

**MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
SERVICE PROVIDER'S MANUAL**

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TABLE OF CONTENTS

PAGE

I. PURPOSE..... 1

II. FORMS AND INSTRUCTIONS..... 1

 A. Proposed Budget Summary - Form DMH-100-1..... 1

 B. Proposed Budget Personnel - Form DMH-100-2..... 4

 C. Proposed Budget Line Item - Form DMH-100-3..... 6

 D. Notice of Proposed Budget - Form DMH-100-4 10

 E. Budget Revision - Form DMH-100-5 12

 F. Cash Request - Form DMH-100-6 14

 G. Personnel - Form DMH-100-7-I 16

 H. Fringe - Form DMH-Fringe 18

 I. Travel - Form DMH-100-7-II..... 21

 J. Contractual - Form DMH-100-7-III 23

 K. Commodities - Form DMH-100-7-IV..... 25

 L. Equipment - Form DMH-100-7-V 27

 M. Equipment Data - Form DMH-101-01 30

 N. Report Summary - Form DMH-100-7-VI..... 33

 O. CMHS -Form DMH-POS-1 35

 P. SAPT Dual Diagnosis - Form CMHS/SAPT/POS-I 37

 Q. SAPT Block Grant Funds - DMH Form DADA-POS-I 39

 R. MAP - CYS Services - Form DMH-POS-CYS 43

 S. Pre-Evaluation Screening/Community Billing Form - DMH-PES 45

III. DMH STANDARDS/GUIDELINES FOR GRANT REIMBURSEMENT

 A. Independent Audit Guidelines 47

 B. Reimbursement Guidelines 47

 C. Certification Regarding Environmental Tobacco Smoke 47

 D. Assurances 47

 E. Certification Regarding Drug-Free Workplace Requirements 48

 F. Contract for the Purchase of Mental Health Services..... 48

 G. Appeals to the Board of Mental Health 48

 H. Federal Standards/Guidelines for Federal, State, and Local Governments
 Receiving Federal Grant Funds 48

 o OMB Circular A-87 - Cost Principles for State, Local and Indian
 Tribal Governments 48

 o OMB Circular A-102 - Grants and Cooperative Agreements with
 State and Local Governments 48

TABLE OF CONTENTS

PAGE

- OMB Circular A-110 - Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations..... 49
- OMB Circular A-122 - Cost Principles for Non-Profit Organizations 49
- OMB Circular A-133 - Audits of States, Local Governments and Non-Profit Organizations..... 49
- I. State of Mississippi Procurement Manual 49
- Independent Audit Guidelines.....Appendix 1
- Reimbursement Guidelines.....Appendix 2
- Certification Regarding Environmental Tobacco Smoke.....Appendix 3
- Mississippi Department of Mental Health Assurances.....Appendix 4
- Mississippi DMH Drug Free Workplace Requirements.....Appendix 5
- Mississippi DMH Contract for the Purchase of Mental Health Services....Appendix 6
- Mississippi DMH Appeals to the Board of Mental Health.....Appendix 7

I. Purpose

The Department of Mental of Health (DMH) obtains and distributes funds to its service providers in the form of grants and contracts. The funding for this assistance comes primarily from State General Fund revenues, state 3% Alcohol Tax revenues, and Federal grants.

Both Federal and State assistance programs impose requirements on the use of these funds and method of fund administration. The Federal Government's regulations concerning the administration of grants are, by far, the most demanding.

This manual explains the forms, instructions, and basic guidelines for the application, approval, and expenditure reimbursement from grant funds distributed by the DMH. Please review the grant reimbursement guidelines in Appendix 2 of this manual and the applicable federal guidelines explained on pages 48 and 49 of this manual prior to submitting expenses for reimbursement. Please note that general guidelines governing costs apply to both grants and contracts for services.

II. Forms and Instructions

A. Proposed Budget Summary - Form DMH-100-1

- “SERVICE PERIOD NUMBER”: This item will be completed by the Department of Mental Health.
- “SERVICE PERIOD”: Indicate the beginning and ending dates for the funds being requested.
- “SERVICE PROVIDER NAME”: Indicate the name of the agency that will have the responsibility for administering the program.
- “ADDRESS”: Indicate the address of the service provider.
- “PROPOSED BUDGET FOR FISCAL YEAR”: Indicate the beginning and ending dates of the fiscal year (state or federal) during which the program will be operated.
- “CATEGORY OF EXPENSES”:
 - “I. PERSONNEL”: The total of this item must correspond with the total column (total year cost) of SECTION I - PERSONNEL (DMH 100-2), with corresponding totals per fund source.

- “II. TRAVEL”: The total of this item must correspond with the total column, SECTION II - TRAVEL (DMH-100-3), with corresponding totals per fund source.
 - “III. CONTRACTUAL SERVICES”: The total of this item must correspond with the total column, SECTION III - CONTRACTUAL SERVICES (DMH-100-3), with corresponding totals per fund source.
 - “IV. COMMODITIES”: The total of this item must correspond with the total column of SECTION IV - COMMODITIES (DMH-100-3), with corresponding totals per fund source.
 - “V. EQUIPMENT”: The total of this item must correspond with the total column of SECTION V - EQUIPMENT (DMH-100-3), with corresponding totals per fund source.
 - “VI. INDIRECT COST”: Indirect cost is limited to 8% of the direct program cost. Indicate any amount approved by DMH for indirect cost.
- “Submitted by”: Indicate the person responsible for the program.
 - “Title”: Enter the name of the grant program.
 - “Date”: Enter the date this form is submitted to the DMH.
 - “Telephone”: Enter the telephone number of the person who completed the form.

DEPARTMENT OF MENTAL HEALTH

PROPOSED BUDGET

SERVICE PROVIDER NUMBER: _____

SERVICE PERIOD: _____

SERVICE PROVIDER NAME: _____

ADDRESS: _____

PROPOSED BUDGET FOR FISCAL YEAR BEGINNING _____ AND ENDING _____

| CATEGORY OF EXPENSE | TOTAL | FUND SOURCE | | |
|--|-------|-------------|-------|-------|
| | | FEDERAL | STATE | LOCAL |
| I. PERSONNEL | | | | |
| II. TRAVEL | | | | |
| III. CONTRACTUAL SERVICES | | | | |
| IV. COMMODITIES | | | | |
| V. EQUIPMENT | | | | |
| SUBTOTAL I - V | | | | |
| VI. INDIRECT COST (limited to 8% of direct cost) | | | | |
| TOTAL I - VI | | | | |

SUBMITTED BY: _____

TITLE: _____

DATE: _____

TELEPHONE: _____

PAGE _____ OF _____

B. Proposed Budget Personnel - Form DMH-100-2

- “SERVICE PROVIDER #”: This item will be completed by the Department of Mental Health.
 - “SERVICE PROVIDER”: Indicate the name of the agency that is responsible for the program.
 - “SECTION I – PERSONNEL”:
 - “POS. #”: Enter the identification numbers assigned by the service provider of each position.
 - “POSITION”: Enter the position titles and the name of the individuals occupying the position in the program for which funds are being requested.
 - “% OF TIME”: Enter the percentage of time that will be spent by each position on the program for which funds are being requested.
 - “MONTHLY SALARY”: Enter the **gross** salary amounts requested for each position.
 - “SOC. SEC.”, “RET.”, “LIFE INS.” “HEALTH INS.” “UNEMP. INC.” AND “WC”: Enter either:
 - The fringe benefit percentage calculated using the instructions included on pages 18-20, “DMH Fringe Benefits Calculation Information/Instructions Sheet.”
- OR:**
- Actual amounts of each fringe benefit that will be paid by the employer for each position not to exceed 28% of salaries requested as described on pages 18-30, “DMH Fringe Benefits Calculation Information/Instructions Sheet”.
 - “TOTAL”: Indicate the total amount of reimbursement requested for each position, with corresponding totals for each fund source.
- “SUBTOTAL MONTHLY COST”: Indicate the total monthly cost of each column (if applicable).
- “TOTAL YEARLY COST”: Indicate the total annual cost (12 months) of each column (if applicable).

DEPARTMENT OF MENTAL HEALTH -- PROPOSED BUDGET

SERVICE PROVIDER #: _____

SERVICE PROVIDER: _____

SECTION 1 - PERSONNEL

| POS. # | POSITION | % OF TIME | MONTHLY SALARY | SOC. SEC. | RET. | LIFE INS. | HEALTH INS. | UNEMP. INS. | W/C | TOTAL | FUND SOURCE | | |
|-----------------------|----------|--------------|-------------------|--------------|------|--------------|----------------|----------------|-----|-------|-------------|-------|-------|
| | | | | | | | | | | | FEDERAL | STATE | LOCAL |
| | | | | | | | | | | | | | |
| SUBTOTAL MONTHLY COST | | | | | | | | | | | | | |
| TOTAL YEAR COST | | | | | | | | | | | | | |

C: Proposed Budget Line Item – Form DMH-100-3

- “SERVICE PROVIDER NO.”: This item will be completed by the Department of Mental Health.
- “SERVICE PROVIDER”: Indicate the name of the agency responsible for the program.
- “SECTION II –TRAVEL”: Enter the total amount of funds requested for travel including in-state and out of state mileage, lodging, public carrier, meals, fees, etc.
- SECTION III – CONTRACTUAL SERVICES”:
 - “Telephone”: Enter proposed cost of telephone including services charge, long-distance, etc.
 - “Utilities”: Enter proposed cost of electricity, water, gas, sewages, as applicable
 - “Postage”: Enter proposed cost of postage, box rent, etc.
 - “Building Rent”: Enter actual amount of rent to be paid during service period.
 - “Equipment Rent”: Enter proposed amount to be expended including typewriter rentals, copy machine rentals, postage machine rentals, automobile rentals, etc.
 - “Repair and Maintenance”: Enter proposed amount for repair maintenance or upkeep of property which neither adds to the permanent value of the property nor prolongs its intended life but keeps it in efficient operating condition. No renovation cost will be allowed.
 - “Insurance”: Enter the proposed amount to be expended for bonding insurance, insurance on buildings and contents, vehicles, etc.
 - “Dues and Subscriptions”: Enter the amount of funds to be expended for membership in professional organizations, publications, etc., necessary for the enhancement of the program.
 - “Professional Fees”: Enter the total amount of funds proposed to be expended for any program/person providing medical services such as medical evaluations, psychological testing, etc.

- “Professional Fees Other”: Enter the total amount of funds proposed to be expended for professional consultation, other than medical, such as contracts for food, pest control and transportation.
 - “Medical Fees”: Enter the proposed amount of funds to be expended for physical examinations, medical services, etc., both direct and consultative.
 - “TOTAL”: Enter total amount proposed to be expended for contractual services (Section III).
- “SECTION IV – COMMODITIES”:
 - “Food”: Enter proposed amount to be expended on food prepared for and consumed by clients.
 - “Office Supplies”: Enter the proposed amount to be expended for office supplies. Equipment is not to be included in this line item.
 - “Program Supplies”: Enter the proposed amount to be expended for materials to enhance client programs such as recreation, vehicle operating costs, etc.
 - “Janitorial Supplies”: Enter the proposed amount to be expended for janitorial supplies.
 - “Household Supplies”: Enter the proposed amount to be expended for household supplies.
 - “TOTAL”: Enter total amount proposed to be expended for commodities (Section IV).
- “SECTION V – EQUIPMENT”:
 - “Office Equipment”: Enter the proposed amount to be expended for the purchase of equipment which may include computers, printers, copiers, etc.
 - “Program Equipment”: Enter the proposed amount of funds to be expended for the purchase of equipment necessary to operate the programmatic segment of the program.
 - “Furniture”: Enter the proposed amount of funds to be expended for furniture of group home, transition home, etc.

- “TOTAL”: Enter total amount proposed to be expended for equipment (Section V).
- “TOTAL SECTIONS I THROUGH V”: Enter total of line items I – V.

