

**CABARRUS  
HEALTH  
ALLIANCE**

Board of Health Meeting

January 16, 2024

The Public Health  
 Authority of Cabarrus  
 County Board Meeting  
 Agenda

January 16, 2024  
 5:30 pm

<b>A. CALL TO ORDER</b>	Chairperson Lara Pons, MD
<b>B. <u>ADOPTION OF THE AGENDA</u></b> B1. January 16, 2024 Agenda, <i>Motion</i>	Chairperson Lara Pons, MD
<b>C. <u>APPROVAL OF THE MINUTES</u></b> C1. <a href="#">October 17, 2023</a> , <i>Motion</i>	Chairperson Lara Pons, MD
<b>D. <u>INFORMAL PUBLIC COMMENTS</u></b>	Chairperson Lara Pons, MD
<b>E. <u>REPORTS</u></b> <a href="#">E1. 5 for 5 Division Report: Behavioral Health</a> <a href="#">E2. 5 for 5 Division Report: Clinical Services</a>  E3. <a href="#">Finance Committee</a> • <a href="#">Financial Summary Report</a> • <a href="#">Snapshot Report</a>  E4. <a href="#">Health Director's Report</a>	Sonja Bohannon-Thacker, MSW, LCSW, PMH-C, Director Megan Easterday, MD, Medical Director  Sue Yates, Chief Financial Officer  Erin Shoe, Health Director
<b>F. <u>CONSENT AGENDA</u>, <i>Motion</i></b> <a href="#">F1. Budget Revisions</a> <a href="#">F2. Finance Policies</a>	Sue Yates, Chief Financial Officer Sue Yates, Chief Financial Officer
<b>G. <u>BUSINESS AGENDA</u></b> G1. <a href="#">Auditor Selection</a> , <i>Motion</i> G2. <a href="#">Compensation &amp; Classification</a> , <i>Motion</i> G3. <a href="#">Mission, Vision, &amp; Values</a> , <i>Motion</i> G4. <a href="#">Primary Care Expansion</a>	Sue Yates, Chief Financial Officer Dr. Steve Cathcart, Human Resources Director Erin Shoe, Health Director Erin Shoe, Health Director
<b>H. <u>ANNOUNCEMENTS</u></b>	Chairperson Lara Pons, MD
<b>I. <u>CLOSED SESSION</u>, <i>Motion</i></b>	Chairperson Lara Pons, MD
<b>J. <u>ADJOURNMENT</u>, <i>Motion</i></b>	Chairperson Lara Pons, MD



## C. APPROVAL OF THE MINUTES

*Chairperson Lara Pons, MD*

October 17, 2023 Meeting Minutes

[Click to link to minutes](#)



## D. INFORMAL PUBLIC COMMENTS

*Chairperson Lara Pons, MD*



## E1. 5 for 5: Behavioral Health

*Sonja Bohannon-Thacker, Director, MSW, LCSW, PMH-C*

## E2. 5 for 5: Clinical Services

*Megan Easterday, MD, Medical Director*

## F3. Finance Committee Reports

*Sue Yates, Chief Financial Officer*

## F4. Health Director's Report

*Erin Shoe, Health Director*

# E. REPORTS



## E1. 5 for 5: Behavioral Health

Sonja Bohannon-Thacker, Director, MSW, LCSW, PMH-C



# Behavioral Health

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January 2024



# Budget

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Behavioral Health started FY23 with **5 funding** streams and a total budget of **\$1,509,820**

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By April of FY23 we had expanded to **14 funding** streams and a total of more than **\$2,010,585**

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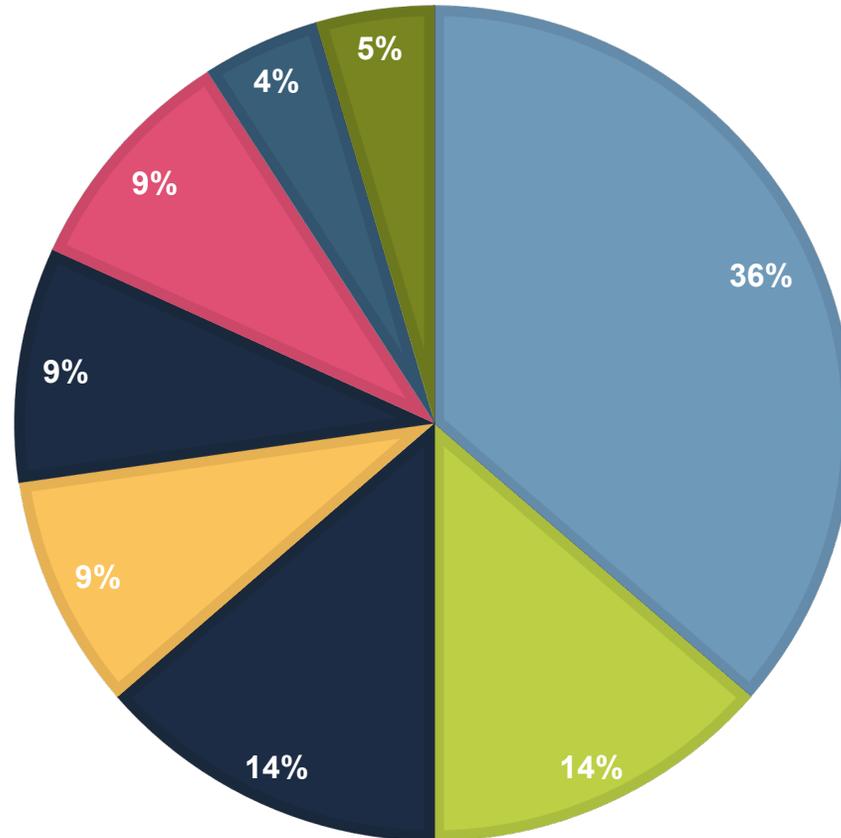
FY24 Behavioral Health Budget: **\$2,651,465.00**





## BEHAVIORAL HEALTH STAFF MAKE-UP

- Clinicians
- Program Managers
- Parent Educator
- Certified Peer Support Specialist
- Case Managers
- Finance-Medical Records
- Program Coordinators
- Director-Assistant Director





# PROGRAMS THAT ARE BUILDING....



## Integrated Clinical Services

Pediatrics-  
1 LCSW

Women's Health/SUN-  
1 LCSWA  
1 CPSS

Adult Health/RISE-  
1 LCSWA  
1 CPSS

## Outpatient Clinical Services LiVe Well Counseling Center

1 LCSW

1 LCSWA

1 LCSWA-Bilingual

1 Office Manager

## Jail Based Services

1 Program Manager

1 LCSW

1 LCSWA

2 Case Management Positions (1 vacant)

## Prevention, Education and Harm Reduction

### Family Education

1 program manager  
1 public health educator

### Substance Use Education & Prevention

1 program manager

**Harm Reduction**  
2 CPSS (1 vacant)

## Recovery Supported Housing

1 Program Coordinator



# Behavioral Health Workforce Development

## Internship Program



- 2 MSW- Integrated Behavioral Health Specialist interns from UNC Charlotte
- @ CHA Pediatric Clinic
- 1 Clinical Mental Health Counseling intern from Wake Forest University @ Live Well Counseling Center
- 1 Bilingual MSW intern from UNC Charlotte @ The Community Free Clinic

## Coming Soon!

- 1 Mental Health Nurse Practitioner student from Duke University across the BH Division



# Behavioral Health GOALS FOR FY24

## Staff

### Fill all positions-

- 2 new grants just awarded
- 3 vacant positions

**Hire** a psychiatric mid-level provider to work across the division.

**Cross train** all clinicians and CPSS to increase our flexibility and capacity to respond to client and community needs.

Establish **clinical specialization** plans for each clinician.

## Programs

Increase **efficiencies** in workflow across all programs.

Increase **billing** within clinical services.

Increase **standardization** of BH specific trainings for all staff.

Continue to develop **interface** between all clinical programs.

Continue to **expand CPSS** services within all programs.



# Support

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- Combat myths regarding mental illness and substance use disorder in your circle of influence through use of person first language and factual communication.
- Advocate for CHA's behavioral health services as it relates to funding opportunities and partnerships.
- Use your knowledge and connections to educate and inform us of needs and opportunities to develop our BH services.

**Director of Behavioral Health**  
**Sonja Bohannon-Thacker, MSW, LCSW, PMH-C**

**704-920-1323**

**[Sonja.BohannonThacker@cabarrushealth.org](mailto:Sonja.BohannonThacker@cabarrushealth.org)**





## E2. 5 for 5: Clinical Services

Megan Easterday, MD,  
Medical Director



# Clinical Services Department Highlight

January 16<sup>th</sup>, 2024

Dr. Megan Easterday





# Clinical Services Division

Child Health Services	Women's Health	Communicable Disease	Patient Support	Care Management
<p>Providers</p> <ul style="list-style-type: none"> <li>• 1.5 MDs</li> <li>• 1.5 NPs</li> <li>• 0.5 PA</li> <li>• 1 LCSW*</li> </ul> <p>Support Staff</p> <ul style="list-style-type: none"> <li>• 1 RN Supervisor</li> <li>• 3 RNs</li> <li>• 1 MA</li> <li>• 1 Referral Coordinator</li> </ul>	<p>Providers</p> <ul style="list-style-type: none"> <li>• 1.5 MDs</li> <li>• 1.5 NPs</li> <li>• 0.5 PA</li> <li>• 1 LCSW*</li> <li>• 1 Peer Support *</li> </ul> <p>Support Staff</p> <ul style="list-style-type: none"> <li>• 1 RN Supervisor</li> <li>• 3 RNs</li> <li>• 1 MA</li> <li>• 1 COA</li> </ul>	<p>Providers</p> <ul style="list-style-type: none"> <li>• 0.6 NP</li> <li>• 0.4 PA</li> <li>• 1 LCSW*</li> <li>• 1 Peer Support*</li> </ul> <p>Support Staff</p> <ul style="list-style-type: none"> <li>• 1 RN Supervisor</li> <li>• 3 RNs</li> <li>• 1 MA</li> <li>• 2 COA/interpreter</li> <li>• 1 Hep C Coordinator</li> </ul>	<ul style="list-style-type: none"> <li>• 3 interpreters</li> </ul> <p>Registration staff</p> <ul style="list-style-type: none"> <li>• 1 Supervisor</li> <li>• 9 Processing Assistants</li> </ul> <p>Centralized Services</p> <ul style="list-style-type: none"> <li>• 1 Supervisor</li> <li>• 4 Specialists</li> </ul>	<p>Early Childhood</p> <ul style="list-style-type: none"> <li>• 1 Supervisor</li> <li>• 4 Care Managers</li> </ul> <p>Pregnancy</p> <ul style="list-style-type: none"> <li>• 1 Supervisor</li> <li>• 4 Care Managers</li> </ul>

## Clinical Leadership Team

Megan Easterday MD, Medical Director

Tamara Lunsford-Key MPH, BSN, RN, Adult Health & Communicable Disease Director

Julia Patterson BSN, RN, Women and Children's Health Director

Megan Shuping MBA, Business Solutions Director



# FY2022-2023 Data & Budget

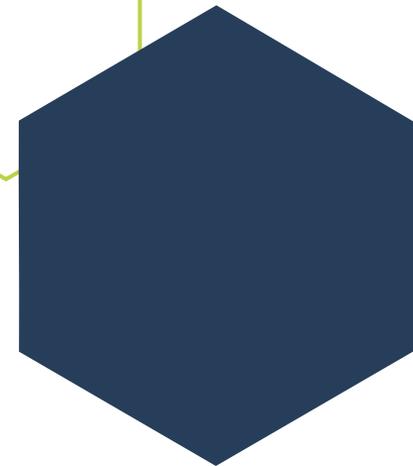


Total Distinct (unduplicated) Patients = 8,091

Total Patient Visits/Encounters = 21,205

- Clinical Services – Pediatrics, Women's Health & Communicable Disease
- Intergrated Behavioral and Nutritional Health
- Mobile Clinics
- Back to School Immunizations and Physicals
- Employee Health

Cabarrus Health Alliance Snapshot				
	June 30,2023	Target Percentage 100%		
	Budget	Actual	Year End	Comments
<b>Family Care Coordination</b>				
Revenue	1,765,078	1,826,787	103.50%	
Expense	1,765,078	1,582,220	89.64%	
<b>Communicable Disease</b>				
Revenue	6,150,049	5,197,708	84.51%	
Expense	6,150,049	5,158,646	83.88%	Large ARPA Agreement Addendums
<b>Clinical Services</b>				
Revenue	3,679,863	3,224,254	87.62%	
Expense	3,679,863	3,594,777	97.69%	4th Quarter Directed Quarterly Payment was not received in FY23



CABARRUS  
HEALTH  
ALLIANCE





# Goals for FY24





# Progress in FY24

## Integrated Care

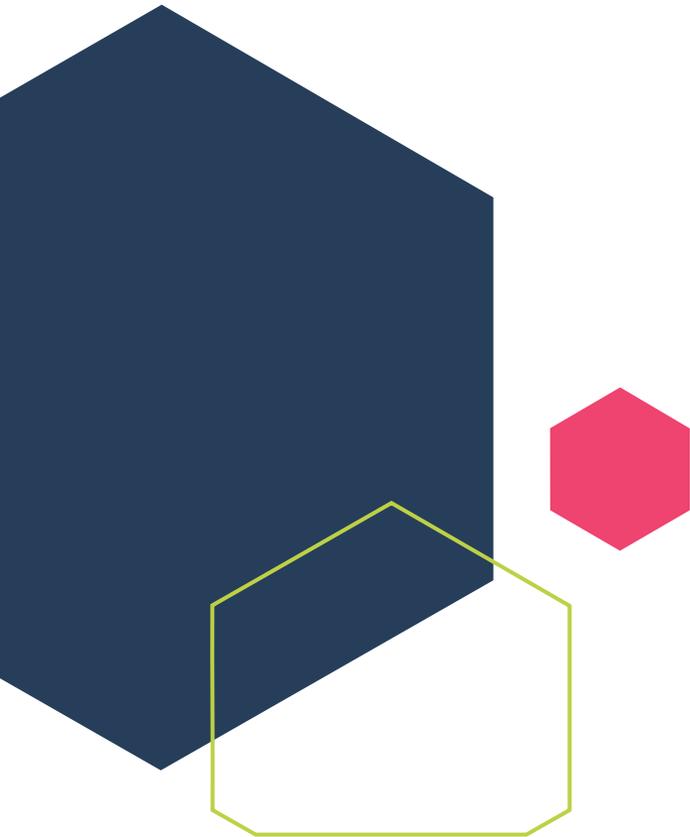
- Centralized Services
- Behavioral Health
- Nutrition
- Care Management
- Community Health Worker

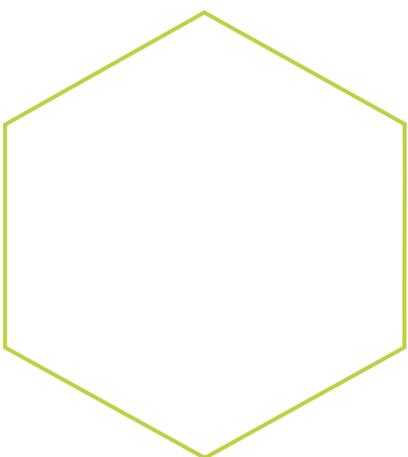
## Improving Clinical Workflows

- Evaluating registration and check in processes through integration of technology and improving efficiencies
- Collect feedback from patients and front-line staff through Quality Improvement activities and develop a QI plan for FY25

## Improved Operational Functions through Revenue Cycle

- Working directly with all PHPs on billing to ensure timely and accurate reimbursements
- Assessing Medicaid Expansion to identify patients who qualify for coverage and the impact to our clinical services





# How can the Board of Health help us?

**Support and Advocacy**





## E3. Finance Committee

*Sue Yates, Chief Financial  
Officer*



## F4. Finance Committee

*Sue Yates, Chief Financial  
Officer*

*Financial Summary Report*

*Snapshot Report*



Reviewed by  
Finance  
Committee:  
1/8/2023

PUBLIC HEALTH AUTHORITY OF CABARRUS COUNTY FINANCIAL SUMMARY REPORT					FY24 5 Months ending November 30, 2023 ** 5 Month MEDICAID SETTLEMENT			
	ACTUAL FY 2020	ACTUAL FY 2021	ACTUAL FY 2022	ACTUAL FY 2023	FY 2024 ORIGINAL BUDGET	FY 2024 BUDGET	ACTUAL 11/30/23	Y-T-D % COLLECTED
<b>REVENUES</b>								
INTERGOVERNMENTAL REVENUES	\$ 17,440,650	\$ 19,463,540	\$ 24,443,947	\$ 28,216,196	\$ 25,684,734	\$ 27,746,571	\$ 9,204,367	33.17%
MEDICAID COST SETTLEMENT	\$ 1,846,623	\$ 2,693,197	\$ 3,098,145	\$ 2,118,045	\$ 2,819,900	\$ 2,449,458	\$ 1,020,608	41.67%
MANAGED CARE QUARTERLY PAYMENT	\$ -	\$ -	\$ -	\$ 529,831	\$ -	\$ 370,442	\$ 117,644	31.76%
PERMITS & FEES	\$ 216,482	\$ 285,057	\$ 340,160	\$ 363,658	337,519	337,519	\$ 109,158	32.34%
SALES & SERVICES	\$ 1,618,074	\$ 1,716,097	\$ 1,541,742	\$ 1,243,433	1,456,886	1,456,886	\$ 472,832	32.45%
INVESTMENT EARNINGS	\$ 104,186	\$ 4,223	\$ 15,223	\$ 298,825	271,075	271,075	\$ 196,265	72.40%
MISCELLANEOUS	\$ 47,320	\$ 73,147	\$ 67,453	\$ 76,531	766,764	769,764	\$ 31,828	4.13%
CONTRIBUTIONS & PRIVATE GRANTS	\$ 577,794	\$ 1,002,571	\$ 579,848	\$ 1,476,544	2,528,786	2,859,291	\$ 894,632	31.29%
FUND BALANCE APPROPRIATED	\$ -	\$ -	\$ -	\$ -	-	1,000,000	\$ -	0.00%
<b>TOTAL</b>	<b>\$ 21,851,129</b>	<b>\$ 25,237,834</b>	<b>\$ 30,086,519</b>	<b>\$ 34,323,063</b>	<b>\$ 33,865,664</b>	<b>\$ 37,261,006</b>	<b>\$ 12,047,333</b>	<b>32.33%</b>
<b>EXPENDITURES</b>								
ENVIRONMENTAL HEALTH	\$ 942,173	\$ 1,124,681	\$ 1,429,941	\$ 1,735,411	1,849,405	1,849,405	627,273	33.92%
INFORMATION TECHNOLOGY SYSTEMS	\$ 1,153,424	\$ 951,084	\$ 1,158,973	\$ 1,092,401	1,077,468	1,116,784	506,886	45.39%
GENERAL ADMINISTRATION	\$ 4,055,399	\$ 2,779,340	\$ 3,235,818	\$ 4,665,661	5,344,675	6,455,631	2,754,866	42.67%
FAMILY CARE COORDINATION	\$ 1,177,374	\$ 1,109,438	\$ 1,251,648	\$ 1,582,220	1,778,371	1,778,371	524,343	29.48%
SCHOOL HEALTH	\$ 3,117,582	\$ 3,965,717	\$ 6,979,729	\$ 7,392,127	4,868,140	4,868,140	1,818,895	37.36%
COMMUNITY IMPACT	\$ 1,948,057	\$ 1,260,913	\$ 2,502,914	\$ 3,199,702	2,766,378	5,086,919	971,753	19.10%
DENTAL HEALTH	\$ 4,020,629	\$ 2,939,644	\$ 3,708,063	\$ 4,015,567	4,988,480	4,985,969	2,281,526	45.76%
VITAL RECORDS	\$ 54,625	\$ 57,632	\$ 70,154	\$ 72,346	75,660	75,660	28,759	38.01%
COMMUNICABLE DISEASE	\$ 2,191,236	\$ 4,657,174	\$ 4,145,338	\$ 5,158,646	4,973,320	4,675,367	1,482,772	31.71%
CLINICAL SERVICES	\$ 3,129,082	\$ 3,220,341	\$ 3,816,726	\$ 3,594,777	3,268,457	3,276,457	1,147,442	35.02%
BEHAVIORAL HEALTH	\$ -	\$ -	\$ 147,966	\$ 807,960	1,964,348	2,166,816	542,456	25.03%
WIC	767,128	832,770	811,156	880,309	910,962	925,487	349,997	37.82%
<b>TOTAL</b>	<b>\$ 22,556,709</b>	<b>\$ 22,898,733</b>	<b>\$ 29,258,426</b>	<b>\$ 34,197,127</b>	<b>\$ 33,865,664</b>	<b>\$ 37,261,006</b>	<b>\$ 13,036,968</b>	<b>34.99%</b>
<b>Y-T-D FUND BALANCE INCREASE (DECREASE)</b>	<b>\$ (705,580)</b>	<b>\$ 2,339,100</b>	<b>\$ 828,093</b>	<b>\$ 125,936</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (989,635)</b>	
Fund Balance Allocation							\$ 1,000,000	
Net of Prepaid Brown Mill Rent							\$ 10,365	



# Cabarrus Health Alliance Snapshot

30-Nov-23

Target Percentage 41.67%

Reviewed by  
Finance  
Committee:  
1/8/2023

	Budget	Actual	YTD Percentage		Comments
<b>Environmental Health</b>					
Revenue	1,849,405	735,218	39.75%		
Expense	1,849,405	627,273	33.92%		
<b>Information Technology</b>					
Revenue	814,079	346,155	42.52%		
Expense	1,116,784	506,886	45.39%		
<b>General Administration</b>					
Revenue	5,628,443	1,199,913	21.32%		
Expense	6,455,631	2,754,866	42.67%		
<b>Family Care Coordination</b>					
Revenue	1,778,371	521,190	29.31%		
Expense	1,778,371	524,343	29.48%		
<b>School Health</b>					
Revenue	4,868,140	1,381,209	28.37%		
Expense	4,868,140	1,818,895	37.36%		Reimbursed one month after expense
<b>Community Impact</b>					
Revenue	5,086,919	757,595	14.89%		
Expense	5,086,919	971,753	19.10%		Reimbursed one month after expense
<b>Dental Health</b>					
Revenue	6,065,862	1,438,599	23.72%		
Expense	4,985,969	2,281,526	45.76%		Cost Study allocation is not included
<b>Vital Records</b>					
Revenue	75,660	31,525	41.67%		
Expense	75,660	28,759	38.01%		
<b>Communicable Disease</b>					
Revenue	4,675,367	1,198,424	25.63%		
Expense	4,675,367	1,482,772	31.71%		
<b>Clinical Services</b>					
Revenue	3,276,457	1,072,283	32.73%		
Expense	3,276,457	1,147,442	35.02%		Cost Study and quarterly allocation is not included
<b>Behavioral Health</b>					
Revenue	2,216,816	555,710	25.07%		
Expense	2,166,816	542,456	25.03%		
<b>WIC</b>					
Revenue	925,487	283,561	30.64%		
Expense	925,487	349,997	37.82%		Reimbursed one month after expense



## E4. Health Directors' Report

*Erin Shoe, Public Health  
Director*



# CHA Public Health Director's January Report – Key Highlights

1. Since Oct 2023, CHA has been awarded three (3) grants totaling \$904,981 to provide bilingual Integrated Behavioral Healthcare for Women's Health, jail-based and transition peer support for individuals at risk of overdose, and for Walk Cabarrus. Grants came from NC Dept of Public Health and Atrium Health Invests
2. IT filled one of two vacant positions and is working on filling the second.
3. Dental welcomed a new dental hygienist in December! With this addition, we expect to be able to reduce wait time for hygiene appointments and start accepting new patient adults for comprehensive care within the year.
4. During the first semester of the 2023-24 school year, school nurses documented 45,402 total visits in SNAP, our School Health electronic medical record. This number does not include visits that were documented on paper (diabetes, specialized healthcare procedures, and some minor visits).
5. With the help of volunteers from local Lions Clubs, almost 5,000 vision screenings were completed during the first semester.
6. Environmental Health has new leadership: Jennifer Hatley is the new EH Director; Jacob Snyder is the Asst. Director.
7. Healthy Cabarrus – recruitment efforts continue to fill the Executive Director role.
8. Communications Manager/Public Information Officer, April Sloop, joined the CHA team on January 12<sup>th</sup>!
9. The Community Health Worker team hosted Winter Warm with Cannon Pharmacy on December 9, 2023. As a result of volunteer and sponsor support, the collective provided jackets and services to 80 families.



