LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **July 10, 2012** AGENDA ITEM NO.: 1

CONSENT: **X** REGULAR: WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Central Virginia Community Services FY 2013 Performance Contract**

RECOMMENDATION: Adopt a resolution approving the Central Virginia Community Services FY 2013 Performance Contract.

SUMMARY: Section 37.1-198(B)(ii) of the Code of Virginia requires City Council approval of the Central Virginia Community Services FY 2013 Performance Contract. Localities are asked to consider such action by September 10; and if approval is not received by then, the FY 2013 Performance Contract will be deemed approved by the State.

This action is a routine matter and the contract appears to be similar to prior years.

PRIOR ACTION(S): None.

FISCAL IMPACT: $444,003 is budgeted for FY 2013 as the City's allocation to the Central Virginia Community Services. This agrees with the amount in the contract.

CONTACT(S): R. Scot Evans, 847-8050

ATTACHMENT(S): Resolution; FY 2012 Performance Contract

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED That the Lynchburg City Council does hereby approve the Central Virginia Community Services FY 2012 Performance Contract as required by Section 37.1-19B(B)(ii) of the Code of Virginia.

Adopted:

Certified: ______________________________
Clerk of Council

089L

CENTRAL VIRGINIA
Community Services

ADMINISTRATION
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June 22, 2012

Mr. Kimball Payne, City Manager
City of Lynchburg
900 Church Street
Lynchburg, VA 24504

Dear Mr. Payne:

Enclosed please find a copy of the Central Virginia Community Services FY 2013 performance Contract with the Department of Behavioral Health and Developmental Services.

The contract requires us to seek formal approval of this document each year from the participating local governments that we serve. Localities are asked to take a formal action of approval and inform the CSB of the type action-ordinance, resolution, or motion and voice vote. Localities are asked to consider such action by September 10, 2012, if approval is not received by then it will be "deemed" approved by the State.

Thank you for your assistance. Please contact me with any questions you may have related to this matter.

Sincerely,

R. Scot Evans
Manager, Financial Planning and Analysis

FY 2013 and FY 2014 Community Services Performance Contract

Performance Contract Table of Contents

Performance Contract Exhibits

FY 2013 and FY 2014 Community Services Performance Contract

1. Contract Purpose

a. Title 37.2 of the Code of Virginia establishes the Virginia Department of Behavioral Health and Developmental Services, hereafter referred to as the Department, to support delivery of publicly funded services and supports to individuals with mental health or substance use disorders or intellectual disability and authorizes the Department to fund community mental health, developmental, and substance abuse services.

b. Sections 37.2-500 through 37.2-512 of the Code of Virginia require cities and counties to establish community services boards for the purpose of providing local public mental health, developmental, and substance abuse services; §§ 37.2-600 through 37.2-615 authorize certain cities or counties to establish behavioral health authorities that plan and provide those same local public services. In this contract, the community services board, local government department with a policy-advisory community services board, or behavioral health authority named in section 11 of this contract will be referred to as the CSB.

c. Section 37.2-500 or 37.2-601 of the Code of Virginia states that, in order to provide comprehensive mental health, developmental, and substance abuse services within a continuum of care, the CSB shall function as the single point of entry into publicly funded mental health, developmental, and substance abuse services. The CSB fulfills this function in accordance with State Board Policy 1035 for any person who is located in the CSB's service area and needs mental health, developmental, or substance abuse services.

d. Sections 37.2-508 and 37.2-608 of the Code of Virginia and State Board Policy 4018 establish this contract as the primary accountability and funding mechanism between the Department and the CSB.

e. The CSB is applying for the assistance provided under Chapter 5 or 6 of Title 37.2 of the Code of Virginia by submitting this performance contract to the Department in accordance with § 37.2-508 or § 37.2-608 of the Code of Virginia.

f. This contract establishes requirements and responsibilities for the CSB and the Department that are not established through other means, such as statute or regulation. The CSB Administrative Requirements document, which by agreement of the parties is hereby incorporated into and made a part of this contract by reference, includes or incorporates by reference ongoing statutory, regulatory, policy, and other requirements that are not contained in this contract. This document is available on the Department's web site at www.dbhds.virginia.gov/OCC-default.htm.

g. The Department and the CSB enter into this contract for the purpose of funding services provided directly or contractually by the CSB in a manner that ensures accountability to the Department and quality of care for individuals receiving services and implements the vision articulated in State Board Policy 1036 of a system of services and supports driven by individuals receiving services that promotes self-determination, empowerment, recovery, resilience, health, and the highest possible level of participation by individuals receiving services in all aspects of community life, including work, school, family, and other meaningful relationships; and the CSB and the Department agree as follows.

2. Relationship: The Department functions as the state authority for the public mental health, developmental, and substance abuse services system, and the CSB functions as the local authority for that system. The relationship between and roles and responsibilities of the Department and the CSB are described in the Partnership Agreement between the parties, which by agreement of the parties is hereby incorporated into and made a part of this contract by reference. This contract shall not be construed to establish any employer-employee or principal-agent relationship between employees of the CSB or its board of directors and the Department.

3. **Contract Term:** This contract shall be in effect for a term of two years, commencing on July 1, 2012 and ending on June 30, 2014, if by mutual agreement of both parties pursuant to the provisions of § 37.2-508 of the Code of Virginia it is renewed for an additional fiscal year with the insertion of revised Exhibits A, E, F, G, and H for FY 2014.

4. **Scope of Services**

   a. **Services:** Exhibit A of this contract includes all mental health, developmental, and substance abuse services provided or contracted by the CSB that are supported by the resources described in section 5 of this contract. Services and certain terms used in this contract are defined in the current Core Services Taxonomy, which by agreement of the parties is hereby incorporated into and made a part of this contract by reference. The taxonomy is on the Department's web site at www.dbhds.virginia.gov/OCC-default.htm.

   b. **Expenses for Services:** The CSB shall provide to the extent practicable those services that are funded within the revenues and for the expenses set forth in Exhibit A and documented in the CSB's financial management system. The CSB shall distribute its administrative and management expenses across some or all of the three program areas (mental health, developmental, or substance abuse services) and services available outside of a program area on a basis that is auditable and satisfies Generally Accepted Accounting Principles.

   c. **Continuity of Care:** In order to partially fulfill its responsibility in § 37.2-500 or 37.2-601 of the Code of Virginia and State Board Policy 1035 to function as the single point of entry into publicly funded services in its service area, the CSB shall follow the Continuity of Care Procedures in Appendix A of the CSB Administrative Requirements.

