

Procedure Name:	Accounting Procedure
Applies to:	Employees and Stakeholders
Procedure Location:	Y:/Forms/Policies and Procedures/Procedures/Accounting Procedure.pdf
Effective Date:	2/2/2009
Date(s) of Revision:	3/9/2017; 3/8/2018; 5/10/2019; 5/8/2020; 11/11/2022; 11/10/2023
References:	COA Administration and Management Standards (FIN 2, FIN 4.03, FIN 5, FIN 6, FIN 6.01, FIN 6.02, FIN 6.03, FIN 6.04) 10A NCAC 70I .0303 Title 2-Code of Federal Regulations Work Schedules, Workload, and Timesheets Kid\$Earn Weekly Time Card and Evaluation Form Kid\$Earn Application Form Request for Kid\$Earn Position Form

The Finance Committee of the Board of Directors shall ensure that MHCO acts in compliance with all applicable laws and within accounting guidelines, to include compliance with [Title 2-Code of Federal Regulations](#) for any grant funds that are received. The Chief Financial Officer shall maintain up-to-date information using the cash method of accounting concerning all donations, reimbursements, and projections including journal entries, cost allocation plans, and fixed asset tracking. The Chief Financial Officer shall accrue any known expenses and revenue at year-end for an accurate accounting of each fiscal year. The Assistant Finance Officer shall maintain journal entries for transactions to be reviewed by the Chief Financial Officer.

The Chief Financial Officer shall:

- prepare prompt, accurate, and complete financial statements complete with supporting documentation for presentation monthly to the Financial Management Team, ~~PQI Subcommittee~~, Finance Committee of the Board of Directors, and quarterly Board of Directors meetings.
- ensure that cash receipts and disbursements are posted promptly to the general ledger and all financial transactions are reconciled in a timely fashion. ensure that MHCO adheres to generally accepted accounting principles, procedures, and standards and that an external auditing firm approves these standards.
- The Chief Financial Officer shall maintain manuals detailing the accounting and reports preparation procedures using Financial Edge, the automated financial accounting system used to maintain financial records, manage and prepare payroll, and keep track of associated filings and reports.
- review financial statements, bank deposits, and withdrawals, bank reconciliation, bank account transfers, logbook entries, investment accounts, financial forecasts, payroll and timesheets, and other income related actions.
- identify revenue probabilities and possibilities, based on previous years and on anticipated events, and take appropriate action to ensure attempts at procuring these funds.

The Administrator and Chief Financial Officer shall disseminate practical financial information to the community through the annual report, local newspaper notification, and copies of audits provided to appropriate government, accreditation, and association bodies. The Finance Committee of the Board of Directors shall review and approve unanticipated, significant financial transactions.

Employees shall be cost conscious when purchasing. Employees shall be made aware of the budgeting process and the fiscal health of MHCO and discuss concerns and suggestions relating to fiscal

management to their immediate supervisor, the Program Director, the Administrator, or the Chief Financial Officer.

The Chief Financial Officer shall chair the Finance Management Team. Members of this committee shall include the Administrator, Program Director, ~~Donor Relations Coordinator~~ Financial Development Coordinator, Annual Giving Officer, Assistant Finance Officer, Maintenance Director, ~~Vocational Counselor~~, PQI/Grant Writer, and School of Graphic Arts Manager. The Chief Financial Officer and Finance Management Team shall:

- ensure that MHCO is providing the best possible care at the most economical balance between quality and efficiency.
- review accounting practices and procedures annually to include all aspects of the accounting and bookkeeping.
- ensure that personnel are trained to perform accounting procedures, such as payroll and end-of-month reports, in the absence of the Assistant Finance Officer. The Chief Financial Officer or other qualified employee shall replace the Assistant Finance Officer periodically and perform all accounting functions. In the event of an emergency when the Assistant Finance Officer, Chief Financial Officer, or other qualified employee is not available to fulfill the accounting role, the Administrator shall temporarily contract a qualified Financial Edge trainer or consultant to either train an employee or perform the financial accounting procedures in their absence.
- annually inventory MHCO property to include buildings, capital items, items of considerable worth, items easily pilferable, and stockpile items (e.g. janitorial supplies, food stores, etc.) for audit purposes. Items shall be counted by the department in control of the items. In addition to counting items, the Chief Financial Officer shall place a dollar value on each item or group of items and a cumulative total derived. The Chief Financial Officer presents results of the inventory to auditors as needed.
- review financial statements and identify revenue shortfalls, excess expenditures, and any discrepancies in bank reconciliation, deposits, transfers, or withdrawals monthly.
- discuss budget-planning sessions.
- review insurance coverage annually to include building insurance (i.e. fire, damage, etc.), general liability, special liability for recreation programs and facilities, Directors and Officers liability, Physical and Sexual Assault liability as part of the general liability, automobile insurance, Bonding/Crime and Employee Theft insurance, Workers' Compensation coverage, additional specialized insurance on office equipment, farm machinery, phone systems, computers, and an umbrella policy to cover underinsured areas. Following this review, a memorandum shall be drafted by the committee to employees and Board Members stating the insurance coverage offered by MHCO.

FEE FOR SERVICE

As a rule, MHCO does not charge a fee for service, but parents and legal custodians are encouraged to provide monthly contributions. Fees set for service are evaluated annually based on statistical data obtained from various sources including: Duke Endowment, North Carolina grant-in-aid program, U.S. Title IV-E program, and internal revenue sources. Agreements for monthly or periodic payments shall be arranged at the time of admission and will be reviewed at least annually with parents or legal custodians. MHCO receives monthly per diem payments for all residents who are in the custody of the Department of Social Services (DSS). The Assistant Financial Officer shall request appropriate per diem payments from DSS monthly. Applicants shall not be denied services solely based on lack of funding. The Program Assistant or admitting Supervisor/Clinician shall inform applicants how to receive services, costs of services, and assistance available to them in the event they cannot afford to pay. The Program Assistant or admitting Supervisor/Clinician shall inform applicants that any monies received from government support services or DSS are to be relinquished to MHCO and to consult a tax preparer as placement at MHCO

may affect tax filing. Fees for service, if any, shall be established annually by the Board of Directors during budget preparation.