## F. CONSENT AGENDA

F1. Budget Revisions

F2. Finance Policies



## F1. Budget Revisions

*Sue Yates, Chief Financial  
Officer*



Reviewed by  
Finance  
Committee:  
1/8/2023

# Budget Revisions, *Motion*

Summary	Amount Increase or (Decrease)
1. To budget for the STOP Grant no cost extension approval.	\$61,865
2. To budget for additional funding received for the Workforce Development Agreement Addendum.	\$130,000
3. To budget for additional funding for the Drug Free Communities Grant.	\$14,567
4. To budget for additional funding for the Prevention Drug Overdose Grant.	\$10,010
5. To reduce the budget to match rollover for the COSSAP Grant. \$(9,760)	\$(9,760)
6. To budget the Bridge Access Program for Vaccines Agreement Addendum.	\$147,464
7. To reduce the budget to match rollover for the SUN Grant. \$(8,681)	\$(8,681)
8. To reduce the budget for the Office of Rural Health Grant to the amount awarded.	\$(8,676)
9. To reduce the budget for Innovative Approaches Grant. The funder changed the guidelines of the project after awarding the grant. CHA, along with partners, mutually agreed this funding no longer matched the needs of the community. Innovative Approaches activities continue in Cabarrus County via an advisory group.	\$(331,000)

[Link to full document](#)



## F2. Finance Policies

*Sue Yates, Chief Financial  
Officer*



# Finance Policy, *Motion*

Summary: **Minor changes.** Policies are reviewed at least annually for accreditation purposes and revisions are made when necessary.

Full policies reviewed and recommended for approval by Finance Committee & Legal Counsel 1/8/2024

Policies	Policy Overview
Finance - Credit Card Processing Policy  <b>Link to full documentation in appendices</b>	<p>Merchant credit or debit card transactions are monetary transactions and are subject to the same control and reconciliation policies as cash transactions. Improper protection of merchant card data, whether in electronic or paper form, could lead to a security breach that may result in customer ill-will, fines, legal fees and response-related costs. All technology implementation associated with the credit card processing must be in accordance with the Payment Card Industry (PCI) Data Security Standard. The goal of the PCI Data Security Standard is to protect cardholder data and sensitive authentication data wherever it is processed, stored or transmitted. Violations of this policy and these procedures may result in disciplinary action, termination of employment or legal action.</p> <p><b>Minor changes</b> - added behavioral health</p>
Finance - CHA Subaward Policy  <b>Link to full documentation in appendices</b>	<p>Title 2 U.S. Code of Federal Regulations Part 200, (2 CFR 200) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart D, defines requirements of pass-through entities initiating subaward agreements. CHA shall adhere to all applicable subaward and monitoring requirements governing the use of funds. This policy establishes procedures for classifying, making an award to, and monitoring a subrecipient consistent with grant award terms and all applicable federal regulations in the UG.</p> <p><b>Minor changes</b> – added challenges and lessons learned under Summary of Progress</p>
Finance - Travel Policy  <b>Link to full documentation in appendices</b>	<p>The primary objective of this policy is to establish procedures for authorization of travel by Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA) employees and certain non-CHA employees for the purposes of conducting CHA business, and to establish policy and procedures for payment of the cost of authorized travel. This travel policy is designed to comply with Internal Revenue Service (IRS) regulations so that all reimbursements will be non-taxable payments. Certain expenses not reimbursed under this policy may be tax deductible to you. Please consult your tax advisor if you have questions. The policy of CHA is to reimburse employees for all reasonable expenses incurred as a result of travel for authorized CHA business. All travel is contingent upon the availability of budgeted funds in each department.</p> <p><b>Minor changes</b> – changed CHA intranet to CHA SharePoint Intranet Site; updated signatures requirements; updated language around filling out the Travel Request; removed reference to odometer readings; clarified when forms were due; changed place of work to first worksite; changed out of town to out of county; clarified First Class and travel insurance are not reimbursed; removed reference to sign in/sign out page; and updated appendices and mileage chart.</p>
Finance - NC Debt Set-Off Procedures Policy  <b>Link to full documentation in appendices</b>	<p>Per North Carolina General Statute 105A 1-16, local governments may submit debtors to the North Carolina Department of Revenue to collect money owed. For a client to be submitted to the debt setoff process, their debt must be at least 60 days delinquent and must total \$50 or more.</p> <p><b>Minor changes</b> – added 42 CFR part 2 laws regarding disclosures</p>

Requested action: approve finance policies



# Finance Policy, *Motion*

Full policies reviewed and recommended for approval by Finance Committee & Legal Counsel 1/8/2024

Summary: **No changes.** Policies are reviewed at least annually for accreditation purposes and revisions are made when necessary.

Policies	Policy Overview
Finance - Public Health, Primary Care & Dental Services False Claims and Fraud Prevention Policy  <b>Link to full documentation in appendices</b>	The purpose of this policy is to inform employees of the key provisions of laws relating the prevention of fraud, abuse, and waste of Federal and State Programs and to comply with the requirements of Section 1396(a)(68) of the Social Security Act and other related laws. In addition, this policy provides guidance regarding efforts to combat fraud, waste, and abuse within the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA). The benefits of this policy include, but are not limited to demonstrating our commitment to honest and responsible conduct, decreasing the likelihood of unlawful and unethical behavior at an early stage, and encouraging employees to report potential problems to allow for appropriate internal inquiry and corrective action. This policy may be revised at any time if necessary and will be reviewed at least annually.
Finance - Public Health, Primary Care & Dental Services Billing Policy  <b>Link to full documentation in appendices</b>	This policy provides guidelines to be followed when billing charges for public health, primary care services and dental rendered by the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA). We are committed to preventing fraud and abuse in billing and are responsible to submit only charges that are truthful and accurate, that reflect medically necessary or appropriate services, and that are fully supported by health care record documentation. Attention is given to submitting a correct claim for payment the first time. This policy may be revised at any time if necessary and will be reviewed at least annually.
Finance - Donation Policy  <b>Link to full documentation in appendices</b>	The primary objective of this policy is to establish guidelines, standards, and procedures for real and/or monetary donations (federal, state and or local) administered by and/or passed through the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA).

Requested action: approve finance policies



# Finance Policy, *Motion*

Full policies reviewed and recommended for approval by Finance Committee & Legal Counsel 1/8/2024

Summary: **No changes.** Policies are reviewed at least annually for accreditation purposes and revisions are made when necessary.

Policies	Policy Overview
Finance - Donation Policy - Cabarrus Public Health Interest  <b>Link to full documentation in appendices</b>	<p>The primary objective of this policy is to establish guidelines, standards, and procedures for real and/or monetary donations (federal, state and or local) administered by and/or passed through the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance’s (CHA) not-for-profit organization, the Cabarrus Public Health Interest (CPHI).</p>
Finance - Public Health Primary Care Services Debt Management Policy  <b>Link to full documentation in appendices</b>	<p>To implement policies and procedures ensuring collection of debts by providing necessary follow-up actions on delinquent debts resulting from billings initiated by the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA).</p> <p>Debt management follows a logical path or series of events, beginning from the time the service is provided to the point when it is determined that a debt is uncollectible and should be written off.</p> <p>All staff members involved in fee services shall consistently follow the established guidelines for fee collection through the policy and procedure statements addressed in this document, and shall hold all client information confidential.</p>
Finance Dental Clinic Debt Management Policy  <b>Link to full documentation in appendices</b>	<p>To implement policies and procedures ensuring collection of debts by providing necessary follow-up actions on delinquent debts resulting from billings initiated by the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA). This policy covers dental health services only.</p> <p>Debt management follows a logical path or series of events, beginning from the time the service is provided to the point when it is determined that a debt is uncollectible and should be written off.</p> <p>Fees for the CHA services are authorized in accordance with a plan recommended by the CHA Board when they are not otherwise prohibited by law.</p>

Requested action: approve finance policies



## G. BUSINESS AGENDA

G1. [Auditor Selection](#), *Motion*

*Sue Yates, Chief Financial Officer*

G2. [Compensation & Classification Study](#), *Motion*

*Stephen Cathcart EdD, Human Resources Director*

*Jamie Newman, Asst. Human Resources Director*

G3. [Mission, Vision, Values](#), *Motion*

*Erin Shoe, MPH, Health Director*

G4. [Primary Care Expansion](#)

*Erin Shoe, MPH, Health Director*



## G1. Auditor Selection

*Sue Yates, Chief Financial  
Officer*



Reviewed by  
Finance  
Committee:  
1/8/2023

# Approval of Annual Audit Services

- A public RFP was posted on 12/19/23 and 27 courtesy copies were mailed.
- A non-mandatory pre-proposal meeting was held and there were no attendees. No questions were submitted regarding the RFP.
- One firm responded: Potter & Company
- The RFP was for a 5 year contract.
- Potter's pricing is comparative to what we are currently paying.
- The pricing is provided and includes:
  - Preliminary Audit completed by June;
  - Field Work completed by August/September;
  - Review of Financial Report along with camera ready financial statements and notes by October 15;
  - Completion and delivery of final audit report by October 31<sup>st</sup>.

## Requested Action:

- Approval of a five-year contract with Potter & Company, P.A. for the Annual Audit and camera-ready financial statements and notes for Fiscal Years 2024, 2025, 2026, 2027, 2028 for \$38,500, \$39,625, 40,750, 41,875 and \$43,000 respectively.
- The history provided by Potter & Company will be beneficial in determining if any process or procedure changes would be advantageous to Cabarrus Health Alliance along with assistance in our upcoming capital projects.





## G2. Compensation & Classification Study

*Stephen Cathcart EdD,  
Human Resources Director  
Jamie Newman, Asst.  
Human Resources Director*



# 2024 Classification & Compensation Analysis Results & Recommendations



Dr. Steve Cathcart and Jamie Newman



CABARRUS  
HEALTH  
ALLIANCE



# The Process & Consultant

- An RFP was issued for a Salary Study (phase I) and Compensation/Classification Study (phase II)
- Gallagher was selected through the competitive selection process
- Gallagher is a global leader in insurance, risk management & consulting services
- Gallagher uses a clearly defined and validated compensation model (Decision Band Model®)
- They operate in over 130 countries
- Have been used by local companies and community partners





# Phase II: Compensation & Classification Study

## Current Job Classification Schedule

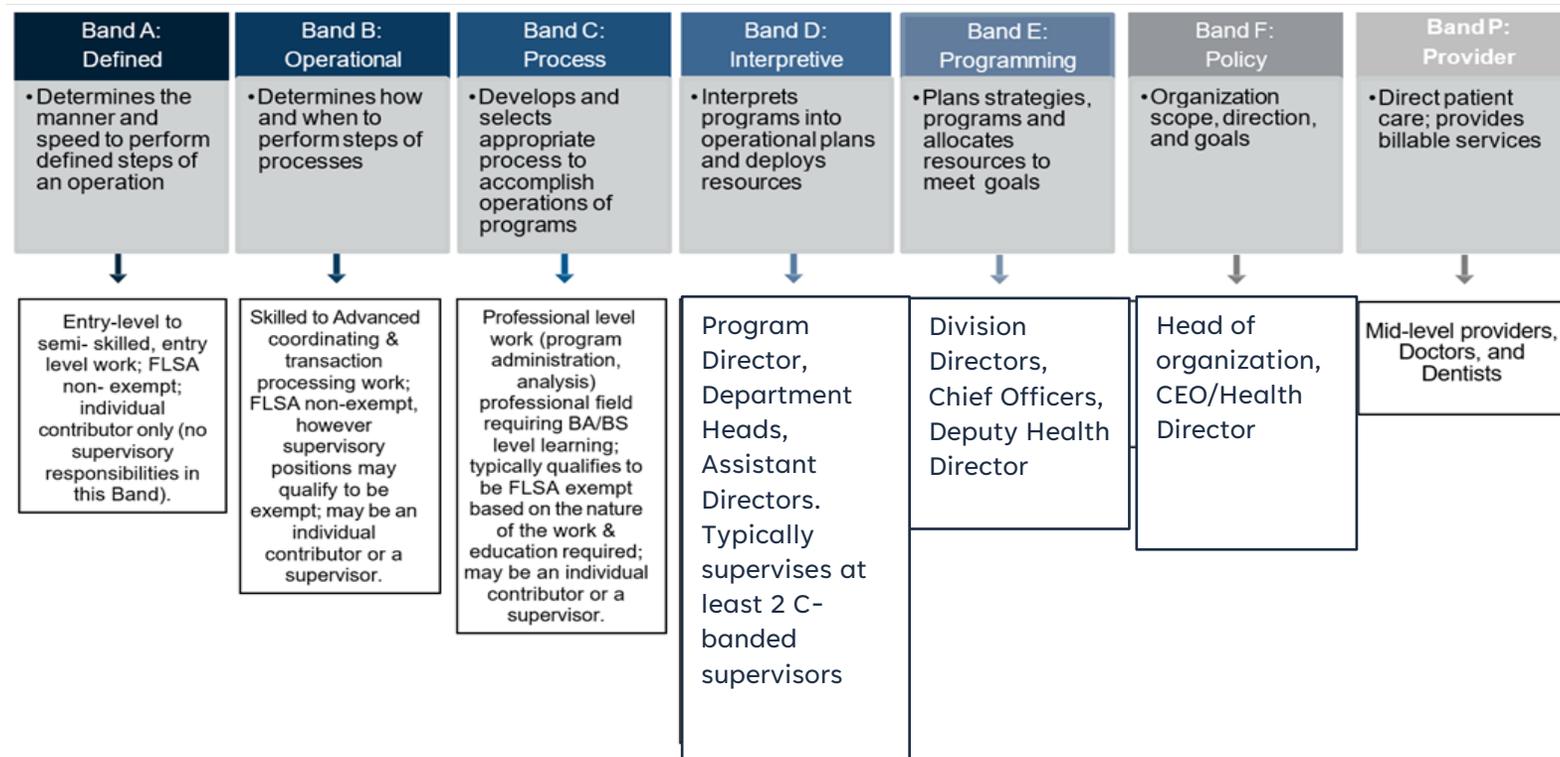
- Currently we have 115 grades and 104 job classes.
- Similar jobs are in different grades and many grades have only one position assigned.

## Proposed Job Classification Schedule

- Reduces grades/bands to 26 from 115, and job classes to 70 from 104.
- Combines similar positions in the same grade.
- Eliminated duplicate classifications.
- Based on the Decision Band Model.



# How Bands Are Determined





# These positions are defined as "Hard to Fill"

Special consideration and more aggressive (on-going) salary reviews should be completed for the following positions to ensure competitiveness.

Dental Assistants	Nutritionists
Dental Hygienists	Public Health Nurses
Behavioral Health Providers	Environmental Health Specialists
Interpreters	





# Final Recommendations

1. Adopt recommended Compensation and Classification schedule
  - Adjust outlier employees to the new minimum levels
    - Cost: \$11,495
2. Adopt Time in Seat (time in current role) to address compression
  - 2% adjustment per year in seat was calculated for all employees
    - Cost: \$34,930





# Implementation Timeline





# Next Steps

Salary studies to be completed in cycles

Next Salary Study *Clinical Staff Only* -2025

Tables Aged -2025

Next Study –staff TBD





## G3. Mission, Vision, Values

*Erin Shoe, MPH, Health  
Director*



# Mission, Vision, Values

January 16, 2024





# Mission – what we do TODAY



Current: Achieving the highest level of individual and community health through collaborative action





# Vision – our ideal FUTURE state

Current: We will continue our tradition of providing the highest quality services while evolving as the leader of public health care in the region we serve. From environmental health to primary care, we will work with others to create healthy lives in our community.





# Proposed Mission & Vision Statements

**Mission:**  
**Our mission is to improve individual and community health through services, education, and collaborative action**

*Current: Achieving the highest level of individual and community health through collaborative action*

**Vision:**  
**We envision a thriving community where people make healthy choices in healthy environments**

*Current: We will continue our tradition of providing the highest quality services while evolving as the leader of public health care in the region we serve. From environmental health to primary care, we will work with others to create healthy lives in our community.*



# Core Value: Collaboration

We build strong, trusting relationships with our colleagues, partners, and those we serve.



# Core Value: Compassion

We treat everyone with empathy,  
care, and respect.



# Core Value: Integrity

We demonstrate ownership and accountability through consistent, honest, and ethical behavior.



# Core Value: Adaptability

We are proactive in finding solutions for our fellow staff members and our community in response to evolving circumstances.



# All Together

## Mission:

Our mission is to improve individual and community health through services, education, and collaborative action

## Vision:

We envision a thriving community where people make healthy choices in healthy environments

Collaboration

Compassion

Integrity

Adaptability



## G4. Primary Care Expansion

*Erin Shoe, MPH, Health  
Director*



## H. ANNOUNCEMENTS

*Chairperson Lara Pons, MD*



# I. Closed Session

*Chairperson Lara Pons, MD*

Motion to Enter into Closed Session pursuant to NCGS 143-318.11  
(a)(1) to prevent the disclosure of information that is privileged or  
confidential pursuant to North Carolina Law



## J. Motion to Adjourn

*Chairperson Lara Pons, MD*



# Supplementary Documents Linked to Agenda Items



Public Health Authority of Cabarrus County  
Board Meeting Minutes  
October 17, 2023

A regular meeting of The Public Health Authority Board was held on Tuesday, October 17, 2023.

Board members attended in-person at CHA.

*Members Present:*

- Lara Pons, MD, Chair
- Mark Spitzer, Vice-Chair
- Cecilia Plez
- Daryle Adams
- Kimberly Dehler, DDS
- Chip Buckwell, Ed.D

*Members Absent:* Asha Rodriguez, Steve Morris.

*Staff Present:* Erin Shoe, Rolanda Forehand, Raquesha Balknight, Sue Yates, Marcella Beam, Dr. Alicia Primus, Dr. Elly Steel, Madilynn Turner, Tamara Lunsford-Key, Wendy Harsch, Branisha Smith, Sonja Bohannon-Thacker, Martil Cospser, Dr. Steve Cathcart, Kim Ragan, Tammy Alexander, Megan Easterday.

*Guests and Members of Public Present:* N/A

**CALL TO ORDER**

Chairperson Lara Pons called the meeting to order at 5:43pm.

**ADOPTION OF THE AGENDA**

Chairperson Lara Pons requested a motion to adopt the agenda. Cecilia Plez moved. Daryle Adams seconded. Motion and approval carried unanimously.

**APPROVAL OF THE MINUTES**

Chairperson Lara Pons asked for a motion to approve the September 19, 2023 meeting minutes. Cecilia Plez moved. Vice-Chair Mark Spitzer seconded. Motion and approval carried unanimously.

**SPECIAL PRESENTATIONS – CHA Employee Recognition**

Erin Shoe recognized the following CHA employees and board member for receiving North Carolina Public Health Association Awards.

Martil Cospser was recognized for winning the NC GlaxoSmithKline Foundation Child Health Recognition Award. Martil coordinates the Stop School Violence program in partnership with Kannapolis City Schools (KCS) and Cabarrus County Schools (CCS). This project was created to reduce and prevent school violence through and does so through a series of innovative trainings and follow-up technical assistance opportunities.

Suzanne Knight was nominated and won the Rankin Legacy Award. Suzanne pushed CHA to fully integrate behavioral health into pediatrics and women’s health early on. Under her leadership, these programs have thrived: 69% of mothers with opioid use disorder have completed their MAT to one-year post-partum or had a planned transfer, 85% delivered their babies at term, and only 15% of babies were born with low birth weight. To date, none of our community-based MAT patients have experienced a subsequent overdose.

Commissioner Stephen Morris accepted the award for the Partners in Public Health Award. The Cabarrus County Board of Commissioners has served as a convener of local and regional expertise to raise public awareness, increase access to care, and improve crisis response. Commissioners continue to advocate at federal, state, and local levels to improve accountability and ensure resources are available to all Cabarrus County residents who need them.

Emmett Stokes was selected for a podium presentation. The focus was on closing the loop on internal and external community referrals.

Maddy Turner was selected for a poster presentation. The presentation shared how CHA utilized a Social Determinants of Health (SDOH) screener and streamlined our internal referral process.

## **INFORMAL PUBLIC COMMENTS**

No public comments.

## **REPORTS**

### Communicable Disease Annual Report

Tamara Lunsford-Key and Dr. Megan Easterday presented the Communicable Disease Annual Report.

They shared details about the Cabarrus County Geographic Mobility Pattern (2020-2021), Food & Waterborne Data - Cryptosporidiosis & Cyclosporiasis, Vaccine Preventable Data, Direct Contact & Respiratory Data, Sexually Transmitted & Bloodborne Data, and the COVID Vaccine Efforts.

Tamara advised that Cryptosporidiosis & Cyclosporiasis thrive in contaminated drinking water and can be found on contaminated fresh fruits and vegetables. Tamara confirmed that she will be working with Environmental Health to determine the best way to wash produce to prevent it from spreading and educate the community.

Erin Shoe thanked the Data Committee for assisting with providing the numbers for the updated report.

### 5 for 5 Division Report: School Health

Tammy Alexander provided an overview of the School Health Division. Details include updates on Staffing, Workforce Development, School Health by the Numbers, and Factors Impacting School Health. Tammy's asks for School Health are to maintain the Medical Office Assistants for the FY25 budget and for future years, and to assess appropriate and safe staffing of school nurses to determine if more than one school nurse is needed to meet the needs of a school's population. She welcomed ideas and suggestions from the Board to strengthen the services School Health provides to the community.

Daryle Adams shared that school nurses play a vital role in the day to day lives of our students and have done a remarkable job developing relationships with students.

### 5 for 5 Division Report: Dental

Dr. Elly Steel presented an overview of the Dental Health Division. Details include updates on the FY24 Dental Division Budget of \$6,065,862, FY23 Goals & Achievements, Dream Center Renovations, Kannapolis Renovations, Mobile Unit Updates, Opportunities & Support Needed. Dr. Steel advised that Dental has achieved getting an automated patient reminder called Lighthouse which has decreased the cancellation and no-show rates. Dr. Steel confirmed that Dental is focused on quality improvement within their department by doing peer reviews for each position, so that patients receive quality care. Dr. Steel's ask is for continued support for innovation.

Elly advised needs are all across the state, not just Cabarrus County.

### CHA Symposium Report

Erin Shoe presented a quick overview of the first annual CHA Symposium Report. Employees enjoyed the motivational speakers, the sunrise and sunset wellness activities such as yoga and line dancing, and following sessions:

- Providing Trauma Informed Care, By Joe Stafford.
- Express Yourself: Paint Therapy, By Amanda Harvell.
- Hello, I'm new-ish here! By Rolanda Patrick Forehand.

- What's Love Got to do with it? By Kiyonna Jones.
- Discovering the Road Less Stressed, By Kay Frances.

#### Committee Report-Outs

- *Finance Committee* – Sue Yates presented the following reports.
  - *Financial Summary Report as of 8/31/23* – Sue shared the Financial Summary that includes revenues and expenditures, actuals for past and present fiscal year, and the year-to-date collected percentages.
    - Sue advised net revenue will amount to approximately \$125,936.
  - *CHA Snapshot Report as of 8/31/23* – Sue shared the CHA Snapshot that shows the budget, actuals, and year-to-date collected for each department.

### **CONSENT AGENDA**

#### Budget Revisions

Sue Yates presented an overview of the Budget Revisions. There are currently seven (7) revisions that were reviewed by both the Executive and Finance Committee at an earlier meeting. The revisions include the following departments and programs. Sue advised that there will be a few grants that will roll over to the FY24 budget.

1. REACH Project
2. SUN Project
3. CDC COVID-19 Vaccination Program
4. Brown Mill Location
5. Lifestyle Medicine
6. County ARPA Dollars
7. HRIS – Human Resources Information System

#### Financial Policies

Sue Yates advised there were six (6) Finance Policies reviewed. The Subscription-Based Information Technology Arrangement (SBITA) Policy, American Rescue Plan Act (ARPA) Conflict of Interest Policy, ARPA Allowable Cost and Cost Principles Policy, ARPA Eligible Use Policy, ARPA Non-Discrimination Policy, ARPA Record Retention Policy. There is one new policy and no changes to the other policies.

- SBITA – New Policy
  - The Board of Health to adopt \$10,000.00 as the materiality threshold for SBITAs. The Board reserves the right to adjust this materiality threshold from time to time as may be needed or recommended for audit purposes; reviewed by auditors.

These policies are reviewed annually for accreditation purposes and revisions are made when necessary. The Finance Committee was able to review these policies at an earlier meeting.

Chairperson Lara Pons asked for a motion to approve the Consent agenda. Vice-Chair Mark Spitzer moved. Daryle Adams seconded. Motion and approval carried unanimously.

### **BUSINESS AGENDA**

#### Longevity Pay

Erin Shoe presented an overview of Longevity Pay, previously known as the Annual Performance Award. Details include Performance Management, Recruitment, Appreciation for New Staff, and Retention. Erin shared a table with the breakdown for Years of Service, number of Employees as of 10/4/23, Award Amount, and Total Costs. The purpose of Longevity Pay is to provide an incentive to current staff while also showing appreciation to the newly hired staff.

