



Policy Number: 10 Effective: August 1, 2007 Revised: November 21, 2016, December 18, 2017, May 21, 2018, October 8, 2020, October 14, 2021, May 12, 2022
Subject: Program Funding & Purchase of Services and/or Supports Agreements

PURPOSE:

It is the policy of Camden County Developmental Disability Resources (“CCDDR”) to provide program funding, Purchase of Services and/or Supports (POS), and other funding agreements to agencies in accordance with CCDDR’s mission, strategic planning objectives, and annual fiscal budget as well as applicable Federal and Missouri laws. Program funding, POS, and other funding agreements may include, but are not limited to, contracts, memorandums of understanding (MOU), or other related instruments used to convey funds.

POLICY:

General Information

CCDDR is authorized by Sections 205.968 – 205.972 RSMo to serve persons with developmental disabilities, as defined in Sections 205.968 and 630.005 RSMo. The CCDDR Board of Directors (“Board”) may elect to directly provide programs or services for Camden County residents with developmental disabilities (“Eligible Persons”), execute agreements with existing contracted agencies to provide programs or services for Eligible Persons, or both. CCDDR may also directly solicit, procure, and/or fund programs, services, and/or supports for Eligible Persons as deemed necessary with or without a program funding, POS, or other funding agreement; however, CCDDR shall follow the guidelines established in the CCDDR Procurement Policy 31 or seek approval through a Resolution of the Board, if necessary, when doing so. Special funding applications submitted for one-time expenses for less than \$50,000 may be awarded with or without a program funding, POS, or other funding agreement. CCDDR may award funds to agencies for programs and services that are used effectively, efficiently, and appropriately.

CCDDR reserves the right to procure services and/or supports without a funding application, program funding agreement, POS agreement, or other funding agreement in instances involving Medicaid or Medicaid Waiver services and/or supports, where individual choice is a prerequisite, or in instances where the immediate procurement of such services and/or supports are deemed necessary.

The following general principals shall apply to all program funding, POS, and other funding agreements awarded to agencies providing programs and/or services benefiting Eligible Persons:

1. Funding may be appropriated for CCDDR’s fiscal year (calendar year) or for special funding projects. Program funding, POS, and other funding agreements are typically awarded and funded by CCDDR from Camden County property taxes received from the

Camden County Treasurer (SB 40 Tax Program) or earned revenue received from services provided by CCDDR (Services Program). The total amount of funds available is determined by calculating the estimated funds to be received in a stated fiscal (calendar) year less the total amount of funds needed to sustain CCDDR sponsored programs or services, operational reserves or other restricted fund accounts, Medicaid Waiver match commitments with the Department of Mental Health, Services Program expenses, administrative expenses, building expenses, and various other CCDDR operational expenses.

2. CCDDR may be limited in the amounts, if any, it can award to agencies for any funding request.
3. All agencies awarded program funding, POS, or other funding agreements shall comply with all CCDDR funding policies/procedures and shall sign the program funding, POS, or other funding agreement outlining the terms, conditions, and requirements of CCDDR funding. CCDDR reserves the right to establish the terms, conditions, and requirements of all program funding, POS, and other funding agreements.
4. CCDDR will not provide program funding, POS, and other funding agreements to assist agencies in retiring their existing debts, to supplant an existing financial effort of the agency, or to establish endowment funds. All funds awarded by CCDDR must be utilized for a specific purpose or purposes benefiting Eligible Persons in conjunction with CCDDR's mission and Sections 205.968-205.972 RSMo.
5. CCDDR shall only provide program funding, POS, or other funding agreements for services rendered, expenses incurred, or anticipated expenses to be incurred by an agency after the date of Board approval of the agency's funding application.
6. An agency that fails to perform in accordance with any program funding, POS, or other funding agreement shall be in default of said funding agreement. Any agency's ineffective, inefficient, or inappropriate use of awarded funds or a portion thereof shall be subject to a recapture of said funds.
7. Applicants of program funding, POS, or other funding agreements for partial funding of projects must demonstrate the availability and source of other funds for the development and/or continued operation of the proposed service or program.

