



MORONGO BASIN HEALTHCARE DISTRICT

SUPPLEMENTAL ATTACHMENT TO THE AGENDA Board of Directors Regular Business Meeting February 6, 2025 at 6:00 p.m.

ATTACHED are the listed policies and procedures to be reviewed and approved by the Board of Directors at the February 6, 2025 regular monthly board meeting.

The published agenda with the policies attached was 29MB, too large for many systems. We are presenting the policies separately for easier access to the agenda items.

REVIEW AND APPROVE FINANCIAL POLICIES – *Debbie Anderson, CFO*

Only the review date has been changed on these policies. They are presented for review and approval as per our policy to review policies each three-year period.

- FN-AP-102 Accrual Vendor Invoices
- FN-AP-103 Credit Memo
- FN-AP-105 Procurement Standards
- FN-CA-104 Investment HDMHCD Funds
- FN-GA-104 Grants & Compliance
- FN-AR-101 Cash Receipts
- FN-AR-102 Charge Capture
- FN-AR-103 Collections
- FN-AR-104 Billing

- **Motion 25-19** to approve financial policies as presented.

REVIEW AND APPROVE HUMAN RESOURCE POLICIES – *Cindy Schmall, CEO*

Only the review date has been changed on these policies. They are presented for review and approval as per our policy to review policies each three-year period.

- HR-226 Accident Investigation Reporting
- HR-271 Temporary Alternative Work
- HR 267 Substance Abuse

- **Motion 25-20** to approve human resource policies as presented.

I CERTIFY THAT A COPY OF THIS AGENDA WAS POSTED PER SECTION 54954.2 OF THE CALIFORNIA GOVERNMENT CODE.

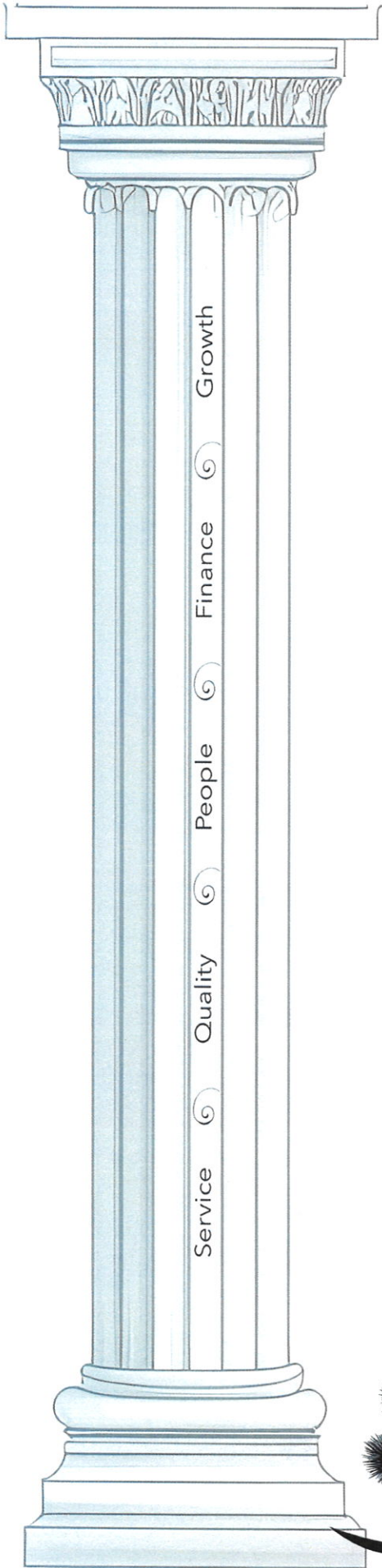


Karen Graley, Board Clerk

Posted: February 3, 2024

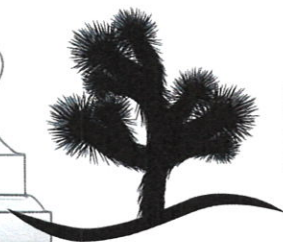
The Morongo Basin Healthcare District Board of Directors' meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed to participate in the public meeting, requests should be made through the Staff Aide at least three (3) business days prior to the meeting. The Board Clerk's telephone number is 760.820-9229 and the office is located at 6530 La Contenta Rd, #100, Yucca Valley, CA. California Relay Service is 711.

In conformity with Government Code Section 54957.5, any writing that is a public record, that relates to an item listed on this agenda, and that will be distributed to all or a majority of Morongo Basin Healthcare District Board of Directors less than twenty-four (24) hours prior to the meeting for which this agenda relates, will be available for public inspection at the time the writing is distributed. This inspection may be made during the meeting at the address/meeting room(s) listed above or an electronic copy may be requested in advance of the meeting via email message to kgraley@MBHDistrict.org.




ACTION ITEM

FINANCIAL POLICIES



**MORONGO BASIN
HEALTHCARE DISTRICT**
MorongoBasinHealth.org

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: FINANCE</p>
<p>ORIGINAL DATE: April 2017</p>	<p>REVIEW & REVISION DATES: (supersedes CHC-202) 2/22, 2/25</p>
<p>TITLE: ACCRUAL OF VENDOR INVOICES AND RECURRING CHARGES</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

To set forth the policy and procedures for the month-end accrual of vendor invoices.

POLICY

Vendor invoices in excess of \$1,000 which apply to the accounting month being closed will be accrued via journal entry. Vendor invoices less than \$1,000 may be accrued at the Chief Financial Officers (CFO) discretion. All vendor invoices that can be reasonably determined will be accrued regardless of dollar value at fiscal year-end. Vendor invoices and recurring costs which are not reflected by a current invoice will be estimated and accrued via journal entry.

PROCEDURE


1. At the end of each month the AP Accountant will review the vendor list and determine that all vendor invoices applicable to the month are properly posted for that month.
2. If invoices applicable to the month are received after closing date they will be assigned the proper general ledger account code and will be accrued via journal entry.
3. Where a current invoice for a recurring monthly cost has not been received prior to closing the AP Accountant will estimate the monthly charge based on the history or trend of the expense item. It will be recorded via journal entry.
4. The AP Accountant will prepare the journal entry or entries discussed above and give to the CFO for approval and posting.
5. The CFO will prepare reversing batches with the following month's posting date to reverse the accruals.

REFERENCES

- NA

ATTACHMENTS

- NA

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: FINANCE</p>
<p>ORIGINAL DATE: February 2022</p>	<p>REVIEW & REVISION DATES: <u>2/25</u></p>
<p>TITLE: CREDIT MEMO</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

To set forth the policy and procedures associated with credit memos that may be received by the Finance Department.

POLICY

All credit memos received by the Finance Department will be processed on a timely basis. Any vendors with outstanding credits at month-end are to be contacted for an immediate refund.

PROCEDURE

Credits received by the Finance Department will be processed expeditiously as follows:


1. Credit memos received will be researched by the AP Accountant for accuracy. Research includes identifying the invoice that was originally paid, including the original G/L coding of where the original expense was charged, and attaching these documents to the back of the credit memo. Each document must be stamped "copy."
2. After research has been done on the credit memo, the information will be keyed into the accounting system. If there is an outstanding balance due to the vendor, the credit memo will be put toward the balance due. If the vendor has a credit balance by the end of the month, the AP Accountant will contact the vendor to determine if a refund should be issued or if it's more appropriate to apply to the next month's invoice. Once received, the refund will be put toward the G/L account that included the original expense.
3. Any vendor that does not respond to a request for a refund within 30 days will be referred to the Chief Financial Officer for follow-up.

REFERENCES

- NA

ATTACHMENTS

- NA

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: FINANCE</p>
<p>ORIGINAL DATE: August 2017</p>	<p>REVIEW & REVISION DATES: (supersedes LD-240) 5/20, 2/22, <u>2/25</u></p>
<p>TITLE: PROCUREMENT</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

To direct staff in the procurement purchase of materials, supplies, services in the quantity, quality, and price consistent with the needs of the District. (Note: The Morongo Basin Community Health Center is part of the Health Care District.)

POLICY

The procurement policy applies to all purchases including all expenditures of monies received through federal grants, whether those monies come directly from a Federal agency or through an intermediary, known as a "pass-through entity."

Federal law imposes requirements on the use of federal grants. This Procurement Policy is designed to ensure that the District and Morongo Basin Community Health Center complies with those requirements. A contract or affiliation agreement may not limit the health center's authority or compromise the health center's compliance with the HRSA Health Center Requirements in terms of corporate structure, governance, management, finance, health service, or clinical operations. Individual federal grants may contain further requirements that are unique to those grants and to the requirements of this Policy.

Failure to comply with federal requirements can result in a variety of adverse consequences including loss of funding; therefore, federal requirements must be scrupulously observed. Violation of this policy may result in disciplinary action, including termination of employment.

PROCEDURE

1. ETHICS AND CONFLICTS OF INTEREST

A. District Personnel:

- 1) All individuals involved in procurement must avoid any actual or apparent conflict of interest. Such individuals may not derive any personal financial or other benefit from any contract or transaction using federal grant funds. This prohibition includes parents, children (biological, foster, and/or adopted) and siblings, as such close relationships could give rise to an appearance of conflict.

- 2) District personnel may not accept kickbacks, “rebates,” gratuities or other “gifts” or “tokens of appreciation” from vendors. Rebates and discounts to the District are permitted provided they:
 - Comply with all applicable law;
 - Provide a direct benefit to the District;
 - Result from an arm’s-length negotiation, which is fully documented in the file, and
 - Are consistent with vendor’s standard pricing or discounting policies.
- 3) Vendors or suppliers who offer inappropriate benefits or rewards to individual District employees will immediately be reported to the CEO.
- 4) Noncompliance with these requirements may result in disciplinary action, including termination of employment.

B. Suppliers or Bidders

- 1) To avoid conflict or the appearance of conflict, contractors or consultants who prepare specifications, statements of work or other material portions of requests for proposal will be excluded from bidding on the underlying work. As with natural persons, parent, subsidiary and affiliated companies must also be excluded. The District will not accept bids based upon anti-competitive pricing or practices.

C. Reports

- 1) Suspected or observed violations of this policy will be reported to the CEO.
- 2) The District strictly prohibits retaliation of any type or nature against anyone for making such reports in good faith. Immediately report any observed or suspected retaliation to the CEO and to Human Resources.

2. PROCUREMENT PROCESSES

Federal regulations place great emphasis on securing the best value for each federal dollar and on promoting free and open competition. Consequently, all purchases using federal funds require a cost / price analysis and documentation showing that more than one vendor was considered. The detail of the analysis and documentation required increases with the amount spent. See Section 2.L below for Purchasing Guidelines.

A. Costs: Costs must be reasonable, allowable and allocable. A cost is “reasonable” if it is one a reasonable person would incur in the circumstances after appropriate market research and price analysis.

B. Allowable costs must be:

- 1) Be necessary and reasonable for the performance of the federal award and be allocable to that award.
- 2) Duplicate or unnecessary purchases are not “allowable” and are not eligible

for reimbursement from federal grant monies.

