CHILDREN'S SERVICES COUNCIL
MARTIN COUNTY

CSCMC PROGRAM and FUNDING POLICIES

Effective October 1, 2026

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PROGRAM AND FUNDING POLICIES

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All occurrences of "CSCMC" in this document are referring to "Children's Services Council of Martin County".

Mission

Children's Services Council of Martin County's mission is to enhance the lives of the children of Martin County and to enable them to attain their full potential.

Guiding Principles

1. **Children's Services Council of Martin County (CSCMC) is ultimately accountable to the community's taxpayers to help improve the quality of life for all residents by supporting the children of Martin County to attain their full potential.**

2. **CSCMC fosters collaboration among provider agencies and encourages assessment of collective impact with community partners in order to develop increasingly robust systems of care.**

3. **CSCMC funding is informed by current qualitative and quantitative data that indicates essential areas for positively impacting children's wellbeing. CSCMC focuses on key indicators that include local data benchmarked against national and/or state data.**

4. **CSCMC gives funding preference to proven program models that are research proven and evidence-based, have demonstrated positive impact, and have sustainable and replicable outcomes.**

5. **CSCMC targets early intervention and prevention services for our most vulnerable children, families, and neighborhoods, while advocating for and supporting the increased availability of needed services for all children and their families.**

6. **CSCMC seeks opportunities to leverage local tax dollars with outside revenue from matching funds and grants that support the CSCMC Strategic Plan. Agencies receiving CSCMC funding are expected to diversify their sources of revenue, so as to not be solely reliant upon funding from the Council.**

7. **CSCMC holds itself to the highest standards of fiscal and operational accountability. CSCMC entrusts public funds to those agencies that seek increased efficiencies and economies of scale, demonstrate competence, and show evidence of fiscal and program accountability.**

8. **CSCMC strategically addresses emerging issues and service gaps where impact can be demonstrated and measured for efficiency and effectiveness.**

9. **CSCMC provides public education, advocacy on behalf of children and families, access to information, and research to guide strategic decision-making. CSCMC invests in strategic community communication as core infrastructure, not an optional activity.**

10. **CSCMC strives to maintain ongoing outreach to ensure taxpayers see the return on their investment, families know what services are available, and the community understands the connection between early intervention and long-term outcomes.**

1. FUNDING PROCESS

1.1 Funding Eligibility

Children's Services Council of Martin County's (CSCMC) funding eligibility criteria is as follows:

1.1a CSCMC funds not-for-profit incorporated organizations, neighborhood organizations, and local government organizations. For-profit organizations are prohibited from applying for CSCMC funds.

1.1b Organizations or programs that operate under the exclusive jurisdiction of the public school system are prohibited from applying for funds directly from CSCMC.

1.1c Programs requiring worship or religious instructional activities, as a condition of participation, shall not be funded.

1.1d Programs of organizations with their own taxing authority are limited to two years of CSCMC funding. Subsequent eligibility for funding must be requested in writing to CSCMC and approved by Council on an annual basis, unless otherwise approved by CSCMC.

CSCMC Council has waived the above requirement of a written request for the City of Stuart, Florida and for Martin County, Florida, in perpetuity, until terminated by CSCMC Council, with or without cause, and upon written notification to those organizations.

1.1e CSCMC-funded programs are required to:

- be in direct alignment with the goals and strategies of the CSCMC Strategic Plan (located on the CSCMC website at www.cscmc.org); and
- not supplant existing resources; and
- collaborate with other community partners in the public and/or private sector.

1.1f The target population for the purposes of CSCMC funding is limited to Martin County children and youth, prenatal up to 18 years of age or older if still in high school or currently enrolled in a program funded by CSCMC, or with disabilities as defined by the Individuals with Disabilities Education Act (IDEA) and under 22 years of age, and the family members or primary caregivers of those children and individuals.

1.1g CSCMC will not provide funding to organizations for the acquisition of real property.

1.2 Funding Process Requirements

1.2a CSCMC Applications for Funding Requirements

A CSCMC Application for Funding is required for all programs applying to CSCMC for any given funding cycle, at the Council's discretion. Final approval of funding will be determined by the Council.

The applicant organization's duly authorized official, Executive Director or equivalent, must certify that the information provided within the CSCMC Application for Funding is true and correct. The authorized official must attest, to the best of his or her knowledge, that the organization's governing body (Board of Directors or equivalent) has approved the submission of the application and indicates the date of approval. Proof of these attestations must be provided to CSCMC upon request.

All CSCMC Applications for Funding must be completed and submitted to CSCMC pursuant to the specifications and methods provided by CSCMC.

CSCMC Applications for Funding must be received by the submission deadline's due date and time, as specified by CSCMC.

1.2b Supporting Documents

As part of the CSCMC Application for Funding process, Supporting Documents must be submitted to CSCMC prior to Contract execution by a date specified by CSCMC. The Provider will be notified of required documents during the Application for Funding process. Entry into a mutual Contract between CSCMC and a Provider constitutes agreement by the Provider to provide services in the manner defined in the CSCMC Application for Funding and Supporting Documents submitted by the Provider.

1.2c Performance Measurements and Budgets

All Providers must negotiate Performance Measurements with CSCMC and submit a Budget for review. Final approvals of Performance Measurements and Budgets are due by a date specified by CSCMC, prior to CSCMC Contract issuance.

1.2d Contract and Policy Compliance Waivers

If the Provider requesting funding determines that it cannot fully comply with a CSCMC Contract or Policy requirement, the Provider's Executive Director or equivalent position, must submit a letter addressed to CSCMC's Executive Director. This letter should be attached to the CSCMC Application for Funding or submitted as otherwise specified by CSCMC. This letter must identify the specific requirement(s) with which the Provider cannot comply, state the reason for non-compliance, and if possible, provide an alternative. Approval of waivers and alternatives are at the discretion of CSCMC. If the content of a previously approved waiver remains unchanged, it may be eligible for reapproval at the discretion of CSCMC's Executive Director.

1.2e Business Plan

In order to determine the current status of an organization's viability, CSCMC may require a Provider to submit a Business Plan, pursuant to specifications provided by CSCMC.

2. FUNDING CONDITIONS

2.1 CSCMC Funding Authority

2.1a CSCMC has the discretionary authority to allocate and provide funds for organizations that offer services for the benefit of children and families. CSCMC solely reserves the right to reject any or all CSCMC Applications for Funding; deny the issuance or renewal of a CSCMC Contract; and deny, delay, or terminate funding in circumstances it believes are not in the best interest of CSCMC and the public.

2.1b All funds are allocated solely at the discretion of CSCMC, and no Provider is entitled to, nor guaranteed funding. The Strategic Priorities of CSCMC may change over time, and no guarantee exists that a program will receive continuation or future funding. All funding allocations are contingent upon CSCMC's annual budget and appropriation process, and CSCMC reserves the right to reduce or terminate funding within a CSCMC Contract term or in subsequent funding terms. CSCMC Funding may also be terminated if funds become unavailable.

