied, as applicable, cannot be considered an official meeting, and no decisions or votes from the meeting can be considered

binding unless and until a majority of the voting members have ratified any actions considered.

- C. LMB committees established by the by-laws or other action of the Board shall maintain minutes to document attendance and the business conducted at the meetings.

Subsection 50 – Laws, Regulations and Policies

- A. The LMB shall comply with all applicable federal, State and local laws, regulations, and policies, including any regulations or written requirements adopted by GOC 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 LMB shall ensure that vendors are in compliance with the criminal background check requirements.
3. The LMB 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 LMB seek legal counsel and consider the possible liabilities of not requiring a criminal background check for all persons who have contact with children.

F. Confidentiality

1. In accordance with federal and State law, the LMB 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 GOC or other entities, except as permitted by law.
2. When LMBs communicate with GOC or with other entities, 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 LMB shall develop and implement its own procedure to ensure confidentiality is maintained; and
 - d. Hard copy communication shall have identifying information redacted.

G. Record Retention

1. Records shall be maintained in accordance with the provisions noted herein and in compliance with federal and State law.
2. Records that are developed and maintained in hard copy format shall 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 shall 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 shall be implemented in addition to federal and State requirements:
 - a. Electronically-formatted records shall be maintained for the required retention period in a format that is accessible to authorized GOC staff and equipment;
 - b. Access and storage authorization and procedures for electronic records shall be the same as for hard copy records;
 - c. Any and all electronically-formatted records that are stored on a server shall 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 shall be in an encrypted format, and shall be governed by written certification from the vendor that the records shall be accessed, maintained, stored, and retained in accordance with federal and State laws and procedures, and that the vendor shall 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 may be used by an LMB.

1. The basic steps to using Results-Based Accountability (RBA – also referred to as Results Accountability) include answering a series of questions about population accountability and performance accountability:
 - a. Population Accountability:
 - i. What results are you trying to achieve?
 - ii. What does the data tell you? What are the indicators that tell you if you are making progress towards reaching the results you are trying to achieve? Is the indicator getting better or worse?
 - iii. What is the story behind the data and the direction it is heading?
 - iv. Who are the partners who have a role to play in doing better?

- v. What strategies work to “turn the curve” and make things better?
- vi. What is your action plan and budget?
- b. Performance Accountability:
 - i. Who are your customers?
 - ii. How can you measure if your customers are better off?
 - iii. What are your current measures with regard to service delivery?
 - iv. What partners have a role to play in doing better?
 - v. What is the story behind the measures?
 - vi. What works to improve these measures?
 - vii. What is your action plan and timeline?

B. Maryland’s Results and Indicators

1. Each year, GOC and the Children’s Cabinet release Maryland’s Results for Child Well-Being, a report and evaluation of data and information about Maryland’s children and the programs that serve them.
2. Results and Indicators tracked each year are:
 - a. Babies Born Healthy
 - i. Infant Mortality:
 - a. 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:
 - a. The rate of births to adolescent females ages 15 through 19 per 1,000 in the age-specific population.
 - iii. Low Birth Weight:
 - a. 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:
 - a. The percent of children who have health insurance coverage.
 - ii. Immunizations:
 - a. The percent of children ages 19 through 35 months who have received the full schedule of recommended immunizations.
 - iii. Deaths:
 - a. The number of deaths to children ages 0-21 per 100,000 in the age-specific population.
 - iv. Obesity:
 - a. The percent of Maryland public school students in grades 9-12 who are overweight or obese.
 - v. Hospitalizations:
 - a. 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

the University System of Maryland or complete an approved Career and Technology Education program.

iii. Program Completion of Students with Disabilities:

- a.** The percent of students with disabilities, ages 14 through 21, who graduate or complete school.

iv. Educational Attainment:

- a.** 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 16-24, who are unemployed.

g. Communities are Safe for Children, Youth and Families

i. Child Maltreatment:

- a.** 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:

- a.** The rate of referrals, per 100,000 youth ages 10 through 17, for felony offenses, including both violent and non-violent charges.

iii. Juvenile Recidivism:

- a.** The 12, 24, and 36 month recidivism rates for juvenile and/or criminal justice.

iv. Crime:

- a.** The number of violent crimes committed per 1,000 persons.

h. Families are Safe and Economically Stable

i. Child Poverty:

- a.** The percent of children under age 18 whose family income is equal to or below the federal poverty threshold.

ii. Hunger:

- a.** 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:

- a.** The number of out-of-home placements that occur per 1,000 children in the population.

iv. Homelessness:

- a. 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.
- 3. The selection of indicators is an on-going process at both the State and local levels.
- 4. An LMB may prioritize local indicators on which to focus in addition to State indicators.

Subsection 70 – Contracting

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

1. Community Partnership Agreement (CPA)

- a. The CPA is the contract executed between the Children’s Cabinet and each LMB 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 CPA 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 LMB;
 - iii. Appendix B – The annual budget for Children’s Cabinet Interagency funds awarded to the LMB; and
 - iv. Appendix C – The multi-year budget, as applicable.
- c. A new CPA in its entirety, or new Appendices, as appropriate, shall be executed for each term.
 - i. The CPA shall be fully-executed by June 30 of each fiscal year.
 - ii. The first payment for the fiscal year shall be withheld until the CPA or Appendices, as applicable, are completed, approved and fully-executed by all parties.
- d. The CPA contract period shall be the State’s fiscal year (July 1 through June 30) unless otherwise stated in the CPA.
- e. In the case of a multi-year CPA, budgets and performance measures shall be approved annually and are subject to annual appropriations.
- f. Preparation of the CPA:
 - i. GOC shall issue instructions on the preparation of the CPA, including the requirements for the Appendices.

- 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 tables may be required, as applicable.
 - iv. Additional information may be required if the LMB requests to modify the scope of the original project or budget.
 - v. No-cost extensions shall be requested and GOC approval obtained prior to the LMB implementing any changes.
 - vi. Projects funded with carry-forward and carry-over funds are subject to the same conditions as noted in Section IV, Subsection 60, of this Manual, as applicable.
- d. Reporting:
 - i. Reports for individual programs are required as outlined in Section III of this Manual.
 - ii. Instructions for the preparation and submission of required reports shall be issued by GOC.
 - a. Reports submitted not in compliance with the issued instructions will be returned to the LMB for correction.
 - iii. Program Reports
 - a. A semi-annual and annual program report on the CPA in the approved format shall be submitted to GOC.
 - i. The semi-annual report for the period of July 1 through December 31 is due the third (3rd) Friday of February; and
 - ii. The annual report for the period of July 1 through June 30 is due the third (3rd) Friday of September.
 - b. As part of the required semi-annual and annual program report, the LMB shall provide an update on progress toward meeting the target of each performance measure.
 - iv. Fiscal Reports
 - a. Fiscal reports are due the third (3rd) Friday of the month following the close of the second and fourth quarters of the fiscal year.
 - b. The year-end fiscal report is due the third (3rd) Friday of September following the close of the fiscal year.
 - v. GOC may require additional reports not referenced herein.
 - vi. GOC may require an LMB to amend/correct a report that is incomplete, incorrect, technically insufficient or includes another error.
 - vii. A request for CPA modification, extension, carry-over or carry-forward shall not be approved if the LMB is not in compliance with required reports.
- e. Payments:
 - i. No payment to an LMB will be authorized by GOC without a fully-

- executed CPA.
- ii. Payment to an LMB under the CPA will be made only after the executed CPA and/or all required reports are received and accepted by GOC.
 - a. If a report is not received when due, all payments scheduled to follow the due date of the report will be withheld until the LMB is in compliance with all reporting requirements.
 - iii. Payment to an LMB is generally made four (4) times per year according to the following schedule:
 - a. The first payment will be for four twelfths (4/12) of the Children's Cabinet award and will be released as soon as the CPA is fully-executed.
 - b. The second payment will be for three twelfths (3/12) of the award and will be released in the second quarter after the required reports for the fiscal year are received.
 - c. The third payment will be for three twelfths (3/12) of the award and will be released in the third quarter after the required reports for the fiscal year are received.
 - d. The fourth and final payment will be for the balance of the current award and will be released in the fourth quarter after the required reports for the fiscal year are received.