- 3) Conform to any limitations set forth in this policy or in the grant. Consult the CEO regarding additional requirements attached to particular grants.
 - 4) Be recorded and classified in a consistent manner. For example: costs that are classified as indirect outside the context of a federal grant may not be classified as direct costs when applied to a federal grant.
 - 5) Be determined to be in accordance with generally accepted accounting principles (GAAP).
 - 6) Not be included as a cost or used to meet cost sharing or matching requirements of any other federally financed program in either the current or a prior period.
 - 7) Be properly documented. Required documentation is detailed in this section. Whenever appropriate, the costs of leasing versus purchasing must be considered.
- C. The District Controller is responsible for ensuring that grant expenditures are accounted for in a complete, timely and accurate manner.
- D. Account Codes are used to classify and accurately track expenses and expenditures. Use of account codes is also required by federal law and regulation. Account codes are furnished by the finance department which is responsible for the consistent and accurate use of account codes.
- E. Allocable costs:
- 1) A cost is "allocable" to the extent that it provides a benefit to the project for which the grant was awarded. If there is no benefit, the expense is not allocable. If an expense is not allocable, it is automatically not allowable and cannot be paid for from grant funds.
 - 2) Costs charged to federal grants will be the actual cost incurred by the District and will therefore reflect any credits or discounts obtained by the District.
 - 3) If a cost benefits more than one project, but the proportion of benefit to each cannot be determined because of the interrelationship of those projects, then the cost may be allocated between those project on any reasonable basis with proper documentation as to how and why the allocation was made.
 - 4) If a grant specifically authorizes the purchase of equipment or other capital assets, those costs will be allocated to that grant, regardless of what use is made of such equipment or asset after its original purpose is completed. Indirect costs, such as maintenance and depreciation are discussed in the Section 2.I Indirect Cost, below.
 - 5) In general, costs allocable to one grant may not be charged to any other federal grant to overcome fund deficiencies or any other reason. In certain instances, however, shifting costs under two or more federal grants is allowed. Cost shifting between federal grants is not permitted without the

prior written approval of the CEO.

- F. Whenever Cost Accounting Standards apply, those standards will take precedence over the allocation principles above. Consult the finance department for guidance. When in doubt regarding the reasonableness and allocability of any costs, consult the finance department.
- G. Certain grants may be subject to statutory limits allowable costs. In those cases, costs that exceed that limit may not be charged to the grant.
- H. Any payments made for costs determined to be unallowable must be returned (with interest) to the granting agency.
- I. Indirect costs (facilities and administration): Indirect (F&A) costs must be classified as "Facilities" or "Administration."
 - 1) "Facilities" means depreciation on buildings, equipment and capital improvement interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. Library expenses are Facilities costs.
 - 2) "Administration" means general administration and general expenses such as the CEO, accounting, personnel and other indirect costs not defined above as "Facilities" costs.
 - 3) Indirect costs may be allocated to a grant only if they provide a benefit to that specific grant program.
 - 4) Individual grants may set forth specific requirements relating to reimbursement of indirect costs, matching or cost sharing. Please consult with the finance department for additional guidance.
- J. Certifications:
 - 1) Federal law requires periodic reports detailing the use of grant monies. These reports, as well as vouchers requesting payment, must be certified in writing by the CEO. The required certification reads:

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812).
 - 2) Note that errors, omissions or falsehoods may result in personal liability, including criminal prosecution.
- K. Price: Price analysis is a comparison of prices offered by qualified vendors competing in the open market. Price analysis may be as simple as comparison shopping prices

for standard goods published by several vendors or as complicated as written bids submitted in response to a detailed Request for Proposal.

L. Purchasing Guidelines:

- 1) Micro purchases of less than \$10,000: Micro purchase means a purchase of supplies or services using simplified acquisition procedures (set by the Federal Acquisition Regulation at 48 CFR subpart 2.1 and in accordance with 41 U.S.C. 1908); the aggregate amount of which does not exceed the micro-purchase threshold. Micro purchase procedures comprise a subset of a non-federal entity's small purchase procedures. The non-federal entity uses such procedures in order to expedite the completion of its lowest dollar, small purchase transactions and minimize the associated administrative burden and cost.
 - To the extent practical, the non-federal entity must distribute micro purchases equitably among qualified suppliers.
 - Micro purchases may be awarded without soliciting competitive quotations if the non-federal entity considers the price to be reasonable.
- 2) Small purchases over \$10,000 but less than the Simplified Acquisition Threshold, currently \$250,000:
 - Definition: Simplified Acquisition Threshold applies to purchases over \$10,000 and under \$250,000. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.
 - There is no requirement that contracts be awarded solely based on price (i.e. awarded to the lowest bidder). Other considerations, such as vendor's experience in the field or quality of products or services offered, may justify a higher price. Those reasons must be documented in the transaction file.
 - Consult with the CEO if special circumstances arise (e.g., only one suitable supplier exists).

M. Procurement by sealed bids (formal advertising):

- 1) Sealed bids are publicly solicited requests for bids or proposals at a fixed contract price. The contracts are awarded to the bidder whose bid conforms in all material respects to the specified requirements and offers the lowest price. Sealed bids are the preferred method for procuring construction contracts.
- 2) Sealed bidding is appropriate in the following circumstances:
 - A complete, adequate and realistic specification or purchase description is available.

- Two or more responsible bidders are willing and able to compete effectively for the business.
 - The procurement lends itself to a fixed price contract and the selection of the successful bidder can be made principally based on price.
- 3) If sealed bids are used, the following requirements apply:
- The invitation for bids will be publicly advertised;
 - Bids must be solicited from an adequate number of known suppliers, providing them sufficient time to respond;
 - The invitation for bids must fully describe the items or service sought, so that the bidder may properly respond;
 - All bids will be publicly opened at the time and place prescribed in the invitation for bids;
 - A firm, fixed price contract award will be made in writing to the lowest **responsive and responsible bidder**. Where specified in bidding documents, factors such as discounts, transportation costs and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and
 - Any or all bids may be rejected if there is a sound, documented reason.
- 4) The CEO will establish a written method for conducting technical evaluations of the proposals received and for selecting recipients before the bidding opportunity is announced. Technical specifications will be provided to the granting or pass-through agency upon request.
- N. Sole source procurement, or noncompetitive procurement may be used only when one or more of the following circumstances apply:
- 1) The item is available only from a single source.
 - 2) Public exigency or emergency will not permit a delay resulting from competitive solicitation.
 - 3) The federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals.
 - 4) After solicitation of several sources, competition is determined to be inadequate.
- O. Request for proposal process (RFP):
- 1) Determine evaluation criteria: At the beginning of the RFP process, establish and weigh each evaluation criteria required by the vendors' proposals. Common criteria include experience, team strength, project understanding, differential advantage and price.

- 2) Vendor Research: Select an appropriate number of qualified sources, as determined by the Controller, to permit reasonable competition consistent with the nature and requirements of the proposal or request for information.
- 3) Request for Information (RFI): An RFI may be used when the District does not presently intend to award a contract but wants to obtain pricing, delivery, other market information or capability for planning purposes. Response to these notices are not offers and cannot be accepted by the District as a formal, binding contract.
- 4) Publish the RFP: An RFP for competitive acquisitions shall, at a minimum, describe the following:
 - District requirements
 - Anticipated terms and conditions that will apply to the contract
 - Information required in the offer proposal
 - Factors and significant sub-factors that will be used to evaluate the proposal and their relative importance.
- 5) Review the proposal: After receiving all proposals, each will be evaluated based on the District evaluation criteria. Of those selected for consideration, interviews may be arranged at the discretion of the Controller.
- 6) Interview vendors: The above actions cumulate with the interview of the pre-qualified bidders based upon a developed standardized interview outline which may result in the acceptance or rejection of all offers.

3. COMPETITION

- A. All procurement transactions must be conducted in a manner providing full and open competition. Requirements or practices that impede or obstruct such competition are not permitted and may result in disciplinary action, including termination of employment.
- B. Federal grant regulations set aside preferences required by state or local law unless the grant or applicable federal law expressly mandates or encourages observance of such preferences. Federal preemption does not apply, however, to state licensing laws.
- C. To further ensure free and open competition, all solicitations will:
 - 1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Features or requirements that unduly restrict competition are not permitted. "Brand name or equivalent" descriptions may be used to define the performance or other salient requirements of procurement. The specific features of the named brand to be met by offers must be clearly stated.
 - 2) Must identify all requirements and all factors to be used in evaluating bids.
 - 3) Ensure that all prequalified lists of persons, firms, or products used in

acquiring good and services are current and include enough qualified sources to ensure maximum open and free competition. No potential bidder will be barred from submitting during the proposal period.

- D. Specifications or requirements that artificially limit competition shall not be permitted.

4. GENERAL REQUIREMENTS

The following requirements are applicable to all procurement transactions regardless of size:

- A. A contract or affiliation agreement may not limit the District's compliance with the HRSA health center requirements in terms of corporate structure, governance, management, finance, health services or clinical operations.
- B. Whenever possible:
 - 1) Consider leasing versus purchasing;
 - 2) Enter agreements to share common goods or services with other educational institutions, non-profit organizations or government entities;
 - 3) Use federal excess or surplus property in lieu of new purchases;
 - 4) Consider breaking purchases into smaller consignments, or consolidating purchases, if doing so will produce lower pricing or greater value.
- C. In those instances, in which no price competition exists, the supplier's profit will be negotiated as a separate line item. To establish a fair and reasonable profit, consider the:
 - 1) Complexity of the work to be performed;
 - 2) Risk borne by the contractor;
 - 3) Contractor's investment;
 - 4) Amount of subcontracting;
 - 5) Contractor's record of past performance;
 - 6) Industry profit rates for similar work in the surrounding area.
- D. Construction contracts may not be awarded based on a "cost plus" pricing method. The fee payable under the contract must be expressed in dollars to be paid, and not as a percentage of any cost component. In addition, value engineering should be applied to all construction contracts.
- E. Contracts will be awarded only to providers with known integrity and ability to fulfill the contract requirements.
- F. The project leader must maintain records detailing the history of all procurements. At a minimum, these records will disclose the rationale for the:
 - 1) Method of procurement;
 - 2) Selection of contract type;

- 3) Contractor selection or rejection;
 - 4) Basis for the contract price.
- G. Time and material contracts may be used only after a determination that no other contract is suitable and the contract includes a ceiling price that the contractor exceeds at its own risk.
- H. The District will take all necessary affirmative action to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative action includes, at minimum:
- 1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists.
 - 2) Assuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources.
 - 3) Diving total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses and women's business enterprises.
 - 4) Establishing delivery schedules, where the requirement permits, which encourages participation by small and minority businesses, and women's business enterprises.
 - 5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.
 - 6) Requiring the prime contractor, if subcontracts are to be let, to observe the foregoing requirements.
- I. Records of all procurement transaction and all relevant supporting documents will be available upon request to the federal granting agency or the pass-through agency responsible for the funds provided to the District.

5. MANDATORY CONTRACT PROVISIONS

- A. Grants may require that contracts funded by that grant contain certain provision that apply only to that grant. To ensure compliance, the District uses contract forms provided by the Federal Demonstration Partnership for all sub awards and contracts. No other contract forms may be used without the advance, written consent of the CEO.
- B. Required terms are discussed here to provide users with a basic understanding of these provisions.
- C. Remedies:
- 1) Contracts that exceed the Simplified Acquisition Threshold must provide remedies that protect the District in the event contractor fails to perform as required by the contract. These remedies may include sanctions, liquidated, actual and/or realized damages; or penalties levied upon the

contractor. Please consult the CEO for assistance.

- 2) Contracts that exceed \$10,000 must permit the District to terminate for cause and for convenience, and must include a mechanism for calculating the amounts due the contractor in the event of such termination. Please consult the CEO for assistance.
- 3) Contractor must certify that it is an "Equal Opportunity Employer."

D. Davis-Bacon Act:

- 1) The David-Bacon Act applies to federally funded construction contracts more than \$2,000. It requires contractors to pay laborers and mechanics wages not less than the "prevailing" wage, as determined by the Secretary of Labor.
- 2) Each bid solicitation published by the District must contain the current prevailing wage determination.
- 3) Any award of the contract must be conditioned on contractor's acceptance of that wage determination.
- 4) Suspected or reported violations of the David-Bacon Act will be immediately reported to the Federal awarding agency.

E. Copeland "Anti-Kickback" Act:

- 1) The Copeland "Anti-Kickback" Act also applies to construction contracts more than \$2,000. It prohibits kickbacks in construction contracts funded with Federal monies.
- 2) Contractors and subcontractors (sometimes referred to as "sub recipients") will be prohibited from inducing any person employed in the construction, completion or repair of public work, to give up any part of the compensation to which he/she is otherwise entitled.
- 3) Suspected or reported violations will be immediately reported to the federal awarding agency.

