

## **POLICY STATEMENT: Financial Planning and Management**

Adopted by the Board of Directors 04/30/2015

It is the policy of Open Options UCP to conduct its day-to-day affairs and the collection and disbursement of funds in a manner which promotes financial stability. All fiscal management practices shall be implemented consistent with the mission and purposes of the organization and in accordance with generally accepted accounting principles, responsible business practices, and legal requirements consistent with the tax exempt status of the organization. Efficient and accountable stewardship of funds will contribute to fiscal health and longevity.

The fiscal year of the corporation is July 1 to June 30. The Finance Committee of the Board will work in coordination with the President/CEO and executive management staff to develop an annual budget for approval by the Board of Directors concurrent with the beginning of the fiscal year. Budgeting will include revenue and expense projections, comparison to past performance, and gathered input from various stakeholders. The Finance Committee shall ensure that an annual independent audit is conducted by a certified public accountant following the end of the fiscal year and presented to the Board of Directors for acceptance (see "Annual Independent Examinations").

Statements of income and expense and a balance sheet shall be prepared monthly and reviewed by management staff and the Board of Directors. The monthly statement shall include a comparison of actual income and expense to the budget. Executive management staff may institute actions or plans to remedy ongoing financial losses in any program unit or service location.

The organization shall provide for protection of assets and operations through appropriate insurance coverage for buildings, public liability, professional liability, vehicle operation, and worker's compensation. Cash management procedures shall ensure an adequate system of internal control. (see "Cash Management and Bank Account Control" procedures.)

To protect against unexpected interruption of income and to provide the ability to meet sudden extraordinary expenses, the organization will maintain one or more cash reserve accounts, segregated from operating funds in bank accounts or investment accounts.

It is the policy of Open Options UCP to protect, preserve and grow the assets of the organization through a prudent investment strategy designed to produce the highest level of income available at minimal levels of risk. Management of corporate funds – investment parameters, types of investments, and control matters - shall be based on classification and definition of short-term and long-term reserves. (See “Investment of Reserve Funds” procedures.)

Sound and acceptable financial procedures related to management of individual person served monies will be established and followed by all organizational staff working directly with persons served and their families, and in accordance with the person served’s financial sponsor, if applicable. (See “Management of Individual Person Served Monies” procedure)

Any employee who knowingly engages in any abuse of resources, including fraud, waste, or other wrongdoing, or who fails to take corrective action to remedy or report such, shall be subject to termination. There will be no reprisal or retaliation against an employee who discovers and reports wrongdoing. (See also “Corporate Compliance Program.”)

## **CASH MANAGEMENT AND BANK ACCOUNT CONTROL**

### **PROCEDURE – All Programs**

#### **General**

1. The organization shall maintain one general fund account from which all operational expenses will be paid. Operating accounts for separate programs (i.e. SeniorLink) may be established.
2. All deposits of the organization are prepared by the Director of Accounting.
3. There shall be at least three eligible signatures for the general fund account including one Board member, the President / CEO, and the Senior Vice President / CFO. Only one signature is required for all budgeted expenditures \$1,000.00 or less, including payroll which shall require only one signature on the occasion when a manual check is needed (the majority of manual payroll checks are for \$1,000 or less). Primarily payroll is paid

out through direct deposit to either employee bank accounts or to a payroll debit card. Non- budgeted expenditures and expenditures over \$1,000.00 require two signatures.

4. The Senior Vice President / CFO shall establish procedures for transferring non-utilized, unrestricted funds in an interest bearing account as cash flow allows.
5. Restricted funds shall be deposited to the appropriate bank account upon receipt. This includes “Personal Needs” funds (see “Management of Individual Person Served Monies” procedure) and restricted contributions. Restricted contributions shall be maintained in a separate interest bearing account with itemized balances and expenditures recorded regularly by the accountant. Major restricted funds (such as an endowment fund) shall be maintained separately as the Board directs.
6. Payroll shall be expended from the payroll account by direct deposit, debit card or by checks that are provided to us by our outside payroll service.
7. Donations received may be acknowledged by a “thank you” letter mailed to the donor(s). The letter will describe the corporation’s tax status and note that the donation may be tax deductible.
8. The Director of Accounting shall prepare monthly financial reports including a Balance Sheet and an Income/Expense Statement for each program unit or cost center. The monthly statement shall include a comparison of actual income and expense to the budget.
9. The monthly balance sheets and/or summary statements will be distributed and presented to the Board of Directors at each monthly board meeting and disbursed as soon as available to appropriate members of management.

### **Bank Statement Review and Check Control**

1. All bank statements are provided to the company electronically through the banks online banking option. In order to provide assurance of the integrity of the bank statements the Senior Vice President/CFO and the Director of Accounting have access online to the bank statements. The bank statements may be reviewed at any time online.
2. After the statements are reconciled by the Director of Accounting the Senior Vice President/CFO will review each monthly reconciliation in its entirety before giving approval for the month.

3. As checks can be generated for the payroll account by the Payroll/Accounting Clerk, the primary risk is the establishment of a non-existent employee file set-up by the Payroll/Accounting Clerk with payroll checks issued and direct-deposited for that “employee.” To manage this risk, the only individuals able to sign these checks are the President/CEO and Senior Vice President/CFO. The Director of Human Resources is also expected to review each semi-monthly payroll register report for accuracy.
4. Inventories of checks for the general operating account and each major program operating account are kept in the office of the Director of Accounting. The Director of Accounting is in charge of writing checks and all checks are reviewed and signed by either the President/CEO, Senior Vice President/CFO or Director of Community Living. At the completion of each week’s check run, the Director of Accounting will account for all checks used by check number. Any voided checks are kept in a file in the Director of Accounting’s office and are reviewed monthly by the Senior Vice President/CFO. In the absence of the Director of Accounting the Senior Vice President/CFO, President/CEO and Director of Community Living have access to the checks.
5. Each and every vendor billing invoice, and/or internal check request must be reviewed and signed by either the Senior Vice President/CFO, Director of Community Living, or President/CEO with no exception before payment is made. The Director of Accounting is not authorized to process a check within the accounts payable system unless it has been approved in this manner.