DEPARTMENT OF MENTAL HEALTH -- PROPOSED BUDGET

SERVICE PROVIDER NO. _____

SERVICE PROVIDER: _____

| | TOTAL | FUNDING SOURCE | | |
|---|-------|----------------|-------|-------|
| | | FEDERAL | STATE | LOCAL |
| <u>SECTION II - TRAVEL</u> | | | | |
| <u>SECTION III - CONTRACTUAL SERVICES</u> | | | | |
| Telephone | | | | |
| Utilities | | | | |
| Postage | | | | |
| Building Rent | | | | |
| Equipment Rent | | | | |
| Repair & Maintenance | | | | |
| Insurance | | | | |
| Dues & Subscriptions | | | | |
| Professional Fees | | | | |
| Professional Fees, Other | | | | |
| Medical Fees | | | | |
| TOTAL | | | | |
| <u>SECTION IV - COMMODITIES</u> | | | | |
| Food | | | | |
| Office Supplies | | | | |
| Program Supplies | | | | |
| Janitorial Supplies | | | | |
| Household Supplies | | | | |
| TOTAL | | | | |
| <u>SECTION V - EQUIPMENT</u> | | | | |
| Office Equipment | | | | |
| Program Equipment | | | | |
| Furniture | | | | |
| TOTAL | | | | |
| TOTAL SECTIONS I THRU V | | | | |

D. Notice of Proposed Budget – Form DMH-100-4

Form DMH-100-4 is provided for informational purposes only. This form will be completed by the appropriate Bureau or Division within the Department.

When the appropriate Bureau or Division of the DMH has received an application for a service program, a review will be made. As a result of this review there may be need for clarification, revisions, etc. to be made between the DMH and the Service provider. When the application has been approved by the DMH, a “Notice of Proposed Budget”, Form DMH-100-4, will be forwarded to the service provider with any changes made by the DMH.

Please note that all budgets are subject to the availability of funds and on the optimal utilization of such funds. Budget awards are not guarantees for continued funding.

**PROPOSED BUDGET
DEPARTMENT OF MENTAL HEALTH**

| | |
|--|-------------------------------|
| PROGRAM _____ | SERVICE PROVIDER NUMBER _____ |
| SERVICE PERIOD: _____ THRU _____ | |
| SERVICE PROVIDER: NAME AND ADDRESS _____ | PROGRAM ADMINISTRATOR: _____ |
| | TELEPHONE: _____ |

PROPOSED BUDGET

| CATEGORY OF EXPENSE | TOTAL | FUNDING SOURCE | | |
|-----------------------------------|-------|----------------|--|--|
| I. PERSONNEL | | | | |
| II. TRAVEL | | | | |
| III. CONTRACTUAL SERVICES | | | | |
| IV. COMMODITIES | | | | |
| V. EQUIPMENT | | | | |
| SUBTOTAL I - V | | | | |
| VI. INDIRECT COST (limited to 8%) | | | | |
| TOTAL I - VI | | | | |
| % OF TOTAL | 100% | | | |

REMARKS:

| | |
|--|--|
| SIGNATURE, DIRECTOR, DIVISION OF _____ | SIGNATURE, EXECUTIVE DIRECTOR, DEPARTMENT OF MENTAL HEALTH _____ |
|--|--|

E. DMH Budget Revision -Form DMH-100-5

Form DMH-100-5 is provided for informational purposes only. This form will be completed by DMH staff upon receipt and approval of a request for changes to be made to the original budget. Please note that most changes transferring money between line-items or transfers between categories **other than personnel** do not require formal budget revisions. Please check with the appropriate Bureau program staff prior to submission of this form.

SERVICE PROVIDER#: _____

PROGRAM: _____

REVISION#: _____

SERVICE PROVIDER: _____

DATE: _____

DIRECTOR: _____

| |
|-----------------|
| APPROVAL: _____ |
| TITLE: _____ |

| BUDGET CATEGORY | PREVIOUS AUTHORIZATION | | | APPROVED CHANGE | | | REVISED BUDGET | | |
|---------------------------|------------------------|--|--|-----------------|--|--|----------------|--|--|
| | | | | | | | | | |
| I. PERSONNEL | | | | | | | | | |
| II. TRAVEL | | | | | | | | | |
| III. CONTRACTUAL SERVICES | | | | | | | | | |
| IV. COMMODITIES | | | | | | | | | |
| V. EQUIPMENT | | | | | | | | | |
| SUBTOTAL | | | | | | | | | |
| VI. INDIRECT COST | | | | | | | | | |
| TOTAL | | | | | | | | | |

F. Cash Request – Form DMH-100-6

NOTE: Cash Requests are due to the DMH on or before the 15th of each month following the month of expenditures. Final cash requests are due within 30 days following the end of the grant period.

- “SECTION I”:
 - “Service Provider #”: Enter the identification number assigned to the program.
 - “Program”: Enter the particular work function or area for which funds are being requested.
 - “Service Provider”: Enter the name of the funds recipient.
 - “Service Period”: Enter the beginning and ending dates of the program.
- “SECTION II”:
 - Month: Include the month for which funds are being requested and a categorical breakdown of the monthly expenditures. The category total must agree with the individual monthly expense reports (forms DMD-100-7-I-VI...personnel, contractual, commodities, etc.). These totals must be broken down by fund source (i.e. SAPT, State, Local) with fund source and year listed above the amounts requested (i.e. SA10, GF11, CM10, etc.) See approved budget for fund source.
 - YTD: The year-to-date (YTD) amounts should reflect the cumulative expenditures by category.
- “SECTION III”:
 - Budget by Fund Source: Enter the approved budget by category and funding. This should remain the same for the grant period unless the Service Provider has received an approved budget revision.
- “SECTION IV”:
 - Date: Enter the date of request
 - Funds Requested: Enter the amount of funds requested
 - Signature: Enter an approved signature, in ink.
- “SECTION V”:
 - For DMH Use Only

**DEPARTMENT OF MENTAL HEALTH
CASH REQUEST**

| | | |
|------------------|--------------------------|----------------------|
| SECTION I | SERVICE PROVIDER # _____ | PROGRAM _____ |
| | SERVICE PROVIDER _____ | SERVICE PERIOD _____ |

| | | | | | | | | |
|----------------------|---|-----|-------|-----|-------|-----|-------|-----|
| SECTION II | EXPENSE BY FUND SOURCE -- MONTH OF _____ 20__ | | | | | | | |
| CATEGORY: | TOTAL | | | | | | | |
| | MONTH | YTD | MONTH | YTD | MONTH | YTD | MONTH | YTD |
| PERSONNEL | | | | | | | | |
| TRAVEL | | | | | | | | |
| CONTRACTUAL SERVICES | | | | | | | | |
| COMMODITIES | | | | | | | | |
| EQUIPMENT | | | | | | | | |
| INDIRECT COST | | | | | | | | |
| TOTAL | | | | | | | | |

| | | | | | | |
|----------------------|------------------------------|--|--|--|---|-------------|
| SECTION III | BUDGET BY FUND SOURCE | | | | SECTION IV | DATE |
| CATEGORY: | TOTAL | | | | FUNDS REQUESTED _____ | |
| PERSONNEL | | | | | SIGNATURE _____ | |
| TRAVEL | | | | | SECTION V DMH USE ONLY AMOUNT APPROVED _____ PROGRAM APPROVAL _____ DIVISION APPROVAL _____ FISCAL APPROVAL _____ | |
| CONTRACTUAL SERVICES | | | | | | |
| COMMODITIES | | | | | | |
| EQUIPMENT | | | | | | |
| INDIRECT COST | | | | | | |
| TOTAL | | | | | | |

Monthly Expense Report (Forms DMH-100-7-I through DMH-100-7-VI)
General Information:

These forms identify the actual expenditures, by expenditure categories, which constitute the totals requested for reimbursement. Expenditures should be properly coded categorically as well as being mathematically correct. Each applicable page should be subtotaled at the bottom for reference purposes. The last page should be the sum of the incremental categorical pages by the use of the individual subtotal lines.

The information entered on forms DMH-100-7-I-VI should be recalculated for accuracy prior to submitting to DMH. The amounts reimbursed should also be compared to the amounts requested to ensure that reimbursement does not cause an overpayment of funds in the category. Any over payment of funds will result in repayment at year end.

G. Personnel – Form DMH-100-7- I

- Enter all identification data.
- Number all pages.
- Enter the month and year of the expenditures that you are requesting to be reimbursed.
- “Check #”: Enter the check numbers for all payments requested for reimbursement. If payroll checks are deposited directly into employee checking accounts, enter “DD” in check # column.
- “Paid to”: Enter the name of the payee’.
- “Position #”: Enter the employee position number.
- “Description”: Enter the type of expenditure, such as payroll, fringes, etc., from form DMH-100-2 of the approved budget.
- “Total Amount of Check”: Enter the total amount requested.
- “Fund Source”: Enter Federal, State, and Local amounts by line item. The sum of these amounts should equal the “Total Amount of Check” column.

Note:

- 1) See pages 18-20 for instructions and worksheets for calculating fringe benefits.

SERVICE PROVIDER: _____

SERVICE PROVIDER #: _____

SIGNATURE: _____

DEPARTMENT OF MENTAL HEALTH

MONTHLY EXPENSE REPORT

MONTH OF _____ 20 _____

PAGE _____ OF _____

FUND SOURCE

| C A T E G O R Y | C H E C K # | P A I D T O | P O S. # | D E S C R I P T I O N | T O T A L A M O U N T O F C H E C K | | | |
|---|----------------------------|----------------------------|-------------------|---|--|--|--|--|
| I. P E R S O N N E L | | | | | | | | |

H. Fringe - Form DMH-Fringe:

Form DMH-Fringe is included for example purposes only. This form contains the necessary elements in estimating a percentage of fringe benefits based on total salaries. This information (whether using this form or a form of your own) should be kept on site for DMH review.

- Enter Service Provider identification information.
- Enter total salaries and wages for the last completed fiscal year, current fiscal year to date, projected current year to date, and proposed fiscal year.
 - The last completed fiscal year.
Assuming a date of August 18, 2010, the last completed fiscal year would be the year ended September 30, 2009.
 - Current fiscal year to date.
Assuming a date of August 18, 2010, this period would be from October 1, 2009 thru the current date August 18, 2010.
 - Projected Current year to date.
Assuming a date of August 18, 2010, this period will be for the remainder of the fiscal year. This will be the current fiscal year cost up through August 18, 2010 plus the remaining 6 weeks up to September 30, 2010.
 - Proposed Fiscal Year.
Assuming a date of August 18, 2010, this would be from October 1, 2010 through September 30, 2011 or whatever inclusive dates the next grant fiscal year would be.
- Enter employer fringe benefits including social security, retirement, health insurance, etc. for the last completed fiscal year, current fiscal year to date, projected current year to date, and proposed fiscal year.
- Enter the total fringe benefits
- Enter the percentage of fringe benefits to be used in requesting reimbursement. This amount is calculated by dividing the total fringe benefit amount by the total salaries and wages.

Notes:

- 1) Allowable fringe benefits will be those which meet the standard of being usual, customary, and reasonable, and which are allowed by the Internal Revenue Service. Some benefits which are **NOT** considered to be fringes are any cafeteria plan

deductions, vacation time, sick leave, administrative leave, or any other items that may be correctly considered as salary cost.

- 2) The fringe benefit rate will be applicable for the twelve (12) months of the grant year. As an example, should the rate be 27.88%, it will be used to calculate fringe benefits on all cash requests for that year. No mid year adjustments will be made. The rate will be used for all grants that the entity has in that fiscal year.
- 3) The fringe benefit percentage for employees earning a salary in excess of \$40,000 is limited to 28%. If you are submitting a cash request for a grant that has no employees earning salaries in excess of these amounts, then you may use your actual fringe benefit rate for reimbursement under the grant. If any employees earn a salary that exceeds these amounts, then you are limited to 28% on those employees. It is the employee's total salary, not just the portion charged to the grant that applies. For example, if an employee with an annual salary of \$45,000 is charged 50% on a grant, the salary charged to that grant is \$22,500, but the 28% cap still applies because the employee's salary is more than \$40,000. This does not apply if your actual fringe benefits percentage is 28% or less.
- 4) Fringe benefits cost should be claimed as a single line item in addition to the salary costs except in cases where an employee on the grant has an annual salary that exceeds \$40,000 **AND** the claimed rate exceeds 28%. In these cases the fringe benefit for those employees is limited to 28%. Two fringe benefit line items will be required: one for all employees whose annualized salaries are \$40,000 or less and another for those employees whose annualized salaries are more than \$40,000.
- 5) An error rate of 5% may be allowed upon audit. For example, if the sub-grantee claims a fringe benefit rate of 29% and, upon audit, the actual rate is found to be no less than 27.55% (which is 5% below the claimed rate of 29%), an audit adjustment might not be proposed. If the actual rate in this example turns out to be 27%, then an adjustment down to the actual rate of 27% will be made.