5. Grant Agreements:

- a. A Grant Agreement is a contract executed between GOC (individually or on behalf of the Children's Cabinet) and the LMB for a specific project or the provision of a defined service.
- b. GOC may execute a grant agreement with an LMB as necessary and appropriate.
- c. Performance measures tables may be required and shall be submitted in accordance with instructions issued by GOC.
- d. Modification
 - 1. To request a change or modification to the Grant Agreement, the LMB shall mail a written request signed by the LMB Point of Contact and Board Chair to the attention of the Deputy Director of GOC who will review and approve or deny the request on behalf of GOC and/or the Children's Cabinet.
 - 2. Requests for modifications shall be postmarked forty-five (45) days prior to the expiration date of the Grant Agreement.
 - a. Requests for modifications that are received by GOC after the expiration date of the Grant Agreement cannot be approved.
 - 3. Modification requests require a short narrative explaining the need for the proposed change.

- a. New or revised Performance Measures Tables, as applicable, may be required.
 - b. Changes to fiscal year targets in performance measures tables as the only modification will not be approved. Instead, the LMB shall address performance as necessary in the “Story Behind” section of applicable reports.
 - 4. Modification requests may also require a revised budget and corresponding budget narrative, as applicable.
 - 5. GOC will respond to the LMB within thirty (30) days of receipt of the request. GOC’s response may be delayed if additional information from the LMB is required.
 - 6. The modification shall be requested and GOC approval obtained prior to the LMB implementing any changes related to the modification.
- e. No-Cost Extension/Carry-Forward/Carry-Over
 - i. The LMB may request a no-cost extension, a carry-over or carry-forward for a grant agreement in accordance with guidelines published by GOC on behalf of the Children’s Cabinet.
 - ii. Requests shall be received by May 15 for a CPA 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 tables may be required, as applicable.
 - iv. Additional information may be required if the LMB requests to modify the scope of the original project or budget.
 - v. No-cost extensions shall be requested and GOC approval obtained prior to the LMB implementing any changes.
 - vi. Projects funded with carry-forward and carry-over funds are subject to the same conditions as noted in Section IV, Subsection 60 of this Manual.
- f. Reporting
 - i. Reporting requirements for Grant Agreements are indicated in the terms and conditions of the Grant Agreement.
 - ii. GOC may require additional reports not referenced herein or in the terms and conditions of the Grant Agreement.
 - iii. GOC may require an LMB to amend/correct a report that is incomplete, incorrect, technically insufficient or includes another error. GOC may issue instructions on the protocol for the completion of reports.
 - iv. A request for a grant agreement modification, extension, carry-over or carry-forward shall not be approved if the LMB is not in compliance with required reports.

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

G. Contracting with Vendors:

- 4. Subject to applicable requirements, including, but not limited to, those with respect to procurement, the LMB is responsible for the negotiation and execution of contracts for the provision of all programs and services funded by GOC and/or the Children's Cabinet Interagency Fund with the exception of LMB administrative services (including, but not limited to, pest control, bottled water, office cleaning, etc.).
- 5. 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 LMB may issue a letter of commitment to the vendor outlining the scope of services and the maximum funds available based on the specified terms.
- 6. The LMB shall incorporate the applicable sections of the current State of Maryland Policies and Procedures Manual for Local Management Boards into each of its contracts. In the case of conflicts between program-specific guidelines in Section III and other sections of the Manual, the conditions set forth in the applicable subsection of Section III of this Manual govern.
- 7. Contracts shall 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.
- 8. Contracts shall specify the maximum funds available based on the specified terms. The terms specified shall be measurable and sufficiently documented to enable verification by a qualified auditor.
- 9. LMB contracts with vendors shall provide the LMB and State agencies access to all information, including client records, consistent with State and federal laws.
- 10. In addition to other applicable requirements stated herein, contracts with vendors shall include the following provisions:
 - a. Service Records
 - i. Upon completion of services, service records shall either be retained by the LMB or returned to and retained by the lead agency that

referred the child to the program or LMB, as applicable.

- ii. Service records shall 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 CPA 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 shall be provided as required in Section II, Subsection 20, B 7 of this Manual.

b. HIPAA

- i. Appropriate human services contracts shall contain provisions for compliance with federal Health Insurance Portability and Accountability Act (HIPAA) 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 a CPA covered by this Manual shall be the sole and exclusive property of the State.
- ii. The LMB is granted a non-exclusive license, without cost or fee, to use such materials. The LMB shall not assign or transfer its license.
- iii. With regard to materials generated by an LMB's vendor or grantee, the LMB shall ensure that the State's ownership interests are disclosed and not impaired by the terms and conditions of such grants and contracts.
- iv. The LMB shall require each vendor who is providing services for more than one LMB to report the amount of GOC and/or Children's Cabinet funding received from each LMB, including a description of the services provided for each LMB.
 - a. Vendor reports shall be used by the LMB to determine if a separate schedule of GOC and/or Children's Cabinet revenue and expenditures is required for the vendor audit in accordance with the requirements of Section IV, Subsection 10 C.

H. Procurement

- 4. In accordance with Section I, Subsection 60 of this Manual, the LMB shall adhere to its adopted procurement policy, as applicable.
- 5. An LMB that is an instrumentality of local government shall comply with local government procurement laws and regulations. If the local government does not have written procurement laws and regulations, or if the LMB so elects, the LMB shall establish a procurement policy and procedures in accordance with Section II, Subsection 20, Part A8 of this Manual.
- 6. An independently incorporated LMB shall establish a procurement policy and

procedures in accordance with Section II, Subsection 20, Part A8 of this Manual.

- a. The applicable sections of State procurement laws will apply until an LMB 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:

4. The LMB is responsible for appropriately designating the employment status of an individual/consultant.
5. Claims and penalties resulting from the improper designation of an employee, an independent contractor or a consultant are the responsibility of the LMB.
6. Officers, employees, and members of the Board of Directors of the LMB/ vendors/subcontractor(s)/subgrantee(s) cannot be paid consultants to the LMB, its member agencies, or its contractors and grantees.
7. 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 – Measuring Performance

C. LMB Monitoring:

1. The LMB shall develop and implement a written monitoring policy that will address the process by which the LMB will fulfill its monitoring responsibilities.
2. The following shall not be considered the LMBs' 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 LMB shall monitor all vendors and consultants for compliance with requirements as set forth in this Manual, the LMB's contracts and grants and the terms of its CPA and other agreements.

D. LMB Evaluation:

1. The LMB shall evaluate all programs and services it funds, including, but not limited to:
 - a. Focusing on an assessment of performance measures that have been identified;
 - 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. LMBs are required to collect and report on characteristics of children and families served, the services delivered, and the results of those services.
2. Each LMB may opt to collect several kinds of data to suit its needs.
3. Data shall 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, LMBs are required to utilize, as directed by GOC, the Results Scorecard™ application to measure performance of GOC and/or Children’s Cabinet-funded programs/initiatives.

SECTION III – PROGRAM REQUIREMENTS

Subsection 10 – Background

- A.** Subject to Appropriations, funding is available through the GOC and Children’s Cabinet Interagency Fund for programs and services in accordance with guidelines established by GOC and the Children’s Cabinet.
- B.** This Section includes, but is not limited to, examples of programs that may be funded by an LMB in accordance with Title 8, Subtitle 5 of the Human Services Article of the Annotated Code of Maryland.
- C.** Any and all programs funded by an LMB in accordance with State law and this Manual are subject to the requirements set forth by State law and this Manual.
- D.** The LMB shall ensure that programs and services funded by GOC and/or the Children’s Cabinet Interagency Fund operate according to specified guidelines and achieve desired results.
- E.** If implementing an evidence-based program/initiative, the LMB shall ensure that the program/initiative maintains fidelity to the model.

