

WINNEBAGO COUNTY COMMUNITY MENTAL HEALTH BOARD REQUIREMENTS AND GUIDELINES FOR ALLOCATION OF FUNDS

INTRODUCTION

The purpose of the Winnebago County Community Mental Health Board (WCCMHB) is to provide a system of services that addresses serious mental health and addiction issues of children and adult residents of Winnebago County. Toward that end WCCMHB will fund best practice services that address the identified client priorities in the county.

The use of public money demands that the WCCMHB establish policies that ensure that monies are directed toward a mission directed population, that best practice services are funded, and that accountability is established so transparency exists around service delivery and how funds are spent. This document is intended to spell out values and policies that are intended to provide transparency of our community service system.

Winnebago County Mental Health Board (WCCMHB) will operate in an ethical, legal, fair, and nondiscriminatory manner in all functions utilizing evidence-based practice, current technologies and best practices, while incorporating consumer and public input within an environment of continuous performance improvement. WCCMHB expects that its vendors, service providers, system partners, and all entities doing business with WCCMHB shall adhere to the principles, policies, values, and expectations of Winnebago County Community Mental Health Board.

WCCMHB believes that services should be provided in the least restrictive environment appropriate to the needs of the individual client; that WCCMHB funding support shall be community based; and WCCMHB will coordinate its planning and funding efforts in consideration of governmental and non-governmental payers and providers of services. Funds allocated by WCCMHB shall be used to contract services for mental illness and substance use disorders, as defined by the local community Winnebago County Community Mental Health Board 3-year strategic plan.

GENERAL AGENCY AND ADMINISTRATIVE REQUIREMENTS

1. Who may apply for WCCMHB Funding?

Applicants for funding may be an individual or a public or private entity providing mental health or substance use disorder services to residents of Winnebago County. The Applicant must demonstrate sound business practices for a minimum of three years prior to submission of application, exceptions to be preapproved by WCCMHB. No staff member or board member of the agency will be allowed to serve as a voting member on the WCCMHB board.

The following entities are eligible to apply:

- Not-for-Profit Corporations: Must be registered as a not-for-profit in good standing with the State of Illinois and established as a Section 501(c)3 under the Internal Revenue Code
- For-Profit Businesses (including properly licensed and insured sole proprietorships and individually-owned LLCs)
- Hospitals and health care organizations including Federally Qualified Health Centers
- Governmental Entities and Departments within Winnebago County Government

Through the funding application and review process, all entities must demonstrate financial accountability, reliability, and stability, as well as appropriate service of value to the persons to be served as determined by WCCMHB.

All applicants must also demonstrate compliance with WCCMHB values of: wellness, awareness, collaboration, transparency, diversity, client-centered, intersectional, trauma-informed, and accessibility.

Administrative Requirements of Applicants:

- a) If a corporation, must have corporate by-laws that at a minimum specify the number of members of the board and include a board rotation policy, describe policies for recruitment, nomination and election of board members and officers, address removal and replacement of board members, reference committee structures and term limits for each board office and WCCMHB strongly recommends the by-laws encourage consumer representation on the board,
- b) The provider must have its principal offices located within Winnebago County or a local advisory board who provides direct input to the corporate board of directors.
- c) Have policies ensuring nondiscrimination in the acceptance of clients, employment of personnel, and appointment to the board of directors or in any other respect on the basis of race, color, religion, gender, sexual preference, national origin, ancestry or disability.
 - (1) Any recipient of funds is required to submit a statement by its director certifying that it does not discriminate in the acceptance of clients, employment of personnel, appointment of members of the board of directors, or in any other respect, on the basis of race, color, religion, national origin, ancestry, gender, sexual preference, or physical or mental disability.
 - (2) Should any written charge or complaint of discrimination on the basis of race, color, religion, national origin, ancestry, gender, sexual preference, or physical or mental disabilities be made against an organization receiving funds, its employees, or agents in any court or regulatory or administrative body (whether federal, state, or local), the organization shall furnish a copy of said charge or complaint to WCCMHB. Said organization shall comply with any reasonable request for information about the status of said charge or complaint. The obligations imposed by this paragraph shall be subject to and subordinate to any claim of legal privilege and any non-waivable legal requirement of confidentiality imposed by statute, administrative rule or regulation, local ordinance, court order, pre-existing contract, or collective

bargaining agreement. Failure to comply with this provision shall result in immediate termination of the contract.