Department of Mental Health Fringe Benefit Rate Calculation

Service Provider: _____

| Line No. | Category | Last Completed Fiscal Year (Actual) Yr. Ended _____ | Current Fiscal Yr. To Date (Actual) Yr. Ending _____ | Projected Current Fiscal Yr. (Actual + Estimated) Yr. Ending _____ | Proposed Fiscal Year (Estimated) Yr. Ending _____ |
|----------|---------------------------------------|---|--|--|---|
| 1 | Total salaries and wages | | | | |
| | | | | | |
| 2 | Employer Fringe benefits: | | | | |
| 3 | Social Security (incl. Medicare) | | | | |
| 4 | Retirement | | | | |
| 5 | Health insurance | | | | |
| 6 | Group term life insurance | | | | |
| 7 | Unemployment tax | | | | |
| 8 | Workers compensation | | | | |
| 9 | Other: (list) | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | Total fringe benefits | | | | |
| 16 | % fringes (line 15 divided by line 1) | | | | |

I. Travel-Form DMH-100-7-II

- Enter all identification data.
- Number all applicable pages.
- “Check #”: Enter the check number of the expenses requested for reimbursement.
- “Paid To”: Enter the payee to which funds were paid.
- “Description”: Enter the explanation for disbursement of funds such as, local travel, conference fees, etc.
- “Total Amount of Check”: Enter the full amount paid on that particular expense.
- “Fund Source”: Enter Federal, State, and Local amounts by line item. The sum of these amounts should equal the “Total Amount of Check” column.

SERVICE PROVIDER #: _____ Page _____ of _____

FUND SOURCE

| C A T E G O R Y | C H E C K # | P A I D T O | D E S C R I P T I O N | T O T A L A M O U N T O F C H E C K | | | |
|---------------------------------------|--------------------------------|----------------------------|---|--|--|--|--|
| II. T R A V E L | | | | | | | |
| SUBTOTAL -- TRAVEL | | | | | | | |

J. Contractual-Form DMH-100-7-III

- Enter all identification data.
- Number all applicable pages.
- “Check #”: Enter the check for which reimbursement is being requested.
- “Paid To”: Enter payee to which funds were paid.
- “Description”: Enter explanation for disbursement of funds. (I.e. utilities, rent, repair and maintenance, etc.)
- “Total Amount of Check”: Enter full amount paid on that particular expense.
- “Fund Source”: Enter Federal, State, and Local amounts by line item. The sum of these amounts should equal the “Total Amount of Check” column.

SERVICE PROVIDER #: _____ Page _____ of _____

FUND SOURCE

| C A T E G O R Y | C H E C K # | P A I D T O | D E S C R I P T I O N | T O T A L A M O U N T O F C H E C K | | | |
|--|----------------------------|----------------------------|---|--|--|--|--|
| II. C O N T R A C T U A L S E R V I C E S | | | | | | | |
| SUBTOTAL -- CONTRACTUAL SERVICES | | | | | | | |

K. Commodities-Form DMH-100-7-IV

- Enter all identification data.
- Number all applicable pages.
- “Check Number”: Enter all check numbers for which reimbursement is being requested.
- “Paid To”: Enter the name of the payee.
- “Description”: Enter the explanation for disbursement of funds (i.e. office supplies, program supplies, food, etc.)
- “Total Amount of Check”: Enter the full amount paid on that particular expense.
- “Fund Source” - Enter Federal, State, and Local amounts by line item. The sum of these amounts should equal the “Total Amount of Check” column.

SERVICE PROVIDER #: _____ Page _____ of _____

FUND SOURCE

| C A T E G O R Y | C H E C K # | P A I D T O | D E S C R I P T I O N | T O T A L A M O U N T O F C H E C K | | | |
|---|----------------------------|----------------------------|---|--|--|--|--|
| I V. C O M M O D I T I E S | | | | | | | |
| S U B T O T A L -- C O M M O D I T I E S | | | | | | | |

DMH-100-7-IV

L. Equipment-Form DMH-100-7-V

- Enter all identification data.
- Number all applicable pages.
- “Check Number”: Enter the check numbers for which funds are being requested.
- “Paid To”: Enter the name of the payee.
- “Description”: Enter a brief description of the equipment item purchased (i.e. refrigerator, computer, printer, etc.).
- “Total Amount of Check”: Enter the full amount paid on that particular expense.
- “Fund Source”: Enter Federal, State, and Local amounts by line item. The sum of these amounts should equal the “Total Amount of Check” column.

Notes:

- 1) The Equipment Data Report Form (DMH-101-01) on page 32 of this manual must also be completed and submitted to DMH for all equipment items purchased with grant funds.
- 2) Written approval from DMH and/or the county board of supervisors, depending on the original source of funding, must be obtained before disposing of all real and personal property purchased with state and/or county appropriated funds.
- 3) PROPERTY is defined as all furniture, vehicles, equipment and other state property having a useful life expectancy of at least one year and the cost of which is \$1000 or more. It does not include carpeting (excluding area rugs), draperies, plants, installed floor-to-ceiling partitions, window shades or blinds, mattress/box springs, water heaters, installed drinking fountains, museum acquisitions, library books, films or archival collections. All items under \$1000 in value are not required to be placed on inventory excluding specialty items. However, they are required to have an agency sticker applied.
- 4) The following property items shall be included on inventory regardless of the price paid to acquire the item or the fair market value of the item: **Weapons, camera and camera equipment (greater than \$250), two-way radio equipment, televisions (greater than \$250), lawn maintenance equipment,**

cellular telephones, computers and computer equipment (greater than \$250), chain saws, air compressors, welding machines, generators, motorized vehicles.

SERVICE PROVIDER #: _____ Page _____ of _____

FUND SOURCE

| C A T E G O R Y | CHECK # | PAID TO | DESCRIPTION | TOTAL AMOUNT OF CHECK | | | |
|---|------------|---------|-------------|-----------------------------|--|--|--|
| V. E Q U I P M E N T | | | | | | | |
| SUBTOTAL -- EQUIPMENT | | | | | | | |

M. Equipment Data - Form DMH-101-01

When equipment is purchased with funds from the DMH, form DMH-101-01 is to be submitted to the DMH Audit Division to the attention of the Audit Director. Additionally, if equipment items purchased with grant funds from the DMH are broken or stolen, DMH 101-01 forms are required to be submitted to the DMH before these items can be removed from inventory. These property records are used to conduct annual audits of all equipment items of DMH service providers. Equipment items that were reimbursed with grant funds without submitting this form could result in a repayment of funds. Additionally, equipment items purchased with grant funds that are disposed of without submission of this form and approval by the audit division could also result in repayment of funds.

It is mandatory that the service provider keep detailed records of equipment including a master listing of fixed assets with corresponding inventory numbers assigned by the service provider, specific location of the property items, date the items were purchased, and any transfer information applicable (when equipment items are transferred to a different location within the facility or to a different DMH funded facility. Information submitted to the DMH must be accurate (i.e. serial numbers, locations, and inventory numbers) to prevent unnecessary payback of funds.

- Enter all identification data.
- Division and Grant Number: Enter the DMH division that funds the grant and the applicable grant number.
- Inv. #: Enter the inventory number of the equipment. This will be an inventory number that the funded program assigns.
- Description of item: Enter a description of the equipment item (i.e. Washer, computer, printer).
- Manufacturer: Enter the name of the manufacturer (i.e. Maytag, Dell, Hewlett Packard).
- Serial No.: Enter manufacturer's serial number, federal stock number, national stock number, or other identification number.
- Equipment Location: Enter the location and/or use of the equipment (i.e. Jackson St. Clubhouse).

- Total Cost: Enter the total cost charged to the grant and/or used to meet matching requirements.
- % FF – Enter the percentage of Federal participation in the cost of the project or program for which the property was acquired.
- Date Rec'd: Enter the date the equipment was received and put into inventory.

TO BE COMPLETED WHEN EQUIPMENT ITEMS NEED TO BE REMOVED FROM INVENTORY:

- Disposition Date: Enter the date that the inventory item was stolen or became unusable.
- Condition of Property: Enter the reason why the equipment item needs to be removed from inventory (i.e. broken, stolen, un-repairable).

Mississippi Department of Mental Health

| Report of Non-Expendable Government Property Acquired by Grantee | | | | | Grantee Name, Address, and Authorized Representative | | | | |
|--|---------------------|---------------------------|------------|--------------------|--|-----|------------|------------------|-----------------------|
| Date of Report | | Division and Grant Number | | | Name: _____ | | | | |
| | | | | | Address: _____ | | | | |
| | | | | | Auth. Rep: _____ | | | | |
| Inv.# | Description of Item | Manufacturer | Serial No. | Equipment Location | Total Cost | %FF | Date Rec'd | Disposition Date | Condition of Property |
| | | | | | | | | | |

N. Report Summary-Form DMH-100-7-VI

- Enter all identification data.
- “Subtotal I-V”: Enter the combined totals of Forms DMH-100-7-1-V by Fund Source.
- “VI. Indirect Costs”: Enter the amount by fund source allowed in the approved DMH budget (Form DMH-100-1, page 3 of this manual). Note that this amount is limited to 8% of direct costs.
- “Total 1-VI”: Enter by fund source the total amounts requested for reimbursement. These amounts must agree with the amounts listed on the cash request (Form-DMH-100-6, page 15 of this manual).

SERVICE PROVIDER #: _____ Page _____ of _____

FUND SOURCE

| | | | |
|--------------------|--|--|--|
| | | | |
| | | | |
| SUBTOTAL I. - V. | | | |
| | | | |
| VI. INDIRECT COSTS | | | |
| | | | |
| TOTAL I. - VI. | | | |

SERVICE PROVIDER: _____

SUBMITTED BY: _____

ADDRESS: _____

TITLE: _____

DATE: _____

O. CMHS – Form DMH-POS-1

DMH Form DMH-POS-1 is to be used to request funds during the application process and as part of the monthly reimbursement request to indicate units of services provided.

- Enter identification data.
- “Application”: If this form is being used as part of the application process, enter the beginning and ending month, day, and year of the grant period for which funds are being requested.
- “Monthly Summary”: If this form is being used as part of the monthly reimbursement request, enter the month and year for which the funds are being requested. The total is then transferred to DMH 100-6 as contractual funds requested.
- Service Categories 1-13: For the application process, the program should indicate the amount of funds that is being allocated to each service category. For the monthly reimbursement summary, the program should indicate by category the number of units provided and amount being requested.
- “Total”: Enter the total amount of funds requested. The number of units does not have to be totaled.
- “Signature”: Enter the signature of the individual completing this form.
- “Date”: Enter the date submitted to the DMH.

CMHS PURCHASE OF MENTAL HEALTH SERVICES

Name of Provider _____

Contract Number _____

Application _____ to _____

Month/Year _____

Monthly Summary _____

| Service Categories | | Unit Cost | Mental Health | |
|--------------------|--|--------------------------------------|---------------|--------|
| | | | Units | \$\$\$ |
| 1 | Intake/Bio-Psycho-social Assessment (1 hour) | \$93.00 | | |
| 2 | Medication Evaluation & Monitoring (per service) | \$46.88 | | |
| 3 | Individual Therapy (30 minutes) | \$57.49 | | |
| 4 | Individual Therapy (50 minutes) | \$81.09 | | |
| 5 | Individual Therapy (80 minutes) | \$119.45 | | |
| 6 | Family Therapy (50 minutes) | \$75.70 | | |
| 7 | Group Therapy (50 minutes) | \$26.62 | | |
| 8 | Psychosocial Rehabilitation (Per 15 minute Unit) | \$3.87 | | |
| 9 | Nursing Service (per 15 minute unit) | \$18.45 | | |
| 10 | Injection of Psychotropic Meds (per injection) | \$4.76 | | |
| 11 | Case Management (per 15 minute unit) | \$14.88 | | |
| 12 | Family Education/Support | \$16.00 | | |
| 13 | Consumer Education/Support | \$16.00 | | |
| 14 | Emergency | \$865.00 | | |
| | | Total \$ | | \$ |
| | | Total Combined Reimbursement Request | | \$ |

Signature _____

Date _____

P. SAPT Dual Diagnosis– Form CMHS/SAPT-POS-1

CMHS/SAPT-POS-1 is completed in the budget request both as an initial request application for the expected number of units of services to be provided as well as a backup form to be included with the request for reimbursement for the actual number of units provided. The total is transferred to DMH 100-6 when requesting reimbursement.