RESIDENT ACCOUNTS

Any monies received from parents, legal custodians, friends, family members, or donors that are designated for an individual resident shall be placed in his or her account or in the general operating fund and earmarked for use by the designated resident and intended purpose. Residents use funds from their individual account for individual specialty items not otherwise provided for by MHCO (e.g. specialty shoes, accessory items, video games, gifts for family members, manicures, etc.). Residents can designate a portion of their account for savings. Resident accounts do not accrue interest. The Chief Financial Officer shall keep comprehensive records of each residents' account as a part of the finance statements. The Chief Financial Officer shall maintain a separate accounting system to accommodate resident accounts. This system shall conform to local laws, state standards, and accreditation standards. Residents shall have access to the information about their assets upon demand and balances can be requested from the Finance Office. Resident accounts shall be closed upon discharge and any sums of money turned over to the resident or legal custodian of minor residents on the day of discharge. Resident assets for which MHCO employees have custody or information shall be held as confidential information.

The Chief Financial Officer shall require that written authorization is obtained from a resident prior to any deductions made from a personal fund account for any amount owed or alleged to be owed for damages done by the resident to the facility, an employee of MHCO, a visitor to MHCO, or another resident of MHCO. The notification from the resident ensures that he or she approves of the deduction from the account and is aware of the amount owed and amount of damages.

DIRECT CARE

Residents nine (9) years of age and younger will be given a \$2 per week allowance to spend in any appropriate manner they choose for completion of cottage chores.

Residents ages ten (10) and eleven (11) earn \$1 per week allowance for completion of cottage chores and may earn additional money by participating in the Kid\$Earn (Level I) program (i.e. \$2 per hour, up to four (4) hours weekly for chores in the cottage).

Residents over the age of twelve (12) are eligible to earn money by participating in the Kid\$Earn (Level II) program (i.e. starting at \$3 per hour for on campus employment and based on duties performed, experience in the position, and performance evaluation). Typically, Kid\$Earn (Level II) residents work four (4) or five (5) hours Monday through Thursday but may work more when on break from school. Residents shall apply for a work position by completing the [Kid\\$Earn Application Form](#) with the Vocational Counselor. Employees may request a Kid\$Earn position by completing a [Request for Kid\\$Earn Position Form](#) with the ~~Educational~~~~Vocational~~ Counselor. The ~~Educational~~~~Vocational~~ Counselor shall assign positions based on requests and applications biannually in the spring and fall.. Supervisors of Kid\$Earn (Level II) residents shall attend an orientation and confirm with CCWs concerning missing work. Kid\$Earn residents shall be paid if they miss work to attend required MHCO activities, school obligations, tutoring, sick (two (2) days maximum), or medical appointments. Kid\$Earn residents shall not be paid if they miss work and do not call in, refuse to work, attend a sport, or are sick after two (2) days. The [Kid\\$Earn Weekly Time Card and Evaluation Form](#) for Kid\$Earn jobs shall be completed by the position supervisor and turned in to the Finance Office on Friday each week.

Residents who are working outside of MHCO shall not be eligible for allowance or Kid\$Earn.

Residents shall be allowed to keep approved spending money at the cottage or on their person. The Program Clinical Coordinator shall determine the allowable amount based upon the resident's age and development. All monies kept by the resident shall be at his or her own risk. CCWs shall submit a list of requested monies

from Direct Care residents to the Assistant Finance Officer by Wednesday each week to be picked up Friday. This list shall include the resident's name and amount requested. If the resident has the amount in his or her account, the Assistant Financial Officer shall place the requested money in an individual envelope. If the resident does not have the amount in his or her account, the Assistant Finance Officer will notify the CCW and give the amount that the resident has remaining in the account. The CCW shall sign a receipt and receive the money from the Assistant Finance Officer. The resident shall sign the envelope containing the money as a receipt acknowledging that he or she has received the money. These receipts (i.e. signed envelopes) shall be turned in to the Assistant Finance Officer weekly prior to receiving any additional funds.

Residents who are restricted from receiving allowance shall still earn allowance but will be constrained from withdrawing it from their account. Supervisors must approve any restrictions of allowance and place the reasons for the restriction in the resident's case file. Restrictions of allowances shall not exceed two (2) weeks and may only be administered once per quarter.

Residents above the age of sixteen (16) shall be encouraged to open an account at a local financial institution of his or her choosing to promote independent living skills. The employee assisting with opening the account shall determine and explain fees charged by financial institution applicable to the account to the resident.

INDEPENDENT LIVING PROGRAM

Independent Living Program residents are not eligible for Kid\$Earn. Independent Living Program residents applying for jobs may be able to complete jobs on campus for \$5 per hour to be deposited in their resident account in limited circumstances. The Chief Financial Officer shall provide an allowance to residents living at four-year colleges based upon their year in school. ILP residents living on campus are not eligible for allowance.

The Chief Financial Officer shall approve withdrawals from resident accounts. Residents shall be encouraged to keep monies in their personal account in the financial office. Residents may request that rent payments be automatically withdrawn from their personal account each month. Residents may request monies from their account at any time the financial office is open. Residents shall also be encouraged to open and maintain an account at a local financial institution of his or her choosing to promote independent living skills.

Residents receiving CARS payments from the Department of Social Services or Social Security income shall deposit all payments to the Cobb Center. Per the Agreements Regarding Admission Conditions Form, specified portions of the payments will be deposited into the residents' savings account, checking account, and utilized for their care during residency.