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 (LCT) in each Maryland jurisdiction that coordinates services for children in need of residential placement and children with intensive needs.
- B.** The LMB shall participate as a member of the LCT in accordance with the provisions of Title 8, Subtitle 4 of the Human Services Article of the Annotated Code of Maryland.
- C.** The LMB may designate staff to provide administrative support for the LCT as locally determined.
- D.** Each LCT shall determine how to complete administrative requirements.

Subsection 30 - Local Access Mechanism

- A.** An LMB may elect to fund a Local Access Mechanism (LAM) to improve:
 - 1.** Coordination and utilization of existing resources and supports.
 - 2.** Access to services by families.

3. The identification of needed services.

B. Program Requirements:

1. LAMs funded with GOC and/or Children’s Cabinet funding shall meet the minimum requirements set forth in this Subsection.
2. Other requirements shall be established through the CPA or the grant agreement between GOC (individually, or on behalf of the Children’s Cabinet) and the LMB.
3. There is no State entitlement to a LAM or to any services listed in this Subsection.
4. Information in resource databases and directories developed, maintained and implemented with GOC and/or Children’s Cabinet funds shall be shared with entities as directed by GOC and/or the Children’s Cabinet.

C. Models

1. The following LAM models are approved for implementation with GOC and/or Children’s Cabinet funds:
 - a. Single Point of Access:
 - i. A Single Point of Access (SPA) is the single point of entry for families who wish to enter the system, regardless of the intensity of the needs of their children.
 - ii. SPA 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 are able to enter the LAM through an array of existing services and agencies.
 - ii. Existing points of access continue to serve children and families, while directing them to the LAM when appropriate.
 - c. Hybrid Model:
 - i. In the hybrid model, the LMB elects to combine elements of the two models above.
 - ii. The LMB 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 GOC and/or the Children’s Cabinet.

D. Functions of the LAM:

- I.** At a minimum, the LAM shall provide the following functions, unless otherwise negotiated with and approved by GOC on behalf of the Children's Cabinet:
 - a.** Information/Referral (I/R):
 - i.** Is the first Point of Contact within the LAM.
 - ii.** During that first contact, the I/R specialist will 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, or a hospital.
 - iii.** The I/R shall have 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 will 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 is conducted to determine if assistance beyond information and referral is needed, including crisis intervention.
 - b.** This next level of screening is utilized when it is determined that the caller's needs exceed simple information and referral, such as when a specific problem is presented.
 - i.** This screening will 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.
 - ii.** 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.

E. Navigation:

1. An LMB may also elect to fund a navigation component of the LAM.
2. Navigation is for those families who need additional assistance beyond a simple referral.
3. An LMB funding the navigation component shall 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 shall be referred to the appropriate child-serving agency, organization or an appropriately credentialed professional.
4. 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 (System Navigator).
5. Training:
 - a. Navigators are required to complete training approved by GOC, as applicable.
 - b. This training will prepare navigators for their role and responsibilities.
 - c. In addition to learning about system services and access:
 - i. Family navigators will receive training to prepare them for their unique dual role as family member and family navigator; and
 - ii. System navigators will receive heightened training on family experiences and concerns.
6. Secondary screening:
 - a. Navigators will provide the second level of screening 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 shall be referred to the appropriate child-serving agency, organization or an appropriately

credentialed professional.

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

1. Function and Purpose of the CANS:
 - a. The primary function of CANS as suggested for use by the LAM is to provide information that will be helpful in care planning and to provide information for outcome measurement and quality assurance.
 - b. CANS is not intended as a tool to determine level of care or to prescribe treatment.
2. Use of CANS:
 - a. The use of CANS is recommended, as applicable, if the navigation model includes the development of a plan of care with the youth and family.
 - i. If the adopted model of navigation lends itself to the utilization of an assessment, the assessment to be used shall be CANS.
 - ii. An abbreviated version of the CANS (in place of the CANS comprehensive) may be implemented for navigation only.
 - b. The LMB may require utilization of CANS for other funded programs.
3. Administration of the CANS:
 - a. Only those individuals who have been certified may administer the CANS.
 - b. CANS training and certification is available online at <https://theinstitute.umaryland.edu/topics/sat/cans.cfm> and from other sources.
 - c. If the CANS is utilized for LMB-funded programs, it is the responsibility of the LMB to ensure that all CANS administrators have current certification.
 - d. The CANS shall be initially administered within the first thirty (30) days of service implementation and every three (3) months after implementation of the plan of care and at discharge.

Subsection 40 – Juvenile Delinquency Prevention and Diversion Programs

- A. An LMB may elect to fund juvenile delinquency prevention and diversion programs.
- B. An LMB that funds a Youth Services Bureau (either by legislative mandate or other reason), shall ensure compliance with the Youth Services Bureau requirements in Appendix 5.

Subsection 50 – Out-of-School Time Programs

1. An LMB that elects to fund an out of school time program shall utilize evidence-based models as currently identified/approved by the U.S. Department of Education or other federal agency.
2. **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.
3. **Recommended Program Design:**
 1. Programs should incorporate the following core components:
 - (1) Time for homework completion with support (during the school year);
 - (2) Nutritious snack and/or meals:
 - a. Programs should participate in (State and/or) federal nutrition programs, as applicable.
 - (3) Recreation and physical activity of at least thirty (30) minutes for every three (3) hours of programming.
 - (4) Intentional and/or project-based learning that:
 - a. Utilizes research-based curricula for academic instruction;
 - b. Connects to but does not repeat school-day learning;
 - c. Integrates academic skills with hands-on and engaging activities;
 - d. Projects and curricula chosen based on the needs of participants and/or targeted outcomes for the program; and
 - e. Offers developmentally-appropriate learning, leadership and participation opportunities in decision making.
 - (5) Parent/family engagement.
4. **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.

- (1) The Youth Program Quality Assessment (YPQA) 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.

5. 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.

- A. Programs should offer opportunity for children to demonstrate and document mastery of skills (as related to targeted outcomes for program).

Subsection 60 – Home Visiting

- A. An LMB that elects to fund a home visiting program shall utilize evidence-based home visiting models as currently identified/approved by the U.S. Department of Health and Human Services (DHHS) Health Resources and Services Administration (HRSA) or the Administration for Children and Families (ACF) or other models approved by GOC. See Appendix 3
- B. The LMB shall ensure that the home visiting program serves the population/community identified as most at-risk as indicated by having elevated risk factors in the jurisdictional maps disseminated by the DHMH's Office of Maternal and Child Health or as determined by GOC.
- C. An LMB that elects to fund home visiting programs shall require its 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

Subsection 10 – General Requirements

- A. **Financial Records** - Shall be maintained for five (5) years after reconciliation or until an audit/monitoring is completed by the GOC and/or the Children’s Cabinet, whichever is later.
- B. **LMB Audit:**
1. An independent audit of LMB funds shall be conducted annually and submitted to GOC by the first Friday in February.
 2. The audit shall include a separate accounting of revenue and expenditures for the following GOC and CCIF-funded activities:
 - a. CPA, disaggregated by line item;
 - b. Earned reinvestment; and
 - c. Other grants, disaggregated by grant.
 3. If the LMB is independently incorporated, the LMB shall have an annual audit performed by an independent certified public accountant and submit a copy of the *Audited Financial Statement* and *Management Letter* to GOC.
 4. If the LMB is an instrumentality of local government, the LMB shall submit to GOC:
 - a. The Comprehensive Annual Financial Report (CAFR) for the county including a separate, removable (capable of being lifted from the CAFR with opinion and notes) schedule of revenue and expenditures for the LMB operations; or
 - b. The CAFR for the county with a Supplemental Schedule in the back section of the CAFR if an opinion is issued on the LMB schedule; or
 - c. An *Audited Financial Statement* and *Management Letter* performed by an independent certified public accountant.
 1. Failure to submit the audit when required shall result in the withholding of future payments and may be cause for GOC 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 LMB’s administrative budget.
 - b. Should this action be required, the LMB shall give its full cooperation to the selected independent auditor.
 5. The LMB shall submit to GOC one official bound copy of the audit in its original

form.