- Enter identification data.
- “Application”: Mark (X) this line if the form is being used as an initial request application for units of services to be provided.
- “Monthly Report”: Mark (X) this line if the form is being used to request reimbursement.
- “SMI Adult Units/Total Cost”: Enter the units of service and the corresponding dollar amounts for each service category for which funds are being requested. The dollar amount calculation should be equal to the number of units multiplied by the amounts listed in the unit cost column.
- “Total”: Enter the total amount of funds requested, as well as the total number of units.
- “Signature”: Enter the signature of the individual completing this form.
- “Date”: Enter the date submitted to the DMH.

DIVISION OF COMMUNITY SERVICES



SAPT DUAL DIAGNOSIS PURCHASE OF MENTAL HEALTH SERVICES

Provider Name: _____

Contract: _____

Application _____

Month: _____

Monthly Report _____

| SERVICE CATEGORIES | UNIT COST | SMI ADULT UNITS | TOTAL COST |
|--|------------|-----------------|------------|
| 1. Day Treatment | \$8.00 | | |
| 2. Engagement/Outreach Activities | Negotiable | | |
| 3. Intensive/Case Management | \$14.88 | | |
| 4. Nursing Care | \$18.45 | | |
| 5. Psychiatric Care | \$46.88 | | |
| 6. Specialized Group Therapy | \$7.47 | | |
| 7. Training/Educational Activities | Negotiable | | |
| 8. Transportation | Negotiable | | |
| 9. Aftercare | Negotiable | | |
| 10. Continuous Treatment Team Activities | Negotiable | | |
| 11. Family Education | \$16.00 | | |
| 12. Housing (temporary) | Negotiable | | |
| 13. Injections | \$4.76 | | |
| 14. Urine Drug Screens | Negotiable | | |
| TOTAL | | | |

*Negotiable - Data for these services must be established with the Department of Mental Health based on cost.

Signature: _____

Date: _____

CMHS/SAPT-POS-1
(Revised 7/10)

Q. SAPT Block Grant Funds - DMH Form DADA-POS-1

DADA-POS-1 is to be used to request funds during the application process and as part of the monthly reimbursement request to indicate units of services provided.

- Enter identification data.
- “Application”: If this form is being used as part of the application process, enter the beginning and ending month, day, and year of the grant period for which funds are being requested.
- “Monthly Summary”: If this form is being used as part of the monthly reimbursement request, enter the month and year for which the funds are being requested. The total is then transferred to DMH 100-6 as contractual funds requested.
- Service Categories 1-12: For the application process, the program should indicate the amount of funds that is being allocated to each service category. For the monthly reimbursement summary, the program should indicate by category the number of units provided and amount being requested.
- “Total”: Enter the total amount of funds requested. The number of units does not have to be totaled.
- “Signature”: Enter the signature of the individual completing this form.
- “Date”: Enter the date submitted to the DMH.

Section A. Budget

**MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
DIVISION OF ALCOHOL AND DRUG ABUSE
PURCHASE OF SERVICES - SAPT BLOCK GRANT FUNDS**

Name of Provider _____
 Contract Number _____
 Month/Year _____

Application _____ to _____
 Monthly Summary _____

| Service Categories | | Service/ Unit Cost | Alcohol | | Drugs | | Prevention | |
|------------------------------------|---|--------------------------|---------|--------|-------|--------|------------------------------------|--------|
| | | | Units | \$\$\$ | Units | \$\$\$ | Units | \$\$\$ |
| 1 | Intake/Bio-psycho-social Assessment (1 Hour) | \$ 93.00 | | | | | | |
| 2 | Individual Therapy (30 Minutes) | \$ 57.49 | | | | | | |
| 3 | Individual Therapy (50 Minutes) | \$ 81.09 | | | | | | |
| 4 | Individual Therapy (80 Minutes) | \$ 119.45 | | | | | | |
| 5 | Family Therapy (50 Minutes) | \$ 75.70 | | | | | | |
| 6 | Group Therapy (50 Minutes) | \$ 26.62 | | | | | | |
| 7 | Prevention - Master's Level (1 hour Unit) | \$ 62.00 | | | | | | |
| 8 | Prevention - Bachelor's Level (1 hour Unit) | \$ 50.00 | | | | | | |
| 9 | Dual Diagnosis Prevention Master's Level (1 hour Unit) | \$ 62.00 | | | | | | |
| 10 | Dual Diagnosis Prevention Bachelor Level (1 hour Unit) | \$ 50.00 | | | | | | |
| | | Total \$ | | \$ | | \$ | Combined Prevention Total \$ | \$ |
| Total Reimbursement Request | | | | | \$ | | | |

Signature _____ Date _____

Section A. Budget

**MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
DIVISION OF ALCOHOL AND DRUG ABUSE
PURCHASE OF SERVICES - SAPT BLOCK GRANT FUNDS**

Name of Provider _____
 Contract Number _____ Application _____ to _____
 Month/Year _____ Monthly Summary _____

| Service Categories | Service/ Unit Cost | Alcohol | | Drugs | | Prevention | |
|------------------------------------|--------------------------|---------|--------|-------|--------|---|--------|
| | | Units | \$\$\$ | Units | \$\$\$ | Units | \$\$\$ |
| Day Treatment (15 minute unit) | \$ 3.25 | | | | | | |
| Total \$ | | | \$ | | \$ | Combined Prevention Total \$ | \$ |
| Total Reimbursement Request | | | | \$ | | | |

Signature _____ Date _____

Section A. Budget

**MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
DIVISION OF ALCOHOL AND DRUG ABUSE
PURCHASE OF SERVICES - SAPT BLOCK GRANT FUNDS**

Name of Provider _____
 Contract Number _____
 to _____
 Month/Year _____

Application _____
 Monthly Summary

| Service Categories | Service/ Unit Cost | Alcohol | | Drugs | | Prevention | |
|---|--------------------------|---------|--------|-------|--------|---|--------|
| | | Units | \$\$\$ | Units | \$\$\$ | Units | \$\$\$ |
| HIV Early Intervention Services (30 Minutes) | \$ 31.00 | | | | | | |
| Total \$ | | | \$ | | \$ | Combined Prevention Total \$ | \$ |
| Total Reimbursement Request | | | | \$ | | | |

Signature _____ Date _____

*DMH Form DADA-POS-1(BG/HIV)
(Revised 7/10)*

R. MAP - CYS Services– Form DMH-POS-CYS

DMH-POS-CYS is completed in the budget request both as an initial request application for the expected number of units of services to be provided as well as a backup form to be included with the request for reimbursement for the actual number of units provided. The total is transferred to DMH 100-6 when requesting reimbursement.

- Enter identification data.
- “Monthly Summary”: Mark (X) on this line if the form is being used to request reimbursement.
- “Total # Units/Total”: Enter the units of service and the corresponding dollar amounts for each service category for which funds are being requested. The dollar amount calculation should be equal to the number of units multiplied by the amounts listed in the unit cost column.
- “Total”: Enter the total amount of funds requested.
- “Signature”: Enter the signature of the individual completing this form.
- “Date”: Enter the date submitted to the DMH.

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
PURCHASE OF MENTAL HEALTH SERVICES FOR MAP TEAM GRANTEEES

Name of Provider _____

Month of _____

Monthly Summary

| Service Categories | Unit Cost | Mental Health | |
|---|--|---------------|----------|
| | | Total # Units | Total \$ |
| Individual Therapy (30 min.) | \$57.49 | | |
| Individual Therapy (50 min.) | \$81.09 | | |
| Individual Therapy (80 min.) | \$119.45 | | |
| Group Therapy | \$26.62 Adult \$29.86 Children | | |
| Family Therapy | \$75.70 w/o client \$93.83 w client | | |
| Case Management | \$14.88 | | |
| * School Based (Case Management) Services | \$18.45 | | |
| * Mental Illness Management Services | \$18.90 | | |
| Day Treatment | \$32.00/hour | | |
| * Individual Therapeutic Support | \$9.52 | | |
| Respite: Individual one-on-one Group | \$40.00/hr \$30.00/hr.per child | | |
| Intensive Family Ed. and Training | \$75.00/hr. | | |
| Family Support Group (Maximum of one hour meeting per week) | Leader: \$45/hr. Parent: \$20/hr. | | |
| | TOTAL \$ | | \$ |

* CMHCs must be certified to provide these services to children/youth with SED.

Signature _____
FORM DMH-POS-CYS

Date _____

S. Commitment Pre-Evaluation Screening/ Community Billing Form DMH-PES

DMH-PES is completed as backup for Reimbursement of Pre-Evaluation Screening expenses.

Expenses incurred in the Pre-Evaluation process resulting in recommending an individual for inpatient treatment or community maintenance are reimbursed at a rate of \$15.50 per 15 minute unit. The maximum number of evaluation units that can be claimed per individual is 8 units or 2 hours.

Expenses incurred in the Pre-Evaluation process resulting in not recommending an individual for inpatient treatment and providing services to the individual to maintain him/her in the community are reimbursed at a rate of \$250.00 per individual.

- Enter month of service
- Enter county
- Enter the total number of pre-evaluations recommended for inpatient treatment or community maintenance.
- Enter total number of pre-evaluation units for each county. This constitutes units involved in recommending a client for inpatient treatment or community maintenance.
- Enter total dollar amount per county calculated by multiplying the total units by \$15.50.
- Enter total number of individuals per county that were recommended for community maintenance
- Enter dollar amount per county of individuals recommended for community services. This number of individuals recommended for community maintenance multiplied by \$250.00.
- Enter total amount per county for both individuals recommended for inpatient treatment and for individuals recommended for community maintenance.

NOTE: Documentation must be maintained on site for services provided to individuals receiving pre-evaluation screenings. Documentation include progress notes, service activity logs and, if applicable, case numbers.

Month _____

Commitment Pre-Evaluation Screening/ Community Billing

| County | Number of Pre-Evaluations Recommended for Inpatient Treatment | Pre-Evaluation Units For Individuals Recommended For Inpatient Treatment or Community Maintenance | \$ Amount Recommendations For Inpatient Treatment or Community Maintenance (maximum 8 units per individual) \$15.50/unit | Number of Individuals Recommended for Community Maintenance | \$ For Community Maintenance \$250.00 per individual | Total |
|--------|---|---|--|---|--|-------|
| | | | | | | |
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| | | | | | | |
| | | | | | | |
| TOTAL | | | | | | |

Authorized Signature _____

CMHC _____

dmh-pes

III. DMH Standards/Guidelines for Grant Reimbursement

The DMH, through Section 41-4-7 of the Mississippi Code of 1972 Annotated, authorizes the Department “to supervise, coordinate, and establish standards for all operations and activities of the state, related to mental health and providing mental health services.” Prior to final approval of grant awards to providers of mental health services, these providers must agree to adhere to DMH established guidelines and standards.