2.1 CSCMC Funding Authority (continued)

2.1c CSCMC reserves the right to deobligate funds within a CSCMC Contract term if it is determined by CSCMC that the funds will not be utilized by the program for which the funds were originally allocated. The decision to deobligate CSCMC funds may occur if there is a material change in the Provider's program operation, and it is determined that the original contract award may be reduced due to such changes. The decision to deobligate funds in a current contract year does not affect funding for future CSCMC Contract terms unless the conditions of the material changes still exist.

2.1d Contract issuance and/or execution may be withheld until all outstanding CSCMC requirements for that contract year have been satisfied.

2.1e The Council's funding allocation decisions are final, and there are no appeals.

2.2 Public Documents

All CSCMC Applications for Funding and Supporting Documents submitted to CSCMC become public documents and the property of CSCMC.

2.3 Contract Execution

CSCMC Contracts, with the Provider's authorized signatures, and required Supporting Documents must be submitted to CSCMC by the date(s) specified by CSCMC.

2.4 Contract Components and Amendments

The CSCMC Contract including, but not limited to, Performance Measurements, Measurement Instruments, Minimum Service Levels, Special Conditions, and Budget, as well as Attachments and Addendums to the Contract, as applicable, constitute the contractual relationship between the Provider and CSCMC. No amendments to the CSCMC Contract components may be made without the prior written approval of CSCMC.

2.5 Contract Waiver

CSCMC reserves the right to waive requirements of the CSCMC Contract and its Attachments, as applicable, when warranted.

2.6 Contract Terms

CSCMC Contract terms, the duration period between the Effective Date and the Ending Date of the contractual agreement, are subject to Council approval.

2.7 Diversification of Funding

CSCMC expects organizations receiving CSCMC funding to engage in fiscal capacity building by diversifying their sources of revenue, so as to not be solely reliant upon funding from CSCMC. There may be circumstances where community needs or a program's operational needs dictate that CSCMC is the sole funder of a program.

3. FUNDING PRIORITY AREAS

In alignment with the current CSCMC Strategic Plan are the following CSCMC Funding Priority Areas:

- **Healthy Children**
- **Strong, Nurturing Families**
- **Safe, Stable Communities**
- **Early Learning & Development**
- **Youth Development & Academic Support**

4. SPECIAL FUNDING

CSCMC funds may be available for programs that satisfy the criteria of at least one of the following Special Funding definitions:

4.1 Urgent Need Funding

Urgent Need Funding may be requested by a Provider of a CSCMC-funded program when an unanticipated situation arises that cannot be addressed within the Provider's approved funding amount. An Urgent Need is defined as an unanticipated circumstance that threatens the continuation of a CSCMC-funded program's primary services or addresses a critical need essential to program operations. In certain circumstances, the need for matching dollars may also constitute an Urgent Need.

4.1 Urgent Need Funding (continued)

Urgent Need Funding is not to be used for a new service component of a program currently funded by CSCMC and is a one-time award limited to the contract term for which it is awarded. Partnership Funding and Developmental Funding Contracts with CSCMC are not eligible for Urgent Need Funding**.**

Urgent Need request letters should be submitted to CSCMC's Executive Director with the description of the urgent need, the anticipated funds needed, and what plans are or will be in place to prevent future Urgent Need requests for the same situation. CSCMC staff will review the Urgent Need request and will discuss it with the Provider prior to making an approval or denial recommendation to Council. The Provider will be notified of the Council's decision.

4.2 Developmental Funding

Developmental Funding may be awarded to programs that are new to Martin County or to expand existing programs with proven outcomes. Developmental Funding grant amounts from CSCMC do not exceed $50,000. The expectation is that programs receiving Developmental Funding may transition to the annual funding cycle within 3-5 years.

A Provider requesting Developmental Funding will be required to submit a Letter of Inquiry, pursuant to CSCMC instructions. If CSCMC determines that a Provider is eligible for Developmental Funding, the Provider will be required to submit a CSCMC Application for Funding.

A Provider may request Developmental Funding for a proposed program that meets all the following criteria:

- is in direct alignment with the goals of the CSCMC Strategic Plan; and
- does not supplant existing resources; and
- is supported by other funding sources specifically designated to the proposed program for Martin County participants and contribute at least the same dollar amount as what is being requested from CSCMC; and
- does not require CSCMC to fund more than 50% of the program's total budget.

The other funding sources contributing to the program will be reviewed by CSCMC for sustainability and sufficiency. Documentation showing proof of the other funding sources must be submitted to CSCMC, by a time specified by CSCMC.

4.2 **Developmental Funding** (continued)

As a condition of CSCMC funding, Providers receiving Developmental Funding may be required to participate in an organizational assessment process, as determined by CSCMC. CSCMC Funding for this assessment may be available.

Organizations receiving Developmental Funding must reapply annually. CSCMC Contract term durations will be subject to Council's approval.

CSCMC staff will review Developmental Funding applications prior to making an approval or denial recommendation to Council. The Provider will be notified of the Council's decision.

4.3. Partnership Funding

Partnership Funding may be awarded to programs that need support for programming and fit within CSCMC's Strategic Plan but are not developmental in nature. Partnership Funding grant amounts from CSCMC do not exceed $20,000 per program.

A Provider requesting Partnership Funding will be required to submit a Letter of Inquiry, pursuant to CSCMC instructions. If CSCMC determines that a Provider is eligible for Partnership Funding, the Provider will be required to submit a CSCMC Application for Funding for the initial funding term.

A Provider may request Partnership Funding for a proposed program that meets all the following criteria:

- is in direct alignment with the goals of the CSCMC Strategic Plan; and
- does not supplant existing resources; and
- is supported by other funding sources specifically designated to the proposed program for Martin County participants and contribute at least the same dollar amount as what is being requested from CSCMC; and
- does not require CSCMC to fund more than 50% of the program's total budget.

The other funding sources contributing to the program will be reviewed by CSCMC for sustainability and sufficiency. Documentation showing proof of the other funding sources must be submitted to CSCMC, by a time specified by CSCMC.

4.3. Partnership Funding (continued)

CSCMC staff will review Partnership Funding requests prior to making an approval or denial recommendation to Council. The Provider will be notified of the Council's decision. Providers receiving Council's approval for Partnership Funding will be issued a Partnership Agreement with funding requirements and deliverables.

Organizations receiving Partnership Funding may be renewed each year through a re-verification process. The re-verification process will ensure that the organization has met all of CSCMC's reporting requirements, is in good standing with the IRS, has reported any administrative or capacity changes within the organization, and has provided all Supporting Documents as required by CSCMC.

4.4 Match Funding

Match Funding may be awarded to programs with a primary funder is a state or federal source requiring a local match.

All programs applying for or receiving CSCMC Match Funding must submit documentation to CSCMC, as specified by CSCMC, from the primary funding sources that indicates their commitment to fund the program, the funding amount, and the time period to which the funding applies.

A Provider requesting Match Funding will be required to submit a Letter of Inquiry, pursuant to CSCMC instructions. If CSCMC determines that a Provider is eligible for Match Funding, the Provider may be required to submit a CSCMC Application for Funding.

Match Funding is not to be used for the enhancement or expansion of programs currently funded by CSCMC.

A Provider may request Match Funding for a program that meets all the following criteria:

- is in direct alignment with the goals of the CSCMC Strategic Plan; and
- does not supplant existing resources.

CSCMC staff will review Match Funding requests before making an approval or denial recommendation to Council.