- a. No copy of the audit shall be accepted unless a certified version of the audit is available on the County's website and is accompanied by a certification submitted to GOC that the copy is a true and complete copy of the original audit.

C. Vendor Audit:

1. The LMB shall acquire and review each vendor's audit report, exclusive of Maryland State Agencies.
2. For any vendor that receives an aggregated sum in excess of \$300,000 in GOC and/or Children's Cabinet funds, the audit shall include a separate schedule of revenues and expenses for the GOC and/or Children's Cabinet funds.
3. If a vendor is an instrumentality of local government and is included in the Comprehensive Annual Financial Report (CAFR) for the county, a supplemental schedule or a Program Disbursement Journal report shall also be submitted.
4. When contracting with vendors, each LMB shall ascertain if a vendor is providing services to another LMB in order to determine if a separate schedule is applicable for the required vendor audit.
5. All LMB contracts shall require a vendor who is providing services to more than one LMB to provide a separate schedule or revenue and expenditures for each LMB.
6. Waiver:
 - a. An LMB may request a waiver of the vendor audit requirement for a specific vendor.
 - b. The request shall be made in writing and addressed to the Deputy Director of GOC and shall include the following information:
 - i. Name of vendor;
 - ii. Rationale for the waiver;
 - iii. Purpose for which the funding was awarded (*e.g.*, services, purchase of equipment);
 - iv. Annual revenue of vendor;
 - v. Timeframe for the proposed waiver; and
 - vi. How the LMB alternately proposes to ensure compliance if a waiver is granted.

F. Assets Purchased with GOC and/or Children's Cabinet Funds:

1. Purchase/Generation:
 - a. Assets purchased or materials in any form, generated or arising from the use of State funds subject to this Manual shall be the sole and exclusive property of the State.

- b. The LMB is granted a non-exclusive license, without cost or fee, to use such materials. The LMB shall not assign or transfer its license.

2. Inventory:

- a. The LMB shall maintain a written inventory of all fixed assets purchased with GOC and/or Children's Cabinet funds.
- b. The inventory shall 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 LMB shall update the inventory as needed.
- d. The LMB is responsible for ensuring the whereabouts of all fixed assets at all times.

3. Reclamation:

- a. When State funds are used to purchase fixed assets, GOC and/or the Children's Cabinet has the right to reclaim these fixed assets and the LMB shall ensure that right is protected in all cases. Subject to existing law, GOC and/or the Children's Cabinet may waive the State's right of recovery.
- b. GOC and/or the Children's Cabinet (on behalf of the State) retain the right to claim and dispose of any equipment or property that has been purchased with State funds.
- c. If State funds were utilized, in whole or in part, for the down payment, mortgage, or payments on buildings or real property, including payment of principal or renovation or remodeling costs, GOC and/or the Children's Cabinet (on behalf of the State) has a secured interest in the building or real property.
 - i. GOC and/or the Children's Cabinet (on behalf of the State) may record this interest in the property with the local jurisdiction to assure that the title will not be transferred without satisfaction of GOC's and/or the Children's Cabinet's interest.
 - ii. Before the LMB makes any funds available for an approved project involving the purchase/development of real property, the LMB shall ensure that the State's right of recovery is protected in the event that within fifteen (15) years after the program opens, the property is no longer used for the purpose of the award.
 - a) The amount of recovery shall include:
 - i) An amount that equals the value of the project property at the time of the recovery multiplied by a fraction:
 - 1. The numerator of which is the amount of the State funds for the project property; and
 - 2. The denominator of which is the total eligible

- cost of the project property; and
 - ii) All allowable costs and reasonable attorneys' fees incurred in the recovery proceedings.
 - iii. In case of sale of any such buildings or real property, the State shall be entitled to recover the portion of the net sale price based on its share in the building or real property. GOC and/or the Children's Cabinet (on behalf of the State) shall act prudently and fairly to claim assets in accordance with the interest of the general public.
 - d. The LMB shall 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/initiative ceases to provide services.
 - i. Fixed assets shall be recovered by the LMB and transferred to the new vendor, as applicable.
4. Disposal:
- a. The LMB shall not dispose of any fixed assets purchased with GOC and/or Children's Cabinet funds unless prior approval has been granted by GOC.
 - b. The LMB shall contact GOC to discuss the proposed disposal of fixed assets purchased with GOC and/or Children's Cabinet funds prior to any action occurring.
 - c. State disposal of any fixed assets shall be done in accordance with State law and regulation.
 - d. The LMB shall maintain documentation of fixed asset purchase and depreciation.

G. Sales and Use Tax Exemption:

- 1. LMBs are required to obtain and use a Maryland Sales and Use Tax exemption certificate as appropriate in order to make specific purchases without paying sales and use tax.
- 2. LMBs that are exempt from the payment of sales and use taxes shall routinely employ the exemption certificate to prevent paying such taxes.
- 3. LMBs that are exempt from the payment of sales and use taxes shall not provide reimbursement of sales and use taxes paid by staff.

Subsection 20 - Funding Principles

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

B. Supplemental Award:

1. The LMB may request supplemental funding in writing at any time.
2. It is recommended that the LMB contact the Deputy Director of GOC 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 LMB shall 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 of Appendix B to the CPA is a revision to the budget that restates the original total budget amount, and incorporates line item changes desired by either the LMB or GOC and/or the Children's Cabinet to result in a revised budget.
 - a. A budget modification does not affect the total amount of the GOC and/or Children's Cabinet award.
 - b. See Section II, Subsection 70, Part A of this Manual for more information on modifications.
2. A budget modification is required whenever:
 - a. Funds are moved from administration to programs;
 - b. Any administrative line item changes by \$10,000 or 5%, whichever is greater; and/or
 - c. Funds are moved between programs.

D. Reduction:

1. GOC, individually or on behalf of the Children's Cabinet, or the LMB 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 targets;
 - c. Reduction in the scope of services to be delivered;
 - d. Reduction in appropriations;
 - e. Request of the LMB; and/or
 - f. Failure to comply with the terms and conditions of the CPA.

E. LMB Termination:

1. Upon termination of operation, the LMB shall submit a final report of receipts and expenditures within forty-five (45) days after the effective date of termination.
2. If money is due to GOC and/or the Children's Cabinet, a check in the full amount due shall accompany the report.

F. Unauthorized Expenditures:

1. Unauthorized expenditures are the responsibility of the LMB.
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 - see paragraph C of this Subsection); and
 - c. All expenditures that are at variance with the Manual provisions or an explicit provision of the CPA, grant agreement or approval for the expenditure of earned reinvestment.

Subsection 30 - Income Principles

A. Income - All income from all sources resulting from, earmarked for, or allocated to the support of the LMB or programs funded by the CPA and other grants awarded by GOC and/or the Children's Cabinet shall be identified in all budgets and the year-end fiscal report in accordance with instructions issued by GOC.

B. Deposits and Interest:

1. The LMB shall deposit all GOC and Children's Cabinet funds and those funds allocated to GOC and/or Children's Cabinet-supported program(s) 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, may not exceed the amount covered by FDIC insurance, unless collateralized.
2. Interest income from the deposits described above shall be identified to GOC and/or the Children's Cabinet upon request.
3. Any such interest earned shall be awarded to the LMB as earned reinvestment and may not be used to augment LMB administrative funds.
4. In accordance with the earned reinvestment provisions in Section IV, Subsection 60 of this Manual, prior approval by GOC is necessary before the LMB's expenditure of

such funds.