      1.) **Coordination of Intellectual Disability Waiver Services:** The CSB shall provide case management services to individuals who are receiving services under the Medicaid Intellectual Disability Home and Community-Based Waiver (ID Waiver). In its capacity as the case manager for these individuals and in order to receive payment for services from the Department of Medical Assistance Services (DMAS), the CSB shall develop individual service authorization requests (ISARs) for Waiver services and submit them to the Department for preauthorization, pursuant to the current DMAS/ DBHDS Interagency Agreement, under which the Department preauthorizes ISARs as a delegated function from the DMAS. As part of its specific case management responsibilities for individuals receiving ID Waiver services, the CSB shall coordinate and monitor the delivery of all services to individuals it serves, including monitoring the receipt of services in an individual's ISAR that are provided by independent vendors who are reimbursed directly by the DMAS, to the extent that the CSB is not prohibited from doing so by such vendors (refer to the DMAS *Intellectual Disability Community Services Manual*). The CSB may raise issues regarding its efforts to coordinate and monitor services provided by independent vendors to the applicable funding or licensing authority, such as the Department, DMAS, or Virginia Department of Social Services. In fulfilling this service coordination responsibility, the CSB shall not restrict or seek to influence an individual's choice among qualified service providers. This prohibition is not intended to restrict the ability of CSB case managers to make recommendations based on their professional judgment to individuals regarding those available service options that best meet the terms of the individuals' ISPs and allow for the most effective coordination of services. This section does not, nor shall it be construed to, make the CSB legally liable for the actions of independent vendors of ID Waiver services who are reimbursed directly by the DMAS.

      2.) **Linkages with Health Care:** When it arranges for the care and treatment of individuals in hospitals, inpatient psychiatric facilities, or psychiatric units of hospitals, the CSB shall assure its staff's cooperation with those hospitals, inpatient psychiatric facilities, or psychiatric units of hospitals, especially emergency rooms and emergency room physicians, in order to promote continuity of care for those individuals. Pursuant to subdivision A.4 of § 37.2-505, the CSB shall provide information about its substance abuse services for minors to all hospitals in its service area that are licensed pursuant to Article 1 of Chapter 5 of Title 32.1 using a template provided by the Department.

3.) **Coordination with Local Psychiatric Hospitals:** When the CSB performed the preadmission screening and when referral to the CSB is likely upon the discharge of an involuntarily admitted individual, the CSB shall coordinate or, if it pays for the service, approve an individual's admission to and continued stay in a psychiatric unit or hospital and collaborate with that unit or hospital to assure appropriate treatment and discharge planning to the least restrictive setting and to avoid the use of these facilities when the service is no longer needed.

4.) **Targeted Case Management Services:** In accordance with the Community Mental Health Rehabilitative Services manual (page 15) and the MR/ID Community Services manual (page 6) issued by the DMAS, the CSB shall be the provider of rehabilitative mental health case management and targeted MR/ID case management services.

5.) **Access to Services:** The CSB shall not require an individual to receive case management services in order to receive other services that it provides, directly or contractually, unless it is permitted to do so by applicable regulations or the person is an adult with a serious mental illness, a child with or at risk of serious emotional disturbance, or an individual with an intellectual disability or a substance use disorder, the person is receiving more than one other service from the CSB, or a licensed clinician employed or contracted by the CSB determines that case management services are clinically necessary for that individual. Federal Medicaid targeted case management regulations forbid using case management to restrict access to other services by Medicaid recipients or compelling Medicaid recipients to receive case management if they are receiving another service.

6.) **PACT Criteria:** If the CSB receives state general or federal funds for a Program of Assertive Community Treatment (PACT), it shall satisfy the following criteria:

a.) Meet PACT state hospital bed use targets;
b.) Prioritize providing services to individuals with serious mental illnesses who are frequent recipients of inpatient services or are homeless;
c.) Achieve and maintain a caseload of 80 individuals receiving services after two years from the date of initial funding by the Department; and
d.) Participate in technical assistance provided by the Department.

7.) **Preadmission Screening:** The CSB shall provide preadmission screening services pursuant to § 37.2-505 or § 37.2-606, § 37.2-805, § 37.2-809 through § 37.2-813, § 37.2-814, and § 16.1-335 et seq. of the Code of Virginia and in accordance with the Continuity of Care Procedures in Appendix A of the CSB Administrative Requirements for any person who is located in the CSB's service area and may need admission for involuntary psychiatric treatment.

8.) **Discharge Planning:** The CSB shall provide discharge planning pursuant to § 37.2-505 or § 37.2-606 of the Code of Virginia and in accordance with State Board Policies 1035 and 1036, the Continuity of Care Procedures, and the current *Discharge Protocols for Community Services Boards and State Hospitals* and the *Training Center - Community Services Board Admission and Discharge Protocols for Individuals with Intellectual Disabilities* issued by the Department that by agreement of the parties are incorporated into and made a part of this contract by reference. The protocols are available at www.dbhds.virginia.gov/documents/OMH-DischargeProtocols.pdf or www.dbhds.virginia.gov/documents/ODS/ods-Admission-Discharge-Protocol.pdf.

d. **Populations Served:** The CSB shall provide needed services to adults with serious mental illnesses, children with or at risk of serious emotional disturbance, and individuals with intellectual disability or substance use disorder to the greatest extent possible within the resources available to it for this purpose. These populations are defined in the Core Services Taxonomy, available at www.dbhds.virginia.gov/OCC-default.htm.

e. **Department of Justice Settlement Agreement Requirements:** The CSB agrees to work cooperatively with the Department to implement the Settlement Agreement between the U.S. Department of Justice and the Commonwealth of Virginia and to comply with the requirements in the Agreement that apply to the CSB and are negotiated by the Department and the CSB when the Agreement is entered in the U. S. District Court for the Eastern District of Virginia.

