

**California Department of Public Health (CDPH)
Maternal, Child and Adolescent Health (MCAH) Division**

**Fiscal Administration
Policy & Procedure Manual**

*This Manual applies to
Local Health Jurisdictions (LHJs) and
Community Based Organizations (CBOs) operating our:*

**Maternal, Child and Adolescent Health (MCAH) Program
Black Infant Health (BIH) Program
Adolescent Family Life Program (AFLP)
California Home Visiting Program (CHVP)**

MCAH PROGRAM WEBSITE

<http://www.cdph.ca.gov/services/funding/mcah/Pages/ProgramDocuments.aspx>

MCAH FISCAL ADMINISTRATION WEBSITE

<http://www.cdph.ca.gov/services/funding/mcah/Pages/FiscalDocuments.aspx>

ADMINISTRATIVE POLICIES AND PROCEDURES

Table of Contents

HELPFUL LINKS	6
ADMINISTRATIVE FUNDING	7
OVERVIEW	7
TITLE V BLOCK GRANT	7
STATE GENERAL FUNDS	8
AGENCY FUNDS	8
CERTIFIED PUBLIC FUNDS	8
TITLE XIX MEDI-CAL FUNDS - FEDERAL FINANCIAL PARTICIPATION.....	9
SPECIAL PROJECTS FUNDING.....	9
FEDERAL FINANCIAL PARTICIPATION	10
OVERVIEW	10
FFP TIME STUDIES	11
<i>Secondary Documentation:</i>	11
<i>Requirements:</i>	11
<i>FFP Time Studies & Function Codes:</i>	12
<i>Reimbursement Rates & Function Codes:</i>	14
<i>Enhanced Rate</i>	14
<i>Non-Enhanced Rate</i>	15
<i>Unmatched Rate</i>	15
<i>Allocated Rate</i>	15
<i>Additional Time Worked</i>	16
SPMP REQUIREMENTS PROFESSIONAL CLASSIFICATION.....	18
SPMP REQUIREMENTS PROFESSIONAL EDUCATION AND TRAINING	19
MEDI-CAL FACTOR (MCF).....	20
<i>Policy</i>	20
<i>Base MCF</i>	20
<i>AFLP Base MCF</i>	20
<i>BIH Program Base MCF</i>	20
<i>MCAH Program Base MCF</i>	20
<i>Local MCF</i>	21
<i>Multiple MCFs For Single Staff</i>	21
<i>Weighted MCFs</i>	22
<i>Variable MCFs</i>	23
MCAH DIRECTOR MEDI-CAL FACTOR (MCF)	25
<i>Policy</i>	25
<i>Procedure</i>	25
<i>Requirements</i>	26
MCAH DIRECTOR ENHANCED FFP FUNDING REQUIREMENTS.....	26
<i>Policy</i>	26
<i>Requirements</i>	27
ENHANCED FFP CLAIMING	27
<i>Policy</i>	27
<i>Reimbursement Requirements</i>	28
<i>Support Staff</i>	28
<i>Procedures</i>	29

ADMINISTRATIVE POLICIES AND PROCEDURES

<i>Special Circumstances</i>	29
NON-ENHANCED FFP CLAIMING	29
DOCUMENTATION FOR FFP CLAIMING	30
<i>Policy</i>	30
<i>Requirements</i>	30
UNMATCHED ACTIVITIES	30
<i>Policy</i>	30
<i>Ineligible Activities</i>	31
FFP CALCULATIONS	32
TITLE V 30/30 EARMARKING.....	33
OVERVIEW	33
<i>Requirements</i>	33
TITLE V TIME STUDIES	33
BUDGET DOCUMENTS	35
OVERVIEW	35
BUDGET/INVOICE TEMPLATE	35
BUDGET SUMMARY PAGE.....	36
<i>Procedures</i>	37
(I) PERSONNEL DETAIL SECTION	38
<i>Requirements</i>	38
<i>Procedures</i>	39
(II) OPERATING EXPENSES DETAIL SECTION.....	41
<i>OPERATING EXPENSES – TRAVEL</i>	41
<i>Requirements</i>	42
<i>OPERATING EXPENSES – TRAINING</i>	43
<i>Requirements</i>	43
<i>Procedures</i>	43
<i>OPERATING EXPENSES – OTHER THAN TRAVEL AND TRAINING</i>	44
(III) CAPITAL EXPENDITURES	45
(IV) OTHER COSTS DETAIL SECTION.....	45
<i>OTHER COSTS – SUBCONTRACTS</i>	46
<i>OTHER COSTS – OTHER CHARGES</i>	46
(V) INDIRECT COSTS DETAIL SECTION.....	47
BUDGET REVISIONS	48
OVERVIEW	48
<i>Requirements</i>	48
<i>Procedures</i>	48
INVOICES	50
OVERVIEW	50
<i>Requirements</i>	50
SPECIAL CONSIDERATIONS	53
SUPPLEMENTAL INVOICES	54
<i>Procedures</i>	55
INVOICE DETAIL WORKSHEET	55
PAYMENTS.....	56
OVERVIEW	56
MAXIMUM AMOUNT PAYABLE	56
REIMBURSEMENT LIMITATIONS.....	56

ADMINISTRATIVE POLICIES AND PROCEDURES

RECOVERY OF OVERPAYMENTS	57
<i>Procedures</i>	57
PAYMENT WITHHOLDS	58
AUDITS	59
OVERVIEW	59
ON-SITE TECHNICAL ASSISTANCE REVIEWS	59
CDPH COMPREHENSIVE AUDITS	60
<i>Entrance Conference</i>	60
<i>On-Site Review</i>	61
<i>Exit Conference</i>	61
<i>Audit Report and Appeal</i>	61
<i>Corrective Action Plan (CAP)</i>	61
SPECIAL TERMS AND CONDITIONS	63
ADDITIONAL MCAH PROVISIONS	63
<i>Subcontract Requirements</i>	63
<i>Audit and Record Retention</i>	63
<i>Capital Expenditures and Inventory Controlled Items</i>	64
GENERAL TERMS AND CONDITIONS	65
EXHIBIT D	66
PROCUREMENT RULES	67
EQUIPMENT OWNERSHIP / INVENTORY / DISPOSITION	68
SUBCONTRACT REQUIREMENTS	71
INCOME RESTRICTIONS	72
SITE INSPECTION	72
INTELLECTUAL PROPERTY RIGHTS	73
PRIOR APPROVAL OF TRAINING SEMINARS, WORKSHOPS OR CONFERENCES	76
CONFIDENTIALITY OF INFORMATION	77
DOCUMENTS, PUBLICATIONS AND WRITTEN REPORTS	77
DISPUTE RESOLUTION PROCESS	78
OFFICIALS NOT TO BENEFIT	79
PROHIBITED USE OF STATE FUNDS FOR SOFTWARE	79
CONTRACT UNIFORMITY (FRINGE BENEFIT ALLOWABILITY)	79
CANCELLATION	80
EXHIBIT F	82
FEDERAL EQUAL OPPORTUNITY REQUIREMENTS	83
DEBARMENT AND SUSPENSION CERTIFICATION	84
COVENANT AGAINST CONTINGENT FEES	85
LOBBYING RESTRICTIONS AND DISCLOSURE CERTIFICATION	85
ADDITIONAL RESTRICTIONS	87
FEDERAL REQUIREMENTS	87
AIR OR WATER POLLUTION REQUIREMENTS	87
SMOKE-FREE WORKPLACE CERTIFICATION	88
USE OF SMALL, MINORITY OWNED AND WOMEN'S BUSINESSES	88
HUMAN SUBJECTS USE REQUIREMENTS	89
FINANCIAL AND COMPLIANCE AUDIT REQUIREMENTS	89
AUDIT AND RECORD RETENTION	91
GTC 610	93

ADMINISTRATIVE POLICIES AND PROCEDURES

APPROVAL:	93
AMENDMENT:	93
ASSIGNMENT:.....	93
AUDIT:.....	93
INDEMNIFICATION:	93
DISPUTES:.....	93
TERMINATION FOR CAUSE:	93
INDEPENDENT CONTRACTOR:.....	94
RECYCLING CERTIFICATION:.....	94
NON-DISCRIMINATION CLAUSE:	94
CERTIFICATION CLAUSES:.....	94
TIMELINESS:	94
COMPENSATION:	94
GOVERNING LAW:.....	94
ANTITRUST CLAIMS:	95
CHILD SUPPORT COMPLIANCE ACT:	95
UNENFORCEABLE PROVISION:	95
PRIORITY HIRING CONSIDERATIONS:	96
SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS	96
LOSS LEADER:	96
APPENDIX 1.....	97
FEDERAL FINANCIAL PARTICIPATION (FFP) GUIDANCE FOR MCAH AGENCIES	97
APPENDIX 2	104
FEDERAL FINANCIAL PARTICIPATION (FFP) GUIDANCE FOR BIH AGENCIES	104
APPENDIX 3	111
FEDERAL FINANCIAL PARTICIPATION (FFP) GUIDANCE FOR AFLP AGENCIES	111
GLOSSARY OF TERMS AND ACRONYMS.....	117

ADMINISTRATIVE POLICIES AND PROCEDURES

HELPFUL LINKS

MCAH Fiscal Administrative Website:

<http://www.cdph.ca.gov/services/funding/mcah/Pages/Default.aspx>

Fiscal Documents (Agreement Funding Application, Allocation Tables, Fiscal Policy and Procedure Manual, Federal Financial Participation, Budget/Invoice Template):

<http://www.cdph.ca.gov/services/funding/mcah/Pages/FiscalDocuments.aspx>

Title V 30/30 Earmarking:

<http://www.cdph.ca.gov/services/funding/mcah/Pages/TitleV3030Earmarking.aspx>

Agreement Funding Application (AFA) Documents (AFA Letter, Update Form, Checklist, Allocation Tables, Medi-Cal Factor Tables, Scope of Work, Forms, AFA/RFA Archive):

<http://www.cdph.ca.gov/services/funding/mcah/Pages/AgreementFundingApplication16-17.aspx>

Program Documents (Maternal, Child and Adolescent Health, Adolescent Family Life Program, California Home Visiting Program and Fetal Infant Mortality Review documents):

<http://www.cdph.ca.gov/services/funding/mcah/Pages/ProgramDocuments.aspx>

Contract Manager/Program Consultant Contact List:

<http://www.cdph.ca.gov/services/funding/mcah/Documents/MO-MCAHCMPCAssignmentListing.pdf>

MCAH General Contact Information:

<http://www.cdph.ca.gov/programs/MCAH/Pages/MCAHContactInformation.aspx>

ADMINISTRATIVE POLICIES AND PROCEDURES

ADMINISTRATIVE FUNDING

ADMINISTRATIVE FUNDING

OVERVIEW

Under the California Department of Public Health (CDPH), the Maternal, Child and Adolescent Health (MCAH) Division allocates funds to assist agencies in supporting activities, which promote the health of all mothers and children in California consistent with the federal Maternal and Child Health Title V Block Grant.

Please be aware that Congress or the State Legislature can change final budget appropriations. Final annual fiscal year allocations are subject to the funding actually appropriated in the federal and state budgets. The annual funding for the MCAH programs, allocated to Local Health Jurisdictions (LHJs), and non-profit Community Based Organizations (CBOs), may require increases or reductions based upon federal or state appropriation changes.

For the purposes of simplification several terms are being shortened to hopefully make comprehension of this manual easier. The Division, which administers the MCAH, AFLP, CHVP and BIH Programs in California, will be referred to as "**Division**" or "**The Division**". Since the vast majority of this manual applies to all four programs, when we are referring to all four programs we will use the term "**Program(s)**", and will always be capitalized. If we are referring to only one or two of the programs, we will specify those programs by name.

TITLE V BLOCK GRANT

Title V Block Grant funds are used to reimburse Program expenses incurred for activities consistent with the goals and purposes of the Title V Block Grant.

Pursuant to 42 U.S.C., Section 704, the Agency cannot use Title V funds to:

- Provide inpatient services.
- Make cash payments to intended recipients of health services.
- Purchase or improve land.
- Purchase, construct or permanently improve any building or other facility.
- Satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds.

ADMINISTRATIVE POLICIES AND PROCEDURES

ADMINISTRATIVE FUNDING

- Provide financial assistance to any entity other than a public or non-profit private entity for research or training services.
- Make payment for any item or service (other than an emergency item or service) furnished by:
 - An individual or entity during the period such individual or entity is excluded from participation in any other federally funded program, and/or
 - At the medical direction or on the prescription of a physician during the period when the physician is excluded from participation in any other federally funded program.

STATE GENERAL FUNDS

State General Funds (SGFs) are used to enhance and promote Programs in local jurisdictions. Pursuant to Section 123255 of the California Health and Safety Code, SGFs are to be used to maximize the reimbursement of available federal funds claimable under Title XIX of the Federal Social Security Act (42 U.S.C., Sec. 1396 et seq.).

AGENCY FUNDS

Agencies are expected to contribute and budget agency funds toward the total cost of operating and promoting Programs in local jurisdictions. Pursuant to Section 123255 of the California Health and Safety Code, non-federal agency funds should be used to maximize the use of available matching federal funds claimable under Title XIX of the Federal Social Security Act (42 U.S.C., Sec. 1396 et seq.). Any non-federal agency funds used to maximize the use of available matching federal funds claimable under Title XIX must be public funds.

CERTIFIED PUBLIC FUNDS

Title 42 of the Code of Federal Regulations (42 CFR), Section 433.51, which is based on the authority of Section 1903(a) of the Social Security Act, provides:

- (a) Public funds may be considered as the State's share in claiming Federal Financial Participation (FFP) if they meet the conditions specified in paragraphs (b) and (c) of this section.
- (b) The public funds are appropriated directly to the State or local Medicaid agency, or transferred from other public agencies (including Indian tribes) to the State or local agency and under its administrative control, or certified by the contributing public agency as representing expenditures eligible for FFP under this section.

ADMINISTRATIVE POLICIES AND PROCEDURES

ADMINISTRATIVE FUNDING

- (c) The public funds are not Federal funds, or are Federal funds authorized by Federal law to be used to match other Federal funds.

CBOs contracting with the Division or subcontracting with an LHJ under one of our Programs may utilize public funds that can be certified by a public agency as funds eligible for the drawdown of Federal Financial Participation. A copy of the "Certification Statement for the use of Public Funds" can be found in the Forms Section of the AFA page on the MCAH website.

TITLE XIX MEDI-CAL FUNDS - FEDERAL FINANCIAL PARTICIPATION

Federal Title XIX Medi-Cal (Medicaid) Funds may be used to reimburse a percentage of expenses incurred for personnel and associated operating costs for matchable activities under Federal Financial Participation (FFP). These funds are applicable only to women and children who are Medi-Cal eligible or Medi-Cal beneficiaries. The Budget may include Title XIX federal funds matched at either an Enhanced rate (75% Federal Funds and with 25% Agency General Funds/SGF) or Non-Enhanced rate (50% Federal Funds and with 50% Agency General Funds/SGF). Agencies must conform to requirements contained in the FFP Section of this Policy and Procedure Manual if they are budgeting any Title XIX funds.

SPECIAL PROJECTS FUNDING

The Division may sometimes sponsor limited term special demonstration projects. They are funded based on priorities and availability of funds and are generally funded by Title V.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

FEDERAL FINANCIAL PARTICIPATION

OVERVIEW

Fiscal support for Programs is available from federal Medicaid Title XIX Funds. This fiscal support is called Federal Financial Participation (FFP). The LHJs; i.e. city or county health departments, and CBOs responsible for the public health needs in the designated geographic area can claim partial reimbursement through FFP Title XIX funds. Currently the only programs approved for FFP are MCAH, BIH and AFLP. These programs can claim FFP funds when participating in at least 1 of the 2 FFP objectives:

1. Assisting individuals eligible for Medi-Cal to enroll in the Medi-Cal program.
2. Assisting individuals on Medi-Cal to access Medi-Cal services.

The Centers for Medicaid and Medicare Services (CMS) regulations allow matching for administrative activities that are reimbursable at a Non-Enhanced rate (50/50) for the majority of expenses necessary for the proper and efficient administration of the Medi-Cal program. CMS also allows reimbursement at an Enhanced rate (75/25) for certain activities performed by Skilled Professional Medical Personnel (SPMP) with specified education and/or training, and their direct clerical support.

This reimbursement:

- Is provided through matching Medi-Cal Title XIX funds with local agency general fund/and or Division allocated SGF to maximize funding for the Program.
- Applies to personnel employed directly by a FFP participating agency or subcontracted agency.

There are **two** factors that determine the amount of FFP funds an agency can claim:

1. Title XIX time studied activities
2. Agency's Medi-Cal Factor (MCF)

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

FFP TIME STUDIES

To claim Medi-Cal Title XIX funds, an agency must be able to document, through the use of time studies, staff time spent in the program in which they are budgeted. Time studies are the primary documentation source of FFP and are used to determine the percent of personnel time that is matchable. The time claimed must be spent performing administrative activities that meet at least one of the two FFP objectives.

Secondary Documentation:

Secondary documentation can be requested by the Division to verify high percentages of FFP matching and is reviewed during on-site audits. Examples of secondary documentation include daily logs, appointment books, event flyers, meeting agendas with minutes, calendars, journals and day planners. This documentation must identify the following:

- Staff name(s), Position(s), and Program(s)
- Date and time span of activities
- Activities and intent of activities
- Number of clients seen or contacted
- When using a variable MCF, verification and documentation of Medi-Cal enrollment is required (see the Medi-Cal Factor section of this manual for more information).

Requirements

Each person listed on a Program Budget claiming Title XIX activities must complete daily time studies that document **100%** of their **paid** work time for a minimum of one month each quarter. This includes time worked outside of MCAH related program activities.

The month designated to be the time study month (1st, 2nd, or 3rd month) must be consistently time studied throughout the year. The designated time study month is determined by each Agency at the beginning of the fiscal year. If the Division is not notified of any change prior to the start of the new fiscal year the agency will continue with the same time study month.

The Time Study Data Report for Summary of FFP must include the following information:

- Agency name

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

- Time study period
- Time study month
- First and last name of employee
- SPMP – yes or no
- Time base – full time/part time
- Employee classification or title
- Budget line number
- Percent of time studied to each program listed
- Percentage of time by activity classification
 - Enhanced – (75/25)
 - Non-Enhanced – (50/50)
 - Unmatched
- MCF for each program and/or staff listed

The immediate supervisor must review, approve, and sign all time study documents. Time study documents, including secondary documentation, must be kept for a minimum of three years from the date of the last payment for the fiscal year.

If you do not time study, you cannot claim FFP.

Please consult your Contract Manager or Program Consultant with any time study issues resulting from special circumstances (e.g., vacation, leave).

FFP Time Studies & Function Codes:

The time study report is the mechanism used to document reimbursable activities performed by staff. There are 12 time study function codes used to identify these unique set of activities, including paid time-off.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

When completing the time study report a function code (1-12) and a program code (A-L) should be entered into each half hour slot. Time worked in programs other than MCAH programs must be either coded to the specific non-MCAH program (e.g., CHDP, WIC) or combined into a category determined by the agency (e.g., Other Programs). See example below:

FFP Monthly Time Study Calculation

TIME STUDY PERIOD:		Program A:	MCAH	Program G:	
TIME STUDY MONTH:		Program B:	BIH	Program H:	
AGENCY:		Program C:	Other Programs	Program I:	
LAST NAME:		Program D:		Program J:	
FIRST NAME:		Program E:		Program K:	
JOB TITLE:		Program F:		Program L:	
SPMP:					
TIME BASE:					

Directions: For each half hour of work, choose the appropriate Program code and Function Code (1, 2, etc.) combination from the drop-down list.

DATE		7:00	7:30	8:00	8:30	9:00	9:30	10:00	10:30	11:00	11:30	12:00	12:30	1:00	1:30	2:00	2:30	3:00	3:30	4:00
01/02/14	Monday		A2	A2	A2	A2	A2	A2	A2	A2	A2			B6	B6	B6	A1	A1	A1	A1
01/03/14	Tuesday		A3	A3	A3	A5	A5	A5	B7	B7	B7			C1						
01/04/14	Wednesday		A3	A3	A3	A5	A5	A5	B7	B7	B7			A1	A1	A1	C5	C5	C5	C5
01/05/14	Thursday		A3	A3	A3	A5	A5	A5	B7	B7	B7			A1						
01/06/14	Friday		12	12	12	12	12	12	12	12	12			12	12	12	12	12	12	12

Note: Time spent doing the following administrative activities associated with a function code is to be considered as time spent doing the function.

- The performance of necessary paperwork, travel, and supervision including the supervision of the SPMP staff by a SPMP supervisor.
- Employee break time is coded to the activity the employee is engaged in immediately before or after the break period. Lunchtime is **NOT** coded because it is unpaid time.

Once the function codes and program codes are entered for each week, the time study report calculates the percent of time, by program, that staff is allowed to claim within four rates of reimbursement. The rates are:

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

- **Enhanced (75/25)** – Reimbursement for Medi-Cal administrative activities performed by a Skilled Professional Medical Personnel (SPMP) or support staff directly supervised by a SPMP. The rate of reimbursement is \$.75 for every dollar expended for activities that meet one of the two FFP objectives.
- **Non-Enhanced (50/50)** – Reimbursement for Medi-Cal administrative activities performed by any of the agency’s staff. The rate of reimbursement is \$.50 for every dollar expended for activities that meet one of the two FFP objectives.
- **Unmatched** – Reimbursement for activities performed by agency staff that meet the requirements of the Scope of Work but may or may not meet one of the two FFP objectives. This may be claimed under Title V, Agency, AFLP/PYD or CHVP.
- **Allocated** – Reimbursement for costs which are prorated according to the ratio of time recorded under the above rates.

Reimbursement Rates & Function Codes:

Each rate of reimbursement is unique in its reimbursement formula. Within the four rates, there are a total of 12 time study function codes. Each time study function code has a definable and unique set of activities that are performed by staff. Consequently, all activities and paid time-off are identified under the function codes in the appropriate reimbursement class.

Enhanced Rate

Enhanced rate function codes are reimbursed at the rate of 75/25 and may be used for salary, benefits, travel costs, training, and possibly subcontract costs. Subcontractor costs can be enhanced if the subcontractor is a governmental agency contracted by a governmental agency that time study (Refer to the Budget Documentation Section, for detailed information). The Enhanced rate covers activities performed by a SPMP or support staff directly supervised by a SPMP under the following function codes:

Function Code	Title/Description
2	SPMP Administrative Medical Case Management
3	SPMP Intra/Interagency Coordination, Collaboration & Administration
6	SPMP Training
8	SPMP Program Planning & Policy Development

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

9	Quality Management by SPMP
---	----------------------------

Non-Enhanced Rate

Non-Enhanced rate function codes are reimbursed at the rate of 50/50 for salary, benefits, training, travel costs, and associated operating expenses. Subcontractor costs may be reimbursed at a Non-Enhanced rate if Title XIX requirements are met. The Non-Enhanced rate covers activities under the following function codes:

Function Code	Title/Description
1	Outreach
4	Non-SPMP Intra/Interagency Collaboration & Coordination
5	Program Specific Administration
7	Non-SPMP Training

Unmatched Rate

The unmatched rate function code is for activities included in the Scope of Work (SOW) that may or may not meet one of the two FFP objectives.