COTTAGE FUNDS

Any monies received from donors that are designated for an individual cottage shall be placed in a cottage fund or in the general operating fund and earmarked for use by the designated cottage and intended purpose. Cottages use funds from their cottage account for recreation or specialty items not otherwise provided for by MHCO that are approved by the supervisor (e.g. gaming systems, decorative items, going out to eat, bowling, summer trips, birthday gift for a resident, etc.). The Chief Financial Officer shall keep comprehensive records of each cottage fund as a part of the finance statements. The Chief Financial Officer shall maintain a separate accounting system in Financial Edge to accommodate cottage funds. This system shall conform to local laws, state standards, and accreditation standards.

Each Direct Care cottage may withdraw a specified, set amount monthly from the cottage fund, as determined by the Program Clinical Coordinator and the supervisor. Supervisors shall submit a purchase order for the set amount of monies, with an addition of monies for birthdays and/or other special events for that particular month, to the Assistant Finance Officer by the last Wednesday of the month to be picked up on the last Friday of the month. Resident Advisors shall submit a purchase order for a requested amount of

monies for planned cottage activities, with an addition of monies for birthdays and/or other special events for that particular month, to the Assistant Finance Officer by the last Wednesday of the month to be picked up on the last Friday of the month. Purchase orders shall include the cottage names and amount requested. If the cottage does not have the amount in the fund, the Assistant Finance Officer will notify the CCW or Resident Advisor and give the amount that the cottage has remaining in the fund. If the cottage has the amount in the fund, the Assistant Financial Officer shall place the requested money in an individual envelope. The CCW or Resident Advisor shall sign a receipt and receive the money from the Assistant Finance Officer.

CCWs and Resident Advisors are responsible for the monies and returning receipts. CCWs and Resident Advisors balance the unused monies and receipts and turn them in to ~~the Assistant Finance Officer their supervisor~~ by the first (1st) business day of the month following the month that the funds were used. ~~Supervisors or the Program Director shall review the use of funds, balance the unused monies and receipts, and turn them into the Assistant Finance Officer by the fifth (5th) day of the month.~~ The Assistant Finance Officer balances the unused monies and the receipts. He or she shall deposit unused monies back into the specific cottage fund.

PAYROLL

MHCO uses ~~PaycomADP~~ as an automated payroll system. This system requires that all employees maintain an open bank account. Pay shall be computed monthly and deposited electronically on the last working day prior to the twenty-eighth (28th) of each month. Employees shall keep an accurate record of time worked on timesheets marked electronically by time clock or manually. Timesheets shall be required to receive pay from any given period of time worked. Employees shall present timesheets to supervisors for approval. Supervisors shall submit the timecards to the Finance Office on the last working day prior to the twenty-first (21st) of each month, or earlier if requested.

Paid employees wishing to work as a CCW when emergency coverage is requested by the Program Clinical Coordinator shall receive pay in accordance with the published scale for emergency childcare coverage. Providing emergency coverage shall be additional to the employee's regular job.

The Chief Financial Officer shall propose changes to pay to the Administrator and Board of Directors during the budgeting process. Once approved by the Board of Directors, the Assistant Finance Officer shall make the changes in ~~PaycomADP~~. The Chief Financial Officer shall verify the changes.

Employees other than CCWs or Resident Advisors shall work forty (40) hours weekly. Any time worked in excess of forty (40) hours by employees other than administration must have written approval from the Administrator. MHCO does not recognize compensatory time and employees are encouraged to schedule time so as not to exceed authorized hours worked. Supervisors who detect that an employee is working hours in excess of those authorized shall discuss the issue with the employee and advise him or her that working in excess of forty (40) hours without Administrator approval may result in termination from employment. Supervisors or the Chief Financial Officer shall inform the Administrator of violations.

MHCO is required by law to accept and comply with legal attachments and garnishments. The Chief Financial Officer may charge an administrative fee to employees who require repeated processing of legal attachments and garnishments.

Payroll settlement after ending employment shall be made on the regular monthly pay schedule after vacating employee housing, turning in all keys, turning all case files and records to the supervisor, and completing other financial and administrative responsibilities. The Chief Financial Officer shall compute monetary adjustments or reimbursements.

RECORDS

The following paper or electronic records and similar documents shall be retained permanently by the Chief Financial Officer:

- Articles of Incorporation
- Board of Directors Bylaws
- Board meeting and committee minutes collected by the Administrative Assistant or other personnel
- Board policies and resolutions
- Construction documents
- Fixed asset records and appraisals
- IRS tax-exempt status determination letter
- Annual audits and financial statements
- IRS 990 tax returns
- Liability insurance policies
- Real estate documents
- Stocks and bond records
- General ledgers
- Check registers
- Payroll registers
- State unemployment tax records

The following paper or electronic records and similar documents will be retained for a period of seven (7) years, or longer if required:

- Expired contracts
- Expense records
- IRS 1099s
- Journal entries
- Invoices
- Bank deposit slips
- Bank statements and reconciliations
- Electronic fund transfer documents
- Earnings records
- Garnishment records
- Payroll tax records
- W-2 statements
- Donor records and acknowledgment letters

The following paper or electronic records and similar documents will be retained for a period of five (5) years, or longer if required:

- Accident reports
- [Workers' Compensation records](#)
- Salary schedules
- Grant applications and associated contracts
- OSHA documents

The following paper or electronic records and similar documents will be retained for a period of three (3) years, or longer if required:

- General correspondence
- Petty cash vouchers
- Purchase orders
- Cash receipts
- Credit card receipts
- I-9 forms after termination or resignation
- Vacation and sick leave records
- Timesheets
- General contracts

MHCO records shall be stored in a safe, secure, and accessible manner. Permanent records shall be retained in the fireproof vault with access limited to key employees as listed on the vault door who may need to refer to the records. Documents and financial files that are essential to keeping MHCO operational in an emergency will be duplicated or backed up at least weekly and maintained off site. Electronic financial accounting and donation systems shall be managed separately from MHCO network server off site, with regular backup performed by the off-site provider.