### **Residential Cost Center Accounts**

1. Each residential cost center in the Community Living program maintains a bank checking account for the purchase of food and non-food supplies. These accounts are accessed only by debit cards by staff authorized by the Director of Community Living.
2. The residential cost center account will receive a monthly allotment from the general fund account for food and non-food expenses. The budgeted food allotment per person shall be multiplied by the number of persons served in the home that month-to derive the monthly allotment. The non-food supplies allotment is based on a flat monthly rate per residential cost center budget.

3. Monies expended from the residential cost center account for non-allotted but approved items will be reimbursed monthly after the bank accounts have been reconciled and the check register for the month is complete.
4. The Manager shall maintain an accurate residential cost center checking account balance and collect receipts for every expenditure. Receipts must be retained for submission to the Director of Accounting at month-end.
5. The Director of Accounting reconciles the bank statements, and posts expenditures.
6. The Director of Community Living receives a monthly statement of income and expense for each cost center within the Community Living program. He/she must be aware of all expenses as they relate to total income, with special emphasis on the expense over which staff exerts the most control.

### **Restricted Funds Received by Contribution**

1. "Restricted funds received by contribution" are defined as cash donations which are designated by the donor for a specific purpose, project, or group of persons served, OR are specifically limited by the donor as not to be spent in certain areas of the operation.
2. Upon receipt of a restricted donation the Director of Development or President / CEO shall document the purpose of the donation as stated by the donor, including all restrictions placed on its use. If at all possible, this should be documented by a letter from the donor. The restrictions shall also be listed in the acknowledgement letter.
3. Restricted contributions shall be maintained in a separate interest bearing account with itemized balance(s) and expenditures recorded regularly by the accountant. Major restricted funds (such as an endowment fund) shall be maintained separately as the Board directs.
4. Expenditures of a restricted fund from the general account shall be reimbursed to the general account regularly (as account withdrawal procedures allow.)
5. Interest earned on restricted funds shall not be restricted unless so stipulated by the donor at the time of the donation or so stipulated by an action of the Board of Directors (such action cannot be in conflict with donors' request.) Restricted funds with restricted interest shall be maintained in separate and individual bank accounts.
6. In no case shall the organization act to spend restricted funds in conflict with the purposes specified by the donor. If the originally stated purposes become invalid (i.e.

the program no longer exists, etc.), the donor shall be contacted, if possible, and informed of the circumstances so that he/she may reclassify the restricted donation. If the donor is unable to be reached due to a permanent circumstance, this will be documented and the restricted donation may be reclassified.

7. On a regular basis (or whenever requested by the Board) the President /CEO and/or Senior Vice President /CFO shall present a summary of activity (balances, expenditures, interest earned) for all restricted funds, to the Finance Committee.

### **Annual Independent Examinations (Audits)**

1. Annually following the close of the organization's fiscal year and the closing of its financial records by the organization's Director of Accounting, an independent examination of the financial status shall be obtained from a certified public accountant.
2. The President/CEO and/or Senior Vice President/CFO shall contract with a certified public accountant who:
  - a) Has no personal relationship with the organization.
  - b) Does not represent the funding sources of the organization.
  - c) Is not a member of the governance authority.
3. The audit, when completed, shall be made available to and presented to the Finance Committee of the Board of Directors and/or to the full Board for their review and questioning. It shall be available to the full Board upon request and distributed to appropriate outside sources by administrative staff as required and deemed appropriate.

## **INVESTMENT OF RESERVE FUNDS**

### **PROCEDURE – All Programs**

1. **Classification** - In order to protect, preserve and grow the assets of the organization the investment strategy for reserve funds is based on classification of corporate funds as:
  - a) Short-term funds (or reserves) are those operating or short-term restricted funds used to pay bills or do special designated projects. The investment objectives for short-term funds is safety, liquidity and yield.

- b) Long-term funds may include endowments, contingency reserves (not foreseen as needed on a short-term basis) and funds for capital replacement. The investment objective for long-term funds is conservative growth.

**2. Investment Parameters** – The size of the investment portfolio is determined by operating cash balances. The organization will maintain operating cash balances in interest –bearing checking accounts at a level sufficient to meet the working capital needs of the company or program (usually a target of one-half month cash flow based on annual budget.)

The organization will invest other funds according to short-term or long-term classification, with the understanding that it is the company’s goal to maintain up to the equivalent of two month’s general operating budget in a reserve classified and invested as short-term. Additional reserves accumulated over and above this level would be available for long-term investments.

### **3. Type of Investments**

- a) Short-Term Classes (less than one year) - May include money market funds; Bank C.D.’s; obligations issued or guaranteed as to principal and interest by U.S. government, i.e. Treasury Bills; obligations of federal governmental agencies; high quality bonds of municipal or governmental agencies rated “A” or better.
- b) Long-Term Classes - May include same as short-term class with addition of high quality large-cap, dividend paying domestic equities and long-term corporate bonds. Equities should include no more than 25% of total portfolio value.

### **4. Investment Control Matters**

The financial assets of the organization are to be placed in the custodial management of an FDIC insured bank or financial brokerage firm with at least ten million dollars of SIPC insurance per account, as approved by the Finance Committee of the Board of Directors. Decisions pertaining to the investment and movement of assets of the company are to be made jointly by the Senior Vice President/CFO and President/CEO of the company, within approved guidelines of this policy. Investments are to be reported to and reviewed by the Finance Committee at least semi-annually. All investments in the portfolio are to be supported by copies of safekeeping receipts provided by the custodial manager.

## **MONITORING USE OF RESOURCES**

### **PROCEDURE - All Programs**

In order to provide efficient and effective fiscal stewardship, and to prevent waste, fraud, abuse of resources and other wrongdoing in programs offered by Open Options UCP, the following guidelines shall apply:

Program Directors, and/or designated employees, shall conduct periodic reviews of resource use at varied service locations. Such reviews may include, but are not limited to:

- Review of cost center spending, including food and non-food supplies, medical supplies, and other program supplies. Households should be stocked with ample supplies in comparison with monthly spending patterns.
- Review of staffing patterns and/or schedules to ensure that proper staffing ratios are maintained, that employees are working assigned schedules and reporting time accurately, and that overtime authorization is handled appropriately.
- Review of billing records (in applicable programs) to ensure that services are billed appropriately and that services provided correspond to services billed.
- Review of records of person served monies.