Function Code	Title/Description
11	Other Scope of Work Activities

Allocated Rate

Allocated rate function codes are to be used by **all** staff to record usage of paid leave, holiday, vacation, sick leave or any paid leave other than Compensatory Time Off (CTO). The allocated activities are covered by the following function codes:

Function Code	Title/Description
10	Non-Program Specific General Administration: Non-program specific general administration is prorated between programs and matchable and unmatchable function codes. The portion allocated as matchable may only be matched at the Non-Enhanced rate (50/50).
12	Paid Time Off: Paid Time Off is prorated between programs and matchable and unmatchable function codes. CMS permits the matchable amount to be proportionately distributed between the Enhanced (75/25) rate and the Non-Enhanced (50/50) rate.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

Additional Time Worked

Overtime and/or CTO being earned must be recorded to the function code appropriate for the activities being performed. CTO time is recorded when earned, and NOT to be recorded when used.

FFP Function Codes

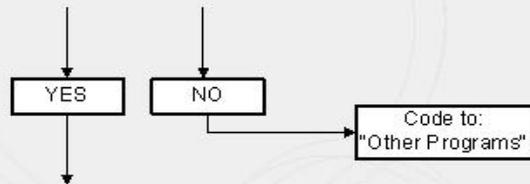
See appendices 1-3 for guidance regarding program specific SOW activities and the corresponding function code.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

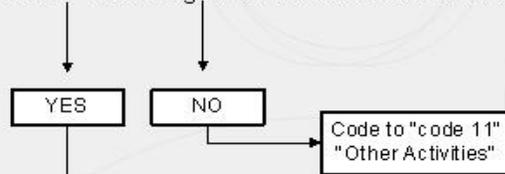
FFP DECISION TREE

1. Is this activity in the MCAH, BIH, or AFLP Scope of Work?

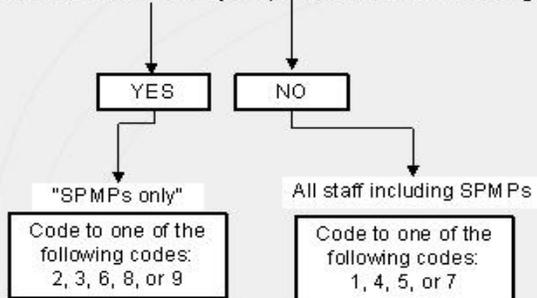


2. Does this activity meet Objective #1 or #2 of the FFP Guidelines?

Objective #1 - Assisting individuals eligible for Medi-Cal to enroll in the Medi-Cal program*
 Objective #2 - Assisting individuals on Medi-Cal to access Medi-Cal providers, care, or services*



3. Does this activity require the skill, knowledge and expertise of an SPMP?



Code 10 Non-Program specific general administration: This code is to be used by staff when attending an Agency required meeting, training, staff development, etc.
 Examples: Sexual Harassment training, Workplace Violence, IT Security.
 Any training or meeting that is mandatory for your employment.

Code 12 Paid time off : Sick Leave, Vacation, and Paid Holidays.

***Includes MCAH program activities that support the proper and efficient administration of the Medi-Cal Program.**

The FFP Decision Tree can be found in the FFP Section of the Fiscal Documents page on the MCAH website at the following link: <http://www.cdph.ca.gov/services/funding/mcah/Pages/FiscalDocuments.aspx>

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

SPMP REQUIREMENTS

PROFESSIONAL CLASSIFICATION

Policy

The Agency has the responsibility to substantiate claiming based on SPMP status. The Agency's job class specification must stipulate that the incumbent be from one of the following classifications and the Program duty statement must reflect enhanced and non-enhanced activities.

- SPMP per the Title 42, Code of Federal Regulations (CFR), Chapter IV, and the Federal Register;
- Physician;
- Registered Nurse;
- Physician Assistant;
- Dentist;
- Dental Hygienist;
- Nutritionist – with a Bachelor of Science (BS) degree in Nutrition or Dietetics and eligible to be registered with the Commission of Dietetics Registration (RD);
- Master's Degree in Social Work (MSW) with professional education and training in a medical setting;
- Health Educator with a Master's degree in Public or Community Health Education and graduation from an institution accredited by the American Public Health Association or the Council on Education for Public Health;
- Licensed Vocational Nurse
- SPMP per the U.S. Department of Health and Human Services Departmental Appeal Board decisions;
- Licensed Clinical Psychologist – with a PhD in psychology; or
- SPMP per State Department of Health Care Services policy:
 - Licensed Audiologist – certified by the American Speech and Hearing Association;
 - Licensed Physical Therapist;
 - Licensed Occupational Therapist – registered by the National Registry of American Occupational Therapy Association;
 - Licensed Speech Pathologist; and
 - Licensed Marriage, Family, and Child Counselors (includes Marriage and Family Therapist).

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

SPMP REQUIREMENTS

PROFESSIONAL EDUCATION AND TRAINING

Policy

SPMP are required to have education and training at a professional level in the field of medical care or appropriate medical practice before FFP can be claimed at an Enhanced Rate of 75%. "Education and training at professional level" means the completion of a two-year or longer program leading to an academic degree or certificate in a medically related profession. Completion of a program may be demonstrated by the possession of either a medical license, a certificate issued by a recognized national or state medical licenser or certifying organization, or a degree in a medical field issued by a college or university certified by a professional medical organization. Experience in the administration, direction or implementation of the Medicaid program will not be considered the equivalent of professional training in a field of medical care.

SPMP includes only professionals in the field of medical care. SPMP does not include non-medical health professionals, such as public administrators, medical budget directors, analysts or senior managers of public assistance or Medicaid programs.

Procedure

Complete the SPMP questionnaire to determine the SPMP/non-SPMP status of an employee. The questionnaire needs to be administered only once, although periodic repetition may help the Agency to identify changes in staff education and composition. SPMP questionnaires should be kept as part of the Agency's audit files while SPMP staff are employed with the Agency and through the documentation retention period. The SPMP questionnaire can be found in the Forms Section of the AFA page on the MCAH website.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

MEDI-CAL FACTOR (MCF)

Policy

FFP funds are intended to reimburse agency costs for time spent doing certain administrative activities that benefit the Medi-Cal eligible population exclusively. However, Program activities are generally performed for both Medi-Cal and non Medi-Cal populations. Therefore, it is necessary to use a base Medi-Cal Factor (MCF) to identify what portion of the general population receiving services are Medi-Cal beneficiaries. A program's MCF is the percent of the primary target population served by the program that are current Medi-Cal beneficiaries.

The purpose of this section is to clarify Division policy and requirements regarding calculation, documentation, approval, and use of Medi-Cal Factors (MCFs) for the BIH, AFLP and MCAH Program.

Base MCF

The Base MCF is the number of Medi-Cal births divided by the total number of live births for a region. It is published annually for the MCAH and BIH programs as a percentage and posted as the Medi-Cal Factor Table on our Fiscal Admin website. It is re-calculated annually using the most current birth data available.

AFLP Base MCF

AFLP's base MCF is calculated by the Division for each agency using client data entered in Loadstar.

BIH Program Base MCF

The BIH Base MCF is calculated by the Division for each BIH Agency using data from the BIH MIS Current Pregnancy Report (statewide aggregate data) and the BIH pregnant women enrollees from the prior calendar year. Each BIH Agency must use the MCF posted on the BIH Base MCF table.

MCAH Program Base MCF

The MCAH Base MCF is calculated by the Division for each MCAH Agency using data compiled from the Birth Statistical Master File to derive the percent of Medi-Cal paid births to total County live births. Each MCAH Agency can use the MCF posted on the MCAH Base MCF table.

Besides using the MCAH Base MCF posted by the Division, the MCAH MCF can also be any of the following:

1. **A Local MCF** determined by the Agency, approved by the Division, and used for some or all staff.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

2. Factoring two or more MCFs for one staff (**multiple or weighted MCFs**).
3. **Variable MCFs** for staff dependent on their actual client contacts.

NOTE: When performing client counts for any of the above alternate methods, Medi-Cal beneficiaries with a Share of Cost (SOC) can be included in the Medi-Cal enrolled client counts.

NOTE: When a MCAH Agency uses a MCF other than the MCAH Base MCF, supporting documentation is required to substantiate the invoiced MCF. If an audit reveals that the documentation does not support the invoiced MCF, the Agency will be responsible for repayment of the difference between the invoiced amounts and the amounts the documentation supports. If there is no supporting documentation, the repayment amount will be calculated based on the MCAH Base MCF.

Local MCF

An Agency may have access to more current or region-specific final birth data and can use an alternate Local MCF for some or all of their staff. Local MCFs must be reviewed and approved by the Division each fiscal year they are used.

To use a Local MCF an Agency must:

1. Submit with the Agreement Funding Application (AFA), via the Budget Template (I) Justification worksheet, the data source(s) and methodology used for the calculation(s).
2. Calculations need to be based on population-wide, publicly available (posted on the city or county website) and statistically valid data.
3. Maintain the data sources, methodology, Division approval, client counts and any other supporting documentation for audit purposes.

When proposing a Local MCF, the data source(s) and methodology must be submitted to the Division for approval each fiscal year.

Multiple MCFs For Single Staff

In some instances Agency staff duties can be divided into two or more specific areas of responsibility. Each area is based on a different function, activity, or client contact, and stated on two or more budget and invoice lines. For example, a MCAH Director performs 60% general administrative MCAH Director duties

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

and 40% Perinatal Services Coordinator (PSC) duties. The Director could be listed on two budget and invoice lines with one line stating 60% FTE as the MCAH Director performing administrative functions using the CDPH Base or Local MCF; and on the second line 40% FTE performing PSC duties claiming up to 95% MCF.

The Comprehensive Perinatal Services Program (CPSP) is a Medi-Cal program; therefore a MCF of up to 95% may be claimed for a PSC. Specific activities of the PSC will determine the percent of FFP match with each time study period.

The duty statement of the PSC must describe the activities assigned to that position including activities that qualify for FFP.

To use Multiple MCFs for the same staff an Agency must:

1. Submit with the AFA, via the Budget Template (I) Justification worksheet, the data source(s) and methodology used for the calculation(s).
2. Verify each fiscal year that there were no data changes or shifts in workload. If there are changes an updated methodology needs to be submitted for Division review and approval each fiscal year.
3. Maintain the methodology, Division approval, client counts, secondary documentation, and any other substantiating documentation for audit purposes.

Weighted MCFs

Only MCAH Directors and Coordinators can use a “Weighted” MCF. A Weighted MCF must be approved by the Division. The weighted MCF is a projection factoring the expected FTEs and MCFs. You will invoice using the actual FTE based on the time studies and MCFs based on actual client counts for that quarter. The Weighted MCF is based on time (% FTE) spent in managing varying programs or entities that have a higher MCF than the MCAH Base or Local MCF.

The Weighted MCF is calculated by adding the sums of the MCF multiplied by the percentage of time performing activities in a program. For example:

Activity/Program	%Total FTE x MCF	Weighted MCF
CPSP	.1 FTE x 95%	9.5%
High Risk Visiting Program	.2 FTE x 80%	16.0%
General MCAH Work	.7 FTE x 52% (Base MCF)	36.4%
(MCF on Budget)	1.0 FTE	61.9%

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

To use a Weighted MCF an Agency must:

1. To obtain your weighted MCF, complete the Weighted MCF table located at the bottom of the (I) Justification worksheet within the MCAH Budget Template.
2. Submit with the AFA via the MCAH Budget Template (I) Justification worksheet, the data source(s) and methodology used for the calculation(s).
3. Verify each year that there were no data changes or shifts in workload. If there are changes an updated methodology needs to be submitted for Division review and approval each fiscal year.
4. Maintain the data sources, methodology, Division approval, client counts, and any other supporting documentation for audit purposes.

Variable MCFs

MCAH Agency staff whose job duties and duty statement specify that they work with a unique population are permitted to use Variable MCFs. A Variable MCF is one that varies each quarter and is based on 100% client counts during the time study month for that quarter.

The Variable MCF is determined each quarter using one of the following methods:

1. The total number of clients seen with documented Medi-Cal beneficiary identification numbers, divided by the total number of clients served by a specific staff member.
2. An Agency with a specialized program may determine a Variable MCF based on data for the entire program. If Division approved, all staff working in that program can use the same Variable MCF.

During an Agency's time study month each staff claiming a Variable MCF must document 100% of their client contact as either "non Medi-Cal" or "Medi-Cal" in their secondary documentation. "Medi-Cal" does not mean assumed eligibility. A client must be a current Medi-Cal beneficiary. Your secondary documentation must be able to substantiate a client's Medi-Cal enrollment status in the event of an audit.

When budgeting Variable MCFs for individual staff an Agency is *projecting* what the FYs ratio of Medi-Cal enrolled to total client contact will be for that specific

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

staff. Budget projections should be based on prior year actual client counts and staff duty statements.

Invoicing with Variable MCFs must reflect actual client counts for that claiming period and client count documentation must be maintained for a minimum of three years for audit purposes. This documentation will be reviewed during an on-site audit, and copies can be requested at any time by Division staff to substantiate an Agency's Variable MCFs. If a client's Medi-Cal enrollment cannot be verified, they cannot be counted as Medi-Cal enrolled.

Documentation of client counts to support Variable MCFs must identify the following:

1. Staff name and position/title
2. Date and time span of activity
3. Activity and nature/intent of activity (e.g., outreach at health fair)
4. Total number of "clients" seen or contacted
5. Documented Medi-Cal verifications (e.g., beneficiary's Medi-Cal identification numbers)

To use a Variable MCF for one or more staff an Agency must:

1. Submit with the AFA via the MCAH Budget Template (I) Justification worksheet the data source(s) and methodology used for the calculation(s).
2. Staff or Program need to document 100% of their client contact as either Medi-Cal enrolled or not in their secondary documentation during the time study month. Verification of client enrollment status needs to be maintained for audit purposes.
3. Calculate MCF as a percent using the number of Medi-Cal enrolled clients to the total clients seen by a staff member for the quarter being invoiced. Use that MCF for the corresponding quarterly invoice for that staff member.
4. The actual client counts must be re-calculated each quarter for each quarterly invoice.
5. Maintain the data sources, methodology, quarterly calculation summaries, client counts, the Division approval, and any other supporting documentation for audit purposes.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

MCAH DIRECTOR MEDI-CAL FACTOR (MCF)

Policy

The Division's intent is to assure that **all** pregnant women and their children can obtain quality maternal and child health services in the State of California. The MCAH Director is responsible for overseeing local MCAH staff and activities that carry out this mission. It is important that the MCAH Director's MCF be representative of the target population being served.

LHJs can augment their Programs' funds using FFP, which provides federal funding (Title XIX) for certain activities that:

- Assist individuals eligible for Medi-Cal to enroll in the Medi-Cal program
- Assist individuals on Medi-Cal to access Medi-Cal services

Reimbursement of costs for matchable activities and related expenses is based on time spent by qualified staff performing matchable activities on behalf of Title XIX, Medi-Cal beneficiaries only. A Program's MCF is the percent of the primary target population served by the program that are current Medi-Cal beneficiaries.

Procedure

The local jurisdiction's MCAH Director Medi-Cal percentage, the MCF, may be determined by one of three different methods:

- **Using the Division Base MCF Table** – The Division calculates the percent of Medi-Cal beneficiaries in the population of each local health jurisdiction based on the Medi-Cal paid delivery and birth data from the previous calendar year. The MCAH Director is allowed to time study all activities performed in the MCAH program time using the Division's Base MCF for reimbursement.
- **Using a locally determined MCF** – This is a locally determined MCF based upon population wide, publicly available or documented data (Local Base MCF), or direct documentation of Medi-Cal beneficiary's identification numbers (Variable MCF).
- **Using more than one MCF** – The MCAH Director may be responsible for overseeing local MCAH staff and activities in more than one MCAH program. The MCAH Director is allowed to time study to each specific MCAH program (such as MCAH, CPSP, FIMR, Education/Outreach and Dental) and use the MCF for each of these programs for claiming

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

purposes. Each program can be budgeted and invoiced on separate lines in the J-Pers Worksheet of the MCAH Budget and Invoice template.

Requirements

Prior written approvals from the MCAH Program Consultant and Contract Manager is required to claim a MCF different from the one listed in the Division's MCAH Base MCF Table. Role and responsibilities for participation or oversight of local jurisdiction MCAH or MCAH-related programs must be addressed in the MCAH Director's duty statement.

Local jurisdictions must determine the percent of time spent per program based on actual time documented for activities/programs on the Division approved Time Study. The MCAH Director must include 100% of their work time on the time study including time worked outside of MCAH related programs.

All data sources and methodology used to determine the MCAH Director MCF must be maintained for three years for audit purposes. The audit file must be maintained until the records retention schedule for the same audit period expires.

NOTE: If a State or Federal audit is performed in which there are findings resulting from the data or methodology used to determine the MCAH Director's MCF, the local jurisdiction is solely liable for any financial recovery and/or penalties as a consequence of the findings.

MCAH DIRECTOR ENHANCED FFP FUNDING REQUIREMENTS

Policy

FFP rules have specific requirements concerning qualifications for SPMP that allow Title XIX matching of SPMP staff at the Enhanced rate (75/25). FFP requires that these special requirements be listed in the job specification or classification for SPMP staff claiming Title XIX funds.

- LHJs may not be able to meet these federal requirements for some SPMP staff (most often the MCAH Director positions) when local jurisdictions place them in general management job specifications/classifications. This results in the local jurisdictions only being able to match the MCAH Director costs at a Non-Enhanced rate (50/50) for their time and activities.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

Requirements

The MCAH Director position must be filled by a qualified physician or by a public health nurse, depending upon the population of the local jurisdiction. In order to claim at the enhanced rate (75/25), duty statements for a SPMP must reflect roles and responsibilities appropriate for the SPMP classification and level of expertise.

- All SPMP personnel must qualify as one of the FFP approved professional classifications.
- For each SPMP classification the LHJ job specification/classification must stipulate that the incumbent hired must be a qualified SPMP.
- SPMP duty statements should reflect the knowledge, skills, and professional requirements relative to the specific category of SPMP (e.g. Dietician should reflect dietary activities).

ENHANCED FFP CLAIMING

Policy

The ability to utilize Enhanced FFP claiming depends on the following considerations:

- **The employer-employee relationship with the primary contracting agency** - Only available for SPMP staff of a governmental entity that contracts directly with the Division or a Subcontractor of a government agency that is also a government entity
- **The health related professional qualifications of individual staff** – Applied only when the activity must be performed by a SPMP and/or their direct clerical support staff
- **The specific activities that each staff perform** - Claimed for salaries, benefits, travel, training of the SPMP, and the SPMP direct clerical support staff who are in an employee-employer relationship with the government agency and who are involved in activities that are necessary for proper and efficient Medi-Cal administration
- **The proportion of the target population who are Medi-Cal beneficiaries.**

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

Reimbursement Requirements

For reimbursement at the Enhanced rate (75/25), SPMP staff must meet all of the following conditions:

- Time spent performing duties that require specific SPMP knowledge and skills
- The job specifications must require a SPMP
- Activities performed must fall within the function codes; 2, 3, 6, 8, or 9
- A SPMP Questionnaire must be completed and submitted for approval to the agency MCAH Director and retained by the agency for audit review purposes.

Expenditures for provision of medical services by a SPMP do not qualify for reimbursement via FFP because medical services are already paid for in either the Medi-Cal fee-for-service or managed care systems.

Support Staff

For reimbursement at the Enhanced rate (75/25), support staff must meet all of the following conditions:

- Be directly supervised by a SPMP, as shown on an organization chart; or under the substantive direction of a SPMP
- Be in a secretarial, stenographic, copy, file, or record clerk position providing direct support to the SPMP in support of enhanced functions
- Conducting activities that directly support SPMP functions to the extent that the non-professional can be responsible for performing functions directly necessary for carrying out of the professional medical responsibilities of a SPMP
- Provide clerical services directly necessary for carrying out the professional medical responsibilities and function codes of a SPMP
- Documentation must exist, such as a job description/duty statement, which states that the services provided for the SPMP are directly related and necessary in the execution of the SPMP responsibilities

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

Procedures

The following procedures must be followed to claim Enhanced FFP:

- Update staff documentation materials when changes occur.
- Maintain all claiming documentation as required through the document retention period.
- At a minimum, complete daily time studies during the designated time study month for **ALL** personnel with activities funded with Federal Title XIX funds.
- Complete a time study worksheet in 30-minute increments capturing time for a full time employee; i.e., a 40-hour week (A part-time employee still needs to account for a 40-hour week). Identify all time and activities worked in the Program. Time worked in other programs, as well as any non-paid time must be put in another category such as "Other Program."
- Summarize daily activities and time for each employee being matched with Title XIX funds. Enter the totals into the FFP Calculation File, or a Division approved alternate FFP Calculation File, to calculate actual percentages of time.
- During the time study month any staff who is using paid leave, holiday, vacation, sick leave, or any other paid leave, or who performed activities unrelated to their Program-approved duty statement and did not time study for claimable activities may not claim FFP for that quarter. Please contact your Contract Manager for further details.

Special Circumstances

CBOs receiving MCH Block Grant funds to provide AFLP services are non-government agencies and are prohibited by Federal regulations from claiming and receiving Enhanced rate matching of 75/25.

NON-ENHANCED FFP CLAIMING

The Non-Enhanced rate (50/50) can be claimed for any of the agency's staff involved in activities that are necessary for proper and efficient Medi-Cal administration. This policy also applies to CBOs.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

DOCUMENTATION FOR FFP CLAIMING

Policy

The following types of documentation must be part of the agency's time study/FFP audit file:

- Organization chart(s)
- Job specification for each SPMP position
- Position duty statement for each employee
- Training log, agenda/brochure of training, and registration receipt
- Correspondence related to Division FFP policies
- Secondary documentation
- Working papers used to calculate/develop invoices
- SPMP questionnaire for claiming status
- Signed time studies

Requirements

Staff claiming FFP match are required to document by program the time spent performing all activities during their time study month. Any variance must be discussed with the agency's Program Consultant and Contract Manager.

All FFP supportive claiming materials must be kept for a minimum of three years from the date of the last payment of the fiscal year or final resolution on any audit findings, whichever is later.

UNMATCHED ACTIVITIES

Policy

Unmatched activities are those activities included in the SOW that do not meet either of the two FFP objectives. These activities are coded under Function Code 11 – Other Activities. These are not Title XIX activities and are invoiced using unmatched Title V, SGF, and/or Agency funds.

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

Ineligible Activities

Activities that are not eligible for FFP funding (but may be claimable under unmatched funding) but are required to meet the objectives of the SOW may include, but are not limited to the following:

- Anticipatory Guidance/Activities (e.g. parenting, safety, breastfeeding)
- Social Activities
- Childhood Safety
- Immunization clinics
- Work Force/Job Development
- School related activities
- Housing need activities
- Fetal Infant Mortality Review
- Parenting
- Day Care
- Routine Developmental Testing (i.e. Denver, NCAST etc.)
- Nutrition
- Domestic Violence Educational Prevention*
- Transportation*

Other expenses ineligible for FFP reimbursement include payment of activities and/or visits claimed under Targeted Case Management (TCM).

