

Knox County Mental Health Board

FUNDING GUIDELINES

INTRODUCTION:

The Illinois Community Mental Health Act [405 ILCS 20/1] provides that units of local government may establish a Community Mental Health Board. Knox County, Illinois has established such a board. The purpose of the Knox County Mental Health Board (KCMHB) is to plan, fund, coordinate, and evaluate public services and facilities within Knox County to aid/treat persons with mental illness, developmental disabilities, and substance use/abuse issues.

This document sets forth the service, financial and administrative accountability requirements of the KCMHB. These requirements and guidelines outline the way the KCMHB monitors and evaluates compliance with the KCMHB's service, fiscal and administrative requirements.

I. MISSION STATEMENT:

To provide funding for community based services for persons within Knox County who are impacted by developmental disabilities, mental illness, or substance use disorders.

II. SERVICE AREA:

The service area of the KCMHB shall be Knox County, Illinois. Services which are purchased by the KCMHB with Knox County tax funds will be used for the benefit of Knox County residents.

III. ELIGIBLE PROGRAMS:

A. FUNDING CONSIDERATIONS:

1. The Knox County Community Mental Health Board (KCMHB) will consider funding applications for the operation of services and facilities that provide direct services for individuals with mental illness, developmental disabilities and substance abuse needs.
2. The KCMHB will consider funding programs that impact mental illness, developmental disabilities and substance abuse issues but are not direct service programs.

B. ELIGIBLE PROGRAM EXAMPLES:

1. Prevention/Early Intervention:
 - a. Services provide increased public awareness, consultation, education and therapeutic intervention(s).
 - b. They have a goal of preventing or reducing the severity of a mental illness, developmental disability and/or substance use/abuse.
2. Comprehensive Screening and Assessment:
 - a. Services focus on evaluation of individual(s) in need. The goal is to provide effective evaluation and diagnosis to determine the relevant course of treatment or delivery of service(s).

b. This may require coordination with other agencies currently/previously involved with those person

3. Crisis Management:

a. Services provide for immediate response(s) to emergencies.

b. They may include services such as 24 hour “hot-line” telephone system, suicide prevention programs as well as related Crisis Intervention Training for first responders, and emergency placement for individuals.

4. Case Coordination, Case Management, and Community Support:

a. Services focus on obtaining the appropriate services required for person(s) with mental illness, developmental disabilities and/or substance use/abuse issues.

5. Family Support:

a. Services provide support for families of person(s) with mental illness, developmental disabilities and/or substance use/abuse issues.

b. Programs emphasize the value and need of such family support and provide assistance as needed/desired.

6. Treatment, Habilitation, and Rehabilitation:

a. Services address various outpatient, in-home and day treatment services that provide therapeutic activities designed to encourage an individual to function at the highest levels with minimal physical and mental distress in the least restrictive environment.

7. Life Skills and Vocational Training:

a. Services address life skills training, work and work-related activities designed to provide a person(s) in need with the ability to become a successful, contributing member of society.

8. Transition Services:

a. Services assist with the transition from one level of treatment to another.

b. Examples may include a return to residential living from inpatient treatment and the assistance provided to a young person with developmental disabilities during a transition from an adolescent service system to an adult service system.

9. Residential Options:

a. “Home-option” services provide various levels of residential support and services for persons with a wide range of mental illness, developmental disabilities and/or substance use/abuse issues.

10. Client/Family Education and Advocacy:

a. Services promote individual rights, choices, empowerment and independence.

b. They support/compliment services provided throughout the system of care for all persons impacted by mental illness, developmental disabilities and substance use/abuse issues.

11. Capital Expenditures:

a. Capital improvements, equipment and other similar capital expenditures may be submitted for

funding consideration.

b. The funds should not be utilized to supplant a capital/equipment expense line item within the applicant's annual budget.

c. Applications for a capital expenditure/program by an applicant who may have been funded for other programs/services, should be submitted to the KCMHB as a separate application.

d. A qualified applicant does not need to have existing programs funded to be considered for capital expense funding.