A. Independent Audit Guidelines

Programs funded by the DMH must agree to have an annual, independent audit, conducted in accordance with applicable federal and state requirements. The Independent Audit Guidelines define and explain the standards and legislation governing these audits. **These guidelines are included as Appendix 1 of this manual.**

B. Reimbursement Guidelines

Reimbursement Guidelines include general rules in determining the allowability of expenditures charged to DMH grants. **These guidelines are included as Appendix 2 of this manual.**

C. Certification Regarding Environmental Tobacco Smoke

Public Law 103-327, also known as the Pro-Children Act of 1994, prohibits smoking in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely for children services. This statement has to be signed by the subrecipients of applicable grants. **This certification is included as Appendix 3 of this manual.**

D. Assurances

An agreement, signed by the director of the subrecipient agency, which assures the DMH that specific federal and state rules and regulations, will be followed by the subrecipient. **DMH Assurances are included as Appendix 4 of this manual.**

E. Certification Regarding Drug-Free Workplace Requirements

An agreement, signed by an authorized representative of the agency, certifying that the agency will comply with regulations implementing the Drug-Free Workplace Act of 1988, 45 CFR Part 76, Subpart F. **This certification is included as Appendix 5 of this manual.**

F. Contract for the Purchase of Mental Health Services

An agreement between the agency requesting funding and the DMH must be signed by both parties prior to receiving final approval of grant awards. The Contract for the Purchase of Mental Health Services outlines the general agreements of the grantee agency and the DMH. **This contract is included as Appendix 6 of this manual.**

G. Appeals to the Board of Mental Health

This section contains instructions for appealing a DMH decision (i.e. to terminate grant funding, to request payback of funds, etc.). **The Appeals are included as Appendix 7 of this manual.**

H. Federal Standards/Guidelines for Federal, State and Local Governments Receiving Federal Grant Funds

The OMB provides guidance to Federal fund recipients through various “Circulars.” The following “Circulars” govern the allowability of charges to Federal grants and prescribe audit requirements for recipients of such funds.

- OMB Circular A-87 – Cost Principles for State, Local and Indian Tribal Governments

This circular establishes principles for determining the allowability of costs incurred by State, Local and Federally-recognized Indian tribal governments under grants, cost reimbursement contracts, and other agreements with the Federal government. **This circular would apply to costs incurred by state facilities and regional mental health centers funded by federal grants through the DMH.** This circular can be accessed online at:

www.whitehouse.gov/omb/circulars/a087/a87_2004.html

- OMB Circular A-102 – Grants and Cooperative Agreements with State and Local Governments

This Circular establishes consistency and uniformity among Federal agencies in the management of grants and cooperative agreements with State, Local, and federally recognized Indian tribal governments. **This circular would apply to costs incurred by state facilities and regional mental health centers funded by federal grants through the DMH.**

This circular can be accessed online at:
www.whitehouse.gov/omb/circulars/a102/a102.html

- OMB Circular A-110 – Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals and Other Non-Profit Organizations

This Circular provides standards for obtaining consistency and uniformity among Federal agencies in the administration of grants and agreements with institutions of Higher Education, Hospitals, and Other Non-Profit organizations. **This circular would apply to costs incurred by independent, non-profit programs funded by federal grants through the DMH.** This circular can be accessed online at:
www.whitehouse.gov/omb/circulars/a110/a110.html.

- OMB Circular A-122 – Cost Principles for Nonprofit Organizations

This Circular establishes principles for determining the allowability of costs charged to federal grants through grants, contracts and other agreements with Non-Profit Organizations. **This circular would apply to costs incurred by independent, non-profit programs funded by federal grants through the DMH.** This circular can be accessed online at: www.whitehouse.gov/omb/circulars/a122/a122.html.

- OMB Circular A-133 – Audits of States, Local Governments and Non-Profit Organizations

This Circular outlines establishes uniform audit requirements for Non-Federal entities that administer Federal awards and implements the Single Audit Act Amendments of 1996. **This Circular contains Federal independent audit requirements for service providers expending \$500,000 in federal funds.** This circular can be accessed online at: www.whitehouse.gov/omb/circulars/a133/a133.html.

I. State of Mississippi Procurement Manual

The Procurement Manual sets form all laws and regulations along with other pertinent information that shall be in effect with the implementation of Title 31, Chapter 7, Mississippi Code of 1972, Annotated. The policies and procedures apply to the procurement of commodities and equipment bought, leased or rented with any funds, regardless of source, by those agencies which are required by the statute to be under the authority of the Department of Finance and Administration/Procurement Review Board. **These procurement requirements apply to purchases by state facilities and regional mental health centers and can be accessed through their Web Site at www.dfa.state.ms.us**

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

TABLE OF CONTENTS

| | | |
|-------|--|----|
| I. | Purpose..... | 1 |
| II. | Legislative Background | 1 |
| III. | Definitions..... | 1 |
| IV. | Independent Audit Requirements for Regional Mental Health/Mental Retardation Centers and Other Non-Profit DMH Subrecipients | 2 |
| | A. Subrecipients Expending Greater Than \$500,000 in Federal Funds | 2 |
| | B. All Other DMH Federal and/or State Grant Subrecipients | 3 |
| V. | Special Considerations with regard to Audits Conducted in Accordance | 3 |
| | With <i>Government Auditing Standards</i> and OMB Circular A-133 | |
| | A. Government Auditing Standards..... | 3 |
| | B. Internal Control Considerations | 4 |
| | C. Compliance Considerations | 5 |
| VI. | Auditor Qualifications | 5 |
| VII. | Audit Procurement | 6 |
| VIII. | Audit Contract..... | 6 |
| IX. | Reporting Package | 6 |
| | A. Subrecipients Expending Greater Than \$500,000 in Federal Funds..... | 6 |
| | B. All Other DMH Federal and/or State Grant Subrecipients | 9 |
| X. | Waiver of Audit Requirements | 10 |

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

| | | |
|-------|--|----|
| XI. | Access to Subrecipient Records | 10 |
| XII. | Due Date/Submittal of Audit Report | 10 |
| XIII. | Audit Working Papers and Review..... | 11 |
| XIV. | Audit Resolution | 11 |
| XV. | Federal Audits and Evaluations | 11 |

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

I. **Purpose**

This section establishes independent audit requirements for recipients that receive Department of Mental Health (DMH) funding/financial assistance and defines DMH recipient and auditor responsibilities for implementation of and compliance with these requirements.

II. **Legislative Background**

These audit requirements are based in part on the requirements of the Single Audit Act of 1984, (Public Law 98-502) and its enabling vehicle, Circular A-133 of the President's Office of Management and Budget (OMB). Additional audit requirements are set forth by DMH in order to comply with primary grant requirements.

III. **Definitions**

For the purpose of these audit requirements, the following definitions apply:

- A. "DMH financial assistance" or "DMH funding" means assistance provided by DMH in the form of grants that include state as well as federal financial assistance.
- B. "Agreement period" means the period of time covered by a contract between DMH and a subrecipient.
- C. "Compliance Supplement" means Compliance Supplement for Single Audits of State and Local Governments issued by the Office of Management and Budget or any subsequent revisions.
- D. "Generally Accepted Government Auditing Standards" refers to the Yellow Book, issued by the Comptroller General in June, 2003, or any subsequent revisions and amendments.
- E. "OMB Circular No. A - 110" means Uniform Administrative Requirements.

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

- F. "Subrecipient" means a non-federal recipient of DMH financial assistance provided directly to implement a program. Subrecipient does not include an individual that is a beneficiary of such a program or a vendor.
- G. "OMB Circular No. A-87" means Cost Principles for State and Local Governments issued by the Office of Management and Budget or any subsequent revisions.
- H. "OMB Circular No. A-122" means Cost Principles for Nonprofit Organizations issued by the Office of Management and Budget or any subsequent revisions.
- I. "OMB Circular A-102" means Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments issued by the Office of Management and Budget or any subsequent revisions.
- J. "Common Rule" means Uniform Requirements for Grants and Cooperative Agreements to State and Local Governments issued by the Office of Management and Budget or any subsequent revisions.
- K. "OMB Circular A-133" means Audits of States, Local Governments and Nonprofit Organizations issued by the Office of Management and Budget or any subsequent revisions.

IV. **Independent Audit Requirements for Regional Mental Health/Mental Retardation Centers and Other Non-Profit Organizations**

- A. DMH subrecipients expending \$500,000 or more in Federal funds during its fiscal year accepts the responsibility to provide an organization-wide, financial and compliance audit at the conclusion of that fiscal year. The audit shall be made in accordance with the following:
 - 1. OMB Circular A-133,
 - 2. Generally Accepted Auditing Standards established by the American Institute of Certified Public Accountants (AICPA),
 - 3. *Government Auditing Standards*,

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

4. AICPA Audit and Accounting Guide: *Audits of State and Local Governments*
 5. The Compliance Supplement for Single Audits of State and Local Governments, and
 6. Audit policies of the Mississippi Department of Audit or the Governor's Office of Federal/State Programs, if applicable.
- B. All other DMH subrecipients (expending less than \$500,000 in federal funds or any amount in state funds) during its fiscal year accepts the responsibility to provide an organization wide financial and compliance audit at the conclusion of that year. The audit shall be made in accordance with Generally Accepted Auditing Standards established by the AICPA.
- V. **Special Considerations with regard to Audits conducted in accordance with *Government Auditing Standards* and OMB Circular A-133.**
- A. *Government Auditing Standards*: Auditors of DMH subrecipients must comply with the following standards of the Yellow Book, issued in 2003 and any subsequent revisions and amendments.

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

1. General Standards: The auditors must meet the four (4) general standards in Chapter 3 of the Yellow Book which relate to the qualification of the audit staff, the audit organization and individual auditor's independence; the exercise of due professional care in conducting the audit, and, in preparing the related reports, the presence of a quality control program (internal and external).
2. Field Work Standards for Financial and Financial Related Audits: Auditors must follow the field work standards for financial and financial related audits outlined in Chapter 4 of the Yellow Book. Standards of field work incorporate the AICPA standards of field work for financial audits, and do not restate them but rather prescribe supplemental standards of field work to satisfy the unique requirements of government financial audits.
3. Reporting Standards for Financial and Financial Related Audits: Auditors must follow the reporting standards for financial and financial related audits outlined in Chapter 5 of the Yellow Book. Standards of reporting incorporate the AICPA standards of reporting for financial audits, and do not restate them but rather prescribe supplemental standards of reporting needs to satisfy the unique requirements of government financial and financial related audits.

B. Internal Control Considerations

Under Generally Accepted Auditing Standards, the auditor is required to obtain an understanding of the recipient's internal control policies and procedures, as they relate to the financial statements and compliance matters in order to assess control risk and to plan the audit.

Under the single audit standards, as contained in OMB Circular A-133, the auditor is also required to evaluate controls over federal programs, and to **test** those controls to determine their effectiveness. Auditors should refer to Statements on Auditing Standards (SAS)-55(Consideration of the Internal Control Structure in a Financial Statement Audit) and SAS-78 (Consideration of Internal Control in a Financial Statement Audit), which amends SAS-55, and compares them to the work necessary under the single audit standards.

The results of the internal control evaluation and testing of internal control policies and procedures will have a direct effect on the amount of compliance testing with all applicable federal laws and regulations that must be done as a requirement of OMB Circular A-133.

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

C. Compliance Considerations

Auditors shall consider the compliance requirements and related audit objectives in Parts 3 and 4 of the OMB Compliance Supplement in every single audit. The auditor's determination that a particular compliance requirement does not need to be tested should be made only after determining that the compliance requirement does not apply to a particular auditee or that noncompliance with the requirement would not have a material effect on the major program. For example, the auditor is not required to test procurement if the auditee only charges small amounts of purchases to a particular major program.

The suggested audit procedures are provided to assist the auditor in planning and performing tests that comply with the federal program requirements. The auditor should use his or her professional judgment to determine if those audit procedures are sufficient to achieve the stated audit objective and whether additional or alternative audit procedures are needed. Compliance requirements recommended to be tested are:

1. Activities allowed or unallowed
2. Allowable costs/cost principles
3. Cash management
4. Davis-Bacon Act
5. Eligibility
6. Equipment and real property management
7. Matching, level of effort, and earmarking
8. Period of availability of federal funds
9. Procurement and suspension and debarment
10. Program income
11. Real property acquisition and relocation assistance
12. Reporting
13. Subrecipient monitoring
14. Special tests and provisions

The auditor is not required to test any compliance requirement that is not specifically mentioned above. Former compliance requirements, such as political activity, civil rights, and Drug-Free workplace Act, are not required to be tested.

VI. Auditor Qualifications

The auditor should be proficient in the appropriate accounting principles and standards in government auditing and must be:

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

- A. A Certified Public Accountant (CPA) or persons working for a licensed CPA firm, meeting all CPE requirements as specified by GAS, GAO, and the AICPA; or,
- B. Public Accountants licensed on or before December 31, 1970, or persons working for a public accounting firm licensed on or before December 31, 1970, meeting all CPE requirements as specified by GAS, GAO, and the AICPA.