4.5 Targeted Funding

Targeted Funding programs are developed in conjunction with CSCMC staff and are based on goals that correlate with CSCMC's Funding Priorities and Strategic Plan and/or address service gaps and emerging issues in Martin County.

If CSCMC determines that a Provider is eligible for Targeted Funding, the Provider may be required to submit a CSCMC Application for Funding. Targeted Funding for a program must meet all the following criteria:

- is in direct alignment with the goals of the CSCMC Strategic Plan; and
- does not supplant existing resources.

CSCMC staff will present Targeted Funding recommendations to Council for a funding decision.

4.6 Capacity-Building Funding

Organizations currently funded by CSCMC may apply for Capacity-Building funding that supports or improves the overall stability of the organization through assessments and coaching. Capacity-Building funding will be considered for projects that address a part of the organization's long-term strategic plan to improve the management, governance, and administration of the organization, rather than for direct programmatic improvements.

To apply for Capacity-Building Funding, a written request must be submitted to CSCMC's Executive Director and must include the amount of the request, how the funding will be used, and a timeline for the utilization of the funding.

Capacity-Building Funding requests will be reviewed and decisions for funding will be determined by CSCMC staff. Capacity-Building Funding requests will be considered to support organization functions such as financial management, human resources, strategic planning, governance, and information technology, with the exclusion of equipment and hardware.

4.7 Organizational Development Funding

Organizations not currently funded by CSCMC may be eligible for Organizational Development Funding that supports or improves the overall stability of the organization through assessments and coaching services. Organizational Development Funding will be considered for consultation services and/or resources that address a part of the organization's long-term strategic plan to improve the management, governance, and administration of the organization, rather than for direct programmatic improvements.

Organizational Development Funding may be granted to organizations that meet CSCMC's Funding Eligibility criteria and provide services that align with CSCMC's Strategic Plan.

To apply for Organizational Development Funding, a written request must be submitted to CSCMC's Executive Director and must include the amount of the request, how the funding will be used, and a timeline for the utilization of the funding.

If CSCMC determines that a Provider is eligible for Organizational Development Funding, the Provider will be required to submit a CSCMC Application for Funding for the initial funding term.

CSCMC Staff will present Organizational Development Funding recommendations to Council for approval.

5. CONTRACT POLICIES & REQUIREMENTS

5.1 Supporting Documents

As part of the CSCMC Application for Funding process, Supporting Documents must be submitted to CSCMC prior to Contract execution by a date specified by CSCMC. The Provider will be notified of required documents during the Application for Funding process. Entry into a mutual Contract between CSCMC and a Provider constitutes agreement by the Provider to provide services in the manner defined in the CSCMC Application for Funding and the Supporting Documents submitted by the Provider.

5.2 Program Reviews, Program Improvement Plans, and Program Corrective Action Plans

All CSCMC-funded programs will be subject to an Initial Visit to review the CSCMC Contract requirements and a minimum of one program performance review visit and one program observation visit. The program performance review timetable and procedure will be provided to organizations prior to the review. CSCMC will also conduct an internal program performance review after the end of the CSCMC Contract term. Program performance results are presented to Council and posted to the CSCMC website, www.cscmc.org, with notification to funded Providers.

The Provider must give CSCMC access to program and administrative sites, as well as staff and participant records, and other information as requested. CSCMC may require quarterly meetings and/or status reports throughout the contract term. Additional meetings and reporting may be required as deemed necessary by CSCMC.

At any point during a contract term, CSCMC staff may identify areas of non-compliance within a funded program with CSCMC program policies and contract requirements. CSCMC may require the Provider to participate in a Program Improvement Plan (PIP) that will be jointly developed by CSCMC staff and the Provider. The PIP allows the Provider the opportunity to address the identified areas of concern and take the steps required to meet CSCMC Policy and Contract requirements.

The PIP is intended to support the Provider in correcting identified program deficiencies and achieving compliance within an established timeframe. The PIP will clearly identify the issues requiring correction, specify strategies to address non-compliance and associated timelines, and define reporting and documentation requirements to demonstrate progress. CSCMC staff will monitor implementation of the PIP and may provide technical assistance or guidance as appropriate. Successful completion of the PIP resolves the identified issues.

If a Provider fails to satisfactorily implement the PIP within the agreed-upon timeframe, or if the non-compliance is severe, systemic, or recurring, CSCMC may place the Provider on a Program Corrective Action Plan (PCAP). The PCAP represents an escalation of program oversight and heightened scrutiny.

The PCAP will outline unresolved deficiencies, required corrective actions, expected outcomes, and deadlines, as well as applicable reporting and monitoring requirements. If the Provider does not meet PCAP requirements, CSCMC may take additional action, which may include increased monitoring, additional program reviews, funding restrictions, suspension of reimbursements, or termination of the CSCMC contract, consistent with CSCMC policy and contract terms.

5.3 Provider Participations

All CSCMC-funded organizations are strongly encouraged to attend CSCMC Council meetings when possible and sign provider agreement(s) with community resource and referral organizations.

5.4 CSCMC-Funded Professional Development Requirement

A Provider's Direct Service staff working 40 hours per week in a CSCMC-funded position (i.e., CSCMC funds the position's salary, wholly or partially) is required to attain a minimum of 15 hours of Professional Development per contract year. Required hours for Direct Service staff employed less than 40 hours per week will be pro-rated based on a formula provided by CSCMC. Seasonal staff employed during summer breaks must also meet this requirement. Seasonal staff employed solely during Winter and Spring breaks are waived from this requirement.

Professional Development is defined as learning opportunities that directly contribute to the quality of the work that the Provider's staff performs in a CSCMC-funded program, such as coursework to maintain professional credentials (i.e., CEUs – Continuing Education Units), conferences, webinars, "Train the Trainer" opportunities, etc. Clinical Staffings or internal meetings with informal learning components do not meet the criteria for Professional Development.

Certificates of Completion must be submitted to CSCMC by the end of the Contract term. CSCMC reserves the right to determine if the Professional Development is acceptable toward the required hours.

5.5 Background Screening

The Provider acknowledges that persons involved with CSCMC-funded programs may be in a position of trust or responsibility serving the needs of the children of Martin County. CSCMC requires all Providers to perform Level 2 background screenings every two years for all staff funded by CSCMC who are in direct contact with children. If a staff member has been screened through the DCF Clearinghouse or another system that provides immediate arrest notifications, then staff may be screened every 5 years. All screenings are to be substantially consistent with the standards set forth in Florida Statute 435.04.

CSCMC additionally requires that the Provider subject to conducting Level 2 background screenings annually signs an affidavit, under penalty of perjury, to be presented at the Provider's program performance review visit, or as otherwise requested by CSCMC. Such affidavit shall state that all staff funded by CSCMC who are in direct contact with children have been screened and passed; screened and not passed; or if such individuals are awaiting the results of the required background screenings.

5.5 Background Screening (continued)

For each person who has failed screening, the Provider must submit in writing to CSCMC a statement indicating the following:

- The status of the person's involvement with the CSCMC-funded program
- If the person is pursuing an exemption in accordance with Florida Statute 435.07
- The Provider's proposed course of action as a result of the failed screen

If a background screening is pending for an employee who is newly hired by a CSCMC-funded organization, the employee is NOT allowed to work directly with, nor have access to the children in the CSCMC-funded program until a background check has been passed.