12. Staff Development:

a. Staff Development, such as Professional Conferences, training and other similar staff development programs may be submitted for funding consideration.

b. The funds should not be utilized to supplant a staff development expense line item within the applicant's annual budget.

c. Applications for staff development expenditure/program by an applicant who may have been funded for other programs/services, should be submitted to the KCMHB as a separate ~~program~~ application.

d. A qualified applicant does not need to have existing programs funded to be considered for a Staff Development Program funding.

13. New Programs:

a. The Board encourages the development of new/innovative programming/treatment concepts.

b. The development and/or the actual implementation and delivery of such programs may also be submitted for funding consideration by the Board.

c. Applications for a new program by an applicant should be submitted to the KCMHB as a separate application.

d. A qualified applicant does not need to have existing programs funded to be considered for new program funding.

IV. BUDGET PROCESS:

A. GENERAL OVERVIEW:

1. KCMHB Budget:

a. The KCMHB shall annually prepare and approve a budget and service plan and, according to those plans, request that the Knox County Board levy a tax to create a Community Mental Health Fund. The KCMHB, with the assistance of the Knox County Clerk and Treasurer, shall administer that fund.

b. Consistent with relevant Law and the availability of funding, the KCMHB may also administer and manage other funds from state, federal, or private sources.

- c. The management of such funds will follow KCMHB guidelines and any additional requirements according to the funding source.

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2. KCMHB Budget Designations:

- a. The KCMHB shall have a total of three (3) budget categories.

- b. The three (3) budget categories are:

(1). Operational Budget: Defined as monies budgeted to address KCMHB operational needs.

(2). General Fund Budget: Defined as monies budgeted for the programs specified within Section III. "Eligible Programs" of these Guidelines.

(3). Contingency Budget: Defined as monies set aside within the KCMHB budget to address unanticipated budgetary needs of the KCMHB as well as any emergency financial need of either the KCMHB or eligible applicant and/or any financial need as otherwise specified by the KCMHB. Contingency monies may also be referred to as "Reserves".

(**Note:** For the purpose of these Guidelines the term "Emergency" has been defined as: Any critical, unanticipated, unusual, unique, urgent, time sensitive, crisis situation or circumstance.)

3. KCMHB Budget Disbursements:

- a. Approval by the KCMHB is required before the release of KCMHB funds for any budget category (Operational Budget, General Fund Budget or Contingency Budget) or specific awards (Reimbursement Awards, Purchase of Services Awards and Lump Sum Awards) to any applicant for any purpose.

- b. Disbursement of funds will be made by the Knox County Treasurer and remain consistent with established Knox County accounting and payment procedures.

B. IMPORTANT BUDGET TIME PERIODS:

1. Knox County: The Knox County fiscal year has been established as: December 1 to November 30.

2. KCMHB: The KCMHB's fiscal year is set by Illinois Statute as July 1 to June 30.

3. Application Submission Period(s):

Shall refer to the time periods in which funding application(s) may be submitted to the KCMHB as follows:

- a. The period between January 1 and the last day of February of each calendar year.

- b. Any period during the calendar year in which an emergency circumstance has confronted an eligible applicant and that circumstance has been made known in sufficient detail to the KCMHB.

(1)The Emergency Application must contain detailed information regarding the circumstance(s) which has caused the "emergency" designation.

(2)Those circumstances defined as any "critical, unanticipated, unusual, unique, urgent, time sensitive, crisis situation or circumstance" which may require an

immediate funding
consideration.

(3) The KCMHB will review an application(s) for Emergency Funding at any regularly scheduled Quarterly Meeting or at a Special Meeting.

(4). **Note:** Special Meeting(s) of the KCMHB may be called by the President or upon the written request of any two (2) members of the Board upon filing with the KCMHB Secretary. (See Article Six, Section 2 of the KCMHB By-Laws),

c. Any period during the calendar year as otherwise specified/announced by the KCMHB. (Also see Part III. Eligible Programs and Part VI. Funding for Organizations of these Guidelines.)