Specific investigations shall be conducted when there is a report, suspicion or observation of wrongdoing. The President/CEO in consultation with appropriate members of management will prescribe necessary follow-up action.

An internal investigation may be delayed or forgone in deference to a police investigation. The President/CEO may instruct employees to suspend internal procedures in this section in order to allow the police investigation and state investigation to proceed without overlapping activities.

The internal investigation and full investigation report will be completed and submitted to the President/CEO within 10 business days of the alleged incident or initial report. If the report extends beyond this timeline, a status report will be given to the President/CEO with a revised target date of completion.



Any employee who knowingly engages in any abuse of resources, including fraud, waste, or other wrongdoing, or who fails to take corrective action to remedy such, shall be subject to disciplinary action, up to and including immediate termination.

There shall be no reprisal or retaliation against any employee who discovers and reports wrongdoing. Any employee who engages in or threatens retaliation shall be subject to disciplinary action.

## **MANAGEMENT OF INDIVIDUAL PERSON SERVED MONIES**

### **PROCEDURE –Community Living Program**

Application – Open Options UCP maintains a bank account titled “Personal Needs” account for the personal spending money of the persons served. This supports the persons served in securing and accessing their personal funds which typically come from two sources: “personal needs” allowance from Social Security benefits which are received through payments to our office and deposited to the persons served accounts and payroll checks for people who are employed.

The Director of Accounting shall calculate the amount of Personal Needs funds received from the Department of Mental Health and transfer fund received from the general operating account to the Personal Needs bank account monthly.

Purpose of Procedures – Procedures establish the frequency and consistency of reconciling these funds; secure the funds by reducing the amount of funds to which any one person has access; improve accuracy and timeliness of reports to DMH; and extend capability of Open Options UCP business office to monitor funds which are spent through community living locations.

Process – This process establishes the cash-on-site system, on-site logging procedures, and electronic person served ledgers which are maintained by the Managers and overseen by Division Directors and Director of Accounting.

1. Cash Fund – A cash account will be available in each home. The cash fund is exclusively for personal needs spending and shall not be used for miscellaneous household expenditures.
2. The Manager is responsible for the security of the cash and payroll checks of persons served, and the accuracy of the accounting of the cash box including ledger entries on-site and receipts for purchases. Expenditures from the fund are logged indicating date, amount, purpose, and consumer(s), and receipts are stored in the lock box.
3. Cash may be distributed to persons served for their use if their Person Centered Plan states that they can handle their own funds. The ledger must be signed by the person served for all cash distributions to the persons served, regardless of amount. If the person served is unable to sign or initial, the employee providing the cash will sign as witness to the transaction.
4. Each fund is reconciled weekly (cash on hand, receipts, and on-site log) by the Program Director who addresses discrepancies with the Manager. The Director delivers receipts and reconciliation forms to the Director of Accounting in the main office semi-annually. The Program Director is responsible for verifying the presence of merchandise purchased for individual persons served and occasionally conversing with persons served about other expenditures (activities, food) to verify that logged expenditures did in fact benefit the person served.
5. Upon receipt of the semi-annual reconciliation, the Director of Accounting with the assistance of the Managers:
  - a) updates the electronic individual client ledgers
  - b) forwards a printout to the home
  - c) Notifies the Program Director in writing or by e-mail of individual person served balances of \$200 or more.
6. Person served payroll checks are received at the home, entered on a log which indicates date, check info (payer, date, and amount), and picked-up by the Division Director. The checks are entered in the person served ledger and deposited in the Personal Needs account by the Director of Accounting. Individualized management of payroll checks may be stipulated in the Person Centered Plan.
7. To ensure that individual accounts are not overspent, pre-approval and a check request is required for:
  - a) Expenditures over \$25 per person (by the Division Director)

- b) All expenditures for non-consumable items (by the Division Director)
  - c) Expenditures over \$100 must be approved by the Support Coordinator in writing (e-mail is acceptable.)
8. In order for persons served and Support Coordinators to have access to spending records on site, the residential cost center Manager will maintain an up-to-date record of each person served's balance by filing the electronic ledger printouts and receipts.
  9. The Division Directors prepare and send individual person served reports to the appropriate Support Coordinators quarterly.
  10. Upon the discharge or death of a person served, the Director of Accounting will reconcile their account and issue a check to the DMH Regional Office within 30 days of the person served's departure.
  11. Any deviation from expenditure procedures or payroll check cashing must be addressed in the Person Centered Plan.
  12. The Director of Accounting in consultation with the Director of Community Living and the Senior Vice President/CFO shall establish procedures as necessary to meet the changing requirements of the Department of Mental Health.

## **PRIOR APPROVAL FOR FUNDING**

### **PROCEDURE – Community Living programs**

Money spent on behalf of persons served in the Community Living program which is reimbursable by the Department of Mental Health Regional Office must be approved prior to purchase.

Prior approval is required before making the following purchases:

- Clothing or other items with a total value of greater than \$100 within a month must be approved by the Regional Office business office.
- Any medical or dental procedure which is elective and / or not covered in full by Medicaid, Medicare, or other insurance.

- Any purchases, including those with a value of \$100 or less, which will be submitted to the Regional Office for reimbursement. Persons served earnings and account balance should be reviewed with the Regional Office business office prior to purchase.

Receipts submitted to the Regional Office for reimbursement for any item, including medical or clothing, must reach the Regional Center business office within 60 days of the purchase and within the current fiscal year.

## **COST OF REPAIRS CHARGED TO PERSONS SERVED**

### **PROCEDURE - Community Living Programs**

In program locations owned or leased by the organization, the organization bears responsibility for household repairs made necessary due to normal “wear and tear.” As a training program, we provide support and education to persons served in the proper use of appliances, furniture and fixtures.

When property damage occurs and staff observe or have evidence of person served responsibility, an event report shall be completed detailing the situation. The Program Director shall make the judgment as to whether property abuse occurred. Persons served may be assessed the cost of repairs if the circumstances are stipulated in the person centered plan or upon the judgment of the Program Director with the agreement of the Support Coordinator. The person served’s ability to pay will be taken into account and the fee can be based on a percentage of the repair cost (also considering shared responsibility.) The person served will be informed of the fee in writing, and informed that he/she can appeal the charges with a complaint directly to the Program Director in accordance with the complaint procedure. In no case shall person served funds be accessed without his/her direct involvement and a receipt shall be issued to the person served with a copy attached to the money collected.