In addition, the affidavit shall attest that all subcontractors who are in direct contact with children of a CSCMC-funded program, whether or not the subcontractor is funded by CSCMC, have been background screened in accordance with all state and federal laws, rules, and regulations prior to the commencement of work by the subcontractor.

CSCMC reserves the right of final approval on continued or new employment for any position funded directly by CSCMC or working within a CSCMC-funded program that involves an exemption. CSCMC may withhold or terminate funding for any position, or for the program in part or in its entirety, in the event the Provider and/or subcontractor retains any person who fails a Level 2 background screening or obtains an exemption to such screening without approval of CSCMC.

5.6 Insurance

Prior to commencing any services under the CSCMC Contract, the Provider shall be responsible for obtaining insurance coverage, as described hereunder, and as deemed reasonably necessary by CSCMC and by the nature of the services to be provided by the Provider. All required insurance shall be maintained at all times during the CSCMC Contract term, and all insurance policies shall be issued by companies authorized to do business under the laws of the State of Florida.

CSCMC may require Provider to furnish additional and different insurance, or both, as may be required from time to time under applicable federal or state laws or CSCMC's requirements. Provision of insurance by Provider, in no instance, shall be deemed to be a release, limitation, or waiver of any claim, cause of action or assessment that CSCMC may have against Provider for any liability of any nature related to performance under the CSCMC Contract or otherwise.

5.6 Insurance (continued)

No later than upon execution of the CSCMC Contract or when otherwise requested by CSCMC, the Provider must submit to CSCMC an affidavit acknowledging compliance with all insurance requirements or current Certificates of Insurance that indicate that the Provider has obtained insurance of the type and amount, as required by CSCMC, whichever is requested by CSCMC. When Certificates of Insurance are required, it is the responsibility of the Provider during the CSCMC Contract term to submit renewals of the required Certificates of Insurance to CSCMC on or before the expiration of the required insurance policies and when changes have been made to the required insurance policies.

Provider and/or Provider's insurance agent shall notify CSCMC, in writing, of any material changes in insurance coverage not later than **thirty (30) calendar days** prior to the effective date of making any material changes to the insurance coverage. In the event the Provider and/or Provider's insurance agent receives a notice of cancellation due to lack of payment, notice shall be given to CSCMC **ten (10) calendar days** prior to the cancellation date.

Compliance with the insurance requirements herein shall not relieve the Provider of its liability and obligations under the CSCMC Contract. Further, no representation is made that the minimum insurance requirements in this section are sufficient to cover the indemnification or other obligations of the Provider under the CSCMC Contract.

Insurance Requirements for *Non-Governmental* Entities

Commercial General Liability Insurance: The Provider shall maintain, during the CSCMC Contract term, Commercial General Liability Insurance in the minimum amount of **$1,000,000** per occurrence to protect the Provider from claims for damages for bodily and personal injury, including wrongful death, as well as from claims of property damages, that may arise from any operations under the CSCMC Contract, whether such operations are by the Provider or by anyone directly or indirectly employed by or contracting with the Provider. This policy will cover all risks with the liability assumed by the Provider under the indemnification clause.

- **Additional Insured:** The Certificate of Insurance provided to CSCMC must state in the Description of Operations section, or the Affidavit must attest, that Children's Services Council of Martin County is an Additional Insured with respect to General Liability insurance and that coverage for CSCMC is on a **primary and non-contributory basis**. The Provider may be required to submit additional proof of the above provisions via a copy of the Provider's policy language, if the above provisions are automatically included when required by contract, or a copy of the policy's endorsement.

5.6 Insurance (continued)

Insurance Requirements for *Non-Governmental* Entities (continued)

Commercial Automobile Liability Insurance: The Provider shall maintain, during the CSCMC Contract term, Commercial Automobile Liability coverage for all owned, rented, leased, non-owned, and any other hired vehicles, utilized for the provision of services of a CSCMC-funded program, with a per accident limit of not less than **$500,000** combined single limit for bodily injury and property damages liability.

- **Additional Insured**: The Certificate of Insurance provided to CSCMC must state, or the Affidavit must attest, that Children's Services Council of Martin County is an Additional Insured with respect to Automobile Liability insurance.
- **No Vehicle Used:** If the Provider does not use any vehicle for the CSCMC-funded program (or any portion thereof), this coverage is not required, and the Provider shall immediately notify CSCMC of the same in writing. CSCMC may require the Provider to provide an affidavit acknowledging that no vehicle is used.

Workers' Compensation Insurance: The Provider shall carry Workers' Compensation Insurance and Employer's Liability Insurance for all employees as required by Florida Statutes. In the event the Provider does not carry Workers' Compensation Insurance and chooses not to obtain same, then the Provider shall in accordance with Section 440.05, Florida Statutes, apply for and obtain an exemption authorized by the Department of Insurance and shall provide a copy of such exemption to CSCMC.

Professional Liability Insurance: If the Provider utilizes licensed professionals in the provision of services pursuant to the CSCMC Contract, then the Provider shall maintain, during the CSCMC Contract term, **Professional Liability Insurance** or equivalent, in the minimum amount of **$500,000** per occurrence to protect the Provider from claims, that may arise from any operations under the CSCMC Contract, whether such operations are by the Provider or by anyone directly employed by or contracting with the Provider.

Insurance Requirements for *Governmental* Entities

Governmental entities, defined as any city, county, special district, or other governmental body within the State of Florida, that are exempt from specific insurance coverage levels must submit proof of statutory insurance coverage but are not required to comply with the specific levels of coverage required under the “Insurance for Non-Governmental Entities” section of this policy. Without waiving the right to sovereign immunity as

5.6 Insurance (continued)

Insurance Requirements for *Governmental* Entities (continued)

provided by Section 768.28, Florida Statutes, governmental entities must acknowledge to be self-insured for **General Liability** and **Workers' Compensation,** as well as **Automobile Liability** and **Professional Liability** or equivalent, as applicable per the definitions stated in this policy, under Florida's sovereign immunity statutes with coverage limits of $200,000 per person and $300,000 per occurrence, or such monetary waiver limits that may change and be set forth by the legislature. Acceptable proof of statutory insurance coverage must be provided to CSCMC and may include a copy of the relevant statutory provisions, a certificate of self-insurance, a letter from the entity's risk management department confirming coverage, or other documentation deemed sufficient by CSCMC.

- In the event, a governmental entity maintains third-party insurance, in lieu of exclusive reliance of self-insurance, for any of the insurance coverages required in the "Insurance for Non-Governmental Entities" section of this policy, or other coverages as deemed necessary by CSCMC, the governmental entity will agree to maintain said insurance policies at limits not less than the coverage amounts stated under the "Insurance for Non-Governmental Entities" section of this policy and must provide proof of such insurance coverages to CSCMC upon request.

Insurance Requirements for *Non-Governmental* and *Governmental Entities*

Employee and/or Subcontractor Vehicle Use: If the Provider's employee and/or subcontractor utilizes a motor vehicle that is owned, rented, leased, non-owned, and any other hired vehicle by the employee or subcontractor for the provision of services of a CSCMC-funded program, then the Provider is required to verify that the employee's and/or subcontractor's Automobile Insurance is at least the minimum amounts and types of coverage required by the State of Florida.