The Chief Financial Officer, Program Director, and HR Specialist shall regularly review the files, identify which files have met the required retention limit and oversee the destruction or archival of the files. Eligible financial and personnel-related documents shall be destroyed by shredding. Document destruction shall be suspended immediately if an official investigation or lawsuit involving MHCO is filed or appears imminent. Destruction shall be resumed once the investigation is completed or if the investigatory body determines the documents are not required. Failure to comply with these procedures can result in possible civil and criminal sanctions.

Authorizing Signatures

Administrator _____ Date _____

HR Specialist _____ Date _____

Procedure Name:	Budget Procedure
Applies to:	Employees
Procedure Location:	Y:/Forms/Policies and Procedures/Procedures/Budget Procedure.pdf
Effective Date:	2/2/2009
Date(s) of Revision:	3/9/2017; 8/10/2018;
References:	COA Administration and Management Standards (FIN 1, FIN 2) 10A NCAC 701 .0303 Strategic Plan
<p>The Chief Financial Officer assisted by the Administrator, the Treasurer of the Board of Directors, and Finance Committee of the Board of Directors shall prepare an annual budget to be used as a plan for managing financial resources.</p> <p>Prior to the preparation of the budget, the Chief Financial Officer shall conduct an analysis of projected revenues and actual service delivery costs on a department or per unit of service basis. The Chief Financial Officer shall involve key stakeholders in budget preparation for the upcoming fiscal year. The budget shall consider all projected revenues, direct and indirect operating expenditures, contractual requirements, changing costs and conditions, and growth in programs necessary to operate MHCO in a proficient, efficient, and fiscally sound manner. The Chief Financial Officer shall utilize a budget that provides for strategic plan initiatives and financial goals of MHCO. Efforts shall be made to allocate resources responsibly while supporting long-term financial sustainability. The Administrator and the Chief Financial Officer shall prepare and present recommended employee pay and benefits adjustments to the Board of Directors as part of the budget plan.</p> <p>The Chief Financial Officer and the Administrator shall present the prepared projected budget to the Finance Committee of the Board of Directors for input and revision prior to the November board meeting. The Chief Financial Officer and the Administrator shall present the finalized budget for approval by the Board of Directors in November of the year prior to the budget taking effect.</p> <p>The Chief Financial Officer shall prepare and present regular periodic reports concerning deviations from the budget to the Financial Management Committee, PQI Subcommittee, and Finance Committee of the Board of Directors.</p> <p>The Administrator may modify the budget in a manner conducive to the orderly flow of business. The Board of Directors shall approve any significant changes to the budget. The Administrator shall present the finalized accounting of the budget to the Audit Committee and at the next regularly scheduled meeting of the Board of Directors or Executive Committee after receiving the report from the auditor.</p>	

Policy Name:	Contracting Policy
Domain:	Human Resources
Applies to:	Employees and Board of Directors
Policy Location:	Y:/Forms/Policies and Procedures/Policies/Contracting Policy.pdf
Effective Date:	2/2/2009
Date(s) of Revision:	3/9/2017;8/12/2022
References:	COA Administration and Management Standards (GOV 5.05, HR 7, RPM 6) Contracting Procedure
<p>It is the policy of MHCO's Board of Directors that MHCO may enter contracts and service agreements with outside agencies in response to specific mission-related requirements which cannot be met within existing capabilities as a purchaser of service. MHCO shall not enter contractual relationships or agreements as a vendor.</p>	

Procedure Name:	Contracting Procedure
Applies to:	Employees
Procedure Location:	Y:/Forms/Policies and Procedures/Procedures/Contracting Procedure.pdf
Effective Date:	2/2/2009
Date(s) of Revision:	5/12/2017; 11/9/2018; 5/10/2019; 8/12/2022; 11/10/23
References:	COA Administration and Management Standards (GOV 5.05, HR 7, RPM 6)
<p>The Board of Directors shall review requirements for unfulfilled service delivery needs. Independent contractors must present verification of liability and malpractice insurance whenever applicable. Written documentation must be kept as long as the provider is contracted to MHCO for service delivery. The Chief Financial Officer shall ensure that all information is clarified with contractors, including:</p> <ul style="list-style-type: none"> • roles and responsibilities of all parties • services to be provided • service authorization including eligibility criteria • provisions for training and technical support as necessary • target population defined • duration of obligations/contract • policies and procedures for sharing information • methods for resolving disputes • plan for timely payment and consequences for non-payment • documentation requirements • accounting principles are being adhered to • the contract is legal and meets accreditation, licensing, and other regulatory standards and requirements, • confidentiality, professional practices, and other policies and procedures are being adhered to appropriately • conditions for termination of the contract are written into the agreement • expected outcomes of the agreement <p style="text-align: center;">CONTRACT MONITORING</p> <p>The Chief Financial Officer shall oversee the progress of independent contractors. The Chief Financial Officer shall receive input from MHCO employees directly involved in the management of contractors undertaking the task. Comments shall be reported to the Administrator (?)PQI Committee for review. The Chief Financial Officer shall ensure that all services provided by independent contractors meet quality control and assurance criteria in existence for MHCO personnel.</p>	

Procedure Name:	Facility Use Procedure
Applies to:	Employees and Stakeholders
Procedure Location:	Y:/Forms/Policies and Procedures/Procedures/Facility Maintenance Procedure.pdf
Effective Date:	2/2/2009
Date(s) of Revision:	5/12/2017; 5/8/2020; 11/11/2022; 11/10/2023
References:	COA Service Delivery Administration and Service Standards (ASE 4, ASE 5) 10A NCAC 70I .0900 15A NCAC 18A .1600 Maintenance Request Form Inspection Form Staff Quarters Agreement

Residents shall not have access to maintenance, storage, and utility rooms. Personnel shall not store items or block access to areas where AC units or hot water heaters are stored. Cottages on lower campus have a room in Reagan to store cottage items (e.g. holiday or seasonal items, etc.) not in use. Cottages on upper campus have areas in the cottage to store cottage items not in use.