Erin Shoe proposed that the employee list is pulled on the same date every October and the award is paid on the same payroll every December to show consistency. The board members discussed payout options and are in full support to paying the award in a lump sum beginning in December 2023.

Chairperson Lara Pons asked for a motion to approve Longevity Pay. Vice-Chair Mark Spitzer moved. Dr. Kimberly Dehler seconded. Motion and approval carried unanimously.

Mission, Vision, Values

Marcella Beam welcomed and introduced Geraldine Gardner, Executive Director at Centralina Regional Council. Geraldine Gardner presented an overview of the Mission, Vision, and Values proposal for Cabarrus Health Alliance. Geraldine introduced Centralina and shared details on their Strategic Framework, Value of Strategic Plans & Their Implementation, Timeline & Objectives of the Process, Board Engagement, and Next Steps. Geraldine shared that the benefits to working with Centralina is to help set clear direction for the Board and Administration. In addition, they will help guide decision making, help shape public spending and fiscal policy, build trust and transparency, and motivate employees.

The board members were able to share their opinions of the key(s) to success for CHA and their hopes about the Strategic Planning Process and its outcomes.

Geraldine stated that she will send another link for board members to complete a survey to provide feedback on CHA's current state, existing mission and vision statements, and your core values.

**ANNOUNCEMENTS**

Dr. Lara Pons announced that Dr. Dan Hagler has resigned from the Board and the nominating committee will meet to find potential candidates, preferably one who specializes in infectious disease.

Erin Shoe stated that a formal letter will be sent to Dr. Dan Hagler and he will be presented with a plaque as an appreciation for his time served on the Board.

Vice-Chair Mark Spitzer asked for a motion to enter into closed session pursuant to NCGS 143-318.11 (a)(1) to prevent the disclosure of information that is privileged or confidential pursuant to North Carolina Law. Vice-Chair Mark Spitzer moved. Cecilia Plez seconded. Motion and approval carried unanimously.

**MOTION TO ADJOURN**

No further business to come before the Board.

Chairperson Lara Pons requested a motion to adjourn the meeting. Cecilia Plez moved. Dr. Kim Dehler seconded the motion. Motion and approval carried unanimously. The meeting was adjourned at 8pm.

The next meeting of the board will be January 16, 2024, at 5:30pm.

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Lara Pons, MD, Chair  
Public Health Authority Board of Commissioners

ATTEST

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Erin Shoe, MPH  
Public Health Director

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Minutes Taken by Raquesha R. Balknight

**SUBJECT:** CREDIT CARD PROCESSING POLICY

**EFFECTIVE DATE:** June 12, 2018

**REVISION DATE:** June 11, 2019; January 16, 2024

**REVIEW DATE:** May 25, 2018; June 11, 2019, July 30, 2020; July 26, 2021;  
January 17, 2023; January 16, 2024

**POLICY STATEMENT:** Merchant credit or debit card transactions are monetary transactions and are subject to the same control and reconciliation policies as cash transactions. Improper protection of merchant card data, whether in electronic or paper form, could lead to a security breach that may result in customer ill-will, fines, legal fees and response-related costs. All technology implementation associated with the credit card processing must be in accordance with the Payment Card Industry (PCI) Data Security Standard. The goal of the PCI Data Security Standard is to protect cardholder data and sensitive authentication data wherever it is processed, stored or transmitted. Violations of this policy and these procedures may result in disciplinary action, termination of employment or legal action.

**DEFINITION:** We currently use credit card terminals connected to a phone line for processing in our clinical, behavioral health, and environmental health locations. Current process does not use a computer or any device connected to our network. We currently use credit card terminals connected to our data network for our dental locations. Current process is that no data is stored on the network. It uses point 2 point encryption. Once the card is swiped or inserted the numbers are encrypted as they traverse our network and internet ~~until~~ they're decrypted and processed in AxiaMed's network. We use the PCI Data Security Standard SAQ B (Self-Assessment Questionnaire) and Attestation of Compliance for our connection via phone lines. We use the PCI Data Security Standard SAQ P2PE for our connection via the network. Employees will be trained on how to process credit cards safely and securely, and on the importance of cardholder data security.

**PROCEDURES TO BE FOLLOWED:**

**1. PERMITTED PROCESSES:**

- 1.1. Entering credit card number or swiping credit card while customer is present.
- 1.2. Entering credit card number while customer is on the phone.
- 1.3. Writing down a credit card number on a sheet of paper to type into credit card terminal. This sheet of paper must be secured until the credit card has been processed and then placed in a Shred-It bin. Under no circumstances should this information be stored.
- 1.4. Only the last four digits of a credit card number is displayed on printed receipts.

- 1.5. Only employees authorized by management are handling and processing customer's credit cards, and using the credit card machines.
  - 1.6. Cardholder data received via an unintended channel should be immediately removed. An example of this would be receiving an email from a customer with cardholder data. If this happens, do not "reply" using the same email that contains the cardholder data. Contact the customer via an alternate communication to complete the transaction or remove sensitive data from the email response before replying.
  - 1.7. When necessary communicate with clients on the risks of sending cardholder data through unsecure channels and ensure customers are aware of our secure methods for submitting payment information.
  - 1.8. Report to your supervisor if you aware of any tampering or substitution of devices.
  - 1.9. A daily accounting of receipts from our patient software systems should be balanced against merchant card transactions via daily batch settlement reports. The actual funds for the merchant card transactions are electronically deposited into the agency's bank account automatically and reconciled by the Finance Department.
2. **PROHIBITED PROCESSES:**
- 2.1. Storing CHD (cardholder data) on paper following the completion of a transaction as it must be disposed of immediately in a Shred-IT bin.
  - 2.2. Receiving credit card numbers and storing credit card numbers in any digital format. This includes Excel, Word, PDF files, in Email, in instant chat and also in any database.
  - 2.3. Scanning in any paperwork which contains credit card numbers.
  - 2.4. Employees making any changes to the credit card terminals without authorization.
  - 2.5. No employee may disclose or acquire any information concerning a cardholder's account without the cardholder's consent. Employees shall not sell, purchase, provide, disclose or exchange card account information or any other transaction information to any third person other than Cabarrus Health Alliance (CHA) Staff for assistance, to merchant card processor, to any Card Association as applicable, or as may be required by applicable law or regulation.
  - 2.6. Accepting payment cards for cash advances.

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Date

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Board Chairman

**SUBJECT:** PUBLIC HEALTH, PRIMARY CARE, AND DENTAL  
FALSE CLAIMS AND FRAUD PREVENTION POLICY

**EFFECTIVE DATE:** November 14, 2017

**REVISION DATE:** October 31, 2017; August 1, 2018

**REVIEW DATE:** October 31, 2017; August 1, 2018; August 1, 2019; July 30, 2020;  
July 26, 2021; January 17, 2023, January 16, 2024

**POLICY STATEMENT:** The purpose of this policy is to inform employees of the key provisions of laws relating the prevention of fraud, abuse, and waste of Federal and State Programs and to comply with the requirements of Section 1396(a)(68) of the Social Security Act and other related laws. In addition, this policy provides guidance regarding efforts to combat fraud, waste, and abuse within the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA). The benefits of this policy include, but are not limited to demonstrating our commitment to honest and responsible conduct, decreasing the likelihood of unlawful and unethical behavior at an early stage, and encouraging employees to report potential problems to allow for appropriate internal inquiry and corrective action. This policy may be revised at any time if necessary and will be reviewed at least annually.

### **DEFINITIONS**

1. *Fraud:* An intentional deception or misrepresentation to achieve an unauthorized benefit.
2. *Knowing and Knowingly:* Generally means that a person with respect to information:
  - a. Has actual knowledge of the information,
  - b. Acts in deliberate ignorance of the trust or falsity of the information, or
  - c. Acts in reckless disregard of the truth or falsity of the information, and no proof of specific intent to defraud is required.
3. *Claim:* Includes any billing to Medicare, Medicaid, or other State or Federal programs.

### **OVERVIEW OF RELEVANT LAWS:**

- *Federal Deficit Reduction Act (DRA) of 2005: Section 6032 of the DRA of 2005.* The DRA was signed into law in February 2006 and contains many provisions that reform Medicare and Medicaid. This law also provides provisions for reducing Medicaid fraud and requires an entity that receives or makes annual payments under the State Medicaid Plan of at least \$5,000,000 to establish written policies for all employees of the entity, and of any contractor or agent of the entity, that provide detailed information about the False Claims Act, administrative remedies for false claims and statements, as well as whistleblower protections for reporting waste, fraud, and abuse.
- *The False Claims Act (FCA): 31 U.S.C. Sections 3729 through 3733.* This law is one of

several that have been implemented to assist in the detection and prevention of fraud, abuse, and waste in federal programs. The FCA provides that anyone who “knowingly” presents, or causes to be presented, a “false or fraudulent claim” is liable for damages. The FCA prohibits retaliation against any party that reports any actual or potential violation of the False Claims Act.

- *North Carolina State False Claims Laws: Medicaid Fraud Statute, § 108A-70.10 et seq.* The North Carolina Medicaid fraud statute makes it unlawful for any provider to:
  - Knowingly present, or cause to be presented to the Medical Assistance, a false or fraudulent claim for payment or approval; or
  - Knowingly make, use or cause to be made or used a false record or statement to get a false or fraudulent claim paid or approved by the Medical Assistance Program
  - Knowingly means that a provider with respect to the information:
    - Has actual knowledge of the information;
    - Acts in deliberate ignorance of the truth or falsity of the information; or
    - Acts in reckless disregard of the truth and falsity of the information. No proof of specific intent to defraud is required.
  - Upon finding that such person has intentionally violated the Medicaid Fraud Statute, the court shall assess against any provider of medical assistance under the Medical Assistance Program a civil penalty of not less than \$5,000 and not more than \$10,000 plus three times the amount of damages which the Medicaid Program sustained because of the act of the provider.
  
- *Program Fraud Civil Remedies Act of 1986 (DFCRA)*. DFCRA authorizes Federal agencies such as the Dept. of Health and Human Services (DHHS) to investigate and assess penalties for the submission of false claims to the agency.

It is essential that each employee be aware of compliance to existing standards for activities performed on the job. Areas include but are not limited to, medical record documentation, coding, billing, accounts receivable and compliance with state/federal regulatory requirements.

### **STANDARDS OF CONDUCT FOR PERSONNEL**

1. No employee shall make false, or use any false, fictitious, or fraudulent statements or documents in connection with the delivery of, or payment for, health care benefits, items, or services.
2. No employee shall falsify, conceal, or cover up a material fact in the performance of their duties.
3. Each employee will be responsible for reporting any violations of this policy to their immediate supervisor.

**POTENTIAL RISK AREAS**

1. Billing for procedures, items or services that were not provided.
2. Billing for procedures, items or services that are not documented.
3. Submitting duplicate claims:
  - a. More than one claim for the same service.
  - b. Claim is submitted to more than one primary payer at the same time.
4. Up-coding; using a billing code that provides a higher payment rate than the billing code that accurately reflects the service furnished to the patient.
5. Inappropriate balance billing.
6. Inappropriate resolution of overpayments.
7. Incorrectly or improperly recording receivables.
8. Failure to maintain the confidentiality of information/records.
9. Alteration of documentation.
10. Destroying records/documentation without proper authority.

**CLAIM AND DEVELOPMENT AND SUBMISSION PROCESS**

1. Provide a mechanism for the billing or reimbursement staff to communicate effectively and accurately with the clinical and dental staff.
2. Provide proper and timely documentation of all physician, dental and other professional services prior to billing to ensure that only accurate and properly documented services are billed.
3. Emphasize that claims will be submitted only when appropriate documentation supports the claims and only when such documentation is maintained appropriately, organized in legible form, and available for audit and review.
4. Ensure that the diagnosis and procedures reported on the reimbursement claim are based on the medical record and other documentation.
5. Ensure all billings to government and private insurance payers reflect true and accurate information and conform to all pertinent federal and state laws and regulations.

**REPORTING COMPLIANCE CONCERNS**

Each employee has a duty to report possible wrongdoing or suspected violations of applicable federal and state laws and regulations. CHA has an open door policy available to all employees acting in good faith to encourage communication, dialogue, and the reporting of incidents of potential wrongdoing or suspected violations. CHA will not retaliate or discriminate against any employee who makes a good faith report of a suspected violation regarding the observed conduct or actions by another person by reason of such a report being made. Also see the CHA Whistleblowers Policy and Reporting Policy.

In the event you discover a compliance error that could lead to a violation of the FCA, you should bring it to the attention of your immediate supervisor or program manager.

**TRAINING AND EDUCATION**

Training and education is an essential component of an effective compliance policy. The amount of training provided to employees will be directly related to how much their job requires them to be involved with the provision of services, or in the coding and billing of services.

**AUDITING AND MONITORING**

Ongoing auditing and monitoring is an essential part of any effective compliance policy. Auditing and monitoring activities shall be conducted on an ongoing basis. These auditing and monitoring activities will be designed to address compliance with laws governing CPT, HCPCS, and ICD-10 coding, claim development and submission and reimbursement.

**RESPONSE AND PREVENTION**

Violations of the compliance policy threaten our status as a reliable, honest and trustworthy provider and may result in our being excluded from participating in federal healthcare programs. For this reason, supervisors will promptly respond to any and all reports of non-compliance. All violations will be assessed to determine whether a violation of the compliance policy actually exists. If warranted, appropriate corrective action measures shall be determined on a case-by-case basis. Disciplinary action, if required will be managed in accordance with the CHA disciplinary policies.

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Date

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Board Chairman

**SUBJECT: PUBLIC HEALTH, PRIMARY CARE, AND DENTAL SERVICES BILLING POLICY**

**EFFECTIVE DATE:** November 14, 2017

**REVISION DATE:** October 31, 2017; August 1, 2018; July 26, 2021

**REVIEW DATE:** October 31, 2017; August 1, 2018, August 1, 2019; July 30, 2020; July 26, 2021; January 17, 2023; January 16, 2024

**POLICY STATEMENT:**

This policy provides guidelines to be followed when billing charges for public health, primary care services and dental rendered by the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA). We are committed to preventing fraud and abuse in billing and are responsible to submit only charges that are truthful and accurate, that reflect medically necessary or appropriate services, and that are fully supported by health care record documentation. Attention is given to submitting a correct claim for payment the first time. This policy may be revised at any time if necessary and will be reviewed at least annually.

**BILLING MEDICAID AND THIRD PARTY INSURANCE**

Clients presenting with third party health insurance coverage where copayments are required shall be subject to collection of the required copayment at the time of service. For Family Planning (Title X) clients, the copay may not exceed the amount they would have paid for services based on sliding fee scale (SFS).

Patients will electronically or manually sign a consent allowing CHA to file insurance and a copy of the insurance card will be scanned at that time into the patient's medical record.

Third party is billed the total amount of the service provided and will not receive the benefit of the SFS. The charge and any remaining balance (minus copayments) is billed to the client based on the SFS.

Claims are filed electronically using our patient management systems or a claims clearinghouse for both clinical and dental claims.

Payments are posted electronically/manually to patient accounts. If applicable, secondary insurance is filed.

Denials are researched using the Remittance Advice (RA) for Medicaid and Medicare and EOB's (explanation of benefits) for private insurance. Any denials deemed incorrect are resubmitted as quickly as possible. Any remittance or final denial is posted to the patient's account. Remaining balance for Medicaid or Medicare clients are adjusted off unless it was for a non-covered service that the client was made aware of prior to the service being rendered.

If a patient has any form of third-party reimbursement, the payer should be billed (required if the agency is “in network,” otherwise optional), unless confidentiality is a barrier. Filing an insurance claim will result in an EOB being sent to the subscriber which would violate confidentiality if requested. Patients requesting confidentiality will sign a form that states how they will allow us to contact them and how they wish to handle payments/billing. Patients that receive STD services sign an electronic statement on the STD consent for treatment form stating whether they want services billed to their insurance. Medicaid will be billed as the payer of last resort. Patients should be made aware that they will be responsible for any balance remaining after the insurance claim has been processed. This may include coinsurance, deductibles and non-allowed charges (applied to the SFS). Family Planning clients will pay the lesser of the copay or where they fall on SFS as required by Title X.

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Date

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Board Chairman

**SUBJECT: SUBAWARD AND MONITORING POLICY**

**EFFECTIVE DATE:** August 16, 2022

**REVISION DATE:** January 17, 2023

**REVIEW DATE:** January 1, 2022; January 16, 2024

**POLICY STATEMENT:**

**WHEREAS** the Public Health Authority of Cabarrus County *d.b.a.* Cabarrus Health Alliance (hereinafter referred to as “CHA”), has received an allocation of funds; and

**WHEREAS** the funds are subject to the provisions of the federal Uniform Grant Guidance, 2 CFR Part 200 (UG), as provided in [eCFR](#); and

**WHEREAS** the funding source authorizes CHA to enter subaward agreements with subrecipients to assist CHA to carry out the terms of the funding initiative(s); and

**WHEREAS** if CHA enters into a subaward as a subrecipient, it acts as a pass-through entity, as described in 2 CFR 200.1; and

**WHEREAS** the 2 CFR Part 200 (UG), as provided in [eCFR](#) provides, in relevant part:

**Subrecipient Monitoring.** Recipients that are pass-through entities as described under 2 CFR 200.1 are required to manage and monitor their subrecipients to ensure compliance with requirements of the award pursuant to 2 CFR 200.332 regarding requirements for pass-through entities.

First, CHA must clearly identify to the subrecipient: (1) that the award is a subaward of funds; (2) any and all compliance requirements for use of the funds; and (3) any and all reporting requirements for expenditures of the funds.

Next, CHA will need to evaluate each subrecipient’s risk of noncompliance based on a set of common factors. These risk assessments may include factors such as prior experience in managing federal funds, previous audits, personnel, and policies or procedures for award execution and oversight. Ongoing monitoring of any given subrecipient should reflect its assessed risk and include monitoring, identification of deficiencies, and follow-up to ensure appropriate remediation.

Accordingly, CHA should develop written policies and procedures for subrecipient monitoring and risk assessment and maintain records of all award agreements identifying or otherwise documenting subrecipients’ compliance obligations.

Recipients should also note that subrecipients do not include individuals and organizations that received the funds as end users. Such individuals and organizations are beneficiaries and not subject to audit pursuant to the Single Audit Act and 2 C.F.R. Part 200, Subpart F.

Separately or in addition, many recipients may choose to provide a subaward (e.g., via contract or grant) to other entities to provide services to other end users. For example, a recipient may provide a grant to a nonprofit to provide homeless services to individuals experiencing homelessness. In this case, the subaward to a nonprofit is based on the services that the Recipient intends to provide, assistance to households experiencing homelessness, and the nonprofit is serving as the subrecipient, providing services on behalf of the recipient. Subrecipients are subject to audit pursuant to the Single Audit Act and 2 CFR part 200, subpart F regarding audit requirements; and

**WHEREAS** Subpart D of the UG dictates subrecipient and award requirements for expenditure of the funds; and

**WHEREAS** 2 CFR 200.332 states that:

All pass-through entities must:

- (a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the required information at the time of the subaward . . . When some of the required information is not available, the pass-through entity must provide the best information available to describe the federal award and subaward.
- (b) Evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.
- (c) Consider imposing specific subaward conditions upon a subrecipient if appropriate as described by 2 CFR 200.208.
- (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.
- (e) Depending upon the pass-through entity's assessment of risk posed by the subrecipient, specific monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals.
- (f) Verify that every subrecipient is audited as required by 2 CFR 200, Subpart F when it is expected that the subrecipient's federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 2 CFR 200.501.
- (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.

- (h) Consider taking enforcement action against noncompliant subrecipients as described in 2 CFR 200.339 and in program regulations.

**BE IT RESOLVED** that the governing board of CHA hereby adopts and enacts the following Subaward and Monitoring Policy for the expenditure of the funds.

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## SUBAWARD & MONITORING POLICY FOR EXPENDITURE OF FEDERAL FUNDS

### POLICY OVERVIEW

**Title 2 U.S. Code of Federal Regulations Part 200, (2 CFR 200) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, commonly called Uniform Guidance (UG), specifically Subpart D, defines requirements of pass-through entities initiating subaward agreements. CHA shall adhere to all applicable subaward and monitoring requirements governing the use of funds. This policy establishes procedures for classifying, making an award to, and monitoring a subrecipient consistent with grant award terms and all applicable federal regulations in the UG.**

### DEFINITIONS

The definitions in 2 CFR 200.1 apply to this policy, including the following:

**Contract:** for the purpose of federal financial assistance, a legal instrument by which a recipient or subrecipient purchases property or services needed to carry out the project or program under a federal award. For additional information on subrecipient and contractor determinations, see [§ 200.331](#). See also the definition of *subaward* in this section.

**Contractor:** an entity that receives a contract as defined in this section.

**Pass-through Entity:** a non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program (*CHA is the pass-through entity if it awards a subaward to a subrecipient*).

**Recipient:** an entity, usually but not limited to non-federal entities that receives a federal award directly from a federal awarding agency. The term recipient does not include subrecipients or individuals that are beneficiaries of the award.

**Subaward:** an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.

**Subrecipient:** an entity, usually but not limited to non-federal entities, that receives a subaward from a pass-through entity to carry out part of a federal award; but does not include an individual that is a beneficiary of such award. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

**UG or Federal UG:** Uniform Guidance or Federal Uniform Guidance – a set of authoritative rules and regulations for the use of federal grant funding from the Office of Management and Budget (OMB).

**Federal Audit Clearinghouse (FAC):** operates on behalf of the Office of Management and Budget (OMB). Its primary purposes are to: Distribute single audit reporting packages to federal agencies. Support OMB oversight and assessment of federal award audit requirements.

**POP:** Period of Performance of the grant/award.

## **SUBRECIPIENT CLASSIFICATION**

CHA must make a case-by-case determination whether an agreement with another government entity or private entity, that is not a beneficiary, casts the party receiving the funds in the role of a subrecipient or contractor. 2 CFR 200.331.

A subaward is for the purpose of carrying out a portion of a federal award and creates a federal assistance relationship with the subrecipient. Characteristics which support the classification of the non-federal entity as a subrecipient include when the non-federal entity:

- (1) Determines who is eligible to receive what federal assistance;
- (2) Has its performance measured in relation to whether objectives of a federal program were met;
- (3) Has responsibility for programmatic decision-making;
- (4) Is responsible for adherence to applicable federal program requirements specified in the federal award, including eligibility of subaward; and
- (5) In accordance with its agreement, uses the federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

A contract is for the purpose of obtaining goods and services for the non-federal entity's own use and creates a procurement relationship with the contractor. Characteristics indicative of a procurement relationship between the non-federal entity and a contractor are when the contractor:

- (1) Provides the goods and services within normal business operations;
- (2) Provides similar goods or services to many different purchasers;
- (3) Normally operates in a competitive environment;
- (4) Provides goods or services that are ancillary to the operation of the federal program; and,
- (5) Is not subject to compliance requirements of the federal program as a result of the agreement, though similar requirements may apply for other reasons.

In determining whether an agreement between a pass-through entity and another non-federal entity casts the latter as a subrecipient or a contractor, the substance of the relationship is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a subaward or a procurement contract.

The Grant Writer/Development Officer will use the above criteria to make an initial determination, using the Subrecipient or Contractor Classification Checklist in Appendix 1, on if an agreement involving the expenditure of the funds is a contract or subaward. CHA's Finance Director shall approve the determination. After grant award, the Project Budget Manager shall seek approval for the determination with the funder's Program Officer. The Project Budget Manager shall then file/store the determination properly according to the Record Retention Policy in the appropriate folder.

If the agreement involves a contractor relationship (including a contract for services) CHA must follow its Allowable Costs and Cost Principles Policy when entering into the contract.

If the agreement involves a subrecipient relationship, CHA must proceed to Sections IV through VII below.

**ASSESSMENT OF RISK**

Before engaging in a subaward, CHA must evaluate a subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward to determine whether to award the subaward and the appropriate subrecipient monitoring.

CHA’s Finance Director or designee will conduct the risk assessment, which will include consideration of the following factors:

- (1) The subrecipient's prior experience with the same or similar subawards;
- (2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with 2 CFR 200 Subpart F and the extent to which the same or similar subaward has been audited as a major program;
- (3) Whether the subrecipient has new personnel or new or substantially changed systems; and
- (4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency). 2 CFR 200.332(b).