Driver's License: If the Provider's employees and/or subcontractors utilize a motor vehicle for the CSCMC-funded program, the Provider is required to keep a copy of the employee's and subcontractor's valid driver's license on file. CSCMC may, in its sole discretion, require the Provider to submit to CSCMC, either an affidavit acknowledging compliance with this requirement or a copy of the applicable driver's license(s).

5.6 Insurance (continued)

Insurance Requirements for *Non-Governmental* and *Governmental Entities* (continued)

Subcontracts: If the Provider enters into a subcontract for the provision of services of any portion of services funded by CSCMC, it shall be the responsibility of the Provider to ensure that all insurance necessary for the provision of services by the subcontractor is met. This includes but is not limited to General Liability, Workers' Compensation, Automobile Liability, and Professional Liability or equivalent, pursuant to CSCMC's policies.

- Upon request, the Provider shall furnish to CSCMC an affidavit acknowledging compliance or copies of the **subcontractor's** Certificates of Insurance with respect to all insurance coverages necessary for the provision of services. If a subcontractor does not have applicable insurance coverage, the Provider's certificates of insurance furnished to CSCMC shall include a notation that the subcontractor is provided coverage under the Provider's insurance policies.
- Copies of the **subcontractor's** Certificates of Insurance must be furnished to the Provider prior to the commencement of work by the subcontractor.
    - The Certificates of Insurance providing proof of the subcontractor's General Liability Insurance must list:
        1. The Provider as a Certificate Holder and as an Additional Insured; and
        2. Children's Services Council of Martin County as a Certificate Holder and as an Additional Insured.

5.7 Nondiscrimination

The Provider agrees that it does not discriminate against any person on the grounds of race, color, gender, disability, national origin, ancestry, age, religion, marital status, sexual orientation, veteran's status, familial status, gender identity or expression, or political belief in any of its activities or operations. These activities include, but are not limited to, hiring and firing of staff; provision of benefits; selection of volunteers, vendors or subcontractors; or admission to, participation in, or receipt of the services and benefits of any of its CSCMC-funded programs and activities. The Provider also agrees to maintain reasonable access for persons with disabilities. These conditions apply whether the services and benefits are carried out by the Provider directly or through a CSCMC-funded subcontractor. CSCMC and its funded programs may designate services for specific target populations, based on identified community needs, pursuant to the current CSCMC Strategic Plan.

5.8 Confidential Information

5.8a The Provider shall not use or disclose any information that specifically identifies a recipient of services under the CSCMC Contract and its Attachments, as applicable, and for any purpose not in conformity with federal, state, or local law and related regulations, except upon written consent of the recipient, his responsible agent, or guardian where authorized by law.

5.8b The Provider agrees that all program records and supporting documentation shall be subject at all times to inspection and review by CSCMC staff or its duly authorized agent. If the information to be inspected and reviewed requires written consent of the recipients of program services, it shall be the responsibility of the Provider to obtain any consent necessary.

5.9 Assignments and Subcontracts

The Provider shall not assign the responsibility of the CSCMC Contract to another party or subcontract for any of the services provided under the CSCMC Contract without prior written approval of CSCMC. CSCMC may, in its sole discretion, refuse to approve any assignment or subcontract. No approval by CSCMC of any assignment or subcontract shall be deemed an obligation by CSCMC to provide funds in addition to the total dollar amount stated in the CSCMC Contract.

If the Provider enters into a subcontract for the provision of any portion of services funded by CSCMC, the Provider must provide a copy of that subcontract to CSCMC with the signed CSCMC Contract and/or to the program's assigned CSCMC contract manager, or other designated CSCMC staff member, if the subcontract is executed during the CSCMC Contract term.

All such assignments or subcontracts for which CSCMC funds are utilized shall be subject to the conditions of the CSCMC Contract and its Attachments, as applicable. The Provider must have a monitoring and evaluation process in place in order to determine that the subcontractors are in compliance with their subcontract agreements. The Provider must submit a subcontractor summary report to CSCMC at the mid and end of the CSCMC Contract term that should include, but is not limited to, confirmation that appropriate licensure/certifications are maintained; there is no current litigation between the Provider and any subcontractor; verification that contracted deliverables/services are completed to the Provider’s satisfaction; and the date that the evaluation process was completed.

If the subcontractor provides a majority of the scope of services, the subcontractor must adhere to CSCMC Policy 5.4 “CSCMC-Funded Professional Development Requirement” as outlined in the policy.

5.10 Notification Policies

5.10a Critical Events or Circumstances

The Provider must notify CSCMC of any events or circumstances that have the potential to negatively impact CSCMC or the Provider, or the potential to jeopardize the Provider's capability to meet its CSCMC Contract obligations. Providers should err on the side of disclosure if any event negatively impacts a Provider or a CSCMC Representative.

- The Provider is obligated to disclose to CSCMC of any events or circumstances that have the potential to negatively impact CSCMC or the Provider, or the potential to jeopardize the Provider's capability to meet its CSCMC Contract obligations.

- The Provider is obligated to disclose to CSCMC of a vacancy or an administrative leave of absence of a key staff position, such as Chief Executive Officer or Finance Director, whether or not that position is funded by CSCMC.

- The Provider is obligated to disclose to CSCMC of any circumstances that require the police or Department of Children and Families (DCF) to be called for an incident related to the safety and welfare of a child.

- The Provider is obligated to disclose to CSCMC of any investigations or legal actions occurring against the Provider or its subcontractors.

- The Provider is obligated to disclose to CSCMC any claims or threats of litigation, investigations (civil, administrative, or criminal), administrative complaints or other circumstances in which the Provider reasonably believes that it may face liability exposure or discipline by any governing or administrative body. Disclosure shall be made regardless of the Provider's opinion regarding the veracity of the allegations or the likelihood of success.

- The Provider is obligated to disclose to CSCMC any events that would implicate the Florida mandatory reporter law with regard to any allegations against the organization, its staff, volunteers, subcontractors or any third parties associated with the Provider.

- The Provider is obligated to disclose to CSCMC a gain or loss of 10% or more of the CSCMC-funded program's Total Program Budget.

- The Provider is obligated to disclose to CSCMC positive pandemic test results of staff or participants that lead to an interruption or modification of services within the program.

5.10a Critical Events or Circumstances (continued)

Notification must be submitted to CSCMC via e-mail within 2 business days of the Provider's knowledge of the events or circumstances. Notifications should be directed to CSCMC's Executive Director, Manager of Community Engagement, and the program's assigned CSCMC contract manager. CSCMC may request additional backup documentation to support the notification. CSCMC reserves the right to suspend or terminate funding to a Provider until the identified concerns with the events or circumstances are resolved to the satisfaction of the Council.

5.10b Staff Vacancies or Changes

The Provider must notify CSCMC when the following staff positions become vacant or have had a change in the number of hours worked permanently or temporarily for any reason, including but not limited to FMLA leave, medical leave, and military duty:

- Any CSCMC-funded staff position
- Key staff position such as Chief Executive Officer, Finance Director, or Program Director, whether or not that position is funded by CSCMC

Notification must be submitted to CSCMC via e-mail immediately of the staff vacancy or change. Notifications should be directed to the program's assigned CSCMC contract manager. CSCMC may request additional backup documentation to the support the e-mail notification.