All agencies receiving funds from CCDDR are encouraged to attend the monthly Board meetings to discuss progress on programs funded by CCDDR and receive information on CCDDR activities and topics related to developmental disabilities.

Annual Program Funding, POS, and Other Funding Agreements

Agencies requesting funds to sustain operations or to continue to provide previously funded services and/or supports shall be required to submit a funding request annually to CCDDR.

The annual funding request cycle will generally follow the following timelines:

1. Funding requests for the next CCDDR fiscal (calendar) year are typically due to CCDDR no later than October 15th of the current fiscal (calendar) year; however, certain exceptions may apply that may delay delivery, which require approval from the

Executive Director. Acceptable delivery methods to CCDDR shall include delivery via email, United States Postal Service, third-party private service, or personal delivery unless otherwise specifically noted and/or identified in a Request for Proposals, Notice of Funding Available, or other communication.

2. The CCDDR Executive Director shall review all annual funding requests and will make recommendations to the Board at the November or December Board meeting. Certain circumstances may exist which require additional review by the Executive Director and/or the Board.
3. The Board generally approves the preliminary annual budget for the next fiscal (calendar) year in November; however, circumstances may require the Board to delay completion and approval. No annual funding request shall be approved until the next fiscal (calendar) year budget is approved by the Board; however, temporary funding requests may be approved by the Board until the next fiscal (calendar) year budget is approved.

Annual program funding, POS, or other funding agreements awarded prior to the end of the current fiscal (calendar) year for the following fiscal (calendar) year are typically signed no later than December 31st. However, if a decision about a funding application is made after December 31st, the program funding, POS, or other funding agreement may be signed following any approval with the funds retroactive to January 1st of the new fiscal (calendar) year, unless a temporary funding agreement has already been established. In such cases, the Board has the option to adjust future funding accordingly if the temporary funding amounts are more or less than the final approved program funding, POS, or other funding agreement.

CCDDR's Executive Director and/or Board may request additional information, supporting documents, or other supportive information to support the funding request before a final decision is rendered.

Special Program Funding, POS, and Other Funding Agreements

CCDDR will review special funding requests (new program, existing program expansion, or other one-time funding applications) in situations including, but not limited to:

1. The health and safety of Eligible Persons are threatened;
2. The health and safety of persons providing support services for Eligible Persons are threatened;
3. Programs or services provided by an agency are threatened;
4. Amounts originally appropriated for an approved program or service are insufficient due to unanticipated growth in the program or service;
5. Unexpected/unanticipated funding opportunities arise;
6. A situation arises which presents an immediate financial hardship for an agency that cannot wait until the next budget cycle;
7. A new program, service, and/or support that will provide community inclusion, community employment, community transportation, housing, immediate care, or other

services and/or supports which are not currently offered or improves the quality or environment of community living and/or an existing service and/or support;

8. Funds for one-time expenses for or related to the acquisition of additional equipment having a useful life of one (1) or more years;
9. Funds for one-time expenses related to real property purchases;
10. Funds for one-time expenses related to new construction or renovations to existing buildings; or
11. Funds for the purchase of vehicles utilized in transporting Eligible Persons for participation in programs or community inclusion when other State and/or Federal transportation funding resources have been exhausted.

Special funding requests should be submitted to CCDDR's Executive Director no less than 30 days prior to the next regularly scheduled Board meeting to ensure there is a proper preliminary review. The CCDDR Executive Director shall review all special funding requests and will make recommendations to the Board at a regularly scheduled Board meeting, unless an emergency exists which would require a special Board meeting to be scheduled. CCDDR's Executive Director shall consult with the Board Chairperson in the event a special Board meeting may be needed.

CCDDR's Executive Director and/or Board may request additional information, supporting documents, or other supportive information to support the special funding request before a final decision is rendered.