In locations owned or leased by the person served, persons served will be expected to purchase and maintain their own furnishings and be responsible for general upkeep of the property. For individuals who rent or lease property, repairs made necessary due to normal wear and tear will be referred to the landlord. Employees will provide assistance, if needed, in

making this contact, but the person served will be allowed as much independence as possible in making the arrangements. If damages occur as a result of abuse, misuse or carelessness, the person served will bear the responsibility of repair costs.

Persons served shall be responsible for cost of repair to any property which they own. If damage to personal property is caused directly by a roommate or guest, employees shall be available to provide mediation and/or assist the person served in obtaining restitution.

**POLICY STATEMENT: Financial Assistance**  
Adopted by the Board of Directors 03/26/2015

It is the policy of Open Options UCP that financial assistance may be given to individuals and families in financial need within the following guidelines:

a. After exhausting the community resources for financial assistance, or in conjunction with other community financial assistance resources, Open Options UCP may pay, within established budgetary limits, for services such as:

1. Assistive Technology that increases a person's independence and autonomy, including health and equipment supplies, corrective or protective devices, and wheelchair lifts or vehicle adaptations
2. Medical or other treatment-related evaluations or consultations to ensure a person's health and safety, when otherwise not covered by a person's health coverage

Open Options UCP will not provide funds for any of the following:

- b. scheduled therapies, transportation, rent, food, or utilities.
- c. purchase or lease of a vehicle.
- d. any previously incurred debt.
- e. funds for communication technology devices for school age children for use in the school.

f. funding for experimental equipment or procedures without the advance approval of the Board of Directors.

g. Eligibility: In general, persons with disabilities who reside in the Open Options UCP chartered territory. Other criteria, based on age and/or disability, may be established from time to time in accordance with agreements with donors and other funding sources.

## **FINANCIAL ASSISTANCE**

### **PROCEDURE - Family Support Programs**

When a request for financial assistance is made or the need is indicated, employees will refer the request to Information, Referral, and Support Coordinator or his/her designee. Referral will be documented in the consumer record or, if involving a new person served, on the Information/Referral tracking log.

The Information, Referral, and Support Coordinator will survey other community resources regarding the nature of the request. If the need can be met through another community agency, the person served will be referred to the agency. Open Options UCP employees will provide supportive assistance to the person served/family regarding financial concerns and will offer suggestions and/or recommendations, if appropriate. Through the assessment, persons served may be referred to financial resources for which they are eligible. Counseling may also be appropriate for persons served and families at this point. Family Support employees will utilize the following procedures:

- a. Explain Open Options UCP Financial Assistance Policies as related to the request.
- b. As appropriate, employees will refer the person served to other organizations, and if appropriate, explain to the person served the financial aid concept of working in conjunction with other agencies regarding the request, (i.e., cooperative efforts with other agencies in order to better meet person served needs, make effective use of limited resources, etc.)
- c. Person served and/or staff will investigate additional funding sources, including but not limited to third party insurance, other United Way agencies, churches, sororities, fraternities, and other civic and charitable groups regarding the person served's request.

- d. A plan will be identified, based on the results of additional funding sources, if any, for the person served's request, including partial payment by the person served or family, if appropriate.
- e. If it is determined the person served is potentially eligible to receive financial assistance from Open Options UCP, he/she should submit the Open Options UCP Application for Financial Assistance and include the bid/estimate/actual dollar figure of the request, and a professional prescription for need, if applicable.
- f. Open Options UCP employees will work out a plan with other applicable organizations once the dollar amount is known.
- g. The person served file will be updated as appropriate. Family Support employees will complete purchase order or check request forms as appropriate.
- h. The Information, Referral and Support Coordinator and the President/CEO will be responsible for reviewing and approving the request, in accordance with established guidelines and within the established budget.
- i. The person served will be informed of the dollar amount of Open Options UCP financial assistance and the method of payment.
- j. The bill will be submitted for payment to the business office. Open Options UCP will not make payment to any individual requesting the funds. Payment may only be made to the organization or business needing the funds for the specified purchase or service.
- k. Application forms and copies of transactions will be documented in the Family Support Department office and a copy will be placed in the person served's case file (if applicable).

**POLICY STATEMENT: Administrative Records**

Adopted by the Board of Directors 04/30/2015

It is the policy of Open Options UCP, that administrative records including paper, electronic, audio & video will be created and maintained in such a fashion as to ensure confidentiality, accuracy, and security against loss, clarity and concise information. The President/CEO, and/or his/her designees, shall be responsible for the maintenance and retention of the administrative records of the organization. A schedule of retention will be followed for administrative records as outlined below, and the records shall include, but are not limited to:

Monthly Financial Statements	3 Years
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Year-End Financial Statements	Permanent
Annual Audits	Permanent
Bank Statements	7 Years
Checks on all accounts showing disbursement	7 Years
Deposit records identifying donations & income source	7 Years
Documents related to corporate property ownership	Permanent
Personnel Records	Life+5
Board of Directors Minutes	Permanent
Standing Committee Minutes	Permanent
State or Federal Contracts/Documents	Life+7
Tax Returns	Permanent
Payroll Records and Summaries	3Years
Personnel Timecards	3 Years
Accounts Payable and Receivable Ledgers and Schedules	7 Years
Employment applications	1 Year
Record of employee injuries	5 Years
Insurance Records - reports, claims	7 Years
Insurance policies	7 Years
Petty Cash Vouchers	3 Years

Procedures shall be established to ensure the presence of all materials required by accreditation standards and contractual obligations with funding sources. Procedures will also be established to provide safeguards against the possibility of loss or destruction and to ensure confidentiality. All Personnel records for past and current employees will be maintained by the Director of Human Resources or his/her designee in a locked storage area at all times and procedures will dictate who has access to personnel information.