5.10c Organization and Program Name Changes

The Provider must notify CSCMC of any change in the legal name of the CSCMC-funded organization or program name.

5.11 Community Outreach Requirements

The Provider agrees to participate in, and facilitate, public education about the benefits of CSCMC through the methods outlined in the requirements specified below.

- Upon CSCMC's request, the Provider will submit to CSCMC, without charge, copies of all publications, newsletters, advertisements, press releases and other outreach materials that include the CSCMC logo or acknowledgment of funding.

5.11 **Community Outreach Requirements** (continued)

- The Provider will submit all upcoming events or impact stories to the CSCMC Manager of Community Engagement via email to be considered for publication on the CSCMC social media pages and newsletter.

- The CSCMC logo below the words “Proudly Supported By” must be prominently displayed on all Provider outreach sources, including:

  - Provider’s website (including a hyperlink to: www.cscmc.org)
  - Provider's organizational newsletters and annual reports
  - Provider's event advertisements of a CSCMC-funded program

- Evidence of the CSCMC logo below the words “Proudly Supported By” must be on print materials describing or referring to CSCMC-funded programs such as: brochures, flyers, posters, stationery, signs, banners, brand promotional items, etc.

- A CSCMC decal (provided without charge by CSCMC) will be displayed on the front door or front window of all CSCMC-funded program sites and administrative offices. A CSCMC banner (provided without charge by CSCMC) will be displayed at all CSCMC-funded program sites.

- The Provider's press releases and published news articles regarding CSCMC-funded and CSCMC-funded subcontracted programs will include the acknowledgment of CSCMC funding.

- The Provider will submit success stories, with or without photographs, to CSCMC via The Hub-Martin's Files/Document Repository to their CSCMC assigned contract manager at mid and end of the CSCMC Contract term. Providers are responsible for obtaining and maintaining photograph release forms in their records. CSCMC staff may utilize submitted success stories and/or photographs in various outreach materials.

- Upon CSCMC’s request, the Provider will distribute educational and promotional materials, as well as communicate prescribed messaging provided by CSCMC to support CSCMC initiatives.

5.12 The Hub-Martin

5.12a The Hub-Martin Participation

All CSCMC-funded programs must participate in the fiscal and program components of The Hub-Martin which is a web-based computer application into which CSCMC-funded Providers enter fiscal and program information.

5.12b The Hub-Martin User Notification

Providers must designate two Agency Admins per organization that are responsible for adding, deleting, and changing access parameters of their organization's The Hub-Martin users. If an Agency Admins' access to The Hub-Martin needs to be terminated, CSCMC must be notified.

5.12c The Hub-Martin Budgets

Following the Council's approval of funding allocations, the Provider must submit a budget in The Hub-Martin that reflects the limits of the allocation. This budget must be submitted and approved in The Hub-Martin by a due date specified by CSCMC. All budgets are subject to CSCMC staff approval, and upon approval, the budget will automatically become part of the CSCMC Contract.

5.12d The Hub-Martin Program and Fiscal Training

The Hub-Martin Program and Fiscal training is available to Providers in the SUPPORT module of The Hub-Martin within the WIKI tab. Additional support is available upon request to CSCMC.

5.12e The Hub-Martin County Program Data

The Provider agrees to maintain data related to services provided under the CSCMC Contract in a timely, accurate, and complete manner.

All performance measurement and group activity data in The Hub-Martin must be recorded on an ongoing basis and completed by the last day of the CSCMC Contract term. Requests for extensions to this deadline must be submitted to and approved by the program's assigned CSCMC contract manager no later than the last day of the contract term.

5.13 Internal Control Documents

Upon request by CSCMC, Providers will show evidence of the following documents and may be required to submit an electronic or hard copy of such documents to CSCMC.

5.13a Quality Assurance/Quality Improvement Plan

The Provider's Quality Assurance/Quality Improvement (QA/QI) Plan should describe the Provider's protocols for ensuring that its program services are safe, effective, client-centered, timely, efficient, and equitable. The QA/QI Plan must be program-specific and address CSCMC contractual obligations related to data collection. The Plan must also outline the internal systems used to monitor client and staff satisfaction, ensure data integrity and timely data entry, and verify compliance with contract requirements. In addition, the QA/QI Plan must include procedures for grievance and appeals resolution. When applicable, the Plan should identify the job position responsible for each step of the outlined procedures.

5.13b Emergency Operations Plan

The Provider's Emergency Operations Plan (EOP) should describe the Provider's protocol to prepare for, respond to, and recover from natural and man-made disasters, including pandemics.

5.13c Crisis Management Plan

The Provider's Crisis Management Plan (CMP) should describe the Provider's protocol to respond to a crisis situation that has the potential to negatively impact CSCMC or the Provider, or the potential to jeopardize the Provider's capability to meet its CSCMC Contract obligations. The CMP should include the Provider's protocol to communicate with its crisis management team, Board members, Funders, the public, and the media.

5.14 Federal, State and Local Requirements

In delivery of the services provided in accordance with the CSCMC Contract and its Attachments, as applicable, as well as the required Supporting Documents, it is the Provider's responsibility to assure that all applicable federal, state, and local requirements are met, including but not limited to compliance with licensing requirements, health/safety codes, and zoning codes.

5.15 Records Retention Policies

5.15a The Provider agrees to maintain books, records, and documents in accordance with generally accepted accounting procedures and practices that accurately and appropriately reflect all expenditures of funds listed in the budget approved by CSCMC.

5.15b The Provider agrees that all fiscal and program records, supporting documentation, and any other documents pertinent to the CSCMC Contract shall be subject at all times to inspection, review, or audit by CSCMC staff or its duly authorized agent.

5.15c The Provider agrees to maintain data related to services provided under the CSCMC Contract in a timely, accurate, and complete manner. Final reimbursement for a contract term is made only after completion of fiscal review by CSCMC and submission of program data to CSCMC that is required at the end of a CSCMC Contract term. Failure to submit program data may result in forfeiture of any remaining program funds.

5.15d The Provider agrees to retain all fiscal and program records, supporting documentation, and any other documents pertinent to the CSCMC Contract for a period of five years after termination of the CSCMC Contract. If any audit, litigation, claim, negotiation, or other action involving the records has been initiated before the expiration of the five-year retention period, all records shall be retained until completion of such action and resolution of all issues which arise from it.

5.16 Public Records Law Compliance

CSCMC is a public agency in Florida and as such, Provider's records pertaining to the CSCMC Contract are subject to the Public Records Laws of Florida (Florida Statutes, Chapter 119). Provider is required to, and does hereby agree to, comply with all applicable public records laws, including, without limitation:

- Provider will keep and maintain public records required by CSCMC to perform the services pursuant to Section III. SERVICES of the CSCMC Contract.

- Upon request from CSCMC's custodian of public records, Provider will provide CSCMC with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Florida Statutes Chapter 119 or as otherwise provided by law.

5.16 Public Records Law Compliance (continued)

- Provider will ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the CSCMC Contract term and following completion of the CSCMC Contract if Provider does not transfer the records to CSCMC.