VII. **Procurement of Audit**

Subrecipients must follow procurement procedures in accordance with OMB's Common Rule (OMB Circular A-110 for nonprofits) for contracts awarded to independent CPA's for audit services. Subrecipients may use their own procurement procedures if they do not conflict with the above stated requirement. Subrecipient procurement procedures should allow small and minority audit firms and audit firms owned and controlled by socially and economically disadvantaged individuals the maximum practical opportunity to compete for contracts awarded to fulfill these audit requirements.

VIII. **Audit Contract**

Each recipient shall enter into a written agreement either in the form of a formal written contractual agreement or by use of an audit engagement letter with the auditor that confirms the applicable audit requirements of Section IV in addition to the time limitation stated in Section XII.

NOTE: The subrecipient is apprised that Sections VIII thru XII are minimum requirements that must be met by the auditor and may be included in the above noted written contract.

IX. **Reporting Package**

- A. Subrecipients Expending Greater Than \$500,000 in Federal Funds:
 - 1. **Financial Statements:** The general purpose or basic financial statements prepared in accordance with Generally Accepted Accounting Principles,
 - 2. **Auditor's Report on the Financial Statements:** The auditor's report on the financial statements should be prepared in accordance with the reporting standards established by the AICPA through various statements on Auditing Standards. Reports containing qualified opinions may be submitted along with a corrective action plan which explains the nature of the qualification, the reason for the qualification and the steps to be taken

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

to correct the situation. Adverse or disclaimer opinions, compiled or reviewed financial statements will not be accepted as compliance with DMH grant contract audit requirements. Such cases will be reviewed individually by DMH in order to determine proper corrective action.

This report should follow the requirements promulgated by SAS 58 as amended by SAS 93, modified to meet the requirements of the Yellow Book and for OMB Circular A-133. The primary modifications are as follows:

- a. The combined internal control and compliance report required by the Yellow Book must be referenced.
 - b. The Schedule of Expenditures of Federal Awards (Schedule) is only referenced when it is presented with the financial statements. If the Schedule is included as part of the single audit package, then the auditor should reference the Schedule in the single audit report on internal control and compliance.
 - c. The auditor must reference that the audit was done in accordance with standards applicable to financial audits contained in the Yellow Book.
3. **Notes to the Financial Statements:** These reflect all of the necessary information as outlined by the Governmental Accounting Standards Board (GASB) standards for audits of Regional Mental Health Centers and the Financial Accounting Standards Board (FASB) for other entities.
4. **Auditor's Report on the Internal Control and Compliance Based on an Audit of the Financial Statements Conducted in Accordance With *Government Auditing Standards*** (Yellow Book Report): The auditor is required by the Yellow Book to issue a report on internal controls and compliance based on an audit of the financial statements. The scope and nature of the report is established in the Yellow Book.
- If reportable conditions or noncompliance is noted, then the report should refer to the Schedule of Findings and Questioned Costs by use of a reference number.
5. **Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 (commonly referred to as the**

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

Single Audit Report): Required elements of the report include two sections, “Compliance” and “Internal Control over Compliance.”

Although compliance requirements do not have to be listed, the auditor must provide an opinion on whether the auditee adhered to the compliance requirements that would have a direct and a material effect on each major program.

The identification of reportable conditions should lead the reader to an accompanying Schedule of Findings and Questioned Costs by use of a reference number.

The auditor will identify the compliance requirement for which there has been a reportable condition or material noncompliance.

6. **Schedule of Expenditures of Federal Awards:** The auditee must provide the Schedule of Federal Award Expenditures that lists each federal program, the CFDA number, and the amount of expenditures reported. The minimum required elements are as follows:

- a. Federal programs listed by federal agency and by major subdivision within the federal agency,
- b. Name of the pass-through entity and the identifying number assigned by the pass-through agency,
- c. Total expenditures for each federal program and the C.F.D.A. number,
- d. Notes that describe the significant accounting policies used in preparing the Schedule. The notes can be reported on a separate sheet of paper or included at the bottom of the Schedule. The accounting policy should be the same basis as the financial statements.

NOTE: If the Schedule is included as part of the financial statements, it should be referenced in the auditor’s report on the financial statements through an “in relation to” paragraph in accordance with SAS-29 (AU 551). If it is included as part of the single audit package it would be covered by the auditor’s report on the single audit.

7. **Schedule of Findings and Questioned Costs:** The auditor must prepare a Schedule of Findings and Questioned Costs based on reportable

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

conditions, compliance findings, and questioned costs that are identified during the audit of the financial statements and the federal programs. The three parts to the Schedule are:

- a. A summary of the auditor's results,
- b. Findings relating to the financial statements audited in accordance with Government Auditing Standards, and
- c. Findings and questioned costs for federal awards using section 510(a) of OMB circular A-133.

8. **Summary Schedule of Prior Audit Findings and Questioned Costs:** OMB requires the auditee to prepare a Schedule of Prior Audit Findings that indicates the status of all audit findings included in the previous audit's Schedule of Findings and Questioned Costs related to federal awards. The auditor may prepare this Schedule, although it has to be prepared from the auditee's perspective and may not be combined with the auditor's Schedule of Findings and Questioned Costs. Details of the items to be included in the report are contained in Section 315(b) of the OMB Circular A-133.

9. **Corrective Action Plan:** This report addresses each of the current year's audit findings contained in the auditor's Schedule of Findings and Questioned Costs. Details of the items to be included in the report are contained in Section 315(c) of OMB Circular A-133.

B. All Other DMH Federal and/or State Subrecipients (Those expending less than \$500,000 in Federal funds or any amount in State funds):

1. **Financial Statements:** The general purpose or basic financial statements prepared in accordance with Generally Accepted Accounting Principles,
2. **Auditor's Report on the Financial Statements:** The auditor's report on the financial statements should be prepared in accordance with the reporting standards established by the AICPA through various statements on Auditing Standards. Reports containing qualified opinions may be submitted along with a corrective action plan which explains the nature of the qualification, the reason for the qualification and the steps to be taken to correct the situation. Adverse or disclaimer opinions, compiled or reviewed financial statements will not be accepted as compliance with DMH grant contract audit requirements. Such cases will be reviewed individually by DMH in order to determine proper corrective action.

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

This report should follow the requirements promulgated by SAS 58 as amended by SAS 93, modified to meet the requirements of the Yellow Book.

The auditor must reference that the audit was done in accordance with standards applicable to financial audits contained in the Yellow Book.

3. **Notes to the Financial Statements:** These reflect all of the necessary information as outlined by the GASB standards for audits of Regional Mental Health Centers and the FASB for other entities.

X. Waiver of Audit Requirements

It is strongly recommended by DMH that all agencies, at a minimum, receive an annual audit of their financial statements. However, if an agency receives grant funds from the DMH in such a small amount that an audit of such funds would be cost prohibitive, the agency can request a waiver of such requirements. The request should be submitted to the attention of the DMH Chief of the Bureau of Administration and include:

1. The name of the agency requesting the waiver
2. Fiscal year in which the request applies,
3. Total federal and state funds received through DMH grants and,
4. Estimated cost of independent audit (quotes from independent auditors).

XI. Access to Subrecipient Records

Subrecipients shall grant DMH, the federal grantor agency, the Comptroller General of the United States or any of their duly authorized representatives, access to any books, documents, papers, and records, which are directly pertinent to that specific DMH agreement, for audit, for examination, or review purposes.

XII. Due Date/Submittal of Audit Report

OMB Circular A-133 requires the auditee or the auditor, as appropriate, to prepare and submit reports to the OMB Clearinghouse within nine months after the fiscal year end.

DMH, as the oversight agency, must receive and review these reports and communicate with the auditee/auditor any deficiencies noted. Reports must be submitted to the DMH Audit Division within nine months after the fiscal year end. The corrective action plan shall accompany the audit report and must be prepared on the subrecipient stationary and

INDEPENDENT AUDIT GUIDELINES
APPENDIX 1

signed by the signatory or other appropriate subrecipient official. The corrective action plan must include a plan of corrective actions taken or planned on all audit findings with a date of implementation or estimated completion of the corrective actions.

XIII. Audit Working Papers and Review

All audit working papers are subject to review by the DMH audit staff. All working papers and reports shall be retained by the auditor for a minimum of three (3) years from the date of the audit report unless DMH notifies the auditor in writing to extend the retention period. These working papers must be made available by the auditor to the DMH Audit Division upon request.

XIV. Audit Resolution

Recipients are responsible for resolving audit findings and/or questioned costs in coordination with and to DMH satisfaction within six (6) months from the date DMH receives an acceptable audit report. The DMH Executive Director will be the final authority within DMH on the resolution of all audit findings.

XV. Federal Audits and Evaluations

Nothing contained in these audit requirements shall be construed to limit the authority of federal agencies to make or contract for audits and evaluations of federally funded programs; nor, do they limit the authority of any federal agency Inspector General or any other federal audit official.

REIMBURSEMENT GUIDELINES
APPENDIX 2

TABLE OF CONTENTS

| | | |
|------|--|---|
| I. | Purpose..... | 1 |
| II. | Personnel..... | 1 |
| | 1. Time Allocation | 1 |
| | 2. Salary Determination | 1 |
| | 3. Subsidized Employees | 1 |
| | 4. Fringe Benefits | 1 |
| | 5. Time and Attendance Records..... | 2 |
| | 6. Personnel Files | 2 |
| III. | Non-Personnel..... | 2 |
| | A. Travel | 2 |
| | 1. Employees Only | 2 |
| | 2. Reimbursement Rates-Mileage..... | 2 |
| | 3. Meal Reimbursement | 2 |
| | 4. Receipt Documentation..... | 2 |
| | 5. Limitations | 2 |
| | 6. Conference Travel..... | 3 |
| | B. Contractual | 3 |
| | 1. Purchasing Regulations/Guidelines | 3 |
| | 2. Documentation Requirements..... | 3 |
| | 3. Long Distance Charges | 3 |
| | 4. Transportation Charges | 3 |
| | 5. Building/Equipment Rent | 3 |
| | 6. Postage | 3 |
| | 7. Late Fees | 3 |
| | 8. Computer Software | 3 |
| | C. Commodities | 4 |
| | 1. Purchasing Regulations/Guidelines | 4 |
| | 2. Documentation Requirements | 4 |
| | 3. Discounts | 4 |
| | D. Equipment | 4 |
| | 1. Equipment Definition..... | 4 |
| | 2. Purchasing Regulations/Guidelines | 4 |
| | 3. Inventory System Requirements..... | 5 |

REIMBURSEMENT GUIDELINES

APPENDIX 2

4. Procedures to Delete Equipment Items 5

E. Indirect Costs 5

IV. Other Program Related Income/Expenditures 6

A. Program Income..... 6

1. Definition 6

2. Necessary and Reasonable 6

3. Policies and Procedures..... 6

4. Documentation Requirements..... 6

B. Client Fees Collected 6

1. Definition..... 6

2. Necessary and Reasonable 6

3. Policies and Procedures Manual 6

4. Documentation Requirements..... 6

C. Other Income 6

1. Definition 6

2. Eligibility Forms 7

3. Documentation Requirements..... 7

4. Client Accounts..... 7

5. Food Stamp Approval Notices..... 7

D. General Guidelines..... 7

1. Invoices 7

2. Expense Distribution..... 7

3. Program Allocation..... 7

4. Reimbursements..... 7

5. Match/Local Funds 7

6. Prorating Expenses..... 7

7. Credits 8

8. Contract Year 8

9. Budget Revisions 8

10. Canceled Checks 8

11. Check Register/Ledger..... 8

12. Deposit Slips and Bank Statements 8

13. Proper Internal Controls..... 8

REIMBURSEMENT GUIDELINES
APPENDIX 2

I. PURPOSE:

The following guidelines have been established to provide direction to DMH service providers in assuring that expenses requested for reimbursement through DMH grants and contracts are allowable with regard to DMH, State and Federal guidelines. Although these guidelines should not be considered as a complete set of allowable/disallowable charges, they do offer answers to the most commonly asked questions with regard to DMH grant/contract charges. Service providers should also refer to applicable federal cost circulars (links are provided on pages 48-49 of this manual) when determining the allowability of expenses charged to DMH grants/contracts funded with federal dollars.