F. Construction Contract Work Hours and Safety Standards Act:

- 1) Construction contracts more than \$100,000 will require that the wages of mechanics or laborers comply with federal law, including:
 - Wages of mechanics and laborers will be computed based on 40-hours of work per week; and
 - Work more than 40-hours per week will be paid at a rate at least 1.5 times the basic hourly rate.
- 2) In addition, contractors will be prohibited from requiring laborers or mechanics from working in surroundings or under conditions that are unsanitary, hazardous or dangerous.

G. Clean Air and Water:

- 1) Contractor will be required to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act and the Federal Water Pollution Control Act.
 - 2) Observed or suspected violations will be reported to the CEO who will advise the grant awarding agency and the regional office of the Environmental Protection Agency.
- H. Energy Efficiency: Contractor will be required to meet all applicable federal energy conservation and efficiency standards pursuant to the Energy Policy and Conservation Act (42 U.S.C. 6201).
- I. Debarment and Suspension: Contracts funded with federal grant monies may not be awarded to contractors that have been debarred or suspended from receiving federal monies pursuant to the Federal Excluded Parties List System.
- J. Byrd Anti-Lobbying Amendment: Contractors that apply or bid for an award of \$100,000 must certify that they have not used federal funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress about obtaining any federal contract, grant or any other award.
- K. Prevailing Wages:
- 1) Prevailing Wage is defined as the hourly wage, usual benefits and overtime, paid in the largest city in each county, to the majority of workers, laborers and mechanics. Prevailing wages are established by the Department of Labor and Industries for each trade and occupation employed in the performance of public work. They are established separately for each county and are reflective of local wage conditions.
 - 2) Prevailing wages are required to be paid by public entities such as healthcare districts, for project of \$1,000 or more.

6. BONDING REQUIREMENTS

Unless the granting agency has made a separate determination accepting the District's bonding policy, all contracts for construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold will meet the following requirements:

- A. Each bidder will provide a "bid guarantee" equivalent to five percent of the bid price. The bid guarantee must consist of a firm commitment such as a bid bond, certified check, or other negotiable instruments accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
- B. Successful bidders will, prior to contract execution, provide a performance bond for 100 percent of the contract price to secure fulfillment of contractor's obligations under such contract.
- C. Successful bidders will also provide, prior to contract execution, a payment bond

for 100 percent of the contract price to ensure payment to persons supplying labor and materials under the contract.

- D. All bonds will be issued by reputable and financially sound bonding companies licensed to do business in the State of California.

7. MONITORING AND REPORTING PROGRAM PERFORMANCE

- A. The Controller is responsible for oversight of activities supported by federal grant monies. The finance department must monitor activities under federal awards to ensure compliance and that performance expectations are being achieved.
- B. The finance department is responsible for the timely completion of all required reports. Generally, such reports are required at least annually and no more frequently than quarterly.
- C. Performance reports will be submitted using federally approved forms and standards. Please consult the CEO for assistance in obtaining these forms or interpreting the applicable standards. Current federal standards require that reports provide:
 - 1) A comparison of actual accomplishments to the objectives of the federal award.
 - 2) The reasons why established goals were not met, if appropriate.
 - 3) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

8. SIGNIFICANT DEVELOPMENTS

- A. Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the District must inform the federal awarding agency or pass-through entity as soon as the following types of conditions become known:
 - 1) Problems, delays or adverse conditions which will materially impair the ability to meet the objective of the federal award. This disclosure must include a statement of the action(s) taken or contemplated, and any assistance needed to resolve the situation.
 - 2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

9. RECORD RETENTION AND ACCESS

- A. Retention: Financial records, supporting documents, statistical records, and all other records pertinent to a federal award must be retained for a period of seven years from the date of submission of the final expenditure report. For federal awards that are renewed quarterly or annually, however, records must be maintained from the date of the submission of the quarterly or annual financial report, respectively. The only exceptions are the following:

- 1) If any litigation, claim or audit is begun before the expiration of the three-year period, the records must be retained until all litigation, claims or audit finding involving the records have been resolved and final action taken.
- 2) The retention period may be extended by notice from the federal granting agency or any other agency having oversight authority.
- 3) Records for real property and equipment acquired with federal funds must be retained for three years after final disposition of that property or equipment.
- 4) The seven-year retention requirement does not apply when records are transferred to or maintained by the federal awarding agency or pass-through entity.
- 5) When the grant requires the District to report program income after the period of performance, the

B. The following apply to indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable:

- 1) If the proposal, plan, or other computation is required to be submitted to the federal government or to the pass-through entity to form the basis for negotiation of the rate, then the three-year retention period for its supporting records starts from the date of such submission.
- 2) If the proposal, plan, or other computation is not required to be submitted to the federal government or to the pass-through entity for negotiation purposes, then the retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year or other accounting period covered by the proposal, plan, or other computation.

C. Methods for collection, transmission and storage of information: Records will be maintained in open and machine-readable formats, rather than in proprietary formats or on paper.

D. Access to records:

- 1) Records relating to programs funded with federal monies will be available to the federal awarding agency or any other federal oversight agency upon request. This provision includes timely and reasonable access to the District's personnel for inquiry related to such records.
- 2) Consult the CEO for guidance regarding the appropriate response to any federal request for access.

10. PROJECT CLOSEOUT

A. The following timetable applies to all projects funded by federal grants unless:


- 1) The grant itself sets forth another schedule;
- 2) The granting agency agrees to extension(s) of this timetable.

- B. The project leader will submit, no later than 90 calendar days after the project end date, all financial, performance, and other reports required by the terms of the grant.
- C. All obligations under the grant will be liquidated within 90 days of the project end date.
- D. Any funds advanced by the granting agency but not spent in performance of the grant project will be refunded to the granting agency.
- E. The finance department will account for the disposition of any real or personal property acquired with federal funds or received from the federal government as part of the grant project.
- F. The closeout of a federal award does not affect the right of the awarding agency to disallow costs and recover funds through audit or other review.

11. CONSEQUENCES OF NONCOMPLIANCE

- A. Noncompliance can result in a variety of adverse consequences for the District, including:
 - 1) Temporary withholding of payments pending correction of the deficiency.
 - 2) Disallowance of all or part of the cost of the activity or action not in compliance.
 - 3) Complete or partial suspension of the federal grant.
 - 4) Suspension or debarment of the District from participation in federally funded programs.
 - 5) Withholding of further federal funding.
 - 6) Suit to recover funds paid for non-compliant activities.
 - 7) Criminal prosecution.
- B. Noncompliance with this policy can have a variety of adverse consequences for the District, including loss of access to federal funding. Therefore, failure to comply with these policies and procedures may result in disciplinary action, including termination of employment.
- C. In addition, violation of federal requirements may expose an individual to civil and criminal prosecution.

REFERENCES: 45 CFR 75.327 et seq.

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: FINANCE</p>
<p>ORIGINAL DATE: October 1986</p>	<p>REVIEW & REVISION DATES: (supercedes LD-241) 6/93, 11/94, 5/95, 01/02, 10/07, 01/19, 2/22, <u>2/25</u></p>
<p>TITLE: INVESTMENT OF HDMHCD FUNDS</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

To provide direction to the Board of Directors and Chief Executive Officer with regards to investing District funds.

POLICY

It shall be the policy of Hi-Desert Memorial Health Care District to invest its funds not required for immediate expenditure in eligible securities and deposits to provide the highest yield possible, while assuring the safety and liquidity of funds invested in compliance with this policy and governing law (Government Code sections 53600 et-seq). Investment decisions shall be the responsibility of the Board of Directors, which hereby delegates its investment authority to the Chief Executive Officer. The CEO will update the Board whenever a substantial change (greater than \$10,000 +/-) in the investment occurs.

This policy applies to all funds owned or managed by the District, except trust funds, endowments or gifts that bear their own investment covenants specified by the donor.

No investment shall be made in any security that at the time of the investment has a term remaining in excess of five years except for those issues expressly stated within this investment policy.

No investment shall be made in any security, other than those stated within this policy, unless the board has granted express authority to make that investment either specifically or as a part of an investment program approved by the Board of Directors no less than three months prior to the investment.

Investments will be made by Manager (Investment Company) on behalf of Hi-Desert Memorial Health Care District.

PROCEDURE

A. Permitted Investments

Securities or deposits in the portfolio shall include and be subject to the appropriate limitations, as approved by the Board and described in this policy under Restrictions and Limitations:

1. Bonds, notes, warrants or other debt obligations issued by the State of California or any local agency in California.
2. Obligations of, or fully guaranteed by, the United States government, its agencies, instrumentalities, or enterprises sponsored by it.
3. Issuing corporations that are organized and operating within the United States.
4. Negotiable Certificates of Deposits issued by a nationally or state-chartered bank, or a state or federal association (as defined by Section 5102 of the Financial Code) or by a state-licensed branch of a foreign bank.

5. Bills of exchange or time drafts drawn on and accepted by a commercial bank (banker's acceptances) which are eligible for purchase by the Federal Reserve System.
6. Commercial paper of "prime" quality of the highest ranking or of the highest letter and numerical rating as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation.
7. With prior Board approval, allowable investments in repurchase agreements or reverse repurchase agreements or securities lending agreements of securities authorized within the provisions of State Code sections 53600 (5360 I, subdivision (i) not excluding any securities mentioned above, with a term of one year or less as long as the proceeds of the reverse repurchase agreement are invested solely to supplement the income normally received from these securities.

B. Restrictions and Limitations

1. The average maturity of the portfolio will not exceed five (5) years in maturity.
2. Government Securities will be limited to a maximum maturity of ten years.
3. Issuing Corporations:
 - a) Issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000) and having an "A" or higher rating for the issuer's debt as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation.
 - b) Purchases of corporate issues may not exceed 30 percent of the District's Investment funds at time of purchase. And, no more than 10 percent of the District's investments funds, within the 30 percent allocation, will be invested in any single issuing corporation.
 - c) Within the maximum allowable allocation of 30 percent, the following maturity and credit restrictions for corporate issues, as stated in 3(a), will be as follows:
 - 0-5 years in maturity, a minimum rating of "A" by either Moody's or S&P
 - 5 -7 years in maturity, a minimum rating of "AAA" by either Moody's or S&P
 - 7 -10 years in maturity, a minimum rating of "AAA" by either Moody's or S&P
4. Purchases of negotiable certificates of deposit may not exceed 30 percent of the District's investment funds and should not exceed FDIC insurance limits without advance approval by the Board. The amount so invested shall be subject to the limitations of Section 53638 of the California State code. (California State Code Section 53601, subdivision (h)).
5. Purchases of banker's acceptances may not exceed 180-days maturity or 40 percent of the District's investment funds, and no more than 30 percent of the District's investment funds may be invested in the banker's acceptance of anyone commercial bank. (California State Code 53601, subdivision (f)).
6. Purchases of eligible commercial paper may not exceed 270-days maturity, nor represent more than 10 percent of the outstanding paper of any single issuing corporation. Purchases of commercial paper may not exceed 15 percent of the District's investment funds that may be invested pursuant to Section 53601, subdivision (g). An additional 15 percent, or a total of 30 percent of the District's investment funds may be invested pursuant to subdivision (g). The additional 15 percent may be so invested only if the dollar weighted average maturity of the entire amount does not exceed 31 days. Issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000) and having an "A" or higher rating for the issuer's debt as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation.
7. Notwithstanding Restriction and Limitation # 6 (above), purchases of commercial paper may not exceed 40 percent of the District's investment funds. And no more than 10 percent may be invested in the outstanding paper of any single issuing corporation. Eligible paper is further limited to issuing corporations that are organized and operating within the United States and having total assets in excess of five hundred million dollars (\$500,000,000) and having an "A" or higher rating for the

issuer's debt as provided for by Moody's Investors Service, Inc., or Standard and Poor's Corporation. (California State Code, Section 53601.2.)