Eligibility Criteria

Agencies applying for funds from CCDDR must utilize said funds towards the effort of serving and/or assisting Eligible Persons.

Eligible Persons participating in programs offered or receiving services and/or supports provided by agencies should be current or former clients of the Department of Mental Health, Division of Developmental Disabilities and/or CCDDR. If not a former or current client of the Department of Mental Health, Division of Developmental Disabilities and/or CCDDR, an intake eligibility application and supporting documentation may be requested to support client eligibility.

The Board may, at its sole discretion, impose limitations with respect to community inclusive programs and services, such as programs to be administered and services to be provided. Such limitations as determined by the Board may depend upon the availability of funds; the appropriate, efficient, and effective use of funds; the needs of Eligible Persons to be served; and the needs within the community.

Programs, Services, and/or Supports Eligible for Funding

Agencies applying for funds from CCDDR must utilize the funds for programs, services, and/or supports for Eligible Persons. Eligible programs may include, but are not limited to:

- Sheltered employment programs, services, and/or supports

- Community employment programs, services, and/or supports
- Pre-vocational programs, services, and/or supports
- Immediate care programs, services, and/or supports
- Community inclusion programs, services, and/or supports
- Residential programs, services, and/or supports
- “Related” programs, services, and/or supports

“Related” programs, services, and/or supports are defined as:

1. Programs designed toward enabling an Eligible Person to progress towards successful community living and/or to develop an Eligible Person’s capacity, performance, or relationships in their community;
2. Programs which provide services related to a place of residence or social centers for Eligible Persons; or
3. Programs which provide a controlled environment for the benefit of Eligible Persons.

Agencies submitting program funding applications which fall within the category of “related” programs, services, and/or supports will be asked to show how the program, service, and/or support qualifies under the above definitions. The Board shall, at its sole discretion, determine if the program, service, and/or support qualifies when evaluating all applications.

Agencies Eligible for Program Funding, POS, and Other Funding Agreements

CCDDR funds are available to agencies which are serving, assisting, or benefiting Eligible Persons or will serve, assist, or benefit Eligible Persons upon implementation of a program, service, and/or support.

Program funding, POS, and other funding agreements may be awarded to for-profit agencies and shall be dependent upon the needs of Eligible Persons and the availability of not-for-profit programs, services, and/or support agencies.

General Funding Requirements for All Applications

The general requirements for all funding applications are:

1. Agencies shall submit current proof of insurance coverage for all programs, services, and assets. The agency shall also maintain blanket fidelity coverage in an amount equal to or greater than awarded funds from CCDDR for all persons handling said funds if the funding application is approved.
2. Not-for-profit agencies shall be registered as a not-for-profit corporation in the State of Missouri and have a current Certificate of Good Standing from the Secretary of State’s office, provide a 501(c)3 determination letter from the Internal Revenue Service, and

provide a copy of the most recent 990 filed with the Internal Revenue Service if the agency is required to file a 990.

3. If the not-for-profit agency has been in operation for less than two (2) agency fiscal years prior to the application for funds and the agency's first fiscal year has not ended or the agency's first fiscal year has ended but it has not been six (6) months since the end of the first fiscal year, the agency must submit the copy of the 990, if the agency is required to file a 990, by the end of the sixth (6th) month after the end of the agency's fiscal year.
4. For-profit agencies shall have a current Certificate of Good Standing from the Secretary of State's office for the programs and/or services/supports identified in the application.
5. If applicable, all agencies must submit proof of good standing regarding current licensure, certification, or accreditation from the appropriate Missouri and/or Federal authority having oversight responsibilities (i.e. DESE, DMH, etc.).
6. Agencies must be in good standing regarding the successful implementation of previous services, programs, or projects funded by CCDDR if the agency has received funding from CCDDR previously.
7. Agencies must submit a strategic or business plan and/or description of the program(s), service(s), project(s), etc. for which funds are to be used.
8. Agencies must submit a copy of their current strategic plan, Bylaws, Articles of Incorporation, financial management policy, financial management procedures, and/or other relevant policies and procedures when applying for the first time.
9. Agencies shall provide other documents as deemed necessary by the CCDDR Executive Director and/or Board.