- Upon completion of the CSCMC Contract, Provider will transfer, at no cost, to CSCMC all public records in possession of Provider or keep and maintain public records required by CSCMC to perform the services pursuant to Section III. SERVICES of the CSCMC Contract. If Provider transfers all public records to CSCMC upon completion of the CSCMC Contract, Provider shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If Provider keeps and maintains public records upon completion of the CSCMC Contract, Provider shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to CSCMC, upon request from CSCMC's custodian of public records, in a format that is compatible with the information technology systems of CSCMC.

IF PROVIDER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE PROVIDER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THE CSCMC CONTRACT, CONTACT THE CSCMC CUSTODIAN OF PUBLIC RECORDS AT (772) 288-5758; cscmc@cscmc.org; CHILDREN'S SERVICES COUNCIL OF MARTIN COUNTY, 101 S.E. CENTRAL PARKWAY, STUART, FL 34994-5905.

5.17 Program Model Modifications

If a CSCMC-funded program proposes to adjust their program model within a contract term, a Program Model Modification Form, provided by CSCMC upon request, must be submitted to the program's assigned CSCMC contract manager before the change is implemented and no later than the end of the third quarter of the contract term.

Program Model Modifications include implementation of a new or revised measurement instrument and/or curriculum, change to the service delivery model, or a change to other components of current programming.

5.17 Program Model Modifications (continued)

Program Model Modification requests will be reviewed by CSCMC Staff for approval. Approval may result in re-negotiated performance measures, minimum services levels, and/or special conditions, and documented by a Contract Amendment requiring signatures of the Provider and CSCMC.

CSCMC has the authority to deny, modify, or postpone implementation of a model change until the following funding year, contingent upon Council's approval of funding.

6. FISCAL POLICIES

The policies outlined below are to be used in conjunction with the CSCMC Chart of Accounts.

6.1 Reimbursements

6.1a Reimbursement Requirements

CSCMC issues payment on a cost-reimbursement basis, or as otherwise specified in the Provider's Contract. CSCMC will reimburse the Provider for expenses incurred by a program that were included in the original budget approved by CSCMC, and any subsequent budget amendments approved by CSCMC, as entered into The Hub-Martin as applicable.

CSCMC's standard reimbursement schedule is monthly. For **monthly** reimbursement schedules, reimbursements requests should be submitted to CSCMC for the prior completed month only and within 30 days after the last day of the prior month. Any exception to a **monthly** reimbursement schedule requires prior written approval from CSCMC's Director of Finance before submission to CSCMC.

For **quarterly** reimbursement schedules, reimbursement requests should be submitted to CSCMC for the prior completed quarter only and within 30 days after the last day of the prior quarter.

Under normal circumstances, as deemed by CSCMC, reimbursement requests submitted by the 10th of the month will be processed by the end of the month.

6.1a **Reimbursement Requirements** (continued)

Purchases made during the contract term must be paid for and be received within the same contract term. Pre-paid expenses or expenditures from prior contract terms are not eligible for reimbursement.

For reference, pre-paid expenses are payments in advance of goods and/or services being delivered and/or for use in the future.

All requests require complete supporting documentation and must be uploaded into The Hub-Martin with each reimbursement request and consist of the following:

- Proof of organization's payment (copies of checks/ACH confirmations/bank statement) – payment must show the organization has paid for the expenditures.
- Expenditure detail (receipt/invoice) – contractor description of items purchased, date purchased, item(s) cost, payroll journal reports, etc.
- Travel Vouchers including mileage and rate.
- Credit card purchases should include the statement in addition to the receipt/invoice and proof of organization's payment (copies of checks/ACH confirmations).

Failure of the Provider to submit reimbursement requests to CSCMC in a timely and/or accurate manner, pursuant to the agreed upon reimbursement schedule and with the required supporting documentation, may result in forfeiture of payment.

6.1b CSCMC Fiscal Year-End Reimbursement Requirements

In preparation for CSCMC's annual audit for its fiscal year ending September 30, all reimbursement requests for expenses through the month of September must be received by CSCMC **no later than October 15** of the same CSCMC fiscal year. If this submission due date falls on a holiday or weekend, the following business day will apply.

If the October 15 due date cannot be met, CSCMC's Executive Director must be notified in writing **no later than October 10** of the same CSCMC fiscal year, of any outstanding, unreimbursed expenses. **Failure to notify CSCMC by this due date will result in denial of reimbursement for these expenses.**

6.1b CSCMC Fiscal Year-End Reimbursement Requirements (continued)

Final reimbursement for a contract term is made only after completion of fiscal review by CSCMC and submission of program data to CSCMC that is required at the end of a CSCMC Contract term. **Failure to submit program data may result in forfeiture of any remaining program funds.**

Reimbursements may be withheld until all outstanding CSCMC requirements, for all contract terms, have been satisfied.

Failure of the Provider to submit required information and/or documentation to CSCMC in a timely and/or accurate manner, pursuant to the agreed upon reimbursement schedule and with the required supporting documentation, may result in forfeiture of any remaining program funds.

6.1c CSCMC Fiscal Year-End Lapsed Funds Requirement

If lapsed funds occur, (i.e., unutilized funds allocated by CSCMC to a program for a contract term) the Provider is expected to submit an explanation to CSCMC for lapsed funds totaling 10% or more of the total program budget allocation with the submission of the final reimbursement. This explanation should be sent from the Provider's Executive Director, or equivalent position, to CSCMC's Director of Finance. **Failure to submit this explanation may result in delay and/or forfeiture of final reimbursement payment.**

6.2 Return of Goods, Equipment, and Funds

Goods and/or equipment purchased with CSCMC funds will be accompanied by the condition that they will be subject to reclamation by CSCMC if the purpose is deemed to not fit with the original intent of its usage and/or if program services are terminated for which the goods and/or equipment were intended. Overpayments for services, such as Administrative Costs, are also subject to reclamation.

6.3 Audit Policy

Within 180 days of the close of its fiscal year (due date), the Provider agrees to submit to CSCMC an independent audit of the financial statements of the entity in its entirety and any accompanying management letter(s). The audit must be performed by a firm licensed to perform audits in the State of Florida and conducted in accordance with generally accepted auditing standards and standards established by the American Institute of Certified Public Accounts (AICPA). The audit will separately identify CSCMC revenues, fees, donations, and expenditures by program.

6.3 Audit Policy (continued)

If the Provider does not comply with the audit requirement, it is considered out of compliance and is not eligible for CSCMC funds for the next funding cycle. A financial penalty equal to 5% of the monthly reimbursement requests may be imposed for late submission until the audit is received by CSCMC. If an audit is not provided to CSCMC within 60 days of the due date, the existing Contract between CSCMC and the Provider may be terminated.

6.4 Audit Extension

An audit extension request may be filed if the Provider cannot comply with the time frame specified in Policy 6.2, Audit Policy. The request should be in writing from the Provider's auditor and addressed to CSCMC's Executive Director. The request must contain the reason for the delay and an estimated date of completion. Approval is at the discretion of CSCMC's Executive Director and/or Director of Finance.