II. PERSONNEL:

1. The percentage of time budgeted for salaries reimbursed from one or more grants or used as match must never exceed 100%.
2. Salaries charged to grants are calculated by multiplying the percentage of time specified in the grant budget by the actual gross salary, not to exceed the approved, monthly budgeted amount. Salaries (or portions thereof) charged to one grant cannot be used as match on another grant.
3. Subsidized employees will only be reimbursed in proportion to actual hours worked during the pay period. Example: An employee is normally paid \$600.00 total per pay period, but only \$500.00 is allowable under the approved budget (the program is supplementing the salary \$100.00). If the employee takes leave without pay during the pay period and only receives a total gross salary of \$500.00, the grant will only reimburse $\frac{5}{6} \times \$500.00$ or \$416.67.
4. Fringe benefits can only be reimbursed for employees paid by grant funds. Fringe benefits for a position cannot be reimbursed for employees whose salaries are reported as match, except as otherwise approved by DMH. Additionally, if only a percentage of a salary is paid by a grant, only that percentage for fringe benefits for the position can be reimbursed by the contract.

Note: Fringe Benefits may be requested as 1) actual, or 2) as a percentage based on total payroll as calculated using the Fringe Benefit Worksheet (Page 20). Calculations used to determine this percentage must be kept on file for review. Overestimation of percentages will result in an audit exception and repayment of grant funds.

REIMBURSEMENT GUIDELINES
APPENDIX 2

5. Payroll records must be maintained and available for review, including time sheets, payroll ledgers, personnel files, etc.
6. The employee position reimbursed by the grant must correlate with the employee's personnel file.
7. Payroll directly deposited into employee checking accounts must be supported by a monthly "transmittal sheet" that lists amounts deposited for each employee.

III. NON-PERSONNEL:

A. TRAVEL:

1. Travel expenses must be requested for the employee only. Expenses for client or consultant travel cannot be included in the employees travel request.
2. Reimbursement for mileage may not exceed the amounts approved by the Mississippi Department of Finance and Administration. These amounts are updated periodically and can be accessed from their website at

<http://www.dfa.state.ms.us/Purchasing/Travel/TravelManual.pdf>

3. Meals should be reimbursed for actual cost not to exceed the amounts approved by the Mississippi Department of Finance and Administration. Per Diem meal allowances are allowed if agency policy allows per diem rates **and** daily rates do not exceed Mississippi Department of Finance and Administration allowable daily rates. These meal allowances can also be accessed from the above stated website. Reimbursement or breakfast and dinner will only be allowed when leaving before 6:00 a.m. or returning after 6:00 p.m.
4. All travel reimbursements must be documented by receipts unless agency has a documented per diem rate for meals. Agency policy must document per diem rates. A travel form must be completed listing the dates of travel, reason for travel, destination, and expense details.
5. Travel reimbursement can only be reimbursed for employees whose salaries are paid by the grant or used as match, unless written approval is obtained by the DMH.

REIMBURSEMENT GUIDELINES
APPENDIX 2

6. Conference travel must include a copy of the agenda relating to the conference or program for which it was charged.

B. CONTRACTUAL:

1. State and local governments, including regional mental health centers, must follow state purchasing regulations, including those regarding bid requirements when purchasing contractual services. Service providers should reference the State Procurement manual at:

<http://www.dfa.state.ms.us/Purchasing/PurchasingGuidelinesQuickReference.pdf>

Independent, non-profit service providers, if not following state purchasing regulations, must have purchasing policies approved by the Department of Mental Health that cover thresholds for required vendor quote and bid requirements as well as general internal controls regarding purchases of contractual services with grant funds.

2. Documentation such as invoices, lease agreements, and time sheets for contractual employees must be on file for all contractual services charged to DMH grants.
3. Long distance telephone charges must be supported by telephone logs and must relate to the program from which they are charged.
4. Transportation charges (i.e., oil, gas, van rental) must be supported by mileage logs, detailed invoices, and/or lease agreements.
5. Building or equipment rent/lease charges must be supported by a written lease agreement.
6. Postage is considered a contractual expense.
7. Late fees cannot be charged to grants.
8. Computer software is a contractual expense.
9. Controls must be in place to insure that cellular telephone expenses are reasonable and relate to the program for which they are charged. Monthly call logs must be maintained and the user must sign and verify that all calls were for the purpose of the grant to which it was charged.

REIMBURSEMENT GUIDELINES
APPENDIX 2

C. COMMODITIES:

1. State and local governments, including regional mental health centers, must follow state purchasing regulations, including those regarding bid requirements when purchasing commodities. Service providers should reference the State Procurement manual at:

<http://www.dfa.state.ms.us/Purchasing/PurchasingGuidelinesQuickReference.pdf>

Independent, non-profit service providers, if not following state purchasing regulations, must have purchasing policies approved by the Department of Mental Health that cover thresholds for required vendor quote and bid requirements as well as general internal controls regarding purchases of commodities with grant funds.

2. Discounts relating to any charge must be reflected on the request for reimbursement.
3. The name of the vendor from which commodities were purchased, not the credit or debit card to which it was charged, should be listed as the payee on all reimbursement requests. For example, if supplies were purchased from Home Depot and charged to a Bank Plus Visa, Home Depot should be listed as the payee, not Bank Plus. Finance charges will not be reimbursed for credit card purchases.

D. EQUIPMENT:

1. Definition – Equipment is tangible property having a useful life of more than one year and an acquisition cost of \$1000.00 or more per unit. The following property items are considered equipment regardless of the price paid by the agency to acquire the item or useful life: Weapons, camera and camera equipment (greater than \$250), two-way radio equipment, televisions (greater than \$250), lawn maintenance equipment, cellular telephones, computers and computer equipment (greater than \$250), chain saws, air compressors, welding machines, generators, motorized vehicles.
2. State and local governments, including regional mental health centers, must follow state purchasing regulations, including those regarding bid requirements when purchasing equipment items. Service providers should reference the State Procurement manual at:

REIMBURSEMENT GUIDELINES
APPENDIX 2

<http://www.dfa.state.ms.us/Purchasing/PurchasingGuidelinesQuickReference.pdf>

Independent, non-profit service providers, if not following state purchasing regulations, must have purchasing policies approved by the Department of Mental Health that cover thresholds for required vendor quote and bid requirements as well as general internal controls regarding purchases of equipment with grant funds.

3. Equipment items must be inventoried in accordance with DMH policies and procedures. DMH service providers with grant purchased equipment items are required to have an inventory system in place consisting of, at a minimum:
 - a. Equipment labels with inventory numbers that match the inventory numbers submitted on the DMH 101-01 Forms (Page 32);
 - b. Master inventory listing with label numbers, location of equipment, and cost of equipment items; and
 - c. Sign in/out sheets for portable equipment items such as laptops and projectors.
4. Approval to delete inventory can be given by the DMH only after the submission of form DMH 101-01 and programmatic approval.

Note: Section 41-4-7, MS Code of 1972, Section 3 Paragraph (m), as amended states: “any real and personal property paid for with state and/or county appropriated funds must have the written approval of the Department of Mental Health and/or the county board of supervisors, depending on the original source of funding, before being disposed of under this paragraph.”

5. Equipment items sold, traded, or donated to another program must have prior approval from DMH. All proceeds from sales must be returned to the program for which the equipment item was initially purchased.

D. INDIRECT COSTS:

5. Indirect costs are limited to 8% of direct costs awarded. Programs must keep on hand a list of all costs included in the calculation of the indirect

REIMBURSEMENT GUIDELINES
APPENDIX 2

cost rate. Any costs included in the rate that are also reimbursed as direct costs will result in an audit exception and payback of grant funds.

IV. Other Program Related Income/Expenditures

A. PROGRAM INCOME:

1. Definition – Income generated by a program while performing the specific objectives outlined in the grant proposal.
2. All expenses must be necessary and reasonable for the proper administration of the program.
3. A Policies and Procedures Manual must be available for review that documents the method of fiscal accountability as well as the programmatic procedures followed.
4. Documentation and reimbursement requirements relating to payments to clients and expenditures from program income are the same as other personnel or non –personnel items reimbursed through the grant/contract.

B. CLIENT FEES COLLECTED:

1. Definition – Fees charged to a client by a program. Types of client fees include rent, admission fees, etc.
2. Expenses should be necessary and reasonable for the proper administration of the program.
3. A Policies and Procedures Manual for the program documenting the method of fiscal accountability as well as the programmatic procedures followed must be available for review.
4. Documentation and reimbursement requirements relating to payments from clients and other expenditures from client fees are the same as other personnel or non-personnel items reimbursed through the grant/contract.

REIMBURSEMENT GUIDELINES
APPENDIX 2

C. OTHER INCOME:

1. Definition: - Income received from a client other than income earned or program generated. This includes social security, SSI, food stamps, income received from a parent or guardian, etc.
2. Copies of social security and SSI eligibility forms should be maintained for all clients for whom the facility acts as signature authority or is otherwise involved with the account.
3. Invoices and canceled checks must be maintained for all transactions involving client funds.
4. Client funds in excess of \$50.00 must be maintained in interest-bearing accounts. This does not apply to client personal accounts that the facility does not act as representative payee.
5. Food stamp approval notices must be maintained for clients receiving food stamps.

D. GENERAL GUIDELINES:

1. Invoices must be obtained to support all expenses reimbursed or used as match. A copy of the purchase order is not sufficient as replacement of an invoice.
2. Invoices documenting services or items classified in more than one category of expenses must be properly distributed to those categories.
3. Invoices documenting items purchased for more than one program must be properly distributed to those programs with any discounts prorated.
4. Reimbursement must be for items approved in the DMH budget award.

Note: In some instances items are requested for reimbursement and have not been approved in the DMH budget. This will not result in an audit finding if the following conditions are met: 1) the expenditure is an ordinary, necessary, and reasonable expenditure of the grant funded activity; 2) the expenditure is adequately documented; and 3) the major object (i.e. commodities) category is not exceeded.

REIMBURSEMENT GUIDELINES
APPENDIX 2

5. Match must only be reported in categories approved in the DMH grant award.
6. Percentages used in the calculation of prorated expenses must be consistent, and documentation of these percentages must be maintained for review.
7. Credits received on expenses previously reimbursed by the DMH must be deducted from future requests for reimbursement unless the contract period has ended. If the contract period has ended, a request must be submitted to the DMH for recommendations for correction.
8. Expenses reported for reimbursement must pertain to the contract year in which they are requested. The use of contract funds for payment of obligations incurred outside the contract period is prohibited, payroll included. (The amounts requested for payroll must reflect payroll earned during the contract period and not payroll disbursed during the contract period).
9. In instances in which a the DMH programmatic division requires a budget revision for changes in budget categories and line items, expenses should not be requested in relation to that budget revision until such time that the revision is approved and returned to the service provider.
10. Canceled checks supporting all reimbursed or matched items must be maintained.
11. A check register/ledger must be maintained supporting all items reported on monthly reimbursement requests.
12. Bank deposit slips and bank statements must be maintained for all grant payments, client income, etc. deposited by the facility.
13. Proper internal controls must be maintained, including:
 - a. Proper segregation of duties
 - b. Limited access to assets by personnel.
 - c. Periodic checks of assets
 - d. Proper authorization and execution of transactions
 - e. Proper recording of all transactions.

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE
APPENDIX 3

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO
SMOKE

Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable Federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$ 1000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing this certification, the offer or/contractor (for acquisitions) or applicant/grantee (for grants) certifies that the submitting organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The submitting organization agrees that it will require that the language of this certification be included in any sub awards which contain provisions for children's services and that all subrecipients shall certify accordingly.

Signature

Date

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
ASSURANCES
APPENDIX 4

Assurances
Department of Mental Health

(Service Provider)

ASSURANCES

The Applicant hereby assures and certifies that it will comply with the regulations, policies, guidelines and requirements, as they relate to the application, acceptance and use of Federal funds for this federally-assisted project. Also the Applicant assures and certifies:

1. It possesses legal authority to apply for the grant; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with Title VI of the Civil Rights Act of 1964 (P. L. 88-352) in accordance with Title VI of the Act, no person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this agreement.
3. It will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) prohibiting employment discrimination where (1) the primary purpose of a grant is to provide employment or (2) discriminatory employment practices will result in unequal treatment of persons who are or should be benefiting from the grant-aided activity.