- C. Prohibited Investments: The District's investment funds may not be used except as listed above. Accordingly, without limitation, the District's investment funds may not be used to:
1. Purchase common stocks or preferred stocks of any class in any private corporation.
 2. Make short sales of securities or purchase any securities on margin, unless utilized to eliminate necessary risks and secure a return on certain investments.
 3. Invest in any funds pursuant to this policy in inverse floaters, or mortgage derived interest - only strips. Nor will any investment, in any security, be made that could result in zero interest accrual if held to maturity. (California State Code Section 53601.6, subdivision (a) and (b).
 4. Invest in commodities or commodity contracts or interests in oil, gas, or other mineral exploration or development programs.
 5. Invest in real estate, except to purchase Mortgage securities under repurchase agreements (or reverse repurchase agreements), provided that such mortgage Securities are eligible investments under subdivision (a) or (b) of section 13000 of the California Financial Code.
 6. Purchase or sell puts, calls, or combinations thereof.
 7. Purchase or retain the securities of any issuer if any officer or director of the District own beneficially more than one percent of the securities of such issuer.
- D. Criteria for Selecting Investments: In addition to adhering to the "prudent man rule" (Civil Code Section 2261 and California State Code Section 53600.3, 53600.5, 53600.6) the following criteria, in order of priority, shall guide the selection of investment securities or deposits:
1. SAFETY- The District will only invest in those investments, securities, instruments and deposits, which are considered very safe. Safety and investment risk shall be evaluated with regard to the potential loss of principal, or interest, or both.
 2. LIQUIDITY- Investments shall be evaluated to minimize any loss of principal or interest as a penalty or premium for withdrawal or sale and to maximize the ease and immediacy of converting the investment to cash, or cash equivalent, for use by the District.
 3. YIELD- Investments shall be made to maximize potential earnings, or rate of return.
- E. Reporting of Investments and Performance Benchmarks by Investment Manager
1. Manager will furnish to the District's Board of Directors a quarterly account review detailing investment performance (time-weighted), portfolio holdings and market valuations, and investment strategy.
 2. The manager will provide to the District any changes in investment philosophy, management, ownership, and key personnel.
 3. The manager will present to the District's Board of Directors, Chief Executive Officer or client designated authority with regards to financial performance of the investments.
 4. The performance of the investment manager will be measured versus an index of the Merrill Lynch 1-5-year Government Bond Index until such time that the corporate allocation is implemented into the investment strategy. The manager will also be expected to measure performance against the Merrill Lynch 1-5-year Government/Corporate Bond Index, rated "A" or better.
 5. The portfolio is expected to meet or exceed the policy index return measured on a geometric mean basis and annualized over a full market cycle, generally three to five years.
 6. The volatility of the portfolio should be similar to the policy index outlined

F. Conclusion

1. All investments are to be made for the benefit of the client in a prudent manner.
2. It is expected that the investment manager will manage the assets so that the results will meet with goals and objectives as set forth in this statement.

Acknowledgement

By acknowledging in writing the receipt of this statement, the investment manager agrees to its terms and conditions. The signatures below affirm that this statement has been read, understood and accepted.

HI-DESERT MEMORIAL HEALTH
CARE DISTRICT

INVESTMENT MANAGER

Signature

Signature


Title

Title

Date

Date

REFERENCE:
Government Code 536000 et.seq.

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: FINANCE</p>
<p>ORIGINAL DATE: April 2017</p>	<p>REVIEW & REVISION DATES: (supersedes CHC-207 and CHC-209) 2/22, 2/25</p>
<p>TITLE: GRANTS AND COMPLIANCE WITH COST PRINCIPLES</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

To establish a policy and procedures for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.

POLICY

Any federal funding the District receives is subject an additional layer of compliance that must take place. If for some reason, the compliance with uniform administrative requirements, cost principles and audit requirements conflict with other policies and procedures, the Compliance with Uniform administrative requirements, cost principles, and audit requirements as listed in Code of Federal Regulations (CFR) Title 45, Subtitle A, Subchapter A Part 75 take precedence.

PROCEDURE

Compliance with Uniform admin requirements, cost principles, & audit requirements

There are numerous provisions which pertain to federal grants that discuss general provisions, pre-federal award requirements and contents of federal awards, post federal award requirements, cost principles, and audit requirements. In an effort to keep this manual simple and effective, all those provisions are not reiterated here. However, for HHS awards, the section that deals with the uniform administrative requirements, cost principles, and audit requirements is located in the Code of Federal Regulations (CFR) Title 45, Subtitle A, Subchapter A Part 75.

The hyperlink below links to the eCFR section referred to above.

https://www.ecfr.gov/cgi-bin/text-idx?SID=d6207a06d3521678b94f2a2660af2852&mc=true&node=pt45.1.75&rgn=div5#sg45.1.75_1354_675_1360.sg5

The following are highlights (and not necessarily all inclusive) of the administrative requirements, cost principles, and audit requirements that the District follows when administering Federal funds. The CFO, CEO are to be familiar with **all** of the requirements of the cost principles outlined in the CFR even if they are not listed below.

Mandatory disclosures §75.113

The non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the HHS awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Non-Federal entities that have received a Federal award including the term and condition outlined in Appendix XII are required to report certain civil, criminal, or administrative proceedings to SAM. Failure to make required disclosures can result in any of the remedies described in §75.371, including suspension or debarment.

Should any of the above occur, it is the responsibility of the CEO to notify HHS within two weeks.

PMS (Payment Management System) Payment §75.305

For non-Federal entities other than states, payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity whether the payment is made by electronic funds transfer, or issuance or redemption of checks, warrants, or payment by other means. See also §75.302(b)(6).

Except as noted elsewhere in this part, HHS awarding agencies must require recipients to use only OMB-approved standard governmentwide information collection requests to request payment.

- The non-Federal entity must be paid in advance, provided it maintains or demonstrates the willingness to maintain both written procedures that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in this part. Advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with the actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs. The non-Federal entity must make timely payment to contractors in accordance with the contract provisions.
- Whenever possible, advance payments must be consolidated to cover anticipated cash needs for all Federal awards made by the HHS awarding agency to the recipient.
 1. Advance payment mechanisms include, but are not limited to, Treasury check and electronic funds transfer and must comply with applicable guidance in 31 CFR part 208.
 2. Non-Federal entities must be authorized to submit requests for advance payments and reimbursements at least monthly when electronic fund transfers are not used, and as often as they like when electronic transfers are used, in accordance with the provisions of the Electronic Fund Transfer Act (15 U.S.C. 1693-1693r).
- Reimbursement is the preferred method when the requirements in paragraph (b) cannot be met, when the HHS awarding agency sets a specific condition per §75.207, or when the non-Federal entity requests payment by reimbursement. This method may be used on any Federal award for construction, or if the major portion of the construction project is accomplished through private market financing or Federal loans, and the Federal award constitutes a minor portion of the project. When the reimbursement method is used, the HHS awarding agency or pass-through entity must make payment within 30 calendar days after receipt of the billing, unless the HHS awarding agency or pass-through entity reasonably believes the request to be improper.
- If the non-Federal entity cannot meet the criteria for advance payments and the HHS awarding agency or pass-through entity has determined that reimbursement is not feasible because the non-Federal entity lacks sufficient working capital, the HHS awarding agency or pass-through entity may provide cash on a working capital advance basis. Under this procedure, the HHS awarding agency or pass-through entity must advance cash payments to the non-Federal entity to cover its estimated disbursement needs for an initial period generally geared to the non-Federal entity's disbursing cycle. Thereafter, the HHS awarding agency or pass-through entity must reimburse the non-Federal entity for its actual cash disbursements. Use of the working capital advance method of payment requires that the pass-through entity provide timely advance payments to any subrecipients in order to meet the subrecipient's actual cash disbursements. The working capital advance method of payment must not be used by the pass-through entity if the reason for using this method is the unwillingness or inability of the pass-through entity to provide timely advance payments to the subrecipient to meet the subrecipient's actual cash disbursements.
- Use of resources before requesting cash advance payments. To the extent available, the non-Federal entity must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on such funds before requesting additional cash payments.
- Unless otherwise required by Federal statutes, payments for allowable costs by non-Federal entities must not be withheld at any time during the period of performance unless the conditions of §§75.207, subpart D of this part, 75.371, or one or more of the following applies:
 1. The non-Federal entity has failed to comply with the project objectives, Federal statutes, regulations, or the terms and conditions of the Federal award.

2. The non-Federal entity is delinquent in a debt to the United States as defined in OMB Guidance A-129 “Policies for Federal Credit Programs and Non-Tax Receivables.”
 3. A payment withheld for failure to comply with Federal award conditions, but without suspension of the Federal award, must be released to the non-Federal entity upon subsequent compliance. When a Federal award is suspended, payment adjustments will be made in accordance with §75.375.
 4. A payment must not be made to a non-Federal entity for amounts that are withheld by the non-Federal entity from payment to contractors to assure satisfactory completion of work. A payment must be made when the non-Federal entity disburses the withheld funds to the contractors or to escrow accounts established to assure satisfactory completion of work.
- Standards governing the use of banks and other institutions as depositories of advance payments under Federal awards are as follows:
 1. The HHS awarding agency and pass-through entity must not require separate depository accounts for funds provided to a non-Federal entity or establish any eligibility requirements for depositories for funds provided to the non-Federal entity. However, the non-Federal entity must be able to account for the receipt, obligation, and expenditure of funds.
 2. Advance payments of Federal funds must be deposited and maintained in insured accounts whenever possible.
 - The non-Federal entity must maintain advance payments of Federal awards in interest-bearing accounts, unless the following apply:
 1. The non-Federal entity receives less than \$120,000 in Federal awards per year.
 2. The best reasonably available interest-bearing account would not be expected to earn interest more than \$500 per year on Federal cash balances.
 3. The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.
 4. A foreign government or banking system prohibits or precludes interest bearing accounts.
 - Interest earned amounts up to \$500 per year may be retained by the non-Federal entity for administrative expense. Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services Payment Management System (PMS) through an electronic medium using either Automated Clearing House (ACH) network or a Fedwire Funds Service payment. Remittances must include pertinent information of the payee and nature of the payment in the memo area (often referred to as “addenda records” by Financial Institutions) as that will assist in the timely posting of interest earned on federal funds. Pertinent details include the Payee Account Number (PAN) if the payment originated from PMS, or Agency information, if the payment originated from ASAP, NSF or another federal agency payment system. The remittance must be submitted as follows:

For ACH Returns:

Routing Number: 051036706

Account number: 303000

Bank Name and Location: Credit Gateway—ACH Receiver St. Paul, MN

For Fedwire Returns*:

Routing Number: 021030004

Account number: 75010501

Bank Name and Location: Federal Reserve Bank Treas NYC/Funds Transfer Division New York, NY

(* Please note organization initiating payment is likely to incur a charge from your Financial Institution for this type of payment)

For International ACH Returns:

Beneficiary Account: Federal Reserve Bank of New York/ITS (FRBNY/ITS)

Bank: Citibank N.A. (New York)

Swift Code: CITIUS33

Account Number: 36838868

Bank Address: 388 Greenwich Street, New York, NY 10013 USA

Payment Details (Line 70): Agency Name (abbreviated when possible) and ALC Agency POC: Michelle

Haney, (301) 492-5065

For recipients that do not have electronic remittance capability, please make check** payable to:
“The Department of Health and Human Services”

Mail Check to Treasury approved lockbox:

HHS Program Support Center

P.O. Box 530231

Atlanta, GA 30353-0231

(** Please allow 4-6 weeks for processing of a payment by check to be applied to the appropriate PMS account)

Any additional information/instructions may be found on the PMS Web site at <http://www.dpm.psc.gov/>. [79 FR 75889, Dec. 19, 2014, as amended at 81 FR 3016, Jan. 20, 2016; 81 FR 89395, Dec. 12, 2016; 86 FR 2278, Jan. 12, 2021]

Cost Sharing or Matching (§75.306 & Financial Management Requirements for award recipients by HRSA)

All matching or cost sharing contributions (including cash and third party in-kind) shall be:

- Verifiable from the recipient's records
- Not included as contributions for any other federally assisted project or program
- Necessary and reasonable for proper and efficient accomplishment of the project or program objectives
- Not paid by the federal government under another award (except where authorized by federal statute to be used for cost sharing or matching)
- Allowable and provided for in the approved budget.
- If applicable, Maintenance of Effort and/or Supplement-not-Supplant:
 1. When the recipient is required, as a condition of eligibility for federal funding, to maintain its non-federal financial contribution toward program activities at a minimum amount, P&P must describe the method for retaining financial records which document compliance that at least the minimum amount of required non-federal funding was maintained.
 2. Non-federal funding for such activities must be maintained at a level which is not less than expenditures for such activities for the prior period, usually the recipient's fiscal year immediately prior to the date of receiving the grant or cooperative agreement.
 3. A subset of Maintenance of Effort is supplement-not-supplant, where Federal grant funds shall supplement, not supplant (or replace), a recipient's non-federal funds which would otherwise have been made available for the applicable program; and
 4. Unless otherwise specified by statute, there is no prohibition against using funds included in the maintenance of effort requirement as long as the expenditures meet the other tests for matching or cost sharing.