Thermostats for all buildings shall be set between sixty-eight (68) and seventy-four (74) degrees.

Nothing with open flame may be used inside buildings (e.g. candles ~~with the exception of candles on a birthday cake~~, incense, torches, etc.). [Candles on birthday cakes may be allowed as long as they are immediately extinguished.](#) Fireworks are not permitted on campus.

Property of MHCO shall not be discarded without approval from the Maintenance Director and the Chief Financial Officer. Furniture, electronics, and decorative items that are property of MHCO shall not be moved out of the assigned building without approval from the Maintenance Director and Chief Financial Officer. If items need to be moved or discarded, the Point of Contact for the building shall email a [Maintenance Request Form](#) to the [Maintenance Director](#).

The Maintenance Director, and Chief Financial Officer shall inspect all residential and nonresidential buildings including staff quarters annually for risk management issues, safety issues, and repairs needed. If repairs are needed, the Maintenance Director shall request the Point of Contact for the building to email a [Maintenance Request Form](#). [The Point of Contact will be notified of the inspection.](#)

The following routine maintenance activities can be performed by personnel other than Maintenance:

- tighten screws on hinges and cabinet knobs
- changing standard light bulbs (other than fluorescent)
- change air filters on lower campus quarterly
- apply felt bottoms to furniture
- unclogging a drain
- apply Gulf Wax or soap to sticky drawers
- change batteries on electronics, fire detectors, or carbon monoxide detectors
- repair any personal items
- remove hard water build up

Maintenance Request Forms should be emailed to the Maintenance Director for all other activities including affixing items, signage, or markings to MHCO property (e.g. walls, cabinets, furniture, doors, etc.).

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STAFF QUARTERS

~~Key administrative employees The Administrator, Program Director, Maintenance Director, and Program Clinical Coordinator~~ have residences on campus ~~to support the operations of the Home and address emergency situations as they arise.~~ CCWs have apartments or separate living spaces in each cottage specifically designated for their use. Each Resident Advisor has a separate, designated apartment in the cottage with staff toilet facilities. These spaces are for ~~the private~~ private use by employees and are not intended for use by residents. Residents are not allowed in staff living spaces. Laundry facilities are available in or near living quarters for use. Some employees other than CCWs are charged rent for living in staff quarters based on Job Description. ~~Employees occupying staff quarters will be required to sign an annual Staff Quarters Agreement.~~ The employee, employee's spouse, and dependent children may be the only individuals occupying the quarters. MHCO defines dependent children as a biological, step, or adopted child under the age of eighteen (18). Basic cable will be provided in cottage apartments. Internet is not provided. Furniture may be provided upon availability and may be requisitioned at any time if needs for residents arise. Residents may not move items except through the Kid\$Earn program.

Upon receipt of a work order for an issue in staff quarters, Maintenance personnel shall reply to the work order with an approximate timeframe for inspection of the issue. After completion of the repair, Maintenance will leave a copy of the work order with the outcome listed in the area. The Maintenance Director will submit work orders with the outcome and time for completion to PQI monthly for review with the PQI Subcommittee. Employees living in staff quarters may be asked to accompany personnel during inspections for damage, wear and tear, and general maintenance.

~~A deposit of \$250 per residence shall be arranged with the Chief Financial Officer for personnel occupying staff quarters upon move in. If no damages other than normal wear and tear are found upon move out, the deposit will be returned to the employee on the last paycheck. All or a portion of the deposit can be withheld for damage repair if needed. Additionally, up to \$250 may be withheld from the final paycheck to cover expenses exceeding the deposit.~~

Employees shall inform their supervisor and the HR Specialist if they will be having guests in staff quarters or Brown Cottage. Guests of personnel staying overnight or regularly visiting shall be screened using the Responsible Individuals List and sex offender registry per the Background Checks Policy. Two (2) adult guests may stay up to two (2) nights per month in staff quarters. Cohabitation of unmarried couples and other guests except for dependent children as defined by MHCO is prohibited. Supervisors may authorize more time or more guests if there are no interruptions to daily MHCO operations or resource overutilization. Guest interaction in the cottage milieu should be limited. Guests may not be left alone without an employee in areas other than the staff quarters.

Employees shall not have live animals in MHCO buildings with the exception of aquarium fish. Employees should be respectful of others living in the vicinity and keep noise to a minimum during evening and early morning hours. Derelict cars may not be left on the property. Waterbeds are prohibited in staff quarters. Employees may not run businesses out of staff quarters nor hire individuals to work or vendors to provide services in staff quarters.

MOVE IN AND MOVE OUT

The Program Director or Program Clinical Coordinator shall notify the Chief Financial Officer by email of anticipated move in or out at least two (2) weeks (one (1) month for complete cottage moves) in advance, if possible, to include the following:

- Name of individual moving
- Location moving from if applicable

Commented [AS2]: We have not been using a Staff Quarters Agreement nor asking for a \$250 deposit from staff for a move-in. We are also not using any inspection forms for the staff quarters. Do we need to remove this?

Commented [GW3]: Removed/revise by GW as per KO

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- Location moving to if applicable
- Anticipated date of move
- Known repairs or furnishings needed
- Moving assistance needed

If ample notice is not possible, the Program Director or Program Clinical Coordinator shall notify the Chief Financial Officer of the move as soon as they know of the move.

The Chief Financial Officer and the Maintenance Director, shall inspect resident rooms, offices, staff quarters, and cottages upon move in for readiness for occupancy (e.g. cleanliness, furnishings, repairs needed, etc.) using an inspection form on the last business day before the move in. The Chief Financial Officer shall ensure any outstanding issues are resolved. The employee occupying the space or supervising the resident may participate in the inspection if desired and shall complete an inspection using an inspection form on the move in date. The employee shall turn in the inspection form to the Chief Financial Officer within two (2) days of move in. The Chief Financial Officer shall compare the forms for discrepancies.