5. **Resources:** Exhibit A of this contract includes the following resources: state general funds and federal funds appropriated by the General Assembly and allocated by the Department to the CSB; balances of unexpended or unencumbered state general and federal funds retained by the CSB and used in this contract to support services; local matching funds required by § 37.2-509 or § 37.2-611 of the Code of Virginia to receive allocations of state general funds; Medicaid Clinic, Targeted Case Management, Rehabilitative Services, and Intellectual Disability Home and Community-Based Waiver fees and any other fees, as required by § 37.2-504 or § 37.2-605 of the Code of Virginia; and any other revenues associated with or generated by the services shown in Exhibit A.

   a. **Allocations of State General and Federal Funds**: The Department shall inform the CSB of its state general and federal fund allocations in a letter of notification. The Department may adjust allocation amounts during the term of this contract. The Commissioner or his designee shall communicate all adjustments to the CSB in writing. Allocations of state general and federal funds shall be based on state and federal statutory and regulatory requirements, provisions of the Appropriation Act, State Board policies, and previous allocation amounts.

   b. **Allocations of New Appropriations of Additional State General Funds:** The Department shall work with representatives of the CSB to develop a conceptual framework for allocating new appropriations of additional state general funds. This framework shall include a methodology for identifying the minimum amount of the appropriation needed by the smallest CSBs to implement the intent of the new appropriation and criteria for allocating the remainder of the appropriation using population as a significant factor.

   c. **Conditions on the Use of Resources:** The Department can attach service requirements or specific conditions that it establishes for use of funds, separate from those established by other authorities, for example, applicable statutory or regulatory requirements such as licensing or human rights regulations or federal anti-discrimination requirements, only to the state general and federal funds that it allocates to the CSB and to the 10 percent local matching funds that are required to obtain the CSB's state general fund allocations.

6. **CSB Responsibilities**

   a. **State Hospital Bed Utilization:** In accordance with § 37.2-508 or § 37.2-608 of the Code of Virginia, the CSB shall identify or develop jointly with the Department and with input from private providers involved with the public mental health, developmental, and substance abuse services system mechanisms, such as the Discharge Protocols, Extraordinary Barriers to Discharge lists, and regional utilization management procedures and practices, and employ these mechanisms collaboratively with state hospitals that serve it to manage the utilization of state hospital beds. Utilization will be measured by bed days received by individuals for whom the CSB is the case management CSB.

b. Quality of Care

1.) Clinical Consultation: The CSB may request the Department to provide professional consultations for clinically complex or difficult or medically complicated cases within the resources available for this purpose in the Department or its facilities and as permitted under 45 CFR § 164.506 (c) (1) when individuals or their authorized representatives have requested second opinions and with valid authorizations that comply with the Human Rights Regulations and the HIPAA Privacy Rule or when staff of the CSB request such consultations for individuals it serves in the community, if it is not able to provide those second opinions or obtain this consultation within its resources.

2.) Quality Improvement and Risk Management: The CSB shall, to the extent possible, develop and implement quality improvement processes that utilize individual outcome measures, provider performance measures, and other data or participate in its local government's quality improvement processes to improve services, ensure that services are provided in accordance with current acceptable professional practice, and enable the ongoing review of all major areas of the CSB's responsibilities under this contract.

The CSB shall, to the extent practicable, develop, implement, and maintain, itself or in affiliation with other CSBs, a quality improvement plan incorporating CSB provider performance measures, individual outcome measures, and human rights information. The CSB shall, to the extent practicable, develop, implement, and maintain, itself or in affiliation with other CSBs, a risk management plan or participate in a local government's risk management plan. The CSB shall work with the Department to identify how the CSB will address quality improvement activities.

The CSB shall implement, in collaboration with other CSBs in its region, the state hospitals and training centers serving its region, and private providers involved with the public mental health, developmental, and substance abuse services system, regional utilization management procedures and practices that reflect the Regional Utilization Management Guidance document adopted by the System Leadership Council that by agreement of the parties is hereby incorporated into and made a part of this contract by reference. The Guidance is available at www.dbhds.virginia.gov/OCC-default.htm.

3.) Continuous Quality Improvement Process: The CSB shall address and report on performance expectations and goals and quality improvement measures in Exhibit B of this contract and affirmations in the CSB Administrative Requirements as part of the Continuous Quality Improvement Process supported by the Department and the CSB.

4.) Individual Outcome and CSB Provider Performance Measures

a.) Measures: Pursuant to § 37.2-508 or § 37.2-608 of the Code of Virginia, the CSB shall report the individual outcome, CSB provider performance, individual satisfaction, and individual and family member participation and involvement measures in Exhibit B of this contract to the Department. These reporting requirements are contingent on the Department supplying any necessary specifications and software to the CSB in time for the CSB to make needed changes in its information system.

b.) CSB Performance Measures: The Department may negotiate specific, time-limited measures with the CSB to address identified performance concerns or issues. The measures shall be included as Exhibit D of this contract.

c.) Individual Satisfaction Survey: Pursuant to § 37.2-508 or § 37.2-608 of the Code of Virginia, the CSB shall participate in the Annual Survey of Individuals Receiving MH and SA Outpatient Services, the Annual Youth Services Survey for Families (i.e., Child MH survey), and the ID Family Survey (done at the time of the individual's annual planning meeting).

d.) **Substance Abuse Youth Surveys:** The CSB shall work closely with community-based prevention planning groups, schools, and local governments to support and enable the administration of the Virginia Community Youth Survey and the Virginia Youth Tobacco Survey, which are mandated by federal funding sources and are necessary for continuation of federal block grant funding.

e.) **Prevention Services Participants and Program Evaluations:** The CSB shall evaluate a minimum of 20 percent of participants in evidence-based prevention programs using program-specific instruments, which are evaluation instruments and processes developed by the program developer for that program. The CSB shall conduct program-specific evaluations of all federal Substance Abuse Prevention and Treatment grant-supported prevention programs as agreed in the grant contract with the Department. The CSB shall use community-level abstinence data from regional community youth survey data for alcohol, tobacco, and other drug use, perceptions of harm and disapproval, and other indicator data, including archival data listed in the National Outcome Measures, for outcome evaluation of environmental strategies and community-based processes.

f.) **Recovery Orientation:** The CSB shall implement a plan for assessing and increasing its recovery orientation over time, initially for adults with serious mental illnesses, in accordance with Section 5, Advancing the Vision, of the Partnership Agreement and shall administer the Recovery Oriented Systems Indicators (ROSI) Consumer Survey (42 items) with a statistically valid sample of five percent or a minimum of 70, whichever is larger, of individuals with serious mental illness receiving mental health services from the CSB and the ROSI Provider Survey (23 item Administrative Profile) biennially and report on its recovery orientation to the Department by the last business day of March in odd-numbered years.