***Note: These activities may qualify for FFP funding only when one of the two FFP objectives is met. If you have questions regarding matchable activities please consult with your Program Consultant.**

ADMINISTRATIVE POLICIES AND PROCEDURES

FEDERAL FINANCIAL PARTICIPATION

FFP CALCULATIONS

The mathematics associated with calculating the distribution of time into Enhanced/Non-Enhanced/Unmatchable categories is complex. The Division has incorporated these calculations into the FFP Calculation File. The FFP Calculation File is located in the Forms Section of the AFA page on the MCAH website.

If an agency wishes to use an alternate time calculation/distribution method, a request must be made in writing describing the alternate method along with full explanation of methodology used, and proof of outcomes consistent with the Division FFP Calculation File. The agency must receive written Division approval prior to implementing.

All agencies are required to use the Division FFP Calculation File, or a Division approved FFP Calculation File, in order to claim FFP matching funds through Title XIX.

ADMINISTRATIVE POLICES AND PROCEDURES

TITLE V 30/30 EARMARKING

TITLE V 30/30 EARMARKING

OVERVIEW

Pursuant to Title V of the Social Security Act, Section 505, CDPH is mandated to provide oversight in the expenditure of Federal MCH Title V Block Grant funding. Federal MCH Title V Block Grant funding is the key source of support for promoting and improving the health of all mothers and children, including children with special health care needs.

Requirements

As required by Federal regulation, CDPH is required to track and utilize all Federal MCH Title V Block Grant funding as follows:

- At least 30% of Federal MCH Title V Block Grant funds received are to be expended for Preventive and Primary Care Services for Children (PPCSC)
- At least 30% of Federal MCH Title V Block Grant funds received is to be expended for Children with Special Health Care Needs (CSHCN)

TITLE V TIME STUDIES

The Division has already determined which of the above two activities will be designated to AFLP and BIH program funding. The only program not clearly identifiable is the MCAH Program. Therefore, **only the MCAH Program** is required to report Title V expenditures to be in compliance with Federal regulations. All MCAH staff reported on the MCAH Budget must time study for Title V activities.

NOTE: This time study is required and separate from the Title XIX time study.

Time Studies must be performed for one full week during each fiscal quarter.

- **Failure to document Title V activities (i.e., the timely submission of Title V Time Studies) may lead to the reduction of funding available to the deficient agency**
- All agencies must consistently time study for the same week (i.e., week 1 through week 12) per quarter for the entire fiscal year

ADMINISTRATIVE POLICES AND PROCEDURES

TITLE V 30/30 EARMARKING

- Each agency will designate the week each quarter that Title V 30/30 Earmarking Time Studies are to be completed. This will be communicated to the MCAH Program upon receipt of the first quarterly time study of each fiscal year
- In the first year if an agency fails to select a week to complete its required Title V Time Studies, MCAH will assign a week for the agency to time study
- In subsequent years if an agency does not designate a different week for the next fiscal year, it will be assumed that the agency is continuing with the same time study week for the next fiscal year

The Title V 30/30 Time Study template, Instructions, Applicable Weekly Time Study Calendar, Scope of Work and PowerPoint training presentation are available under the Forms Section of the AFA page on the MCAH website.

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

BUDGET DOCUMENTS

OVERVIEW

Budget documents form the basis for Agency payments and fiscal accountability for audit compliance. All expenses shown on the budget documents must directly relate to the accomplishment of the goals, objectives, activities, timelines and outcomes identified under the MCAH Program(s) Scope of Work (SOW).

The Program Budget/Invoice template contains all the necessary documents for submitting a proposed budget. The template is comprised of a guide, original budget worksheet, budget revision worksheets, justification worksheets, invoice worksheets, supplemental worksheets, fund reconciliation worksheet and a data worksheet.

Justification worksheets are incorporated in the Budget/Invoice template file to allow agencies to document explanations of each expense listed under Personnel, Operating Expenses, Capital Expenditures and Other Costs. Justifications must include all particulars as specified by the Division for evaluating the necessity or desirability of each expenditure. This portion of the Program Budget Document is used for monitoring and auditing purposes.

The budget and corresponding justification worksheets are a required component of the final approved AFA.

The Budget/Invoice template can be found under the Forms Section of the AFA page on the MCAH website.

Note: Contact your Contract Manager if you are having any difficulty accessing the Budget/Invoice template.

BUDGET/INVOICE TEMPLATE

- Within the Budget/Invoice template are cells shaded in yellow. These cells will accept data entry.

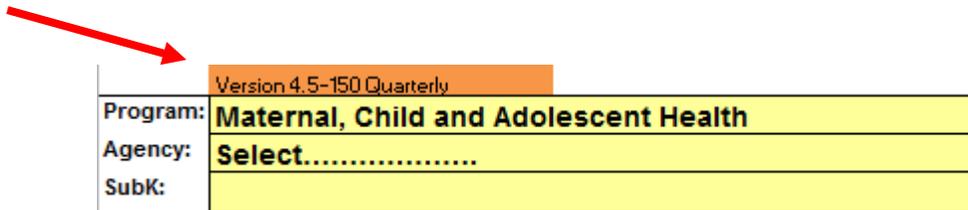
Note: Some of the yellow shaded cells within the Federal/Agency Non-Enhanced column under the Operating Expenses and Other Charges line items contain automatic calculations that may be overridden to reduce percentages if necessary. All other cells are locked and password protected to prevent accidental entries. **Any unauthorized changes made to the original format will require a resubmission by the Agency.**

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

- All other data (non-shaded cells) are calculated by formulas embedded in the worksheet cells.
- The allocation amount(s), the Indirect Cost Rate (ICR) percentage and application and the Base Medi-Cal Factor will automatically populate when the agency name is selected on the Budget Summary Page.
- Funding totals are automatically calculated and forwarded from each of the detail sections (Personnel, Operating Expenses, Capital Expenditures, Other Costs, Indirect Costs, and Operating Expenses) to the Budget Summary Page.
- Negative balances are typically not allowed on any budget or invoice summary page. Please contact your Contract Manager to see if your situation is allowable.
- The total balance shown on the Budget Summary Page cannot be negative or greater than \$10.
- Agencies must ensure that the most current approved version of the Program Budget/Invoice template file is used at all times.

Note: The template version is located at the top of the Budget Worksheet in the cell above the Program name.



	Version 4.5-150 Quarterly
Program:	Maternal, Child and Adolescent Health
Agency:	Select.....
SubK:	

BUDGET SUMMARY PAGE

The Budget Summary Page contains the following five line items:

- I. Personnel
- II. Operating Expenses
- III. Capital Expenditures (Major Equipment)

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

IV. Other Costs

V. Indirect Costs

Procedures

The following provides information on formatting and inputting procedures:

- The Fetal Infant Mortality Review (FIMR) and Sudden Infant Death Syndrome (SIDS) programs are funded by Title V and cannot be reimbursed with Title XIX funds.
- Agencies cannot use federal funds derived from any other entity for the purpose of Title XIX reimbursement.
- The print command will automatically generate the Budget Summary Page and budget detail pages; however, you must select each justification worksheet individually to print.
- Submit budget documents via email for each Division funded Program. Each Program Budget/Invoice template file is used for both budgeting and invoicing purposes.
- Once the budget documents are approved by the Division, the budget needs to be signed by the Agency's Program Director and Fiscal Agent (Not applicable to CBOs or CHVP). Submit an original, signed copy of the budget via the U.S. mail to the following address:

**California Department of Public Health
Maternal, Child and Adolescent Health Division
Attn: "Contract Manager Name"
1615 Capitol Avenue, Suite 73.560, MS 8305
P.O. Box 997420
Sacramento, CA 95899-7420**

The Excel version of the Budget/Invoice template file must be sent via email to the Contract Manager.

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

(I) PERSONNEL DETAIL SECTION

Personnel Costs are listed as the first line item on the Budget and Invoice Summary Page. The Personnel Detail Section is titled "I." and is located after the "II. Operating Expenses Detail Section", "III. Capital Expenditure Detail Section", "IV. Other Costs Detail Section", and "V. Indirect Costs Detail Section." This is to accommodate agencies with a large number of Program personnel. The Personnel Detail Section needs to be completed prior to all other sections within the budget worksheet in order for the template to auto calculate for matching purposes.

Staff initials, job title or classification, FTE, the average fringe benefit rate and annual salary entered in the Personnel Detail Section of the budget are forwarded to the (I) Justification worksheet.

Total costs from the Personnel Detail Section are forwarded to the Personnel line item on the Budget Summary Page.

Requirements

The requirements of the Personnel Detail Section are:

- All Program staff, regardless of time worked in the program, or funding source (unless included in indirect expense line items), must be included in the Personnel Detail Section.
- Personnel listed in the Personnel Detail Section must meet all applicable Division policies and requirements as detailed in the Program Policy and Procedure Manual.
- Anticipated salary increases must be included in the initial preparation of the Personnel Detail Section.
- The Division allows reimbursement for fringe benefits that meet each of the following criteria:
 - Necessary and reasonable for the performance of the Program Agreement and budget
 - Determined in accordance with Generally Accepted Accounting Principles
 - Consistent with policies that apply uniformly to all activities of the Agency

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

- Fringe benefits may include, but are not limited to:
 - Health plans (i.e., health, dental and vision)
 - Unemployment insurance
 - Worker's compensation insurance

- Fringe benefits **do not** include:
 - Compensation for personal services paid currently or accrued by the Agency for services of employees rendered during the term of this agreement which is identified as regular or normal salaries and wages, vacation, sick leave, holidays, jury duty and/or military leave
 - Incentive or bonus pay
 - Relocation allowances
 - Hardship pay
 - Cost-of-living differentials

Procedures

Personnel Detail Section:

List each staff's initials and their job title or classification in the appropriate column (Note: job titles and classifications should be consistent with all duty statements and organization charts). Enter "VAC" in the initials column if the position is vacant.

- Enter percent of Full Time Equivalent (FTE) for each employee.
- Enter the total annual salary for employees as if they were employed full time.
- Once the FTE and annual salary are entered for an employee, the total wages will populate.

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

- Insert an average fringe benefit rate that will be applied to the total wages listed in each column. A fringe benefit rate is the cost of an employee's benefits divided by their total wages.
- Enter the non-enhanced and enhanced percentages based on historical time study data. The combined total of non-enhanced and enhanced percentages should not exceed the allowable MCF for each staff person. If the percentages do exceed the MCF, the cell containing the MCF will turn red. Adjustments to the non-enhanced and enhanced percentages will need to be made until they are at or below the MCF.
- Travel costs are automatically matched at the Non-Enhanced rate, based on the "Percent of Personnel Matched". Agencies electing to enhance travel costs must determine the allowable percentage or amount in accordance with FFP requirements.

Personnel (I) Justification Worksheet:

- Chose a Program name from the dropdown selection (e.g., MCAH, FIMR, SIDS, AFLP, BIH or CHVP).
- The Base MCF percentage will auto populate under the MCF% column for all staff. If the MCF type is variable, weighted, multiple, or local, enter the appropriate MCF percentage and select the corresponding MCF type from the dropdown menu.
- Requirements - Click the link to view the requirements for the MCF type selected.

Note: When selecting a Multiple MCF type (two or more lines for one staff), you must complete the "MCF % Justification" column.

- When selecting a Weighted MCF you must complete the Weighted MCF Calculation Table (located below the MCF Requirements on the (I) Justification Worksheet), in addition to providing written justification in the "MCF % Justification" column.
- Enter the MCF justification for each staff when using (or projecting for Variable MCFs) a MCF higher than the base. Include source data if applicable, i.e. Lodestar for AFLP. Justification cannot exceed 1024 characters.

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

- The MCF percentage entered under the justification worksheet will populate in column 16 of the Personnel Detail Section.

(II) OPERATING EXPENSES DETAIL SECTION

The Operating Expenses Detail Section is comprised of three expense areas listed under the main expense category:

Operating Expenses

- Travel
 - Training
 - Operating Expenses (Other than Travel and Training, lines 1-15)
- The total dollar amounts from the Operating Expenses Detail Section are forwarded to the Budget Summary Page.
 - Operating expenses (other than travel and training) are automatically distributed to the Title V and Non-Enhanced Combined Federal/Agency columns according to how personnel costs are distributed (Percent of Personnel Matched). Lines 1 through 15 of the Operating Expense Detail Section cannot exceed the Percent of Personnel Matched. Some travel and training costs may be manually distributed to the Enhanced combined Federal/Agency columns if it is in accordance with FFP requirements.
 - The distribution of these costs can be changed as needed by manually entering new percentages into the percent columns. The allowable Percent of Personnel Matched for operating costs that are Title XIX reimbursable can be found in the Percent of Personnel Matched box located in column 16.

OPERATING EXPENSES – TRAVEL

Travel costs are listed on the budget for all staff who travel to conduct Program business and to attend conferences and training that is directly related to the objectives described in the SOW.

The cost of travel cannot exceed the established State rates noted in the **State Travel Reimbursement Information**. The most current State Travel

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

Reimbursement can be found under the Forms Section of the AFA page on the MCAH website.

Out-Of-State travel is allowed for agency leadership to travel to the following national conferences:

- Annual meetings of the National Association of Maternal, Child and Adolescent Health Programs
- Center for Disease Control and Prevention's MCAH Epidemiology Conference
- Annual City Match Conference

Travel to other national conferences may be approved on a case-by-case basis and requires prior written Division approval. All requests must be submitted in writing with a brief description that includes the items listed below:

- Name and date(s) of the conference, training, meeting, etc.
- Name and title of the individual(s) traveling
- Necessity of the trip, how it relates to the goals and objectives of the SOW and how it improves the skills of the attendee
- Travel location and dates
- Breakdown of the proposed costs of the trip

Out-Of-State travel must be identified in the training area of the (II-V) Justifications worksheet of the budget and under the appropriate goal and objective in the SOW.

Travel costs are automatically matched at the Non-Enhanced rate, based on the Percent of Personnel Matched.

Travel can be reimbursed at an Enhanced rate if it is in accordance with FFP requirements. Travel cannot be matched at a higher percentage than the percent listed on the Personnel Detail Section for those staff traveling.

Requirements

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

Prior Division written approval is required for travel and training costs for staff not listed on the Program Budget, but who contribute a portion of their time to the MCAH program. Any written approval from the Division as well as any receipts or information required for Travel Reimbursement must be retained by the Agency for audit purposes.

OPERATING EXPENSES – TRAINING

Training costs are listed on the budget for staff who conduct or attend conferences and training that are directly related to the objectives described in the SOW.

- Agencies may host or sponsor Program-related trainings, seminars, workshops or conferences.
- Training **cannot** be matched at a higher percentage than what is listed on the Personnel Detail Page for those staff for whom training is being budgeted. Training can be reimbursed at an Enhanced rate if a SPMP is providing training to another SPMP and it meets one of the FFP objectives.

Requirements

Prior written Division approval is required for the following:

- Training and associated travel and per diem costs for staff not listed on the budget, but who contribute a portion of their time to the Program.
- To host trainings, seminars, workshops, or conferences.

Procedures

Agencies requesting approval to host trainings or seminars must submit the following items:

- A description of the proposed training or seminar in the Program Budget Justification Narrative
- A written request at least 60 days prior to the proposed training or seminar date(s) to the Contract Manager which includes:
 - The date and location of proposed training or seminar
 - Subject matter of the training or seminar

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

- Draft of agenda and list of instructors
- Draft of instructional/educational materials
- Targeted audience and projected number of attendees
- Draft of publicity materials
- Total cost

NOTE: Federal regulations disallow the use of any federal funds for advocacy at the local, state, or federal level. Therefore, the \$1,100 allocated for the semi-annual MCAH Action training conference may only be used for training and travel related expenses to assist in meeting the educational needs of the MCAH Director. This should be shown in your budget under the travel and/or training line items, as appropriate. Any expenses related in any way to advocacy must be paid from local agency funds and are not eligible for Title XIX matching funds.

OPERATING EXPENSES – OTHER THAN TRAVEL AND TRAINING

The policy for Operating Expenses-Other than Travel and Training is as follows:

- Operating Expenses include, but are not limited to, items or costs used to support staff such as:
 - Space Rental (methodology required)
 - Office Supplies
 - Communications
 - Duplication
 - Utilities
 - Postage/Mailing
 - Audio/Visual equipment or Telecommunication items (including phone systems, and teleconferencing equipment) having a base unit cost of less than \$5,000.
 - Minor equipment/Inventoried items (Computers, printers, furniture, etc.)
- For lines 1 through 15, enter in each operating expense type and the corresponding dollar amount. A justification for each expense must be entered on the (II-V) Justifications Worksheet. The justification must be detailed enough to substantiate the costs.

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

- Operating Expenses, other than travel and training, can only be reimbursed at the Non-Enhanced rate. The total percentage of the Non-Enhanced Combined Federal/State and Combined Federal/Agency columns in each line item cannot exceed the Percent of Personnel Matched allowed as indicated to the right in column 16.
- Operating Expenses that do not meet the FFP requirements must be claimed as unmatched. The formula in the cell under the non-enhanced column will have to be deleted in order to claim the expense as unmatched.

(III) CAPITAL EXPENDITURES

These expenditures are defined as major equipment items with a base cost of \$5,000 or more and useful life expectancy of one or more years. The Division must approve all capital expenditures in writing prior to purchase. Capital Expenditure items purchased using any amount of Division funds become the property of the State of California.

Expenses entered will automatically be spread based on the Percent of Personnel Matched, but may be adjusted as necessary by shifting costs between funding sources.

On the (II–V) Justifications Worksheet, briefly describe the necessity and cost for each expenditure.

(IV) OTHER COSTS DETAIL SECTION

The Other Costs Detail Section is comprised of two expense areas as listed under the main expense category below:

Other Costs

- Subcontracts
- Other Charges (i.e., Client Support Materials, Educational materials, etc.)

The total dollar amounts entered in the Other Costs Detail Section are forwarded to the Budget Summary Page.

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

OTHER COSTS – SUBCONTRACTS

A subcontract is a written agreement between the Agency and a subcontractor. Subcontracts or consultant services can be used only for activities directly related to meeting the goals and objectives of the primary SOW. Subcontractors of LHJs may match at the Enhanced rate only if the subcontractor is performing Enhanced activities **and is a governmental agency**. If a subcontractor is matching at either the Enhanced or Non-Enhanced rate, they are subject to all guidelines as stated in the FFP Section of this Policy and Procedure Manual.

The use of a subcontractor or consultant must be explained and justified on the (II-V) Justifications Worksheet. Line item titles and amounts entered in the Other Costs Detail section will populate in the (II-V) Justification Worksheet. Briefly describe the necessity, types of services and cost for each subcontract.

Note: For any subcontract \$5,000 or more, the agency must provide a subcontract package for review and approval as described in the Subcontract Requirements section of Exhibit D(F) included in this manual.

OTHER COSTS – OTHER CHARGES

Other Charges include, but are not limited to, costs to support the program such as:

- Client support materials items used in support of desired behaviors/goals or items that have been determined as necessary for risk reduction after an assessment has been completed. Items such as cabinet locks, plug covers, pak 'n plays, cribs, car seats, breast pumps, diapers, baby clothes, educational materials, school readiness materials (e.g., picture books, manipulative toys), bus passes or other transportation tokens and flash drives with educational materials can be included in the invoiced amount
- Special Project funds
- Services such as development costs of media campaign advertising

Line item titles and amounts entered in the Other Costs Detail Section will populate in the (II-V) Justification Worksheet. On the worksheet provide a brief explanation of the necessity and cost of each expenditure.

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET DOCUMENTS

(V) INDIRECT COSTS DETAIL SECTION

- Beginning January 1, 2014 and each year thereafter, CDPH requires each Local Health Department to submit their proposed ICR percentage and application using either total personnel costs (wages and fringe benefits) or total allowable direct costs (personnel wages, fringe benefits, operating costs, capital expenditures and *other costs). Agencies are required to use the approved ICR percentage and application as published on the CDPH website. Agencies do have the option of charging less than the approved ICR.
- Total Indirect Costs: From the funding allocated, Agencies are allowed to claim up to 25% of total personnel costs (wages and fringe benefits) or 15% of total allowable direct costs (personnel wages, fringe benefits, operating costs, capital expenditures and *other costs) to cover the Program's indirect costs.

***Agencies may only claim overhead charges on the first \$25,000 for each subcontract.**

- AFLP CBO's grant agreements are limited to claiming up to 15 percent of personnel costs (wages and fringe benefits).
- Total Indirect Costs are distributed among the Agency's Unmatched and Non-Enhanced budget columns based upon the Percent of Personnel Matched.
- Total Indirect Costs are not matched at an Enhanced rate.

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET REVISIONS

BUDGET REVISIONS

OVERVIEW

The Division allows changes to previously approved Program Budget Documents to update and accurately reflect actual expenditures for activities performed. Agencies with two or more programs (MCAH, BIH or AFLP) have the option to move up to 10% of a single program's Title V allocation to another program as needed when invoicing for third and fourth quarter. This movement of funds between programs will require a budget revision that must be approved by CDPH.

All budget revisions must follow the policy guidelines below:

- Written approval must be obtained from the Division prior to implementation.
- Budgets should be revised no more than twice a year.

Requirements

Agencies submitting a budget revision are required to do the following:

- Provide a signed and dated hard copy of the revised budget.
- Any invoice affected by the pending budget revision **cannot** be submitted to the Division until the revised budget is approved.
- All budget revisions requiring a contract amendment must be postmarked no later than March 1st of the current fiscal year (for CBOs and LHJs with CHVP).
- Final budget revision requests must be postmarked no later than September 30th of the following fiscal year (for LHJs with MCAH, AFLP or BIH).

Procedures

Procedures required for budget revision submission for Division approval:

- The budget revision number at the top of the Budget Summary Page should be updated to reflect the current revision (i.e. R1, R2).

ADMINISTRATIVE POLICES AND PROCEDURES

BUDGET REVISIONS

- Without prior approval from the Contract Manager, AFLP salary savings may not be moved to cover other expenses.
- The following documents are required to be submitted via email:
 - Cover Letter stating reason the budget revision is necessary and where changes are requested
 - Revised Budget Summary Page
 - Revised Personnel, Operating Expenses and Other Costs Detail Pages
 - Revised Budget Justifications (J-Pers, J-Oper, J-Capital, and J-Other)
 - Revised or additional duty statements, if applicable
 - Revised organization charts, if applicable
 - Fund Reconciliation worksheet, if needed

Once the revised budget documents are approved by the Division, submit an original, signed copy of the budget documents via the U.S. mail to the following address:

**California Department of Public Health
Maternal, Child and Adolescent Health Division
Attn: "Contract Manager Name"
1615 Capitol Avenue, Suite 73.560, MS 8305
P.O. Box 997420
Sacramento, CA 95899-7420**

The Excel version of the Budget/Invoice template file must be sent via email to the Contract Manager.

ADMINISTRATIVE POLICES AND PROCEDURES

INVOICES

INVOICES

OVERVIEW

The Division reimburses agencies for actual costs incurred in meeting the objectives as specified in the SOW, not to exceed the approved Program budget.

Agencies are responsible for federal audit exceptions and must indemnify the State in the event any exceptions are found, such as services that were:

- Invoiced for FFP but were not eligible for FFP
- Invoiced for FFP but for which there was no proper FFP match
- Invoiced for FFP but for which Agency dollars were not expended, as invoiced, when claiming FFP
- Invoiced for FFP but were not adequately documented

Division approval and payment of invoices is not evidence of allowable costs. Allowable costs are determined by means of a State and/or Federal fiscal and program audit.