Program Income §75.307

- Non-Federal entities are encouraged to earn income to defray program costs where appropriate.
- *Cost of generating program income.* If authorized by Federal regulations or the Federal award, costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the Federal award.
- *Governmental revenues.* Taxes, special assessments, levies, fines, and other such revenues raised by a non-Federal entity are not program income unless the revenues are specifically identified in the Federal award or HHS awarding agency regulations as program income.
- *Property.* Proceeds from the sale of real property, equipment, or supplies, are not program income; such proceeds will be handled in accordance with the requirements of subpart D of this part, §§75.318, 75.320, and 75.321, or as specifically identified in Federal statutes, regulations, or the terms and conditions of the Federal award.
- *Use of program income.* If the HHS awarding agency does not specify in its regulations or the terms and conditions of the Federal award or give prior approval for how program income is to be used, paragraph 1 of this section must apply. For Federal awards made to IHEs and nonprofit research institutions, if the HHS awarding agency does not specify in its regulations or the terms and conditions of the Federal award

how program income is to be used, paragraph 2 of this section must apply unless the recipient is subject to conditions under §75.207 or §75.216. In specifying alternatives to paragraphs 1 and 2 of this section, the HHS awarding agency may distinguish between income earned by the recipient and income earned by subrecipients and between the sources, kinds, or amounts of income. When the HHS awarding agency authorizes the approaches in paragraphs 2 and 3 of this section, program income in excess of any amounts specified must also be deducted from expenditures.

1. *Deduction.* Ordinarily program income must be deducted from total allowable costs to determine the net allowable costs. Program income must be used for current costs unless the HHS awarding agency authorizes otherwise. Program income that the non-Federal entity did not anticipate at the time of the Federal award must be used to reduce the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project.
 2. *Addition.* With prior approval of the HHS awarding agency (except for IHEs and nonprofit research institutions, as described in paragraph (e) of this section), program income may be added to the Federal award by the Federal agency and the non-Federal entity. The program income must be used for the purposes and under the conditions of the Federal award.
 3. *Cost sharing or matching.* With prior approval of the HHS awarding agency, program income may be used to meet the cost sharing or matching requirement of the Federal award. The amount of the Federal award remains the same.
- *Income after the period of performance.* There are no Federal requirements governing the disposition of income earned after the end of the period of performance for the Federal award, unless the HHS awarding agency regulations or the terms and conditions of the award provide otherwise. The HHS awarding agency may negotiate agreements with recipients regarding appropriate uses of income earned after the period of performance as part of the grant closeout process. See also §75.381.
 - Unless the Federal statute, regulations, or terms and conditions for the Federal award provide otherwise, the non-Federal entity has no obligation to the HHS awarding agency with respect to program income earned from license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions made under a Federal award to which 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Awards, Contracts and Cooperative Agreements" is applicable

Procurement §75.326 - §75.335

See Leadership Policy LD-240 for the Procurement policy.

Records Retention and Access §75.361 - §75.365

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of seven years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the HHS awarding agency or pass-through entity in the case of a subrecipient. HHS awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

- If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
- When the non-Federal entity is notified in writing by the HHS awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.
- Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
- When records are transferred to or maintained by the HHS awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.
- Records for program income transactions after the period of performance. In some cases, recipients must report program income after the period of performance. Where there is such a requirement, the retention

period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.

- Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: Indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).
 1. *If submitted for negotiation.* If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.
 2. *If not submitted for negotiation.* If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

Cost Principles Policy §75.400

- The non-Federal entity is responsible for the efficient and effective administration of the Federal award through the application of sound management practices.
- The non-Federal entity assumes responsibility for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the Federal award.
- The non-Federal entity, in recognition of its own unique combination of staff, facilities, and experience, has the primary responsibility for employing whatever form of sound organization and management techniques may be necessary in order to assure proper and efficient administration of the Federal-award.
- The accounting practices of the non-Federal entity must be consistent with these cost principles and support the accumulation of costs as required by the principles, and must provide for adequate documentation to support costs charged to the Federal award.
- The non-Federal entity may not earn or keep any profit resulting from Federal financial assistance, unless explicitly authorized by the terms and conditions of the Federal award.

Cost Principles Basis Considerations §75.402-§75.411

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

- Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- Not be included as a cost or used to meet cost sharing or matching requirements of any other federally-financed program in either the current or a prior period. See also §75.306(b).
- Be adequately documented. See also §§75.300 through 75.309.

A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. The question of reasonableness is particularly important when the non-Federal entity is predominantly federally-funded. In determining reasonableness of a given cost, consideration must be given to:

- Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award.
- The restraints or requirements imposed by such factors as: Sound business practices; arm's-length bargaining; Federal, state, local, tribal, and other laws and regulations; and terms and conditions of the Federal award.
- Market prices for comparable goods or services for the geographic area.
- Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the non-Federal entity, its employees, where applicable its students or membership, the public at large, and the Federal Government.
- Whether the non-Federal entity significantly deviates from its established practices and policies regarding the incurrence of costs, which may unjustifiably increase the Federal award's cost.

A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. This standard is met if the cost:

- Is incurred specifically for the Federal award;
- Benefits both the Federal award and other work of the non-Federal entity and can be distributed in proportions that may be approximated using reasonable methods; and
- Is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart.

All activities which benefit from the non-Federal entity's indirect (F&A) cost, including unallowable activities and donated services by the non-Federal entity or third parties, will receive an appropriate allocation of indirect costs.

Any cost allocable to a particular Federal award under the principles provided for in this part may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude the non-Federal entity from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.

If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding the above paragraph, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. See also §75.317 through 75.323 and 75.439.

Direct Costs §75.413

Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect (F&A) costs. See also §75.405.

Identification with the Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (F&A) costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award. If directly related to a specific award, certain costs that otherwise would be treated as indirect costs may also include extraordinary utility consumption, the cost of materials supplied from stock or services rendered by specialized facilities or other institutional service operations.

The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

- Administrative or clerical services are integral to a project or activity;

- Individuals involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and
- The costs are not also recovered as indirect costs.

Any direct cost of minor amount may be treated as an indirect (F&A) cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all Federal and non-Federal cost objectives.

The costs of certain activities are not allowable as charges to Federal awards. However, even though these costs are unallowable for purposes of computing charges to Federal awards, they nonetheless must be treated as direct costs for purposes of determining indirect (F&A) cost rates and be allocated their equitable share of the non-Federal entity's indirect costs if they represent activities which:

- Include the salaries of personnel,
- Occupy space, and
- Benefit from the non-Federal entity's indirect (F&A) costs.

General Provisions for Selected Items of Cost §75.420 - §75.475

Specific expenditures have further principles that need to be applied. The following list summarizes the type of expense and specific code applicable. The District will follow the guidance within the CFR for these specific expenditure types.

§75.421 Advertising and public relations.

§75.422 Advisory councils.

§75.423 Alcoholic beverages.

§75.424 Alumni/ae activities.

§75.425 Audit services.

§75.426 Bad debts.

§75.427 Bonding costs.

§75.428 Collections of improper payments.

§75.429 Commencement and convocation costs.

§75.430 Compensation—personal services.

§75.431 Compensation—fringe benefits.

§75.432 Conferences.

§75.433 Contingency provisions.

§75.434 Contributions and donations.

§75.435 Defense and prosecution of criminal and civil proceedings, claims, appeals, and patent infringements.

§75.436 Depreciation.

§75.437 Employee health and welfare costs.

§75.438 Entertainment costs.

§75.439 Equipment and other capital expenditures.

§75.440 Exchange rates.

§75.441 Fines, penalties, damages and other settlements.

§75.442 Fund raising and investment management costs.

§75.443 Gains and losses on disposition of depreciable assets.

§75.444 General costs of government.

§75.445 Goods or services for personal use.

§75.446 Idle facilities and idle capacity.

§75.447 Insurance and indemnification.

§75.448 Intellectual property.

§75.449 Interest.

§75.450 Lobbying.

§75.451 Losses on other awards or contracts.

§75.452 Maintenance and repair costs.

§75.453 Materials and supplies costs, including costs of computing devices.

§75.454 Memberships, subscriptions, and professional activity costs.

§75.455 Organization costs.

- §75.456 Participant support costs.
- §75.457 Plant and security costs.
- §75.458 Pre-award costs.
- §75.459 Professional service costs.
- §75.460 Proposal costs.
- §75.461 Publication and printing costs.
- §75.462 Rearrangement and reconversion costs.
- §75.463 Recruiting costs.
- §75.464 Relocation costs of employees.
- §75.465 Rental costs of real property and equipment.
- §75.466 Scholarships and student aid costs.
- §75.467 Selling and marketing costs.
- §75.468 Specialized service facilities.
- §75.469 Student activity costs.
- §75.470 Taxes (including Value Added Tax).
- §75.471 Termination costs.
- §75.472 Training and education costs.
- §75.473 Transportation costs.
- §75.474 Travel costs.
- §75.475 Trustees.

Consultants and Contractors (Financial Management requirements for award recipients by HRSA)

Whenever possible, internal staff will be utilized to meet the needs of the District. However, because the District resides in a rural area where qualified labor is often in short supply, it may become necessary to engage outside consultants and contractors. Before doing so, the District will consider the following factors: cost savings, prices, resources and technology, the ability to meet deadlines, quantity of supervision needed, liability limits, trustworthiness, leadership ability, service level agreement, and communication.

In addition, prior to selecting a new consultant or contractor, the Excluded Parties List System, within the System for Award Management (SAM) at <https://www.sam.gov/portal/public/SAM/>, will be checked to ensure the individual or recipient is not prohibited from receiving federal funds.

Indirect Costs Appendix VII to part 75 section (D)(1)(b)

At this time, indirect costs are not currently charged to federal grants. This could be changed in the future, depending upon the extent and number of future grants that may be received. However, as stated by CFR Title 45, Subtitle A, Subchapter A, Appendix VII to part 75 section (D)(1)(b), if the District ever receives more than \$35 million in direct Federal funding, an indirect cost rate proposal will be submitted to its cognizant agency. If this occurred, the CFO would be responsible for preparing that rate, with review by the CEO.

HRSA's Legislative Mandates

For HRSA grants, the HRSA web site makes accessible grants policy bulletins which provides other statutory provisions that must be incorporated by the District, should the District receive HRSA grants. These grants policy bulletins include Legislative Mandates that limit the use of funds. The Grants Policy Bulletins can be found by clicking on the hyperlink below:

<https://www.hrsa.gov/grants/manage-your-grant/policies-regulations-guidance>


An annual review of HRSA's Legislative Mandates is to be done by the CFO and disseminated to the CEO. All officers and program managers will be distributed this policy. Each one is to read and understand the policies above. If there are questions on the policies, then they should be directed to the CFO or CEO.