5.) **Case Management Services:** The CSB shall ensure that all direct and contract staff who provide case management services have completed the case management curriculum developed by the Department within 60 days of its availability on the internet for current staff and thereafter within 30 days of employment for new staff.

6.) **Program and Service Reviews:** The Department may conduct or contract for reviews of programs or services provided or contracted by the CSB under this contract to examine their quality or performance at any time as part of its monitoring and review responsibilities or in response to concerns or issues that come to its attention, as permitted under 45 CFR § 164.512 (a), (d), and (k) (6) (ii) and as part of its health oversight functions under § 32.1-127.1:03 (D) (6) and § 37.2-508 or § 37.2-608 of the Code of Virginia or with a valid authorization by the individual receiving services or his authorized representative that complies with the Human Rights Regulations and the HIPAA Privacy Rule.

7.) **Response to Complaints:** The CSB shall implement procedures to respond to complaints from individuals receiving services, family members, advocates, or other stakeholders as expeditiously as possible in a manner that seeks to achieve a satisfactory resolution and advises the complainant of any decision and the reason for it. The CSB shall acknowledge complaints that the Department refers to it within five days of receipt and provide follow up commentary on them to the Department within 10 days of receipt.

c. **Reporting Requirements**

1.) **CSB Responsibilities:** For purposes of reporting to the Department, the CSB shall comply with State Board Policy 1037 and shall:

a.) provide monthly Community Consumer Submission (CCS) extracts that report individual characteristic and service data to the Department, as required by § 37.2-508 or § 37.2-608 of the Code of Virginia, the federal Substance Abuse and Mental Health Services Administration, and Part C of Title XIX of the Public Health Services Act - Block Grants, § 1943 (a) (3) and § 1971 and § 1949, as amended by Public Law 106-310, and as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (a) (1) and (d) and under §32.1-127.1:03.D (6) of the Code of Virginia, and as defined in the current CCS Extract Specifications and Design Specifications, including the current Business Rules, that are available on the Department's web site at www.dbhds.virginia.gov/OCC-default.htm and are hereby incorporated into and made a part of this contract by reference and by agreement of the parties;

b.) follow the current Core Services Taxonomy and CCS Extract Specifications and Design Specifications, including the current Business Rules, when responding to reporting requirements established by the Department;

c.) complete the National Survey of Substance Abuse Treatment Services (N-SSATS) annually that is used to compile and update the National Directory of Drug and Alcohol Abuse Treatment Programs and the on-line Substance Abuse Treatment Facility Locator;

d.) report Inventory of Mental Health Organizations information and data in accordance with federal requests to the greatest extent possible;

e.) report KIT Prevention System data on all substance abuse prevention services provided by the CSB, including services that are supported wholly or in part by the Substance Abuse Prevention and Treatment (SAPT) Block Grant allocation for prevention services, LINK prevention, and substance abuse prevention services funded by other grants and reported under substance abuse in the Community Automated Reporting System (CARS), and enter KIT Prevention System data by June 15 on goals, objectives, and programs approved by the community prevention planning coalition;

f.) supply information to the Department's Forensics Information Management System for individuals adjudicated not guilty by reason of insanity (NGRI), as required under § 37.2-508 or § 37.2-608 of the Code of Virginia and as permitted under 45 CFR §§ 164.506 (c) (1) and (3), 164.512 (d), and 164.512 (k) (6) (ii);

g.) if it is a Part C local lead agency, report individual, service, financial, and other information on Part C services that it provides to the Department through a separate reporting system maintained by the Department;

h.) report individual, service, financial, and other information on jail diversion and juvenile detention center services only through the CARS and CCS;

i.) report data and information required by the current Appropriation Act; and

j.) report data identified collaboratively by the Department and the CSB working through the Virginia Association of Community Services Boards Data Management Committee on the regional START program if the CSB is the fiscal agent for this program.

2.) Routine Reporting Requirements: The CSB shall account for all services, revenues, expenses, and costs accurately and submit reports to the Department in a timely manner using current CARS, CCS, or other software provided by the Department. All reports shall be provided in the form and format prescribed by the Department. The CSB shall provide the following information and meet the following reporting requirements:

a.) types and service capacities of services provided, costs for services provided, and revenues received by source and amount and expenses paid by program area and for services available outside of a program area, reported mid-year and at the end of the fiscal year through CARS, and types and amounts of services provided to each individual, monthly through the current CCS;

b.) demographic characteristics of individuals receiving services, monthly through the current CCS;

c.) in accordance with § 37.2-508 or § 37.2-608 of the Code of Virginia, numbers of adults with serious mental illnesses, children with serious emotional disturbance, children at risk of serious emotional disturbance, and individuals with intellectual disability, or substance use disorder, monthly through the current CCS;

d.) performance expectations and goals and individual outcome and CSB provider performance measures in Exhibit B;

e.) community waiting list information for the Comprehensive State Plan that is required by § 37.2-315 of the Code of Virginia, as permitted under § 32.1-127.1:03 (D) (6) of the Code of Virginia and 45 CFR § 164.512 (d) and (k) (6) (ii) (when required);

f.) State Facility Discharge Waiting List Data Base reports using ACCESS software supplied by the Department;

g.) Federal Balance Report (October 15);

h.) Total numbers of individuals served for the Mandatory Outpatient Treatment, Discharge Assistance Project, Mental Health Child and Adolescent Services Initiative, ID Waiver Services, and other Consumer Designation (900) Codes, monthly through the current CCS;

i.) PATH reports (mid-year and at the end of the fiscal year); and

j.) other reporting requirements in the current CCS Extract or Design Specifications.

3.) Subsequent Reporting Requirements: In accordance with State Board Policy 1037, the CSB shall work with the Department through the Virginia Association of Community Services Boards Data Management Committee (DMC) to ensure that current data and reporting requirements are consistent with each other and the current Core Services Taxonomy, the current CCS, and the Treatment Episode Data Set (TEDS) and other federal reporting requirements. The CSB also shall work with the Department through the DMC in planning and developing any additional reporting or documentation requirements beyond those identified in this contract to ensure that the requirements are consistent with the current taxonomy, the current CCS, and the TEDS and other federal reporting requirements.

4.) Data Elements: The CSB shall work with the Department through the DMC to standardize data definitions, cap or reduce the number of data elements required, review CSB business processes so that information is collected in a systematic manner, and support efficient extraction of required data from CSB electronic health record systems whenever this is possible.