- (3) WCCMHB reserves the right to conduct its own investigation into any charge or complaint of a violation of this non-discrimination requirement.
 - (4) By this non-discrimination requirement and any efforts by WCCMHB, its agents, or staff (including contracted staff) to enforce it, WCCMHB assumes no responsibility for enforcement of, or compliance by the recipient organization with, any applicable federal, state, or local laws, regulations, or ordinances prohibiting discrimination. An organization receiving funds must agree to indemnify and hold harmless WCCMHB for any liability accruing to it for any charges or complaints of discrimination or similar civil rights violations based upon the acts of the organization receiving funds, its agents, or employees and premised on WCCMHB provision of these funds.
- d) Services funded by WCCMHB shall not be denied based on a client's inability to pay.
 - e) Demonstrate a willingness and ability to enter into networking agreements or contracts with other providers in order to avoid overlapping services and coordinate care.
 - f) Cooperate fully in program evaluation and onsite monitoring as conducted by WCCMHB pursuant to the mandate contained in the Community Mental Health Act and funding contracts. This may include making available for inspection by WCCMHB copies of all funding applications and awards to/from any local, state, or federal government department or agency and copies of site, monitoring, compliance, licensure/certification, accreditation, evaluation, and audit visits performed by any funding authority.
 - g) Cooperate fully with and adhere to the attendance requirements of the WCCMHB Learning Network Collaborative.
 - h) Provide services to each eligible client in accordance with a written individual treatment plan (where applicable) which identifies client needs and strengths as determined by assessment.
 - i) Comply with all applicable Illinois and Federal laws and regulations with respect to safeguarding the use and disclosure of confidential information about recipients of services.
 - j) Have admission and discharge policies and procedures set forth in writing and available for review.
 - k) Demonstrate that professional staff are licensed, registered, or certified by the State of Illinois, as applicable to the discipline and current Illinois regulations/requirements.
 - l) Demonstrate that all program facilities are in compliance with applicable State of Illinois licensure requirements and local ordinances with regard to fire, building, zoning, sanitation, and health and safety requirements.
 - m) Attest that they will not use WCCMHB funds:
 - To engage in proselytizing activities with consumers and/or require worship or religious instructional activities as a condition of participation.
 - For direct or indirect medical (physical health) services that are not related to mental health or substance use disorders.
 - To supplant funding for programs or services under the jurisdiction of public school systems.

- To augment or supplant funding from any other federal or state source prohibiting such action and/or subject to coordination of benefits.

Winnebago Mental Health Board reserves the right to contact the applicant's funding sources with or without applicant's notice or knowledge to confirm compliance with all non-supplanting or supplemental funds and/or certification/accreditation standards.

2. Fiscal Expectation for All Applicants

- a) The organization shall be managed in a manner consistent with sound fiscal standards and shall maintain written policies and procedures regarding its fiscal activities, including but not limited to payroll, purchasing, internal controls, cash management, relevant fee schedules, contracts, billing and risk management.
- b) Organizations will be held to WCCMHB approved budgets for each program awarded funds, with the allowance of budget movement between categories of less than \$3,000.00 in total. Movement within the program budget in excess of \$3,000.00 must be requested in writing to WCCMHB and is subject to their approval. A financial reconciliation of WCCMHB payments to actual expenses related to contracts will be required at six months and year end, with unexpended or disallowed amounts returned to WCCMHB. Financial reconciliation requirements are promulgated within funding agreements.
- c) WCCMHB funds are restricted for use in the program(s) described in the contract(s) concerning obligation of funding.
- d) If indirect expenses will be charged to the award, the organization's cost allocation plan must be submitted to WCCMHB and the expenses in line with the plan or the expenses will be disallowed.
- e) Organizations will establish and maintain an accrual accounting system in accordance with generally accepted accounting principles to include a level of documentation, classification of entries and audit trails. Cash basis accounting systems to be considered on a limited basis and subject to WCCMHB approval.
 - All accounting entries must be supported by appropriate source documents.
 - All fiscal records shall be maintained for five (5) years after the end of each contract(s) term, and if need still remains, such as unresolved issues arising from an audit or legal process, related records must be retained until the matter is completely resolved.
 - WCCMHB funds may only be used for expenses that are reasonable, necessary and related to the provision of services as specified in the contract.
 - The following is a listing of non-allowable expenses:
 1. Bad debts;
 2. Contingency reserve fund contributions;
 3. Contributions and donations,
 4. Entertainment;
 5. Purchase of Alcohol;
 6. Compensation for board members;