REFERENCES

- 45 CFR 75.400 Subpart E—Cost Principles

ATTACHMENTS

- NA

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: FINANCE</p>
<p>ORIGINAL DATE: April 2017</p>	<p>REVIEW & REVISION DATES: (supersedes CHC-204) 2/22, 2/25</p>
<p>TITLE: CASH RECEIPTS/ACCOUNTS RECEIVABLE</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

To set forth the policy and procedures surrounding the handling of cash receipts and accounts receivable.

POLICY

All cash receipts will be handled and processed in a manner to ensure that all funds received are properly recorded.

All accounts receivable balances should be accurate and current.

PROCEDURE

In person cash receipts

1. Patient payments that are made in person are done at the registration desk in the health centers or medical records. Patient registration clerks are responsible for checking, updating, and determining initial insurances that the patient may have as well as offering sliding fees. When a patient checks in, the patient registration clerk will verify how much cash should be collected from the patient, taking into consideration current co-pays due, current co-insurance due, and/or any sliding fees. The patient registration clerk will take the payment and log it into the Electronic Health System (EHR). The EHR gives the payment a unique in sequence payment ID, and then the patient registration clerk issues a receipt to a patient. The EHR is real time, so once a payment is taken, it immediately reflects on the patient's account (note while the EHR system will post the revenue automatically in the EHR system, it does not post to the general ledger in the accounting system automatically). The EHR allows for different configurations of user roles, so patient registration clerks do not have access to change billing and/or accounts receivable balances of patients.
2. At the end of the day, the report, "day sheet payments by user", will be printed out of the EHR and reconciled to the cash drawer. Any discrepancies are immediately investigated. The manager will then review the reconciliation, place all monies into the cash envelope, and secure it in a locked money box.

3. Money envelopes will be sent to the AP accountant at least once a week by the manager of the site health center, although it can be more often, depending upon the amount of cash collected. The AP Accountant will batch & log the receipts by day, and both the manager and the AP Accountant will initial the log sheet. Cash receipts will then be stored in a locked cabinet until deposit day, which is Friday. On Fridays, the AP Accountant will prepare the weekly deposit slip. Any cash and checks for deposit will be double counted by another employee of the accounting department, usually the Staff Accountant. It will then be taken to the bank by AP Accountant.
4. The health center log sheet will be given to the Staff Accountant, so that the Staff Accountant can code the deposit for entry into the general ledger.

Mail in receipts

1. The Staff Accountant retrieves the mail from all locked mailbox locations, stamps it received, and then routes it to the various departments. Any checks received are immediately stamped for deposit only.
2. The AP Accountant will prepare a mail deposit log, and scan copies of any patient and insurance checks to the outsourced billing department. The outsourced billing department will post all payments to patient accounts in the EHR. Both patient & non patient checks are copied and kept in batch folders as backup.
3. All checks are held in a locked cabinet until Friday, deposit day. On Fridays, the AP Accountant will prepare the weekly deposit slip. Any cash and checks for deposit will be double counted by another employee of the accounting department, usually the Staff Accountant. It is then taken to the bank by AP Accountant. Mid-week deposits may be necessary if the amount of cash becomes significant (\$1,500 or more).
4. The mail log is given to the Staff Accountant, so that the Staff Accountant can code the deposit for entry into the general ledger.

EFT receipts

1. The staff accountant will review the bank balance activity daily and then post the EFT's onto a shared spreadsheet so that the outside billing team can access it.
2. The outside billing team will pull down the ERA's that correspond to the EFT's and post the receipts in the EHR.

Patient Accounts receivable

1. Accounts receivable for patients is derived from the EHR. These balances will be impacted by the billing department who will convert encounters created by the providers into claims and by the posting of payments, refunds, and write-offs done by the billing department as well as the cash payments done by front desk personnel. Write-offs will be created when the payments are recorded.
2. To record the EHR data into the main general ledger, every month, a report will be run by the Chief Financial Officer (CFO) that shows all the components that comprise the AR balance. Those components are: the claim (revenue), payments, contractual allowances, write-offs, and refunds.

3. Using that report, all payments are reconciled against the bank statements to ensure the payment figure is accurate. This is done by the Staff Accountant and the CFO.
4. All refunds are compared against general ledger entry to ensure they are complete by the CFO.
5. A journal entry then enters all of the payment and refund activity into the AR account in the general ledger, done by the CFO.
6. To enter in the changes and write-offs to A/R, a custom report is run by the CFO out of the EHR that details the charges and write-offs by provider, location and service line. This is exported into excel. This report will be run far enough back that it encompasses year to date totals.
7. Within excel, the provider, location, service line, and insurance type will be coded for each transaction using a v-lookup table to create the full General ledger coding. This information is then summarized in a pivot table.
8. The summarized data is compared to what has previously been entered into the general ledger and the difference is booked in the current month by the CFO.
9. The final AR balance is then compared between the EHR and the general ledger. The two should agree. All backup files should be kept in the month end closing folders.

Grants & Other Accounts Receivable


1. Accounts receivable for grants or other receivables are reviewed monthly by the CFO during the month end closing.
2. Accounts receivable is impacted by the payments and charges. A grants monitoring spreadsheets is maintained by the CFO to track both.
3. Charges will be tied to the billing invoices created for interim billings, usually monthly, but always dependent upon the grant requirements.
4. The staff accountant will book payments during the bank reconciliation process.
5. See also the compliance with cost principles policy for charges/billings allowable to be charged as a receivable.

REFERENCES

- NA

ATTACHMENTS

- NA

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: FINANCE</p>
<p>ORIGINAL DATE: April 2017</p>	<p>REVIEW & REVISION DATES: (supersedes CHC-205) 2/22, 2/25</p>
<p>TITLE: CHARGE CAPTURE</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

To set forth the policy and procedures to ensure that billing charges are generated for all completed visits.

POLICY

Unlocked chart data will be reviewed to ensure unlocked charts are timely closed and if not, can be flagged for follow up action.

PROCEDURE


1. When a patient visit is booked, the EHR creates a unique encounter number. Claims will not be generated until the provider completes the progress notes and locks the encounter.
2. Managers will run an unlocked chart report weekly to ensure timely completion of documentation and charts being locked.
3. Managers will then follow up with their providers to ensure charting is completed by month end.
4. Additionally, reports are run 10 days after the end of the month by the outside billing department and sent to the Chief Executive Officer (CEO).
5. The CEO will then follow up with the providers and managers over the identified unlocked charts.

REFERENCES

- NA

ATTACHMENTS

- NA

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: FINANCE</p>
<p>ORIGINAL DATE: April 24, 2017</p>	<p>REVIEW & REVISION DATES: (supersedes CHC-206) 2/22, 2/25</p>
<p>TITLE: COLLECTIONS OF ACCOUNT BALANCES</p>	<p>APPROVED BY:</p> <p>CEO: _____ Date: _____</p> <p>ADMIN: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE:

To set forth the policy and procedures for collection of patient account balances.

POLICY:

It is the policy of Morongo Basin Healthcare District (MBHD) to collect all patient account balances in a manner that does not create a barrier to the patient in obtaining services.

PROCEDURE:

1. All patients are expected to pay their share of costs related to their visit
 - a. Uninsured Sliding Fee Discount Program (SFDP) patients are expected to pay the nominal charge to which they are entitled.
 - b. Insured SFDP patients are expected to pay their share of costs pursuant to the terms of their insurance coverage and as adjusted for their sliding fee discount.
 - c. Insured patients are expected to pay their share of costs pursuant to the terms of their insurance coverage.
2. Payment is expected and requested at the time of the visit.
3. If a patient cannot pay their charges as outlined above at the time of the visit
 - a. Registration personnel will attempt to collect whatever amount the patient can pay.
 - b. If the patient can only pay a part of the charge or cannot pay any of the charge, registration personnel will suggest a payment arrangement for the balance not to exceed sixty days from the visit date.
 - c. Payment arrangement will be noted in patients file, and an alert will be created to remind registration personnel that payment is due when the patient comes for the next visit.
4. All monies collected are posted to the patient's account as outlined in the Cash Receipts Policy.
5. Patients with an outstanding balance will receive a statement monthly detailing their charges, payments, and outstanding balance.
6. Statements will be sent for six months or until balance is paid whichever is sooner.
7. For returned mail, an alert will be placed on the patients account so registration personnel can collect at the next visit.
8. The Chief Financial Officer (CFO) will review aging of patient balances after the close of each month. For any accounts that are over six months, the CFO will write off against the allowance for bad debts any patient balances still outstanding. The allowance for bad debts is determined yearly based on prior year and trending data.


9. The CFO Finance Director will review all insurance accounts receivable balances after the close of each month. For any insurance balances more than ninety days old, the CFO will record an allowance for bad debts. For any insurance balances that are over one year old, the CFO will write off the remaining amount against the allowance for bad debts.

REFERENCES:

- NA

ATTACHMENTS:

- NA

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: FINANCE</p>
<p>ORIGINAL DATE: April 2017</p>	<p>REVIEW & REVISION DATES: (supersedes CHC-208) 2/22, 2/25</p>
<p>TITLE: PATIENT, GRANTS AND OTHER BILLING</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE:

To set forth the policy and procedures for complete, accurate and current billing for patient, grant, and other revenue billing.

POLICY:

Timely & accurate billings are vital to the cash flow. Therefore, all billings will be captured on a timely basis. Patient claims will be filed seven days after the patient visits, grant billings will be performed monthly (or as stipulated by the grant), and other billings will be performed monthly (or as stipulated by the underlying contract).

PROCEDURE:

Patient Billing Electronic

1. Billing is done by an outsourced billing department, which includes a certified coder. One on-site billing specialist is retained onsite. The outsourced billing department is responsible for the billing of the claim.
2. The detailed steps involved in creating a claim is too complex to be listed here. There is an Electronic Health Record (EHR) billing guide that details all the screens, steps, and checks needed to create an encounter in the EHR to a billable claim in the EHR.
3. The EHR employs a claim status system to allow the user to track claims progress from encounter, claim, receivable, paid claim, and closed out claim.
4. Once an encounter is completed (locked), the EHR will scrub the encounter and either flag it for review (because it has errors) or allow it to proceed into a claim status bucket so it can be moved to the clearinghouse.
5. The outside billing department will review any errored claim to try to correct them so they can move forward.
6. Once the claim is ready to send to the outside clearinghouse, the outside billing department forwards it on.
7. The outside clearinghouse will do its own scrubbing and either send on the claims or flag them for review. The outside billing company will then work on those claims to correct them.
8. When a claim is accepted back, the clearinghouse will send that data to the EHR. The outside billing company will then post any payments or work any payments denied.

Patient Billing Electronic Paper

1. One on site billing specialist is retained to perform secondary and any primary paper billings.
2. When a claim is flagged for paper billing, the onsite billing specialist will review the claim for accuracy before printing the physical claim.
3. The onsite billing specialist will print the claim and change the claim status from Print HCFA to submitted.
4. Any paper denied claims will come through the mail, where the AP Accountant will upload denial correspondence to a secure online folder.

5. The outside billing company will review and work the claim. If it needs to be rebilled after error correction, it will follow these steps again.