5.) Streamlining Reporting Requirements: The CSB shall work with the Department through the DMC to review existing reporting requirements including the current CCS to determine if they are still necessary and, if they are, to streamline and reduce the number of portals through which those reporting requirements are submitted as much as possible; to ensure reporting requirements are consistent with the current CCS Extract Specifications and Core Services Taxonomy; and to maximize the interoperability between Department and CSB data bases to support the electronic exchange of information and comprehensive data analysis.

d. Providing Information: The CSB shall provide any information requested by the Department that is related to performance of or compliance with this contract in a timely manner, considering the type, amount, and availability of information requested. Provision of information shall comply with applicable laws and regulations governing confidentiality, privacy, and security of information regarding individuals receiving services from the CSB.

e. Compliance Requirements: The CSB shall comply with all applicable federal, state, and local laws and regulations, including those contained or referenced in the CSB Administrative Requirements and Exhibits F and K of this contract, as they affect the operation of this contract. Any substantive change in the CSB Administrative Requirements, except changes in statutory, regulatory, policy, or other requirements or in other documents incorporated by reference in it, which changes are made in accordance with processes or procedures associated with those statutes, regulations, policies, or other requirements or documents, shall constitute an amendment of this contract, made in accordance with applicable provisions of the Partnership Agreement, that requires a new contract signature page, signed by both parties. If any laws or regulations that become effective after the execution date of this contract substantially change the nature and conditions of this contract, they shall be binding upon the parties, but the parties retain the right to exercise any remedies available to them by law or other provisions of this contract.

The CSB shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the regulations promulgated thereunder by their compliance dates, except where the HIPAA requirements and applicable state law or regulations are contrary, and state statutes or regulations are more stringent, as defined in 45 CFR § 160.202, than the related HIPAA requirements. The CSB shall ensure sensitive data, including HIPAA-protected health information, personally identifiable information, and other confidential data, exchanged electronically with the Department or its state hospitals and training centers meets the requirements in the FIPS 140-2 standard and is encrypted using a method supported by the Department. The Department will accept 256 bit encryption methods that are FIPS 140-2 compliant.

The CSB shall follow the procedures and satisfy the requirements in the Performance Contract Process and the Administrative Performance Standards, contained in Exhibits E and I respectively of this contract. The CSB shall document compliance with § 37.2-501 or § 37.2-602 of the Code of Virginia in Exhibit H of this contract.

f. Regional Programs: The CSB shall manage or participate in the management of, account for, and report on regional programs in accordance with the Regional Program Operating Principles and the Regional Program Procedures in Appendices E and F of the current Core Services Taxonomy. The CSB agrees to participate in any utilization review or utilization management activities conducted by the Department involving services provided through a regional program. Protected health information may be disclosed as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (k) (6) (ii).

g. Joint Agreements: If it enters into a joint agreement pursuant to § 37.2-512 or § 37.2-615 of the Code of Virginia, the CSB shall describe the agreement in Exhibit J of this contract and shall attach a copy of the joint agreement to the exhibit.

h. Intensive Care Coordination for the Comprehensive Services Act

1.) As the single point of entry into publicly funded mental health, developmental, and substance abuse services pursuant to § 37.2-500 of the Code of Virginia and as the exclusive provider of Medicaid rehabilitative mental health and targeted MR/ID case management services, the CSB is the most appropriate provider of intensive care coordination (ICC) services through the Comprehensive Services Act for At-Risk Youth and Families (CSA). The CSB and the local Community Policy and Management Team (CPMT) in its service area shall determine collaboratively the most appropriate and cost-effective provider of ICC services for children who are placed in or are at risk of being placed in residential care through the CSA program in accordance with guidelines developed by the State Executive Council and shall develop a local plan for ICC services that best meets the needs of those children and their families. If there is more than one CPMT in the CSB's service area, the CPMTs and the CSB may work together as a region to develop a plan for ICC services.

2.) If the CSB is identified as the provider of ICC services, it shall work in close collaboration with its CPMT(s) and Family Assessment and Planning Team(s) to implement ICC services, to assure adequate support for these services through local CSA funds, and to assure that all children receive appropriate assessment and care planning services. Examples of ICC activities include: efforts at diversion from more restrictive levels of care, discharge planning to expedite return from residential or facility care, and community placement monitoring and care coordination work with family members and other significant stakeholders. If it contracts with another entity to provide ICC services, the CSB shall remain fully responsible for ICC services, including monitoring the services provided under the contract.

i. Electronic Health Record: The CSB shall engage in actions necessary during the term of this contract to be able to implement not later than January 1, 2014 an electronic health record that has been fully certified and is listed by the Office of the National Coordinator for Health Information Technology - Authorized Testing and Certification Body to improve the quality and accessibility of services, streamline and reduce duplicate reporting and documentation requirements, obtain reimbursement for services, and exchange data with the Department and its state hospitals and training centers and other CSBs.

7. Department Responsibilities

a. Funding: The Department shall disburse the state general funds displayed in Exhibit A, subject to the CSB's compliance with the provisions of this contract, prospectively on a semi-monthly basis to the CSB. Payments may be revised to reflect funding adjustments. The Department shall disburse federal grant funds that it receives to the CSB in accordance with the requirements of the applicable federal grant and, wherever possible, prospectively on a semi-monthly basis. The Department shall make these payments in accordance with Exhibit E of this contract.

b. State Facility Services

1.) Availability: The Department shall make state facility services available, if appropriate, through its state hospitals and training centers, when individuals located in the CSB's service area meet the admission criteria for these services.

2.) Bed Utilization: The Department shall track, monitor, and report on the CSB's utilization of state hospital and training center beds and provide data to the CSB about individuals receiving services from its service area who are served in state hospitals and training centers as permitted under 45 CFR §§ 164.506 (c) (1), (2), and (4) and 164.512 (k) (6) (ii). The Department shall post state hospital and training center bed utilization by the CSB for all types of beds (adult, geriatric, child and adolescent, and forensic) on its Internet web site.

3.) Continuity of Care: The Department shall manage its state hospitals and training centers in accordance with State Board Policy 1035 to support service linkages with the CSB, including adherence to the applicable provisions of the Continuity of Care Procedures, attached to the CSB Administrative Requirements as Appendix A, and the current *Discharge Protocols for Community Services Boards and State Hospitals* and the current *Training Center – Community Services Board Admission and Discharge Protocols for Individuals with Intellectual Disabilities*. The Department shall assure its state hospitals and training centers use teleconferencing technology to the extent practicable and whenever possible to facilitate the CSB's participation in treatment planning activities and fulfillment of its discharge planning responsibilities for individuals in state hospitals and training centers for whom it is the case management CSB.