Any modifications or changes to the strategic plan, Bylaws, Articles of Incorporation, policies, procedures, and/or other governing documents adopted by the agency during the term identified in the funding agreement must be submitted to CCDDR.

Annual Funding Application Requirements

Agencies shall demonstrate fiscal viability by submitting:

1. Current year-to-date balance sheet or equivalent report for each applicable program;
2. Current year-to-date statement of revenue and expenses vs. budgeted revenue and expenses or equivalent report for each applicable program administered by the agency;
3. Current year-to-date cash flow statement or equivalent report for each applicable program;
4. Proposed or current budget for the next 12 consecutive months or fiscal year for each applicable program administered by the agency; and
5. The annual funding application.

Unless CCDDR already has these documents in its possession from previous reporting, agencies that have been in operation for more than two agency fiscal years prior to the application for funds must include in addition to the documents listed in the “General Funding Requirements for All Applications” and “Annual Funding Application Requirements” sections:

1. The previous two agency fiscal year-ending balance sheets or equivalent reports for each applicable program;
2. The previous two agency fiscal year-ending statements of revenue and expenses vs. budgeted revenue and expenses or equivalent reports for each applicable program administered by the agency;
3. The previous two agency fiscal year-ending cash flow statements or equivalent reports for each applicable program; and
4. The most recently completed agency fiscal year-ending third-party audit report if CCDDR funded the agency during one or both previous two years or the most recently completed fiscal year-ending third-party audit report if not funded by CCDDR in either of the previous two fiscal years.

Unless the agency is still in its first fiscal year of operation or CCDDR already has these documents in its possession from previous reporting, agencies that have been in operation for less than two agency fiscal years prior to the application for funds must include in addition to the documents listed in the “General Funding Requirements for All Applications” and “Annual Funding Application Requirements” sections:

1. Previous fiscal year-ending balance sheet or equivalent report for each applicable program;
2. Previous fiscal year-ending statement of revenue and expenses vs. budgeted revenue and expenses or equivalent report for each applicable program administered by the agency;
3. Previous fiscal year-ending cash flow statement or equivalent report for each applicable program; and
4. The most recently completed agency fiscal year-ending third-party audit report.

Special Funding Application Requirements

For new program applications, agencies shall provide detailed information about the program, including, but not limited to:

1. A business and/or strategic plan for each applicable program;
2. Projected budget for each applicable program;
3. Anticipated outcomes for each applicable program;
4. Summary of how CCDDR funds will be utilized in each applicable program;
5. Current or past agency financial reports (if applicable); and

6. The special funding application.

For operational shortfall, equipment purchase, property acquisition, new construction, renovation, vehicle acquisition, health and safety, and all other special funding applications, agencies shall provide detailed information about the circumstances, including, but not limited to:

1. A purpose, business plan, and/or strategic plan for each applicable funding request;
2. Projected cost and/or budget for each applicable funding request;
3. Anticipated outcomes for each applicable funding request;
4. Summary of how CCDDR funds will be utilized in each applicable funding request;
5. Current and/or past agency financial reports (if applicable); and
6. The special funding application.

For agencies submitting a special funding application to CCDDR for the first time or agencies who have not submitted an annual or special funding application to CCDDR for the last two (2) complete calendar years, all documents listed in the “General Funding Requirements for All Applications” are required to be submitted with the special funding application and the applicable documents listed above.