4. Funding Review Period:

Shall refer to the time periods in which applications for funding will be reviewed by the KCMHB.

a. The KCMHB will typically review applications during the months of April, May and June to approve or deny full or partial funding for all routine, non-emergency, applications which have been properly submitted within the Application Submission Period (January 1 to the last day of February.)

b. The KCMHB will review an application(s) for Emergency Funding at any regularly scheduled Quarterly Meeting or at a Special Meeting (See Sub-section d. below).

c. The KCMHB will review an application(s) for funding which may have otherwise been specified by the KCMHB at any regularly scheduled Quarterly Meeting or at a Special Meeting (See Sub-section d. below).

d. **Note:** Special Meeting(s) of the KCMHB may be called by the President or upon the written request of any two (2) members of the Board upon filing with the KCMHB Secretary. (See Article Six, Section 2 of the KCMHB By-Laws),

5. Funding Expenditure Period(s):

Shall refer to the time period in which any eligible organization shall expend funds awarded by the KCMHB.

a. All funds approved by the KCMHB from non-emergency applications shall be expended between July 1st of the current year and June 30th of the subsequent year.

b. All funds approved by the KCMHB from emergency applications, which have been submitted at any time during the calendar year shall be expended between the date the application was approved and June 30th of the subsequent year. (Also see Part VI. Funding for Organizations of the Guidelines.)

c. All funds approved by the KCMHB from applications as otherwise specified by the Board, which have been submitted at any time during the calendar year shall be expended between the date the application was approved and be expended by June 30th of the subsequent year. (Also see Part VI. Funding for Organizations of the Guidelines.)

C. VOUCHERS:

1. After an organization under contract with the KCMHB has submitted the required documents, the KCMHB will consider the release of the funding award. Upon approval, the KCMHB Chair or Secretary shall submit an appropriate voucher request for payment to the Knox County Treasurer. Vouchers shall be cosigned by two (2) KCMHB members.

2. Upon authorization, the Knox County Treasurer will cause checks to be drawn and payments made to the organization.

D. MAINTENANCE OF RECORDS:

1. The Knox County Treasurer's Office shall maintain all financial records requested and/or required by the KCMHB.

2. All documents generated during the application process, approvals, the issuance of vouchers, payments made and all other relevant materials generated by the KCMHB shall be maintained and stored by the Knox County Clerk. All such documents shall be subject to all relevant laws regarding the open exchange and availability of information between a governmental entity and the public, including but not limited to the Illinois Freedom of Information Act 5 ILCS 140/1.

V. ELIGIBILITY REQUIREMENTS:

A. GENERAL OVERVIEW:

Any individual or organization which meets the following relevant criteria is eligible to apply for KCMHB Funds. The fact that an individual or organization may meet the following criteria is no guarantee that funding will be awarded. Unless otherwise specified, the term "organization" throughout the remainder of these Funding Guidelines shall refer to "individuals" as well as "organizations".

1. An organization may be public or private, not-for-profit or for profit, or a governmental unit.

2. An organization will demonstrate that it has the appropriate staff with the appropriate academic certification/licensing, and experience.

3. The KCMHB requires organizations to have all required state or national accreditation.

4. An organization will demonstrate financial reliability and stability.

5. An organization will demonstrate the capability of appropriate service, fiscal, and administrative accountability.

B. FUNDING:

1. KCMHB funding will supplement and not supplant other funding sources.

2. If another source of funding can support a service, the KCMHB will expect those funds to be utilized for that service.

C. SERVICE RECIPIENTS:

1. Service recipients will normally be residents of Knox County.

2. An exception shall be permitted, and services may be provided to non-Knox County residents, where a clear benefit to Knox County residents exists.

VI. APPLICATIONS:

A. APPLICATION INSTRUCTIONS:

1. The KCMHB Application for Funding and all other forms are available on-line and at the Knox County Clerk's Office throughout the calendar year.
2. All Applications for Funding will be limited to an annual submission period which begins on January 1 and ends the last day of February each year unless a submission is an Emergency Application or a circumstance otherwise approved and specified by the KMHB,
3. Applicants should carefully review the entire "Guidelines for Funding" form prior to beginning the application process and then follow the step by step directions provided on each section of the "Application for Funding" form.
4. The step by step direction information may be removed from the "Application for Funding" form once completed and prior to submission.
5. A separate application form for each program should be completed for multiple programs.
6. Applications for non-service delivery programs (capital projects and staff development) may require less detail for some sections as noted in the step-by-step directions on the application form.
7. Applicants should complete each applicable section, attach all required documents and number each completed page of the Application in the upper or lower right hand corner.
8. The signed application, plus eight (8) copies of each document and attachments, should be submitted by the due date specified on the County Clerk's web-site, to:

Knox County Mental Health Board
Attn: Knox County Clerk, ~~Scott Erickson~~
200 South Cherry Street
Galesburg, IL 61401

B. APPLICATION SUBMISSIONS:

1. Application Submission Period(s):
Shall refer to the time period in which any eligible organization may submit the Application for Funding document to the KCMHB.
 - a. Routine (non-emergency) application(s) must be submitted between January 1 and the last day in February of each annually.
 - b. Emergency applications may be submitted at any time during the year as an emergency circumstance may arise.
 - (1). The applying organization should utilize the standard application form to complete the request for emergency funding.

(2). Emergency Funding Applications made at any time should explain, in detail, the circumstances which contributed to the request for emergency funding.

c. Applications which may have otherwise been authorized by the KCMHB should be submitted at the time as specified by the KCMHB and should also utilize the standard application form to complete the request.

C. APPLICATION APPROVAL:

1. After the Funding Review Period the KCMHB shall determine if an organization has been approved for funding and the amount of that funding. The KCMHB reserves the right to enter into discussions with applicant organizations regarding the potential for consolidation of similar programs.

2. Approved applicants will receive a KCMHB Contract which will affirm the amount of funding approved. Except as noted within these Funding Guidelines, all funds shall be used only for the purposes as set forth in the original application as well as any written modifications to that application. Once signed by the Chair of the KCMHB and the authorized representative of the organization the contract shall be considered finalized.

3. Funding awards will be announced no later than June 30 unless as otherwise specified by the KCMHB.

VII. FUNDING DETAILS:

A. OVERVIEW:

1. The KCMHB will disburse awarded funds according to the "Funding Guidelines" and as specified within the KCMHB contract.

2. Disbursed funds will be limited to the approved services and shall only be issued to the organization specified within the contract.

3. Disbursed funds will not exceed the maximum amount approved by the KCMHB.

4. The KCMHB shall require:

- a. That KCMHB Funding Awards do not supplant other funds.
- b. The KCMHB level of payment is reasonable and cost effective.

B. FUNDING AWARD TYPES:

1. Funding Awards have been generally identified as three (3) types:

- a. Reimbursement
- b. Purchase of Services (POS)
- c. Lump Sum

2. Funding Awards are generally defined as follows:

a. Reimbursement Awards: For the purpose of these Guidelines, Reimbursement Awards shall refer to the reimbursement of internal funds previously expended by an organization for the services specified within the Application. The funds shall be released after expenses for the service have been incurred. The organization must follow certain procedures to obtain reimbursement for a specified expense. Reimbursements will be made on an established and mutually agreed upon payment schedule upon the submission of documentation to verify the expenses noted.

(1). The KCMHB shall approve a specific amount for the services outlined within an application. Upon the receipt of the contract, the applying organization will be expected to expend the awarded funds exclusively for the services as outlined within the application except as otherwise permitted within these Funding Guidelines.

(2) At an agreed upon time the organization shall submit documents to confirm that the services provided in the awarded funds expended during the Funding Award Period correlate to those outlined in the application and the funding award contract.

(3). Upon receipt and approval of such documents by the KCMHB the specified reimbursement funds will be released.

b. Purchase of Services (POS) Awards: For the purpose of these Guidelines the POS shall refer to an approved application and the contract between the KCMHB and an organization for the purchase of a specific service for the persons served by that organization. Except as otherwise noted within these Funding Guidelines, POS funds shall only be used for the services set forth within the application.

(1). The KCMHB shall provide payment at a defined rate for the services as specified within the Funding Application. The KCMHB shall approve the Unit Rate for each service. A Unit Rate is defined as the amount that the KCMHB would pay for one unit of a particular service.

(2). Payments may be made prior to or after the delivery of services as mutually agreed and specified within the contract. The KCMHB award will be based upon the total number of units expected to be delivered within the specified Funding Award Period and shall not exceed the maximum approved amount.