4.) **Planning:** The Department shall involve the CSB, as applicable and to the greatest extent possible, in collaborative planning activities regarding the future role and structure of state hospitals and training centers.

5.) **Recovery Orientation:** The Department shall ensure that each state hospital shall implement a plan for assessing and increasing its recovery orientation over time, initially for adults with serious mental illnesses, in accordance with Section 5, Advancing the Vision, of the Partnership Agreement, and each state hospital shall report on its recovery orientation to the Department by the last business day of March in odd-numbered years.

c. **Quality of Care**

1.) **Measures:** The Department in collaboration with the VACSB Data Management and Quality Assurance Committees shall identify individual outcome, CSB provider performance, individual satisfaction, individual and family member participation and involvement measures, quality improvement measures, and emergency services and case management services performance expectations and goals, pursuant to § 37.2-508 or § 37.2-608 of the Code of Virginia, and shall collect information about these measures and work with the CSB to use them as part of the Continuous Quality Improvement Process described in Exhibit B to improve services.

2.) **Clinical Consultation:** The Department may provide professional consultations to the CSB upon request for clinically complex or difficult or medically complicated cases within resources available for this purpose in the Department or its facilities and as permitted under 45 CFR § 164.506 (c) (1) when individuals receiving services or their authorized representatives have requested second opinions and with valid authorizations that comply with the Human Rights Regulations and the HIPAA Privacy Rule or when staff of the CSB request such consultations for individuals it serves in the community, if it is not able to provide those second opinions or obtain this consultation within its resources.

3.) **Utilization Management:** The Department shall work with the CSB, state hospitals and training centers serving it, and private providers involved with the public mental health, developmental, and substance abuse services system to implement regional utilization management procedures and practices reflected in the Regional Utilization Management Guidance document that by agreement of the parties is hereby incorporated into and made a part of this contract by reference.

4.) **Recovery Orientation:** The Department shall implement a plan for assessing and increasing its recovery orientation over time, initially for adults with serious mental illnesses, in accordance with Section 5, Advancing the Vision, of the Partnership Agreement and shall report on its recovery orientation on its web site by the last business day of March in odd-numbered years. It shall work with the CSB within the resources available to support the CSB's efforts to assess and increase its recovery orientation over time and review and provide feedback to the CSB on its efforts.

5.) **Continuity of Care:** In order to fulfill its responsibilities related to discharge planning, the Department shall comply with § 37.2-837 of the Code of Virginia, State Board Policy 1036, the current *Discharge Protocols for Community Services Boards and State Hospitals* and the current *Training Center - Community Services Board Admission and Discharge Protocols for Individuals with Intellectual Disabilities*, and the Continuity of Care Procedures, included in the CSB Administrative Requirements as Appendix A.

d. Reporting Requirements

1.) **Subsequent Reporting Requirements:** In accordance with State Board Policy 1037, the Department shall work with CSBs through the Virginia Association of Community Services Boards Data Management Committee (DMC) to ensure that current data and reporting requirements are consistent with each other and the current Core Services Taxonomy, the current Community Consumer Submission (CCS), and the Treatment Episode Data Set (TEDS) and other federal reporting requirements. The Department also shall work with CSBs through the DMC in planning and developing any additional reporting or documentation requirements beyond those identified in this contract to ensure that the requirements are consistent with the current taxonomy, the current CCS, and the TEDS and other federal reporting requirements.

2.) **Community Consumer Submission:** The Department shall collaborate with CSBs through the DMC in the implementation and modification of the current CCS, which reports individual characteristic and service data that is required under § 37.2-508 or § 37.2-608 of the Code of Virginia, the federal Substance Abuse and Mental Health Services Administration, and Part C of Title XIX of the Public Health Services Act – Block Grants, §1943 (a) (3) and § 1971 and § 1949, as amended by Public Law 106-310, to the Department and is defined in the current CCS Extract Specifications and Design Specifications, including the current Business Rules. The Department will receive and use individual characteristic and service data disclosed by the CSB through the CCS as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (a) (1) and under § 32.1-127.1:03.D (6) of the Code of Virginia and shall implement procedures to protect the confidentiality of this information pursuant to § 37.2-504 or § 37.2-605 of the Code of Virginia and HIPAA.

3.) **Data Elements:** The Department shall work with CSBs through the DMC to standardize data definitions, cap or reduce the number of data elements required, review CSB business processes so that information is collected in a systematic manner, and support efficient extraction of required data from CSB electronic health record systems whenever this is possible.

4.) **Surveys:** The Department shall ensure that all surveys and requests for data have been reviewed for cost effectiveness and developed through a joint Department and CSB process. The Department shall comply with the Procedures for Approving CSB Surveys, Questionnaires, and Data Collection Instruments and Establishing Reporting Requirements, reissued by Commissioner James Stewart on March 4, 2011.

5.) **Streamlining Reporting Requirements:** The Department shall work with CSBs through the DMC to review existing reporting requirements including the current CCS to determine if they are still necessary and, if they are, to streamline and reduce the number of portals through which those reporting requirements are submitted as much as possible; to ensure reporting requirements are consistent with the current CCS Extract Specifications and Core Services Taxonomy; and to maximize the interoperability between Department and CSB data bases to support the electronic exchange of information and comprehensive data analysis.

e. Compliance Requirements: The Department shall comply with all applicable state and federal statutes and regulations, including those contained or referenced in the CSB Requirements and Exhibits F and K of this contract, as they affect the operation of this contract. Any substantive change in the CSB Administrative Requirements, except changes in statutory, regulatory, policy, or other requirements or in other documents incorporated by reference in it, which changes are made in accordance with processes or procedures associated with those statutes, regulations, policies, or other requirements or documents, shall constitute an amendment of this contract, made in accordance with applicable provisions of the Partnership Agreement, that requires a new contract signature page, signed by both parties. If any laws or regulations that become effective after the execution date of this contract substantially change the nature and conditions of this contract, they shall be binding upon the parties, but the parties retain the right to exercise any remedies available to them by law or other provisions of this contract.