The results of the risk assessment must be documented in the Subrecipient Assessment of Risk form in Appendix 2 and will be used to dictate the types and degree of subrecipient monitoring. CHA will assign an overall risk level to the subrecipient indicating the following:

<b>Low Risk</b>	<b>Moderate Risk</b>	<b>High Risk</b>
There is a low risk that the subrecipient will fail to meet project or programmatic objectives or incur significant deficiencies in financial, regulatory, reporting, or other compliance requirements.	There is moderate risk that the subrecipient will fail to meet project or programmatic objectives or incur significant deficiencies in financial, regulatory, reporting, or other compliance requirements.	There is high risk that the subrecipient will fail to meet project or programmatic objectives or incur significant deficiencies in financial, regulatory, reporting, or other compliance requirements.

If a proposed subrecipient is deemed high risk, CHA’s Finance Director or designee must provide written justification to proceed with the subaward. The justification must be approved by CHA’s authorized attorney.

**SUBRECIPIENT MONITORING**

In collaboration with CHA’s Finance Department, the Program Manager will develop and implement a subrecipient monitoring plan for the particular subaward based on the findings of the

Subrecipient Assessment of Risk. According to 2 CFR 200.332(d), the monitoring plan must involve:

- (1) Reviewing financial and performance reports required by the pass-through entity.
- (2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and written confirmation from the subrecipient, highlighting the status of actions planned or taken to address Single Audit findings related to the particular subaward.
- (3) Issuing a management decision for applicable audit findings pertaining only to the federal award provided to the subrecipient from the pass-through entity as required by 2 CFR [200.521](#).
- (4) The pass-through entity is responsible for resolving audit findings specifically related to the subaward and not responsible for resolving crosscutting findings. If a subrecipient has a current Single Audit report posted in the Federal Audit Clearinghouse and has not otherwise been excluded from receipt of federal funding (e.g., has been debarred or suspended), the pass-through entity may rely on the subrecipient's cognizant audit agency or cognizant oversight agency to perform audit follow-up and make management decisions related to cross-cutting findings in accordance with Section 2 CFR [200.513\(a\)\(3\)\(vii\)](#). Such reliance does not eliminate the responsibility of the pass-through entity to issue subawards that conform to agency and award-specific requirements, to manage risk through ongoing subaward monitoring, and to monitor the status of the findings that are specifically related to the subaward.

CHA’s monitoring plan will vary based on the overall subrecipient risk assessment as low risk, medium risk, or high risk, detailed as follows:

Subrecipient Deemed Low Risk	Subrecipient Deemed Medium Risk	Subrecipient Deemed High Risk
<ul style="list-style-type: none"> <li>• Payment validations (monthly)</li> <li>• Report reviews (quarterly)</li> <li>• Desk reviews (at least once per year and more frequently if requested by CHA or subrecipient)</li> <li>• Onsite reviews (upon request of CHA or subrecipient)</li> <li>• Audit review (yearly)</li> </ul>	<ul style="list-style-type: none"> <li>• More detailed financial Reporting</li> <li>• Payment validations (monthly)</li> <li>• Report reviews (bi-monthly)</li> <li>• Desk reviews (within 6 months of project start and every six months thereafter)</li> <li>• Onsite reviews (within 12 months of project start and annually thereafter, or more frequently as requested by CHA or subrecipient)</li> <li>• Audit review (yearly)</li> <li>• Procedures engagement (if subrecipient not subject to Single Audit Act; yearly)</li> </ul>	<ul style="list-style-type: none"> <li>• More detailed financial reporting</li> <li>• Compliance training (one-time)</li> <li>• Prior approvals for certain expenditures</li> <li>• Payment validations (monthly)</li> <li>• Report reviews (monthly)</li> <li>• Desk reviews (within 3 months of project start and at least quarterly thereafter)</li> <li>• Onsite reviews (within 6 months of project start and bi-annually thereafter, or more frequently as requested by CHA or subrecipient)</li> <li>• Audit review (yearly)</li> <li>• Procedures engagement (if subrecipient not subject to Single Audit Act; yearly)</li> </ul>

- A) **Payment validation:** All subrecipient documentation for project expenditures must be reviewed by the Project Budget Manager for compliance with subaward requirements. Any non-compliant expenditures will be denied and the subrecipient will be provided a reasonable description of the reason for denial and an opportunity to cure the deficiency. For a subrecipient on a reimbursement-based payment structure, the validation will occur before a reimbursement payment is approved. For a subrecipient that received an up-front payment, any funds found to have been expended in violation of the subaward requirements must be repaid to CHA.
  
- B) **Report review:** A subrecipient must submit quarterly financial and performance reports, based on the schedule set forth in the subaward. The nature and scope of the reports will depend on the project and be spelled out in the subaward. The reports will be reviewed by the Program Manager. Any deficiencies or other performance concerns will be addressed with the subrecipient in a timely manner and could trigger additional monitoring requirements or other interventions, as specified in the subaward.

- C) Audit review:** CHA must verify that every subrecipient is audited as required by 2 CFR 200 Subpart F (Single Audit) when it is expected that the subrecipient's federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 2 CFR 200.501. CHA must obtain a copy of the subrecipient's Single Audit from the Federal Audit Clearinghouse (FAC). Within six months of the acceptance of the audit report by the FAC, CHA will issue a management decision for any audit findings related to the subaward. The decision will clearly state whether or not the audit finding is sustained, the reasons for the decision, and the expected auditee action to repay disallowed costs, make financial adjustments, or take other action. (The decision will include reference numbers the auditor assigned to each finding.) The decision will provide a timetable for responsive actions by the subrecipient. Prior to issuing the management decision, CHA may request additional information or documentation from the auditee, including a request for auditor assurance related to the documentation, as a way of mitigating disallowed costs.
- D) Procedures engagement:** Applicable only to subrecipients who are not subject to the Single Audit Act. An auditor will perform specific procedures and report on findings. The scope must be limited to the following compliance requirements: activities allowed or unallowed; allowable costs/cost principles; eligibility; and reporting. The review will be arranged and paid for by CHA. CHA will verify completion of the procedures engagement. Within six months of the acceptance of the procedures engagement report, CHA will issue a management decision for any findings related to the subaward. The decision will provide a timetable for responsive actions by the subrecipient. Prior to issuing the management decision, CHA may request additional information or documentation from the subrecipient, including a request for auditor assurance related to the documentation, as a way of mitigating disallowed costs.

The specific monitoring plan for each subrecipient, including the type and frequency of reviews, will be detailed in the subaward agreement. For all requirements beyond those listed under the Low-Risk category above, CHA will notify the subrecipient of the following in the subaward:

- (1) The nature of the additional requirements;
- (2) The reason why the additional requirements are being imposed;
- (3) The nature of the action needed to remove the additional requirement, if applicable;
- (4) The time allowed for completing the actions if applicable; and,
- (5) The method for requesting reconsideration of the additional requirements imposed.

To implement the monitoring plan, the Project Budget Manager must perform periodic reviews and document findings in the Subrecipient Monitoring Form (**Appendix 3**).

## **SUBRECIPIENT INTERVENTIONS**

CHA may adjust specific subaward conditions as needed, in accordance with 2 CFR 200.208 and 2 CFR 200.339. If CHA determines that the subrecipient is not in compliance with the subaward, CHA may institute an intervention. The degree of the subrecipient's performance or compliance deficiency will determine the degree of intervention. All possible interventions must be indicated in the subaward agreement.

CHA must provide written notice to the subrecipient of any intervention within thirty days of the completion of a report review, desk review, onsite review, audit review, or procedures engagement review or as soon as possible after CHA otherwise learns of a subaward compliance or performance deficiency.

Pursuant to 2 CFR 200.208, the written notice must notify the subrecipient of the following related to the intervention:

- (1) The nature of the additional requirements;
- (2) The reason why the additional requirements are being imposed;
- (3) The nature of the action needed to remove the additional requirement, if applicable;
- (4) The time allowed for completing the actions if applicable; and
- (5) The method for requesting reconsideration of the additional requirements imposed.

The following interventions may be imposed on a subrecipient, based on the level of the compliance or performance deficiency:

**A) Level 1 Interventions.** These interventions may be required for minor compliance or performance issues.

- (1) Subrecipient addresses specific internal control, documentation, financial management, compliance, or performance issues within a specified time period
- (2) More frequent or more thorough reporting by the subrecipient
- (3) More frequent monitoring by CHA
- (4) Required subrecipient technical assistance or training

**B) Level 2 Interventions.** These interventions may be required, in addition to Level 1 interventions, for more serious compliance or performance issues.

- (1) Restrictions on funding payment requests by subrecipient
- (2) Disallowing payments to subrecipient
- (3) Requiring repayment for disallowed cost items
- (4) Imposing probationary status on subrecipient

**C) Level 3 Interventions.** These interventions may be required, in addition to Level 1 and 2 interventions, for significant and/or persistent compliance or performance issues.

- (1) Temporary or indefinite funding suspension to subrecipient
- (2) Nonrenewal of funding to subrecipient in subsequent year
- (3) Terminate funding to subrecipient in the current year
- (4) Initiate legal action against subrecipient

**Further Action for High Risk Subrecipients:**

- \* **Desk review:** Should a subrecipient be deemed *High Risk*, CHA’s Finance Director or designee will conduct a meeting to review the subrecipient’s award administration capacity and financial management. The meeting may be held virtually or in person. Topics covered will depend on project scope and subrecipient risk assessment and may include governance, budgeting, accounting, internal controls, conflict of interest, personnel, procurement, inventory, and record keeping. CHA will produce a report which summarizes the results and any corrective actions if deemed necessary. The report will be shared in a timely manner with the subrecipient.
- \* **Onsite review:** Should a subrecipient be deemed *High Risk*, CHA’s Finance Director or designee will conduct an on-site meeting at the subrecipient’s location to review the subrecipient’s project performance and compliance. Topics covered will depend on project scope and subrecipient risk assessment and may include project procurement, data systems, activity and performance tracking, project reporting, inventory, and software systems. CHA’s Finance Director or designee will produce a report which summarizes the results and any corrective actions deemed necessary. The report will be shared in a timely manner with the subrecipient.

**VII. SUBAWARD AGREEMENT & EXECUTION**

The subaward agreement will be drafted by the Grant Writer/Development Officer using the Subaward Agreement Template. Contract terms and conditions may vary based on several factors, including subrecipient risk assessment findings, as documented in the Subrecipient Risk Assessment. After review by CHA’s Finance Director or designee, the Finance Director may fully execute the subaward agreement, subject to any required budget amendments by CHA’s governing board, preaudit requirements, and any other contract execution prerequisites set by CHA and/or the funding agency.

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\_\_\_\_\_  
Date

\_\_\_\_\_  
Board Chairman

### APPENDIX 1: Subrecipient or Contractor Classification Checklist

If CHA wishes to contract with another government entity or a private entity and use federal funds to pay for that contract, CHA must determine if the relationship with the outside entity is a contractor or subrecipient. To make this determination CHA must review the project proposal, budget classification, and other related proposal documents, as well as engage in discussions with key personnel about the nature of the proposed agreement. The determination of whether a proposed agreement involves a contractor or subrecipient relationship must be recorded on this form and maintained in the project file for the duration of the records retention period for federal funding records.

**Instructions:** Complete sections one through three (1-3). The section with the greatest number of marked characteristics indicates the likely type of relationship. The substance of the relationship should be given greater consideration than the form of agreement between CHA and the outside entity. In borderline cases, CHA may either provide a written justification for its determination in Section 3 or, if appropriate, restructure the agreement to more clearly define it as either a contractor or subrecipient relationship.

#### Name of Outside Entity:

#### Section 1 -- Brief Description of Nature of Proposed Agreement:

**Section 1 -- Subrecipient.** A subaward is for the purpose of carrying out a portion of a federal award and creates a federal assistance relationship between the recipient and the subrecipient. Subrecipients may have one or more of the following characteristics:

- Is an eligible recipient of the federal funds.  
*All subrecipients of federal funds must be able to meet the same eligibility criteria as the primary recipient (pass-through entity) for the federal award.*
- May determine who may be eligible to receive federal assistance under the program guidelines.  
*For example: A subrecipient that identifies mentors and mentees under a mentoring program.*
- Has its performance measured in relation to whether objectives of a federal program were met?  
*The recipient will rely upon the subrecipient's data to submit its own performance data to the federal entity.*
- Has responsibility for programmatic decision making.  
*For example: If the recipient funds a subrecipient to develop (or improve) a particular program and the subrecipient will use its own judgment, discretion, and expertise to develop all or part of the program.*
- In accordance with its subaward agreement (which may be in the legal form of a contract), the subrecipient uses the federal funds to carry out a program for a public purpose specified in authorizing statutes, as opposed to providing goods or services for the benefit of the recipient. *For example: To provide crime- or criminal-justice-related*

*services (and, in the case of crime victims, compensation) to individual members of the public, such as victims of crime, or at-risk youth.*

- The subrecipient will not earn a profit under the agreement.
- The subrecipient is required to contribute cash or in-kind match in support of the subaward.

**Section 2 -- Contractor.** A contract is for the purpose of obtaining goods and services for the recipient’s own use and creates a procurement relationship between the recipient and the contractor. *Entities that include these characteristics are not subject to compliance requirements of the federal program because of the agreement, though similar requirements may apply for other reasons.* A contractor relationship may have one or more of the following characteristics:

- Provides goods and services within normal business operations.
- Provides similar goods or services to many different purchasers.
- Normally operates in a competitive environment.
- Provides goods or services that are ancillary to the operation of the Federal program. *Examples include but are not limited to: Office equipment, supplies, software licenses, reference books, chemical reagents, cell phones, body-worn cameras, body armor, internet services, cell phone service, website hosting, copying/printing, lodging.*
- The entity may earn a profit under the contract.

**FINAL DETERMINATION:**

- Subrecipient**
- Contractor**

**Section 3 – Justification.** In determining whether an agreement between a recipient and another non-federal entity reflects a subrecipient or a contractor relationship, the substance of the relationship is more important than the form of the agreement. Considering the characteristics checked above, provide a written justification for the final determination of either a subrecipient or contractor relationship.

*Explanation of Justification Determination:*

**Section 4 – Post-Award.** Post-award, the Project Budget Manager or designee must seek written approval of this determination from the funding agency and CHA’s Finance Director before proceeding with any contract or project under the subaward.

**Signature:** \_\_\_\_\_ **Date:**

**Print Name and Title:**

This has been reviewed and approved by CHA’s Finance Director, as indicated by the signature below.

**Date:**

**Sue K. Yates** | CFO Cabarrus Health Alliance

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Appendix 2 begins on the following page.*

**APPENDIX 2: Subrecipient Risk Assessment**

Please note that CHA may request copies of actual documents as part of the review process.

<b>Identifying Information</b>	
<b>Legal Name of the Entity:</b>	<b>Other Entity Names or Acronyms Used:</b>
<b>Unique Entity Identifier (UEI) Number:</b>	<b>EIN:</b>
<b>Contact Information</b>	
<b>Name of Person Completing the Assessment:</b>	<b>Address:</b>
<b>Title:</b>	<b>City, State, Zip Code:</b>
<b>Email:</b>	
<b>Principal Investigator:</b>	<b>Grants Manager:</b>
<b>Email:</b>	<b>Email:</b>

**CERTIFICATION OF APPLICANT'S AUTHORIZED REPRESENTATIVE (REQUIRED)** I certify that the statements I have made on this form and all attachments thereto are true, accurate, and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under the applicable law.

**Name of Authorized Representative**

Prefix: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Name: (Optional): \_\_\_\_\_

Last Name: \_\_\_\_\_ Suffix: \_\_\_\_\_

Title of Authorizing Official: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

Date submitted (mm/dd/yyyy): \_\_\_\_\_

Self-Assessment Questions	Enter Yes, No, or N/A	Attachments/Comments
<b>Financial Management</b>		
1. Are information systems and accounting systems in place and designed to meet all program requirements, including reporting requirements?		
2. Does your accounting and financial management system follow Generally Accepted Accounting Principles?		
3. Does your entity produce annual financial statements?		
4. Is your accounting system maintained on the accrual or cash basis?		
A – Accrual Basis		
B – Cash Basis		
5. Does an effective system of internal controls exist to provide reasonable assurance that reports submitted to the grantor agency include all activity of the reporting period, are supported by underlying accounting or performance records, and are fairly presented in accordance with program requirements?		
6. Does your financial management system allow you to segregate indirect costs, and define and manage existing or planned indirect cost rates?		
7. Does your entity use grant funds to pay indirect costs? If yes, please provide the current approved negotiated indirect cost rate agreement with its Federal cognizant agency. If no, please provide document to support the calculation of requested indirect cost rate in your entity’s application and attach your entity’s functional expense statement.		
Self-Assessment Questions	Enter Yes, No, or	Attachments/Comments

<p>8. Does your financial management system allow you to compare actual expenditures or outlays to budgeted amounts for each grant?</p>		
<p>9. Does your entity have a policy addressing who is authorized to request payment from the grantor, what procedures are used to ensure that requests are accurate, and when drawdown of funds will occur? If yes, please provide the title of the document.</p>		
<p>10. Does your financial management system support procedures for determining the reasonableness of costs allocated in accordance with 2 CFR 200 Subpart E-Cost Principles?</p>		
<p>11. Does your financial management system provide for effective control over and accountability for all funds, property and other assets, including ensuring that all such assets are used solely for authorized purposes and activities that are allowable in accordance with the applicable cost principles and are only used during the authorized period of availability?</p>		
<p>12. Does your entity have a SAM verification policy to intercept and obstruct terrorism?</p>		
<p>13. Does your entity have a formalized internal control and compliance program, and a risk assessment methodology for assessing, managing and monitoring organizational, operational and financial risks, especially those associated with regulatory compliance?</p>		
<p><b>Audit Information</b></p>		
<p>14. Have audits been performed on your financial statements for the past two years? If yes, please provide a copy of the most recent audit report. If no, please provide the reason why in the comments section.</p>		
<p>Self-Assessment Questions</p>	<p>Enter Yes, No, or N/A</p>	<p>Attachments/Comments</p>

<p>15. If your entity has expended more than \$750,000 in federal grant funds within a fiscal year, and an OMB Uniform Guidance audit has not been performed, please provide the reason why in the comments section.</p>		
<p>16. Are your entity’s grant fund operations regularly assessed by an internal auditor or Inspector General?</p>		
<p>17. Does your entity formally respond to all audit findings in writing and make timely remedial actions/corrections? If there were audit findings as a result of the most recently completed audit of federal funds, please provide the organization’s formal response to all audit findings.</p>		
<p><b>Operations and General Management</b></p>		
<p>18. Has your entity had new awards management personnel or new or substantially changed systems during the fiscal year? If yes, please explain.</p>		
<p>19. Are policies, procedures and processes regularly reviewed, updated and created to ensure that the organization effectively carries out its programs and activities, including updates that may be needed for grant funds?</p>		
<p>20. Does management periodically review all reports, deliverables, expenditures, and other requirements related to grant programs to ensure that guidelines and requirements are being met?</p>		
<p>21. Do key personnel assigned to this grant have experience in managing grants and an understanding of the relevant regulations?</p>		
<p>22. Does your entity maintain a written code of conduct governing the performance of your employees, and specifically those employees engaged in the award and administration of contracts?</p>		
<p><b>Self-Assessment Questions</b></p>	<p>Enter Yes, No, or</p>	<p><b>Attachments/Comments</b></p>
<p>23. Does the code of conduct encompass conflicts of interest? If no, what document addresses conflicts of interest?</p>		

<p>24. Does your entity maintain some personnel system which has the capability to create monthly reports of the activities and time of each employee whose compensation is charged to each project that the employee works on including all grant programs?</p>		
<p>25. Is training and supervisory oversight provided to all employees to ensure that the organization effectively carries out its programs and activities, including employees working on grant programs?</p>		
<p>26. Have any key personnel listed in the application ever been debarred or suspended from participation in Federal Assistance programs? If yes, please attach a list indicating who, when and for what reasons.</p>		
<p>27. Does the entity have procedures in place to address breaches of ethics policy and/or instances of fraud or other criminal activity?</p>		
<p>(a) If yes, do these procedures include required procedures and/or remedial actions to prevent future violations?</p>		
<p>(b) Does this process include a means to notify the appropriate agency in cases of confirmed fraud related to grant funds?</p>		
<p>28. Are there formal policies and procedures in place for employees to confidentially report suspected violations of policies and or suspected instances of fraud or other criminal activity, including specifically those related to grant programs (e.g. a Whistleblower Policy)?</p>		
<p>29. Do information systems policies and procedures exist for the safeguarding of data, including personally identifiable information (PII), authorization and addition of system users, termination of user rights, information back-up and recovery, and retention and destruction of data?</p>		

Self-Assessment Questions	Enter Yes, No, or N/A	Attachments/Comments
<b>Procurement</b>		
30. Does your entity maintain written procurement procedures which provide reasonable assurance that procurement of goods and services are made in compliance with the provisions of 2 CFR Part 200 and that covered transactions (as defined in the suspension and debarment common rule (2 CFR Part 180)) are not made with a debarred or suspended party?		
31. Does your procurement system provide for the conduct and documentation of cost or price analysis for each procurement action?		
<b>Subrecipient Management and Monitoring</b>		
32. Does an effective system of internal controls exist to provide reasonable assurance that only eligible individuals and organizations receive assistance under federal award programs and that subawards are made only to eligible subrecipients?		
33. Does an effective system of internal controls exist and has your entity established policies and procedures that provide reasonable assurance that:		
(a) Federal award information and compliance requirements (2 CFR 200.331-332) are identified to subrecipients?		
(b) The impact of any sub-recipient noncompliance on the pass-through entity is evaluated and action taken?		
34. Does your entity maintain written policies regarding subrecipient monitoring?		
35. If yes, how does your entity monitor subrecipients and how frequently are any of the following activities performed? (for each activity used, enter the frequency)		
1. Desk reviews		
2. Site visits		

Self-Assessment Questions	Enter Yes, No, or	Attachments/Comments
3. Financial report reviews		
4. Performance report reviews		
5. Other (please describe)		
36. Does your entity perform procedures that provide reasonable assurance that subrecipients obtain required audits and take appropriate corrective action on audit findings?		
37. Does your entity maintain written procedures outlining subrecipient responsibilities that include any clauses required by federal statute or Executive Orders and their implementing regulations, and that contain a provision for compliance with 2CFR Part 200 in the subrecipient agreement?		
38. Does your entity have a formalized risk assessment process in place specifically for federal grant programs to assess subrecipient eligibility and monitoring of performance? If yes, does the process include the use of standard forms and checklists?		

Pursuant to the review of the Subrecipient Risk Assessment, the risk level of the subrecipient is determined to be \_\_\_\_\_.

If the risk level was determined to be high, CHA provides the following justification for proceeding with the award:

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**Reviewed by:**

**Signature:** \_\_

**Role:**

**Date Reviewed:**

Sue K. Yates | CFO Cabarrus Health Alliance

**APPENDIX 3: Subrecipient Monitoring Form**

This report reflects CHA’s substantive assessment of the subrecipient’s project implementation and subaward compliance. CHA’s Project Budget Manager must complete this report for each payment validation, report review, desk review, site review, and audit or procedures engagement review during the subaward term (and, as appropriate, after the expiration or termination of the subaward). Upon completion, and following review by CHA’s Finance Director or designee, the original will be filed in the subaward file. Any required subrecipient corrective actions will be detailed in writing and provided to the subrecipient within thirty days of the completion of this report.

**I. Subaward Overview (complete this section for all reviews)**

**A) STAFF INFORMATION**

Reviewed conducted by:		Date:
Type (programmatic, financial, or both)		Date:
Review confirmed by:		Date:

**B) SUBRECIPIENT INFORMATION**

Subrecipient Name:	
Subrecipient Program Personnel (who participated in the review):	
Subrecipient Contact Phone Number:	
Subrecipient Fiscal/Audit Personnel (who participated in the review):	
Subrecipient Fiscal Contact Phone Number:	

**C) GRANT REVIEW INFORMATION**

Grant	Project	Award	POP Begin	POP	Review Period	
					Beginning Date	Ending Date

**D) TYPE OF MONITORING**

	Type of Monitoring	Date Completed	Comments
<input type="checkbox"/>	Payment Validation (Complete this row, but not the rest of the form.)		
<input type="checkbox"/>	Report Review (Complete this row, but not the rest of the form.)		

<input type="checkbox"/>	Audit or Procedures Engagement Review (Complete this row, but not the rest of the form.)		
<input type="checkbox"/>	Desk Review (If desk review, complete the rest of the form.)		
<input type="checkbox"/>	Onsite Review (If onsite review, complete the rest of the form.)		

**II. Desk and Onsite Reviews (complete this section for desk and onsite reviews only)**

**A) PRE-MEETING NOTES**

List any issues, concerns, or other specialty items for follow-up during review.

1. \_\_\_\_\_
2. \_\_\_\_\_

**B) SUMMARY OF PROGRESS**

Subrecipient must submit a written summary of the major workplan milestones during the review period at least one week prior to the review. The summary must address 1) number of clients served as compared with projections; 2) staffing; 3) activities undertaken; 4) significant accomplishments, 5) **challenges and lessons learned**. A copy of that summary will be appended to this written review report.