(3). At the conclusion of an agreed upon period of time the organization shall submit documents to confirm the agreed upon units have been delivered during the Funding Award Period.

(4). If an organization is unable to deliver the total number of units within the Funding Award Period specified within the approved application, the KCMHB may allow the organization to submit a written Reallocation Request to utilize funding in some different manner, provided that the funds shall not exceed the maximum amount approved within the original contract and the funds shall not extend beyond the total Funding Award Period approved within the original contract. Any change shall not conflict with the eligibility requirements or any other section(s) within these Funding Guidelines.

(5). Upon receipt and approval by the KCMHB of appropriate documentation the awarded funds will be released.

c. Lump Sum Awards: For the purpose of these Guidelines, the Lump Sum Awards shall refer to an approved application and the contract between the KCMHB and an organization for the purpose of obtaining the specified services for the persons served by that organization for a specified time period.

d. Lump Sum Awards may be issued at the beginning or at the end of the Funding Expenditure Period, divided into quarterly payments at the beginning, at the end of the Funding Expenditure Period or into twelve (12) monthly payments at the beginning or at the end of the Funding Expenditure Period or some mutually agreed upon combination of such payment periods.

(1). The KCMHB shall approve a specific amount for the services outlined within an application. Upon receipt of the contract, the applying organization will be expected to expend the awarded funds for the services outlined.

(2). At the conclusion of Funding Expenditure Period or at an agreed upon period of time the or ganization shall submit documents to confirm that the services provided and the awarded funds expended during that period correlate to those outlined in the application and the Lump Sum Award contract.

(3). Upon receipt and approval of such documents by the KCMHB the specified funds will be released.

C. AWARD DISTRIBUTION METHODS:

1. The KCMHB will consider the use of any of the Funding Award types specified within these Funding Guidelines.

2. The KCMHB reserves the right to select the award type believed to be in the best interests of the persons served, Knox County and the KCMHB.

D. DUPLICATE FUNDING AND PARTIAL AWARDS:

1. The KCMHB Funding Awards, unless otherwise noted, are expected to fully support the service as outlined within the application and the contract.

a. An organization shall not receive duplicate funding for the same service from another source.

b. An intentional violation of this section shall require the return of the KCMHB Funding Award and the potential loss of future participation in the KCMHB funding process.

2. Partial funding of the service shall be permitted provided that the contract specifies the partial funding and has identified the source of other funds utilized to complete the full funding of the service.

3. The KCMHB expects that additional, previously unreported funding which may become available during the Funding Expenditure Period should be reported to the KCMHB in a timely manner.

E. REALLOCATION of FUNDS:

1. If any organization under contract with the KCMHB desires to spend funds other than as specifically set forth within the approved application, the organization shall submit a Request for Reallocation of Funds to formally request approval from the KCHMB to utilize the approved funding in a different manner.

2. Each submitted Request for Reallocation of Funds should conform to the following points at a minimum:

a. The Request should be written.

- b. The Request should be signed and dated by the original Grantee.
 - c. The Request should clearly identify the amount of funds affected by the requested change and ensure that those funds shall not exceed the maximum amount approved within the original contract.
 - d. The Request should affirm that the funds specified within the Request will be expended within the original Funding Expenditure Period.
 - e. The Request for Reallocation of Funds should explain, in detail, the reason for the funding change. Examples include but should not necessarily be limited to:
 - (1). Excess funds from savings realized as a result of efforts made by the funded organization.
 - (2). Excess funds from savings realized as the results of market reductions or some other unanticipated cost reduction event.
 - (3). Unexpected delays and/or other unavailability of proposed personnel, equipment, facilities or other commodity required to provide the services as originally outlined within the application process.
3. Each Request should correlate with the eligibility requirements and all other section(s) of these Funding Guidelines.
 4. Each Request should be submitted in a timely manner to ensure that the KCMHB is aware of any potential alteration(s) to awarded funds which may require a separate reallocation or a return of such funds.
 5. Each Request shall be reviewed by the KCMHB. Upon review, the KCMHB shall:
 - a. Deny the Request for Reallocation and require the return of the funds as specified in the Request.
 - b. Approve the Request and the expenditure of the funds as specified within the Request.
 - c. Approve the Request and the expenditure of the funds as specified within the Request with any modifications which may have been made and approved by the KCMHB.