The Department and its state hospitals and training centers shall comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the regulations promulgated thereunder by their compliance dates, except where the HIPAA requirements and applicable state law or regulations are contrary, and state statutes or regulations are more stringent, as defined in 45 CFR § 160.202, than the related HIPAA requirements. The Department and its state hospitals and training centers shall ensure that any sensitive data, including HIPAA-protected health information, personally identifiable information, and other confidential data, exchanged electronically with CSBs meets the requirements in the FIPS 140-2 standard and is encrypted using a method supported by the Department and CSB. The Department will use 256 bit encryption methods that are FIPS 140-2 compliant.

If the CSB's receipt of DAP or state facility reinvestment project funds causes it to be out of compliance with the 10 percent local matching funds requirement in § 37.2-509 of the Code of Virginia, the Department shall grant an automatic waiver of that requirement, related to the DAP or state facility reinvestment project funds, as authorized by that Code section and State Board Policy 4010.

f. **Communication:** The Department shall provide technical assistance and written notification to the CSB regarding changes in funding source requirements, such as regulations, policies, procedures, and interpretations, to the extent that those changes are known to the Department. The Department shall resolve, to the extent practicable, inconsistencies in state agency requirements that affect requirements in this contract. The Department shall provide any information requested by the CSB that is related to performance of or compliance with this contract in a timely manner, considering the type, amount, and availability of the information requested.

g. **Regional Programs:** The Department may conduct utilization review or utilization management activities involving services provided by the CSB through a regional program. If such activities involve the disclosure of protected health information, the information may be used and disclosed as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (k) (6) (ii). If the CSB's participation in a regional program, as defined in the Regional Program Principles and the Regional Program Procedures in Appendices E and F of the current Core Services Taxonomy, causes it to be out of compliance with the 10 percent local matching funds requirement in § 37.2-509 of the Code of Virginia, the Department shall grant an automatic waiver of that requirement, related to the funds for that regional program, as authorized by that Code section and State Board Policy 4010.

h. **Peer Review Process:** The Department shall implement a process in collaboration with volunteer CSBs to ensure that at least five percent of community mental health and substance abuse programs receive independent peer reviews annually, per federal requirements and guidelines, to review the quality and appropriateness of services. The Department shall manage this process to ensure that peer reviewers do not monitor their own programs.

i. **Electronic Health Record:** The Department shall engage in actions necessary during the term of this contract to be able to implement not later than January 1, 2014 an electronic health record in its central office and state hospitals and training centers that has been fully certified and is listed by the Office of the National Coordinator for Health Information Technology - Authorized Testing and Certification Body to improve the quality and accessibility of services, streamline and reduce duplicate reporting and documentation requirements, obtain reimbursement for services, and exchange data with CSBs.

8. **Subcontracting:** The CSB may subcontract any requirements in this contract. The CSB shall remain fully and solely responsible and accountable for meeting all of its obligations and duties under this contract, including all services, terms, and conditions, without regard to its subcontracting arrangements. Subcontracting must comply with applicable statutes, regulations, and guidelines, including the Virginia Public Procurement Act. All subcontracted activities shall be formalized in written contracts between the CSB and subcontractors. The CSB agrees to provide copies of contracts or other documents to the Department on request.

   A subcontract means a written agreement between the CSB and another party under which the other party performs any of the CSB's obligations. Subcontracts, unless the context or situation supports a different interpretation or meaning, also may include agreements, memoranda of understanding, purchase orders, contracts, or other similar documents for the purchase of services or goods by the CSB from another organization or agency or a person on behalf of an individual. If the CSB hires an individual not as an employee but as a contractor (e.g., a part-time psychiatrist) to work in its programs, this does not constitute subcontracting under this section. CSB payments for rent or room and board in a non-licensed facility (e.g., rent subsidies or a hotel room) do not constitute subcontracting under this section, and the provisions of this section, except for compliance with the Human Rights regulations, do not apply to the purchase of a service for one individual.

   a. **Subcontracts:** The written subcontract must, as applicable and at a minimum, state the activities to be performed, the time schedule and duration, the policies and requirements, including data reporting, applicable to the subcontractor, the maximum amount of money for which the CSB may become obligated, and the manner in which the subcontractor will be compensated, including payment time frames. Subcontracts shall not contain provisions that require a subcontractor to make payments or contributions to the CSB as a condition of doing business with the CSB.

   b. **Subcontractor Compliance:** The CSB shall require that its subcontractors comply with the requirements of all applicable federal and state statutes, regulations, policies, and reporting requirements that affect or are applicable to the services included in this contract. The CSB shall require that its subcontractors submit to the CSB all required CCS 3 data on individuals they served and services they delivered in the applicable format so that the CSB can include this data in its CCS 3 submissions to the Department. The CSB shall require that any agency, organization, or person with which it intends to subcontract services that are included in this contract is fully qualified and possesses and maintains current all necessary licenses or certifications from the Department and other applicable regulatory entities before it enters into the subcontract and places individuals in the subcontracted service. The CSB shall require all subcontractors that provide services to individuals and are licensed by the Department to maintain compliance with the Human Rights Regulations adopted by the State Board. The CSB shall, to the greatest extent practicable, require all other subcontractors that provide services purchased by the CSB for individuals and are not licensed by the Department to develop and implement policies and procedures that comply with the CSB's human rights policies and procedures or to allow the CSB to handle allegations of human rights violations on behalf of individuals served by the CSB who are receiving services from such subcontractors. When it funds providers such as family members, neighbors, individuals receiving services, or others to serve individuals, the CSB may comply with these requirements on behalf of those providers, if both parties agree.

   c. **Subcontractor Dispute Resolution:** The CSB shall include contract dispute resolution procedures in its contracts with subcontractors.

   d. **Quality Improvement Activities:** The CSB shall, to the extent practicable, incorporate specific language in its subcontracts regarding their quality improvement activities. Each vendor that subcontracts with the CSB should have its own quality improvement system in place or should participate in the CSB's quality improvement program.