The employee occupying the space or supervising the resident shall ensure the space is ready for occupancy after move out (e.g. clean, maintenance work orders have been submitted, etc.). Upon notification of move out, the Chief Financial Officer and Maintenance Director, and employee occupying the space or supervising the resident will complete a walk through to identify issues to be resolved before move out. The employee occupying the space or supervising the resident shall ensure any outstanding issues discovered during the walk through are resolved. The employee shall complete an inspection using an inspection form on the move out date. The employee shall turn in the inspection form to the Chief Financial Officer within two (2) days of move out. The Chief Financial Officer and Maintenance Director shall inspect the space upon move out for readiness for occupancy (e.g. cleanliness, furnishings, repairs needed, etc.) and damages using an inspection form on the first business day after move out. The Chief Financial Officer shall compare the forms for discrepancies and ensure any outstanding issues are resolved. The Chief Financial Officer shall estimate the cost of damages and determine if the deposit for staff quarters will be returned on the last paycheck or if the resident owes any restitution for property damage. If an employee is terminated without the ability of an inspection, MHCO may withhold the deposit money for repairs upon the discretion of the Administrator.

INSPECTIONS

Various government officials inspect all cottages and other facilities (e.g. SJAB, employee apartments, swimming pool, etc.) periodically. The Program Director, Maintenance Director, and other supervisors shall ensure that facilities are inspected annually by the [Fire Marshal](#) and [Department of Health and Human Services](#). The Maintenance Director shall review the findings of these inspections and ensure that proper maintenance or repair is remediated. The results of annual inspections shall be forwarded to PQI or review with the PQI Subcommittee and action recommendations. The results of these inspections shall be kept on file by the Maintenance Director and shall be presented to the next regularly scheduled meeting of the PQI Subcommittee for review and appropriate action. Such reports include but are not limited to:

- Health inspections conducted by the NC Department of Environmental and Natural Resources
- Safety inspections conducted by the [Fire Marshal](#)
- Risk management inspections by insurance underwriters
- Fire alarm, sprinkler system, and security alarm system inspections conducted by private installers or contractors
- [Occupational Safety and Health Administration \(OSHA\)](#) code inspections
- Pest control inspections

The Program Director shall ensure that all recreation facilities are inspected bimonthly, and the results of the inspections are forwarded to PQI for review with the PQI Subcommittee and action recommendations.

The Maintenance Director shall ensure that the following items are inspected according to schedule or at least annually:

- Bathroom, toilet, and sewage facilities
- Fire extinguishers (monthly) and fire evacuation plans
- Heating/air conditioner filters
- Clothes dryer vents for accumulation of lint and dust
- Vehicles for safety, licensing, state inspections, and tire wear
- Grounds and common areas for safety, obstacles, cleanliness, and adequate and proper lighting
- Living areas for proper ventilation

The Maintenance Director shall ensure that water temperatures are sufficient for the sterilization of dishes and temperatures do not exceed maximum standards required by code or by licensing authorities. The Maintenance Director shall ensure that SDS books are maintained on the Y:/ drive, in the Maintenance Department, pool, and the School of Graphic Arts with the most current chemical items used on campus.

Per the Direct Care Daily Living section, CCWs shall complete a CCW/RA Cottage Inspections Checklist Form in ~~KaleidaCare~~ [ExtendedReach](#) monthly. Inspections should include the following:

- Biohazard Kit/First Aid Kit/Emergency Kit/CPR Mask
- Filter check and replacement if necessary
- Out of date over the counter medication
- Van First Aid Kit/Biohazard Kit/Medication Administration Record/CPR Mask Kit
- Cottage file review
- Fire drill

Supervisors shall complete inspections of Direct Care cottages and documented on the Monthly Cottage Inspection Checklist and upload it to ~~KaleidaCare~~ [ExtendedReach](#) monthly. The supervisor shall review the findings with CCWs. The supervisor shall forward results of the inspections to the PQI Coordinator for review with the PQI Subcommittee and action recommendations. Inspections should include the following:

- Yard
- Living room/study
- Kitchen
- Bedrooms/bathrooms
- Cleaning supplies/small rooms
- Other areas and items

Per the ILP Daily Living section, Resident Advisors shall inspect apartments monthly to ensure that the rooms are kept clean and neat. The Resident Advisor shall complete an [ILP Resident Apartment Inspection Checklist](#) when he or she inspects the apartment for cleanliness, damages, or repairs. The checklist shall detail any deficiencies, corrective action plans, a timeline for completion, and a return date. The Resident Advisor and Program Clinical Coordinator/~~Supervisor~~ shall complete quarterly inspections of ILP cottages. The Program Clinical Coordinator/~~Supervisor~~ shall document the inspection on the ILP Monthly/Quarterly Cottage Checklist and upload it to ~~KaleidaCare~~ [ExtendedReach](#). The Program Clinical Coordinator/~~Supervisor~~ shall review the findings with Resident Advisors and email copies of the inspections. The Program Clinical Coordinator shall forward results of the inspections to PQI for review with the PQI ~~Sub~~Committee and action recommendations.

Commented [GW7]: changes in these 2 paragraphs were made by LC

The ~~Maintenance Director~~ ~~Security Resource Officer~~ shall chair a Risk Management Committee composed of the Administrator, ~~Vocational Counselor~~ ~~Maintenance Director~~, Program Director, ~~Program Clinical Coordinator~~, ~~Chief Financial Officer~~, Recreation Director, Staff Advisory Council facilitators, ~~Kind Donation Coordinator~~ ~~Program Assistant~~, ~~and the Security Resource Officer~~ ~~Administrative Assistant/IT~~. This committee shall meet quarterly to ensure that facilities and equipment are closely monitored and develop plans to address safety concerns to meet staff, resident, licensing, accreditation, and agency needs. The Risk Management Committee shall prepare and update an ongoing Risk Management Plan for review by the Executive Committee of the Board of Directors. Recommendations requiring budget consideration shall be submitted to the Chief Financial Officer.

