

Maryland Department of Health
Fiscal Year 2019
Local Health Department
Unified Funding Document
Conditions of Awards

FISCAL YEAR 2019
LOCAL HEALTH DEPARTMENT (LHD)
UNIFIED FUNDING DOCUMENT
CONDITIONS OF AWARD

I. GENERAL CONDITIONS

1) The Local Health Department understands:

- A. Awards may not become effective until all required affidavits have been signed and returned to the Maryland Department of Health (the Department).
- B. Conditions, requirements, and restrictions which apply to specific sources of funding **are not** included within this document and will be communicated/sent directly by each Program Administration of the Department, where applicable.
- C. Failure to comply with any conditions of award may result in delay, suspension, and possible cancellation of funding.
- D. Each distinct award is subject to the requirements and conditions as set forth in the Local Health Department Funding System Manual.
- E. All funds received in connection with these awards must be utilized for the purpose of the approved project. All expenditures not in accordance with the purpose of the award, or its modifications, are the responsibility of the local health department.
- F. These awards are based on estimated levels of State and/or Federal funds, and should the actual allocations differ from the current estimates, these awards may be adjusted.
- G. It may elect the Department to serve as its disbursing agent for all or a portion of their expenditures. However, the Secretary of the Maryland Department of Health may charge for the cost of services rendered.
- H. The Department's federal grants have a finite availability period which must also be adhered to by Local Health Departments. Therefore, expenditures cannot exceed the award amount and they must occur between the provided "Authorized Federal Award Start Date" and "Mandatory Federal Award End Date" indicated on the Unified Funding Document.

- If the LHD uses the Department for payment of its payroll and

operating expenses, any federal fund award amounts not recorded as spent on an accrual basis in FMIS, within 30 days following the Mandatory Federal Award End Date, will be designated by the Department as unavailable to the LHD.

- If the LHD does not use the Department for payment of its payroll and operating expenses, any federal fund award amount not invoiced and received by the Department within 45 days following the Mandatory Federal Award End Date, will be designated by the Department as unavailable to the LHD.
- I. The Department assumes no responsibility for paying from its funds an amount greater than an award amount appearing on the Unified Funding Document.
 - J. If it fails to deposit sufficient funds with the Department to satisfy their share of expenditures, the Department may cease to be the disbursing agent until sufficient funds are received to meet its financial obligations.
 - K. A fiscal, program, and facilities review, of it and its independent contractors, including meetings with consumers, review of service records, review of service policy and procedural issuances, review of staffing ratios and job descriptions, and meetings with any staff directly or indirectly involved in the provision of services may be conducted by Federal and/or State personnel or other persons as authorized by the Department.
 - L. To receive the entire amount of budgeted indirect cost for an award, the LHD must spend at least 90% of its approved direct cost. Approved direct cost is defined as Total Budget minus Budgeted IDC plus Budgeted Collections. If less than 90% of direct cost is spent, the LHD will be allowed to claim up to the same percentage of budgeted indirect cost as direct cost spent. This does not apply to awards funded with Cigarette Restitution Funds for which indirect cost is capped at 7% of the expended award.

2) The Local Health Department agrees to:

- A. Provide the type of service and to serve the number of clients indicated in their budget package and/or conditions of award.
- B. Maintain a system to protect, from inappropriate disclosure, individual patient records and data collection forms maintained in connection with any activity funded under these awards. Furthermore, any information concerning services provided a client under these awards shall not be used or disclosed for any purpose not directly connected with administration of such services, except upon written consent of the consumer or, if a minor, their responsible parent or

guardian. The provisions of Health General Article 20-103 to 20-107 supersede and control, where applicable.