## **ADMINISTRATIVE RECORDS**

### **PROCEDURE – Personnel Files**

Separate files are maintained for each current employee. A General File contains application information, conditions of employment, rates of pay, applications for benefits, records of training, performance appraisals and citations, and related information. The Confidential Files contain information protected by HIPPA (PHI), any and all medical / health information, payroll



information related to garnishment, background checks, any leave information related to health or personal conditions, charges of discrimination and related documentation, requests for reasonable accommodation, complaints and grievances, and any document deemed by the Director of Human Resources or President/CEO to be related to this listed information.

Access to information created and maintained in a personnel record shall be strictly limited and managed under the direction of the Director of Human Resources. "Open access" refers to the authority to examine the entire record. "Limited access" refers to authority to view parts of the record for the purpose of completing one's job duties.

Open access: Only the President/CEO and Director of Human Resources have open access to the General and Confidential files including removal from the storage areas. The HR Assistant has open access for the purpose of maintaining the file but may not remove files from the storage area except at the request of the Director of Human Resources. No one may remove a file from the administrative office except for relocation for permanent storage.

Limited access:

- Employees: any and all documents in their own file except those documents, notes, or items that pertain to employment references written for the employee. Access must be requested in advance and file viewing must be done in the presence of the Director of Human Resources.
- Payroll/Accounting Clerk: pay rate and compensation changes information
- Director: for employees directly or indirectly supervised; access to application, rate of pay & history, performance memos and formal appraisals, training records.
- Supervisors (Managers): for employees directly or indirectly supervised; access to training records, performance memos and formal appraisals.
- Chairperson, Board of Directors: the General File of the President/CEO (requested through the Director of Human Resources) and all General Files as requested through the President/CEO.
- Contracted Public Funding Agents (e.g. Missouri Department of Mental Health, and county entities with whom we have contracts): access to records maintained per the funding contract such as background checks, training records and policy/procedure

acknowledgements, and evidence of minimum qualifications for employment. In addition, in the event of a formal investigation of abuse or neglect, contact information for the employee may be shared with investigators. If performance information is requested (appraisals, performance memos, etc.) the President/CEO will determine what, if any, performance information is pertinent to the investigation and will approve what is shared.

Copies: No one may make photocopies or receive electronic versions of any part of the record except through the formal request process for employees to receive their own file contents.

Aggregate reporting: The following information may be reported by employee name in the aggregate for purposes of status tracking: name, dates of employment, and training certifications & expirations.

### **POLICY STATEMENT: Leadership**

Adopted by the Board of Directors 04/30/2015

It is the policy of Open Options UCP to require dedicated, focused leadership from the governing board and executive management staff. Organizational leadership will demonstrate and enforce activity consistent with our published beliefs and rules for conduct, build collaboration through trust, promote a shared vision through communication, increase financial stability through efficient stewardship, ensure longevity through adaptation to change, demonstrate that we value the interests of the people we support above our own interests, and display dedication to the people we serve by our commitment to the employees who serve them.

### **The Role of the Board of Directors in Organizational Leadership**

The Board of Directors provides policy direction, planning, and focuses on mission. On behalf of the citizens of the community and the specific individuals we serve, the Board will govern the organization with a commitment to the mission and values of Open Options UCP. Mindful of its obligation as a body of trustees, the Board will operate in all ways to prevent conflicts of

interest and/or the actions of individual officers, members, or committees from interfering with the mission of the organization.

The Board of Directors will direct, review and ensure the implementation of all policies. As delineated in corporate documents, the governing body is vested with the ultimate authority for the effective and efficient delivery of services that meet the needs of the people we support. Through direction to executive staff and attention to internal and external affairs and events, the Board will ensure that organizational planning responds to the dynamic needs of persons served and the community.

The Board is committed to supporting each member, its elected officers, the President/CEO, and other staff. Through member orientation, training, recruitment of new members, mandatory rotation, and periodic self-evaluation the Board will maintain vitality and increase its ability to fulfill the mission of Open Options UCP.

### **Responsibilities of the Board of Directors**

1. Complete the duties prescribed by the Bylaws and Policies & Procedures
2. Actively determine and review the organization's mission and purposes
3. Direct the development, periodic review, and implementation of all policies
4. Ensure the prudent management of financial resources
5. Promote the organization's public image
6. Attend regular and special meetings of the Board and committees
7. Uphold and support all actions and resolutions adopted by the Board
8. Contribute financially to the organization
9. Complete annual self-assessment of the entire Board and periodic self-assessment of individual members
10. Sign conflict-of-interest and code-of-conduct certifications
11. Support the President/CEO in his/her day-to-day administrative activities through consultation, constructive feedback, encouragement, and annual evaluation of his/her performance.

### **The Role of the President/CEO in Organizational Leadership**

The President is the chief executive officer of the corporation and is responsible for implementing Board policies through delineation and enforcement of procedures and oversight of all day-to-day operations. The President/CEO is employed to provide leadership toward the fulfillment of the mission of Open Options UCP and is responsible for the conduct of all programs, for assisting the Board of Directors in the conduct of their duties, and for the development of new services to be provided by the organization. He / she shall not cause or allow any activity, decision or circumstance which is imprudent or in violation of commonly accepted business practice or professional ethics. Through example and daily performance, he / she will demonstrate a commitment to the values of Open Options UCP.

The President/CEO will make all reasonable efforts to ensure that the health, safety and well-being of all individuals served are protected, and that individuals served are at the center of planning, implementing, and monitoring services delivered.

### **Responsibilities of the President / CEO**

1. Completion of the duties contained in the job description
2. Coordinate and supervise all programs and projects operated by Open Options UCP
3. Secure and maintain funding, plan a budget, and ensure accountability in collection and disbursement of funds
4. Establish and maintain an effective personnel program
5. Delineate an efficient organizational structure and directly supervise management staff as depicted by the structure
6. Communicate the mission and purpose of the organization to related external parties and the general public
7. Maintain compliance with all federal, state, and local regulations regarding business practices and welfare of employees and persons served
8. Monitor and influence service trends and best practices, including participation in professional and community organizations

### **Relationship of the President/CEO to the Board of Directors**

The President/CEO is employed and supervised by the Board of Directors and is the primary employee assigned to support the Board. He / she attends and participates in Board and committee meetings and is responsible for gathering and submitting data and information required by the Board in a timely and understandable fashion. The President/CEO will keep the Board informed of the needs of persons served and pertinent events in the operations, including anticipated media coverage, and allegations of abuse or neglect.