**C) MONITORING OVERVIEW**

PROGRAM IMPLEMENTATION

Indicate milestones met this quarter and identify milestones as scheduled to occur in the following quarter.

ACTIVITIES/PRODUCTS

Identify any reports or products that were submitted during the quarter and identify those due the following quarter.

CORRECTIVE ACTIONS FROM PRIOR REVIEWS

Indicate actions taken in response to prior review issues.

ASSESSMENT OF QUALITY OF IMPLEMENTATION

Is the project being implemented on schedule? Are the activities impacting the goals and objectives as outlined in approved application?

ISSUES/PROBLEMS

Discuss significant new issues/problems with respect to projected milestones, audits, staffing, client flow, departures from approved goals, late reports, etc.

**D) MONITORING SPECIFICS** (Complete all fields that are applicable to the subaward.)

Activity Goals <input type="checkbox"/> N/A	Yes	No	N/A
<b>Scope of Service, Number of People to be Served, and any Special Terms stated within the Subaward Agreement.</b>			
1. Has there been a change in the activity goals, scope of service, number of people to be served or other special terms as indicated in the Agreement between the Subrecipient and the Recipient?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(a) If yes, was the Recipient informed of the change?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Did the activity conform to any additional or special terms as reflected in the Subaward Agreement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Is the subrecipient providing the full scope of services as stated in the application and Subaward Agreement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Are the actual accomplishments at the time of this review the same as the planned accomplishments? Is the activity achieving the expected quantifiable levels of performance (number of persons served, achieving goals set for clients, etc.) reaching the intended client group?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Is the overall activity performance schedule being met in a timely manner (i.e. goal for number of clients served, expenditure of funds in timely manner, reporting requirements)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Did the activity operate within the approved budget as detailed in the Subaward Agreement? (i.e., budgetary line items both accurate and realistic for activity expenses; source and use of match funds accurate)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Did the activity funding source change?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Was there a change in make-up or responsibility of staff for the activity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Were invoices for reimbursement payments submitted with support documentation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Were reports outlined in the Subaward Agreement submitted on time?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>General Comments</b>			

General Compliance	Yes	No	N/A
<b>Request a copy of all applicable policies and procedures required by the ARP/CSLFRF award terms and Uniform Guidance.</b>			
1. Does the subrecipient have written policies and procedures to adequately administer the ARP/CSLFRF subaward?			
2. Does the subrecipient have a written conflict of interest policy for their employees?			
3. Are there sufficient internal controls in place to protect against waste, fraud and abuse of Federal funds (segregation of duties, etc.)?			
4. If program income will be generated by the subrecipient, have provisions been made to ensure that it is used in accordance with ARP/CSLFRF and Uniform Guidance requirements?			
What procedures does the subrecipient use to identify and account for federal property purchased with subaward funds?			
Does the subrecipient have adequate safeguards for preventing loss, damage, or theft of property held (inventory control, etc.)?			
Describe any technical assistance/training provided to subrecipient during the project period.			

<p><b>General Comments</b></p>
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Employee Reimbursement <input type="checkbox"/> N/A	Yes	No	N/A
<b>Request a copy of the employee reimbursement policy, and/or have the subrecipient describe the procedure for approving and documenting expenses that are reimbursed.</b>			
1. Are detailed receipts (i.e., receipts that do not merely show a total, but the detail of what was purchased) provided for reimbursement?			
2. Are reimbursements reviewed and approved by a supervisor or project manager prior to being submitted to the Fiscal Officer/Accounting Staff for payment?			
3. Does the subrecipient have a Reimbursement Policy?			
<b>Examine two or more reimbursements that were paid out of the grant being monitored.</b>			
4. Were the detailed receipts provided to support the amounts requested?			
5. Were the expenses in compliance with grant requirements/guidelines and UG?			
6. If reimbursed for training or conference expenses, was a certificate of attendance or completion, or agenda and brochure provided to support request for reimbursement?			
<p><b>General Comments</b></p>			

Equipment <input type="checkbox"/> N/A	Yes	No	N/A
<b>What is the purchasing procedure for equipment purchased with grant funds?</b> Attach copies of relevant policies and of any purchasing documentation during the review period.			
<b>How is equipment inventoried, insured, and managed?</b> Attach copies of relevant policies and current inventory information.			
<b>What is the procedure for transferring equipment purchased with grant funds to another entity?</b> Attach copies of relevant policies and documentation for any transfers during review period.			
<b>Request an inventory list, physically locate selected items, and examine items to ensure compliance.</b>			
1. Were all transactions conducted in a manner providing full and open competition, and quotations obtained from an adequate number of sources?			
2. Has all equipment indicated as purchased actually been purchased?			
3. Was equipment purchased in accordance with required procurement rules/policies?			
4. Were additions and deletions to the equipment budget made and approved prior to the purchase/procurement dates?			
5. Does a detailed expenditure list indicate any equipment purchased that is not accounted for in the subaward budget?			
6. Is equipment purchased with subaward funds in prior years still in inventory and still being used for subaward purposes?			
7. Has the inventory been updated, and did it account for all items transferred to other entities?			
8. For equipment that was transferred, aside from normal office equipment, was the transferee properly trained on the equipment, and is there a record of that			

9. For equipment transferred to other entities; have they added it to their inventory records and is it maintained/used for intended purposes?			
<b>General Comments</b>			

<b>Financial Management</b>	<input type="checkbox"/> <b>N/A</b>	<b>Yes</b>	<b>No</b>	<b>N/A</b>
<b>What is the Accounting System for each grant program?</b>				
1.	Is there a separate accounting for all financial transactions for the subaward?			
2.	Is a process in place to prevent co-mingling of funds?			
3.	Does the accounting system prevent obligation or expenditure of funds outside the subaward's period of availability?			
4.	Are accounting records supported by source documentation?			
5.	Were any illegal transfers or unusual activities noted during a review of the subrecipient's fund activity reports?			
6.	Does the system provide for prompt and timely recording and reporting of all financial transactions?			

7.	Is proper Fiscal record retention being followed (through Dec. 31, 2031)?			
<b>What is the process for approval and payment of expenditures and posting to the General Ledger?</b>				
8.	Are subaward costs identified as eligible prior to encumbering funds and placing an order?			
9.	Were the applicable State/Federal suspension and debarment listings consulted prior to doing business with a vendor and/or contractor?			
10.	Are all invoices reviewed by the project director for eligibility and marked 'okay to pay' prior to being submitted to the fiscal office or accounting staff for payment?			
11.	Are disbursements fully support by invoices, requisitions, purchase orders, or similar documents?			
12.	Are cancelled checks or warrants available for review?			
13.	Were all subaward funds that were received disabused within the allowable timeframe?			
<b>What is the reconciliation process, and how are errors or adjustments handled?</b>				
14.	Does the subrecipient perform routine reconciliations of its records against the General Ledger? By whom and how often?			
15.	Does the subrecipient have sufficient internal controls related to reconciliations?			
16.	Were actions taken to promptly correct any errors and/or resolve issues?			
<b>General Comments</b>				

<b>Other Direct Costs</b> <input type="checkbox"/> N/A	Yes	No	N/A
<b>How are rent, utilities, and other items allocated for the program?</b>			
1. Are rent payments documented by a copy of the lease agreement, and canceled checks or receipts?			
2. Are receipts, bills, and invoices properly maintained?			
3. Is the actual rate and method being charged to the grant consistent with the rate and method approved in the budget?			
4. Are costs shared with other programs or funding sources? If yes, how are costs allocated?			
<b>General Comments</b>			

<b>Personnel/Direct Labor</b> <input type="checkbox"/> N/A	Yes	No	N/A
<b>Describe the payroll process and who is paid by the subaward.</b>			
1. Are personnel files maintained for each employee that include current job descriptions, performance and evaluations, and changes in pay rates?			
2. Are time sheets, activity reports, or payroll files available for review? These documents should clearly show the effort toward the subaward charged.			
3. Are individual employee time sheets and attendance records:			
• Prepared and signed by each employee for each pay period?			
• Reviewed and signed by each employee’s supervisor?			
• Reconciled to the payroll master ledger?			
4. Are all authorized staff positions filled for the approved budget?			
5. Are staff salaries consistent with the approved budget?			
6. Are fringe benefits the same as what is listed in the approved budget?			
<b>General Comments</b>			

<b>Reporting Requirements</b> <input type="checkbox"/> N/A	Yes	No	N/A
<b>Subrecipients are required to report on progress toward implementing plans described in their application/proposal.</b>			
1. Progress reports must be submitted based on approved work plan. Have all of the reports been submitted for this reporting period?			
2. Are there any outstanding data elements that must be tracked and reported by the subrecipient? If so, detail the plan for the subrecipient to comply with this requirement.			
<b>Comments</b>			

Supplies & Materials <input type="checkbox"/> N/A		Yes	No	N/A
<b>Explain the process of allocating supply costs to the subaward.</b>				
1.	Are purchases of supplies approved and well documented by quotes, invoices, or receipts?			
2.	Are expenditures for supplies consistent with the approved budget?			
3.	Is there a substantial supply inventory remaining at the project termination date?			
4.	Were all transactions conducted in a manner providing full and open competition, and quotations obtained from an adequate number of sources?			
<b>General Comments</b>				

Travel/Vehicle Mileage <input type="checkbox"/> N/A		Yes	No	N/A
<b>Request a copy of the subrecipient’s travel policy or have them describe the procedure for approving and documenting travel expenses.</b>				
1.	Is employee travel approved in advance by a supervisor or project manager?			
2.	Are travel expenditures documented with expenses reports and/or detailed receipts			
3.	Are travel expenditures appropriately supported within subaward guidelines and in the approved budget?			
4.	Are mileage reimbursements supported by a mileage log or similar documentation?			
<b>General Comments</b>				

Single Audit Review <input type="checkbox"/> N/A		Yes	No	N/A
<b>Obtain a copy of the subrecipient’s most recent audit from FAC. Attach it to this review form.</b>				
1.	Was the Major Programs’ Compliance Opinion in the Summary of Auditor’s Results in the Schedule of Findings qualified?			
2.	Were there any findings and/or questioned costs for federal awards in the Schedule of Findings? Were any other operational issues such as the handling of assets, lack of policies and procedures, contract non-compliance, etc., which would impact Federal dollars received?			
3.	Were past audit findings and/or questioned costs for federal awards satisfactorily resolved?			
4.	Wan any control issue identified which would impact the processing of Federal grant dollars (i.e., control weaknesses)?			
<b>General Comments</b> <i>(If yes response to questions 1, 2, and/or 4, then comment on the issues noted from the audit and how this was addressed during the onsite review.)</i>				

**E) RECOMMENDED CHANGES AND/OR NEW MONITORING INTERVENTIONS**

Please document any recommendations for financial, programmatic, or other changes. Indicate if further monitoring interventions are warranted.

**F) FFATA REPORTING REQUIREMENTS**

In accordance with 2 CFR Chapter 1, Part 170 *Reporting Sub-Award and Executive Compensation Information*, Prime Awardees awarded a federal grant are required to file a FFATA sub-award report by the end of the month following the month in which the prime awardee awards any sub-grant equal to or greater than \$30,000. The reporting requirements are as follows:

This requirement is for both mandatory and discretionary grants awarded on or after October 1, 2010.

- All sub-award information must be reported by the prime awardee. For those new Federal grants as of October 1, 2010, if the initial award is equal to or over \$30,000, reporting of sub-award and executive compensation data is required.
- If the initial award is below \$30,000 but subsequent grant modifications result in a total award equal to or over \$30,000, the award will be subject to the reporting requirements, as of the date the award exceeds \$30,000.
- If the initial award equals or exceeds \$30,000 but funding is subsequently deobligated such that the total award amount falls below \$30,000, the award continues to be subject to the reporting requirements of the Transparency Act and this Guidance.

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**SUBJECT:** DONATION POLICY

**EFFECTIVE DATE:** November 14, 2017

**REVISION DATE:** November 2, 2017

**REVIEW DATE:** November 2, 2017, October 29, 2018; September 25, 2019; October 29, 2020; September 30, 2021; January 17, 2023; January 16, 2024

**POLICY STATEMENT:**

The primary objective of this policy is to establish guidelines, standards, and procedures for real and/or monetary donations (federal, state and or local) administered by and/or passed through the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA).

**DONATION ACCEPTANCE AND DISPERSION**

- 1.1. According to **G.S. 153A-11** (counties); **G.S. 160A-11** (municipalities), CHA has the authority to acquire and hold any property and rights of property, real and personal, that may be devised, sold, or in any manner conveyed, dedicated to, or otherwise acquired by the CHA.
- 1.2. Donations for a specific purpose can be distributed or dispersed without prior Board approval assuming the CHA has statutory authority to use/spend the donation for the purposes(s) that is intended. Such dispersion of funds will be brought to the attention of the Board at the following board meeting for informational purposes.
- 1.3. The CHA Board of Directors hereby delegates authority to formally receive donations of real or monetary value to the Chief Executive Officer (CEO) and Chief Financial Officer (CFO).
- 1.4. The CHA has the right to reject an offered donation if it does not have the statutory authority to engage in the activity or purpose(s) to which the donation is directed. At the discretion of the Board, the CHA has the right to reject a donation for any reason, even if it has statutory authority.
- 1.5. Donations of significant value should contain a receipt containing the following:
  - 1.5.1. Name of local unit and legal status under state law (county, municipality, etc.).
  - 1.5.2. Amount donated (if cash or cash equivalent) or description of the property donated.
  - 1.5.3. Purpose to which donation will be used.
  - 1.5.4. Date the donation was received.
  - 1.5.5. Either a statement that “no goods or services were received in return for the donation” or, if the donation was \$75 or more, a good faith estimate of the value

of goods/services provided in exchange for the donation (if the goods/services were more than insubstantial benefit).

- 1.5.6. A statement indicating that the donor should consult with a tax professional about the tax implications of the donation under both state and federal law.
  
- 1.6. Monetary donations collected or received by a CHA employee must be deposited daily in an official depository in accordance with **G.S. 159-32**.
- 1.7. Donated funds will be recognized as revenue in the annual budget ordinance (or a project/grant ordinance) and appropriated to a particular department, function, or project for expenditure before funds are disbursed as per **G.S. 159-8; G.S. 159-13**.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Board Chairman

**SUBJECT: PUBLIC HEALTH AND PRIMARY CARE SERVICES  
DEBT MANAGEMENT POLICY****EFFECTIVE DATE:** July 1999**REVISION DATE:** February 2000; June 2000; September 2002; January 2004;  
August 2006; November 13, 2007; June 17, 2008; July 30, 2009;  
July 26, 2010; September 13, 2011; January 30, 2013; September  
26, 2014; April 6, 2016; December 30, 2016; December 30, 2017;  
May 18, 2018; April 30, 2020; October 6, 2021**REVIEW DATE:** February 2000; June 2000; September 2002; January 2004;  
August 2006; November 13, 2007; June 17, 2008; July 30, 2009;  
July 26, 2010; September 13, 2011; January 30, 2013; September  
27, 2013; September 26, 2014; December 30, 2015; April 6, 2016;  
December 30, 2016; December 30, 2017; May 18, 2018; April 30,  
2020; March 24, 2021; October 6, 2021; January 17, 2023; January  
16, 2024**POLICY STATEMENT:**

To implement policies and procedures ensuring collection of debts by providing necessary follow-up actions on delinquent debts resulting from billings initiated by the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA).

Debt management follows a logical path or series of events, beginning from the time the service is provided to the point when it is determined that a debt is uncollectible and should be written off.

All staff members involved in fee services shall consistently follow the established guidelines for fee collection through the policy and procedure statements addressed in this document, and shall hold all client information confidential.

**1. FEE COLLECTION**

- 1.1. At the time of services are received, the patient will be informed of the cost of the service for that visit and of the balance of their account. Payment is due and expected at the time services are rendered. Fees may be paid by cash, check, money order, credit card, debit card or on-line payments. An itemized receipt will be provided to individuals at time of payment showing charges less any allowable discounts. Medicaid and third party payment plans will be billed showing total charges without applying any discount. However, all chargeable fees are the responsibility of the patient. Clients presenting with third party insurance coverage where co-payments are required, shall be subject to collection of the required co-payment at the time of service. For Family Planning (Title X) clients, the co-payment must not exceed the amount they would have paid for services on a sliding scale fee. Failure to pay a charge for services when rendered constitutes a debt for collection and we will endeavor to collect the unpaid balance.

- 1.2. Each self-pay family planning client including zero pay clients will be given a receipt showing the total charges for their services, the discounted amount due to where they fall on the sliding fee scale, any amount paid on the account and the outstanding balance.
- 1.3. Fees will be collected prior to the provision of environmental health services unless prior authorization has been granted.
- 1.4. Any payment received at the time of visit shall be applied to current day's charges and any overage to oldest unpaid charges. Any payment received via mail shall be posted to the oldest unpaid charge unless otherwise specified by client.
- 1.5. Payment for services provided are due on the day of service, however, when the patient is unable to pay in full at the time services are rendered; a receipt will be issued for partial payment. A patient may discuss, establish, and sign a payment plan with agency personnel. **When a patient requests "confidential contact" status**, discussion of payment of outstanding debts shall occur at the time service is rendered. No statements will be mailed. Client is reminded every visit of their account balance and their responsibility for the balance.
- 1.6. If the debtor doesn't pay on the service date or has a balance over \$200.00 a legally enforceable written payment agreement may be obtained from and signed by the debtor that specifies all of the terms of the installment arrangement and contains a provision accelerating the debt payment in the event the debtor defaults. The size and frequency of the installment payments should bear a reasonable relationship to the size of the debt and the debtor's ability to pay. If possible, the installment payments should be sufficient in size and frequency to liquidate the debt in no more than one year. Medical Records staff, Supervisors, Clinic Directors, and Finance staff have the authority to discuss payment arrangements with clients. In the event the client fails to pay their debts as set forth in their installment agreement, the CHA has the ability to deny any future services to the debtor that is not statutorily required, until he/she pays the delinquent debt.
- 1.7. Clients will have 45 days to make payment of any monies received from any source that is sent directly to them as payment for services received from the CHA and also a copy of the benefits summary received from the payment source.
- 1.8. A prompt pay discount of 10% may be given if patient asks or at the discretion of the Chief Finance Officer (CFO), Accounts Receivable Supervisor or designee to reduce collection costs. Prompt pay discounts should not be applied to balances due after insurance payments, deductibles, or co-pays. Payments must be made within thirty (30) days of the patient's being informed of the discount offer.

## **2. SERVICE DENIALS OR APPOINTMENT RESTRICTIONS**

- 2.1. Service denials or appointment restrictions will be applied to patients who do not make a

“good faith effort” <sup>(1)</sup> to pay unless restricted by State or Federal regulations. <sup>(2)</sup> Any exceptions will require approval of the Medical Director AND CFO, or their designee(s), on a case by case basis. Family Planning services will not be denied because the client has a delinquent account balance. Clients presenting for emergency services can never be denied. Patients will be encouraged to pay their balance at the time of service. Patient payment plans will be established upon need or request and monitored by the CHA financial services department. Services will not be denied until after a clinic visit during which the purpose and details of the fee system are explained. Patients with active Medicaid will not be denied or have appointment restrictions if they have outstanding balances or in debt setoff.

### **3. RETURN CHECK FEE**

3.1. A service charge fee will be applied to a patient’s ledger for a returned check. The client will be notified and the fee and check must be paid in full with cash or credit card before the client receives a future appointment unless restricted by State or Federal regulations.

### **4. PATIENT STATEMENTS**

4.1. A patient statement will be sent monthly from the date of service reminding patient of account balances of \$3.00 or more. Patient statements will continue to be sent monthly until the balance is paid in full. Accounts, with the exception of Family Planning, will be turned over to a collection agency or collection attempt to be made by the CHA Finance Department. The patient will be given a patient service ledger for balance information at the time services are rendered.

### **5. COLLECTION OF UNPAID DEBTS**

5.1. A Family Planning patient, with a past due account of any amount, will never be required to meet with the Health Director/Chief Executive Officer (CEO) as an attempt to collect the past due amount.

5.2. A collection attempt will be made by the CHA Finance Department on accounts that have no activity after three months. If there is no response after this attempt, outstanding accounts may either be submitted to the North Carolina Debt Setoff Collection Clearinghouse, pursuant to which qualifying debts may be automatically deducted from any State tax refund or lottery winnings that is owed or turned over to a collection agency unless restricted by State or Federal regulations. Family Planning patients will not be sent to a Collection Agency for collecting past due amounts. Family Planning patients that are confidential contacts will not be sent to the North Carolina Debt Setoff Collection Clearinghouse.

### **6. DEBT WRITE-OFFS**

6.1. When it is determined that the debt is basically uncollectible and no activity has been reported during the preceding 12 months or if a notification of client bankruptcy or deceased status is received the account will be considered uncollectible. An itemized list

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<sup>(1)</sup> Good Faith Effort – payment of 10% of total bill per month or adherence to established patient payment plan.

<sup>(2)</sup> See CHA policy for protocol regarding dismissing client from services.

of uncollectible outstanding patient balances will be prepared at least annually for the Health Director/CEO's and CFO's review and approval.

- 6.2. Staff members may take request to have fees waived to the Clinical Director or designee for patients unable to pay and do not qualify for the schedule of discounts (SFS). Fees of individuals may be waived once determination is made and if good cause is found. Documentation of waived fees will be placed in a patient note in the patient management system along with name of authorizing person and date. Patient will be notified of determination in person if here for an appointment or by phone.
- 6.3. The patient should never be informed that a debt has been written off with the exception of a Title X who has fees waived.
- 6.4. A patient that returns to the CHA within 60 months (5 years) after a bad debt has been determined uncollectible shall have the bad debt write-off reactivated as a prior balance and the billing process actively resumed according to the CHA Fee Policy.
- 6.5. The Accounts Receivable system shall indicate the recording of the bill as uncollectible and evidence shall be on file to document required billings. The system will also apply a consistent method of "aging" accounts.
- 6.6. Any balances less than \$1.00 will be written off when accounts are reviewed for collection letters or when bad debt write-offs are done.
- 6.7. Any balances written off for minors will not be reinstated if they return for services as an adult.

## **7. BANKRUPTCY**

- 7.1. A legal notification must be received from the Bankruptcy Court. Once received, the patient's account will be flagged to indicate that bankruptcy has been filed and the patient is no longer obligated for his/her outstanding debt. No further attempts will be made to collect the outstanding account. The account may be written off as an uncollectible debt. If the patient returns for services, the patient will not be responsible for any debt prior to filing bankruptcy.

## **8. REFUNDS**

- 8.1. Refunds on patients' accounts will be processed for amounts exceeding \$1.00 by the Finance Department unless otherwise requested by patient or third party payer. Any credits found on accounts will be used when possible before refunding. Credits can be used on any account patient has responsibility for, including any previous bad debt write offs. Only credit amount will be added back to account.

**9. FOSTER PARENT OBLIGATION**

9.1. Foster parents are not responsible for any debts incurred before child was placed in their care. Any previous debts are the responsibility of parent or guardian at that time.

9.2. The Debt Management Policy may be revised at any time if necessary and will be reviewed at least annually. This policy does not include dental services.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Board Chairman

**SUBJECT: DENTAL CLINIC DEBT MANAGEMENT POLICY**

**EFFECTIVE DATE:** January 2004

**REVISION DATE:** August 2006; January 14, 2004; November 13, 2007; June 17, 2008; June 17, 2008; July 30, 2009; July 26, 2010; January 30, 2013; February 28, 2014; September 29, 2014; December 30, 2016; December 30, 2017; May 18, 2018; April 25, 2019

**REVIEW DATE:** August 2006; January 14, 2004; November 13, 2007; June 17, 2008; June 17, 2008; July 30, 2009; July 26, 2010; December 20, 2011; January 30, 2013; February 28, 2014; September 29, 2014; December 30, 2015; December 30, 2016; December 30, 2017; May 18, 2018; April 25, 2019; April 30, 2020; March 24, 2021; February 25, 2022; January 17, 2023; January 16, 2024

**POLICY STATEMENT:**

To implement policies and procedures ensuring collection of debts by providing necessary follow-up actions on delinquent debts resulting from billings initiated by the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA). This policy covers dental health services only.

Debt management follows a logical path or series of events, beginning from the time the service is provided to the point when it is determined that a debt is uncollectible and should be written off.

Fees for the CHA services are authorized in accordance with a plan recommended by the CHA Board when they are not otherwise prohibited by law.