TOOL AND EQUIPMENT MAINTENANCE

The Maintenance Director shall ensure that all tools, buildings, fire safety, electrical, mechanical, and fire equipment at MHCO are maintained in a safe and operating condition per NC building codes, general licensing requirements, operator manuals, or commonly accepted practice. The Maintenance Director and CCWs shall identify whether tools used by residents are age and developmentally appropriate, ensure competency for use, and supervise use at all times.

GROUNDSKEEPING

Lawns and common outdoor areas shall be maintained in a manner that facilitates delivery of services and protects campus beauty. The Chief Financial Officer shall ensure that groundskeeping vendors provide services per contract stipulations.

The Program Director, supervisors, CCWs, and Resident Advisors shall ensure that the grounds in front of residential buildings are neat, clean, and present a positive image to the public and residents. Per the Vehicle Use Procedure, driving or parking on the grass is prohibited except for Maintenance personnel when access is needed. CCWs and Resident Advisors shall ensure that outside areas near residential buildings are clean and free from standing water, sanitation problems, septic problems, and disease-carrying pests by emailing a [Maintenance Request Form](#) to the [Maintenance Director](#) when issues are discovered.

HOUSEKEEPING

MHCO shall provide adequate facilities for support functions such as food preparation, housekeeping, laundry, maintenance, and storage. Facilities shall be maintained in a manner that facilitates delivery of services that are provided in that space. Work areas including conference rooms, meeting rooms, lobbies, offices, and multipurpose facilities shall be kept in a manner that ensures confidentiality, are attractively furnished to present a professional appearance, and be conducive to good work habits. Similarly, rest areas of the facilities shall reflect an appearance that is respectful to residents, employees, and visitors.

The Program Director, supervisors, CCWs, and Resident Advisors shall ensure that cottages are neat, clean, and present a positive image to the public and residents at all times. CCWs shall ensure cottages are thoroughly cleaned weekly. Bathrooms shall be kept clean at all times. Kitchens shall be clean and sanitary. Resident bedding shall be washed at least weekly. For residents with bed wetting issues, bedding shall be washed daily. All beds shall have age-appropriate coverings. CCWs may be assisted by residents to provide opportunities to develop good work habits appropriate to the resident's age and developmental level. However, employees shall not require residents to be housekeepers or evaluate them based on housekeeping practices.

PEST CONTROL

A contracted pest control company sprays for bugs monthly in resident livings areas and nonresidential buildings. Personnel shall email a [Maintenance Request Form](#) to the [Maintenance Director](#) when pests are discovered. The Maintenance Director shall ensure pest control is contracted when needed. In cases where

other pests are suspected, Supervisors shall ensure mattresses and box springs are covered in protective cases for all resident beds. CCWs shall inspect the cases for damages and request new covers when needed.

If there is a potential that a resident has been exposed to bedbugs while off campus and are being transported back to campus:

- Bring a change of clothing the resident when picking up from the potentially exposed environment
- Place the resident's belongings in large plastic bags in the trunk area of MHCO vehicles
- Inform the resident's supervisor of the issue
- Upon arrival back at campus, the supervisor shall take the resident to Brown Cottage to shower and change into clothing that has not been exposed
- Personnel transporting the resident shall return to staff quarters to shower, change, and wash clothing that was exposed
- Wash clothing and fabric in hot water and dry on hot for a minimum of thirty (30) minutes within twenty-four (24) hours of returning to campus
- Monitor the residents' room and area in Brown Cottage that was used to shower for thirty (30) days to ensure no infestation occurs

If personnel suspect bedbugs in a campus building:

- Move residents or personnel residing out of the suspected room(s) (do not move resident belongings or clothing, have the person shower and change into clothing that has not been exposed, put fresh bedding in the new room, monitor the new room for thirty (30) days to ensure no infestation occurs)
- Wash all clothing, bedding, and fabric in hot water and dry on hot for a minimum of thirty (30) minutes prior to moving the items
- Email a [Maintenance Request Form](#) to the [Maintenance Director](#)
- Inform the employee or resident's supervisor
- Monitor the area for thirty (30) days to ensure remediation

The Maintenance Director shall call a vendor to inspect the area and treat if necessary. The supervisor shall inform legal custodians of residents that have confirmed bedbug infestations in their rooms in order to treat their home for future visits. The supervisor shall document the issue in

~~KaleidaCare~~ [ExtendedReach](#).

DAMAGE AND REPAIRS

Employees shall report any damages or items needing repairs by emailing a [Maintenance Request Form](#) to the [Maintenance Director](#) immediately. Employees shall follow up with the Maintenance Director about issues of safety concern or if greater damage or expense may occur until problems have been corrected. Personnel shall keep all parts of broken items and give them to Maintenance personnel when the item is to be repaired. Property damage that occurs due to more than normal wear and tear shall be documented per the Non-Critical Incidents Procedure.

Residents that purposefully or willfully destroy or damage MHCO property shall be required to make restitution at the replacement cost. If a resident under the age of eighteen (18) could not reasonably be expected to make full restitution, the parent or legal custodian may be required to bear part or the entire amount of the replacement cost. The supervisor shall conduct an investigation, determine the cost of the repair or replacement, and forward his or her written findings to the Program Director for action. No holdings, fines, or garnishing of allowances shall be levied against a resident without the approval of the Program Director. The resident may complete work detail per the Behavior Support and Management Procedure for restitution if monies are not available in the resident account and the parent or legal custodian are not able to provide replacement cost.