C. Income Shortfall:

1. Any shortfall in income is the liability of the LMB unless recognized by GOC 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 LMB expenditures or by an increase in other income, or both.

D. Investments:

1. If investing GOC and/or Children's Cabinet funds, the value of the principal and any interest or other investment earnings shall be protected.
2. GOC and/or Children's Cabinet funds may not be invested with the possibility that the value of the investment may decrease.

Subsection 40 - Accounting Standards

A. Standards – The LMB shall 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 LMB is required to develop and operate in accordance with a written accounting/policy manual, a copy of which shall be made available to GOC and/or the Children's Cabinet or its representative upon request.
2. At minimum, the guidelines in Appendix 6 of this Manual shall be addressed in the LMB's written accounting/policy manual.

C. Related Party Transactions:

1. Transactions with organizations that are associated with or controlled by the LMB, LMB Board members, and/or LMB employees shall be disclosed.
2. Such transactions may be subject to additional review by GOC to determine the propriety of the transaction, *e.g.*, that a fair price was paid for goods or services obtained.

D. All expenditures shall be charged to the appropriate line item of the budget.

E. Earned reinvestment funds shall be accounted for in separate ledger accounts apart from other funds.

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 shall be given to:
 - a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the governmental unit or the performance of the federal award;
 - 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 federal award;
 - c. Market prices for comparable goods or services;
 - d. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the federal government; and
 - e. A significant deviation from the established practices of the governmental unit, which may unjustifiably increase the federal award's cost.

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 GOC and/or Children's Cabinet funding 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 capital expenditures 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. The term “indirect costs,” as used herein, applies to costs of this type originating in the grantee, as well as those incurred by other subgrantees in supplying goods, services, and facilities.
3. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect costs with the organization or subgrantee organizations providing services to a grantee.
4. Indirect cost pools shall be distributed to benefited cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.
5. A written cost allocation plan and written indirect cost proposals based on standard accounting practices shall be available upon request.
6. Limitation on indirect or administrative costs:
 - a. In addition to restrictions contained in this Manual, there may be laws that further limit the amount of administrative or indirect cost allowed.
 - b. Amounts not recoverable as indirect costs or administrative costs from another funder may not be charged to GOC and/or Children’s Cabinet funding, unless specifically authorized by GOC and/or the Children’s Cabinet.

D. Allowable Costs:

1. Allowable costs include, but are not limited to:
 - a. All reasonable direct and indirect costs associated with GOC and/or Children’s Cabinet-funded activities, except for any direct and indirect costs associated with 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 shall 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 are State General Funds that can only be “earned” 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. Sources of Earned Reinvestment Funds:

1. Administrative Earnings:

- a. LMBs shall receive earned reinvestment dollars on budgeted administrative cost in excess of 5% of actual administrative costs.
- b. The total of actual administrative costs plus earned reinvestment is capped by the budgeted administrative allocation (actual administrative expenses + .05 [actual administrative expenses] = administrative allocation).

2. Interest earned on GOC and/or Children’s Cabinet funding.

C. Intent:

1. The original intent for the use of earned reinvestment funds was described in the Implementation Plan for SB588 (1992) that was issued in January 1993 that stated: *“monies saved through effective refinancing efforts and flexible funding should be available for reinvestment in building resource capacity and in providing incentives to local jurisdictions for local development and/or enhancement of services and programs.”*
2. The Subcabinet for Children, Youth, and Families (Subcabinet – the predecessor to the Children’s Cabinet) issued guidelines for earned reinvestment in March 1993 requiring that an LMB develop a plan for the expenditure of the funds that addresses:
 - a. Development of community-based services;
 - b. Development of prevention and early-intervention services.
3. In September 1997, the Subcabinet revised the guidelines to include the following projects in addition to the guidelines noted above:
 - a. Community outreach;
 - b. Training and technical assistance;
 - c. Leveraging and/or maximizing other funding sources (both public and private);
 - d. Other approved children/family services as identified by the LMB.

D. Requests for Expenditures:

1. Prior to expenditure of earned reinvestment funds, the LMB shall submit to the

- Deputy Director of GOC a written request to utilize earned reinvestment funds that:
- a.** Is signed by both the LMB Point of Contact and Board Chair;
 - b.** Describes in detail the scope of the program/project, the target population to be served, and the goals/outcomes to be achieved; and
 - c.** Includes documentation such as Board meeting minutes, etc. that is signed by the authorized representative of the LMB and the Board chair attesting to the Board's approval of the request.
 - 2.** The request shall be submitted in writing and sent via U.S. mail. Response on behalf of the Children's Cabinet may be anticipated within thirty (30) days.
 - 3.** As directed by GOC, the LMB shall submit a new/revised performance measures table and/or a budget and budget narrative for strategies funded with earned reinvestment dollars. The performance measures table shall be incorporated as appropriate in the current CPA.
 - 4.** Approvals for the expenditure of earned reinvestment funds are generally valid for a specified period of time.
 - 5.** At the end of the specified period, the LMB shall submit a new request to GOC approval for continuation of a project or may submit a request for a no-cost extension if only additional time is needed to complete the project, as follows:
 - a.** By mailing a written request signed by the LMB Point of Contact and Board Chair to the attention of the Deputy Director of GOC who will review and approve or deny the request on behalf of the Children's Cabinet.
 - b.** Requests shall be postmarked thirty (30) days prior to the end of the term.
 - c.** No-cost extension requests require a short narrative explaining why the project could not be completed as planned and the revised timeline for program completion. Revised performance measures tables and/or budget and budget narrative may be required, as applicable.
 - d.** Additional information may be required if the LMB requests to modify the scope of the original project or budget.
 - e.** GOC will respond to the LMB within thirty (30) days of receipt of the request. GOC's response may be delayed if additional information from the LMB is required.
 - f.** No-cost extensions shall be requested and GOC approval obtained prior to the LMB expending funds past the original termination date of the project approval.

- 6.** Earned reinvestment plans shall be revised as applicable.
- 7.** Approved Uses:
 - a.** There are three uses for earned reinvestment funds:
 - i.** The primary use is the development of community-based services for children.
 - ii.** Other projects as identified by the LMB, such as but not limited to:
 - a)** Community outreach;
 - b)** Training and technical assistance;
 - c)** Leveraging and/or maximizing other public or private funding sources;
 - d)** Other locally-requested initiatives identified by the LMB; and/or
 - e)** Community needs assessments, to the extent that administrative funding is not available.
 - iii.** Other projects as identified by GOC and/or Children's Cabinet Agencies.
- 8.** Limitations:
 - a.** Earned reinvestment funds SHALL NOT be expended until GOC, on behalf of the Children's Cabinet, has approved the plan in writing.
 - b.** Prior written approval from GOC shall be received if an LMB desires to expend funds for purposes not approved in the current plan or in a manner different from the approved plan. Such changes require a new plan to be submitted to GOC.
 - c.** Earned reinvestment funds SHALL NOT be used to supplant existing funding.
 - d.** 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.
 - i.** A proposal to seek funding, investigate foundation grants, or other tentative action is not a valid sustainability plan.
 - ii.** Ongoing programs are required to become self-sustaining.
 - e.** Earned reinvestment funds shall not be used for program expansion or to implement new programs that are not self-sustaining.
 - f.** Earned reinvestment funds SHALL NOT be used to supplement the local tax base or to provide tax cuts.
 - g.** Earned reinvestment funds that are held by a foundation or other entity on behalf of an LMB remain subject to all the requirements under this Manual.

- h. All accumulated earned reinvestment funds shall be transferred to the new LMB when the jurisdiction changes the LMB designation from one entity to another.