**1. FEE COLLECTION**

1.1. At the time services are received, the patient will be informed of the cost of the service for that visit and of the balance of their account. Payment is due and expected at the time services are rendered. Fees may be paid by cash, check, money order, and credit card, or debit card. An itemized receipt will be provided to individuals at time of payment showing charges less any allowable discounts. Medicaid and third party payment plans will be billed showing total charges without applying any discount. However, all chargeable fees are the responsibility of the patient. Any visit co-pay amounts must be paid at the time of service and is not subject to the sliding eligibility scale. Clients will be expected to pay any applicable deductibles or co-payments. Failure to pay a charge for services when rendered constitutes a debt for collection and we will endeavor to collect the unpaid balance.

1.2. Any payment received at the time of visit shall be applied to current day's charges and

any overage to oldest unpaid charges. Any payment received via mail shall be posted to the oldest unpaid charge unless otherwise specified by client.

- 1.3. Payment for services provided are due on the day of service; however, when the patient is unable to pay in full at the time services are rendered, a receipt will be issued for partial payment. A patient may discuss, establish, and sign a payment agreement with agency personnel. Client is reminded at every visit of their account balance and their responsibility for the balance.
- 1.4. If the debtor doesn't pay on the service date or has a balance over \$200.00 per patient or \$400 per family, a legally enforceable written payment agreement may be obtained from and signed by the debtor that specifies all of the terms of the installment arrangement and contains a provision accelerating the debt payment in the event the debtor defaults. The size and frequency of the installment payments should bear a reasonable relationship to the size of the debt and the debtor's ability to pay. If possible, the installment payments should be sufficient in size and frequency to liquidate the debt in no more than one year. In the event the client fails to pay their debts as set forth in their payment agreement, the CHA has the ability to restrict or deny any future services until he/she pays the delinquent debt unless they are below 100% of federal poverty level and we cannot refuse to provide services if they are unable to pay.
- 1.5. Clients will have 45 days to make payment of any monies received from any source that is sent directly to them as payment for dental services received from CHA and also a copy of the benefits summary received from the payment source.

## **2. DISCOUNTS**

- 2.1. A prompt pay discount of 10% may be given if patient asks or at the discretion of the Chief Finance Officer (CFO), Accounts Receivable Supervisor or designee to reduce collection costs. Prompt pay discounts should not be applied to balances due after insurance payments, deductibles, or co-pays. Payments must be made within thirty (30) days of the patient's being informed of the discount offer.
- 2.2. Employee discounts will be given on CHA dental services. This also includes family members of the employee that are immediate family members living in the same household. Employees/Family will receive either a 20% discount or the sliding fee scale discount whichever is more beneficial to the employee but not both discounts. Discount will be applied after any insurance payments are made.

## **3. SERVICE DENIALS OR APPOINTMENT RESTRICTIONS**

- 3.1. Service denials or appointment restrictions will be applied to patients who do not make a "good faith effort" <sup>(1)</sup> to pay unless restricted by State or Federal regulations. <sup>(2)</sup> Emergency services can never be denied. Patients will be encouraged to pay their balance

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<sup>(1)</sup> Good Faith Effort – payment of 10% of total bill per month or adherence to established patient payment plan.

<sup>(2)</sup> See CHA policy for protocol regarding dismissing client from services.

at the time of service. Patient payment plans will be established upon need or request and monitored by the CHA financial services department. Services will not be denied until after a clinic visit during which the purpose and details of the fee system are explained. Patients with active Medicaid will not be denied or have appointment restrictions if they have outstanding balances or in debt setoff. The Dental Director or designee makes the final decision regarding service limitations/denials or appointment restrictions.

#### **4. RETURN CHECK FEE**

- 4.1. A service charge fee will be applied to a patient's ledger for a returned check. The client will be notified and the fee and check must be paid in full before the client receives a future appointment unless restricted by State or Federal regulations. Only the Dental Director or designee can determine exemption from paying these charges prior to having an appointment scheduled if the patient's health or situation warrants otherwise.

#### **5. PATIENT STATEMENTS**

- 5.1. A patient statement will be sent monthly from the date of service reminding patient of their account balance.

#### **6. COLLECTION OF UNPAID DEBTS**

- 6.1. Collection attempt will be made by the CHA Finance Department on accounts that have no activity after three months. If there is no response after this attempt, outstanding accounts may either be submitted to the North Carolina Debt Setoff Collection Clearinghouse, pursuant to which qualifying debts may be automatically deducted from any State tax refund or lottery winnings that is owed or turned over to a collection agency unless restricted by State or Federal regulations or debt write offs.

#### **7. DEBT WRITE-OFFS**

- 7.1. When it is determined that the debt is basically uncollectible and no activity has been reported during the preceding 12 months or if a notification of client bankruptcy or deceased status is received the account will be considered uncollectible. An itemized list of uncollectible outstanding patient balances will be prepared at least annually for the Health Director/Chief Executive Officer (CEO) and CFO's review and approval.
- 7.2. Staff members may take request to have fee waived to the Dental Director or designee, CFO or Financial Services Supervisor or designee for patients unable to pay and do not qualify for the schedule of discounts (SFS). Fees of individuals may be waived once determination is made and if good cause is found. Documentation of waived fees must be made in the patient management system along with name of authorizing person.
- 7.3. The patient should never be informed that a debt has been written off.
- 7.4. When a patient requests to return to the Alliance within 60 months (5 years) after a bad debt has been determined uncollectible and written off, the entire balance must be reinstated and paid in full before an appointment can be made. Only the Dental Director or designee, CFO or Financial Services Supervisor can determine exemption from

payment in full. If an exemption is made the bad debt write-off will be reactivated as a prior balance and the billing process actively resumed according to the CHA Fee Policy.

- 7.5. The Accounts Receivable system shall indicate the recording of the bill as uncollectible and evidence shall be on file to document required billings. The system will also apply a consistent method of “aging” accounts.
- 7.6. Any balances less than \$1.00 will be written off when accounts are reviewed for collection letters or when bad debt write-offs are done.
- 7.7. Any balances written off for minors will not be reinstated if they return for services as an adult.

**8. BANKRUPTCY**

- 8.1. A legal notification must be received from the Bankruptcy Court. Once received, the patient’s account will be flagged to indicate that bankruptcy has been filed and the patient is no longer obligated for his/her outstanding debt. No further attempts will be made to collect the outstanding account. The account may be written off as an uncollectible debt. If the patient returns for services, the patient will not be responsible for any debt prior to filing bankruptcy.

**9. REFUNDS**

- 9.1. Refunds on patients’ accounts will be processed for amounts exceeding \$1.00 by the Finance Department unless otherwise requested by patient or third party payer. Any credits found on accounts will be used when possible before refunding. Credits can be used on any account patient has responsibility for, including any previous bad debt write offs. Only credit amount will be added back to account.

**10. FOSTER PARENT OBLIGATION**

- 10.1. Foster parents are not responsible for any debts incurred before child was placed in their care. Any previous debts are the responsibility of parent or guardian at that time.
- 10.2. The Debt Management Policy may be revised at any time if necessary and will be reviewed at least annually. This dental policy applies to dental services only.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Board Chairman

**SUBJECT: DONATION POLICY**

**EFFECTIVE DATE:** November 14, 2017

**REVISION DATE(S):** November 2, 2017

**DATE OF LAST REVIEW:** November 2, 2017, October 29, 2018; September 25, 2019; October 29, 2020; September 30, 2021; January 17, 2023; January 16, 2024

**POLICY STATEMENT:** The primary objective of this policy is to establish guidelines, standards, and procedures for real and/or monetary donations (federal, state and or local) administered by and/or passed through the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance's (CHA) not-for-profit organization, the Cabarrus Public Health Interest (CPHI).

### **GENERAL**

- The CPHI will serve as a regulating body for the solicitation, receipt, management, and disbursement of all funds and/or other negotiable assets acquired by the Interest through fundraising efforts.
- The CPHI solicits and accepts gifts only for purposes that will help the CPHI further and fulfill its mission.
- The CPHI Board of Directors hereby delegates authority to formally receive donations of real or monetary value to the CHA Chief Executive Officer (CEO) and Chief Financial Officer (CFO).
- Donations for a specific purpose can be distributed or dispersed without prior Board approval. Such dispersion of funds will be brought to the attention of the Board at the following board meeting for informational purposes.
- The CPHI Board has the right to reject an offered donation for any reason.
- Donations of significant value should contain a receipt containing the following:
  - Name of local unit and legal status under state law (county, municipality, etc.).
  - Amount donated (if cash or cash equivalent) or description of the property donated.
  - Purpose to which donation will be used.
  - Date the donation was received.
  - Either a statement that "no goods or services were received in return for the donation" or, if the donation was \$75 or more, a good faith estimate of the value of goods/services provided in exchange for the donation (if the goods/services were more than insubstantial benefit).
  - A statement indicating that the donor should consult with a tax professional about the tax implications of the donation under both state and federal law.
- Monetary donations collected or received by a CHA employee will be deposited daily in an official depository.
- The CPHI will seek the advice of legal counsel in matters relating to acceptance of gifts when appropriate. Review by counsel is recommended for:
  - Gifts of securities that are subject to restrictions or buy-sell agreements.
  - Documents naming the CPHI as trustee or requiring the CPHI to act in any fiduciary capacity.

- Gifts requiring the CPHI to assume financial, legal, or other obligations.
- Transactions with potential conflicts of interest.
- Gifts of property which may be subject to environmental or other regulatory restrictions.

### **Restrictions on Gifts**

- The CPHI will not accept gifts that:
  - a) Would result in the CPHI violating its corporate charter,
  - b) Would result in the CPHI losing its status as an IRC § 501(c)(3) not-for-profit organization,
  - c) Are too difficult or too expensive to administer in relation to their value,
  - d) Would result in any unacceptable consequences for CPHI, or
  - e) Are for purposes outside CPHI's mission. Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be made by the Board of Directors Chairman, in consultation with the CHA Chief Executive Director (CEO).

### **Gifts Generally Accepted Without Review**

- *Cash*. Cash gifts are acceptable in any form, including by check, money order, credit card, or on-line. Donors wishing to make a gift by credit card must complete the Donation Form and provide the card type (e.g., Visa, MasterCard), card number, expiration date, and name of the card holder as it appears on the credit card.
- *Marketable Securities*. Marketable securities may be transferred electronically to an account maintained at one or more brokerage firms or delivered physically with the transferor's endorsement or signed stock power (with appropriate signature guarantees) attached. All marketable securities will be sold promptly upon receipt unless otherwise directed by CPHI. In some cases, marketable securities may be restricted, for example, by applicable securities laws or the terms of the proposed gift. In such instances, the decision whether to accept the restricted securities shall be made by the Board.
- *Bequests and Beneficiary Designations under Revocable Trusts, Life Insurance Policies, Commercial Annuities and Retirement Plans*. Donors are encouraged to make bequests to the CPHI under their wills, and to name the CPHI as the beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.
- *Charitable Remainder Trusts*. The CPHI will accept designation as a remainder beneficiary of charitable remainder trusts.
- *Charitable Lead Trusts*. The CPHI will accept designation as an income beneficiary of charitable lead trusts.

### **Gifts Accepted Subject to Prior Review**

- Certain forms of gifts or donated properties may be subject to review prior to acceptance. Examples of gifts subject to prior review include, but are not limited to:
  - *Tangible Personal Property*. The Board shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations: does the property further the organization's mission? Is the property marketable? Are there any unacceptable restrictions imposed on the property? Are there any carrying costs for the property for which the organization may be responsible? Is the title/provenance of the property clear?

- *Life Insurance.* The CPHI will accept gifts of life insurance where the CPHI is named as both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before due, any future premium payments owing on the policy.
- *Real Estate.* All gifts of real estate are subject to review by the Board. Prior to acceptance of any gift of real estate other than a personal residence, the CPHI shall require an initial environmental review by a qualified environmental firm. In the event that the initial review reveals a potential problem, the organization may retain a qualified environmental firm to conduct an environmental audit. Criteria for acceptance of gifts of real estate include: Is the property useful for the organization's purposes? Is the property readily marketable? Are there covenants, conditions, restrictions, reservations, easements, encumbrances or other limitations associated with the property? Are there carrying costs (including insurance, property taxes, mortgages, notes, or the like) or maintenance expenses associated with the property? Does the environmental review or audit reflect that the property is damaged or otherwise requires remediation?

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Cabarrus Public Health Interest Board Chairman

Date

**SUBJECT:** TRAVEL POLICY

**EFFECTIVE DATE:** July 1, 1997

**REVISION DATE(S):** February 14, 2007; July 22, 2009; July 26, 2010; December 31, 2012; February 28, 2014; April 29, 2015; January 4, 2016; July 15, 2016; August 8, 2017; April 25, 2018; March 28, 2019; April 15, 2021; May 16, 2023; January 16, 2024

**DATE OF LAST REVIEW:** February 14, 2007; June 6, 2008; July 22, 2009; July 26, 2010; December 14, 2010; December 8, 2011; December 31, 2012; February 28, 2014; April 29, 2015; January 4, 2016; July 15, 2016; August 8, 2017; April 25, 2018; March 28, 2019; April 15, 2021; April 15, 2022, May 16, 2023; January 16, 2024

**POLICY STATEMENT:** The primary objective of this policy is to establish procedures for authorization of travel by Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA) employees and certain non-CHA employees for the purposes of conducting CHA business, and to establish policy and procedures for payment of the cost of authorized travel. This travel policy is designed to comply with Internal Revenue Service (IRS) regulations so that all reimbursements will be non-taxable payments. Certain expenses not reimbursed under this policy may be tax deductible to you. Please consult your tax advisor if you have questions. The policy of CHA is to reimburse employees for all reasonable expenses incurred as a result of travel for authorized CHA business. All travel is contingent upon the availability of budgeted funds in each department.

#### **APPLICABILITY**

All CHA employees and certain non-CHA employees are subject to this policy. This policy is effective February 14, 2007 and supersedes all previous travel policies. The Chief Executive Officer (CEO) and/or designee, and the Chief Finance Officer (CFO) has the authority to make exceptions to this policy for employees.

#### **RESPONSIBILITIES OF TRAVEL APPROVERS**

Although the CFO is statutorily charged with stewardship of CHA funds, the fiscal integrity and credibility of our organization is the responsibility of all CHA Supervisors and employees.

All travel must be approved by the supervisor, CFO, and CEO or designee. If you are approving a Travel Request and or Reconciliation, whether or not you are the traveling employee's direct supervisor, you are attesting to the following:

1. That you have reviewed the travel request and or reconciliation in its entirety;
2. That the travel request and or reconciliation is complete with all necessary supporting documentation and is accurate; and

3. You have verified necessary funds are available in the budget to support expenses associated with the travel in question; and
4. That the travel was for a CHA business purpose.

**a. Violations of Travel Policy**

The following will be subject to disciplinary action, loss of privileges, and possible criminal prosecution:

- Submitting a falsified travel request or reconciliation
- Using a CHA-issued procurement card for unauthorized personal or travel related expenses
- Authorizing a request for reimbursement which is known to be false

Any CHA employee who suspects any of the above or any other inappropriate action on the part of another employee should contact the CFO.

**If an employee makes travel arrangements and subsequently cancels, any non-refundable charges are the responsibility of the employee.** Examples of charges which become the responsibility of the employee are non-refundable conference dues, airline tickets, and hotel charges due to cancellation or neglect to cancel. It is the employees' responsibility to be aware of all applicable cancellation terms.

If by accident an employee makes a personal purchase on a procurement card they should first try to get the vendor to void the transaction off the card. If this is not possible, then they should notify their supervisor in writing about the incident with a copy to the CHA CFO. Once the statement comes in, they should attach a check or money order to the statement along with their receipt(s). If this is not done, then an adjustment will be made if the employee submits a request for travel reimbursement.

There may be times when unallowable expenses are incurred on the procurement card during travel. The most common example is charging unallowable items to your hotel bill and using your procurement card to pay the hotel bill. You should avoid charging unallowable expenditures to your hotel bill by using other payment methods for such charges. If this cannot be avoided then these items should be identified and adjusted through the request for reimbursement if one is made. The Finance Department reserves the right to question any and all charges made and reimbursements requested. **Charging unallowable items to a CHA procurement card could result in the employee losing the privilege of using the procurement card and disciplinary action up to and including dismissal.**

**NON-CHA EMPLOYEE TRAVEL**

Reimbursement of out-of-county travel expenses by interns and appointed members of the CHA Board are allowable and these persons are subject to all of the same travel regulations as CHA employees. The appropriate supervisor, CFO, and CEO or designee must approve

their travel in advance, and the same forms are used to request reimbursement for travel expenses.

### **REQUIRED ACCOUNTING FOR TRAVEL EXPENSES**

At the completion of the trip, employees will make an accounting of trip expenses whether they are through the procurement card process, accounts payable, or they are to be reimbursed. This accounting of trip expenses must be made within fifteen (15) days of the completion of the trip. All charges to the procurement card will be supported by receipts as usual. Employees may not request reimbursement for travel expenses paid for with a procurement card.

The IRS requires CHA to maintain hotel receipts to properly document an employee in overnight travel status and to differentiate payment from compensation; we also need to properly document to the citizens the public purpose of the travel cost. **Itemized receipts are required for all travel costs except the per diem allowance.** These receipts will be sent to Finance after the employee has properly accounted for the trip. The Finance Department reserves the right to withhold per diem allowance reimbursement until after the procurement card charges have been reviewed.

### **TRAVEL FORMS**

#### **Travel Forms and Instructions for Completion**

All requests for travel advances, travel reimbursements, and mileage reimbursements should be filed on forms that have been issued and approved by the Finance Department. These are available on the CHA SharePoint Intranet site

#### **a. Travel Mileage Voucher Form**

This form is to be used to record mileage traveled by an employee and certain non-CHA employees on CHA business using their personal vehicle.

Employees who use a personal vehicle on a regular basis for official CHA business for trips (other than for travel expenses) should complete this form. This form should be submitted to the Finance Department at the beginning of the month.

For each trip, the employee should fill in the date of the trip, the from and to destination (city/business/entity), the purpose/service performed or training attended and the program budget code. The miles column is automatically totaled to provide the Total Miles traveled during the month. This amount is multiplied by the approved mileage rate established by the IRS to arrive at the total amount due to the employee.

The supervisor is responsible for reviewing the form for reimbursement and making sure the proper budget code is included on the form. The employee and supervisor must either have a legible wet signature or e-signature through an authenticator on the form before submitting to the Finance Department.

**b. Travel Request & Reconciliation Form**

1. **REQUEST:** This form is used to obtain authorization for CHA business related travel and to request funds prior to travel. A Travel Request & Advance Form is required to be completed by the employee, reviewed by the supervisor, and approved by the Finance Department for all overnight travel whether or not a cash advance is requested. A Travel Request & Reconciliation Form **IS NOT** required for same-day, in-state travel via a CHA vehicle or personal vehicle where employee isn't eligible for per diem reimbursement. If using a CHA vehicle, employee is responsible for obtaining availability and requesting reservation from the Fleet Manager. To ensure safety and compliance, employee must:

- **Inform supervisor of travel**
- **Put travel on calendar**

For overnight, in or out of state travel, a Travel Request & Reconciliation Form should be submitted to the Finance Department at least fifteen (15) working days before the trip is to take place. The employee is responsible for completing the Travel Request portion of the form. A **seminar/conference itinerary indicating the seminar/conference starting date and time and the ending date and time is a required part of the travel request documentation. Employee must also include with the Travel Request and Reconciliation Form comparative pricing from Expedia or comparable source to ensure the best flight is chosen in order for travel to be approved.** It is expected that employees will use hotel state rates when available.

Estimated expenses are calculated by multiplying the number of overnight days of the trip by the hotel rate including taxes. This is the amount to be indicated under "Lodging." The employee should then multiply the number of days by the daily meal allowance, taking into account that the date of departure and the date of return i.e., travel days are calculated at 75% of the daily per diem rate. Also include registration fee, transportation expenses and any miscellaneous expenses on the form. The sum of these amounts would be your "Total Estimated Expenses."

The employee and their supervisor must either have a legible wet signature or e-signature through an authenticator on the form. The CFO or designee must then approve the travel request and any advance that is requested. If a travel advance is requested and the amount is at least \$100.00, employee must complete a Payment Request Form with all the necessary information and submit with the travel request. The supervisor is responsible for confirming or supplying the proper budget code(s).

2. **RECONCILIATION:** This form should be used when the employee and certain non-CHA employees incurs expenses related to official CHA travel, including but not limited to lodging, meals, registration and gas or mileage.

The employee should complete the reconciliation portion of the form accurately and in its entirety in order to ensure accurate processing and receive reimbursement from the Finance Department. Incorrect or incomplete documentation will be returned to the employee to resolve and resubmit.

All expenses associated with the travel should be entered in the corresponding rows for the item under the appropriate column i.e. day. Example categories are meals, lodging, transportation, auto allowance (personal car), registration fees and other. If the employee makes an entry in the "other" row, he/she should specify what the charge was. Receipts for meals are not required. Itemized receipts for all other expenses are required to receive reimbursement.

Total miles should be entered for Mileage Claimed under the Auto Allowance section. This amount will automatically be multiplied by the IRS approved mileage rate to arrive at the amount to be reimbursed. The total mileage should match the original Google maps starting and end location for the entire travel

The columns for each day will be totaled as well as the rows for each category. Each category will have a weekly total. The weekly totals for each category are summed to produce an amount of total actual expenses.

Employee should be mindful when selecting the method of payment as the form calculates reimbursement based upon your selection. Reimbursement owed to the employee will be totaled in the Balance Due section for Employee. Money is owed to CHA if there is an amount in the Balance Due section for CHA. If money is owed to CHA, the employee shall make payment in the form of check or money order to the Finance Department within fifteen (15) working days after the completion of the travel. This form must either have legible wet signatures or e-signatures through an authenticator by both the employee and his/her supervisor.

#### **USE OF PROCUREMENT CARD FOR TRAVEL**

CHA has provided the use of procurement cards to designated employees approved by their supervisor. CHA employees that have procurement cards should use them to pay for all major travel expenses i.e. lodging, registration, etc. **Under no circumstances is the procurement card to be used to pay for meals, gas purchases, or personal phone calls. Meal expenses and incidentals are covered by the per diem allowance.**

#### **Mileage Reimbursement**

Normal daily travel does not require advance written approval of the supervisor. However, the supervisor should be advised of travel plans and give verbal and or written approval of such plans. Failure to notify the supervisor of travel plans may result in the employee receiving no reimbursement for travel costs. The supervisor is responsible for ensuring adequate funds are available to reimburse all travel costs and that employees understand their authority to incur daily mileage or other travel costs.

The Finance Department will accept reimbursement requests via the Travel Mileage Form on a monthly basis. To ensure that funds will be available to reimburse these expenses as part of the ongoing budget process it is required that employees request reimbursement no later than 15 days after incurring an expense, with proper documentation. Failure to adhere to this policy may result in a decision to deny reimbursement.

CHA reimburses mileage expenses at the IRS standard mileage rate. The CFO is allowed to make periodic adjustments for auto mileage rates in accordance with current IRS regulations. The IRS approved rate may change on a calendar year basis and generally becomes effective January 1 of each year. Traffic tickets are not reimbursable. Normal parking charges for CHA business are reimbursable. Parking receipts should be attached to the reimbursement request.

**In order for mileage to be reimbursed, it must be substantiated with enough detail that the mileage claimed can be verified.**

To the extent possible, trips should be planned out in advance so that mileage is minimized. **Employees submitting mileage reimbursement requests during a time period when the standard mileage rate has changed must submit mileage for the different rates on separate forms.**

Transportation expenses between your home and your first work site are considered personal commuting expenses and not eligible for mileage reimbursement. Employees who are called back into work on the same day will be eligible for mileage reimbursement. If you are required to travel from your regular place of work to client or job sites during the day, that travel is eligible for mileage reimbursement.

**Travel from your home to an out-of-county conference or training session is eligible for mileage reimbursement from your home to the conference site and back home.**

#### **Mileage Reimbursement Scenarios – All Employees**

<b>Scenario</b>	<b>Eligible for Mileage Reimbursement?</b>
Home to office or first work site	No
Office or last work site to home	No
First work site to subsequent work sites	Yes
Employee called back to work after regular working hours	Yes
Employee is called into work on the weekend	No

The above rules apply to travel in the area in which you live and normally work.

#### **Overnight Travel**

CHA will pay costs incurred while in overnight travel status for the purpose of conducting CHA business authorized by the supervisor, CFO, CEO or designee(s). An employee is

considered approved for overnight travel as opposed to commuting status when they travel to a county that does not directly connect with Cabarrus County.

Any employee seeking exception to the overnight travel status rule may request their supervisor to ask the CEO or designee and/or the CFO to make an exception to the above policy. Exceptions are generally not granted just because the employee is required to be on site at the business location before or after normal working hours.