F. PERFORMANCE REPORTS:

1. An organization which has received an award payment as outlined within the contract shall submit performance reports as specified in a timely manner.
2. The failure to submit required reports in a timely manner may result in the reduction and/or termination of the current contract and may be grounds for the denial of future funding applications.

VIII. ACCOUNTABILITY:

A. MEETINGS:

1. Upon the receipt of the contract an organization shall advise the KCMHB of meetings of their Board of Directors on a timely basis. Additionally, the organization will permit a KCMHB Member to attend Board meetings if or when requested.

2. Upon request, an organization under contract will provide the KCMHB minutes of their Board of Director's meetings.

B. OTHER PUBLIC FUNDING:

1. An organization under contract may be required to provide the KCMHB with a full copy of any other request or application for funding of a new or adjusted request for other public funding for mental health, developmental disabilities, and/or substance abuse services within one week of the time the other request has been submitted to the other funding body. See Funding Details Part V. E. Duplicate Funding. The Illinois Community Mental Health Act (405 ILCS 20-3 (e)(j)) requires that the KCMHB review and provide comments, as necessary, on such requests and applications. This includes applications to units of federal, state and local governments.

2. An organization under contract with the KCMHB and which may receive separate funding from any department of Illinois State Government in support of a similar KCMHB mission regarding: mental health, developmental disabilities and/or substance abuse services may be required to submit relevant documents to the Board within a mutually agreed time following a submission for such funding to the Illinois Department/Agency. The documents (as mutually identified) may include but may not necessarily be limited to:

- a. Budget applications
- b. Service plans
- c. Program Service and Funding Plans
- d. End of year Service and Fiscal Reports
- e. Any other documents commonly referred to as "Agency Plans"

C. FINANCIAL ASSURANCES:

1. The KCMHB expects that all expended funds shall support effective services to eligible individuals in a cost-efficient manner and that all costs submitted for such services will be accurate and reasonable. To ensure that expectation, any organization under contract with the KCMHB shall agree to provide any financial information requested by the KCMHB and/or provide access to any financial records so that the KCMHB may confirm the accuracy and reasonableness of such costs as they may relate to use of Board funds.

2. The KCMHB shall require an organization under contract with the KCMHB to cause an appropriate Financial Assurance Report (Financial Compilation or Financial Review or Financial Audit) to be completed as requested by the KCMHB and/or as mandated by pertinent law and applicable guidelines. Any such financial assurance report shall comply with all required and generally accepted accounting procedures appropriate for the type of organization in question.

3. Organizations under contract will submit the results of a Financial Assurance report within 30 days of the completion of the report. If the financial assurance report has produced a finding that the organization is not fully compliant the KCMHB shall be notified immediately. The report should properly identify income and expenses related to the KCMHB contract and should normally include the management letter and any non-compliant findings and recommendations.

4. An organization in receipt of a KCMHB contract will permit the KCMHB to select an auditor, at the KCMHB's expense, to perform an independent audit of the organization in question.

D. KNOX COUNTY MENTAL HEALTH BOARD AUDITS:

1. Audits of the KCMHB Funds and subsequent Awards will be subject to annual audits performed by the Knox County Treasurer and Clerk's Offices.
2. Such auditing costs shall be budgeted and paid from within the KCMHB Operational Budget.

E. EVALUATION REPORTS AND MONITORING:

1. An organization under contract shall report services provided and other requirement(s) as outlined within the contract in a time frame consistent with the contract terms.
2. An organization under contract has agreed to "on-site" monitoring by Members of the KCMHB to determine the degree of compliance with the contract and these Funding Guidelines. The frequency of "on-site" visits may vary depending on the type of service and the results of previous monitoring visits.

F. CANCELLATION OF AWARDS:

1. The KCMHB reserves the right to terminate an organization's contract.
2. Such termination shall take place by written notice.
3. Upon such cancellation all unspent funds shall be returned to the KCMHB.

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