- C. Comply with the Department's Policy 01.03.02 (Policy on Research Involving Human Subjects and the Department's Institutional Review Board (IRB)) when conducting research involving human subjects.
- D. Comply with the Department's regulation, COMAR 10.02.01, Charges for Services Provided through the Maryland Department of Health, which requires that recipients of services and chargeable persons shall be liable for payment of services based on their ability to pay.
- E. Determine each recipient of services ability to pay the fee set by the Department, as stipulated in COMAR 10.02.01.08.
- F. Use only the Department's approved ability to pay schedules, unless the Secretary has approved another schedule.
- G. Serve individuals who are unable to pay for services.
- H. Submit a Schedule of Charges as requested by the Division of Cost Accounting and Reimbursement, and to charge recipients of services the fee approved by the Department.
- I. Adopt accounting procedures and practices and maintain books, records, and other evidence for each distinct award which sufficiently and properly reflect all direct and indirect costs, of any nature, expended in the performance of this award.
- J. Make available its records for inspection and audit by Federal and/or State personnel or other persons as authorized by the Department.
- K. Require and ensure that their subvendors maintain accounting records, which adequately provide accountability for the use of the Department's human service funds, and maintain a written cost allocation plan, where applicable.
- L. Monitor their subvendors to assure that services are being provided to target populations and that funds are being spent for the purpose awarded.
- M. Deposit revenues in a federally insured interest-bearing account until the funds are required to meet current expenses.
- N. Comply with applicable procurement procedures when subcontracting with another organization or entity.

- O. Cooperate during site reviews by Department personnel or their contractor.
- P. Attend all meetings as required by the Department.
- Q. Maintain records and complete reports concerning awards in the manner and form directed by the Department and submitted as prescribed. Failure to submit a report when due may result in suspension of funding until the report is received.
- R. To advise its subvendors that they are subject to a fiscal, program, and facilities review, including meetings with consumers, review of service records, review of service policy and procedural issuances, review of staffing ratios and job descriptions, and meetings with any staff directly or indirectly involved in the provision of services upon reasonable notice, by Federal and/or State personnel or other persons as authorized by the Department. In addition, the subvendor must comply with all information and data requests from the Department or its representatives.
- S. Submit Annual Report forms MDH 440 and 440A within 60 days after the end of the award period unless the Department provides an alternative date.
- T. Submit a MDH 440 signed by each of its subvendors included in the amount reported as disbursed for Human Services Contracts (Item 0896) and Special Projects (Item 0899) on their Annual Report (MDH 440).
- U. Return funds associated with prior year unliquidated accruals/encumbrances as of January 31st. **Exempted from this requirement are the Behavioral Health Administration's Core Service Agencies, Local Addiction Authorities and Local Behavioral Health Authorities.**
- Local Health Departments using the State as their disbursement agent for all cost, will have unspent funds returned to the Program Administrations by the Division of Grants & Local Health Accounting. The basis for the returned funds will be the amount reflected in FMIS on January 31st.
 - Local Health Departments not using the State as their disbursement agent for all cost must submit a check equal to their January 31st unliquidated accrual/encumbrance balance(s) on or before March 1st. The Payment of Unliquidated Accrual/Encumbrance Balances form must be used and can be found at http://health.maryland.gov/Pages/sf_gacct.aspx. A single check can be submitted with an attachment identifying the applicable grant(s) and amount(s).
- V. To comply with the "Standards for Audit of Human Services Sub-Vendors"

issued by the Department's Office of the Inspector General - External Audit Division.

- W. To complete and electronically submit, within 60 days after the end of the agreement period or fiscal year, whichever is earlier, the Schedule of Sub Vendors to the Department's Office of the Inspector General – External Audit Division, at: charlesl.thomas@maryland.gov. The Schedule of Sub Vendors can be found at https://health.maryland.gov/Pages/sf_gacct.aspx
- X. To abide to the Department's Sexual Harassment Policy (MDH .02.06.02) which applies to all facilities and programs operated by the Department; grant-in-aid programs; and health services providers/contractors/subcontractors receiving Federal or State funds. Furthermore, MDH 02.06.02 is incorporated by reference in all agreements, accordingly.