7. Fines and penalties;
 8. Interest expense;
 9. Capital expenditures greater than \$3,000 unless funds are specified and approved for such purpose;
 10. Supplanting funding from another revenue stream. The boards may delay allocation decisions when anticipated funds from other sources may be influenced by their decisions;
 11. Expenses or items not otherwise approved through the budget or budget amendment process or in excess of approved/amended budget;
 12. Expenses incurred outside the term of the contract;
 13. Contributions to any political candidate or party or to other non-WCCMHB program purposes;
 14. Excessive administrative costs including:
 - Any indirect administrative cost rate in excess of non-administrative portion of the budget, unless approved by the Board;
 - Any indirect administrative costs that exceed those approved in the program/service budget;
 - Any indirect administrative costs for which an organization's cost allocation plan has not been submitted and deemed acceptable to WCCMHB.
 15. Lobbying costs
 16. Supplementation of state or federal funds and/or subject to coordination of benefits.
- f) Each agency is required to submit an annual, professional audit unless otherwise waived by WCCMHB. Failure to meet these audit requirements shall be cause for termination or suspension of WCCMHB funding. If the audit includes a management letter, this document and any report of corrective action must also be made available for WCCMHB inspection. Any exceptions to these requirements must be preapproved by WCCMHB.
- g) Funded agencies shall provide safeguards for all funds provided through WCCMHB contracts to assure they are used solely for authorized purposes. Further, control will be enhanced if the duties of agency staff are divided so no one person handles all aspects of a transaction from start to finish. Although complete separation of functions may not be feasible for a small agency, a measure of effective control may be achieved by planning staff assignment of duties carefully. Some examples of techniques for improving internal controls are:
- a) Cash receipts should be recorded immediately and deposited daily. Deposits should be reconciled by a second party.
 - b) All bank accounts should be reconciled on a monthly basis by someone other than the person who signs the checks.
 - c) Checks to vendors should be issued only for payment of approved invoices, and supporting documents should also be recorded. The staff member responsible for issuing check payments should not have signing authority.

- d) The staff person responsible for the physical custody of an asset should not have responsibility for keeping records related to that asset.

ALLOCATION AND DECISION PROCESS

All WCCMHB allocation and contracting decisions are made in meetings open to the public. Allocation decisions will be based on statutory mandates and priorities defined in the WCCMHB 3-year strategic plan. To the extent possible, final decisions will be predicated on how well an application matches up with the statutory mandates, priorities and criteria.

WCCMHB application for funding process shall include the following steps:

- a) Public notification of the availability of funding shall be announced via email to agencies who signed-up for email updates, the WCCMHB website, and press release. This announcement will provide information necessary for an organization to submit an application for funding and how to request access to application materials.
- b) Funding priorities and criteria will be reviewed each fiscal year, identifying the funding application process and timeline.
- c) All potential applicants must register in the Foundant Grant Lifecycle Management System with the WCCMHB. Information on the registration process will be provided by WCCMHB in a grant seekers meeting. Access to application forms and instructions follows completion of the registration process.
- d) Organization must submit, in WCCMHB's required format as part of the application, a budget containing anticipated revenues and expenditures for carrying out the purposes of the award. When organization or third parties support a portion of expenses associated with the award, the budget includes the non-WCCMHB as well as WCCMHB share of expenses. Final budgets shall be approved by WCCMHB.
- e) Technical questions regarding compliance with WCCMHB requirements can be submitted in one of two scheduled information sessions or by email to info@mentalhealth.wincoil.us and will be answered in as timely a manner as possible.
- f) Application due date will be specified in the Notice of Funding Opportunity and/or Request for Proposals.
- g) Access to application(s) will be provided to Board member(s) of WCCMHB in a medium preferred by the Board member.
- h) At least a quorum of WCCMHB voting-members will complete a detailed review of all applications received according to the evaluation rubric with evaluation scores being presented to the entire board for review prior to making funding decisions.
- i) WCCMHB may require some or all applicants to provide written responses or be present at Board or committee meetings to answer questions about funding application(s).
- j) Allocation decisions of WCCMHB are final and not subject to reconsideration unless at WCCMHB's initiation.