**a. Required Approval**

**All travel must be approved by supervisor, CFO, and CEO or designee acknowledging that the travel expenditures were incurred for a public purpose. The Finance Department will also review travel for reasonableness and public purpose.**

**b. Overnight Travel Arrangements**

**Once travel request approval has been received**, each employee is authorized to make appropriate travel arrangements directly with the hotel, airline, car rental agency, etc. Hotel accommodations prearranged by conference/training sponsors or professional associations may be used. The employee must ensure that the most reasonable means of transportation and accommodations are used to ensure CHA receives the lowest fares. See section b. Travel Request & Reconciliation Form for required documentation necessary to approve travel requiring hotel accommodations and flights.

The following guidelines should be used to help ensure CHA receives the most favorable fares:

- All airline arrangements should be made at least two weeks before the scheduled flight.
- All employees fly coach/economy/main cabin. Non-essential upgrades will not be reimbursed. First Class and/or Travel Insurance are not considered reimbursable by CHA.
- CHA will not reimburse employees who make upgrades to their standard coach/economy flight accommodations i.e. preferred seating, premium economy, etc.
- Employees should seek reasonably priced hotel accommodations. If an employee is attending a conference given in a hotel or resort, then the employee is permitted to seek accommodations at the same hotel/resort even though cheaper priced accommodations are available. Pricing for host hotel still needs to be provided.
- **Employees are required to shop for the best price for flight transportation, hotel accommodations and all other travel arrangements. Employees should use resources such as Expedia or a similar website to compare pricing and include such comparisons with the Travel Request & Reconciliation Form.**
- Governmental rates should be sought whenever possible.

- When renting vehicles, the traveler should not purchase any insurance waiver (collision, theft, vandalism, etc.). Any accidents or damages to rental cars or other vehicles, persons, or properties caused by a rental vehicle operated by a CHA traveler are covered under CHA's insurance program. This is not considered a reimbursable expense.
- Airline travel leaving or arriving on a Saturday instead of a Sunday is permitted if the total cost of the additional room night plus meals is less than the difference in the airfare. Comparison of various airlines is required to be submitted with the Travel Request & Reconciliation Form to the Finance Department for review and approval.
- Employees are not required to share a room with other CHA employees.
- Emergency travel needs will be approved before travel takes place if possible or as soon as possible upon completion of the trip. CFO and CEO or designee will approve certain expenses for emergency travel.

**c. Per Diem Rates**

**Utilize current Federal Per Diem Rates by State at the following website:**

**[www.gsa.gov](http://www.gsa.gov)**

**\*\*If neither the city nor the county is listed, the standard per diem rate for meals and incidental expenses applies.**

**d. Allowable and Unallowable Expenses**

**1. Lodging**

Hotel/lodging reservations are to be arranged by the traveling employee or by utilizing accommodations prearranged by conference training sponsors or professional associations once the travel has been approved.

Lodging expenses will be reimbursed at actual **cost of rooms (including tax)** provided that the employee seeks reasonably priced lodging. CHA travelers sharing a room with a non-CHA employee will be reimbursed at the single occupancy rate only.

A detailed/itemized hotel receipt is required for reimbursement of lodging expenses.

No reimbursement is authorized for in-room movies, valet charges, in-room bar charges, or other nonessential needs. Room service charges for food, including tips, and personal phone calls are not allowable. These expenses are considered to be covered by the per diem allowance. Meal expenses, personal phone calls and baggage handling tips are to be paid by the employee using personal funds. CHA will reimburse the employee according to the established per diem allowance limits after an accounting of trip expenses has been authorized by the supervisor or designee. If required, hotel reservations should be guaranteed with a procurement card (for those employees who have been designated to have one or Purchasing

Agent's PCard) or the employee can use a personal credit card. Travel expenses can be paid for with use of a personal credit card and the employee can seek reimbursement for allowable costs after they return from the trip. Governmental rates should be sought whenever offered by the hotel.

## **2. Meals and Incidental Expenses**

**CHA will issue 75% of the per diem allowance for same day trips that are over 12 hours in length.** Employees will be required to document time of departure to destination and time of return back to CHA.

Employees will be provided a per diem allowance for meals and incidentals according to IRS guidelines.

The per diem allowance covers meals and incidental expenses. Incidental expenses are defined as fees and tips given to wait staff, porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses. Employees should file for reimbursement when a trip is completed.

Employees traveling overnight will be paid 75% of the normal per diem rate on the day you depart and the day you return. For example, if the per diem is \$39.00 for these days, you will receive \$29.25.

**Any expenses associated with the purchase of alcoholic beverages are not reimbursable.**

## **3. Phone Calls**

### **Personal Phone Calls**

Personal phone calls are not reimbursable.

## **4. Transportation**

### **Personal Vehicle**

When personal vehicle travel is authorized, the prevailing IRS rate per mile is paid as full reimbursement for such transportation costs. The CFO is allowed to make periodic adjustments for auto mileage rates in accordance with current IRS regulations. The IRS approved rate may change on a calendar year basis and generally becomes effective January 1 of each year.

**In order for mileage to be reimbursed, it must be substantiated with enough detail that the mileage claimed can be verified.**

If an employee prefers to drive instead of fly when airfare would be the most appropriate means of travel, reimbursement for use of a personal vehicle including costs of additional meals and lodging resulting from such use of the personal vehicle shall not exceed the otherwise applicable airfare for such travel by the employee.

The use of a personal vehicle will normally be confined to destinations within North Carolina or in neighboring states where it is more advisable to travel by car because of expediency and destination accessibility.

Employees may not use the procurement card to purchase gasoline for their personal vehicle.

**You DO NOT need to complete the Travel Request & Reconciliation Form for same-day, in-state travel using a personal vehicle where employee isn't eligible for per diem reimbursement.** To ensure safety and compliance, employee must:

- **Inform supervisor of travel**
- **Put travel on calendar**

### **CHA Vehicle**

Before a CHA vehicle can be used for same-day travel where other expenses will be incurred such as Per diem due to travel would be longer than twelve hours, the Travel Request & Reconciliation Form must be complete with required documentation and have documented approval of supervisor and CEO and/or CFO. The Traveler will send to Fleet Manager as approved reserving a vehicle. The traveler must include an agenda of the meeting listing exact times of meeting to be attended. The Agency vehicle is not to be used to arrive earlier than the meeting starts or later than the meeting ends to benefit traveler. For example, you cannot travel to a meeting the day before to prepare or plan for the meeting scheduled to begin the next day. Also, you cannot utilize an agency vehicle if you plan to stay an extra night for personal reasons. Anyone who utilizes an agency vehicle must fully complete the log located inside each vehicle, refuel with agency fuel card located inside each CHA vehicle and must make sure they have obtained a PIN for utilizing the gas card prior to trip with the Purchasing Agent, the receipt goes in the envelope inside the car. Include the name of the person who traveled. The requesting party must obey all laws of the jurisdiction in which the vehicle is being operated. The vehicle must be used for the purpose of conducting CHA business only. A minimal amount of personal use, such as driving the vehicle to and from meals, is allowed. Non-CHA employees may not accompany CHA employees in CHA owned vehicles. However, individuals associated with CHA operations listed below are exempt from this regulation. **Family members or personnel from other governmental units or corporations not having official business with CHA are not allowed in CHA vehicles.**

- Client assistance programs
- Other CHA operations requiring occasional transport of non-CHA staff, i.e. Environmental Health governmental officials or representatives regarding governmental business

Programs not funded by General Administration are required to reimburse CHA at the standard rate for use of CHA fleet issued vehicle(s). Staff using a CHA vehicle

should use the log sheet located inside the reserved vehicle to document start and end mileage, driver, department, budget code, etc. The Fleet Manager will submit the travel log to the Finance Department on the last day of each month. Each month, the Finance Department will send a fleet mileage report to supervisors for budgetary adjustment purposes. This policy does not apply to Environmental Health.

**You DO NOT need to complete the Travel Request and Reconciliation Form for same-day, in-state travel using a CHA fleet issued vehicle where employee isn't eligible for per diem reimbursement.** To ensure safety and compliance, employee must:

- **Inform supervisor of travel**
- **Put travel on calendar**

### **Rental Vehicle**

A rental vehicle may be requested when it is determined that no other mode of transportation is as economical or practical. A rental vehicle should be used for business purposes only. Vehicle rentals, when authorized and necessary, or for emergency or unanticipated situations, can be arranged by the traveling employee once travel is approved. In these instances, the traveler should request the lowest rental rate possible. Corporate or governmental rates should always be obtained if possible. Vehicle rental expense incurred may be paid by procurement card or by the traveler and reimbursed upon completion of the trip. Rental receipts are required to be submitted with the Travel Request & Reconciliation Form. When renting vehicles, the traveler should not purchase any insurance waiver (collision, theft, vandalism, etc.). Any accidents or damages to rental cars or other vehicles, persons, or properties caused by a rental vehicle operated by a CHA employee are covered under CHA's insurance program.

### **Airline Travel**

Airlines should be contacted to purchase tickets only **after** the required approvals are obtained.

Airline tickets can be obtained in several ways:

- Charging fare to a personal credit card or some other personal payment method and seeking reimbursement. If reimbursement is sought before travel has taken place, some form of documentation such as an invoice from airline or credit card statement must be presented and appropriate supervisor authorizations must be provided.
- Requesting fare to be charged to CHA procurement card.

Airline tickets should be in the name of the employee and any frequent flyer miles are to the employee's benefit. CHA makes no current claims on frequent flyer miles at this time. Airline travel leaving on a Saturday instead of a Sunday is permitted if the total cost of the additional room night plus meals is less than the difference in the airfare.

CHA pays for coach/economy rates only.

### **Other Transportation**

Actual expenses are reimbursed for public transportation in connection with travel on CHA business. Employees are expected to use the most reasonable and economical form of transportation available. Receipts should be obtained when possible for taxi and parking. Expenses for travel to go out to eat while attending a conference or training are not reimbursable.

Rail transportation expenses are reimbursed at coach and pullman rail rates, respectively.

### **How to Pay for Travel Expenses**

It is the intent of CHA that all allowable travel expenses shall be paid for by the employee's procurement card, if said employee has been issued a procurement card. Meals are the exception to this rule. **Meals and incidentals are not allowed to be charged on the procurement card.** When processing the procurement card monthly statement, the employee should make sure that the appropriate budget codes are used for travel expenses. A copy of the approved travel request will need to be attached to the Purchasing Card Payment Authorization form with associated receipts.

There will be instances where the employee will incur costs that he/she will pay for personally; such as taxi fares, bus or shuttle fees, parking charges, etc. These costs will be reimbursed once the employee does an accounting of the travel expenses and obtains supervisor review and authorization via the Travel Advance & Reconciliation form. Itemized receipts should always be obtained for these type expenses.

For those employees who do not have a procurement card, travel advances can be issued if over \$100.00. **Advances will not be issued for any amount less than \$100.** Travel advances will be issued upon the approval of the supervisor and CFO. Requests for travel advances with the completed Payment Request Form, along with supporting documentation, should be submitted to the Finance Department no later than fifteen (15) working days prior to the date travel will commence. All travel advances need to be reconciled and any excess funds from travel advances will need to be repaid no later than ten (10) working days after the completion of the approved travel. The Finance Department will not issue a travel advance unless the supervisor has approved it. Future travel advances may be denied for employees who fail to file final reconciled travel reports in accordance with this policy.

Every employee will be required to account for all his/her expenses from the trip whether paid for personally, by procurement card, or through accounts payable. The request for reimbursement must be signed by supervisor or authorized designee.

**APPENDICES**

**A. Travel Guidelines & Allowable Travel Expense Quick Reference**

<b>Allowable</b>	<b>Unallowable</b>
Airfare – Coach/Economy fare - two weeks in advance <b>Receipt Required Yes</b>	First class, preferred sitting, flight insurance, or other nonessential upgrades
Baggage Handling, Fees and Tips - Included in per diem allowance	
Business Phone Calls - Actual cost - contact Supervisor if traveler expects substantial use <b>Receipt Required Yes</b>	Personal phone calls
Car Rental - If approved by supervisor for business purpose <b>Receipt Required Yes</b>	Insurance waiver cost for collision, theft or vandalism
CHA Vehicle Gas (Use CHA gas card located in each vehicle) See Finance Dept. for PIN	<b>Using procurement card for gas in personal or CHA vehicle</b>
Internet Connections - Actual cost for business use only - contact IT if traveler expects substantial use <b>Receipt Required Yes</b>	Personal use
Lodging - Reasonable room rate plus tax <b>Receipt Required Yes</b>	In-room movies, bar, valet, special room request, or other nonessential items
Meals, Incidentals - Standard rate (or applicable rate) allowance <b>Receipt Required No</b>	No alcohol
Parking - Actual cost for business need <b>Receipt Required Yes</b>	Personal use
Personal Vehicle - Use current allowable reimbursement rate <b>Documentation of Mileage Required</b>	Personal use. <b>Using procurement card for gas in personal vehicle</b>
Rail/Bus - Coach or pullman rail rate <b>Receipt Required Yes</b>	
Registration Fees (Registration fees should be paid in advance by CHA check or pcard once travel is approved.) <b>Receipt Required Yes</b>	Registration fees paid without supervisor and CFO approval
Taxi Fare plus tip for business use only <b>Receipt Required Yes</b>	Personal use such as going out to eat.
Waitress and In Room Service Tips - Included in per diem allowance <b>Receipt Required No</b>	

**REMINDER:** Turn in receipts with required forms to your reconciler within 15 days after trip completion.

**B. Mileage Reimbursement Scenarios**

<b>Scenario</b>	<b>Scenario Response</b>
I work in a program with 16 others who have "virtual" offices. Currently, I am not reimbursed mileage from my home to my first work site.	This is correct. If you do not have a regular office, and do not have an office in your home, the location of your first business contact is considered your office. Transportation expenses between your home and your first business contact and your last business contact and home are nondeductible commuting expenses and not eligible for mileage reimbursement.
I am a staff member and make home visits and transport clients to doctor's offices, clinics, etc.	If you have a home office and telecommute each day, then the time commuting from your home to your first work site is work time, but CHA policy will not reimburse for mileage. If you have an office at a CHA location, then the commute from your home to your first work site is not reimbursable.
I have an arrangement with my supervisor where I work from home one or more days a week. If I have to go into the office or another CHA location for a meeting, I am not reimbursed for my mileage.	This is correct. If you are called into a meeting at your regular work location or another location, the mileage is not reimbursable.
I am a school nurse and am not paid commuting miles from my home to my work site (school). I am not based at a particular school, so the first school I work at during the day is my work site for the day.	This is correct. If an employee has a "virtual" office, then the mileage from home to the first work site is not reimbursable.
I am asked to work from home 100% of the time due to workspace limitations. I want to be reimbursed for all mileage used for CHA business.	If you telecommute 100% of the time, then the time spent traveling on CHA business is work time, however CHA will not reimburse for mileage from your home to your first work site.
I have worked my scheduled hours for the day at my office and gone home. My supervisor asks me to come back into work to take care of an emergency. Should I be reimbursed for mileage?	The mileage is reimbursable if you are required to come back into work on the same day.
I was not scheduled to work on a day when we had an evening meeting. Should I be reimbursed for mileage?	The mileage is considered personal commuting expenses and is not reimbursable.
I came in on the weekend to take care of some paperwork. Should I be paid mileage?	Your daily commute from home to your office or first work site is not reimbursable, whether you came in voluntarily or were required to by your supervisor.

**C. Mileage Chart**

CHA – Kannapolis to The Village, Concord	8 miles – one way
CHA – Kannapolis to Atrium Concord	6 miles – one way
CHA – Kannapolis to The Creamery	7 miles – one way
CHA – Kannapolis to The Community Free Clinic	5 miles – one way
The Creamery to The Village, Concord	4 miles – one way
CHA Kannapolis to Brown Mill	9 miles - one way
The Village Concord to Brown Mill	2 miles - one way
The Creamery to Brown Mill	3 miles - one way

**D. Frequently Asked Questions**

**Q.** Is there any exception to the 75% rule for the per diem allowance on the day your trip starts and the day it stops?

**A.** No. The 75% rule is an IRS regulation.

**Q.** What if I leave my home to go to an all-day conference or meeting out of Cabarrus County and then return home at the end of the day, will I get mileage or per diem?

**A.** You will be reimbursed mileage from your home to the conference site and back home. You will be reimbursed per diem at 75% if you are gone 12 or more hours.

**Q.** Where are the travel forms located?

**A.** The forms are located on SharePoint under Finance/Travel. Make sure you go to SharePoint for the most updated forms.

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Cabarrus Health Alliance Board Chairman

Date

**SUBJECT:** NC DEBT SETOFF PROCEDURES POLICY

**EFFECTIVE DATE:** November 1, 2007

**REVISION DATE(S):** July 15, 2008; July 28, 2010; March 27, 2012; January 14, 2013; December 28, 2016; December 28, 2017; October 29, 2019; October 29, 2020; May 15, 2023; January 16, 2024

**DATE OF LAST REVIEW:** July 15, 2008; July 30, 2009; July 28, 2010; March 27, 2012; January 14, 2013; January 9, 2014; December 18, 2014; December 30, 2015; December 28, 2016; December 28, 2017; December 28, 2018; October 29, 2019; October 29, 2020; September 22, 2021; May 15, 2023; January 16, 2024

**POLICY STATEMENT:** Per North Carolina General Statute 105A 1-16, local governments may submit debtors to the North Carolina Department of Revenue to collect money owed. For a client to be submitted to the debt setoff process, their debt must be at least 60 days delinquent and must total \$50 or more.

CHA will adhere to 42 CFR part 2 laws as it applies to the restrictions on disclosures under GS 2.12 applicability: The restrictions on disclosures apply to any records which would identify a patient as having or having had a substance use disorder either directly, by reference to publicly available information, or through verification of such identification by another person; **and** contain alcohol or drug abuse information obtained by a federally assisted alcohol or drug abuse program for the purpose of treating substance use disorder, making a diagnosis for that treatment, or making a referral for that treatment.

As a representative of the Public Health Authority of Cabarrus County dba Cabarrus Health Alliance (CHA) the Finance Department and/or person appointed as the Debt Setoff Coordinator will determine clients to be submitted to the Debt Setoff Program. Clients marked as a confidential contact will not be submitted to the Debt Setoff Program. The following process is followed when submitting a client into the Debt Setoff Program:

**PROCEDURES TO BE FOLLOWED:**

1. Clients with accounts 90 days past due will be sent a generic collection letter informing them they have 15 days to pay their account to keep it in good standing. Next, a notification letter will be sent to the client informing them of the debt owed to CHA. Clients have 30 days to make a payment on the account. They can request a hearing with the Chief Finance Officer (CFO) and/or Accounts Receivable Program Manager and/or Debt Setoff Coordinator to contest the debt. If they do not respond within 30 days, their name may be submitted to the Department of Revenue and debt taken from their NC State tax refund or lottery winnings (if applicable). Clients will not be sent to

the NC Debt Setoff Clearinghouse that do not have a valid Social Security number or a valid Individual Taxpayer Identification number (W-7) on file.

2. Notification letters received back to CHA as undeliverable for any reason will be scanned into the client's electronic medical record by the Finance staff.
3. Phone calls from clients about their debt after receiving the notification letter are to be forwarded to the Debt Setoff Coordinator, Accounts Receivable Program Manager, or Dental designee who will answer questions, explain debt owed, if necessary, and document communication with client in the patient management systems. Any necessary remarks will be posted in the patient management system.
4. Debt Setoff Coordinator will determine a date for applicable clients to be submitted to the Clearinghouse.
5. Debt Setoff Coordinator and/or dental billing staff will perform a final review of each client's account.
6. Debt Setoff Coordinator will submit applicable names to the Clearinghouse by designated date.
7. Debt setoff money collected for CHA is electronically transferred to the NCCMT account.
8. Debt Setoff Coordinator will post debt setoff monies to applicable client accounts for clinical services and delegate the task to Dental Finance for dental services.
9. Clients who receive a notification letter and make a partial payment before compliance date will not be submitted to the Clearinghouse. If payments are not made on the balance remaining, the collection process will start over.
10. When a client under the age of 18 years old is being registered into the patient management system, agency staff is to ask the legally responsible person for their Social Security number and enter into the Responsible Party Social Security Number field on the registration screen.
11. Each new and existing client will sign and review the "Financial Policy Information" form that informs them that, if applicable, their debt may be submitted to the Debt Setoff clearinghouse to be taken from their available NC State tax refund or lottery winnings. This does not include newborns seen on rounds at the hospital.
12. If there is a discrepancy in the account, the Debt Setoff Coordinator will refund any amount owed to the client and verify that the adjustment is entered into the patient management system.

- 13.** Balances will remain in Debt Setoff until December 31<sup>st</sup>, five years from the date it was entered. If a payment is received, the expiration date will be extended by one year. If a new debt is added to a client's debt already in Debt Setoff, the expiration date of the earlier debt(s) will be changed to the expiration date of the new debt. At the time of expiration, balances will be checked to see if they are eligible for bad debt write-off. If not eligible, balance will remain in Debt Setoff until there has been no activity on the account and they are eligible for a bad debt write-off.

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Chief Finance Officer

Date

# CABARRUS HEALTH ALLIANCE

## Budget Revision/Amendment Request

#1

Date: 1/16/2024

Amount: \$ 61,865

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To budget for the STOP no cost extension approval.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265845-6344-373	Department of Justice-STOP	\$ 200,509	\$ 61,865	\$ -	\$ 262,374
00295845-9101-373	Salaries & Wages-STOP	\$ 59,444	\$ 24,801	\$ -	\$ 84,245
00295845-9201-373	Social Security-STOP	\$ 3,686	\$ 1,449	\$ -	\$ 5,135
00295845-9202-373	Medicare-STOP	\$ 862	\$ 339	\$ -	\$ 1,201
00295845-9205-373	Group Hospital Insurance-STOP	\$ 7,423	\$ 3,212	\$ -	\$ 10,635
00295845-9210-373	Retirement-STOP	\$ 7,954	\$ 4,546	\$ -	\$ 12,500
00295845-9230-373	Workers' Comp-STOP	\$ 357	\$ 61	\$ -	\$ 418
00295845-9640-373	Insurance & Bonds-STOP	\$ 743	\$ 275	\$ -	\$ 1,018
00295845-9659-373	Unemployment Comp-STOP	\$ 100	\$ 54	\$ -	\$ 154
00295845-9301-373	Office Supplies-STOP	\$ 200	\$ 40	\$ -	\$ 240
00295845-9420-373	Telecommunications-STOP	\$ 480	\$ 731	\$ -	\$ 1,211
00295845-9447-373	Contracted Services-STOP	\$ 67,500	\$ 55,772	\$ -	\$ 123,272
00295845-9635-373	Training & Education-STOP	\$ 2,250	\$ 2,820	\$ -	\$ 5,070
00295845-9320-373	Printing & Binding-STOP	\$ 250	\$ -	\$ 44	\$ 206
00295845-9355-373	Other Operation Costs-STOP	\$ 27,120	\$ -	\$ 27,120	\$ -
00295845-9611-373	Mileage-STOP	\$ 1,404	\$ -	\$ 661	\$ 743
00295845-9355-373A	Other Operation Costs-STOP ID	\$ 18,125	\$ -	\$ 4,410	\$ 13,715

**Finance Office Use Only**

Finance Director \_\_\_\_\_ Health Director \_\_\_\_\_ Chairman of Cabarrus Health Alliance \_\_\_\_\_  
 Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_

# CABARRUS HEALTH ALLIANCE

## Budget Revision/Amendment Request

#2

Date: 1/16/2024

Amount:       \$ 130,000

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To budget for additional funding for the Workforce Development Agreement Addendum.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265865-6200-50621	CHA Grant - PH Reg WF	\$ 1,580,046	\$ 130,000	\$ -	\$ 1,710,046
00295865-9447-50621	Outsourced Services-PH Reg WF	\$ 921,963	\$ 230,000	\$ -	\$ 1,151,963
00295865-9355-50621	Other Oper Costs-PH Reg WF	\$ -	\$ 1,500	\$ -	\$ 1,500
00295865-9635-50621	Training & Education	\$ 172,254	\$ -	\$ 101,500	\$ 70,754

**Finance Office Use Only**

Finance Director \_\_\_\_\_ Health Director \_\_\_\_\_ Chairman of Cabarrus Health Alliance \_\_\_\_\_  
 Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_