6.5 Audit Exceptions

Providers funded by CSCMC in an amount of $35,000 or less, or Providers with a total agency operating budget of $150,000 or less, may be exempt from the audit requirement, subject to approval.

Requests for exemption from the independent audit requirement must be submitted in writing, signed by the Provider's Executive Director or equivalent position, addressed to CSCMC's Executive Director, and submitted no later than the submission of the CSCMC Application for Funding and/or required supporting documents, and must include sufficient justification to support the request.

CSCMC's Director of Finance shall review all audit exemption requests and provide a recommendation to CSCMC's Executive Director. Final approval of audit exceptions is at the discretion of CSCMC's Executive Director, who reserves the right to require an independent audit or fiscal review from the Provider based on fiscal risk, prior findings, compliance history, or other factors deemed relevant by CSCMC.

6.6 Reporting Other Sources of Funds

The Provider must report all gains of funding sources that are 10% or more of the Total Program Budget related to the CSCMC-funded program that were not originally included in the approved budget in The Hub-Martin during the annual funding process. The Provider must also be prepared to furnish an explanation of how such additional funds will be used.

6.6 Reporting Other Sources of Funds (continued)

The Provider will also report all losses of funds that are 10% or more of the Total Program Budget that were included in the approved budget in The Hub-Martin during the annual funding process.

This information shall be reported to the program's assigned CSCMC contract manager or Director of Finance as soon as the gain or loss occurs, or earlier if anticipated. This information will be requested as part of the CSCMC Fiscal Review process.

6.7 Pre-Allocation Expenses

CSCMC will not be liable for any costs incurred by Providers related to the preparation and submittal of a CSCMC Application for Funding or a Business Plan, nor will it fund any pre-allocation expenses.

6.8 Supplanting

CSCMC funding to any organization shall not have the effect of supplanting (replacing) funding from an existing source, either in anticipation of or as a consequence of funding from CSCMC, without prior approval of the Council.

6.9 Advance Funds

Requests for advance funds for operating expenses must be submitted by the Provider's Executive Director or equivalent position, via a letter addressed to CSCMC's Executive Director, at the time of the CSCMC Contract's execution. The request letter must clearly state the reason for requesting the advance and the specific dollar amount needed. The advance fund amount requested should be no greater than the equivalent of one month of the total CSCMC funding allocation.

Upon approval of this request by CSCMC, a minimum repayment amount of the advance funds, divided proportionately for the remaining months of the CSCMC Contract term, must be entered in The Hub-Martin by the Provider as a deduction from each monthly reimbursement request. CSCMC Contracts with terms that are less than twelve months will be given a repayment schedule by CSCMC that is specific to that contract.

6.10 Budget Amendments

Budget amendments must be made according to the following CSCMC policies and procedures:

- The proposed amendment should not compromise the original intent or intended outcome of the program.

- CSCMC strongly encourages funds to be utilized for Direct Services. Budget amendments to move funds from Direct Services to indirect expenses will require approval of CSCMC's Executive Director.

- CSCMC's approval of budget amendment requests will take into consideration if there is sufficient time for the funded goods or services to be utilized by the end of the CSCMC Contract term.

- Approval by CSCMC staff is needed for redirecting funds of any amount within a line item for different expenses than those that were approved by CSCMC in the original budget submission. A budget amendment request for approval should be submitted via The Hub-Martin to CSCMC detailing the reason for the change from the original approved budget. Both the program's assigned CSCMC contract manager and the Director of Finance will review the request prior to finalizing any decisions. Final approval is determined by CSCMC's Director of Finance.

- CSCMC staff must approve salary changes for a CSCMC-funded position via a budget amendment submitted in The Hub-Martin.

- Budget Amendment narratives must be entered into The Hub-Martin for the line item from which dollars are being moved and for the line item to which dollars are being added. These detailed narratives should explain the reason for the request, including what has occurred that was unanticipated at the time that the budget was submitted to CSCMC.

- The Provider is allowed one approved budget amendment per quarter, per CSCMC-funded program. **NOTE:** A **"**redirection of funds" (i.e., movement of funds within the same budget line item) is NOT considered a budget amendment and therefore is not counted toward the budget amendment limit.

- **No budget amendments or redirection of funds will be accepted after September 30.**

6.10 Budget Amendments (continued)

- Budget amendments in the amount of **$9,999 or less** (not including a "redirection of funds") require CSCMC staff approval and must be submitted by the last day of the quarter to be considered for that quarter. The Provider should submit a budget amendment request for $9,999 or less using the budget amendment process in The Hub-Martin. CSCMC's Executive Director or his/her designee(s) will review and approve or deny all budget amendment requests of $9,999 or less.

- Budget amendment requests of **$10,000 or more individually or that exceed a total of $30,000 per CSCMC Contract term** (not including a "redirection of funds") for a CSCMC-funded program require Council approval and:

    - Require the Provider's Executive Director, or equivalent position, to submit a letter to CSCMC's Executive Director with a detailed description of the proposed budget amendment. Upon review of the request letter, CSCMC's staff will notify the Provider to submit the proposed budget amendment in The Hub-Martin for further review. Upon sufficient understanding of the submitted budget amendment, CSCMC's staff will make a recommendation to Council. The Provider will be notified of the Council's decision.

    - Must be submitted in The Hub-Martin no later than **July 15** and must not include expenditures past June 30 for CSCMC Contracts ending September 30. If the submission due date falls on a holiday or weekend, the following business day will apply.

6.11 Fiscal Reviews, Fiscal Improvement Plans, and Fiscal Corrective Action Plans

CSCMC may require on-site or remote ("desk") fiscal reviews during the CSCMC contract term. The Provider must give CSCMC access to fiscal records and other information as requested.

At any point during a contract term, CSCMC staff may identify areas of fiscal non-compliance or concern related to a Provider's financial management, including but not limited to financial reporting, allowable expenditures, internal controls, documentation, or compliance with CSCMC fiscal policies and contract requirements. CSCMC may require the Provider to participate in a Fiscal Improvement Plan (FIP) that will be jointly developed by CSCMC staff and the Provider.

6.11 Fiscal Reviews, Fiscal Improvement Plans, and Fiscal Corrective Action Plans (continued)

The FIP is intended to support the Provider in correcting identified fiscal deficiencies and achieving compliance within an established timeframe. The FIP will clearly identify the fiscal issues requiring correction, specify corrective actions and associated deadlines, and define reporting and documentation requirements to demonstrate progress. CSCMC staff will monitor implementation of the FIP and may provide technical assistance or guidance as appropriate. Successful completion of the FIP resolves the identified fiscal issues.

If a Provider fails to satisfactorily implement the FIP within the agreed-upon timeframe, or if the fiscal non-compliance is severe, systemic, or recurring, CSCMC may place the Provider on a Fiscal Corrective Action Plan (FCAP). The FCAP represents an escalation of fiscal oversight and heightened scrutiny.

The FCAP will outline unresolved fiscal deficiencies, required corrective actions, expected outcomes, and deadlines, as well as applicable reporting and monitoring requirements. If the Provider does not meet FCAP requirements, CSCMC may take additional action, which may include increased monitoring, additional fiscal reviews, funding restrictions, suspension of reimbursements, or termination of the CSCMC contract, consistent with CSCMC policy and contract terms.