Subsection 70 - Reconciliation

- A. Reconciliation is a fiscal resolution of the CPA, earned reinvestment funds 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 based upon reported expenditures and incomes, subject to correction by GOC, on behalf of the Children's Cabinet.
- B. Funds not expended at the conclusion of fiscal year for the CPA or the term of grant award shall be returned to GOC and/or the Children's Cabinet Interagency Fund unless otherwise directed by GOC and/or the Children's Cabinet or a carry-forward, carry-over or no-cost extension is approved in accordance with the terms below.
- C. Earned reinvestment funds that were approved for expenditure but are not expended during the defined project period will revert to the LMB's earned reinvestment account.
- D. The reconciliation of the CPA, earned reinvestment funds and applicable Grant Agreements may involve resolving post-audit issues, as identified in audit, monitoring and reporting documents.
- E. Unbudgeted expenditures and over-expenditures in line items that have not been previously approved by GOC and/or the Children's Cabinet are subject to non-recognition.
- F. **Recognition of Expenditures and Income Subject to Audit and Settlement:**
 - 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 GOC 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 GOC and/or the Children's Cabinet as part of final settlement.
- G. **Findings:**
 - 1. Reconciliation can be effectuated in several ways.
 - a. **Expenditures are Greater than Payments** - When the LMB's expenditures are greater than the GOC and/or Children's Cabinet payments, the result is dependent on the relationship of the total of payments to the award total as follows:

- i. When payments to the LMB are less than or equal to the award, the difference between the LMB's expenditures and payments to the LMB is due to the LMB.
 - ii. When payments to the LMB are equal to the award, no money is due to either party.
 - iii. When payments to the LMB are greater than the award, the difference between the payments to the LMB and the award is due to GOC and/or the Children's Cabinet Interagency Fund.

- b. **Expenditures are Less than Payments** - When the LMB's expenditures are less than the GOC and/or Children's Cabinet payments, the result is dependent on the relationship of the expenditures to the award as follows:
 - i. When the LMB's expenditures are less than or equal to the award, the difference between the total payments to the LMB and the expenditures is due to GOC and/or the Children's Cabinet Interagency Fund.
 - ii. When the LMB's expenditures are greater than the award, the difference between the total payments to the LMB and the award is due to the GOC and/or the Children's Cabinet Interagency Fund.

- c. **Expenditures are Equal to Payments** - When the LMB's expenditures equal payments to the LMB, the result is dependent on the relationship of the payments to the award as follows:
 - i. When payments to the LMB are less than or equal to the award, no money is due to either party.
 - ii. When payments to the LMB exceed the award, the difference between the total payments to the LMB and the award is due to GOC and/or the Children's Cabinet Interagency Fund.

H. Disposition of Reconciliation:

- 1. Net balances due to the parties will be disposed of as follows:
 - a. No Balance Due - No action required.

 - b. Balance Due to LMB:
 - i. GOC will instruct its fiscal agent to issue payment to the LMB if there is no outstanding receivable for the LMB.

 - c. Balance Due to GOC/Children's Cabinet Interagency Fund - A balance due to GOC and/or the Children's Cabinet Interagency Fund will be acted upon in one or more of the following ways:
 - i. Account Receivable
 - a. An invoice will be issued to the LMB that shall remit payment upon completion of the reconciliation process.
 - b. The LMB shall remit payment to the CCIF in care of GOC as soon as is practical upon receipt of the invoice.
 - c. If the organization has ceased to be an LMB, an account

receivable will be established and the organization that holds the funds shall be billed.

ii. Carry-Over

- a. If the LMB continues to fund services, the amount due will 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 GOC.
- c. GOC and/or the Children's Cabinet may invoke the carry-forward procedure concurrent with the reconciliation operation.

iii. Carry-Forward

- a. GOC and/or the Children's Cabinet may elect to permit the LMB to utilize the balance due from one year in the following year's operations.
- b. This is accomplished by re-awarding the balance due and is referred to as carry-forward.
- c. GOC 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 – LMB Restrictions

- A.** The LMB shall not utilize GOC and/or CCIF funds to provide direct services.
- B.** The LMB is not a child placement agency and shall not place a child in an out-of-home placement.
- C.** The LMB shall ensure that GOC and/or Children’s Cabinet Interagency Funds are not used for services that could be provided by another organization or State agency. GOC and/or Children’s Cabinet Interagency Funds are the funding source of last resort.
- D.** GOC/Children’s Cabinet/earned reinvestment funds shall not be used to supplant income from other sources.
- E.** The award of a bonus to LMB staff shall not be used to increase an employee’s salary and/or to circumvent payroll limitations;
- E.** Unallowable costs for GOC and/or Children’s Cabinet funds include, but are 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

- 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 LMB utilizes for the purpose of maintaining earned reinvestment and other State funds, to the extent that the LMB does not receive prior approval for the expenses;
- 21.** Investment fees and losses;
- 22.** Gift card and flex fund expenditures; and
- 23.** 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 – Composition of LMBs

- A.** An LMB 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 LMB 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 LMB represent the ethnic and geographical diversity of each jurisdiction.
- E.** It is recommended that the Board shall 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 LMB Board meet at least quarterly or four times per year.

Subsection 20 - Community Needs Assessment

- A.** It is recommended that the LMB gathers 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 strategic planning process, it is recommended that the LMB complete a community needs assessment every three (3) years (or sooner, depending on local conditions) prior to developing/updating the strategic plan.
- C.** It is recommended that the community needs assessment 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 LMB 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 community needs assessment 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.
- A.** The information obtained from the community needs assessment should be used by the LMB to identify which Results and Indicators to prioritize, and the causes and forces at work affecting the prioritized Indicators. It is useful also to identify community strengths, resources, and assets that will help to address each of the prioritized Results and Indicators.

Subsection 30 – Strategic Plan

- A.** It is recommended that each LMB develop a written strategic plan every three (3) years (or sooner, depending on local conditions).

B. The strategic plan should follow the RBA format below and shall identify:

1. One (1) or more of the eight (8) Child Well-Being Results that the LMB 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 LMB’s organizational and the community’s values?
 - d. Reach - Is it practical for the LMB 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 40 – Community Engagement

A. LMBs 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.

A. 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.

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 (MSA) 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 Federal HIPAA and State Confidentiality Law

- F.** 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 (HIPAA), 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 (MCMRA), 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 federal HIPAA and State MCMRA, making the transmission of all electronic information compatible with the federal HIPAA requirements, and otherwise providing good information management practices regarding all health information and medical records.
- G.** Protected Health Information as defined in the HIPAA 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

Home Visiting Programs Federally Designated/Approved Evidence-Based Home Visiting Programs February 2011

A. *Early Head Start (EHS) – Home-Based Option*

1. **Population served:** Low-income pregnant women and families with children birth to age three years, most of whom are at or below the federal poverty level or who are eligible for Part C services under the Individuals with Disabilities Education Act in their State.
2. **Program focus:** The program focuses on providing high quality, flexible, and culturally competent child development and parent support services with an emphasis on the role of the parent as the child's first, and most important, relationship. EHS programs include home- or center-based services, a combination of home- and center-based programs, and family child care services (services provided in family child care homes).

B. *Family Check-Up*

1. **Population served:** Family Check-Up is designed as a preventative program to help parents address typical challenges that arise with young children before these challenges become more serious or problematic. The target population for this program includes families with risk factors including: socioeconomic; family and child risk factors for child conduct problems; academic failure; depression; and risk for early substance use. Families with children age 2 to 17 years old are eligible for Family Check-Up.
2. **Program focus:** The program focuses on the following outcomes:
 - a. Child development and school readiness; and
 - b. Positive parenting practices.