- k) It is the intent of WCCMHB not to consider out-of-cycle funding requests or proposals.

THE AWARD PROCESS, CONTRACTS, AND AMENDMENTS

1. Award Procedures:

Agencies awarded WCCMHB funds shall receive notification indicating program allocation(s). This will state the amount of the funds awarded, the effective time period of the award, name of program/services/project application receiving the award, and any additional conditions, stipulations, or need for a negotiation of provisions attached to the award.

2. Contracting Format and Implementation Procedures:

Once allocations are authorized, WCCMHB will implement the funding plan and initiate the contracting process. The contract shall include the boilerplate (i.e., standard language and provisions applicable to all contracts), the program work plan, special conditions (if applicable), and required financial information. Execution of the contracts requires the signatures of WCCMHB Board President and Treasurer. A Work Plan will be established as part of contract execution to outline outcome and parameters for the delivery of service. These documents are executed by the Authorized Designees and may be subject to amendment per WCCMHB approval. Subsequent to execution of the contract, any change or modification requires a contract amendment.

3. Types of WCCMHB Contracts:

The contract format decision rests with WCCMHB and is based on the appropriateness of the format with the objectives of the program plan.

a) Standard Grant Contract.

Payment is predicated on the budget and obligations associated with the contract. Typically, payments are divided into equal quarterly amounts over the term of the contract. If approved by the Board, grant contracts may include a one-time lump sum payment as needed. Reconciliation of payments to actual expenditures shall be submitted to WCCMHB the midway point and at the end of WCCMHB's program year, and unspent dollars will be returned to WCCMHB within 30 days from submission of reconciliation budget (or in the case of six month reconciliation, may be deducted by WCCMHB from remaining payments). Accountability is tied to defined outcomes, performance measures and service data. Renewal of a contract for another period is not guaranteed. Any renewal of a prior year contract is subject to re-negotiation of terms based on provider performance and strategic plan updates.

b) Contract for Services.

Payment is tied to a specific task or activity defined in the application and review responses, such as is the case in a Request for Proposal process. Typically, payment is tied to an hourly rate or completion of specific tasks (i.e., deliverables). Approved expenses associated with the

contract shall be defined in the contract and included as a portion of the overall contract maximum.

4. The Board may make decisions about awards which would go into effect later in the contract/program year, in the event of additional available revenues which can be allocated to contracts, or if the board were to issue a Request for Proposal for a specific service critical to execution of the strategic plan that was not addressed by funded grant programs.
5. Contract Amendments: The need for a contract amendment is driven by a change in conditions delineated in the original agreement. The provider is required to report changes that modify the administrative structure and/or implementation of the work plan. It is recognized that programs are dynamic and it is prudent to make program adjustments to better meet overall goals and objectives. Contract Amendments shall be carried out according to the following guidelines:
 - a) The provider shall submit a formal request for an amendment to initiate the amendment process.
 - b) In general, decisions about amendments fall under the purview of the Board President.
 - c) At their discretion, the Board President may ask for a full WCMHB review and approval of a proposed amendment at the next regularly scheduled meeting, including a request to amend contract award amount.
 - d) Proposed amendments that redirect approved dollars between agencies shall require the formal approval of the WCCMHB.

GENERAL REPORTING REQUIREMENTS FOR WCCMHB FUNDING

1. Provider Reporting Requirements:
 - a) Financial, service, and outcome reporting requirements are delineated in the contract boilerplate and are subject to revision from year to year. In general, each funded agency is required to submit an annual report in addition to quarterly outcome reports.
 - b) Change in the Provider's corporate status shall be reported to WCCMHB within 30 days of the change.
 - c) Change in the Provider's accreditation status shall be reported to WCCMHB within 30 days of the change.
 - d) Additional reporting requirements may be included as provisions of the contract.

EXCEPTIONS TO THE PROVISIONS OF THE FUNDING GUIDELINES

All exceptions to the Funding Guidelines must have the prior approval of WCCMHB Board of Directors or WCCMHB's designee if authority is so designated within sections of the Funding Guidelines. Requests for exceptions that require the Board's approval must be submitted to the Board President for review and

submission to the appropriate WCCMHB committee and/or the Board if applicable. Subsequently, WCCMHB's written decision will be transmitted to the agency.