Requirements

Invoicing requirements are as follows:

- Expenses requiring prior written approval will be reimbursed only if approval has been granted.
- Personnel costs invoiced must be based on either a time card or a time study (for all personnel claiming FFP), rather than approved budget documents. Budget documents are only an estimate of expenditures, invoices are based on actual costs.
- Invoices claiming FFP must be accompanied by an approved time study report for each person claiming FFP. The time study report must reflect 100% of employee's paid work time for a minimum of one full month per quarter, and at a minimum contain the following information:
 - Agency Name
 - Time study period

ADMINISTRATIVE POLICES AND PROCEDURES

INVOICES

- Time study month
 - First and last name of employee
 - Employee classification or title
 - SPMP – yes or no
 - Time base – full time/part time
 - Budget line number
 - Percent of time studied to each program listed
 - Percentage of time by activity classification
 - Enhanced – (75/25)
 - Non-Enhanced – (50/50)
 - Unmatched
 - MCF for each program and/or staff listed
- The time study summary report is contained in the Division FFP Calculation File which is available in the Forms Section of the AFA page on the MCAH website. Agencies must use the most current version of the FFP Calculation File or a Division approved alternate.
 - All invoices are to be submitted quarterly with the exception of CBOs which may invoice on a monthly basis, when approved.
 - Invoices that contain a reimbursement request for a Capital Expenditure/Major Equipment/Property, Minor Equipment/Property or for Inventory-Controlled Items under the Operating and Other Costs Detail Section, must include a CDPH 1203 form listing the purchased items. Use a copy of the CDPH 1203 located in the Forms Section of the AFA page on the MCAH website.
 - Negative balances are not allowed on any total line.
 - Invoices must be submitted within 45 calendar days after the close of the billing period.
 - The final invoice must be submitted no later than 90 calendar days after the Agreement's expiration date or termination date.

ADMINISTRATIVE POLICES AND PROCEDURES

INVOICES

- If the submission of an invoice will exceed the timeframe mentioned above, you may request, via email, an extension. The request must include the specific reason(s) for the extension and the anticipated date of submission. Submitting an invoice late is an audit exception, unless you have been granted an extension.
- The Division will review the invoice for the correct format, accuracy and available funds.
- The Division may return an invoice that, due to incompleteness or other discrepancy cannot be processed by Program staff within 15 calendar days of receipt.
- The Division approves and then submits invoices to the Department's Accounting Office for review and approval prior to submission to the State Controller's Office for payment.
- When the budget is overspent in one column and underspent in another, agencies have the option to move expenses from an Enhanced rate to a Non-Enhanced rate (from 75/25 to 50/50), or from matched funds (Title XIX) to unmatched funds (Title V, SGF, agency funds).
- Information entered on the invoice will automatically update the Fund Reconciliation Worksheet. This worksheet is used to monitor remaining fund balances and should be reviewed before submitting invoices to avoid payment reductions due to insufficient funds.
- Agencies must submit a complete invoice package containing the following documents.
 - Cover letter on official Agency letterhead that includes the following:
 - ❖ Date the cover letter was prepared
 - ❖ Agreement number as shown on your approval letter
 - ❖ Invoice number
 - ❖ Total amount of the invoice
 - ❖ Program being invoiced

ADMINISTRATIVE POLICES AND PROCEDURES

INVOICES

- ❖ Inclusive dates for invoicing period
 - ❖ Contact name and telephone number
 - ❖ Original Signatures
 - ❖ Explanation on the cover letter regarding any variance from the approved budget, such as:
 - Personnel changes or vacancies
 - Substitutions of items budgeted under Other Costs
 - Adjustments or corrections from a prior quarter
 - ❖ Remittance Address
- Invoice that includes the following:
 - Original signatures and date by the Agency's fiscal agent and Program Director below the certification statements
 - Appropriate expenditures according to the approved program budget
 - Agency name and Agreement number as shown on the budget approval letter
 - Time Study Data Report for Summary of FFP (for all staff invoicing Title XIX Funds)
 - CDPH 1203, if applicable

Agencies must submit a complete invoice package including

the Excel version of the Budget/Invoice template via email to the Contract Manager after completing each invoice.

SPECIAL CONSIDERATIONS

The Division provides two methods to **recoup costs from previous quarters or months** when the fiscal year has not been closed.

ADMINISTRATIVE POLICES AND PROCEDURES

INVOICES

1. Recoup on subsequent invoices for the same fiscal year when the year is not closed out.
2. The Supplemental Invoice must be submitted within 120 calendar days after the end of the applicable fiscal year.

Costs entered as changes or adjustments from a previous quarter must be listed and described on a separate line item in the appropriate expense category.

Please describe the following:

- The type of cost or line item.
- Invoice period in which the cost was incurred.
- Percentages used to distribute the costs should be the same as those used on the invoice originally submitted for the period in which the expenditures occurred.
- Any changes or adjustments must be explained on the invoice cover letter.

FOR CBOs ONLY – Invoices based upon grant amendment changes cannot be paid until the amendment is executed.

CBOs that submit monthly invoices have the choice to invoice using the most current LodeStar downloaded MCF for each month, or to use the same MCF for all three months of the quarter. At the beginning of each fiscal year CBO's that invoice monthly must decide which method to use.

NOTE: Federal regulations disallow the use of any federal funds for advocacy at the local, state, or federal level. Therefore, the \$1,100 allocated for the semi-annual MCAH Action training conference may only be used for training and travel related expenses to assist in meeting the educational needs of the MCAH Director. This should be shown in your budget under the travel and/or training line items, as appropriate. Any expenses related in any way to advocacy must be paid from local agency funds and are not eligible for Title XIX matching funds.

SUPPLEMENTAL INVOICES

A Supplemental Invoice is to be used only when the Agency determines additional charges are necessary after all invoices have been submitted and processed by the Division. Supplemental invoices must be submitted within 120 calendar days after the end of the applicable fiscal year.

ADMINISTRATIVE POLICES AND PROCEDURES

INVOICES

Procedures

If a Supplemental Invoice is being submitted, it must meet all the requirements for a standard invoice as noted above and must additionally:

- Be titled "Supplemental Invoice"
- Reflect only the amount of the supplemental billing
- Reflect the same percentage distribution as the invoice period in which the actual cost was incurred

INVOICE DETAIL WORKSHEET

Invoice Detail Worksheets are nearly identical to the Budget Worksheet in format and operation, and share many of the same policies and requirements. Therefore, this Section will only note the unique differences of the Invoice Worksheets. Please refer to the Budget Documents Section for more information regarding Budget/Invoice policies, requirements and procedures.

Personnel Detail Section:

- For each staff member enter the actual fringe benefit amount for the month or quarter in which you are invoicing.
- For each staff member enter the total wages for the time period being claimed
- If matching, enter the non-enhanced and enhanced percentages.
- Enter the percent time in program for each staff member that is claiming FFP. This percentage can be found on the Time Study Data Report for Summary of FFP.

ADMINISTRATIVE POLICES AND PROCEDURES

PAYMENTS

PAYMENTS

OVERVIEW

The Division is liable only for actual costs expended against the approved Program Budget and SOW.

MAXIMUM AMOUNT PAYABLE

The maximum amount payable for any fiscal year cannot exceed the Division approved Agreement and Budget amounts for that fiscal year. The Agency must meet all the objectives as specified in the SOW and have incurred the actual costs to receive the maximum amount payable under an approved Agreement and Budget.

REIMBURSEMENT LIMITATIONS

The Division will not reimburse the Agency for:

- Overtime at a rate greater than the employee's regular hourly salary
- Earned CTO
- Any services that the Agency may claim for reimbursement under any other State, Federal, Agency or other governmental entity contract or grant, any private contract or agreement, or from the Medi-Cal program
- Any services provided under this Agreement and Budget, which are otherwise reimbursable by any third party payer(s). The Agency must fully exhaust its ability to receive third-party reimbursement
- Any subcontract funds expended prior to Division approval may not be reimbursable in the event the Division should subsequently disapprove the proposed subcontract

If the Agency receives any third-party reimbursement for services already reimbursed by the Division, the Agency must immediately remit that amount to the Division or offset the amount against future invoices.

ADMINISTRATIVE POLICES AND PROCEDURES

PAYMENTS

RECOVERY OF OVERPAYMENTS

The Division will recover overpayments to the Agency including, but not limited to, payments determined to be:

- In excess of allowable costs
- In excess of expenditures that can be supported by required time study documentation (i.e., required FFP, Title XIX matching)
- In excess of the amounts usually charged by the Agency or any of its subcontractors
- For services not documented in records of the Agency or any of its subcontractors
- For any services where the documentation of the Agency or any of its subcontractors only justifies a lower level of payment;
- Based upon false or incorrect invoices
- For services deemed to have been excessive, medically unnecessary or inappropriate
- For services arranged for or rendered by persons who did not meet the standards for participation in the program at the time the services were arranged for or provided
- For services not covered in the program SOW
- For services that should have been billed to other programs, the Medi-Cal program or any other entitlement program for which the client was eligible to receive payment for such services

Procedures

The Division has three available options for the recovery of overpayments:

1. Agency may pay the full amount in one payment
2. Agency may arrange with CDPH Accounting Section to make payments (12 months maximum)

ADMINISTRATIVE POLICES AND PROCEDURES

PAYMENTS

3. Agency may request that the Division deduct the amount of over payment from a subsequent invoice(s). Repayment is to be made as soon as possible but final payment shall not exceed 12 months from the date of the discovery

Upon receipt of an audit 'Action Notice,' CDPH Accounting will send an invoice to the Agency, establish accounts receivables, and work with the Agency in determining a recovery method. All recovery activities are coordinated directly through CDPH Accounting.

PAYMENT WITHHOLDS

The Division, at its discretion, may withhold up to 100% of any amount billed for services until the Agency complies with the provisions of the Agreement and Budget and any administrative and program policies, at which time the amount withheld will be released for payment to the Agency.

The Agency will be afforded reasonable opportunity to discuss with the Division any action taken. Upon Agency compliance, the Division will release the amount withheld for payment to the Agency.

The Division will determine Agency compliance with the provisions of the Agreement and Budget. The Division will notify the Agency in writing regarding non-compliance determinations.

This notification includes:

- The reason for each payment withhold determination
- The percentage or amount of withhold (if applicable), or the intent to withhold
- The effective date, conditions, and duration of the withhold

ADMINISTRATIVE POLICES AND PROCEDURES

AUDITS

AUDITS

OVERVIEW

All Agencies that receive funding from the Division are expected to comply with all State and Federal funding, reporting and audit requirements. State and Federal representatives have the right to monitor, audit and/or conduct on-site reviews of Agency's and/or subcontractors within reasonable times of business operation for compliance with the provisions of the Program Agreement and Budget, applicable State and Federal laws and regulations.

There are three types of audit activities under the Division's Administration:

- On-site Technical Assistance Reviews
- CDPH Comprehensive Audits
- Annual Financial and Compliance Audits

On-site Technical Assistance is an informal review of processes initiated by either the Division or a MCAH-related program Agency. Comprehensive Audits are identified and initiated by the Division but conducted by the Department of Health Care Services (DHCS), Audits and Investigations Division (A&I). Title V requirements state that Comprehensive Audits must be performed once every three years. Annual Financial and Compliance Audits are required of all MCAH-related program Agencies. Outside of the Division's Administration, Federal representatives may conduct annual (or more frequent) on-site financial, administrative and program audits and review of any Agency.

ON-SITE TECHNICAL ASSISTANCE REVIEWS

On-site Technical Assistance Reviews are an informal review of processes initiated by either the Division or an Agency. These may be based on concerns with compliance regarding Program policies and the availability of staff resources.

The intent of these reviews is to identify potential audit problems before they are discovered in a comprehensive audit. The reviews help ensure the agency is properly prepared for an Annual Financial & Compliance and/or Comprehensive audit. An Agency can also request in writing technical assistance with program or fiscal areas of concern.

ADMINISTRATIVE POLICES AND PROCEDURES

AUDITS

CDPH COMPREHENSIVE AUDITS

Annually, the Division selects Agencies to receive a comprehensive audit. Agencies are chosen based on the length of time since the last audit, or any specific need for the Agency to be audited. These audits are conducted by DHCS A&I to evaluate program performances based on the SOW, verify fiscal status of the Agency and assess the accuracy of the Agency's billings to the State, Federal and FFP requirements. Federal regulations require Title V funded agencies to be audited at a minimum of once every three years.

After the Division provides DHCS A&I the list of agencies to be audited, A&I assigns the agencies to their field offices based on the agency location and zip code. At the onset of the audit, the auditor will contact the Contract Manager to request copies of the Agency's records and invoicing documents, and to discuss the Agency being audited.

The audit consists of:

1. Entrance Conference
2. On-site Review
3. Exit Conference
4. Audit Report and Appeal
5. Corrective Action Plan, if applicable
6. Monitoring corrective action plan, if applicable
7. Fiscal recovery plan, if applicable
8. Closure

Entrance Conference

The purpose of the Audit Entrance Conference is to allow the assigned auditor initial contact with the Agency being audited and to discuss the scope and purpose of the audit. As part of the Audit Entrance Conference the auditor will discuss the following specifics during the entrance meeting:

- How the audit will be conducted
- Review of A&I letter specifying the Agency records that need to be made available for review

ADMINISTRATIVE POLICES AND PROCEDURES

AUDITS

- Space for the auditor to work
- Length of time the auditor will be at the Agency
- A representative from the Division may or may not attend; however, the Division will be in contact with the auditor during the audit period

On-Site Review

Auditing and/or on-site review activities will be conducted during normal business hours. The Agency and/or subcontractor must provide all reasonable facilities, accommodations and assistance to State and/or Federal representatives for their safety and convenience in the inspection, review and monitoring of program operations.

Exit Conference

The purpose of the Audit Exit Conference is to discuss the audit review and any findings, if applicable. Division staff may choose to attend in person or via teleconference, especially if there are findings.

If there are fiscal findings, the Agency will be given 2-4 weeks to provide documentation to A&I in order to rectify the findings before the draft audit report is written. If there are no findings, the auditor will write the draft audit report.

Audit Report and Appeal

A draft of the audit report is sent to the Division for review and approval (a 30 calendar day timeline) before being finalized and issued by A&I. Once the final report is issued, it is mailed to the Agency and the Division. The Division maintains the audit report for at least four years.

If an Agency does not agree with the audit for any reason, they have the right to an appeal. The appeal must be made within 60 calendar days of the publication of the final audit report. The appeal must be submitted in writing to the Chief of the Center For Family Health.

The Chief in turn will review and route the appeal to the Division Chief. The Division Chief, along with the appropriate Division staff will review and make recommendations on approval or disapproval of the Agency's appeal. The Agency will be notified in writing by the Division of the appeal decision.

Corrective Action Plan (CAP)

If an audit reveals that an Agency is not following required procedures or maintenance of documents, the Division will notify the Agency in writing and

ADMINISTRATIVE POLICES AND PROCEDURES

AUDITS

require that they develop and submit a Corrective Action Plan (CAP). The CAP must identify the timelines and processes the Agency will implement in order to become compliant.

ADMINISTRATIVE POLICES AND PROCEDURES

SPECIAL TERMS AND CONDITIONS

SPECIAL TERMS AND CONDITIONS

All federally funded service contracts or agreements are subject to the California Department of Public Health rules and regulations set forth in **Exhibit D and Exhibit F**. Both exhibits can be found starting on page 66 of this manual.

ADDITIONAL MCAH PROVISIONS

Subcontract Requirements

- Funds expended by a subcontractor prior to the primary Agency obtaining the Division written approval for the subcontract may not be reimbursable in the event the Division should subsequently disapprove the proposed subcontract.
- The Division is liable for reimbursement only for actual costs attributed to the numbered line items identified on the Budget Summary Page that are related to the SOW.
- The maximum amount payable to the subcontractor must be specified in the subcontract and must be equal to or less than the amount of the approved Agency AFA.

Audit and Record Retention

The Agency and/or subcontractors audit files must be kept readily available for inspection by the Division staff and/or State and Federal auditors. Audit file documents and information shall include, but are not limited to:

- Books, records, documents and other evidence, accounting procedures and practices, sufficient to reflect properly all direct and indirect costs by funding source of whatever nature claimed to have been incurred in the performance of this Program Agreement and Budgets, as well as matched funding costs and expenses.

All files must be kept in a central location. If this is not possible, records are to be stored in as few locations as possible. Program and Administrative Management must be aware of the location of the files. Audit trails must comply with Government Auditing Standards that includes full documentation of costs charged or allocated (via approved cost allocation methodology).

ADMINISTRATIVE POLICES AND PROCEDURES

SPECIAL TERMS AND CONDITIONS

The following information must be kept in the audit files, including all agreement documents:

1. Policy and Procedures Manual and associated Policy and Information Letters.
2. Initial fiscal year budget and all subsequent revisions.
3. SOW, duty statements, organization charts, position classifications.
4. Copies of all changes that occur to any of the documents above during the year, including the Division approvals of those changes.
5. FFP time studies (with secondary documentation).
6. Copies of FFP calculation reports.
7. Invoices and any back-up documentation to support invoiced costs.
8. Cost allocation documentation
9. Supplemental invoice (if applicable).

Capital Expenditures and Inventory Controlled Items

The Division allows the purchase of Capital Expenditures and Inventory-Controlled Items. All Capital Expenditures and Inventory-Controlled Items purchased by the Agencies or by the CDPH MCAH Program on behalf of Agencies, must be necessary and used toward fulfilling the terms of the MCAH Agreement and Budget. Agencies must maintain a written inventory (CDPH 1204) of all Capital Expenditures and Inventory-Controlled Items purchased with the Division funds.

The Division may require the submission of paid vendor receipts for any purchase, regardless of dollar amount. The Division also has the right to either deny claims for reimbursement or to request repayment for any purchase determined to be unnecessary, inappropriate or unused in carrying out performance under this MCAH Agreement and Budget.

ADMINISTRATIVE POLICES AND PROCEDURES

GENERAL TERMS AND CONDITIONS

GENERAL TERMS AND CONDITIONS

All MCAH Agreements and Budgets are subject to restrictions, limitations, or conditions enacted by Congress and/or state Legislature or any statute enacted by Congress and/or state Legislature or any court action which may affect the provisions, terms, or funding of a Program Agreement and Budget in any manner.

The Division has the option of voiding or revising a Program Agreement and Budget to reflect any reduction of funds with 30-days written notice. If any Program Agreement and Budget is deemed to be invalid, the Division will have no liability to pay any funds whatsoever to the Agency or to furnish any other considerations under this Program Agreement and Budget. If/when this occurs, the Agency is no longer obligated to perform any provisions of this Program Agreement and Budget.

Agencies that enter into agreement with the Division to provide MCAH-related services, and accept the Division funding, are legally required to provide the full level of services outlined in the program SOW regardless of the proportion of funding provided by the Division.

To review the general terms and conditions please refer to attachment **GTC 610** on page 93 of this manual.

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

Exhibit D

Special Terms and Conditions (Rev 10/15)

The provisions herein apply to this Agreement unless the provisions are removed by reference, the provisions are superseded by an alternate provision appearing elsewhere in this Agreement, or the applicable conditions do not exist.

Index of Special Terms and Conditions

1. Procurement Rules	11. Officials Not to Benefit
2. Equipment Ownership / Inventory / Disposition	12. Prohibited Use of State Funds for Software
3. Subcontract Requirements	13. Contract Uniformity (Fringe Benefit Allowability)
4. Income Restrictions	14. Cancellation
5. Site Inspection	
6. Intellectual Property Rights	
7. Prior Approval of Training Seminars, Workshops or Conferences	
8. Confidentiality of Information	
9. Documents, Publications, and Written Reports	
10. Dispute Resolution Process	

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

Procurement Rules

(Applicable to all agreements in which equipment, property, commodities and/or supplies are furnished by CDPH or expenses for said items are reimbursed with state or federal funds.)

a. Equipment definitions

Wherever the term equipment /property is used, the following definitions shall apply:

- (1) **Major equipment/property:** A tangible or intangible item having a base unit cost of **\$5,000 or more** with a life expectancy of one (1) year or more and is either furnished by CDPH or the cost is reimbursed through this Agreement. Software and videos are examples of intangible items that meet this definition.
- (2) **Minor equipment/property:** A tangible item having a base unit cost of **less than \$5,000** with a life expectancy of one (1) year or more and is either furnished by CDPH or the cost is reimbursed through this Agreement.

b. **Government and public entities** (including state colleges/universities and auxiliary organizations), whether acting as a contractor, may secure all commodities, supplies, equipment and services related to such purchases that are required in performance of this Agreement. Said procurements are subject to Paragraphs d through g of this provision. Paragraph c of this provision shall also apply, if equipment purchases are delegated to subcontractors that are nonprofit organizations or commercial businesses.

c. **Nonprofit organizations and commercial businesses**, whether acting as a contractor and/or subcontractor, may secure commodities, supplies, equipment and services related to such purchases for performance under this Agreement.

- (1) Equipment purchases shall not exceed \$50,000 annually.

To secure equipment above the annual maximum limit of \$50,000, the Contractor shall make arrangements through the appropriate CDPH Program Contract Manager, to have all remaining equipment purchased through CDPH's Purchasing Unit. The cost of equipment purchased by or through CDPH shall be deducted from the funds available in this Agreement. Contractor shall submit to the CDPH Program Contract Manager a list of equipment specifications for those items that the State must procure. The State may pay the vendor directly for such arranged equipment purchases and title to the equipment will remain with CDPH. The equipment will be delivered to the Contractor's address, as stated on the face of the Agreement, unless the Contractor notifies the CDPH Program Contract Manager, in writing, of an alternate delivery address.

- (2) All equipment purchases are subject to paragraphs d through g of this provision. Paragraph b of this provision shall also apply, if equipment purchases are delegated to subcontractors that are either a government or public entity.

(3) Nonprofit organizations and commercial businesses, shall use a procurement system that meets the following standards:

- (a) Maintain a code or standard of conduct that shall govern the performance of its officers,

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

employees, or agents engaged in awarding procurement contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a procurement, or bid contract in which, to his or her knowledge, he or she has a financial interest.

- (b) Procurements shall be conducted in a manner that provides, to the maximum extent practical, open, and free competition.
- (c) Procurements shall be conducted in a manner that provides for all of the following:
 - [1] Avoid purchasing unnecessary or duplicate items.
 - [2] Equipment solicitations shall be based upon a clear and accurate description of the technical requirements of the goods to be procured.
 - [3] Take positive steps to utilize small and veteran owned businesses.
- d. Unless waived or otherwise stipulated in writing by CDPH, prior written authorization from the appropriate CDPH Program Contract Manager will be required before the Contractor will be reimbursed for any purchase **exceeding** \$5,000 or more for commodities, supplies, equipment, and services related to such purchases. The Contractor must provide in its request for authorization all particulars necessary, as specified by CDPH, for evaluating the necessity or desirability of incurring such costs. The term "purchase" excludes the purchase of services from a subcontractor and public utility services at rates established for uniform applicability to the general public.
- e. In special circumstances, determined by CDPH (e.g., when CDPH has a need to monitor certain purchases, etc.), CDPH may require prior written authorization and/or the submission of paid vendor receipts for any purchase, regardless of dollar amount. CDPH reserves the right to either deny claims for reimbursement or to request repayment for any Contractor purchase that CDPH determines to be unnecessary in carrying out performance under this Agreement.
- f. The Contractor must maintain a copy or narrative description of the procurement system, guidelines, rules, or regulations that will be used to make purchases under this Agreement. The State reserves the right to request a copy of these documents and to inspect the purchasing practices of the Contractor at any time.
- g. For all purchases, the Contractor must maintain copies of all paid vendor invoices, documents, bids and other information used in vendor selection, for inspection or audit. Justifications supporting the absence of bidding (i.e., sole source purchases) shall also be maintained on file by the Contractor for inspection or audit.