Funding Categories

CCDDR may approve annual or special program funding, POS, and other funding applications for various funding categories. These funding categories may include, but are not limited to:

- New Programs, Sustaining Existing Programs, or Expanding Existing Programs
- Construction Projects, Renovation Projects, or Property Purchases
- Vehicle Purchases or Repairs
- Operational Shortfall
- Health and Safety
- Equipment Purchases

New Programs, Sustaining Existing Programs, or Expanding Existing Programs

Criteria to be used to review and evaluate all applications for new programs, services, and/or supports; sustaining existing programs, services, and/or supports; and expanding existing programs, services, and/or supports include, but are not limited to:

- The extent to which the program, service, and/or support has been identified by CCDDR as a need based upon community needs survey results, waiting list data, or other available sources and data
- The extent to which other Federal, State, and local agencies or funding sources are mandated to fund the program, service, and/or support

- The extent to which the program, service, and/or support will contribute to the advancement of and/or improvement of promoting Eligible Persons to progress toward successful community living
- The availability of CCDDR revenues to sustain the program, service, and/or support on an on-going basis
- The extent to which the program, service, and/or support falls within Sections 205.968-205.972 RSMo in terms of eligible services to be funded
- The extent to which the estimated cost for the program, service, and/or support is reasonable and is cost-effective
- The extent to which other available revenue sources have been investigated and accessed by the agency requesting CCDDR funds
- The extent to which the program, service, and/or support addresses the needs of Eligible Persons
- The extent to which the agency is: certified or accredited by State and national bodies; program, service, or support personnel are well qualified by training and/or experience for their roles; and the applicant agency has adequate facilities and personnel
- The extent to which, insofar as practicable, the proposed program, service, and/or support, if well executed, can attain the proposed outcomes and goals
- The strength of the program, service, and/or support plan for evaluation in terms of meeting stated outcomes/goals
- The agency's historical performance in other programs, services, and/or supports funded by CCDDR (if applicable) or historical performance in other programs, services, and/or supports not funded by CCDDR (references may be requested)

CCDDR will evaluate each funding application as it relates to program feasibility or viability and its impact on Eligible Persons participating in the program.

Construction Projects, Renovation Projects, or Purchases of Property

All new construction projects and renovation projects require development of uniform specifications for the work to be done, adherence to this Policy, adherence to CCDDR Procurement Policy #31, adherence to the Missouri Prevailing Wage Law when applicable, and adherence to all applicable Federal, Missouri, and local laws.

The following information shall be submitted with the agency's program funding application when requesting funding for construction projects, renovation projects, and/or property purchases:

- Description of the project and benefits to persons served
- Projected timeline for initiation and completion of project

- Business or strategic plan and how proposed property acquisition, construction, or renovation will enhance the agency's business operations and/or mission in serving Eligible Persons
- Land site and value (for proposed purchases of property that CCDDR is to fund or partially fund, an Independent Appraisal of the property from a certified appraiser is required)
- Architectural plans (if applicable)
- Itemized cost breakdown for the entire project

For all buildings or residential facilities proposed to be purchased, constructed, or renovated exclusively with CCDDR funds, the Board reserves the right to retain ownership of the property and subsequently lease the property to the agency for a specific purpose, hold recorded interest in title to the property, or be recorded as the first priority lienholder.

For all buildings or residential facilities proposed to be purchased, constructed, or renovated which are partially funded by CCDDR funds, the Board reserves the right to hold recorded interest in title to the property or be recorded as a lienholder.

Agencies awarded funds for the purchase, construction, or renovation of property shall maintain adequate insurance coverage for said items and shall furnish CCDDR with evidence annually.

Restricted covenants may be recorded for the agency's use of CCDDR funds to purchase property; purchase, construct, or renovate buildings; or purchase, construct, or renovate of residential facilities.

If CCDDR provides program funding for the purchase of real property and the agency sells, trades, or ceases to use the property for the purposes indicated in its original proposal and/or program funding application within five years from the date of being awarded funds, all funds disbursed in the project shall be reimbursed to CCDDR.

If the agency continues to serve Eligible Persons but uses the real property for a different purpose than in the original proposal, a request must first be made in writing to the Board to utilize the property in a different manner. If the request is denied, the agency shall repay CCDDR for the funding amount used to purchase the real property.