The Administrator or the Chief Financial Officer may call for bids to be submitted whenever MHCO uses vendors for service or repairs. Such bids shall be reviewed and determined by the Administrator and the Chief Financial Officer or the Board of Directors. Vendors shall present a valid certificate of liability coverage prior to performing any labor. A copy of the appropriate certificate of insurance shall be kept on record by the Chief Financial Officer prior to initiation of contract work. Tax exemptions shall be used when applicable.

Authorizing Signatures

Administrator _____ Date _____

HR Specialist _____ Date _____

Policy Name:	Fundraising Policy
Domain:	Financial Management
Applies to:	Employees
Policy Location:	Y:/Forms/Policies and Procedures/Policies/Fundraising Policy.pdf
Effective Date:	2/2/2009
Date(s) of Revision:	3/9/2017; 11/9/2018; 5/10/2019; 5/8/2020; 11/11/2022
References:	COA Administration and Management Standards (FIN 7, FIN 7.01, FIN 7.02) Donor Bill of Rights and Ethical Fundraising Practice Standards National Association of Fundraising Professionals

It is the policy of MHCO's Board of Directors that the Administrator, Chief Financial Officer, Program Director, [Annual Giving Officer](#), department heads, and Board of Directors shall prepare a financial plan complete with goals and objectives sufficient to meet the needs of MHCO and any current or projected programs in an ethical, fiscally responsible manner. Additionally, these individuals shall prepare plans to meet capital improvements, projected growth, and development to meet any anticipated needs. Fundraising activities shall be directed by the Administrator, assisted by Financial Development personnel. MHCO shall raise funds in accordance with all applicable local, state, and federal laws as adopted by the National Association of Fundraising Professionals or by a similarly recognized organization.

MHCO shall solicit funds only under the legal auspices of its status as a federally registered 501(c)(3) non-profit corporation, and maintain a current and registered [License of Solicitation](#) with the [NC Secretary of State](#) and with any other state required by law. Whenever financial consultants, contractors, or outside fundraising organizations are used by MHCO, the Administrator and the Board of Directors shall ensure that the following safeguards are met, if direct solicitation is part of the contract:

- The professional must provide proof of a current NC solicitation license.
- The professional must provide references, both personal and professional, regarding credibility.
- The Board of Directors shall have the final approval of the consulting agreement.
- The professional must have prior approval by the [NC Department of Human Resources, Solicitation Licensing Branch](#).
- The agreement shall contain safeguards for ethical conduct as determined by MHCO.
- The agreement must contain a vehicle or mechanism for terminating activities immediately in the event of violations of ethical standards.

A cost-benefit analysis shall be conducted for each fundraising activity by the Administrator, [Annual Giving Officer](#), and Chief Financial Officer. Before beginning any fundraising effort, the Chief Financial Officer, Administrator, and other personnel as needed shall make every effort to ascertain the costs involved in raising the monies to assure good stewardship of funds when entering the venture. While the cost of fundraising may vary from project to project, the rule of expense-to-gain shall be applied to keep the overall costs of raising the funds below 20% of the total raised. Fundraising events with costs expected to exceed 20% must have prior board approval. High-cost endeavors such as donor acquisition and capital campaign start-up costs shall be spread across the entire life of the program with approval of the Board of Directors.

Funds generated or raised shall be spent entirely for the purpose for which they were raised. Public relations literature related to fundraising activities shall accurately and truly depict the programs and practices of MHCO. Careful record-keeping practices shall be kept for all funds raised. Additionally, funds raised for anything other than operating funds or restricted funds shall be kept separate to clearly represent the specified purpose. Information regarding costs of fundraising, either for specific activities or for the annual operating fund, shall be made available upon request to any requesting donor or organization.

Authorizing Signatures

Chairman, Board of Directors _____ Date _____

Administrator _____ Date _____

Policy Name:	Investments Policy
Domain:	Financial Management
Applies to:	Employees
Policy Location:	Y:/Forms/Policies and Procedures/Policies/Investments Policy.pdf
Effective Date:	2/2/2009
Date(s) of Revision:	3/9/2017; 8/10/2018; 5/10/2019; 5/8/2020; 8/12/2022
References:	COA Administration and Management Standards (FIN 3) Investment Policy
<p>It is the policy of MHCO’s Board of Directors that investments are diversified, within acceptable levels of risk, and practices conform to applicable legal and regulatory requirements. The Board of Directors shall review the Investment Policy (appendix) biennially or more often to determine acceptable levels of risk, criteria for contracting with investment advisors, and protocols for making investment decisions. The Finance Committee of the Board of Directors shall review investments annually with the upcoming budget proposal. Invested funds shall be diversified and secure. The Administrator and Chief Financial Officer shall report investment activity to the Board of Directors quarterly.</p> <p>North Carolina Masonic Foundation, Inc. (NCMF), shall manage most MHCO investments. The NCMF has an independent Board of Directors that is self-perpetuating, holds regular meetings, and oversees fund investment by its officers. The Administrator and Chief Financial Officer shall monitor investments of MHCO funds by the NCMF. The Administrator, designated representative, or a member of the Board of Directors shall attend scheduled meetings of the NCMF Board of Directors to provide instructions and oversight.</p> <p>MHCO shall also maintain investments with a local investment manager and/or in certificates of deposit with a local bank. The local investments shall be primarily designated funds with donor restrictions. The investments with the local investment manager shall be diversified in mutual funds which re-allocate automatically.</p> <p>The Administrator and Chief Financial Officer shall take immediate corrective actions on any matters where MHCO protocol regarding investments is breached or where it is determined that investors have transcended acceptable levels of risk. The Chief Financial Officer shall ensure that the annual audit includes investment accounts. The Chairman of the Board of Directors, assisted by the Treasurer <u>and the Real Estate Committee</u>, or the Administrator shall provide oversight and review of matters related to real property sale or purchase, sale of securities, and other significant investment transactions in consultation with the Chief Financial Officer.</p>	
Authorizing Signatures	
Chairman, Board of Directors _____	Date _____
Administrator _____	Date _____