Equipment Ownership / Inventory / Disposition

(Applicable to agreements in which equipment and/or property is furnished by CDPH and/or when said items are purchased or reimbursed with state)

- a. Wherever the terms equipment and/or property are used in this provision, the definitions in provision 1, paragraph a., shall apply.

Unless otherwise stipulated in this Agreement, all equipment and/or property that are

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

purchased/reimbursed with agreement funds or furnished by CDPH under the terms of this Agreement shall be considered state equipment and the property of CDPH.

- (1) CDPH requires the reporting, tagging and annual inventorying of all equipment and/or property that is furnished by CDPH or purchased/reimbursed with funds provided through this Agreement.

Upon receipt of equipment and/or property, the Contractor shall report the receipt to the CDPH Program Contract Manager. To report the receipt of said items and to receive property tags, Contractor shall use a form or format designated by CDPH's Asset Management Unit. If the appropriate form (i.e., Contractor Equipment Purchased with CDPH Funds) does not accompany this Agreement, Contractor shall request a copy from the CDPH Program Contract Manager.

- (2) If the Contractor enters into an agreement with a term of more than twelve months, the Contractor shall submit an annual inventory of state equipment and/or property to the CDPH Program Contract Manager using a form or format designated by CDPH's Asset Management Unit. If an inventory report form (i.e., Inventory/Disposition of CDPH-Funded Equipment) does not accompany this Agreement, Contractor shall request a copy from the CDPH Program Contract Manager. Contractor shall:

- (a) Include in the inventory report, equipment and/or property in the Contractor's possession and/or in the possession of a subcontractor (including independent consultants).
- (b) Submit the inventory report to CDPH according to the instructions appearing on the inventory form or issued by the CDPH Program Contract Manager.
- (c) Contact the CDPH Program Contract Manager to learn how to remove, trade-in, sell, transfer or survey off, from the inventory report, expired equipment and/or property that is no longer wanted, usable or has passed its life expectancy. Instructions will be supplied by CDPH's Asset Management Unit.

- b. Title to state equipment and/or property shall not be affected by its incorporation or attachment to any property not owned by the State.

- c. Unless otherwise stipulated, CDPH shall be under no obligation to pay the cost of restoration, or rehabilitation of the Contractor's and/or Subcontractor's facility which may be affected by the removal of any state equipment and/or property.

- d. The Contractor shall maintain and administer a sound business program for ensuring the proper use, maintenance, repair, protection, insurance and preservation of state equipment and/or property.

- (1) In administering this provision, CDPH may require the Contractor to repair or replace, to CDPH's satisfaction, any damaged, lost or stolen state equipment and/or property. Contractor shall immediately file a theft report with the appropriate police agency or the California Highway Patrol and Contractor shall promptly submit one copy of the theft report to the CDPH Program Contract Manager.

- e. Unless otherwise stipulated by the program funding this Agreement, equipment and/or property purchased/reimbursed with agreement funds or furnished by CDPH under the terms of this Agreement, shall only be used for performance of this Agreement or another CDPH agreement.

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

f. Within sixty (60) calendar days prior to the termination or end of this Agreement, the Contractor shall provide a final inventory report of equipment and/or property to the CDPH Program Contract Manager and shall, at that time, query CDPH as to the requirements, including the manner and method, of returning state equipment and/or property to CDPH. Final disposition of equipment and/or property shall be at CDPH expense and according to CDPH instructions. Equipment and/or property disposition instructions shall be issued by CDPH immediately after receipt of the final inventory report. At the termination or conclusion of this Agreement, CDPH may at its discretion, authorize the continued use of state equipment and/or property for performance of work under a different CDPH agreement.

g. Motor Vehicles

(Applicable only if motor vehicles are purchased/reimbursed with agreement funds or furnished by CDPH under this Agreement.)

- (1) If motor vehicles are purchased/reimbursed or furnished by CDPH under the terms of this Agreement, within thirty (30) calendar days prior to the termination or end of this Agreement, the Contractor shall return such vehicles to CDPH and shall deliver all necessary documents of title or registration to enable the proper transfer of a marketable title to CDPH.
- (2) If motor vehicles are purchased/reimbursed or furnished by CDPH under the terms of this Agreement, **the State of California shall be the legal owner of said motor vehicles and the Contractor shall be the registered owner.** The Contractor shall only use said vehicles for the performance under the terms of this Agreement.
- (3) The Contractor agree that all operators of motor vehicles, purchased/reimbursed or furnished by CDPH under the terms of this Agreement, shall hold a valid State of California driver's license. In the event that ten or more passengers are to be transported in any one vehicle, the operator shall also hold a State of California Class B driver's license.
- (4) If any motor vehicle is purchased/reimbursed or furnished by CDPH under the terms of this Agreement, the Contractor, as applicable, shall provide, maintain, and certify that, at a minimum, the following type and amount of automobile liability insurance is in effect during the term of this Agreement or any extension period during which any vehicle remains in the Contractor's possession:

Automobile Liability Insurance

- (a) The Contractor, by signing this Agreement, hereby certifies that it possesses or will obtain automobile liability insurance in the amount of \$1,000,000 per occurrence for bodily injury and property damage combined. Said insurance must be obtained and made effective upon the delivery date of any motor vehicle, purchased/reimbursed with agreement funds or furnished by CDPH under the terms of this Agreement, to the Contractor.
- (b) The Contractor shall, as soon as practical, furnish a copy of the certificate of insurance to the CDPH Program Contract Manager. The certificate of insurance shall identify the CDPH contract or agreement number for which the insurance applies.
- (c) The Contractor agree that bodily injury and property damage liability insurance, as required herein, shall remain in effect at all times during the term of this Agreement or until such time as the motor vehicle is returned to CDPH.

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

- (d) The Contractor agree to provide, at least thirty (30) days prior to the expiration date of said insurance coverage, a copy of a new certificate of insurance evidencing continued coverage, as indicated herein, for not less than the remainder of the term of this Agreement, the term of any extension or continuation thereof, or for a period of not less than one (1) year.
- (e) The Contractor, if not a self-insured government and/or public entity, must provide evidence, that any required certificates of insurance contain the following provisions:
 - [1] The insurer will not cancel the insured's coverage without giving thirty (30) calendar days prior written notice to the State.
 - [2] The State of California, its officers, agents, employees, and servants are included as additional insureds, but only with respect to work performed for the State under this Agreement and any extension or continuation of this Agreement.
 - [3] The insurance carrier shall notify CDPH, in writing, of the Contractor's failure to pay premiums; its cancellation of such policies; or any other substantial change, including, but not limited to, the status, coverage, or scope of the required insurance. Such notices shall contain a reference to each agreement number for which the insurance was obtained.
- (f) The Contractor is hereby advised that copies of certificates of insurance may be subject to review and approval by the Department of General Services (DGS), Office of Risk and Insurance Management. The Contractor shall be notified by CDPH, in writing, if this provision is applicable to this Agreement. If DGS approval of the certificate of insurance is required, the Contractor agrees that no work or services shall be performed prior to obtaining said approval.
- (g) In the event the Contractor fails to keep insurance coverage, as required herein, in effect at all times during vehicle possession, CDPH may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.

Subcontract Requirements

(Applicable to agreements under which services are to be performed by subcontractors including independent consultants.)

- a. Prior written authorization will be required before the Contractor enters into or is reimbursed for any subcontract for services exceeding \$5,000 for any articles, supplies, equipment, or services. The Contractor shall obtain at least three competitive quotations which should be submitted or adequate justification provided for the absence of bidding.
- b. CDPH reserves the right to approve or disapprove the selection of subcontractors and with advance written notice, require the substitution of subcontractors and require the Contractor to terminate subcontracts entered into in support of this Agreement.

- (1) Upon receipt of a written notice from CDPH requiring the substitution and/or termination of a subcontract, the Contractor shall take steps to ensure the completion of any work in progress

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

and select a replacement, if applicable, within 30 calendar days, unless a longer period is agreed to by CDPH.

- c. Actual subcontracts (i.e., written agreement between the Contractor and a subcontractor) exceeding \$5,000 are subject to the prior review and written approval of CDPH.
- d. Contractor shall maintain a copy of each subcontract entered into in support of this Agreement and shall, upon request by CDPH, make copies available for approval, inspection, or audit.
- e. CDPH assumes no responsibility for the payment of subcontractors used in the performance of this Agreement. Contractor accepts sole responsibility for the payment of subcontractors used in the performance of this Agreement.
- f. The Contractor is responsible for all performance requirements under this Agreement even though performance may be carried out through a subcontract.
- g. The Contractor shall ensure that all subcontracts for services include provision(s) requiring compliance with applicable terms and conditions specified in this Agreement and shall be the subcontractor's sole point of contact for all matters related to the performance and payment during the term of this Agreement.
- h. The Contractor agrees to include the following clause, relevant to record retention, in all subcontracts for services:

"(Subcontractor Name) agrees to maintain and preserve, until three years after termination of (Agreement Number) and final payment from CDPH to the Contractor, to permit CDPH or any duly authorized representative, to have access to, examine or audit any pertinent books, documents, papers and records related to this subcontract and to allow interviews of any employees who might reasonably have information related to such records."

Income Restrictions

Unless otherwise stipulated in this Agreement, the Contractor agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Contractor under this Agreement shall be paid by the Contractor to CDPH, to the extent that they are properly allocable to costs for which the Contractor has been reimbursed by CDPH under this Agreement.

Site Inspection

The State, through any authorized representatives, has the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed hereunder including subcontract supported activities and the premises in which it is being performed. If any inspection or evaluation is made of the premises of the Contractor or Subcontractor, the Contractor shall provide and shall require Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All inspections and evaluations shall be performed in such a manner as will not unduly delay the services performed.

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

Intellectual Property Rights

a. Ownership

- (1) Except as set forth below and except where CDPH has agreed in a signed writing to accept a license, CDPH shall be and remain, without additional compensation, the sole owner of any and all rights, title and interest in all Intellectual Property, from the moment of creation, whether or not jointly conceived, that are made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement. Notwithstanding the foregoing or any other language in this Agreement, Contractor and not CDPH shall own Intellectual Property relating to any clinical lab test or lab assay that is made, conceived, derived from or reduced to practice by contractor, regardless of whether it results directly /indirectly from this Agreement (“Clinical Tests or Assays”)
- (2) For the purposes of this Agreement, Intellectual Property means recognized protectable rights and interest such as: patents, (whether or not issued) copyrights, trademarks, service marks, applications for any of the foregoing, inventions, trade secrets, trade dress, logos, insignia, color combinations, slogans, moral rights, right of publicity, author’s rights, contract and licensing rights, works, mask works, industrial design rights, rights of priority, know how, design flows, methodologies, devices, business processes, developments, innovations, good will and all other legal rights protecting intangible proprietary information as may exist now and/or here after come into existence, and all renewals and extensions, regardless of whether those rights arise under the laws of the United States, or any other state, country or jurisdiction.
 - (a) For the purposes of the definition of Intellectual Property, “works” means all literary works, writings and printed matter including the medium by which they are recorded or reproduced, photographs, art work, pictorial and graphic representations and works of a similar nature, film, motion pictures, digital images, animation cells, and other audiovisual works including positives and negatives thereof, sound recordings, tapes, educational materials, interactive videos and any other materials or products created, produced, conceptualized and fixed in a tangible medium of expression. It includes preliminary and final products and any materials and information developed for the purposes of producing those final products. Works does not include articles submitted to peer review or reference journals or independent research projects.
- (3) In the performance of this Agreement, Contractor will exercise and utilize certain of its Intellectual Property in existence prior to the effective date of this Agreement. In addition, under this Agreement, Contractor may access and utilize certain of CDPH’s Intellectual Property in existence prior to the effective date of this Agreement. Except as otherwise set forth herein, Contractor shall not use any of CDPH’s Intellectual Property now existing or hereafter existing for any purposes without the prior written permission of CDPH. **Except as otherwise set forth herein, neither the Contractor nor CDPH shall give any ownership interest in or rights to its Intellectual Property to the other Party.** If during the term of this Agreement, Contractor accesses any third-party Intellectual Property that is licensed to CDPH, Contractor agrees to abide by all license and confidentiality restrictions applicable to CDPH in the third-party’s license agreement.
- (4) Contractor agrees to cooperate with CDPH in establishing or maintaining CDPH’s exclusive rights in the Intellectual Property, and in assuring CDPH’s sole rights against third parties with respect to the Intellectual Property. If the Contractor enters into any agreements or

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

subcontracts with other parties in order to perform this Agreement, Contractor shall require the terms of the Agreement(s) to include all Intellectual Property provisions. Such terms must include, but are not limited to, the subcontractor assigning and agreeing to assign to CDPH all rights, title and interest in Intellectual Property other than Clinical Tests or Labe Assays made, conceived, derived from, or reduced to practice by the subcontractor, Contractor or CDPH and which result directly or indirectly from this Agreement or any subcontract.

- (5) Contractor further agrees to assist and cooperate with CDPH in all reasonable respects, and execute all documents and, subject to reasonable availability, give testimony and take all further acts reasonably necessary to acquire, transfer, maintain, and enforce CDPH's Intellectual Property rights and interests.

b. Retained Rights / License Rights

- (1) Contractor shall retain title to all of its Intellectual Property to the extent such Intellectual Property is in existence prior to the effective date of this Agreement.
- (2) Nothing in this provision shall restrict, limit, or otherwise prevent Contractor from using any ideas, concepts, know-how, methodology or techniques related to its performance under this Agreement, provided that Contractor's use does not infringe the patent, copyright, trademark rights, license or other Intellectual Property rights of CDPH or third party, or result in a breach or default of any provisions of this Exhibit or result in a breach of any provisions of law relating to confidentiality.

c. Copyright

- (1) Contractor agrees that for purposes of copyright law, all works [as defined in Paragraph a, subparagraph (2)(a) of this provision] of authorship made by or on behalf of Contractor in connection with Contractor's performance of this Agreement shall be deemed "works made for hire". Contractor further agrees that the work of each person utilized by Contractor in connection with the performance of this Agreement will be a "work made for hire," whether that person is an employee of Contractor or that person has entered into an agreement with Contractor to perform the work. Contractor shall enter into a written agreement with any such person that: (i) all work performed for Contractor shall be deemed a "work made for hire" under the Copyright Act and (ii) that person shall assign all right, title, and interest to CDPH to any work product made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement.
- (2) All materials, including, but not limited to, visual works or text, reproduced or distributed pursuant to this Agreement that include Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement, shall include CDPH's notice of copyright, which shall read in 3mm or larger typeface: "© [Enter Current Year e.g., 2014, etc.], Department of Public Health. This material may not be reproduced or disseminated without prior written permission from the Department of Public Health." This notice should be placed prominently on the materials and set apart from other matter on the page where it appears. Audio productions shall contain a similar audio notice of copyright.

d. Third-Party Intellectual Property

Except as provided herein, Contractor agrees that its performance of this Agreement shall not be dependent upon or include any Intellectual Property of Contractor or third party without first: (i)

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

obtaining CDPH's prior written approval; and (ii) granting to or obtaining for CDPH, without additional compensation, a license, as described in Section b of this provision, for any of Contractor's or third-party's Intellectual Property in existence prior to the effective date of this Agreement. If such a license upon the these terms is unattainable, and CDPH determines that the Intellectual Property should be included in or is required for Contractor's performance of this Agreement, Contractor shall obtain a license under terms acceptable to CDPH.

e. Warranties

(1) Contractor represents and warrants that:

- (a) It is free to enter into and fully perform this Agreement.
- (b) It has secured and will secure all rights and licenses necessary for its performance of this Agreement.
- (c) Neither Contractor's performance of this Agreement, nor the exercise by either Party of the rights granted in this Agreement, nor any use, reproduction, manufacture, sale, offer to sell, import, export, modification, public and private display/performance, distribution, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement will infringe upon or violate any Intellectual Property right, non-disclosure obligation, or other proprietary right or interest of any third-party or entity now existing under the laws of, or hereafter existing or issued by, any state, the United States, or any foreign country. There is currently no actual or threatened claim by any such third party based on an alleged violation of any such right by Contractor.
- (d) Neither Contractor's performance nor any part of its performance will violate the right of privacy of, or constitute a libel or slander against any person or entity.
- (e) It has secured and will secure all rights and licenses necessary for Intellectual Property including, but not limited to, consents, waivers or releases from all authors of music or performances used, and talent (radio, television and motion picture talent), owners of any interest in and to real estate, sites, locations, property or props that may be used or shown.
- (f) It has not granted and shall not grant to any person or entity any right that would or might derogate, encumber, or interfere with any of the rights granted to CDPH in this Agreement.
- (g) It has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
- (h) It has no knowledge of any outstanding claims, licenses or other charges, liens, or encumbrances of any kind or nature whatsoever that could affect in any way Contractor's performance of this Agreement.

(2) CDPH MAKES NO WARRANTY THAT THE INTELLECTUAL PROPERTY RESULTING FROM THIS AGREEMENT DOES NOT INFRINGE UPON ANY PATENT, TRADEMARK, COPYRIGHT OR THE LIKE, NOW EXISTING OR SUBSEQUENTLY ISSUED.

f. Intellectual Property Indemnity

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

- (1) Contractor shall indemnify, defend and hold harmless CDPH and its licensees and assignees, and its officers, directors, employees, agents, representatives, successors, and users of its products, ("Indemnitees") from and against all claims, actions, damages, losses, liabilities (or actions or proceedings with respect to any thereof), whether or not rightful, arising from any and all actions or claims by any third party or expenses related thereto (including, but not limited to, all legal expenses, court costs, and attorney's fees incurred in investigating, preparing, serving as a witness in, or defending against, any such claim, action, or proceeding, commenced or threatened) to which any of the Indemnitees may be subject, whether or not Contractor is a party to any pending or threatened litigation, which arise out of or are related to (i) the incorrectness or breach of any of the representations, warranties, covenants or agreements of Contractor pertaining to Intellectual Property; or (ii) any Intellectual Property infringement, or any other type of actual or alleged infringement claim, arising out of CDPH's use, reproduction, manufacture, sale, offer to sell, distribution, import, export, modification, public and private performance/display, license, and disposition of the Intellectual Property made, conceived, derived from, or reduced to practice by Contractor or CDPH and which result directly or indirectly from this Agreement. This indemnity obligation shall apply irrespective of whether the infringement claim is based on a patent, trademark or copyright registration that issued after the effective date of this Agreement. CDPH reserves the right to participate in and/or control, at Contractor's expense, any such infringement action brought against CDPH.
- (2) Should any Intellectual Property licensed by the Contractor to CDPH under this Agreement become the subject of an Intellectual Property infringement claim, Contractor will exercise its authority reasonably and in good faith to preserve CDPH's right to use the licensed Intellectual Property in accordance with this Agreement at no expense to CDPH. CDPH shall have the right to monitor and appear through its own counsel (at Contractor's expense) in any such claim or action. In the defense or settlement of the claim, Contractor may obtain the right for CDPH to continue using the licensed Intellectual Property; or, replace or modify the licensed Intellectual Property so that the replaced or modified Intellectual Property becomes non-infringing provided that such replacement or modification is functionally equivalent to the original licensed Intellectual Property. If such remedies are not reasonably available, CDPH shall be entitled to a refund of all monies paid under this Agreement, without restriction or limitation of any other rights and remedies available at law or in equity.
- (3) Contractor agrees that damages alone would be inadequate to compensate CDPH for breach of any term of this Intellectual Property Exhibit by Contractor. Contractor acknowledges CDPH would suffer irreparable harm in the event of such breach and agrees CDPH shall be entitled to obtain equitable relief, including without limitation an injunction, from a court of competent jurisdiction, without restriction or limitation of any other rights and remedies available at law or in equity.

g. Survival

The provisions set forth herein shall survive any termination or expiration of this Agreement or any project schedule.

Prior Approval of Training Seminars, Workshops or Conferences

Contractor shall obtain prior CDPH approval of the location, costs, dates, agenda, instructors, instructional materials, and attendees at any reimbursable training seminar, workshop, or conference

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

conducted pursuant to this Agreement and of any reimbursable publicity or educational materials to be made available for distribution. The Contractor shall acknowledge the support of the State whenever publicizing the work under this Agreement in any media. This provision does not apply to necessary staff meetings or training sessions held for the staff of the Contractor in order to conduct routine business matters.

Confidentiality of Information

The Contractor and its employees, agents, or subcontractors shall:

- a. Protect from unauthorized disclosure names and other identifying information concerning persons either receiving services pursuant to this Agreement or persons whose names or identifying information become available or are disclosed to the Contractor, its employees, agents, or subcontractors as a result of services performed under this Agreement, except for statistical information not identifying any such person.
- b. Not use such identifying information for any purpose other than carrying out the Contractor's obligations under this Agreement.
- c. Promptly transmit to the CDPH Contract Manager all requests for disclosure of such identifying information not emanating from the client or person.
- d. Not disclose, except as otherwise specifically permitted by this Agreement or authorized by the client, any such identifying information to anyone other than CDPH without prior written authorization from the CDPH Contract Manager, except if disclosure is required by State or Federal law.
- e. For purposes of this provision, identity shall include, but not be limited to name, identifying number, symbol, or other identifying particular assigned to the individual, such as finger or voice print or a photograph.
- f. As deemed applicable by CDPH, this provision may be supplemented by additional terms and conditions covering personal health information (PHI) or personal, sensitive, and/or confidential information (PSCI). Said terms and conditions will be outlined in one or more exhibits that will either be attached to this Agreement or incorporated into this Agreement by reference.

Documents, Publications and Written Reports

(Applicable to agreements over \$5,000 under which publications, written reports and documents are developed or produced. Government Code Section 7550.)

Any document, publication or written report (excluding progress reports, financial reports and normal contractual communications) prepared as a requirement of this Agreement shall contain, in a separate section preceding the main body of the document, the number and dollar amounts of all contracts or agreements and subcontracts relating to the preparation of such document or report, if the total cost for work by nonemployees of the State exceeds \$5,000.