### **Succession Planning**

Succession planning for executive leadership ensures continuity of leadership due to the planned or unplanned departure of the chief executive officer. In order to ensure the stability of the organization's leadership and protect the Board of Directors, the President/CEO will ensure that at least two other executive management members are familiar with the duties of the President/CEO, the function of the Board, and the requirements and lead personnel of funding agencies. In the event of the incapacitation or death of the President/CEO, the Senior Vice President is the President/CEO designee until an interim President/CEO is appointed by the Board.

To manage the associated risks of vacancy in the President/CEO position, the organization will maintain a succession plan on file. A good plan to select a President/CEO is based upon the belief that the current system design and operations is consistent with the agency mission, the needs of persons served and the values of the governing body. If these conditions exist to a great degree, than preserving current operations will be the goal of leadership, both present and future, and the written plan will guide the board in selecting a replacement. The plan will be prepared by the President/CEO, submitted annually to the board for acceptance, and address at least the following elements:

- a) What is the program design and model we wish to continue?
- b) What are the benchmarks of a successful program?
- c) What is the corporate culture needed to sustain success?
- d) What leadership qualities are needed to keep Open Options UCP on track toward improving consumer services, expanding available services, and partnering with other leadership organizations to benefit our community?

- e) Name at least two internal candidates who can fill the position on a temporary basis and who have the skills to potentially assume it on a permanent basis.
- f) Suggested steps and time lines to guide transition planning, both “long-term” if the transition is anticipated and planned (such as retirement of the President/CEO) and “short-term” where the transition is due to resignation, termination, or emergency.

**POLICY STATEMENT: Legal Requirements &  
Corporate Compliance**

Adopted by the Board of Directors 04/30/2015

It is the policy of Open Options UCP to make every reasonable effort to comply with all legal requirements, including all federal, state, and local statutes and ordinances, and regulations of all governmental authorities and legally authorized agencies under whose authority the organization operates its programs and conducts business. Furthermore, it is the policy of Open Options UCP that all employees and agents are to recognize that the chief function of Open Options UCP at all times is to further its charitable mission, and conduct their duties consistent with the highest standards of integrity, truthfulness, courtesy and responsiveness. The President/CEO or his/her designee should execute all acts of the corporation in conformity with, and make reasonable efforts to cause all operating procedures to conform to all legal and regulatory requirements and ethical business practices.

Legal and regulatory requirements shall include but are not limited to:

- a) Rights of persons served, including rights to confidentiality and privacy, as stated in state and federal statutes governing services to people with disabilities, Health Insurance Portability and Accountability Act, Missouri Revised Statutes and the Americans with Disabilities Act,
- b) Reporting requirements including disclosure of not-for-profit status,
- c) Contractual agreements (including Missouri Department of Mental Health, and the Home and Community Based Medicaid Waiver programs of Missouri and Kansas), and debt covenants,
- d) Licensing requirements, as applicable,
- e) Corporate status,

- f) Employment practices, and mandatory employee testing where applicable, including the U.S. Fair Labor Standards Act (as amended-Executive Order 11246), and the Americans with Disabilities Act,
- g) Other applicable regulations such as U. S. Department of Housing and Urban Development Guidelines and/or Regulations, the Internal Revenue Service Code, and Occupational Health and Safety Administration,
- h) Response to subpoenas, search warrants, investigations and other legal action instituted or threatened against the organization and its agents.

To advance this policy a Corporate Compliance program is implemented to include:

- a) Code of Conduct, providing standards and principles to guide agents in legal compliance, business ethics, confidentiality, conflicts of interest, business relationships, and protection of assets.
- b) Fraud and Abuse Enforcement and Prevention.
- c) Employee education policy.
- d) Designation of a Corporate Compliance Officer & committee.

(Refer to the Corporate Compliance Manual for further information and direction.)

## **BUSINESS PRACTICES**

### **PROCEDURE - All Programs**

All members of the organization's workforce, including paid employees and volunteers, are expected to conduct all business related activity in accordance with the organization's stated mission, values, code of conduct, and policies. Management shall make all reasonable efforts to prevent and/or remedy any activity, decision or circumstance which is imprudent or in violation of commonly accepted business practice or professional ethics.

Allegations of wrongdoing should be immediately reported to the appropriate Director. A report shall be made to the CEO within one business day. The appropriate Director, and/or designated employee, shall investigate the allegation and submit a report to the

President/CEO within seven working days. Reasonable efforts will be made to protect confidentiality. There shall be no reprisal or retaliation related to a report of wrongdoing against any individual who makes a report in good faith.

Employees will cooperate with external investigations, whether administrative or law enforcement, as required and allowed by law or contracts of the organization. Employees shall immediately report any notice of investigation, subpoena, search warrant, or other legal action to the President/CEO or his/her designee. If the President/CEO is not available, employees shall immediately report to the Program Director or Director On-Call.

The President/CEO and designated management will monitor service trends and best practices, including participation in professional and community organizations, and make reasonable efforts to maintain compliance with all federal, state, and local regulations regarding business practices and welfare of employees and persons served. Employees will receive training related to ethical codes of conduct and the Corporate Compliance Program at orientation.

### **POLICY STATEMENT: Program Evaluation**

Adopted by the Board of Directors 04/30/2015

It is the policy of Open Options UCP to identify and analyze the outcomes of services provided and the impact of the program on persons served through an ongoing systematic process known as Program Evaluation. The primary purpose of the program evaluation system is to assess the extent to which the organization is meaningfully achieving the mission to support people to realize their full potential. Specifically, assessment of whether meaningful benefits are received by the people we support and use that information to improve service delivery and increase benefits to the people we support.

The President/CEO or his/her designee shall design and implement a system which seeks to meet all standards of the Commission on Accreditation of Rehabilitation Facilities (CARF) and other regulatory bodies, and which includes:

- a) Characteristics of persons served, and those referred for service;



- b) Measurable outcomes for each program or core service offered;
- c) Measures of effectiveness and efficiency of services delivered, service access, and satisfaction of persons served and other stakeholders;
- d) Review of persons who have exited the program;
- e) Interpretation of the aggregate data, performance analysis, and actions needed to reach or revise established performance goals.