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
ASSURANCES
APPENDIX 4

4. It will comply with Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C.794 which prohibits discrimination on the basis of handicap in programs and activities receiving Federal assistance.
5. It will comply with Title IX of the Education Amendments of 1972, as amended, 20 U.S.C.1681 et. seq, which prohibits discrimination on the basis of sex in education programs and activities receiving Federal financial assistance.
6. It will comply with the Age Discrimination Act of 1975, as amended, 42 U.S.C.6101 et. seq, which prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance.
7. It will comply with the requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.L.91-646) which provides for fair and equitable treatment of persons displaced as a result of Federal and federally assisted programs.
8. It will comply with the provisions of the Hatch Act which limit the political activity of employees.
9. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act as they apply to hospital and educational institution employees of State and local governments.
10. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family business, or other ties.
11. It will give the sponsoring agency or the Comptroller General through any authorized representative the access to and the right to examine all records, books, papers, or documents related to the grant.
12. It will comply with all requirements imposed by the Federal sponsoring agency concerning special requirements of law, program requirements, and other administrative requirements.

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
ASSURANCES
APPENDIX 4

13. It will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Federal grantor agency of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.

14. It will comply with the flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973, P.L.93-234.87 Stat.975, approved December 31, 1976. Section 102(a) requires, on or after March 2, 1975, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.

15. It will assist the Federal grantor agency in its compliance with Section 106 of the National Historic Preservation Act of 1966 as amended (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469 a-1 et seq.) by (a) consulting with the State Historic Preservation Officer on the conduct of investigations, as necessary, to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the activity, and notifying the Federal Grantor agency of the existence of any such properties, and by (b) complying with all requirements established by the Federal grantor agency to avoid or mitigate adverse effects upon such properties.

Signature of Chairman of Board or Agency Director

Date

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
DRUG-FREE WORKPLACE REQUIREMENTS
APPENDIX 5

**U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
CERTIFICATION REGARDING
DRUG-FREE WORKPLACE REQUIREMENTS
GRANTEES OTHER THAN INDIVIDUALS**

By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.

This certification is required by regulations implementing the Drug-Free Workplace Act of 1988, 45 CFR Part 76, Subpart F. The regulations published in the January 31, 1989 Federal Register, require certification by grantees that they will maintain a drug-free workplace. The certification set out below is a material representation of fact upon which reliance will be placed when HHS determines to award the grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension of payments, suspension or termination of grants, or government wide suspension or debarment.

The grantee certifies that it will provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibitions;
- (b) Establishing a drug-free awareness program to inform employees about:
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and,
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:
 - (1) Abide by the terms of the statement; and,

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
DRUG-FREE WORKPLACE REQUIREMENTS
APPENDIX 5

- (2) **Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after the conviction;**

- (e) **Notifying the agency within ten days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction;**

- (f) **Taking one of the following actions, within 30 days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:**
 - (1) **Taking appropriate personnel action against such an employee, up to and including termination; or**
 - (2) **Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;**

- (g) **Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraph (a), (b), (c), (d), (e), and (f).**

By: _____
Signature of Official Authorized to Sign Application

Date:

For:
Name of Grantee _____

Title of Grant Program _____

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
CONTRACT FOR THE PURCHASE OF MENTAL HEALTH SERVICES
APPENDIX 6

CONTRACT FOR THE PURCHASE OF MENTAL HEALTH SERVICES

For the purpose of providing mental health services for persons with mental or emotional illness, mental retardation, alcoholism, drug abuse, and developmental disabilities and in consideration for the mutual covenants contained herein, it is hereby agreed by and between the Mississippi Department of Mental Health (herein after referred to as the Department) and _____(hereinafter referred to as the Contractor) as follows:

I. THE CONTRACTOR AGREES:

- A. To meet the Minimum Standards for Mental Health Services as required by the Department.
- B. To submit financial and client data as requested by the Department.
- C. To maintain financial and client records supporting funds paid under this contract as required by the Department.
- D. To maintain accounting records in a form acceptable to the Department and to the State Auditor.
- E. To include a statement in all publications, audio, or visual presentations that whole or partial funding has been provided by the Mississippi Department of Mental Health.
- F. To make available at any time during normal business hours and as often as the Department may deem reasonable and necessary, all the Contractor's records with respect to all matters covered by this contract for the Department or its designated representatives to audit, examine, and make excerpts of invoices, materials, payroll, records of personnel, and other data relating to all matters covered by this agreement.
- G. To be responsible for audit exceptions and/or misuse of funds furnished under this agreement for the operation of the program.
- H. To have an audit in accordance with OMB Circular A-133, when applicable.
- I. To have signed and filed with the Department the agreement, Mississippi Department of Mental Health Contractual Agreement for the Exchange of Patient Information.

II. THE DEPARTMENT AGREES:

- A. To provide consultation and technical assistance to the Contractor.
- B. That, subject to availability of funds or subject to the optimal utilization of said funds, payments will be made pursuant to completion and submission by the Contractor of monthly forms to be supplied by the Department.

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
CONTRACT FOR THE PURCHASE OF MENTAL HEALTH SERVICES
APPENDIX 6

The term “optimal utilization” shall be defined by periodic reviews of service delivery data, and may include such other measures as deemed appropriate by the Department.

- C. To purchase **Transportation** (456454646453) as set forth in the attached Proposed Budget, which shall be made a part of this contract when signed.

III. THE DEPARTMENT AND THE CONTRACTOR MUTUALLY AGREE THAT:

A. Modification of this Agreement

After each quarter the Department shall review year to date service delivery data. Adjustments in service/units to be purchased may be subject to availability of funds or subject to optimal utilization of those funds.

The term “optimal utilization” shall be defined in part by said measures, but may include such other measures as deemed appropriate by the Department. THE DEPARTMENT RESERVES THE RIGHT to modify this agreement regarding allocation of funds or service/units to be purchased on 60 days written notice to the Contractor.

B. Termination of the Contract

If through any cause, either of the parties shall fail to fulfill in proper manner its obligations under this agreement or either of the parties shall violate any of the covenants, agreements, or stipulations of this agreement or in the event funds are not available, either party shall have the right to terminate this agreement by giving sixty (60) days written notice by certified mail to the party of such termination and specifying the effective date thereof. The parties hereto further agree that their responsibilities one to the other shall be contingent upon the availability of funds for the funding of this contract.

C. Subcontract Delegation

All work under this contract shall be performed by the Contractor. None of the rights or duties accruing under the terms of this contract may be assigned or delegated without written consent of the Department.

D. Obligation of the Contract

The parties agree and understand that nothing in this contract shall be construed to imply that the Department or the Contractor is obligated to enter into a contract for services in succeeding fiscal years.

E. Department Liability

It is understood and agreed that the Contractor agrees to hold the Department or any employee thereof harmless from any and all liability or damages of any nature whatsoever arising from or as result of this contractual agreement.

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
CONTRACT FOR THE PURCHASE OF MENTAL HEALTH SERVICES
APPENDIX 6

F. Equal Employment Opportunity

The Contractor will comply with all applicable provisions of the Federal Civil Rights Act of 1964, as amended, laws relating to equal employment opportunity and Section 504 of the Federal Rehabilitation Act of 1973, including all applicable federal rules, regulations, and orders enacted pursuant thereto, and all other federal and state laws, regulations, or orders which prohibit discrimination because of race, color, religion, sex, national origin, marital status, or physical or mental handicap.

G. Political Activity Prohibited

None of the funds, materials, property, or service provided directly or indirectly under this agreement shall be used in the performance of this agreement for any partisan political activity or promotion or to further the election or defeat of any candidate for any public office. Further, under OMB Approval #0348-0040, (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of Congress or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, A Disclosure Form to Report Lobbying.

H. Relationship of the Parties

Nothing herein contained is intended or should be construed in any manner creating or establishing the relationship of co-partners between the parties hereto or as constituting the Contractor or its employees as agents, representatives, or employees of the Department.

I. Sub-Line Items

Sub-line items within major object codes other than personnel may be exceeded without the requirement for a budget revision so long as the total allowed for that major object code is not exceeded. Further, omission of a sub-line item from grant submissions does not preclude that sub-line item being paid with grant funds so long as these conditions are met: (1) the expenditure is an ordinary, necessary, and reasonable expenditure of the grant funded activity; (2) the expenditure is adequately documented; and (3) major object budget is not exceeded.

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
CONTRACT FOR THE PURCHASE OF MENTAL HEALTH SERVICES
APPENDIX 6

J. Outstanding Audit Restitution

It is understood and agreed that should the Contractor have any outstanding audit restitutions delinquent from any grant, contract or any source of funding provided by the Department past Ninety (90) days that the Department shall have the authority to: (1) Withhold funding until the arrearage is totally satisfied and/or; (2) Cease funding altogether.

This contract is entered into for the period from October 1, 2003 to September 30, 2005.

WITNESSES:

STATE DEPARTMENT OF MENTAL
HEALTH

By: Glynn Kegley, Chief
Bureau of Administration

WITNESSES:

CONTRACTOR

By:

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
APPEALS TO THE BOARD OF MENTAL HEALTH
APPENDIX 7

- Title: Appeals to the Board of Mental Health
- Scope: All Appeals to the Board of Mental Health Shall Utilize the stated policy governing the procedure for hearings before the Board.
- Policy: To ensure an orderly and equitable hearing of appeals before the Board of Mental Health, it shall be the policy of the Board to establish the procedure which shall be followed.
- Procedure: I. Notice of Appeal
- Notice of Appeal to the Board of Mental Health shall be received within the time allowed for the type of appeal being made. Such notice shall be mailed to the Executive Director of the Department of Mental Health.
- II. Documents
- Documents in support of Appellant's appeal shall be submitted to the Executive Director within twenty (20) days of the filing of the notice of appeal.
- All documents to be submitted for consideration in support of the appeal shall be received by the Executive Director no less than ten (10) days prior to the meeting of the Board wherein the appeal shall be considered.
- Documents shall include, but not be limited to:
- (a) all documents supporting the original action which is on appeal,
 - (b) the record of the administrative hearing, if a record has been made,
 - (c) all written submissions to be considered offered subsequent to the administrative hearing, if a hearing has been held and
 - (d) such other materials as the Appellant believes are necessary to adequately present his/her case.

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
APPEALS TO THE BOARD OF MENTAL HEALTH
APPENDIX 7

III. Hearing Date

Appeals to the Board shall be heard no later than the second regular monthly meeting of the Board following the filing of the notice of appeal unless a delay has been requested by the Board or a quorum is not present to hear the appeal. If a continuance has been requested by the Board, the appeal shall be heard at a time set by the Board. If a quorum is not present, the appeal shall be heard at the next scheduled meeting.

Appeals which have not been heard in a timely manner shall be considered to have been waived, and the action being appealed shall be considered to be affirmed.

IV. Executive Session

All appeals shall be considered to be matters properly brought before the Board in executive session as they are matters which involve possible litigation.

V. Parties

Appellants may be represented by counsel who shall speak on the appellant's behalf, appellant may speak for himself/herself, or both may speak within the time restraints established by the Board.

VI. Order of Presentation

The Appellant shall offer any oral argument supporting his/her position. Twenty minutes shall be allowed for this argument.

Staff/counsel representing the Department/Facility shall be allowed twenty minutes for rebuttal argument.

The Board of Mental Health may ask questions at any time during argument. Such questions shall be counted in the total time allowed.

The Appellant shall be afforded ten minutes at the end of rebuttal for closing statements.

VII. Decision

The Board of Mental Health shall notify the Appellant of its decision within fifteen (15) days of the meeting of the Board.

MISSISSIPPI DEPARTMENT OF MENTAL HEALTH
APPEALS TO THE BOARD OF MENTAL HEALTH
APPENDIX 7

VIII. Appeal of the Board Decision

Appeals taken from the decision of the Board of Mental Health shall be in compliance with applicable state statutes.