C. *Healthy Families America (HFA)*

1. **Population served:** HFA is designed for parents facing challenges such as single parenthood, low income, childhood history of abuse, substance abuse, mental health issues, and/or domestic violence. Individual programs select the specific characteristics of the target population they plan to serve. Families shall be enrolled prenatally or within the first three months after a child's birth. Once enrolled, services are provided to families until the child enters kindergarten.
2. **Program focus:** The program aims to (1) reduce child maltreatment; (2) increase use of prenatal care; (3) improve parent-child interactions and school readiness; (4) ensure healthy child development; (5) promote positive parenting; (6) promote family self-sufficiency and decrease dependency on welfare and other social services; (7) increase access to primary care medical services; and (8) increase immunization rates.

D. *Healthy Steps*

- 1. Population served:** Healthy Steps is designed for parents with children from birth to age 30 months. Healthy Steps can be implemented by any pediatric or family medicine practice. Residency training programs can also implement Healthy Steps. Community health organizations, private practices, hospital based clinics, child health development organizations, and other types of clinics can also become Healthy Steps sites if a health care clinician is involved and the site is based in or linked to a primary health care practice. Any family served by the participating practice or organization can be enrolled in Healthy Steps.
- 2. Program focus:** The program focuses on the following outcomes: (1) child development and school readiness; and (2) positive parenting practices.

E. *Home Instruction Program for Preschool Youngsters (HIPPY)*

- 1. Population served:** The HIPPY program promotes preschoolers' school readiness by supporting parents in the instruction provided in the home. The program is designed for parents who lack confidence in their ability to prepare their children for school, including parents with past negative school experiences or limited financial resources. The HIPPY program offers weekly activities for 30 weeks of the year, alternating between home visits and group meetings (two one-on-one home visits per month and two group meetings per month). HIPPY sites are encouraged to offer the three-year program serving three to five year olds, but may offer the two-year program for four to five year olds. The home visiting paraprofessionals are typically drawn from the same population that is served by a HIPPY site, and each site is staffed by a professional program coordinator who oversees training and supervision of the home visitors.
- 2. Program focus:** The program aims to promote preschoolers' school readiness.

F. *Nurse-Family Partnership (NFP)*

- 1. Population served:** The NFP program is designed for first-time, low-income mothers and their children. It includes one-on-one home visits by a trained public health nurse to participating clients. The visits begin early in the woman's pregnancy (with program enrollment no later than the 28th week of gestation) and conclude when the woman's child turns two years old. During visits, nurses work to reinforce maternal behaviors that are consistent with program goals and that encourage positive behaviors and accomplishments. Topics of the visits include: prenatal care; caring for an infant; and encouraging the emotional, physical, and cognitive development of young children.
- 2. Program focus:** The program aims to improve maternal health and child health; improve pregnancy outcomes; improve child development; and improve economic self-sufficiency of the family.

G. *Parents as Teachers (PAT)*

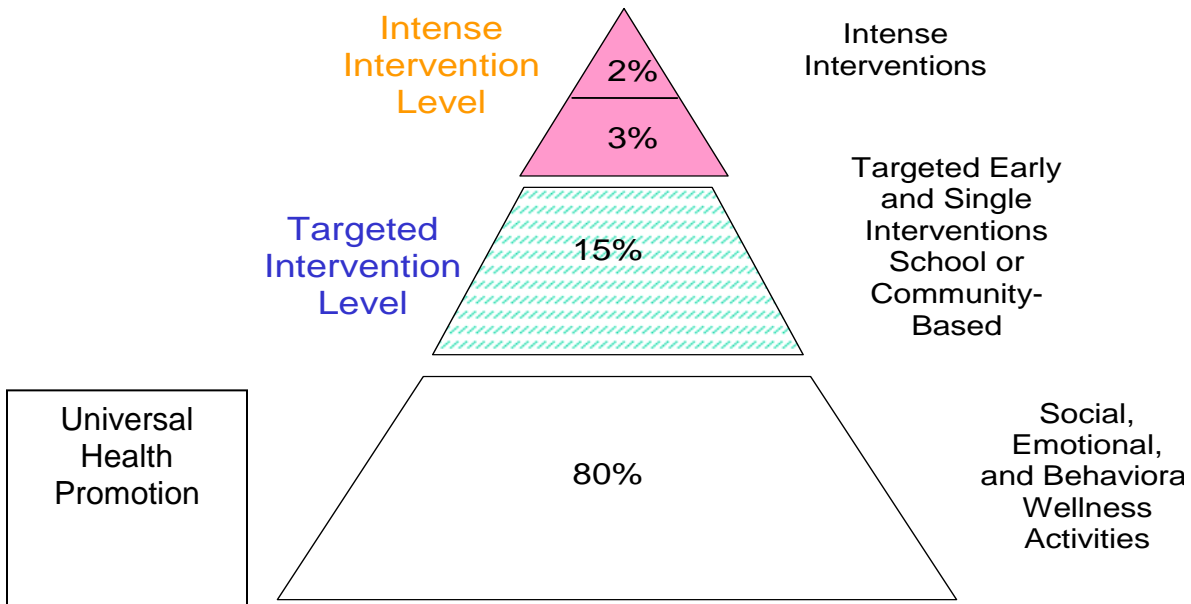
- 1. Population served:** The goal of the PAT program is to provide parents with child

development knowledge and parenting support. The PAT model includes home visiting for families and professional development for home visiting. The home visiting component of PAT provides one-on-one home visits, group meetings, developmental screenings, and a resource network for families. Parent educators conduct the home visits, using the Born to Learn curriculum. Local sites decide on the intensity of home visits, ranging from weekly to monthly and the duration during which home visitation is offered. PAT may serve families from pregnancy to kindergarten entry.

- 2. Program focus:** The program aims to provide parents with child development knowledge and improve parenting practices.

Appendix 4

The Needs Triangle



Appendix 5

Youth Services Bureaus

A. Purpose:

1. Youth Services Bureaus (YSBs) 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. YSBs work to ameliorate conditions that breed delinquency, youth suicide, drug and alcohol abuse, and family disruption.
3. Each YSB 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. YSBs serve children, youth and their families in a specific catchment area approved by the Department of Juvenile Services (DJS).
2. Each YSB 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:
 - 1) Intake material;
 - 2) Progress and session notes;
 - 3) Service plan; and
 - 4) Termination summary.
 - c) Service plans shall be developed for each formal counseling case before the fourth (4th) counseling session and shall contain:
 - 1) A problem statement;
 - 2) Mutually agreed-upon treatment goals;
 - 3) Strategies used by the counselor to meet treatment goals;
 - 4) Interactions with other parties when necessary to meet treatment goals;
 - 5) Quarterly updates.

- d) Case files for YSBs are the property of the YSB which shall allow access to the files in accordance with the provisions of this Manual.
 - e) The YSB shall document information on formal counseling sessions as described in Section D, below.
 - ii. Information and Referral Services
 - a) Information and referral services shall be provided to the general public or individual clients of the YSB.
 - b) The YSB shall maintain a list of available community services.
 - c) The list shall include the name of the referral service, its address, and its telephone number.
 - d) The YSB shall document its provision of information and referral services, as described in Section D, below.
 - iii. Crisis Intervention
 - a) Crisis intervention, including intervention relating to youth suicide prevention, shall be provided to any child, youth and family in the community.
 - b) These services are of an emergency nature and shall be provided when the situation demands an immediate response or action by the YSB.
 - c) The type and number of crisis intervention incidents shall be documented, as described in Section D, below.
 - iv. Substance Abuse Assessment and Referral
 - a) Substance abuse assessment and referral services shall be provided by the YSB staff who have received substance abuse assessment and referral training from the Office of Education and Training for Addictions Services of the Department of Health and Mental Hygiene or from any other entity that the Secretary of the Department of Juvenile Services determines to be qualified to provide substance abuse assessment and referral training.
 - b) The YSB shall document the number of substance abuse assessments and referrals the YSB provides, as described in Section D, below.
 - v. Informal Counseling
 - a) Individual, family, and group counseling is provided on an irregular basis for three (3) or fewer sessions.
 - b) The YSB shall document informal counseling occurrences as described in Section D, below.
- b. Non-Core Services
 - i. In addition to core services, the YSB 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 YSB shall document the provision of non-core services as described in Section D, below.