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

Dispute Resolution Process

- a. A Contractor grievance exists whenever there is a dispute arising from CDPH's action in the administration of an agreement. If there is a dispute or grievance between the Contractor and CDPH, the Contractor must seek resolution using the procedure outlined below.
 - (1) The Contractor should first informally discuss the problem with the CDPH Program Contract Manager. If the problem cannot be resolved informally, the Contractor shall direct its grievance together with any evidence, in writing, to the program Branch Chief. The grievance shall state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The Branch Chief shall render a decision within ten (10) working days after receipt of the written grievance from the Contractor. The Branch Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. If the Contractor disagrees with the Branch Chief's decision, the Contractor may appeal to the second level.
 - (2) When appealing to the second level, the Contractor must prepare an appeal indicating the reasons for disagreement with Branch Chief's decision. The Contractor shall include with the appeal a copy of the Contractor's original statement of dispute along with any supporting evidence and a copy of the Branch Chief's decision. The appeal shall be addressed to the Deputy Director of the division in which the branch is organized within ten (10) working days from receipt of the Branch Chief's decision. The Deputy Director of the division in which the branch is organized or his/her designee shall meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director of the division in which the branch is organized or his/her designee shall be directed to the Contractor within twenty (20) working days of receipt of the Contractor's second level appeal.
- b. If the Contractor wishes to appeal the decision of the Deputy Director of the division in which the branch is organized or his/her designee, the Contractor shall follow the procedures set forth in Division 25.1 (commencing with Section 38050) of the Health and Safety Code and the regulations adopted thereunder. (Title 1, Division 2, Chapter 2, Article 3 (commencing with Section 1140) of the California Code of Regulations).
- c. Disputes arising out of an audit, examination of an agreement or other action not covered by subdivision (a) of Section 20204, of Chapter 2.1, Title 22, of the California Code of Regulations, and for which no procedures for appeal are provided in statute, regulation or the Agreement, shall be handled in accordance with the procedures identified in Sections 51016 through 51047, Title 22, California Code of Regulations.
- d. Unless otherwise stipulated in writing by CDPH, all dispute, grievance and/or appeal correspondence shall be directed to the CDPH Contract Manager.
- e. There are organizational differences within CDPH's funding programs and the management levels identified in this dispute resolution provision may not apply in every contractual situation. When a grievance is received and organizational differences exist, the Contractor shall be notified in writing by the CDPH Contract Manager of the level, name, and/or title of the appropriate management official that is responsible for issuing a decision at a given level.

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

Officials Not to Benefit

No members of or delegate of Congress or the State Legislature shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom. This provision shall not be construed to extend to this Agreement if made with a corporation for its general benefits.

Prohibited Use of State Funds for Software

Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

Contract Uniformity (Fringe Benefit Allowability)

(Applicable only to nonprofit organizations.)

Pursuant to the provisions of Article 7 (commencing with Section 100525) of Chapter 3 of Part 1 of Division 101 of the Health and Safety Code, CDPH sets forth the following policies, procedures, and guidelines regarding the reimbursement of fringe benefits.

- a. As used herein fringe benefits shall mean an employment benefit given by one's employer to an employee in addition to one's regular or normal wages or salary.
- b. As used herein, fringe benefits do not include:
 - (1) Compensation for personal services paid currently or accrued by the Contractor for services of employees rendered during the term of this Agreement, which is identified as regular or normal salaries and wages, annual leave, vacation, sick leave, holidays, jury duty and/or military leave/training.
 - (2) Director's and executive committee member's fees.
 - (3) Incentive awards and/or bonus incentive pay.
 - (4) Allowances for off-site pay.
 - (5) Location allowances.
 - (6) Hardship pay.
 - (7) Cost-of-living differentials
- c. Specific allowable fringe benefits include:
 - (1) Fringe benefits in the form of employer contributions for the employer's portion of payroll taxes (i.e., FICA, SUI, SDI), employee health plans (i.e., health, dental and vision), unemployment insurance, worker's compensation insurance, and the employer's share of pension/retirement plans, provided they are granted in accordance with established written organization policies and meet all legal and Internal Revenue Service requirements.
- d. To be an allowable fringe benefit, the cost must meet the following criteria:
 - (1) Be necessary and reasonable for the performance of the Agreement.
 - (2) Be determined in accordance with generally accepted accounting principles.
 - (3) Be consistent with policies that apply uniformly to all activities of the Contractor.

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

- e. Contractor agrees that all fringe benefits shall be at actual cost.
- f. Earned/Accrued Compensation
 - (1) Compensation for vacation, sick leave and holidays is limited to that amount earned/accrued within the agreement term. Unused vacation, sick leave and holidays earned from periods prior to the agreement term cannot be claimed as allowable costs. See section f (3)(a) below for an example.
 - (2) For multiple year agreements, vacation and sick leave compensation, which is earned/accrued but not paid, due to employee(s) not taking time off may be carried over and claimed within the overall term of the multiple years of the Agreement. Holidays cannot be carried over from one agreement year to the next. See Provision f (3)(b) for an example.
 - (3) For single year agreements, vacation, sick leave and holiday compensation that is earned/accrued but not paid, due to employee(s) not taking time off within the term of the Agreement, cannot be claimed as an allowable cost. See Provision f (3)(c) for an example.

(a) **Example No. 1:**

If an employee, John Doe, earns/accrues three weeks of vacation and twelve days of sick leave each year, then that is the maximum amount that may be claimed during a one year agreement. If John Doe has five weeks of vacation and eighteen days of sick leave at the beginning of an agreement, the Contractor during a one-year budget period may only claim up to three weeks of vacation and twelve days of sick leave as actually used by the employee. Amounts earned/accrued in periods prior to the beginning of the Agreement are not an allowable cost.

(b) **Example No. 2:**

If during a three-year (multiple year) agreement, John Doe does not use his three weeks of vacation in year one, or his three weeks in year two, but he does actually use nine weeks in year three; the Contractor would be allowed to claim all nine weeks paid for in year three. The total compensation over the three-year period cannot exceed 156 weeks (3 x 52 weeks).

(c) **Example No. 3:**

If during a single year agreement, John Doe works fifty weeks and used one week of vacation and one week of sick leave and all fifty-two weeks have been billed to CDPH, the remaining unused two weeks of vacation and seven days of sick leave may not be claimed as an allowable cost.

Cancellation

- A. This agreement may be cancelled by CDPH without cause upon 30 calendar days advance written notice to the Contractor.

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit D

- B. CDPH reserves the right to cancel or terminate this agreement immediately for cause. The Contractor may submit a written request to terminate this agreement only if CDPH substantially fails to perform its responsibilities as provided herein.
- C. The term “for cause” shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of this agreement.
- D. Agreement termination or cancellation shall be effective as of the date indicated in CDPH’s notification to the Contractor. The notice shall stipulate any final performance, invoicing or payment requirements.
- E. Upon receipt of a notice of termination or cancellation, the Contractor shall take immediate steps to stop performance and to cancel or reduce subsequent agreement costs.
- F. In the event of early cancellation or termination, the Contractor shall be entitled to compensation for services performed satisfactorily under this agreement and expenses incurred up to the date of cancellation and any non-cancelable obligations incurred in support of this agreement.

ADMINISTRATIVE POLICES AND PROCEDURES

Exhibit F

Exhibit F

Federal Terms and Conditions

(For Federally Funded Subvention/Local Assistance Agreement)

The use of headings or titles throughout this exhibit is for convenience only and shall not be used to interpret or to govern the meaning of any specific term or condition.

This Exhibit contains provisions that require strict adherence to various contracting laws and shall be used for agreement funded in whole or in part by Federal Funds.

1. Federal Contract Funds
2. Federal Equal Employment Opportunity Requirements
3. Debarment and Suspension Certification
4. Covenant Against Contingent Fees
5. Lobbying Restrictions and Disclosure Certification
6. Additional Restrictions
7. Federal Requirements
8. Air and Water Pollution Requirments
9. Smoke-Free Workplace Certification
10. Use of Small, Minority Owned and Women's Businesses
11. Human Subjects Use Requirements
12. Financial and Compliance Audit Requirements
13. Audit and Record Retention

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

Federal Contract Funds

- a. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
- b. This agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the fiscal years covered by the term of this Agreement. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms or funding of this Agreement in any manner.
- c. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- d. CDPH has the option to invalidate or cancel the Agreement with 30-days advance written notice or to amend the Agreement to reflect any reduction in funds.

Federal Equal Opportunity Requirements

- a. The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. The Contractor will take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and career development opportunities and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Federal Government or CDPH, setting forth the provisions of the Equal Opportunity clause, Section 503 of the Rehabilitation Act of 1973 and the affirmative action clause required by the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212). Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified applicants without discrimination based on their race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era and the rights of applicants and employees.
- b. The Contractor will, in all solicitations or advancements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin physical or mental handicap, disability, age or status as a disabled veteran or veteran of the Vietnam era.
- c. The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding a notice, to be provided by the Federal Government or the State, advising the labor union or workers' representative of the Contractor's commitments under the provisions herein and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

- d. The Contractor will comply with all provisions of and furnish all information and reports required by Section 503 of the Rehabilitation Act of 1973, as amended, the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (38 U.S.C. 4212) and of the Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and of the rules, regulations, and relevant orders of the Secretary of Labor.
- e. The Contractor will furnish all information and reports required by Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," and the Rehabilitation Act of 1973, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the State and its designated representatives and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- f. In the event of the Contractor's noncompliance with the requirements of the provisions herein or with any federal rules, regulations, or orders which are referenced herein, this Agreement may be cancelled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further federal and state contracts in accordance with procedures authorized in Federal Executive Order No. 11246 as amended and such other sanctions may be imposed and remedies invoked as provided in Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- g. The Contractor will include the provisions of Paragraphs a through g in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Federal Executive Order No. 11246 as amended, including by Executive Order 11375, 'Amending Executive Order 11246 Relating to Equal Employment Opportunity,' and as supplemented by regulation at 41 CFR part 60, "Office of the Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," or Section 503 of the Rehabilitation Act of 1973 or (38 U.S.C. 4212) of the Vietnam Era Veteran's Readjustment Assistance Act, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs or CDPH may direct as a means of enforcing such provisions including sanctions for noncompliance provided, however, that in the event the Contractor becomes involved in, or is threatened with litigation by a subcontractor or vendor as a result of such direction by CDPH, the Contractor may request in writing to CDPH, who, in turn, may request the United States to enter into such litigation to protect the interests of the State and of the United States.

Debarment and Suspension Certification

- a. By signing this Agreement, the Contractor agrees to comply with applicable federal suspension and debarment regulations including, but not limited to 7 CFR Part 3017, 45 CFR 76, 40 CFR 32 or 34 CFR 85.

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

- b. By signing this Agreement, the Contractor certifies to the best of its knowledge and belief, that it and its principals:
- (1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency;
 - (2) Have not within a three-year period preceding this application/proposal/agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in Paragraph b(2) herein; and
 - (4) Have not within a three-year period preceding this application/proposal/agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
 - (5) Shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under federal regulations (i.e., 48 CFR part 9, subpart 9.4), debarred, suspended, declared ineligible, or voluntarily excluded from participation in such transaction, unless authorized by the State.
 - (6) Will include a clause entitled, "Debarment and Suspension Certification" that essentially sets forth the provisions herein, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- c. If the Contractor is unable to certify to any of the statements in this certification, the Contractor shall submit an explanation to the CDPH Contract Manager.
- d. The terms and definitions herein have the meanings set out in the Definitions and Coverage sections of the rules implementing Federal Executive Order 12549.
- e. If the Contractor knowingly violates this certification, in addition to other remedies available to the Federal Government, the CDPH may terminate this Agreement for cause or default.

Covenant Against Contingent Fees

The Contractor warrants that no person or selling agency has been employed or retained to solicit/secure this Agreement upon an agreement of understanding for a commission, percentage, brokerage, or contingent fee, except *bona fide* employees or *bona fide* established commercial or selling agencies retained by the Contractor for the purpose of securing business. For breach or violation of this warranty, CDPH shall have the right to annul this Agreement without liability or in its discretion to deduct from the Agreement price or consideration, or otherwise recover, the full amount of such commission, percentage, and brokerage or contingent fee.

Lobbying Restrictions and Disclosure Certification

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

(Applicable to federally funded agreements in excess of \$100,000 per Section 1352 of the 31, U.S.C.)

a. Certification and Disclosure Requirements

- (1) Each person (or recipient) who requests or receives a contract or agreement, subcontract, grant, or subgrant, which is subject to Section 1352 of the 31, U.S.C., and which exceeds \$100,000 at any tier, shall file a certification (in the form set forth in Attachment 1, consisting of one page, entitled "Certification Regarding Lobbying") that the recipient has not made, and will not make, any payment prohibited by Paragraph b of this provision.
- (2) Each recipient shall file a disclosure (in the form set forth in Attachment 2, entitled "Standard Form-LLL 'disclosure of Lobbying Activities'") if such recipient has made or has agreed to make any payment using nonappropriated funds (to include profits from any covered federal action) in connection with a contract, or grant or any extension or amendment of that contract, or grant, which would be prohibited under Paragraph b of this provision if paid for with appropriated funds.
- (3) Each recipient shall file a disclosure form at the end of each calendar quarter in which there occurs any event that requires disclosure or that materially affect the accuracy of the information contained in any disclosure form previously filed by such person under Paragraph a(2) herein. An event that materially affects the accuracy of the information reported includes:
 - (a) A cumulative increase of \$25,000 or more in the amount paid or expected to be paid for influencing or attempting to influence a covered federal action;
 - (b) A change in the person(s) or individuals(s) influencing or attempting to influence a covered federal action; or
 - (c) A change in the officer(s), employee(s), or member(s) contacted for the purpose of influencing or attempting to influence a covered federal action.
- (4) Each person (or recipient) who requests or receives from a person referred to in Paragraph a(1) of this provision a contract or agreement, subcontract, grant or subgrant exceeding \$100,000 at any tier under a contract or agreement, or grant shall file a certification, and a disclosure form, if required, to the next tier above.
- (5) All disclosure forms (but not certifications) shall be forwarded from tier to tier until received by the person referred to in Paragraph a(1) of this provision. That person shall forward all disclosure forms to CDPH Program Contract Manager.

b. Prohibition

Section 1352 of Title 31, U.S.C., provides in part that no appropriated funds may be expended by the recipient of a federal contract or agreement, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered federal actions: the awarding of any federal contract or agreement, the making of any federal grant, the making of any federal loan, entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract or agreement, grant, loan, or cooperative agreement.

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

Additional Restrictions

(Applicable to all contracts funded in whole or in part with funding from the federal Departments of Labor, Health and Human Services (including CDC funding), or Education.)

Contractor shall comply with the restrictions under Division F, Title V, Section 503 of the Consolidated Appropriations Act, 2012 (H.R. 2055), which provides that:

“SEC. 503.(a) No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111–148 shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, electronic communication, radio, television, or video presentation designed to support or defeat the enactment of legislation before the Congress or any State or local legislature or legislative body, except in presentation to the Congress or any State or local legislature itself, or designed to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any State or local government, except in presentation to the executive branch of any State or local government itself.

(b) No part of any appropriation contained in this Act or transferred pursuant to section 4002 of Public Law 111–148 shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence the enactment of legislation, appropriations, regulation, administrative action, or Executive order proposed or pending before the Congress or any State government, State legislature or local legislature or legislative body, other than for normal and recognized executive-legislative relationships or participation by an agency or officer of a State, local or tribal government in policymaking and administrative processes within the executive branch of that government.

(c) The prohibitions in subsections (a) and (b) shall include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending, or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.”

Federal Requirements

Contractor agrees to comply with and shall require all subcontractors, if any, to comply with all applicable Federal requirements including but not limited to the United States Code, the Code of Federal Regulations, the Funding Opportunity Announcement, the Notice of Award, the funding agreement, and any memoranda or letter regarding the applicable Federal requirements.

Air or Water Pollution Requirements

Any federally funded agreement and/or subcontract in excess of \$100,000 must comply with the following provisions unless said agreement is exempt under 40 CFR 15.5.

- a. Government contractors agree to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act [42 U.S.C. 1857(h)], section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

- b. Institutions of higher education, hospitals, nonprofit organizations and commercial businesses agree to comply with all applicable standards, orders, or requirements issued under the Clean Air Act (42 U.S.C. 7401 et seq.), as amended, and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended.

Smoke-Free Workplace Certification

(Applicable to agreements that provide health, day care, early childhood development services, education or library services to children under 18 directly or through local governments.)

- a. Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed.
- b. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible party.
- c. By signing this Agreement, Contractor certifies that it will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The prohibitions herein are effective December 26, 1994.
- d. Contractor further agrees that it will insert this certification into any subawards (~~subcontracts or subgrants~~) entered into that provide for children's services as described in the Act.

Use of Small, Minority Owned and Women's Businesses

Positive efforts shall be made to use small businesses, minority-owned firms and women's business enterprises, whenever possible (i.e., procurement of goods and/or services). Contractors shall take all of the following steps to further this goal.

- (1) Ensure that small businesses, minority-owned firms, and women's business enterprises are used to the fullest extent practicable.
- (2) Make information on forthcoming purchasing and contracting opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small businesses, minority-owned firms, and women's business enterprises.
- (3) Consider in the contract process whether firms competing for larger contracts intend to subcontract with small businesses, minority-owned firms, and women's business enterprises.

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

- (4) Encourage contracting with consortiums of small businesses, minority-owned firms and women's business enterprises when a contract is too large for one of these firms to handle individually.
- (5) Use the services and assistance, as appropriate, of such organizations as the Federal Small Business Administration and the U.S. Department of Commerce's Minority Business Development Agency in the solicitation and utilization of small businesses, minority-owned firms and women's business enterprises.

Human Subjects Use Requirements

(Applicable only to agreements that include any tests or examination of materials derived from the human body.)

By signing this Agreement, Contractor agrees that if any performance under this Agreement or any subcontract or subagreement includes any tests or examination of materials derived from the human body for the purpose of providing information, diagnosis, prevention, treatment or assessment of disease, impairment, or health of a human being, all locations at which such examinations are performed shall meet the requirements of 42 U.S.C. Section 263a (CLIA) and the regulations thereunder.

Financial and Compliance Audit Requirements

By signing this Agreement, the Contractor/Subcontractor agrees to abide by all requirements specified in 2 CFR 200 *et seq.*, 2 CFR *et seq.*, as applicable, including but not limited to obtaining an annual audit, and any subsequent federal regulatory additions or revisions.

- a. The definitions used in this provision are contained in Section 38040 of the Health and Safety Code, which by this reference is made a part hereof.
- b. Direct service contract means a contract or agreement for services contained in local assistance or subvention programs or both (see Health and Safety [H&S] Code section 38020). Direct service contracts shall not include contracts, agreements, grants, or subventions to other governmental agencies or units of government nor contracts or agreements with regional centers or area agencies on aging (H&S Code section 38030).
- c. The Contractor, as indicated below, agrees to obtain one of the following audits:
 - (1) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives \$25,000 or more from any State agency under a direct service contract or agreement; the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit. Said audit shall be conducted according to Generally Accepted Auditing Standards. This audit does not fulfill the audit requirements of Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**
 - (2) If the Contractor is a nonprofit organization (as defined in H&S Code section 38040) and receives less than \$25,000 per year from any State agency under a direct service contract or agreement; the Contractor agrees to obtain a biennial single, organization wide financial and compliance audit, unless there is evidence of fraud or other violation of state law in connection with this Agreement. This audit does not fulfill the audit requirements of

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

Paragraph c(3) below. The audit shall be completed by the 15th day of the fifth month following the end of the Contractor's fiscal year, **and/or**

- (3) If the Contractor is a State or Local Government entity or Nonprofit organization (as defined in 2CFR Part 200) and expends \$750,000 or more in Federal awards, the Contractor agrees to obtain an annual single, organization wide, financial and compliance audit according to the requirements specified in 2CFR Part 200. An audit conducted pursuant to this provision will fulfill the audit requirements outlined in Paragraphs c(1) and c(2) above. The audit shall be completed by the end of the ninth month following the end of the audit period. The requirements of this provision apply if:
- (a) The Contractor is a recipient expending Federal awards received directly from Federal awarding agencies, or
 - (b) The Contractor is a subrecipient expending Federal awards received from a pass-through entity such as the State, County or community based organization.
- (4) If the Contractor submits to CDPH a report of an audit other than a single audit, the Contractor must also submit a certification indicating the Contractor has not expended \$750,000 or more in federal funds for the year covered by the audit report.
- d. Two copies of the audit report shall be delivered to the CDPH program funding this Agreement. The audit report must identify the Contractor's legal name and the number assigned to this Agreement. The audit report shall be due within 30 days after the completion of the audit. Upon receipt of said audit report, the CDPH Program Contract Manager shall forward the audit report to CDPH's Audits and Investigations Unit if the audit report was submitted under Section 16.c(3), unless the audit report is from a City, County, or Special District within the State of California whereby the report will be retained by the funding program.
 - e. The cost of the audits described herein may be included in the funding for this Agreement up to the proportionate amount this Agreement represents of the Contractor's total revenue. The CDPH program funding this Agreement must provide advance written approval of the specific amount allowed for said audit expenses.
 - f. The State or its authorized designee, including the Bureau of State Audits, is responsible for conducting agreement performance audits which are not financial and compliance audits. Performance audits are defined by Generally Accepted Government Auditing Standards.
 - g. Nothing in this Agreement limits the State's responsibility or authority to enforce State law or regulations, procedures, or reporting requirements arising thereto.
 - h. Nothing in this provision limits the authority of the State to make audits of this Agreement, provided however, that if independent audits arranged for by the Contractor meet Generally Accepted Governmental Auditing Standards, the State shall rely on those audits and any additional audit work and shall build upon the work already done.
 - i. The State may, at its option, direct its own auditors to perform either of the audits described above. The Contractor will be given advance written notification, if the State chooses to exercise its option to perform said audits.
 - j. The Contractor shall include a clause in any agreement the Contractor enters into with the audit firm doing the single organization wide audit to provide access by the State or Federal Government to the working papers of the independent auditor who prepares the single

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

organization wide audit for the Contractor.

- k. Federal or state auditors shall have "expanded scope auditing" authority to conduct specific program audits during the same period in which a single organization wide audit is being performed, but the audit report has not been issued. The federal or state auditors shall review and have access to the current audit work being conducted and will not apply any testing or review procedures which have not been satisfied by previous audit work that has been completed.

The term "expanded scope auditing" is applied and defined in the U.S. General Accounting Office (GAO) issued Standards for *Audit of Government Organizations, Programs, Activities and Functions*, better known as the "yellow book".

Audit and Record Retention

(Applicable to agreements in excess of \$10,000.)

- a. The Contractor shall maintain books, records, documents, and other evidence, accounting procedures and practices, sufficient to properly reflect all direct and indirect costs of whatever nature claimed to have been incurred in the performance of this Agreement, including any matching costs and expenses. The foregoing constitutes "records" for the purpose of this provision.
- b. The Contractor's facility or office or such part thereof as may be engaged in the performance of this Agreement and his/her records shall be subject at all reasonable times to inspection, audit, and reproduction.
- c. Contractor agrees that CDPH, the Department of General Services, the Bureau of State Audits, or their designated representatives including the Comptroller General of the United States shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, the Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (GC 8546.7, CCR Title 2, Section 1896).
- d. The Contractor shall preserve and make available his/her records (1) for a period of three years from the date of final payment under this Agreement, and (2) for such longer period, if any, as is required by applicable statute, by any other provision of this Agreement, or by subparagraphs (1) or (2) below.
 - (1) If this Agreement is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three years from the date of any resulting final settlement.
 - (2) If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three-year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular three-year period, whichever is later.
- e. The Contractor shall comply with the above requirements and be aware of the penalties for violations of fraud and for obstruction of investigation as set forth in Public Contract Code §

ADMINISTRATIVE POLICES AND PROCEDURES

EXHIBIT F

10115.10, if applicable.