Grant & Other Billing

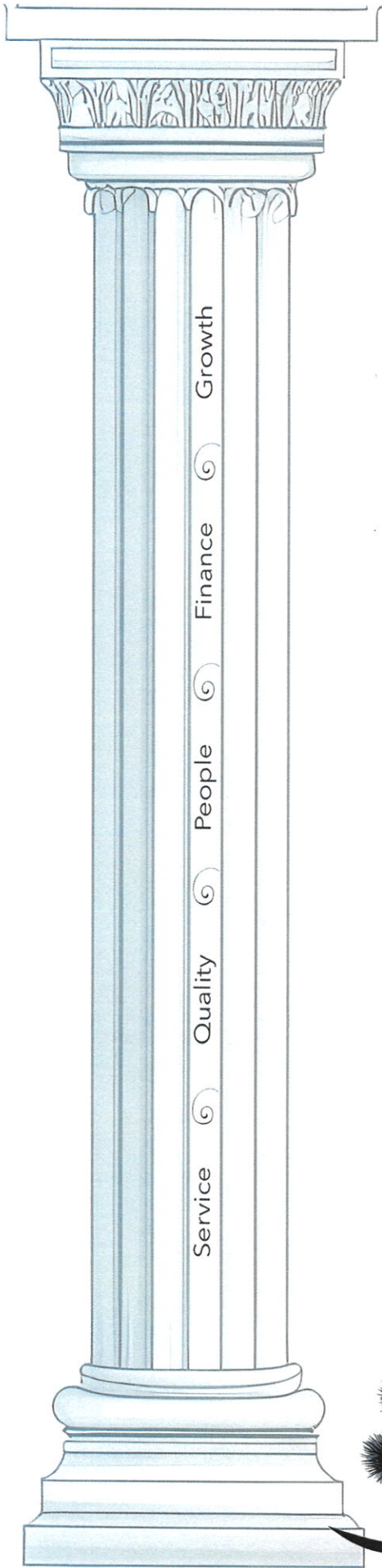
1. All grant and/or other billing is assigned by the Chief Executive Officer (CEO) to the Chief Financial Officer (CFO).
2. The CFO will review the (grant) document for appropriate items to bill. If there is a form to be used by the grantor, this will be provided to the CFO by the CEO.
3. For expense reimbursement grants, the CFO will export out of the general ledger the service lines that correlate to the grant. Using the data within the service lines, the CFO will create the billing.
4. For grants that use visit or some other criteria, the CEO creates a report that shows that visits (or criteria) to be billed and will forward the summary visits/criteria to the CFO. The CFO will then create the billing

REFERENCES:

- NA

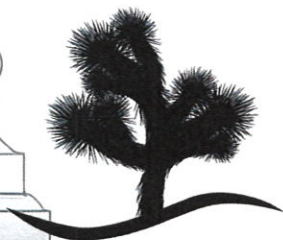
ATTACHMENTS:

- NA




ACTION ITEM

HUMAN RESOURCE POLICIES



**MORONGO BASIN
HEALTHCARE DISTRICT**
MorongoBasinHealth.org

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: ADMINISTRATIVE MANUAL</p>
<p>ORIGINAL DATE: December 1992</p>	<p>REVIEW & REVISION DATES: (Supersedes HR 242 and HR-308) 6/96, 12/01, 5/02, 6/08, 7/11, 6/13, 8/16, <u>2/25</u></p>
<p>TITLE: Accident Investigation Reporting & Workers' Compensation Reporting</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

The accident investigation and reporting program is a tool used to ensure notification of accidents and assist in the correction action process. Accident investigation is primarily a fact-finding procedure. The facts revealed are used to prevent reoccurrences of similar accidents in the future; and to establish reporting and treatment of work-related injuries and illnesses.

POLICY

Accident Investigation Forms (AIR) will be filled out whenever there is an accident or work-related illness involving an employee.

All employees sustaining an occupational illness or injury should notify his or her supervisor for appropriate care referral.

PROCEDURE

Employees are responsible for reporting all work related injuries or illnesses to their supervisor immediately after the occurrence. It is the responsibility of the employee in conjunction with the immediate supervisor and employee health to determine if the employee's injury requires first aid, medical treatment, or if the employee is to be sent to the emergency department.

All employee injuries, accidents or incidents must be reported on the AIR form. All sections of this form are to be completed as designated on the form. The supervisor will investigate the incident and assist the employee in the completion of the AIR if necessary. The supervisor then forwards the form to the District's human resources department.


Employee Health will:

- Arrange for necessary follow-up
- Issue medication vouchers for any prescriptions given to the employee.
- File a claim with the insurance company if required.
- Initiate and maintain a file on any employee who suffers an injury or illness.
- Follow-up and complete the investigation of the incident

All logs and forms will be kept in the human resources office; employee illness and injury files will be separate from the employee health file. Employee Health will make regular reports of accidents, injuries and illness to District Human Resources. All employee records will be treated as confidential.

ATTACHMENT

Accident Investigation Report

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: ADMINISTRATIVE MANUAL</p>
<p>ORIGINAL DATE: 3/2018</p>	<p>REVIEW & REVISION DATES: <u>2/25</u></p>
<p>TITLE: Recruitment and Retention</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

To recruit and retain qualified, diversified staff for Morongo Basin Healthcare District.

POLICY

The Recruitment and Retention Plan identifies and prioritizes resources for recruitment and retention of staff for the health center. Employee engagement surveys will be regularly conducted to identify opportunities for the health center to be the best place work.

PROCEDURE


Recruitment: The initial step in the plan is to determine the need to recruit new staff. The Chief Executive Officer (CEO) will establish the urgency of filling a vacant or a new position based on the following:

- a. Actual or anticipated vacancies
 - b. Expansion of services and programs
 - c. Proposed position budgeted and approved for current fiscal year
- I. Overall Prioritization: Once the recruitment needs have been established, the CEO will meet with the Human Resources to review and establish a recruitment list and the proposed sources of advertisement. Where determined, the need for outside recruitment will be handled through the Director of Business Development. Human Resources will maintain applications and resumes on file for a period of six months.
- a. Provider Recruitment: The following list are resources for recruitment
 - 1. National Health Service Corps
 - 2. Community Health Association of Inland Southern Region
 - 3. Physician Recruiting Firms
 - 4. Physician Residency Programs
 - 5. Direct Advertising
 - 6. Referrals
 - b. Staff Recruitment: The following list are resources for recruitment
 - 1. Health Center website
 - 2. Indeed and other job sites
 - 3. Direct Advertising
 - 4. Referrals

- II. Recruitment and Interviews: CEO is responsible for submitting positions for recruitment to Human Resources. Human Resources will initiate the advertising for the recruited position and contact the appropriate sources. All responses will be compiled by Human Resources and sent to the appropriate hiring manager for the initial screening of the applications and resumes. In accordance with established HR policies, the hiring manager will schedule and coordinate the interview for the persons selected.
- III. Hiring Process: When the best candidate is selected for the position, HR policies on hiring will be followed to complete the hiring process.

Retention: The following actions will be used to retain qualified staff:

- I. Maintain a compensation and fringe benefits program that is competitive with other medical facilities in the area.
 - a. Salary/Compensation: Human Resources maintains a wage and salary scale based by position and job description. Periodically, wage and salaries among other health care facilities with a similar staffing size and budget will be surveyed.
 - b. Fringe benefits: The health center's fringe benefits package consists of health, vision, and dental insurance, life insurance for employee, malpractice insurance for employed providers, employee retirement fund, Paid Time Off and workers' compensation. These benefits are provided in accordance with Human Resources policies.
- II. General and health center specific orientation will be provided for all new employees. Annually, staff will be reoriented to the health center policies, as determined by health center leadership.
- III. Staff may request conference or tuition reimbursement for outside training by following HR policy.
- IV. Employee Engagement Surveys will be conducted regularly to maintain a positive working environment and for opportunities to re-recruit staff.

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT / MANUAL: ADMINISTRATIVE MANUAL</p>
<p>ORIGINAL DATE: October 1994</p>	<p>REVIEW & REVISION DATES: (supersedes 354), 4/01, 7/03, 11/04, 6/08, 7/11, 6/13, 4/17, <u>2/25</u></p>
<p>TITLE: Substance Abuse Policy</p>	<p>APPROVED BY:</p> <p>ADMIN: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>GOVERNING BOARD: _____ Date: _____</p>

PURPOSE

To promote the interests of employee safety, efficiency, health, and productivity by recognizing that—employee involvement with drugs and alcohol can be extremely disruptive and harmful to employees, patients, and the public. It can adversely affect the quality of work and the performance of employees, pose serious safety and health risks to the user and others, and have a negative impact on work efficiency and productivity.

POLICY

It is the policy of Morongo Basin Healthcare District (MBHD) to maintain a work environment that is free of drug and alcohol abuse by its employees.

PROCEDURE

APPLICABILITY

This policy applies to all employees. All job applicants receiving offers of employment shall be required to submit to a drug screening test as a condition of employment. See attached Substance Abuse Check List.

DEFINITIONS

- A. “Alcohol” means any alcoholic beverage, including wine, beer and all forms of distilled liquor.
- B. “Drug” means any substance that has known mind or function—altering effects on a human subject, specifically including psychoactive substances and including, but not limited to, substances controlled, regulated or prohibited by state and federal law.
- C. “Under the influence” means that the employee is affected by a drug or alcohol or the combination of a drug or drugs and alcohol in any detectable manner. The symptoms of influence are not confined to those consistent with misbehavior, nor to obvious impairment of physical or mental ability, such as slurred speech or difficulty in maintaining balance. A determination of influence can be established by a professional opinion, a scientifically valid test and, in some cases (such as alcohol), by a lay person’s opinion. **AN EMPLOYEE WILL BE PRESUMED TO BE UNDER THE INFLUENCE WHENEVER THE PRESENCE OF DRUGS OR ALCOHOL IN AMOUNTS EXCEEDING ESTABLISHED THRESHOLDS ARE DETECTED IN A SUBSTANCE ABUSE TEST ADMINISTERED UNDER THE TERMS OF THIS POLICY.**

PROHIBITIONS

MBHD prohibits the unlawful use, possession, transportation, transfer, manufacture, distribution, dispensation, or sale of drugs or drug paraphernalia while on duty or while on District property or while operating any District vehicle or potentially dangerous equipment. MBHD also prohibits employees from reporting for work or working under the influence of any drug, alcohol or other substance that may in any way affect work performance, alertness, coordination or response, or the safety of the employee or others.

MEDICALLY AUTHORIZED DRUGS

The use of prescribed drugs, or possession incident to such use, is not prohibited by this policy if:

- 1) The drug has been legally obtained and is being properly used for the purpose for which it was prescribed; and
- 2) The use of the drug is not inconsistent with the safe and efficient performance of the employee's duties.

An employee who is using or intends to use a prescribed or over-the-counter drug (such as pain medication, anti-depressants or other drugs), who has been informed or has reason to believe that the use of any such drug may limit his or her ability to perform any job duties safely and/or efficiently, is required to advise the employee's supervisor, before reporting to work, that he or she is using a prescribed drug, and that the use of such drug may affect the employee's ability to perform his or her job duties safely and/or efficiently.

Any supervisor so notified shall immediately consult with Human Resources in order to consider what accommodations, if any, can be made to facilitate employment without risk to the safety of the employee or other individuals or loss of efficiency. Only those persons who have a need or right to know should have access to such information.

PRE-EMPLOYMENT TESTING

All applicants will be informed of the District's drug and alcohol testing policy. Applicants who do not wish to undergo testing may withdraw their applications. After an offer of employment is made, final candidates for jobs will be required to submit to a drug screening test as part of pre-placement physician assessment process. Final candidates who refuse to undergo such testing will not be eligible for employment and will have job offers rescinded. If a final candidate tests positive for any drug (or drug metabolite(s)), the sample shall be tested a second time by another reliable method.

The District will notify the final candidate of the results of any test that is positive. In the case of a positive result, the District will provide the final candidate with an opportunity to explain the presence of the identified substance prior to taking action to rescind the job offer. Final candidates testing positive may also request a second confirmation test of the original sample, at their own expense.

Applicants who withdraw applications and final candidates who have job offers rescinded pursuant to this policy may re-apply after six months.

FITNESS FOR DUTY EXAMINATIONS AND TESTING

MBHD reserves the right to require that an employee submit to a physical examination and/or

clinical testing designed to detect the presence of drugs and/or alcohol if facts create a reasonable suspicion that the employee either possesses, controls or is under the influence of a drug and/or alcohol in violation of this policy, and/or has been involved in the use, transportation, transfer, sale, manufacture, possession, dispensation, and/or distribution of drugs in violation of this policy. Failure to cooperate in fitness for duty examinations and/or clinical testing when requested may result in disciplinary action, up to and including termination, for a first offense or any subsequent offense.