3. Additional Requirements - Each YSB 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 YSB 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 YSB 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 DJS policy on reporting critical incidents.
- l. As part of its contract with the LMB, submit an annual budget.

D. Data Collection and Reporting - The LMB is responsible for having the YSB 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, DJS, 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 DJS.

2. Reporting

- a. Information YSBs Report to the LMBs and DJS:
 - i. For each DJS client on informal supervision, protective supervision, probation, or aftercare status who is referred by DJS to the YSB, the YSB shall allow DJS access to the client's information and shall provide DJS confirmation of the acceptance of the client by the YSB. The YSB shall keep DJS informed at reasonable intervals to be determined by DJS of the client's attendance and cooperation in the YSB program.

- ii. For all formal counseling clients, excluding those clients referred by DJS, the YSB shall provide DJS 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 YSB shall inform their formal counseling clients that the information in this subsection shall be provided to DJS.
- iii. The YSB shall obtain an appropriate release of information to comply with statute and COMAR 16.17.05A.(1) and (2).
- iv. For all YSB clients not covered by COMAR 16.17.05.A.(1) or (2), the YSB shall provide non-client-identifying information, as requested, regarding program activities and statistics in the form and format approved or provided by DJS.

3. Confidentiality

- a. YSB client records shall be stored inside a locked file cabinet. The client records shall be supervised and controlled directly by an authorized YSB staff member.
- b. A YSB shall allow DJS 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 YSB.
- d. A YSB 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 YSB 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 Youth Services Bureaus

- a. The funding of an eligible YSB 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 YSB, as provided in the State budget.

- b.** At the option of the local governing body that provides the matching funds for an eligible YSB, the State funds for the support of the eligible YSB 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 YSB, 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, GOC and/or Children’s Cabinet funding for YSBs shall be paid to the LMBs of record for that jurisdiction. No payments can be made prior to the execution of appropriate contracts.

2. Fees

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

Appendix 6

Requirements for the LMB Accounting Manual

1. General Ledger

- a. The function of the General Ledger is to accumulate and classify the transactions posted from the journals.
 - i. The framework for this system is the chart of accounts.
 - ii. The general ledger accounts are the source of all the financial reports used.
 - iii. It is therefore, critical that the accounting records are properly controlled.

b. The General Ledger is the starting point for gathering various components of financial information in complying with the financial reporting provisions of the GOC and/or Children's Cabinet contract.

c. The following information will assist in developing the specific financial information required for various GOC and/or Children's Cabinet reports as well as the overall management of the total organization:

- i. 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.
- ii. The GOC and/or Children's Cabinet program(s) are to be separately accounted for and identified from other programs by an individual chart of accounts in the General Ledger.
- iii. 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.
- iv. Specific account balances used in the preparation of various tax returns shall be reconciled to the General Ledger.
- v. General Ledgers shall contain adequate cross references to the source(s) so they can be easily identified and traced back to original documentation.
- vi. 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.
- vii. At a minimum, all activity shall be posted to the general ledger monthly.

2. General Journal Entries

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

3. Cash Management

a. Internal Control

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

b. Cash Receipts

- i. Control shall be established over all cash and checks received, and they shall be deposited daily in the entity's bank accounts.
- ii. Cash receipts shall be protected from misappropriation.
- iii. 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.
- iv. Additionally, cash receipts shall be recorded in the appropriate period.
- v. The following general guidelines shall at a minimum be implemented:
 1. All cash receipts shall be recorded daily and properly substantiated with supporting documentation;
 2. All funding received from GOC and/or the Children's Cabinet shall be recorded in a General Ledger Account designated for GOC and/or Children's Cabinet programs;
 3. All funds generated or earned in the GOC and/or Children's Cabinet program shall be recorded in separate General Ledger Account designated for GOC and/or Children's Cabinet programs;
 4. Maintain cash listing for all receipts;
 5. All checks received shall be restrictively endorsed "for deposit only" immediately upon receipt and deposited daily;
 6. Generate pre-numbered multi-form receipts when cash is received;

7. Account for all pre-numbered cash receipt forms monthly. Any missing cash receipt forms shall be investigated; and
8. 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.

c. Cash Disbursements

- i. Disbursements from bank accounts shall be made only for valid transactions.
- ii. 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.
- iii. Additionally, physical access to cash and unissued checks shall be restricted to authorized personnel.
- iv. The following general guidelines shall at a minimum be implemented:
 1. 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;
 2. State and federal funds are to be used only for the purpose specified in the CPA; State and federal funds are not to be used for loans to employees, other programs, etc.;
 3. Checks written off or voided that were charged to a GOC and/or Children's Cabinet program in a prior contract period shall be charged back to the appropriated account and reported to GOC and/or the Children's Cabinet; and
 4. All expenditures shall be charged to the proper detail budget and the detail line-item budget accounts.

d. **Check Signing** - The following general guidelines shall at a minimum be implemented:

- i. Checks shall have two (2) signatures (for approval) whenever possible. Each person signing the check shall review all the supporting documentation;
- ii. Checks shall not be made payable to cash or bearer;
- iii. An authorized check signer may not issue a check made payable to him/herself or cash;
- iv. Checks shall not be signed with a blank amount;

- v. Bank signature cards shall be reviewed and updated at least annually and whenever an authorized signer terminates employment;
 - vi. 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
 - vii. 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.
- e. **Other Check Controls** - The following general guidelines shall at a minimum be implemented:
- i. All disbursements (other than petty cash) shall be made by check;
 - ii. All checks shall be sequentially numbered so that it can be established that all checks have been accounted for;
 - iii. All checks shall be preprinted with the organization's name and address; and
 - iv. Voided checks shall be maintained and filed in numerical sequence.
- f. **Other Cash Disbursement Controls** - The following general guidelines shall, at a minimum, be implemented:
- i. Vendors' monthly statements shall be compared with recorded liabilities at the end of each quarter;
 - ii. 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
 - iii. Pre-numbered purchase orders are used for purchases.
- g. **Cash Reconciliation**
- i. Adequate steps shall be taken to confirm the accuracy of the bank balances shown in the general ledger.
 - ii. All funds shall be properly controlled, maintained, and safeguarded.
 - iii. At a minimum, the following shall be done:
 - 1. 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;

2. Bank reconciliations and proposed adjustments to the general ledger cash balances shall be reviewed by a party independent of the initial reconciliation; and
3. 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.

h. Petty Cash

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

i. Credit Cards

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

4. **Payroll and Fringe Benefits**

- a. 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;
- b. All payroll disbursements shall be properly substantiated with supporting documentation, which includes a properly completed time sheet, in accordance with LMB written human resources policy; and
- c. 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.

5. **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.
 - a. All disbursements shall be properly substantiated with supporting documentation.
 - b. A policy forbidding the acceptance of gifts or other gratuities by employees from professionals and consultants shall be established.
 - c. 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.
 - d. 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.
 - e. Officers, employees, and members of the Board of Directors shall not be paid consultants to that organization.
6. **Common Costs**
 - a. Common costs, sometimes called shared costs, are costs incurred that benefit more than one program.
 - b. Common costs could include administration costs, salaries, data processing services, utilities, telephones, office supplies, insurance, accounting and audit fees.
 - c. The basis of cost allocation shall be consistent for all programs.
 - i. Reasons for adoption of an allocation method shall be documented and available for review by GOC auditors.
 - ii. Inconsistent methodology may result in possible, partial or total disallowance of common costs allocated to GOC and/or Children's Cabinet programs.
 - d. Common costs shall be evaluated at the beginning of each funding period.
7. **Equipment Inventory System** – Individual program budgets shall contain a specific list of equipment that is approved for purchase, as applicable.
8. The LMB shall ensure that the invoices are agreed to the terms of the contracts prior to payment.