- f. The Contractor may, at its discretion, following receipt of final payment under this Agreement, reduce its accounts, books and records related to this Agreement to microfilm, computer disk, CD ROM, or other data storage medium. Upon request by an authorized representative to inspect, audit or obtain copies of said records, the Contractor and/or Subcontractor must supply or make available applicable devices, hardware, and/or software necessary to view, copy and/or print said records. Applicable devices may include, but are not limited to, microfilm readers and microfilm printers, etc.
- g. The Contractor shall, if applicable, comply with the Single Audit Act and the audit reporting requirements set forth in Title 2 of the Code of Federal Regulations, Part 200 (2CFR Part 200).

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

GTC 610

GENERAL TERMS AND CONDITIONS

APPROVAL:

This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

AMENDMENT:

No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

ASSIGNMENT:

This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

AUDIT:

Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

INDEMNIFICATION:

Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

DISPUTES:

Contractor shall continue with the responsibilities under this Agreement during any dispute.

TERMINATION FOR CAUSE:

The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

INDEPENDENT CONTRACTOR:

Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

RECYCLING CERTIFICATION:

The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

NON-DISCRIMINATION CLAUSE:

During the performance of this Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (e.g., cancer), age (over 40), marital status, and denial of family care leave. Contractor and subcontractors shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other Agreement.

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

CERTIFICATION CLAUSES:

The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 307 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

TIMELINESS:

Time is of the essence in this Agreement.

COMPENSATION:

The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

GOVERNING LAW:

This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

ANTITRUST CLAIMS:

The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1) "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2) "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

CHILD SUPPORT COMPLIANCE ACT:

For any Agreement in excess of \$100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

UNENFORCEABLE PROVISION:

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

PRIORITY HIRING CONSIDERATIONS:

If this Contract includes services in excess of \$200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. [PCC 10344(e)].

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

APPENDIX 1

FEDERAL FINANCIAL PARTICIPATION (FFP) GUIDANCE FOR MCAH AGENCIES

Function Code 1 Outreach	
This function code is to be used by all staff (SPMP and Non-SPMP) when performing activities that inform Medi-Cal eligible or potentially eligible individuals, as well as other clients, about health services covered by Medi-Cal and how to access the health programs. Activities include a combination of oral and written informing methods that describe the range of services available through the Medi-Cal program and the benefits of preventive or remedial health care offered by the Medi-Cal program.	
SCOPE ACTIVITY EXAMPLES	
1	Helping client review Medi-Cal related documents for enrolling in Medi-Cal.
2	Helping client review Medi-Cal related documents for medical and mental health providers that accept Medi-Cal.
3	Providing information and assistance on transportation related to accessing Medi-Cal services.
4	Assisting client to schedule appointments that are related to Medi-Cal health services.
5	Developing Annual Community Resource Guide including Medi-Cal services and providers to increase access to care.
6	Assisting client to access Medi-Cal services or care and helping them to understand the need for treatment and follow up.
7	Developing a brochure that provides information regarding available Medi-Cal services.
8	Home Visitor/Case Manager completed assessment form with client to determine appropriate referrals to Medi-Cal services.
9	Hosting a table at a health fair and encouraging participation in Medi-Cal or services funded by Medi-Cal.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

Function Code 2	
SPMP Administrative Medical Case Management	
This function code is to be used only by SPMPs when participating in medical reviews; assessing the necessity for and types of medical care associated with medical case management and case coordination activities required by individual Medi-Cal beneficiaries.	
SCOPE ACTIVITY EXAMPLES	
1	Case management of Medi-Cal clients regarding a medical problem such as hypertension, gestational diabetes, pre-term labor etc. (including home visits and related activities such as chart reviews, visit preparation, charting, travel time, appointment confirmation, data collection, etc.) - refer to specialists as needed.
2	Provide assistance to develop protocols that address clinical and health issues and medical, dental and mental health services.
3	Consult with clients to assist them in understanding and identifying health problems and recognizing the need for and value of preventive health care.
4	PHN or SPMP making an assessment on a Medi-Cal client whose condition indicates further screening and referral to Medi-Cal provider.
5	Assist Medi-Cal client in contacting her physician for clarification on a specific medical condition such as gestational diabetes and its effect on her pregnancy.
6	Provide clinical expertise to the case manager about client's infant that is not achieving height/weight goals for age and its potential causes.
7	PHN or SPMP completed assessment form during Life Planning meeting with participants to determine appropriate referrals to Medi-Cal services.
8	PHN/RN consults with Medi-Cal provider in regard to client or infant's health needs.
9	SPMP consult with Mental Health provider with regards to participant mental health needs.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

Function Code 3	
SPMP Intra/Interagency Coordination, Collaboration and Administration	
This function code is to be used only by SPMPs when performing collaborative activities that involve planning and resource development with other agencies which will improve the cost effectiveness of the (Medi-Cal) health care delivery system and improve availability of medical services.	
SCOPE ACTIVITY EXAMPLES	
1	SPMP participation in conference calls with other agencies to better serve Medi-Cal and Medi-Cal eligible participants to improve access to Medi-Cal services for high-risk, pregnant and postpartum clients.
2	Monitor the health status of the MCAH population including disparities and social determinants of health and work with local leadership to address identified issues.
3	Provide assistance to Medi-Cal OB providers to become CPSP providers and implement CPSP.
4	Collaborate with other agencies in planning to address unmet needs to improve access to Medi-Cal health and dental services and decrease barriers to care.
5	Work with community collaboratives, Medi-Cal and Medi-Cal Managed Care plans/providers to decrease barriers to drug treatment services for Medi-Cal enrolled pregnant and parenting women and their partners.
6	Work with California Children's Services or other collaboratives to improve care coordination for children with special health care needs.
7	SPMP attends interagency meetings to discuss and develop ways to reduce barriers and increase participation in Medi-Cal funded services.
8	Using skilled professional medical expertise, identify & interact with local health care providers, key informants in the community, managed care plans, coalitions, etc. for the purpose of: <ul style="list-style-type: none"> • Identifying gaps and services to better assist underserved populations and needs in the community. • Sharing data & analysis based on findings. • Developing shared policies or protocols to address identified needs. • Assisting the collaborative to develop a QA or QI plan to ensure the effectiveness of the collaborative's activities.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

Function Code 4	
Non-SPMP Intra/Interagency Collaboration and Coordination	
This function code is to be used by non-SPMP staff (or SPMP staff in which their medical expertise is not necessary) when performing activities that are related to program planning functions, including collaborative and intra/interagency coordination activities.	
SCOPE ACTIVITY EXAMPLES	
1	Meet with other Public Health programs to discuss collaborative activities to better serve the Medi-Cal population.
2	Participate in conference calls to encourage providers to increase the number of Medi-Cal clients they accept and educate them on Presumptive Eligibility.
3	Coordinate logistics for MCAH Collaborative groups whose purpose includes improving access to Medi-Cal Services.
4	Contact and coordinate with dental practices in the County to develop a resource directory of services provided to Medi-Cal/Denti-Cal clients.
5	Prepare for MCAH local Advisory Board meetings to improve coordination of healthcare services in a seamless delivery system.
6	Collaborate with mental health, substance use and other agencies to identify resources that will facilitate client access to mental health/substance use services.

Function Code 5	
Program Specific Administration	
This function code is to be used by all staff when performing activities that are related to (Medi-Cal) program specific administration.	
SCOPE ACTIVITY EXAMPLES	
1	Maintaining and monitoring program information - entering all client data into a program tracking database.
2	Attending Medi-Cal outreach eligibility and enrollment training.
3	Monthly supervision meetings to identify/address gaps in service delivery and provide support to case managers in Medi-Cal enrollment and access to care.
4	Plan outreach activities to Medi-Cal eligible individuals to facilitate access and linkage to Medi-Cal enrollment and services.
5	Consult and provide technical assistance to MCAH staff regarding Medi-Cal policy development and administration.
6	Inputting time study data, reviewing time study data for invoicing.
7	Develop MCAH budget and monitor Title XIX reimbursement expenditures.
8	Under the direction of the SPMP, to improve collaboration with California Children's Services (and other relevant Medi-Cal programs); coordinate and convene stakeholder meetings.
9	Assisting the SPMP to implement MCAH including policies and procedures that support the Medi-Cal population.
10	Training and orientation for use of FFP for non SPMP staff.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

Function Code 6 SPMP Training	
This function code is to be used only when training is provided for or by SPMPs and only when the training activities directly relate to the SPMP's performance of specifically allowable SPMP administrative activities.	
SCOPE ACTIVITY EXAMPLES	
1	Attending training on new treatment modalities for pregnant and postpartum women including hypertension, mental health issues, etc.
2	Using skilled medical expertise to present or conduct professional training to health care providers that will improve quality of care i.e. risk factors for prematurity, LBW, infant mortality.
3	Attend expert trainings and professional education in-services relevant to the role of the medical professional and to administration of MCAH Programs to facilitate access to Medi-Cal services.
4	Attend professional education for SPMP Medical Case Management to increase skills of SPMP to better facilitate access to care for Medi-Cal clients and Medi-Cal eligible.
5	SPMP specific activities of New Director's (must be SPMP) Training related to barriers and access to care of Medi-Cal and Denti-Cal services.
6	Orientation and training of new SPMP staff regarding FFP rules and regulations as they pertain to an SPMP.
7	Travel related to any of the above mentioned trainings.

Function Code 7 Non-SPMP Training	
This function code is to be used by all staff (SPMP and Non-SPMP) when training relates to Non-SPMP allowable (Medi-Cal) administrative activities and to the medical care of clients.	
SCOPE ACTIVITY EXAMPLES	
1	C.M.s/Supervisors receive training on infant/maternal mortality, LBW, and prematurity to facilitate client enrollment and linkage to appropriate Medi-Cal services.
2	CM's/Supervisors receive instruction or provide staff training on how to complete the FFP Log and secondary documentation.
3	Training a new staff member to their responsibilities relative to Medi-Cal enrollment and referral services.
4	Training Community Health Workers in areas of health related topics and assisting clients to access medical care.
5	Staff attending a Health Disparities training including barriers to enrollment in Medi-Cal.
6	Travel related to any of the above trainings.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

Function Code 8	
SPMP Program Planning and Policy Development	
This function code is to be used only by SPMPs and only when performing (Medi-Cal) program planning and policy development activities. The SPMP's tasks must officially involve program planning and policy development, and those tasks must be identified in the employee's position description/duty statement.	
SCOPE ACTIVITY EXAMPLES	
1	Meeting with Medi-Cal providers to develop referral protocols for women with risk factors for adverse birth outcomes.
2	Meeting with dental providers to increase access to dental services for pregnant or postpartum women.
3	Review of local perinatal statistics to identify gaps in services in order to develop strategies to address adequacy of services related to birth outcomes.
4	Develop professional health related educational materials for MCAH staff training to meet policy directives.
5	Reviewing and modifying Policies and Procedures including Medi-Cal enrollment eligibility, referral processes and barriers to access to care.
6	Participate in the planning, implementation, and evaluation of MCAH services that relate to the Medi-Cal programs.
7	MCAH Directors and PSC's work with Medi-Cal Managed Care plans to ensure access to appropriate care.
8	Provide technical assistance to ensure policies increase access to/ utilization of Medi-Cal services.
Function Code 9	
Quality Management by Skilled Professional Medical Personnel	
This function code is to be used only by SPMPs and only when performing quality management activities (that benefit the Medi-Cal eligible population).	
SCOPE ACTIVITY EXAMPLES	
1	Reviewing client charts for quality case management to ensure appropriate follow-up and access to Medi-Cal services.
2	Reviewing staff work, e.g. time study and secondary documentation for meeting the FFP requirements.
3	Assess and review the capacity of the agency and its providers to deliver medically appropriate health assessment, preventive health services and medical care, and respond to appeals on medical quality of care issues.
4	Assess and review population needs and capacity of the agency to provide services or the need to refer to appropriate Medi-Cal services.
5	Develop, implement and monitor MCAH program implementation and outcome data for quality assurance.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for MCAH Agencies

Function Code 10 Non-Program Specific General Administration	
This function code is to be used by all staff when performing non-program specific administrative activities that relate to multiple functions or to no specific, identifiable functions due to the general nature of the activities. This is an allocated function code. Time recorded under this function code will be prorated amongst all programs (BIH, MCAH, AFLP etc.) included in the time study and matched and unmatched function codes. The portion allocated as matchable may only be matched at the Non-Enhanced rate.	
1	Attend Public Health Safety Meeting.
2	Management Academy classes, annual mandatory Airborne/Blood Borne Pathogen Training.
3	Develop and provide health promotion activities for agency employees.
4	Staff attend agency meetings and non-MCAH related trainings such as HIPAA, Safety Training, Sexual Harassment.

Function Code 11 Other Activities	
This function code is to be used by all staff to record time performing activities which are in the MCAH SOW but not specific to the administration of the Medi-Cal program. These activities do not qualify for FFP match.	
SCOPE ACTIVITY EXAMPLES	
1	Client events including workshops, graduation, parenting, health education, and domestic violence classes.
2	Meeting with a MCAH client to help them create an educational or career plan.
3	Home visits or portions thereof with clients that focus on non Medi-Cal covered services.
4	Outreach, program planning and policy development activities of non-Medi-Cal programs financed by other federal and state programs.
5	All SIDS risk reduction educational activities.
6	Assistance to obtain shelter, housing, transportation to non-Medi-Cal related services.

Function Code 12 Paid Time Off	
This function code is to be used by all staff to record usage of paid leave, holiday, vacation, sick leave or any paid leave other than CTO. This is an allocated function code. Time recorded under this function code will be prorated amongst all programs (BIH, MCAH, AFLP etc.) included in the time study and matched and unmatched function codes. CMS permits the matchable amount to be proportionately distributed between Enhanced and Non-Enhanced rates.	
1	Paid time off for a Holiday.
2	Paid time off for sick leave.
3	Paid time off for vacation.
4	Paid time off for jury duty.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for BIH Agencies

APPENDIX 2

FEDERAL FINANCIAL PARTICIPATION (FFP) GUIDANCE FOR BIH AGENCIES

Function Code 1 Outreach	
This function code is to be used by all staff (SPMP and Non-SPMP) when performing activities that inform Medi-Cal eligible or potentially eligible individuals, as well as other clients, about health services covered by Medi-Cal and how to access the health programs. Activities include a combination of oral and written informing methods that describe the range of services available through the Medi-Cal program and the benefits of preventive or remedial health care offered by the Medi-Cal program.	
SCOPE ACTIVITY EXAMPLES	
1	FHA completed assessment form during Life Planning meetings with participants to determine appropriate referrals to Medi-Cal services.
2	Helping client review Medi-Cal related documents for enrolling in Medi-Cal.
3	Helping client review Medi-Cal related documents for medical and mental health providers that accept Medi-Cal.
4	Providing information and assistance on transportation related to accessing Medi-Cal services.
5	Assisting client to schedule appointments that are related to Medi-Cal health services.
6	Developing Annual Community Resource Guide including Medi-Cal services and providers to increase access to care.
7	Assisting client to access Medi-Cal services or care and helping them to understand the need for treatment and follow up.
8	Developing a brochure that provides information regarding available Medi-Cal services.
9	Hosting a table at a health fair and encouraging participation in Medi-Cal or services funded by Medi-Cal.
10	Non-SPMPs may use this code when providing case management/care coordination that meets the FFP objectives.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for BIH Agencies

Function Code 2	
SPMP Administrative Medical Case Management	
This function code is to be used only by SPMPs when participating in medical reviews; assessing the necessity for and types of medical care associated with medical case management and case coordination activities required by individual Medi-Cal beneficiaries.	
SCOPE ACTIVITY EXAMPLES	
1	Case management of Medi-Cal clients regarding a medical problem such as hypertension, gestational diabetes, pre-term labor etc. (including home visits and related activities such as chart reviews, visit preparation, charting, travel time, appointment confirmation, data collection, etc.) - refer to a Medi-Cal specialist as needed.
2	Provide assistance to develop protocols that address clinical issues, including medical, dental and mental health services.
3	Consult with clients to assist them in understanding and identifying health problems and recognizing the need for and value of preventive health care - refer to Medi-Cal provider as needed.
4	PHN or MHP making an assessment on a Medi-Cal client whose condition indicates further screening and referral to Medi-Cal provider.
5	Assist Medi-Cal client in contacting her physician for clarification on a specific medical condition such as gestational diabetes and its effect on her pregnancy.
6	Provide clinical expertise to the case manager about client's infant that is not achieving height/weight goals for age and its potential causes.
7	PHN or MHP completed assessment form during Life Planning meetings with participants to determine appropriate referrals to Medi-Cal services.
8	PHN/RN Consult with Medi-Cal provider in regard to client or infant's health needs.
9	MHP Consult with Mental Health provider in regard to participant mental health needs.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for BIH Agencies

Function Code 3	
SPMP Intra/Interagency Coordination, Collaboration and Administration	
This function code is to be used only by SPMPs when performing collaborative activities that involve planning and resource development with other agencies which will improve the cost effectiveness of the (Medi-Cal) health care delivery system and improve availability of medical services.	
SCOPE ACTIVITY EXAMPLES	
1	SPMP participation in conference calls with other agencies to better serve Medi-Cal and Medi-Cal eligible participants to improve access to Medi-Cal services for high-risk, pregnant and postpartum clients.
2	Collaborate with other agencies in health care planning and resource development to improve the access and quality of the health care delivery system and decrease barriers in accessing Medi-Cal health and dental services.
3	Work with community collaborative, Medi-Cal and Medi-Cal Managed Care plans/providers to decrease barriers to drug treatment, mental health and prenatal care services for Medi-Cal enrolled pregnant and parenting women.
4	SPMP attending interagency meetings to discuss ways to reduce barriers and increase participation in Medi-Cal funded services.
5	Using skilled professional medical expertise, identify and interact with local health care providers, key informants in the community, managed care plans, coalitions, etc. for the purpose: <ul style="list-style-type: none"> • Identifying gaps and services to better assist underserved populations and needs in the community. • Sharing data and analysis based on findings.

Function Code 4	
Non-SPMP Intra/Interagency Collaboration and Coordination	
This function code is to be used by non-SPMP staff (or SPMP staff in which their medical expertise is not necessary) when performing activities that are related to program planning functions, including collaborative and intra/interagency coordination activities.	
SCOPE ACTIVITY EXAMPLES	
1	Meet with other Public Health programs to discuss collaborative activities to serve the Medi-Cal population.
2	Participate in discussions with perinatal providers to encourage them to increase the number of Medi-Cal clients they accept and educate them on Presumptive Eligibility.
3	Coordinate logistics for BIH Collaborative groups, BIH Advisory Board and others whose purpose includes improving access to Medi-Cal Services. This may include creating MOUs/interagency agreements for the coordination of services and/or referrals.
4	Contact and coordinate with dental practices in the County to develop a resource directory of services provided to Medi-Cal/Denti-Cal clients.
5	Collaborating with mental health, substance abuse and other agencies to link clients to services.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for BIH Agencies

Function Code 5 Program Specific Administration	
This function code is to be used by all staff when performing activities that are related to (Medi-Cal) program specific administration.	
SCOPE ACTIVITY EXAMPLES	
1	Maintaining and monitoring program information - entering all client data into the ETO.
2	Attending Medi-Cal outreach eligibility and enrollment training.
3	Monthly supervision meetings to identify/address areas of concern in service delivery and provide support to case managers in Medi-Cal enrollment and access to care.
4	Plan CM activities including outreach regarding Medi-Cal and Medi-Cal covered services.
5	Consults with BIH staff to review job performance activities, client caseloads, including enrolling in Medi-Cal and access to care, and provide supervision.
6	Inputting time study data, reviewing time study data for invoicing.
7	Develop BIH budget and monitor Title XIX reimbursement expenditures.
8	Assisting the SPMP to implement BIH including policies and procedures that support the Medi-Cal population. For example, how to do outreach / how to do referrals / how to connect with Medi-Cal.
9	Training and orientation for use of FFP for non SPMP staff.

Function Code 6 SPMP Training	
This function code is to be used only when training is provided for or by SPMPs and only when the training activities directly relate to the SPMP's performance of specifically allowable SPMP administrative activities.	
SCOPE ACTIVITY EXAMPLES	
1	Attending training on new treatment modalities for pregnant and postpartum women including hypertension, Mental Health issues, etc.
2	Using skilled medical expertise to present or conduct professional training to health care providers that will improve quality of care i.e. risk factors for prematurity, LBW, infant mortality.
3	Attend expert trainings and professional education in-services relevant to the role of the medical professional and to administration of BIH Programs to facilitate access to Medi-Cal services.
4	Attend professional education for SPMP Medical Case Management to increase skills of SPMP to better facilitate access to care for Medi-Cal clients and Medi-Cal eligible.
5	SPMP specific activities. Training for new Director's on Medi-Cal related topics such as training related to barriers and access to care of Medi-Cal and Denti-Cal services.
6	Orientation and training of new SPMP staff regarding FFP rules and regulations as they pertain to an SPMP.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for BIH Agencies

Function Code 7 Non-SPMP Training	
This function code is to be used by all staff (SPMP and Non-SPMP) when training relates to Non-SPMP allowable (Medi-Cal) administrative activities and to the medical care of clients.	
SCOPE ACTIVITY EXAMPLES	
1	C.M.s/Supervisors receive training on infant/maternal mortality, LBW, preventative health care and prematurity to facilitate client enrollment and linkage to appropriate Medi-Cal services.
2	CM's/Supervisors receive instruction or provide staff training on how to complete the FFP time study and secondary documentation.
3	Training a new staff member to their responsibilities relative to Medi-Cal enrollment and referral services.
4	Provide training to external Community Health Workers in areas of health related topics and assisting clients to access medical care.
5	PHN or MHP assessing medical or mental health needs of participants in order to facilitate referrals.
6	The portion of trainings, orientations or meetings that are related to health disparities, FFP or Medi-Cal services.

Function Code 8 SPMP Program Planning and Policy Development	
This function code is to be used only by SPMPs and only when performing (Medi-Cal) program planning and policy development activities. The SPMP's tasks must officially involve program planning and policy development, and those tasks must be identified in the employee's position description/duty statement.	
SCOPE ACTIVITY EXAMPLES	
1	MCAH director, PSC, BIH coordinator meeting with Medi-Cal providers to develop referral protocols for women with risk factors for adverse birth outcomes.
2	Meeting with dental providers to increase access to dental services for pregnant or postpartum women.
3	Review of local perinatal statistics to identify gaps in services in order to develop strategies to address adequacy of services related to birth outcomes.
4	Develop professional educational materials for BIH staff training to meet policy instructions.
5	Reviewing and modifying policies and procedures including Medi-Cal enrollment eligibility, referral processes and barriers to access care.
6	Participate in the planning, implementation, and evaluation of BIH services that relate to the Medi-Cal programs.
7	Staff attending a Health Disparities training including barriers to enrollment in Medi-Cal services and access to care.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for BIH Agencies

Function Code 9	
Quality Management by Skilled Professional Medical Personnel	
This function code is to be used only by SPMPs and only when performing quality management activities (that benefit the Medi-Cal eligible population).	
SCOPE ACTIVITY EXAMPLES	
1	Reviewing client charts for quality case management to ensure appropriate follow-up and access to Medi-Cal services.
2	Reviewing staff work, e.g. time study and secondary documentation for meeting the FFP requirements.
3	Implement continuous quality improvement activities as stated in the BIH Policies and Procedures manual.
4	Assess and review population needs and capacity of the agency to provide services or the need to refer to appropriate Medi-Cal services.
5	Develop, implement and monitor BIH quality assurance for ETO data.