DRUG TEST PROCEDURE

- A. Tests shall be accomplished through analysis of a urine, blood, breathalyzer, hair sample, or other recognized testing technique.
- B. Prior to the collection of the sample, the employee shall be notified that the District is requesting that the employee be tested for the presence of drugs and/or alcohol. The District will cause the sample obtained to be identified and tested for the presence of drugs and/or alcohol.
- C. If the test of the sample is positive for any drug (or metabolite(s)) or alcohol, the sample shall be tested a second time by another reliable method.
- D. The District will notify the employee of the results of any tests. In the case of a positive result, the District will provide the employee with an opportunity to explain the presence of the identified substance prior to taking any disciplinary action. Employees testing positive may also request a second confirmation test of the original sample, at their own expense.

REPORTING

Any employee who is convicted of criminal conduct related to drugs or alcohol must notify Human Resources within five (5) days of any such conviction.

DISCIPLINARY ACTION

Employees who violate or who refuse to cooperate with any aspect of this policy will be subject to appropriate disciplinary action up to and including termination of employment. MBHD also reserves the right to discipline or terminate any employee who is convicted of an offense that involves the use, sale, transportation, transfer, manufacture, dispensation, distribution or possession of illegal drugs. Nothing in this policy shall be construed to conflict with the at-will nature of the employment relationship between employees and the District.

EMPLOYEE ASSISTANCE

- A. MBHD maintains an Employee Assistance Program (EAP) which provides help to employees who suffer from alcoholism, drug abuse, and other personal or emotional problems. However, it is the responsibility of each employee to seek necessary assistance before alcohol or drug problems adversely affect performance or lead to disciplinary action. If a violation of this policy occurs, a subsequent attempt to seek and obtain assistance on a voluntary basis will not necessarily prevent or lessen disciplinary action and may, in fact, have no bearing on the determination of the appropriate disciplinary action. Employees may request a medical leave of absence to enroll in a drug and/or alcohol rehabilitation program if they wish to do so.
- B. An employee's decision to seek assistance will not be used as a basis for disciplinary action and will not be used against the employee in any disciplinary proceeding. On the other hand,

the mere fact that an employee has sought or intends to seek professional assistance will not be a defense to the imposition of disciplinary action where facts proving a violation of this policy are obtained or the District determines that an employee's performance or conduct warrants disciplinary action. Accordingly, the purposes and practices of this policy and the EAP are not in conflict and are distinctly separate in their applications.


ATTACHMENTS

[Attachment A – Substance Abuse Checklist](#)

[Attachment B – Testing Consent](#)

[Attachment C – Request for Sample for Substance Abuse Testing](#)

[Attachment E – Authorization for Third Party to Consent to Testing and/or Treatment of Minor Lacking Capacity to Consent](#)

 MORONGO BASIN HEALTHCARE DISTRICT	DEPARTMENT / MANUAL: ADMINISTRATIVE MANUAL
ORIGINAL DATE: March 1998	REVIEW & REVISION DATES: (supersedes HR-360), 4/01, 7/11, 6/13, 4/17, <u>2/25</u>
TITLE: Temporary Alternate Work	APPROVED BY: ADMIN: _____ Date: _____ CEO: _____ Date: _____ GOVERNING BOARD: _____ Date: _____

PURPOSE

To provide temporary alternate duty for employees with job-related injuries/illnesses that restrict regular job performance so that they can receive full compensation and benefits while recovering from the injury/illness.

To assist employees in the transition from disability to full recovery while continuing to be productive. To reduce the severity of worker's compensation claims. To prevent deterioration of employee's work skills, health, and attitude that may result from a prolonged work absence.

To demonstrate Morongo Basin Healthcare District (MBHD) commitment to the employee's recovery.

To minimize the loss of productivity.

POLICY

MBHD recognizes the need to provide a temporary alternate work program for employees who are not able to perform regular job duties because of job-related injury or illness. The District is committed to providing alternate work as soon as the healthcare provider deems it medically feasible.

MBHD will make every effort to assign alternate to employees whose work-related medical restrictions allow eligibility for the job positions available.

PROCEDURE

An industrial injury or illness for purposes of this policy means an injury/disease arising in the course of employment with and compensable under the Worker's Compensation laws of the State of California.

For the purpose of this policy, an employee with a temporary partial disability is an employee incapable of performing duties of his/her assigned position as a result of industrial injury, but who is able to work and does not, therefore, have a "temporary total disability".

KEY ELEMENTS OF TEMPORARY ALTERNATE WORK

- Alternate work is implemented immediately to avoid lost time and to avoid loss of wages to the injured worker because of the injury.

- Alternate work will be progressive; meaning there is evidence of recovery.
- Each individual alternate work program will be reviewed between the healthcare provider and Human Resources to assure optimal utilization of the program.
- The alternate work assignment will be within the restrictions set down by the healthcare provider.
- Alternate work is time specific. Performance expectations are clearly defined. Supervision and regular follow-ups are critical to assure the wellbeing of the worker.
- Alternate work is a temporary work assignment to accommodate the physical limitations sustained as a result of an on-the-job injury or illness.

ELIGIBILITY QUALIFICATIONS

- All employees in good standing, full-time, part-time, and per-diem are covered by this policy.
- This program is limited to employees with a temporary partial disability who are recovering from an industrial injury/illness and who require temporary short-term, rather than permanent job reassignments.
- A Treatment Plan for Workers Injured on the Job form must be supplied to Human Resources by the attending healthcare professional.

PROPER PROCEDURE

- Human Resources will identify departments with alternate work positions available.
- Departments shall submit those tasks and descriptions to Human Resources.
- Human Resources shall advise each injured employee and the treating healthcare provider of the program, providing the Job Task Analysis form and the Treatment and Plan for Injured Workers form for completion by the healthcare provider.
- The employee shall notify Human Resources of his/her release to return to work in the alternate work program by delivering the Treatment and Plan for Injured Workers form in person to Human Resources (unless the injury is too serious, then the healthcare provider will phone).
- If the form is received directly by Human Resources, they will call the employee to discuss the alternate work program and an explanation will follow in writing.
- A determination will be made by Human Resources as to whether or not an alternate work assignment can be provided that will be consistent with the healthcare provider's release.
- All work provided will be consistent with and will not exceed the limitations set by the treating healthcare provider.
- If possible, equipment and modifications will be offered only when it is cost effective. (To be determined by Human Resources and the director).
- While an employee is in the alternate work program, s/he must wear the appropriate attire, unless approved by the manager and Human Resources.
- When feasible, every effort will be made to accommodate the needs of the employee by

modifying his/her present work setting. However, work availability may make it necessary to transfer employees from one department to another.

- The employee will be paid the regular pre-injury hourly rate, which will be charged to the worker's compensation budget.
- Supervisors of the alternate work areas will be expected to keep track of hours worked and evaluate work performance of alternate work employees.
- MBHD has the option of changing regular days off and work hours while an employee is in the alternate work program.
- Hours of work will be designated by the supervisor/manager of the employee on alternate work.

No overtime work is acceptable while in the Temporary Alternate Work program.

- Alternate work participants are encouraged to schedule physical therapy and doctor's appointments around their work schedules to avoid loss of earning power. If this cannot be arranged, appointments should be scheduled at the beginning or end of the shift.
- Alternate work can be a modification of the job tasks or a modification of the hours worked.
- All employees will abide by the work/safety rules at the location of the alternate work assignment.
- All employees must be trained to the safety rules and occupational hazards of the modified assignment.
- If the employee is unable to report to work for personal reasons, s/he must call and report to the supervisor and to Human Resources.
- If the employee's health status changes, the employee must report to the supervisor and to Human Resources.
- When an injured/ill employee is released to participate in the Temporary Alternate Work program, s/he does not have the option to substitute paid sick leave because s/he doesn't personally feel ready to perform alternate work.
- As long as alternate work can be provided, there is no right of refusal without jeopardizing benefits and entitlement.
- While in the alternate work program, employees will stay no longer than 4 weeks on any one task unless approved by Human Resources. Alternate work must be progressive.
- While on alternate work, employees will be evaluated at 30 days or when medically stationary, whichever occurs first.
- A status review involving management and the employee will be performed at two-week intervals or more often if deemed necessary.
- After 30 days in the Temporary Alternate Work program, the eligibility for alternate work will be reviewed. If the employee is not expected to return to regular work within 30 days, s/he may be removed from alternate work until an expected return-to-work date has been determined.

- After consultation with the manager and the physician, Human Resources may extend the time period on a week-to-week basis, not exceeding the total time period of 90 days for the Temporary Alternate Work program.
- Hours worked under Temporary Alternate Work will be considered “productive hours” in the computation and eligibility for fringe benefit pay and accruals.
- Time worked under Temporary Alternate Work will be considered as any other time worked in determining service credit.
- Time spent on personal sick or other absences will be treated in the same manner as when on regular duty.
- When employees are released to their regular job duties, the information will be provided to Human Resources for distribution.
- A schedule of employees involved in Temporary Alternate Work will be maintained by Human Resources. The hospital’s claims administrator will be kept informed of those employees on alternate work. Human Resources will keep the employee’s original supervisor informed of the employee’s progress and status.
- Human Resources will maintain ongoing contact with the employee to assess the work process and the progress of the employee. Human Resources will also follow up with the supervisor of the work area.
- Employees with minor restrictions may remain in their own departments at regular pay out of their original department cost center at the discretion of Human Resources and the department director.
- The employee who has been assigned an alternate work position is responsible to report to the appointed department at the arranged time. Failure to report to work or contact the designated supervisor could possibly jeopardize disability benefits and may result in disciplinary action.
- Worker’s compensation temporary disability payments will cease upon return to alternate work provided the number of hours scheduled/worked are the same as the employee’s regularly scheduled hours. If full-time employees return to alternate work on a part-time basis by order of care provider, all worker’s compensation benefits and coverage to which the employee is legally entitled will be in full force and effect.

VALIDATION OF ELIGIBILITY

- Human Resources receives the written Treatment and Plan for Workers Injured on the Job form releasing the injured worker for alternate work.
- Human Resources reviews the alternate work assignments available.

TEMPORARY DISABILITY

- Human Resources will notify the home department manager that the employee is available for alternate work.
- The injured worker is assigned work duties within restrictions. The cost will be charged to Temporary Alternate Work department code.
- Human Resources interviews the employee and coordinates placement with the manager or the Temporary Alternate Work supervisor, if placed in another department.
- Human Resources continues to monitor physical progress in conjunction with health services or with the medical provider for full release to unrestricted work.

RESPONSIBILITIES

Human Resources

- Has the responsibility for coordinating the program. Human Resources will work in cooperation with department managers/supervisors and healthcare providers to achieve maximum acceptance of the program. Human Resources will determine the employee's eligibility for the program and placement in alternate work.
- Will be responsible for record keeping and overseeing the alternate work program and full return to work, where possible.
- Will review, with the injured employee and manager/supervisor, the restrictions set down by the healthcare provider and each will sign and receive a copy of the Alternate Work Agreement.

Directors/Supervisors

- Will develop with Human Resources and maintain an inventory of potential assignments to be kept on file, both in their department and Human Resources. This inventory is to facilitate early placement of the injured worker. Upon request from Human Resources, the department will develop possible short-term alternate assignments for the injured employee.
- Will review the employee's restrictions for work with the employee and Human Resources prior to the beginning of a new work assignment. Both the employee and the department manager will sign the agreement acknowledging any restrictions.
- Will monitor the injured employee's work area and ensure compliance with the healthcare provider's work restrictions.

Administration

- Creates environment where the departments are conscious of and take action to control their own worker's compensation costs.

Payroll

- Payroll issues checks to each employee according to the biweekly payroll schedule.

Claims Administrator

- A form of alternate work hours is submitted to the claims administrator for processing of wages through the worker's compensation system.

ATTACHMENTS

Attachment A - Job Task Analysis Form Attachment B - Employee's Information Sheet

Attachment C - Employee Responsibilities while in Temporary Alternate Work Program

Attachment D - Alternate Work Employee

Questionnaire Attachment E - Alternate Work

Progress Report