CCDDR will evaluate each funding application as it relates to feasibility or viability and its impact on Eligible Persons.

Vehicle Purchases or Repairs

Criteria to be used to review and evaluate all applications for vehicle purchases and repairs include, but are not limited to:

- Major repairs to vehicles necessary for continued use and program operation
- Improving or replacing an existing fleet of vehicles
- Purchasing accessibility or safety equipment

- Purchasing new vehicles as part of an expansion of transportation services
- The vehicle's/vehicles' sole or partial purpose for use must be for transporting Eligible Persons

All vehicle purchases and repairs require adherence to this Policy, CCDDR Procurement Policy #31, applicable sections of CCDDR Transportation Policy #37, and all applicable Federal, Missouri, and local laws or regulations. Agency purchases of vehicles at the State/Federal Surplus warehouse in Jefferson City or through the MoDOT Section 5310 or other state/federal program are not subject to the conditions outlined in CCDDR Procurement Policy #31.

For vehicles purchased or repaired exclusively with CCDDR funds, the vehicle must be titled with CCDDR listed as first-priority lienholder, and CCDDR will physically hold title for the duration of the vehicle's service. Agencies awarded funds for the purchase or repair of vehicles shall maintain adequate insurance coverage for said vehicles and shall furnish CCDDR with evidence of insurance annually. Agencies are required to provide CCDDR with vehicle serial numbers and other appropriate identifying information.

Agencies must submit a request in writing for CCDDR's permission to dispose of, transfer, or sell a vehicle purchased or repaired exclusively with CCDDR funds. CCDDR reserves the authority to determine a reasonable sale price and shall use the wholesale value of the vehicle as specified in The Official Bus Blue Book by Bus Solutions, in consideration with straight-line depreciation methods. CCDDR reserves the right to retain proceeds from sales of vehicles purchased or repaired exclusively with CCDDR funds. Where vehicles have been partially purchased with Federal or MoDOT funds (Section 5310, etc.), Federal or MoDOT standards and/or requirements shall prevail, with remittance of the sale price to CCDDR equal to CCDDR's percentage match (typically 20%) should CCDDR choose to retain the applicable proceeds from the sale price.

CCDDR will evaluate each funding application as it relates to feasibility or viability and its impact on Eligible Persons.

Operational Shortfall

CCDDR may provide funding for program specific operational shortfalls, such as unforeseen and uncontrollable circumstances affecting the successful operation of a program. Operational shortfalls will be heavily scrutinized by the Board. Mismanagement or management errors will not be considered legitimate reasons for one-time program funding requests; however, CCDDR will evaluate all circumstances as it relates to the impact on Eligible Persons, and continued funding of any other CCDDR-funded agency program will be reviewed and reconsidered immediately.

Health and Safety

CCDDR may provide funding to an agency if the health and safety of Eligible Persons participating in the program are threatened, and the agency is financially unable to accommodate a remedy to the health and safety issue. Health and safety concerns will be heavily scrutinized by the Board. If it has been determined mismanagement or management errors are the reason for the health and safety issue, additional investigatory authorities may be notified and continued funding of any other CCDDR funded agency program will be reviewed and reconsidered immediately.

Equipment Purchases

Agencies may submit a funding application to purchase equipment necessary for the continued viability of a program or adequate use of a building or property. Awarded funds for the purchase of equipment more than \$1,000 with a useful life of over 1 year may be required to complete an asset inventory report annually for the depreciable period applicable to the item following the award.

Agencies awarded funds for the purchase of equipment should maintain a loss control/risk management system to prevent damage or theft of such items. Any damage or theft of equipment of \$1,000 or more purchased with CCDDR funds shall be properly investigated, with the appropriate reports/findings submitted for review to the Board. Agencies awarded funds for the purchase of equipment of \$1,000 or more shall maintain adequate property insurance coverage for said items and shall furnish CCDDR with evidence of insurance annually for all such items.