# CABARRUS HEALTH ALLIANCE

## Budget Revision/Amendment Request

#3

Date: 1/16/2024

Amount:       \$ 14,567

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To budget for additional funding for the Drug Free Communities Grant.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265845-6293-504	HHS/CenterDiseaseControl-DFC	\$ 125,000	\$ 14,567	\$ -	\$ 139,567
00295845-9101-504	Salaries & Wages - DFC	\$ 68,489	\$ 5,090	\$ -	\$ 73,579
00295845-9301-504	Office Supplies - DFC	\$ 175	\$ 500	\$ -	\$ 675
00295845-9320-504	Printing & Binding - DFC	\$ 200	\$ 150	\$ -	\$ 350
00295845-9325-504	Postage - DFC	\$ -	\$ 75	\$ -	\$ 75
00295845-9355-504	Other Operation Costs - DFC	\$ 1,860	\$ 5,200	\$ -	\$ 7,060
00295845-9611-504	Mileage - DFC	\$ 142	\$ 1,100	\$ -	\$ 1,242
00295845-9635-504	Training & Education - DFC	\$ 4,969	\$ 2,583	\$ -	\$ 7,552
00295845-9692-504	Public Relations-DFC	\$ 1,959	\$ 2	\$ -	\$ 1,961
00295845-9356-504A	Special Prog Supplies - DFCID	\$ 11,364	\$ 1,457	\$ -	\$ 12,821
00295845-9420-504	Telecommunications-DFC	\$ 1,590	\$ -	\$ 1,590	\$ -

**Finance Office Use Only**

Finance Director \_\_\_\_\_ Health Director \_\_\_\_\_ Chairman of Cabarrus Health Alliance \_\_\_\_\_  
 Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_

# CABARRUS HEALTH ALLIANCE

## Budget Revision/Amendment Request

#4

Date: 1/16/2024

Amount:       \$ 10,010

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To budget for additional funding for the Prevention Drug Overdose Grant.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265845-6347-50472	Partners Health Management	\$ 50,000	\$ 10,010	\$ -	\$ 60,010
00295845-9301-50472	Office Supplies - PDO	\$ 420	\$ 530	\$ -	\$ 950
00295845-9320-50472	Printing & Binding - PDO	\$ 420	\$ 700	\$ -	\$ 1,120
00295845-9325-50472	Postage - PDO	\$ -	\$ 50	\$ -	\$ 50
00295845-9355-50472	Other Operation Costs-PDO	\$ 4,608	\$ 4,070	\$ -	\$ 8,678
00295845-9356-50472	Special Program Supplies	\$ -	\$ 13,000	\$ -	\$ 13,000
00295845-9635-50472	Training & Education - PDO	\$ -	\$ 2,595	\$ -	\$ 2,595
00295845-9356-5047A	Special Program Supplies-PDO	\$ 4,545	\$ 910	\$ -	\$ 5,455
00295845-9360-50472	Medical Supplies-PDO	\$ 12,250	\$ -	\$ 11,250	\$ 1,000
00295845-9447-50472	Contracted Services - PDO	\$ 1,595	\$ -	\$ 595	\$ 1,000

**Finance Office Use Only**

Finance Director \_\_\_\_\_ Health Director \_\_\_\_\_ Chairman of Cabarrus Health Alliance \_\_\_\_\_  
 Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_

# CABARRUS HEALTH ALLIANCE

## Budget Revision/Amendment Request

#5

Date: 1/16/2024

Amount: \$           (9,760)

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To reduce budget to match rollover amount for the COSSAP Grant.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265877-6344-374	Department of Justice-COSSAP	\$ 684,000	\$ -	\$ 9,760	\$ 674,240
00295877-9101-374	Salaries & Wages-COSSAP	\$ 265,493	\$ 48,186	\$ -	\$ 313,679
00295877-9201-374	Social Security	\$ 23,013	\$ 2,988	\$ -	\$ 26,001
00295877-9202-374	Medicare-COSSAP	\$ 5,002	\$ 699	\$ -	\$ 5,701
00295877-9205-374	Group Hospital Ins-COSSAP	\$ 27,481	\$ 7,522	\$ -	\$ 35,003
00295877-9206-374	HRA-COSSAP	\$ 5,262	\$ 960	\$ -	\$ 6,222
00295877-9210-374	Retirement-COSSAP	\$ 43,352	\$ 6,202	\$ -	\$ 49,554
00295877-9211-374	401K Match-COSSAP	\$ 7,424	\$ 964	\$ -	\$ 8,388
00295877-9230-374	Workers' Comp-COSSAP	\$ 2,227	\$ 289	\$ -	\$ 2,516
00295877-9640-374	Insurance & Bonds-COSSAP	\$ 4,640	\$ 602	\$ -	\$ 5,242
00295877-9659-374	Unemployment Comp-COSSAP	\$ 570	\$ 100	\$ -	\$ 670
00295877-9301-374	Office Supplies-COSSAP	\$ 150	\$ 2,573	\$ -	\$ 2,723
00295877-9320-374	Printing & Binding-COSSAP	\$ 150	\$ 488	\$ -	\$ 638
00295877-9325-374	Postage - COSSAP	\$ -	\$ 100	\$ -	\$ 100
00295877-9365-374	Pharmacy - COSSAP	\$ -	\$ 3,000	\$ -	\$ 3,000
00295877-9420-374	Telecommunications-COSSAP	\$ -	\$ 670	\$ -	\$ 670
00295877-9447-374	Outsourced Services-COSSAP	\$ 35,000	\$ 1,464	\$ -	\$ 36,464
00295877-9611-374	Mileage-COSSAP	\$ -	\$ 200	\$ -	\$ 200
00295877-9630-374	Dues & Subscriptions	\$ -	\$ 156	\$ -	\$ 156
00295877-9103-374	PT < 1000 Hours-COSSAP	\$ 45,577	\$ -	\$ 4,468	\$ 41,109
00295877-9331-374	Minor Office Equip&Furn-COSSAP	\$ 2,000	\$ -	\$ 2,000	\$ -
00295877-9355-374	Other Operation Costs-COSSAP	\$ 34,985	\$ -	\$ 31,753	\$ 3,232
00295877-9360-374	Medical Supplies	\$ 20,000	\$ -	\$ 15,000	\$ 5,000
00295877-9635-374	Training & Education	\$ 17,500	\$ -	\$ 14,535	\$ 2,965
00295877-9356-374A	SpecProgSupp-COSSAP-Indirect	\$ 68,400	\$ -	\$ 6,018	\$ 62,382
00295877-9109-374	Salary Adjustments-COSSAP	\$ 13,149	\$ -	\$ 13,149	\$ -

**Finance Office Use Only**

Finance Director \_\_\_\_\_ Health Director \_\_\_\_\_ Chairman of Cabarrus Health Alliance \_\_\_\_\_  
 Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_

# CABARRUS HEALTH ALLIANCE

## Budget Revision/Amendment Request

#6

Date: 1/16/2024

Amount: \$ 147,464

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To budget for Bridge Access Program for Vaccines Agreement

Transfer Between Programs

Addendum received.

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265865-6200-50719	CHA Grant-BAPV	\$ -	\$ 147,464	\$ -	\$ 147,464
00295865-9101-50719	Salaries & Wages-BAPV	\$ -	\$ 88,400	\$ -	\$ 88,400
00295865-9201-50719	Social Security-BAPV	\$ -	\$ 5,481	\$ -	\$ 5,481
00295865-9202-50719	Medicare-BAPV	\$ -	\$ 1,282	\$ -	\$ 1,282
00295865-9205-50719	Group Hospital Ins - BAPV	\$ -	\$ 13,455	\$ -	\$ 13,455
00295865-9206-50719	HRA - BAPV	\$ -	\$ 1,015	\$ -	\$ 1,015
00295865-9210-50719	Retirement -BAPV	\$ -	\$ 13,455	\$ -	\$ 13,455
00295865-9211-50719	401K Match - BAPV	\$ -	\$ 1,769	\$ -	\$ 1,769
00295865-9230-50719	Workers' Compensation-BAPV	\$ -	\$ 800	\$ -	\$ 800
00295865-9640-50719	Insurance & Bonds-BAPV	\$ -	\$ 1,105	\$ -	\$ 1,105
00295865-9659-50719	Unemployment Comp-BAPV	\$ -	\$ 500	\$ -	\$ 500
00295865-9301-50719	Office Supplies-BAPV	\$ -	\$ 5,000	\$ -	\$ 5,000
00295865-9320-50719	Printing & Binding-BAPV	\$ -	\$ 2,000	\$ -	\$ 2,000
00295865-9355-50719	Other Operation Costs-BAPV	\$ -	\$ 8,202	\$ -	\$ 8,202
00295865-9447-50719	Outsourced Services-BAPV	\$ -	\$ 1,000	\$ -	\$ 1,000
00295865-9611-50719	Mileage-BAPV	\$ -	\$ 2,000	\$ -	\$ 2,000
00295865-9635-50719	Training & Education-BAPV	\$ -	\$ 2,000	\$ -	\$ 2,000

### Finance Office Use Only

Finance Director \_\_\_\_\_ Health Director \_\_\_\_\_ Chairman of Cabarrus Health Alliance \_\_\_\_\_  
 Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_

# CABARRUS HEALTH ALLIANCE

## Budget Revision/Amendment Request

#7

Date: 1/16/2024

Amount: \$           (8,681)

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To reduce budget for SUN due to carryover funds adjustment.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265877-6902-410	Cabarrus County Grant Funds	\$ 206,100	\$ -	\$ 8,681	\$ 197,419
00295877-9103-410	Part Time < 1000 Hours-SUN	\$ -	\$ 6,000	\$ -	\$ 6,000
00295877-9301-410	Office Supplies-SUN	\$ -	\$ 500	\$ -	\$ 500
00295877-9331-410	Minor Office Equip - SUN	\$ -	\$ 500	\$ -	\$ 500
00295877-9351-410	Hardware - SUN	\$ -	\$ 100	\$ -	\$ 100
00295877-9355-410	Other Operation Costs-SUN	\$ 816	\$ 20,487	\$ -	\$ 21,303
00295877-9447-410	Outsourced Services - SUN	\$ -	\$ 10,000	\$ -	\$ 10,000
00295877-9101-410	Salaries & Wages-SUN	\$ 115,037	\$ -	\$ 19,418	\$ 95,619
00295877-9205-410	Group Hospital Insurance-SUN	\$ 16,464	\$ -	\$ 2,000	\$ 14,464
00295877-9206-410	HRA-SUN	\$ 17,158	\$ -	\$ 12,000	\$ 5,158
00295877-9335-410	Food-SUN	\$ 2,000	\$ -	\$ 1,500	\$ 500
00295877-9420-410	Telecommunications	\$ 1,017	\$ -	\$ 367	\$ 650
00295877-9611-410	Mileage-SUN	\$ 1,000	\$ -	\$ 500	\$ 500
00295877-9630-410	Dues & Subscriptions-SUN	\$ 4,000	\$ -	\$ 4,000	\$ -
00295877-9635-410	Training & Education-SUN	\$ 8,983	\$ -	\$ 6,483	\$ 2,500

**Finance Office Use Only**

Finance Director \_\_\_\_\_ Health Director \_\_\_\_\_ Chairman of Cabarrus Health Alliance \_\_\_\_\_  
 Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_

# CABARRUS HEALTH ALLIANCE

## Budget Revision/Amendment Request

#8

Date: 1/16/2024

Amount: \$ (8,676)

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To reduce budget for Office of Rural Health Grant due to adjustment of Grant awarded.

Transfer Between Programs

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265875-6415-430	Medicaid Reimb - Ped BH	\$ 2,000	\$ -	\$ 1,000	\$ 1,000
00265875-6417-430	Medicaid Managed Care-PBH	\$ 12,000	\$ -	\$ 7,676	\$ 4,324
00295875-9101-405	Salaries & Wages - RH	\$ 102,494	\$ -	\$ 4,421	\$ 98,073
00295875-9109-405	Salary Adjustments	\$ 3,587	\$ -	\$ 3,587	\$ -
00295875-9205-405	Group Hospital Insurance - RH	\$ 12,100	\$ -	\$ 5,000	\$ 7,100
00295875-9206-405	HRA - RH	\$ 2,317	\$ -	\$ 800	\$ 1,517
00295875-9210-405	Retirement - RH	\$ 14,194	\$ -	\$ 4,320	\$ 9,874
00295875-9211-405	401K Match	\$ 2,122	\$ -	\$ 400	\$ 1,722
00295875-9301-405	Office Supplies - RH	\$ -	\$ 250	\$ -	\$ 250
00295875-9320-405	Printing & Binding	\$ 100	\$ 100	\$ -	\$ 200
00295875-9356-405	Special Program Supplies-ORH	\$ 1,598	\$ 5,429	\$ -	\$ 7,027
00295875-9447-405	Contracted Services-ORH	\$ 6,724	\$ 3,220	\$ -	\$ 9,944
00295875-9635-405	Training & Education - RH	\$ 3,000	\$ 853	\$ -	\$ 3,853

**Finance Office Use Only**

Finance Director \_\_\_\_\_ Health Director \_\_\_\_\_ Chairman of Cabarrus Health Alliance \_\_\_\_\_  
 Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_

# CABARRUS HEALTH ALLIANCE

## Budget Revision/Amendment Request

#9

Date: 1/16/2024

Amount: \$           (331,000)

Type of Adjustment:

Health Director: Erin Shoe

Internal Transfer Within Program

Purpose of Request: To reduce budget for Innovative Approaches Grant. The funder changed the guidelines of the project after awarding the grant. CHA, along with partners, mutually agreed this funding no longer

Transfer Between Programs

matched the needs of the community. Innovative Approaches activities continue in Cabarrus County via an advisory group.

Supplemental Request

Account	Account Name	Present Approved Budget	Increase	Decrease	Revised Budget Amount
00265832-6200-50846	CHA Grant-InnovativeApproaches	\$ 331,000	\$ -	\$ 331,000	\$ -
00295832-9101-50846	Salaries & Wages-InnovApproach	\$ 166,454	\$ -	\$ 166,454	\$ -
00295832-9201-50846	SS-InnovativeApproaches	\$ 10,465	\$ -	\$ 10,465	\$ -
00295832-9202-50846	Medicare-InnovApproach	\$ 2,446	\$ -	\$ 2,446	\$ -
00295832-9205-50846	GrpHospIns-InnovApproach	\$ 22,270	\$ -	\$ 22,270	\$ -
00295832-9206-50846	HRA-InnovApproach	\$ 4,265	\$ -	\$ 4,265	\$ -
00295832-9210-50846	Retirement-InnovApproach	\$ 22,585	\$ -	\$ 22,585	\$ -
00295832-9211-50846	401K Match-IAP	\$ 3,376	\$ -	\$ 3,376	\$ -
00295832-9230-50846	WrkrsComp-InnovApproach	\$ 1,013	\$ -	\$ 1,013	\$ -
00295832-9301-50846	Office Supplies-InnovApproach	\$ 1,000	\$ -	\$ 1,000	\$ -
00295832-9320-50846	Printing & Binding-InnovApproach	\$ 1,900	\$ -	\$ 1,900	\$ -
00295832-9325-50846	Postage-InnovApproach	\$ 250	\$ -	\$ 250	\$ -
00295832-9331-50846	MinorOfficEquip&Furn-InnApproach	\$ 1,000	\$ -	\$ 1,000	\$ -
00295832-9335-50846	Food-InnovApproach	\$ 10,500	\$ -	\$ 10,500	\$ -
00295832-9355-50846	Other Operation Costs	\$ 4,466	\$ -	\$ 4,466	\$ -
00295832-9356-50846	SpProgSup-InnovApproach	\$ 5,000	\$ -	\$ 5,000	\$ -
00295832-9420-50846	Telecommunications-IAP	\$ 2,500	\$ -	\$ 2,500	\$ -
00295832-9447-50846	ContractedSvcs-InnovApproach	\$ 15,000	\$ -	\$ 15,000	\$ -
00295832-9611-50846	Mileage-InnovApproach	\$ 1,000	\$ -	\$ 1,000	\$ -
00295832-9635-50846	Trng&Ed-InnovApproach	\$ 20,000	\$ -	\$ 20,000	\$ -
00295832-9640-50846	Ins&Bonds-InnovApproach	\$ 2,110	\$ -	\$ 2,110	\$ -
00295832-9659-50846	UnempComp-InnApproach	\$ 300	\$ -	\$ 300	\$ -
00295832-9356-5084A	Special Program Supplies	\$ 33,100	\$ -	\$ 33,100	\$ -

**Finance Office Use Only**

Finance Director \_\_\_\_\_ Health Director \_\_\_\_\_ Chairman of Cabarrus Health Alliance \_\_\_\_\_  
 Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_ Approved/Denied Date \_\_\_\_\_



## Cabarrus Health Alliance Board Meeting Agenda Form

Meeting Date: January 16, 2024

Name of Item: Cabarrus Health Alliance Audit Services

Submitted by: Sue K Yates

Expected Length of Presentation: 5 minutes

### Brief Summary:

Brief Summary:

The CHA Contracting officer wrote RFP 705-2024-0004 for Professional Financial Audit Services. The RFP was publicly posted on the CHA website on 12/19/2023 and courtesy copies were sent via email to the following vendors:

Potter & Company, Martin Starnes & Associates, A Okoh Inc, Alufa & Associates LLC, Anchored Key Solutions, LLC, Apex Business Group LLC, Carolyn Goodwin CPA PLLC, Cobb PLLC, Cogent, Consulting, LLC, Croixstone Consulting, LLC, Dashelia Consulting Group LLC, Dawning Systems, Edify Associates LLC, Facilitator One LLC, Financial Compliance Group, Inc., Hope S Piggee CPA PLLC, James Tax & Bookkeeping Inc., Julie Brenman, Nakia Scott-Harrell, Pinnacle Change, Proctor & Assocs Tax and Bookkeeping Service, Inc., Rivolta LLC, and T.U.T.O.R Financial Counseling & Literacy Svcs LLC.

A Non-Mandatory Pre-Proposal Meeting took place via zoom on 1/4/2024.

No questions were submitted and a Solicitation Amendment was not issued.

Proposals were due January 10, 2023 at 3:00 PM EST; one firm responded: Potter & Company.

Attached is a copy of the firm's cost estimates.

### Requested Action:

Requested Action: Approval of a five-year contract with Potter & Company, P.A. for the Annual Audit and camera-ready financial statements and notes for Fiscal Years 2024, 2025, 2026, 2027, 2028 for \$38,500, \$39,625, 40,750, 41,875 and \$43,000 respectively. The history provided by Potter & Company will be beneficial in determining if any process or procedure changes would be advantageous to Cabarrus Health Alliance along with assistance in our upcoming capital projects.

**Previous Action/Discussion on this item? If yes, explain**

Yes: This recommendation was reviewed and approved by the Finance Subcommittee

**Items reviewed by:**

Erin K Shoe, Health Director  
Sue K Yates, Chief Financial Officer  
Finance Subcommittee



## SECTION C

**The following sealed pages outline our proposed fees.**

### SCOPE OF AUDIT PROCEDURES

We will perform an independent audit of the Cabarrus Health Alliance’s financial statements. We will also be available throughout the year to provide assistance as needed. Our audit will be performed in accordance with generally accepted auditing standards and Government Auditing Standards. The audit will also include an examination of internal controls and major program grants as required by the Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule, (Uniform Guidance) and the State Single Audit Implementation Act.

### AUDIT APPROACH

We use tailor made Governmental audit programs provided by a national service provider, Thomson Reuters. These programs are designed specifically for your entities audit based on our risk assessment and review of internal controls. We design tailored audit programs to ensure an efficient and thorough examination of your accounts, accounting systems, and compliance with state and Federal regulations.

As with all of our audits, our firm’s first procedure is to perform a careful examination of the system of internal control and accounting policies. This examination is done using both random and nonstatistical sampling techniques coupled with professional judgment. Based on the results of our internal control examination, where possible, we include the use of computer techniques to automate the sample selections, prepare confirmations, analyze account balances, etc.

One of the ways in which we maintain close communication with our clients is through the development of management letters. During the course of our audit work, we are exposed to many aspects of your operations and often have opportunities to observe areas in which efficiencies and stronger controls could be achieved. At the conclusion of an engagement, we prepare and submit a management letter containing recommendations for improvements in controls, operating policies, and procedures.

### CLIENT ASSISTANCE

In performing our audit, we anticipate the following schedules will be prepared by the Cabarrus Health Alliance: cash reconciliations, accounts receivable reconciliations, summary of investment activity, accounts payable reconciliations, property and equipment summaries, long-term debt summaries (if applicable), prior year revenue comparisons to current year, prior year expense items comparisons to current year, and back-up for the draft financial statements.

### TENTATIVE SCHEDULE

We propose to complete the June 30, 2024 audit according to the following general time table.

<b>Event</b>	<b>Timing - 2024</b>
Commence planning and testing of internal controls and compliance	June
Field work	August/September <i>(at your convenience)</i>
Review of ACFR	No later than October 15, 2024
Completion and delivery of final audit reports	No later than October 31, 2024

**PROPOSED FEE**

Based on the above and our own experience in governmental auditing, we estimate our fee for the 2024 audit of the Cabarrus Health Alliance to be \$26,000 for the base audit and \$12,500 for the ACFR preparation.

The fee is based on the following:

1. The above fee includes all travel and supply costs and the reproduction cost of the audit reports.
2. Assistance will be provided by the Cabarrus Health Alliance in pulling requested documentation to support examined transactions and requested schedules will be available to conduct the audit.
3. Estimated time budget for audit:

<b>Personnel Costs</b>	<b>Partner</b>	<b>Supervisor</b>	<b>Staff</b>	<b>Clerical</b>	<b>Total</b>
On-site interim work	10	20	12	0	42
Year-end on-site fieldwork	20	32	32	0	84
Work performed in auditors' office (planning, wrap up, financial statement drafting, etc.)	10	8	8	0	26
Clerical	0	0	0	8	8
Total hours	40	60	52	8	160
Rates	\$220.00	\$170.00	\$125.00	\$62.50	
	\$8,800.00	\$10,200.00	\$6,500.00	\$500.00	\$26,000.00

4. Average hourly rate for 2024: \$162.50
5. The estimated fee amounts included here are not to exceed the amounts listed. If additional time is needed outside the original scope of the procedures stated here, an estimate of the additional cost will be made and agreed to with the Cabarrus Health Alliance prior to any additional work being performed.
6. Audit costs after the initial five year period will be based on the past working relationship with the Cabarrus Health Alliance. In addition, if any new auditing or reporting standards have been issued and any additional state or federal programs will be required to be tested for compliance, these factors will be taken into consideration in pricing the engagement after the initial term.

**COST ESTIMATE**  
(per year)

**FIVE YEAR CONTRACT**

	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
Base charge –Audit	\$ 26,000	\$ 26,750	\$ 27,500	\$ 28,250	\$ 29,000
Administrative expenses	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
Other: Services provided outside the scope of the audit will be billed at our standard hourly rates.	-	-	-	-	-
<b>TOTAL:</b>	\$ 26,000	\$ 26,750	\$ 27,500	\$ 28,250	\$ 29,000
Additional cost for camera-ready financial statements and notes	\$ 12,500	\$ 12,875	\$ 13,250	\$ 13,625	\$ 14,000

**Basis/methodology of cost estimate:**

*The cost estimate included here is based on past history with the client, the experience level of the personnel assigned to the engagement and the compliance programs required to be tested. It is an not to exceed amount.*

**Basis for determining cost estimate after first year:**

*Estimated cost of living adjustments.*

**Name of bidder:** Potter & Company, P.A.

**Address:** 434 Copperfield Blvd NE  
Concord, North Carolina 28025

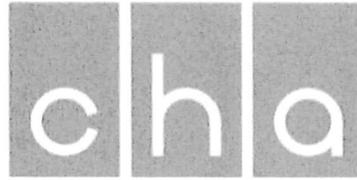
**Phone:** (704) 283-8189

**Signature of authorized official:** 

**Name printed or typed:** Daniel O. Morrow

**Title:** Partner

**Date:** January 9, 2024



**CABARRUS  
HEALTH  
ALLIANCE**

**ATTACHMENT C: Summary of Audit Costs Sheet**

Please provide your Proposal's Total Cost and cost breakdown.

A total project budget for all phases, including all professional services included in the proposal must be provided using this attachment. Please add any additional information you feel is necessary for CHA to have a clear understanding of the pricing for this service. Service Providers may alter this page as long as it provides the necessary information for CHA to understand the total cost and how that cost was derived.

Requests for financial statements or other needed financial information may be made if deemed necessary.

Proposal Total Cost		\$ 38,500
Insert the various cost that goes into the understanding the Total Cost listed below.		
Base Audit	Includes Personnel Costs, Travel, & On-Site Work	\$ 26,000
Financial Statement Preparation		\$ 12,500
Extra Audit Services	Cost Per Hour: \$	Total Cost: \$ 38,500
Other Costs		
Item 1:	Includes:	\$
Item 2:	Includes:	\$
Item 3:	Includes:	\$
	Total For Initial Term	\$ 38,500
	Total for 1 <sup>st</sup> Renewal	\$ 39,625
	Total for 2 <sup>nd</sup> Renewal	\$ 40,750
	Total for 3 <sup>rd</sup> Renewal	\$ 41,875
	Total for 4 <sup>th</sup> Renewal	\$ 43,000
	Total for 5 <sup>th</sup> Renewal	\$ 44,125