Function Code 10	
Non-Program Specific General Administration	
This function code is to be used by all staff when performing non-program specific administrative activities that relate to multiple functions or to no specific, identifiable functions due to the general nature of the activities. This is an allocated function code. Time recorded under this function code will be prorated amongst all programs (BIH, MCAH, AFLP etc.) included in the time study and matched and unmatched function codes. The portion allocated as matchable may only be matched at the Non-Enhanced rate.	
SCOPE ACTIVITY EXAMPLES	
1	Agency related activities, such as, fire drills.
2	Management Academy classes, annual mandatory Airborne/Bloodborne Pathogen Training.
3	Develop and provide health promotion activities for agency employees.
4	Staff attend agency meetings and non-BIH related trainings such as HIPAA, Safety Training, Sexual Harassment or County New Employee Orientation.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for BIH Agencies

Function Code 11 Other Activities	
This function code is to be used by all staff to record time performing activities which are in the BIH SOW but not specific to the administration of the Medi-Cal program. These activities do not qualify for FFP match.	
SCOPE ACTIVITY EXAMPLES	
1	Client events including workshops, graduation, parenting, health education, and domestic violence classes that do not result in a Medi-Cal referral.
2	Meeting with a BIH client to help them create an educational or career plan.
3	Home visits with clients that focus on non-medical issues such as relationships, child development and parenting concerns.
4	Program planning for "Social Support and Empowerment" activities.
5	All SIDS risk reduction educational activities.
6	Assistance to obtain shelter, housing, car seats, transportation (basic needs).

Function Code 12 Paid Time Off	
This function code is to be used by all staff to record usage of paid leave, holiday, vacation, sick leave or any paid leave other than CTO. This is an allocated function code. Time recorded under this function code will be prorated amongst all programs (BIH, MCAH, AFLP etc.) included in the time study and matched and unmatched function codes. CMS permits the matchable amount to be proportionately distributed between Enhanced and Non-Enhanced rates.	
1	Paid time off for a holiday.
2	Paid time off for sick leave.
3	Paid time off for vacation.
4	Paid time off for jury duty.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for AFLP Agencies

APPENDIX 3

FEDERAL FINANCIAL PARTICIPATION (FFP) GUIDANCE FOR AFLP AGENCIES

Function Code 1 Outreach	
This function code is to be used by all staff (SPMP and Non-SPMP) when performing activities that inform Medi-Cal eligible or potentially eligible individuals, as well as other clients, about health services covered by Medi-Cal and how to access the health programs. Activities include a combination of oral and written informing methods that describe the range of services available through the Medi-Cal program and the benefits of preventive or remedial health care offered by the Medi-Cal program.	
SCOPE ACTIVITY EXAMPLES	
1	Case manager completed assessment form during visits with participants to determine appropriate referrals to Medi-Cal services.
2	Helping client review Medi-Cal related documents for enrolling in Medi-Cal.
3	Helping client review Medi-Cal related documents for medical and mental health providers that accept Medi-Cal.
4	Providing information and assistance on transportation related to accessing Medi-Cal services.
5	Assisting client to schedule appointments that are related to Medi-Cal health services.
6	Developing and/or distributing a resource guide including Medi-Cal services and providers to increase access to care.
7	Assisting client to access Medi-Cal services or care and helping them to understand the need for treatment and follow up.
8	Hosting a table at a health fair and encouraging participation in Medi-Cal or services funded by Medi-Cal.

Function Code 2 SPMP Administrative Medical Case Management	
This function code is to be used only by SPMPs when participating in medical reviews; assessing the necessity for and types of medical care associated with medical case management and case coordination activities for Medi-Cal eligible required by individual Medi-Cal beneficiaries.	
SCOPE ACTIVITY EXAMPLES	
1	Case management of Medi-Cal clients regarding a medical problem such as hypertension, gestational diabetes, pre-term labor etc. (including home visits and related activities such as chart reviews, visit preparation, charting, travel time, appointment confirmation, data collection, etc.) - refer to specialists as needed.
2	PHN or MHP assessing medical or mental health needs of participants in order to facilitate referrals.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for AFLP Agencies

Function Code 3	
SPMP Intra/Interagency Coordination, Collaboration and Administration	
This function code is to be used only by SPMPs when performing collaborative activities that involve planning and resource development with other agencies which will improve the cost effectiveness of the (Medi-Cal) health care delivery system and improve availability of medical services.	
SCOPE ACTIVITY EXAMPLES	
1	SPMP participation in conference calls with other agencies to better serve Medi-Cal and Medi-Cal eligible participants to improve access to Medi-Cal services for high-risk, pregnant and postpartum clients.
2	Collaborate with other agencies in planning to address unmet needs to provide access to Medi-Cal health and dental services and decrease barriers to care.
3	Work with community collaborative, Medi-Cal and Medi-Cal Managed Care plans/providers to decrease barriers to drug treatment services for Medi-Cal enrolled pregnant and parenting women.
4	SPMP attending interagency meetings to discuss ways to reduce barriers and increase participation in Medi-Cal funded services.
5	Using skilled professional medical expertise, identify & interact with local health care providers, key informants in the community, managed care plans, coalitions, etc. for the purpose: <ul style="list-style-type: none"> • identifying gaps and services to better assist underserved populations and needs in the community • sharing data& analysis based on findings

Function Code 4	
Non-SPMP Intra/Interagency Collaboration and Coordination	
This function code is to be used by non-SPMP staff (or SPMP staff in which their medical expertise is not necessary) when performing activities that are related to program planning functions, including collaborative and intra/interagency coordination activities.	
SCOPE ACTIVITY EXAMPLES	
1	Meet with other public health, education, and other community programs to discuss collaborative activities to serve the Medi-Cal population.
2	Office Assistant staff coordinate logistics for AFLP Collaborative groups whose purpose includes improving access to Medi- Cal Services.
3	Contact and coordinate with dental practices in the County to develop a resource directory of services provided to Medi-Cal/Denti-Cal clients.
4	Collaborating with mental health, substance abuse and other agencies to link clients to services.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for AFLP Agencies

Function Code 5 Program Specific Administration	
This function code is to be used by all staff when performing activities that are related to (Medi-Cal) program specific administration.	
SCOPE ACTIVITY EXAMPLES	
1	Maintaining and monitoring program information - entering all client data into Lodestar.
2	Attending Medi-Cal outreach eligibility and enrollment training.
3	Monthly supervision meetings to identify/address areas of concern in service delivery and provide support to case managers in Medi-Cal enrollment and access to care.
4	Plan CM activities including outreach regarding Medi-Cal and Medi-Cal covered Services.
5	Consults with AFLP staff to review job performance activities, client caseloads, including enrolling in Medi-Cal and access to care, and provide supervision.
6	Inputting time study data, reviewing time study data for invoicing.
7	Develop AFLP budget and monitor Title XIX reimbursement expenditures.
8	Assisting the SPMP to implement AFLP including policies and procedures that support the Medi-Cal population. For example, how to do outreach / how to do referrals / to connect with Medi-Cal.
9	Develop training and orientation for use of FFP for non SPMP staff.

Function Code 6 SPMP Training	
This function code is to be used only when training is provided for or by SPMPs and only when the training activities directly relate to the SPMP's performance of specifically allowable SPMP administrative activities.	
SCOPE ACTIVITY EXAMPLES	
1	Attending training on new treatment modalities for pregnant and postpartum women including hypertension, mental health issues, etc.
2	Using skilled medical expertise to present or conduct professional training to health care providers that will improve quality of care i.e. trauma informed care, risk factors for prematurity, LBW, infant mortality.
3	Attend expert trainings and professional education in-services relevant to the role of the medical professional and to administration of AFLP programs to facilitate access to Medi-Cal services.
4	Attend professional education for SPMP Medical Case Management to increase skills of SPMP to better facilitate access to care for Medi-Cal clients and Medi-Cal eligible.
5	SPMP Specific activities. Training for new Director/Coordinator on Medi-Cal related topics such as training related to barriers and access to care of Medi-Cal and Denti-Cal services.
6	Orientation and training of new SPMP staff regarding FFP rules and regulations as they pertain to an SPMP.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for AFLP Agencies

Function Code 7 Non-SPMP Training	
This function code is to be used by all staff (SPMP and Non-SPMP) when training relates to Non-SPMP allowable (Medi-Cal) administrative activities and to the medical care of clients.	
SCOPE ACTIVITY EXAMPLES	
1	CMs/Supervisors receive training on prenatal health, interconception health, infant/maternal mortality, LBW, and prematurity to facilitate client enrollment and linkage to appropriate Medi-Cal services.
2	CM's/Supervisors receive instruction or provide staff training on how to complete the FFP Log and secondary documentation.
3	Training a new staff member to their responsibilities relative to Medi-Cal enrollment and referral services.
4	Training CMs in areas of health related topics and assisting clients to access Medi-Cal services.
5	Staff attending a health disparities training that addresses barriers to enrolling or accessing Medi-Cal services.

Function Code 8 SPMP Program Planning and Policy Development	
This function code is to be used only by SPMPs and only when performing (Medi-Cal) program planning and policy development activities. The SPMP's tasks must officially involve program planning and policy development, and those tasks must be identified in the employee's position description/duty statement.	
SCOPE ACTIVITY EXAMPLES	
1	AFLP Director/Coordinator meeting with Medi-Cal providers to develop referral protocols.
2	Meeting with dental providers to increase access to dental services for program participants.
3	Review data and conduct community needs assessments related to improving program-related outcomes, including identifying service gaps and developing strategies to improve services, and access to services.
4	Develop educational materials for AFLP staff training to meet Medi-Cal policy directives.
5	Reviewing and modifying policies and procedures, including Medi-Cal enrollment eligibility, referral processes and barriers to access to care.
6	Participate in the planning, implementation, and evaluation of AFLP services that relate to the Medi-Cal programs.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for AFLP Agencies

Function Code 9	
Quality Management by Skilled Professional Medical Personnel	
This function code is to be used only by SPMPs and only when performing quality management activities (that benefit the Medi-Cal eligible population).	
<i>SCOPE ACTIVITY EXAMPLES</i>	
1	Reviewing client charts or other quality improvement activity to ensure appropriate follow-up and access to Medi-Cal services.
2	Reviewing staff work, e.g. time study and secondary documentation for meeting the FFP requirements.
3	Assess and review population needs and capacity of the agency to provide services or the need to refer to appropriate Medi-Cal services.
4	Develop, implement and monitor Medi-Cal quality assurance for Lodestar data.

Function Code 10	
Non-Program Specific General Administration	
This function code is to be used by all staff when performing non-program specific administrative activities that relate to multiple functions or to no specific, identifiable functions due to the general nature of the activities. This is an allocated function code. Time recorded under this function code will be prorated amongst all programs (BIH, MCAH, AFLP etc.) included in the time study and matched and unmatched function codes. The portion allocated as matchable may only be matched at the Non-Enhanced rate.	
1	Agency related activities, such as, fire drills.
2	Attend Public Health Safety Meeting.
3	Management Academy classes, annual mandatory Airborne/Blood borne Pathogen Training.
4	Develop and provide health promotion activities for agency employees.
5	Staff attend agency meetings and non-AFLP related trainings such as HIPAA, Safety Training, Sexual Harassment.

ADMINISTRATIVE POLICES AND PROCEDURES

FFP Guidance for AFLP Agencies

Function Code 11 Other Activities	
This function code is to be used by all staff to record time performing activities which are in the AFLP SOW but not specific to the administration of the Medi-Cal program. These activities do not qualify for FFP match.	
SCOPE ACTIVITY EXAMPLES	
1	Client events including workshops, graduation, parenting, health education.
2	Meeting with an AFLP client to help develop goals and a life plan.
3	Home visits or portions thereof with clients that focus on non Medi-Cal covered services.
4	Outreach, program planning and policy development activities of non-Medi-Cal programs financed by other federal and state programs.
5	All SIDS risk reduction educational activities.
6	Assistance to obtain shelter, housing, transportation to non-Medi-Cal related services.

Function Code 12 Paid Time Off	
This function code is to be used by all staff to record usage of paid leave, holiday, vacation, sick leave or any paid leave other than CTO. This is an allocated function code. Time recorded under this function code will be prorated amongst all programs (BIH, MCAH, AFLP etc.) included in the time study and matched and unmatched function codes. CMS permits the matchable amount to be proportionately distributed between the Enhanced rate and the Non-Enhanced rate.	
1	Paid time off for a holiday.
2	Paid time off for sick leave.
3	Paid time off for vacation.
4	Paid time off for jury duty.

ADMINISTRATIVE POLICES AND PROCEDURES

GLOSSARY OF TERMS AND ACRONYMS

GLOSSARY OF TERMS AND ACRONYMS

A&I	Audits & Investigations Division, DHCS.
ACTUAL COST	The actual price paid for real bona fide purchase costs of goods and services pursuant to the conduct of the MCAH Agreement and Budget.
AFA	Agreement Funding Application (AFA). The agreement between the Division and the Agencies to administer the MCAH programs. This includes, but is not limited to, the SOWs, Budget Documents, and Policies and Procedures.
AFLP	Adolescent Family Life Program (AFLP).
AGENCY	A Local Health Jurisdiction (LHJ); i.e., city or county health department or Community Based Organization, responsible for the public health needs in that designated geographic area. In California there are 61 Local Health Jurisdictions, 58 county public health departments and 3 city public health departments (Berkeley, Long Beach & Pasadena).
AGENCY FUNDS	Agency contributions towards the budget to help fund the activities needed to fulfill the program SOW.
ALLOWABLE COST	Costs incurred which are necessary to meet the provisions of the SOW and are approved in the MCAH Agreement and Budget.
BASE COST PER UNIT	The purchase price of an item, excluding tax, delivery, installation charged, etc.
BUDGET REVISION	A revision in the previously approved budget to change line items and/or amounts.
CAPITAL EXPENDITURES	Major Equipment with a base cost per unit of \$5,000 or more and a useful life expectancy of one or more years, including telecommunications, and Electronic Data Processing/Automated Data Processing software.
CBO	A Community Based Organization (CBO), a non-profit organization which works to serve the disadvantaged in the community in which it is located.

ADMINISTRATIVE POLICES AND PROCEDURES

GLOSSARY OF TERMS AND ACRONYMS

CDHS	The California Department of Health Services (CDHS) was split into two departments; the California Department of Public Health (CDPH) & the Department of Health Care Services (DHCS), effective July 1, 2007.
CDPH	California Department of Public Health (formerly a component of the CDHS), formed July 1, 2007.
CDPH 1203	<i>Contractor's Equipment Purchased with CDPH Funds</i> is a form to track Contractor equipment and miscellaneous property which is purchased with CDPH funds and is used to conduct state business under the contract.
CDPH 1204	<i>Inventory/Disposition of CDPH Funded Equipment</i> form for inventory and disposition of equipment purchased with CDPH funds.
CMS	Centers for Medicaid and Medicare Services (CMS).
CONFIDENTIAL INFORMATION	Any information containing patient identifier, including but not limited to: <ul style="list-style-type: none">• Names• Address• Telephone number• Social Security number• Medical identification number• Driver license number
CONTRACT MANAGER (CM)	A Division staff assigned to an agency, who provides consultation concerning fiscal direction and issues such as Budget development and Invoicing.
CORRECTIVE ACTION PLAN (CAP)	If an audit reveals that an Agency is not following required procedures or maintenance of documents, the CDPH MCAH Division will instruct the Agency to develop a Corrective Action Plan (CAP). The CAP will define the corrective actions the Agency must implement to become compliant. The CAP must be reviewed and approved by Division staff.
CPSP	Comprehensive Perinatal Services Program (CPSP) is an obstetrical, psychosocial, nutritional, and health education services and related case coordination provided by or under the personal supervision of an approved CPSP provider during pregnancy and 60 calendar days following delivery.

ADMINISTRATIVE POLICES AND PROCEDURES

GLOSSARY OF TERMS AND ACRONYMS

CTO	Compensatory Time Off (CTO), time off in lieu of overtime pay.
DHCS	Department of Health Care Services (DHCS), formerly the California Department of Health Services (CDHS), renamed July 1, 2007.
DUTY STATEMENT	Defined activities specific to program and position requirements and are considered legal and contractual obligations which can be audited.
ENHANCED RATE	Federal Title XIX reimbursement of <i>eligible approved costs</i> at the ratio of 75% federal dollars to 25% State or Agency general fund dollars.
FFP	Federal Financial Participation (FFP) program is a funding mechanism used to generate additional revenue by reimbursing Agency or State funds with Title XIX dollars at an Enhanced and/or Non-enhanced rate for the proper and efficient administration of the Medi-Cal program's two objectives.
FRINGE BENEFITS	Employer contributions for employer portion of payroll taxes (i.e., FICA, SUI, SDI, Training), Employee health plans (i.e., health, dental, and vision), Unemployment Insurance, Workers Compensation Insurance, and Employer's portion of pension. Retirement plans are included, provided they are granted in accordance with established written organization policies and meet all legal and Internal Revenue Service requirements.
FTE	Full-Time-Equivalent (FTE) means a standard eight-hour workday; 40 hours per week; or 2,080 hours per year.
GOALS	Goals are overall statements of the mission and purpose of the program or an individual program component.
GOOD CAUSE	Circumstances which are beyond the control of the agency and includes, but is not limited to: <ul style="list-style-type: none">• Damage to or destruction of the Agency's business office and/or records by a natural disaster, including fire, flood,

ADMINISTRATIVE POLICES AND PROCEDURES

GLOSSARY OF TERMS AND ACRONYMS

or earthquake or when circumstances involving such disaster have substantially delayed Agency's operations.

- Theft, sabotage, or other deliberate, willful acts by an employee that have been reported to the appropriate law enforcement or fire agency when applicable.
- Other circumstances that are clearly beyond the control of the Agency that have been reported to the appropriate law enforcement or fire agency when applicable.
- Failure by the Division to fully execute the MCAH Agreement and Budget later than six months after the MCAH Agreement and Budget start date.
- Untimely illness or absence of any employee trained to prepare invoices, reports, or Budget Revisions. This does not include an Agency vacancy. All circumstances will be reviewed and approved/disapproved on a case-by-case basis by Division management.
- Failure by the Division to fully execute revisions before the MCAH Agreement and Budget's termination, expiration date, or fiscal year end.

INDIRECT COSTS

Those costs which are within the Agency and cannot be clearly identified as expenses to direct program costs. The calculation is based on Total Wages (excluding benefits) from the Personnel Detail Worksheet.

JOB SPECIFICATION

County civil service classification describing standard educational and experience requirements for appointment to specific positions. Job Specification can be referred to as a classification specification.

LHJ

A Local Health Jurisdiction (LHJ), i.e., city or county health department, responsible for the public health needs in that designated geographic area.

MAA

Medi-Cal Administrative Activities (MAA).

MAJOR EQUIPMENT

A tangible or intangible item having a base unit cost of \$5,000 or more with a life expectancy of one (1) year or

ADMINISTRATIVE POLICES AND PROCEDURES

GLOSSARY OF TERMS AND ACRONYMS

more and is either furnished by CDPH or the cost is reimbursed through this Agreement. Software and videos are examples of intangible items that meet this definition.

MCAH	Maternal, Child and Adolescent Health (MCAH).
MCAH DIRECTOR	The Maternal, Child and Adolescent Health (MCAH) Director is an individual appointed by the Agency who is responsible for carrying out the terms and conditions of the MCAH program Agreement and Budget.
MCAH-RELATED PROGRAMS	Programs operated under the CDPH MCAH Division and accountable to follow the policies set forth in this manual; MCAH, AFLP, FIMR, SIDS, BIH and CHVP.
MCF	The Medi-Cal Factor (MCF) is a percentage that identifies the portion of the region's general population receiving MCAH-related services that are Medi-Cal beneficiaries. The MCF is one of two components that determine Title XIX claiming amounts.
MEDI-CAL	California's Medicaid program that provides healthcare and service to those who meet Medi-Cal eligibility requirements.
MEDI-CAL ELIGIBLE	Individuals who have applied for and been granted Medi-Cal benefits, as well as the Medi-Cal potential eligible population (i.e., the population at the poverty rate qualified to receive Medi-Cal benefits).
MEDS	Medi-Cal Eligibility Data System (MEDS).
MINOR EQUIPMENT	A tangible item having a base unit cost of <u>less than \$5,000</u> with a life expectancy of one (1) year or more and is either furnished by CDPH or the cost is reimbursed through this Agreement.
NON-ENHANCED FUNDING	Federal Title XIX reimbursement of <i>eligible</i> approved costs at the ratio of 50% federal dollars to 50% State or Agency general fund dollars.
OMB Circular A-133	Federal Office of Management and Budget (OMB), in reference to Circular A-133, Audits of states, local governments and non-profit organizations.

ADMINISTRATIVE POLICES AND PROCEDURES

GLOSSARY OF TERMS AND ACRONYMS

ORGANIZATION CHART	A diagram illustrating the interrelationship of the local health jurisdiction staff associated with all MCAH-funded programs.
OUTREACH	Activities to inform and/or connect persons to available services or care.
PROGRAM CONSULTANT (PC)	A Division staff person, assigned to an agency or program, that provides skilled expertise in the areas of program standards, SOW, personnel, program policy development, and quality improvement.
PSC	Perinatal Services Coordinator (PSC) is the person, in collaboration with the MCAH Director, responsible for the implementation of the CPSP in the LHJ.
QA	Quality Assurance (QA). A program for the systematic monitoring, evaluation, and improvement of the various aspects of a program, entity or group.
SALARY SAVINGS	Salary savings are a result of unfilled positions and reduced FTEs and are not allowable in AFLP without Contract Manager Approval. The criteria is that services provided should not be diminished to cover operational expenses. Please consult the MCAH Program Consultant or Contract Manager.
SECONDARY DOCUMENTATION	Secondary documentation gives support to the claiming of matchable FFP funding, can be requested by the Division to verify high percentages of FFP matching, and is reviewed during on-site audits to verify the percentage of FFP matching.
SGF	State General Fund (SGF).
SIDS	Sudden Infant Death Syndrome (SIDS).
SOW	A Scope of Work (SOW) is a component in the MCAH Agreement and Budget which contains the goals, objectives and methods of evaluation to be met under the terms and conditions of this MCAH Agreement and Budget.

ADMINISTRATIVE POLICES AND PROCEDURES

GLOSSARY OF TERMS AND ACRONYMS

SPMP	Skilled Professional Medical Personnel (SPMP) have the education and training at a professional level in the field of medical care or of an appropriate medical practice.
SUBCONTRACT	A written agreement between the Agency and a subcontractor specifically related to securing or fulfilling the Agency's obligation to the Division under the terms of the MCAH Agreement and Budget.
TCM	Targeted Case Management (TCM), a Medicaid program.
TIME STUDY	A method to record time spent on all activities for those staff claiming FFP.
TITLE V FUNDS	Unmatchable federal MCAH Block Grant funds authorized under Title V of the federal Social Security Act.
TITLE XIX FUNDS	Federal Medicaid money obtained under Title XIX of the federal code by means of State and/or local revenue match for costs of activities related to eligible and potentially eligible Medi-Cal women and children.
WIC	Women, Infants and Children (WIC) Supplemental Food Program, USDA, a Federal funded nutrition program.