II. FEDERAL CONDITIONS

1) The Local Health Department understands:

- A. All subrecipients of federal funds from Substance Abuse and Mental Health Services Administration (SAMHSA) or National Institute of Health (NIH) are prohibited from paying any direct salary at a rate in excess of Level II of the [federal] Executive Schedule. This includes, but is not limited to, subrecipients of the Substance Abuse Prevention and Treatment (SAPT), the Community Mental Health Block Grants (MHBG), and the NIH research grants.
- B. “When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with federal money,” the Department of Health and Human Services appropriation Act requires all recipients of Federal funds to acknowledge that Federal funding is involved. Such programs are required to “clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money and (2) the dollar amount of Federal funds for the program or project.” [It is understood by the Department that such language may be couched, so as not to mention specific amounts, in situations where such amounts would compromise competitiveness (e.g., for bids).]
- C. Title V of the Social Security Act (e.g. Maternal and Child Health Services Block Grant), Section 504, prohibits payment for any item, or service furnished by or at the medical direction of a provider or practitioner who has been sanctioned under the Medicare and Medicaid Patient and Protection Act of 1987 (P.L. 100-93). Granting Administration must be contacted to determine if an award falls under Title V.

- D. Federal regulations mandate that grant recipients and their sub-recipient adhere to OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

2) The Local Health Department agrees to:

- A. Comply with OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

The above document requires that certain recipients of federal funds have an independent “single audit” prepared.

Baltimore City, and Baltimore, Montgomery, Anne Arundel and Prince George’s Counties must submit, within 30 days of issuance, a copy of their “single audit” required by OMB’s Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to:

Maryland Department of Health
Office of the Inspector General - External Audit Division
201 West Preston Street, Room L-7
Baltimore, Maryland 21201

- B. Comply with Title IX of the Education Amendments of 1972 (20 U.S.C. Sections 1681 et seq.) which prohibits sex discrimination in federally assisted education programs, including those in health care institutions.
- C. Comply with the Age Discrimination Act of 1975 (ADA) (42 U.S.C. Section 6101) which prohibits exclusion of any person on the basis of age from participating in any program or activity receiving federal financial assistance.
- D. Comply with the requirements of the Americans with Disabilities Act of 1990, where applicable, and will contact the Program Administrator for specific compliance information.
- E. Submit an Affirmative Action Plan, (including, if applicable, a plan for Section 503 of the Rehabilitation Act.), to the Maryland Department of Health, Office of Community Relations within six (6) months after the date of the award letter if it has not already been submitted. If a current Affirmative Action Plan has been submitted give the date of submission.
- F. Complete and submit Unified Funding Document (UFD)- Signature Page

- G. Complete and submit Certification Regarding Lobbying and Disclosure of Lobbying Activities.

Public Law 101-121, Section 1352, prohibits any recipient of funds, which originated as federal funds, from using such funds to lobby Congress or any federal agency in connection with the award of a particular contract, grant, cooperative agreement or loan. A recipient of more than \$100,000 of such funds must: (1) file a certification that they have neither used nor will use such funds for federal lobbying and, (2) disclose, on Standard Form LLL, the details of any agreements with lobbyists paid, with profits from federal contracts or with funds other than federal funds. Failure to file the required certification may be punishable by a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Prohibitions and Limitations on Lobbying by Grantees: Lobbying can be an attempt to influence legislation, or any government decision making, in the legislative or executive branches of government. It can be direct, or indirect, such as urging members of a special interest group or the public to support a member of a special interest group or the public to support a certain policy. Title 2 of the Code of Federal Regulations specifies specific lobbying cost as unallowable.

- H. Complete and submit the Certification Regarding Environmental Tobacco Smoke, P.L. 103-227, also known as the Pro-Children Act of 1994.
- I. Complete and submit the Certification Regarding Debarment, Suspension, and Other Responsibility Matters – Primary Covered Transactions and, where applicable, have its sub vendors complete for submission the Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions.
- J. Complete and submit Assurance of Compliance with the Department of Health and Human Services Regulation under Title VI of the Civil Rights Act of 1964 and section 503 and 504 of the Rehabilitation Act of 1973, as amended (MDH 434).
- K. Complete and submit the Federal Fund Accountability and Transparency Act – Sub Recipient information form, to each Program Administration.