Program evaluation results will be made available in understandable language and communicated to the organization's Board of Directors, employees, funding sources, persons served, contributors, and supporters of the organization. Outcome information shall be used to strengthen and improve services. Additional information or data related to business improvement strategies may be reported separately or in conjunction with Program Evaluation reports. Management interventions shall be implemented to address program performance which falls below the desired level.

## **PROGRAM EVALUATION**

### **PROCEDURE - All Programs**

For program evaluation purposes, the twelve month calendar year (1/1 -12/31) will constitute the measurement period.

With input from various stakeholders, designated management employees will define specific outcome measurements to identify frequencies, trends and patterns which may indicate service delivery needs. For each core service offered, the organization will analyze outcomes related to efficiency, effectiveness, progress, and consumer satisfaction. Employees will make reasonable efforts to ensure that all data is complete, accurate and measures those factors intended to measure. Data may be compiled from, but is not limited to:

- Referral/Intake Information forms
- Post-discharge information
- Review of Person Centered Plans and individual person served outcomes/objectives
- Person Served Satisfaction surveys/questionnaires

- Quality Assurance reviews such as Health and Safety reviews, Plan reviews, etc.
- Monthly/Quarterly Financial Reports
- Key Performance Indicators as established on reporting dashboards

Within 90 days of year-end a report will be prepared detailing the data obtained for each objective, summarizing the results compared to expectancies, and interpreting the results in "conclusions" and "recommendations." The year-end report will be presented to the Board of Directors and/or a standing Committee of the Board, shared and reviewed with managers and other key employees, and delivered to funding sources and interested person served groups. Alternative formats may be utilized to deliver the report in understandable language to stakeholders and other interested outside parties.

A mid-year report may be prepared at the request of the President/CEO to present data for the first half of the year. The purpose of the mid-year report is to compile the data and allow a preliminary view of the adequacy of the measures and documentation. Adjustments may be made following review of the mid-year data.

The President/CEO in conjunction with management team members will prescribe and direct correction of deficiencies and program weaknesses revealed through program evaluation, and other trends identified in the report will be reviewed and evaluated. Whenever possible, input from stakeholders will be utilized in determining plans of correction.

The standards of the Commission on Accreditation of Rehabilitation Facilities (CARF) and requirements of funding or regulating agencies will be used as reference points for the structure and implementation of program evaluation.

### **POLICY STATEMENT: Human Resource Development**

Adopted by the Board of Directors 04/30/2015

It is the policy of Open Options UCP to recruit, employ, and retain competent people with appropriate skills who will address the needs of persons served, and contribute to the accomplishment of the organization's mission. Through our personnel policies and practices we will strive to provide a work environment and ongoing training opportunities which will

maximize the development, contributions and rewards of all employees. A handbook explaining personnel policies and procedures is available to employees via the electronic shared folder and through the paylocity employee portal, and posted with subsequent revisions, and shall delineate guidelines for the following:

- a. Conducting all personnel practices, including recruitment, hiring, training, promotion, job assignment, compensation, benefits, transfers, layoffs, and terminations without regard to race, color, age, sex, religion, national origin, or disability, or military status (specifically regarding disabled veterans of the Vietnam Era.) - except as provided by applicable law.
- b. Definition of employee designation so as to determine access and eligibility for benefits and compensation scales, and establish a "training period" for the purpose of assessing employee suitability in the early stage of employment.
- c. Participation in appropriate programs and training sessions as determined by the organization for the purpose of staff development and to provide for continuing improvement and updating of employee skills.
- d. Supplementation of employee compensation and promotion of employee well-being with group insurance coverage, extra compensation or paid time-off for holidays, and reimbursement of some work-related costs.
- e. Recognition of the value of personal time away from work for rest and relaxation through vacation leave as an employee benefit, and the benefit of sick leave in recognition of the fact that illness sometimes incapacitates an employee or presents a risk of contagion.
- f. Maintenance of a workplace free from alcohol and other drug abuse and its effects.
- g. Regular and formal review of each employee's performance so as to identify job performance areas which meet or exceed organization standards and those areas which require improvement, and to establish measurable annual performance goals.
- h. Clear and predictable employee disciplinary actions to correct work performance problems in the interest of the mission and purpose of the organization.
- i. Prompt and fair resolution of work-related disputes.
- j. Periodic review of the Personnel Policies and job descriptions.

The Personnel Policies may be revised or amended with a majority vote of the full Board of Directors.

### **POLICY STATEMENT: Development**

Adopted by the Board of Directors 04/30/2015

It is the policy of Open Options UCP to establish a Development Plan through the Board's Development Committee. The Committee will analyze each fundraising event or process, both in advance and in retrospect, whether sponsored by Open Options UCP, or by an outside organization or group on behalf of Open Options UCP.

Each analysis should include:

- a.) The overall past success of the event (if previously conducted)
- b.) A description of the event to include the proposed date, location, description, overall goals, and net proceeds after expenses.

In analyzing the event's fundraising goal, the organization will provide the specific budget as well as a detailed plan which identifies what will be expected of organization employees and volunteers in order to make the event successful.

If the organization is expected to commit advance funds to the fundraising event, advance review by the Development Committee is required and the Committee will make specific recommendations to, and seek approval from, the Board of Directors or the Boards' Executive Committee prior to committing these funds.

It is the intent of the Board of Directors, through this policy, to ensure sufficient fiscal planning and accountability for each event in order to protect the volunteers, employees, and the organization's reputation within the community.

### **POLICY STATEMENT: Privacy of Donors**

Adopted by the Board of Directors 04/30/2015

It is the policy of Open Options UCP to protect the privacy of the personal information of its donors, potential donors, and volunteers. We value the trust of our stakeholders and of the public, and recognize that maintaining this trust requires that we be transparent and accountable in how we treat the information that donors choose to share with us. During the course of our various projects and activities, we frequently gather and use personal

information. Anyone from whom we collect information can expect that it will be carefully protected and that any use or handling of this information is subject to consent. Our privacy practices are designed to achieve this. It is our policy that any personal information obtained through financial contributions or provided to us verbally, in writing or electronically is for the sole use of Open Options UCP and will not be sold, rented, loaned or released.

