

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: September 17, 2008

SUBJECT: Maintenance of Effort Fund Reallocation Policy

ATTACHMENTS: Yes
1. Reallocation Policy

SUMMARY OF REQUEST:

Pursuant to NCGS 122C-115, Henderson County annually budgets for, and grants to local agencies via Western Highlands Local Management Entity (LME), funding for the provision of mental health, developmental disabilities and substance abuse services in the County. Through this funding, at the November 5, 2007 meeting, the Board granted \$50,000 to Partnership For Health to offset the cost of medications dispensed through the Community Health Network pharmacy.

Divestiture of the pharmacy from Partnership For Health to The Free Clinics was planned for June, 2008, and has since occurred. Partnership For Health has notified County Staff that \$25,036.37 of the grant is remaining. To provide for reallocation of these funds, and to set a policy for future needed reallocations, Staff is proposing the attached Maintenance of Effort Fund Reallocation Policy.

BOARD ACTION REQUESTED:

The Board is requested to approve the Maintenance of Effort Fund Reallocation Policy as presented. The Board is also requested to approve the reallocation of \$25,036.76 from Partnership for Health to The Free Clinics.

Suggested Motion:

I move the Board approve the Maintenance of Effort Fund Reallocation Policy as presented. I further move that the Board approve the reallocation of \$25,036.76 from Partnership for Health to The Free Clinics.

HENDERSON COUNTY GOVERNMENT

MAINTENANCE OF EFFORT FUNDING - REALLOCATION POLICY

Purpose:

Pursuant to NCGS 122C-115, Henderson County annually budgets for, and grants to local agencies via Western Highlands Local Management Entity (LME), funding for the provision of mental health services in the County. Such funding is known as Maintenance of Effort (MOE) funding, for which the cycle annually begins on November 1, and ends on October 31.

Procedure:

1. Reversion of Henderson County Funds

Previously allocated funds shall be returned for reallocation by Henderson County in the following instances:

- a. When the agency fails to use or re-contract for the allocated funds within the contract period.
- b. If the agency eliminates the service(s) the grant was approved for prior to the end of the contract period.
- c. In the event the agency is determined to have improperly used the allocated funds.

2. Notification to Henderson County

The agency shall contact the grant administrator to make notice that the MOE funds will not be used within the contract period. The grant administrator will work with the agency to determine whether the funds may be used into the next contract period, or if the funds should be returned for reallocation.

3. Reallocation of Funds

If it is determined that the funds should be returned for reallocation, the following procedure shall be followed:

- a. The agency shall return the unused portion of the MOE funds directly to Western Highlands LME.
- b. The Board of Commissioners will be notified of the reversion of funds.
- c. The Board of Commissioners will determine if the reverted funds are to be designated to another agency.
- d. County Staff will notify Western Highlands LME regarding the Board's decision.

4. Selection of Funding Designation

The Board of Commissioners may consider the following in determining the agency(s) selected for fund reallocation:

- a. Review of previously submitted applications
- b. Recommendation of Staff
- c. Recommendation of Western Highlands LME

5. Disclaimer

Henderson County shall abide by all laws, regulations and guidelines set forth by the State when allocating Maintenance of Effort Funds.