If purchased equipment are found not to be used during a six-month consecutive period of time during the first three years of ownership, said items shall, if practical, be made available to CCDDR for reassignment to another agency, to CCDDR for its own uses, or for resale by CCDDR, with proceeds returning to CCDDR. If purchased equipment are found not to be used for or by Eligible Persons, the agency shall repay CCDDR the undepreciated or market value of said items or make the items available to CCDDR for reassignment to another agency.

Agencies awarded funds for the purchase of equipment of \$1,000 or more shall not sell, trade, or dispose of the item within a three-year period after the award unless prior approval has been obtained from CCDDR. If prior approval is not obtained, the agency shall repay CCDDR for the funding amount used to purchase the equipment.

All purchased equipment should be depreciated in accordance with generally accepted accounting principles. The agency will be expected to establish and fund a depreciation reserve account to replace the item when this becomes necessary.

For all purchases of equipment of \$5,000 or more, the agency shall grant to CCDDR the right of a first-priority security interest in the equipment and all proceeds thereof. If CCDDR opts to do so, the agency will execute a security agreement for the benefit of CCDDR and will, from time to time, execute, deliver, file, and record any statement, assignment, instrument, document, or agreement or take any other action that may be necessary or desirable to create, preserve, perfect, or validate the security interest in such equipment. Any executed security agreement shall be in effect for 10 years or until the property is disposed.

Monitoring of Funds Utilization and Agencies Receiving Funds

All agencies receiving annual funding from CCDDR for the on-going sustainment of programs, services, and/or supports shall provide a verifiable, detailed accounting of funds utilized as identified in the funding agreement(s).

All agencies receiving special funding from CCDDR must provide copies of actual invoices for approved expenditures, checks for payment of the invoices for approved expenditures, and/or verifiable, detailed accounting of funds utilized as identified in the funding agreement(s).

If the agency requests CCDDR to make a direct payment to the supplier or manufacturer rather than being remunerated by CCDDR, an invoice from the supplier or manufacturer for all approved expenditures is needed.

As a publicly supported entity, CCDDR places a premium on the accountability of its funds. This responsibility extends to those agencies funded by CCDDR. Agencies will be required to provide CCDDR with applicable financial and other disclosures of all operations. Agencies shall establish internal controls, systems, and procedures for monitoring the fiscal position of their agency and the use of CCDDR funds. Agencies' financial management controls and record-keeping should be in accordance with generally accepted accounting principles.

All agencies that have annual program funding or special funding agreements with CCDDR for \$50,000 or more shall submit an independent audit conducted by a Certified Public Accountant following Generally Accepted Auditing Standards for the period in which the funding was received. If this funding extends into a subsequent fiscal year(s) for the agency, a subsequent audit(s) will be required. The audit document shall include the auditor's Management Report and comments on compliance with accounting standards and internal controls. The audit is due in the CCDDR office within six (6) months of the close of the agency's fiscal year.

A DESE Audit Analysis shall accompany the audit report for sheltered employment services. Copies of audits by any regulatory entity must also be submitted to CCDDR within thirty (30) days of the agency's receipt of the completed audit report from the regulatory entity.

Agencies receiving less than \$50,000 through annual or special funding applications may request an exception to the third-party audit requirement. This audit exception request must be submitted to CCDDR in writing with the program funding application. Each audit exception request will be considered on a case-by-case basis, and each consideration will be made based on the funding application circumstances. If an audit exception request is approved, the agencies receiving annual funding shall submit year-end financial statements or applicable program-specific financial statements signed by their board treasurer, Certified Public Accountant, or authorized designee.

Agencies will be required to comply with all terms and conditions set forth in the program funding, POS, and/or other agreement(s). CCDDR reserves the right to conduct periodic site visits of funded programs, services, and/or supports. CCDDR may, at its own costs, procure the services of third parties to conduct assessments, audits, inspections, etc. of programs, services, supports, and/or facilities funded with CCDDR funds.