### Defining personal information

Personal information is any information that can be used to distinguish, identify or contact a specific individual. This information can include an individual's opinions or beliefs, as well as any fact about or related to the individual. Exceptions are business contact information and certain publicly available information, such as names, addresses and telephone numbers as published in telephone directories. This is not considered personal information. Where an individual uses his or her home contact information as business contact information as well, we consider that the contact information provided is business contact information and is not therefore subject to protection as personal information.

### Privacy Practices

Personal information gathered by our organization is kept in confidence. Our personnel are authorized to access personal information based only on their need to deal with the information for the reason(s) for which it was obtained. Safeguards are in place to ensure that the information is not disclosed or shared more widely than is necessary to achieve the purpose for which it was gathered. We also take measures to ensure that the integrity of this information is maintained and to prevent its loss or destruction.

We collect, use and disclose information only for purposes that a reasonable person would consider appropriate in light of the circumstances. We routinely offer individuals we deal with the opportunity to opt not to have their information shared for purposes beyond those for which it was explicitly collected.

### How We Protect Information

We employ physical and procedural protection mechanisms, including password protocols in our databases to protect information. Open Options UCP does not sell or rent donor names or information. We do not share donor information with any firm or non-profit organization for

their marketing or fundraising purposes, unless a donor or their representative explicitly asks us to do so. These protections apply automatically to all of our donors.

Open Options UCP occasionally publishes the names of donors to publicly recognize their support and express our gratitude. If donors do not wish to have their name listed in written or electronic publications we will accept and honor written requests to this effect.

We may share the personal information that we collect with government agencies or other regulatory bodies and law enforcement officials (for example, for tax reporting or reporting suspicious transactions).

Questions, concerns or complaints relating to our privacy policy on the treatment of personal information should be directed to the Director of Development.

## **FUNDRAISING EVENT OVERSIGHT**

### **PROCEDURE - Development**

In accordance with the policy statement on Development and the Bylaws, the Development Committee of the Board of Directors will provide approval and oversight of fundraising events executed by Open Options UCP through its employees and volunteers, and events conducted for the benefit of Open Options UCP. Oversight is needed to ensure that we are clear on the purpose of an event, know our prospective audience and carefully assess resources (people and money) to sponsor it.

In order to choose and direct appropriate fundraising events for our organization, the Development Committee should determine:

- The purpose in sponsoring an event
- The measurable goals
- The prospective audience for the event
- The organization's resources (money, time and people) to produce the chosen event

When an established volunteer event steering committee is formed, the Development Committee will solicit their plans for the event in these categories. The following questions can guide us in making the best decision about event(s) we sponsor:

**What are the purpose(s) and goals of the event?**

*Is the purpose to raise money?* Assuming one of our purposes is to raise funds, it is important to determine when the funds are needed and our financial net goal. The strategy to raise significant dollars will be considerably different than one to generate a few hundred dollars.

*Is the purpose to generate new donor prospects or volunteers?* In successful fundraising events, one of the goals is to attract new volunteers as well as money to support our organization. Otherwise we may be redirecting money previously given to our organization through other avenues and overtaxing current volunteers.

*Is the purpose to increase public awareness of our organization?* If an increase in the visibility of our organization is a purpose, event location and media coverage should receive study, planning and extra efforts.

*Is the purpose to bring attention to our cause or mission?* Too often the population served by our organization is confused with the audience for an event. Although the two should be compatible with regards to the basic values of our organization, the audience of our event may be significantly different than the clients we serve.

**Is the staffing adequate?**

Before committing to a fundraising event, we should be certain that both volunteer and salaried staffing is adequate.

*Is there an effective leader, agreeable to chair the event?* Often an event will have two chairs with distinctly different jobs: a celebrity chair and an organizing chair. The celebrity chair agrees to be associated with the event, make some important contacts, sign some letters endorsing the event or encouraging people to attend and will also attend the event. The organizing chair coordinates the considerable details associated with producing an event. Has a member of the Board of Directors agreed to serve on the steering committee?

*Is there an adequate pool of volunteers to plan and carry out the event? As with all volunteer positions, each volunteer should be doing a job that brings mutual benefit to both the volunteer and the event.*

*Has the amount of staff time that will be needed for the event been clearly established? Those planning for the event should present a realistic proposal regarding the projected time that employees will be supporting the event. As much as possible, event chairpersons should arrange for the preparation details to be handled separately from the daily running of our organization.*

*If the event involves selling tickets to get people to attend, do we have people (board, volunteers, and staff) who can be successful at this? We should not just assume that somehow tickets distributed to board and volunteers will automatically get sold.*

### **Is the projected budget aligned with organization goals?**

*After expenses, do we project a profit that will fulfill our financial goals? Does the budget give actual costs for all possible major expenses and does it reflect opportunities for underwriting and sponsorships that could significantly lower actual costs? It is helpful before agreeing to stage an event to get some major underwriters on board. Costs for insurance, taxes and permits should be researched before the decision is finalized.*

*Is there an escape plan if activities and planning are not proceeding as scheduled? In major event planning there should be plans to cut our losses by a certain date by canceling the event if most indicators point in that direction. It is sometimes better to cancel than to carry through with plans, particularly if our losses will be significantly larger if we proceed.*

### **Will the benefits of this event or activity be worth the time and effort put in by staff and supporters of the organization?**

Ultimately this is the bottom line for deciding whether or not to sponsor or repeat an event. Analyzing the organization's goals for the event, we must ask, "Is this event the most economical and effective way to meet these goals?"

## **INFORMATION TECHNOLOGY AND SECURITY**

### **PROCEDURE - ALL PROGRAMS**



The organization will strive to use the most efficient, effective and secure technology which is reasonably available to meet the information management needs of the program and its constituents.

Information management systems, including electronic information technology, will comply with state and federal regulations regarding privacy, confidentiality and security, including HIPAA Privacy and Security Standards. The following procedures shall apply:

- a. Designated staff members (and/or qualified contracted parties) will assess potential risks and vulnerabilities of information management systems.
- b. The organization will take reasonable action to protect against threats to information security or integrity, and against unauthorized use or disclosure.
- c. The organization will maintain security measures that are reasonable and appropriate to the needs, capabilities and circumstances of the programs and operations.