9. Terms and Conditions

a. **Availability of Funds:** The Department and the CSB shall be bound by the provisions of this contract only to the extent of the funds available or that may hereafter become available for the purposes of the contract.

b. **Compliance:** The Department may utilize a variety of remedies, including requiring a corrective action plan, delaying payments, and terminating the contract, to assure CSB compliance with this contract. Specific remedies, described in Exhibit I of this contract, may be taken if the CSB fails to satisfy the reporting requirements in this contract.

c. **Disputes:** Resolution of disputes arising from Department contract compliance review and performance management efforts or from actions by the CSB related to this contract may be pursued through the dispute resolution process in section 9.f, which may be used to appeal only the following conditions:

1.) reduction or withdrawal of state general or federal funds, unless funds for this activity are withdrawn by action of the General Assembly or federal government, or adjustment of allocations or payments pursuant to section 5 of this contract;

2.) termination or suspension of the contract, unless funding is no longer available;

3.) refusal to negotiate or execute a contract modification;

4.) disputes arising over interpretation or precedence of terms, conditions, or scope of the contract;

5.) determination that an expenditure is not allowable under this contract; or

6.) determination that the performance contract is void.

d. **Termination**

1.) The Department may terminate this contract immediately, in whole or in part, at any time during the contract period if funds for this activity are withdrawn or not appropriated by the General Assembly or are not provided by the federal government. In this situation, the obligations of the Department and the CSB under this contract shall cease immediately. The CSB and Department shall make all reasonable efforts to ameliorate any negative consequences or effects of contract termination on individuals receiving services and CSB staff.

2.) The CSB may terminate this contract immediately, in whole or in part, at any time during the contract period if funds for this activity are withdrawn or not appropriated by its local government(s) or other funding sources. In this situation, the obligations of the CSB and the Department under this contract shall cease immediately. The CSB and Department shall make all reasonable efforts to ameliorate any negative consequences or effects of contract termination on individuals receiving services and CSB staff.

3.) In accordance with § 37.2-508 or § 37.2-608 of the Code of Virginia, the Department may terminate all or a portion of this contract, after unsuccessful use of the remediation process described in section 9.e and after affording the CSB an adequate opportunity to use the dispute resolution process described in section 9.f of this contract. A written notice specifying the cause must be delivered to the CSB's board chairperson and executive director at least 75 days prior to the date of actual termination of the contract. In the event of contract termination under these circumstances, only payment for allowable services rendered by the CSB shall be made by the Department.

e. **Remediation Process:** The remediation process mentioned in § 37.2-508 or § 37.2-608 of the Code of Virginia is an informal procedure that shall be used by the Department and the CSB to address a particular situation or condition identified by the Department or the CSB that may, if unresolved, result in termination of the contract, in accordance with the provisions of section 9.d of this contract. The details of this remediation process shall be developed by the parties and added as an exhibit of this contract. This exhibit shall describe the situation or condition and include the performance measures that shall document a satisfactory resolution of the situation or condition.

f. **Dispute Resolution Process:** Disputes arising from any of the conditions in section 9.c of this contract shall be resolved using the following process.

1.) Within 15 days of the CSB's identification or receipt of a disputable action taken by the Department or of the Department's identification or receipt of a disputable action taken by the CSB, the party seeking resolution of the dispute shall submit a written notice to the Department's Director of Community Contracting, stating its desire to use the dispute resolution process. The written notice must describe the condition, nature, and details of the dispute and the relief sought by the party.

2.) The Director of Community Contracting shall review the written notice and determine if the dispute falls within the conditions listed in section 9.c. If it does not, the Director of Community Contracting shall notify the party in writing within seven days of receipt of the written notice that the dispute is not subject to this dispute resolution process. The party may appeal this determination to the Commissioner in writing within seven days of its receipt of the Director's written notification.

3.) If the dispute falls within the conditions listed in section 9.c, the Director of Community Contracting shall notify the party within seven days of receipt of the written notice that a panel will be appointed within 15 days to conduct an administrative hearing.

4.) Within 15 days of notification to the party, a panel of three or five disinterested persons shall be appointed to hear the dispute. The CSB shall appoint one or two members; the Commissioner shall appoint one or two members; and the appointed members shall appoint the third or fifth member. Each panel member will be informed of the nature of the dispute and be required to sign a statement indicating that he has no interest in the dispute. Any person with an interest in the dispute shall be relieved of panel responsibilities and another person shall be selected as a panel member.

5.) The Director of Community Contracting will contact the parties by telephone and arrange for a panel hearing at a mutually convenient time, date, and place. The panel hearing shall be scheduled not more than 15 days after the appointment of panel members. Confirmation of the time, date, and place of the hearing will be communicated to all parties at least seven days in advance of the hearing.

6.) The panel members shall elect a chairman and the chairman shall convene the panel. The party requesting the panel hearing shall present evidence first, followed by the presentation of the other party. The burden shall be on the party requesting the panel hearing to establish that the disputed decision or action was incorrect and to present the basis in law, regulation, or policy for its assertion. The panel may hear rebuttal evidence after the initial presentations by the CSB and the Department. The panel may question either party in order to obtain a clear understanding of the facts.

7.) Subject to provisions of the Freedom of Information Act, the panel shall convene in closed session at the end of the hearing and shall issue written recommended findings of fact within seven days of the hearing. The recommended findings of fact shall be submitted to the Commissioner for a final decision.

8.) The findings of fact shall be final and conclusive and shall not be set aside by the Commissioner unless they are (1) fraudulent, arbitrary, or capricious; (2) so grossly erroneous as to imply bad faith; (3) in the case of termination of the contract due to failure to perform, the criteria for performance measurement are found to be erroneous, arbitrary, or capricious; or (4) not within the CSB's purview.

9.) The final decision shall be sent by certified mail to both parties no later than 60 days after receipt of the written notice from the party invoking the dispute resolution process.

10.) Multiple appeal notices shall be handled independently and sequentially so that an initial appeal will not be delayed by a second appeal.

11.) The CSB or the Department may seek judicial review of the final decision as provided in § 2.2-4365 of the Code of Virginia in the Circuit Court for the City of Richmond within 30 days of receipt of the final decision.

g. **Contract Amendment:** This contract, including all exhibits and incorporated documents, constitutes the entire agreement between the Department and the CSB. The services identified in Exhibit A of this contract may be revised in accordance with the performance contract revision instructions contained in Exhibit E of this contract. Other provisions of this contract may be amended only by mutual agreement of the parties, in writing and signed by the parties hereto.

h. **Liability:** The CSB shall defend or compromise, as appropriate, all claims, suits, actions, or proceedings arising from its performance of this contract. The CSB shall obtain and maintain sufficient liability insurance to cover claims for bodily injury and property damage and suitable administrative or directors and officers liability insurance. These responsibilities may be discharged by means of a proper and sufficient self-insurance program operated by the state or a city or county government. The CSB shall provide a copy of any such policy or program to the Department upon request. This contract is not intended to and does not create by implication or otherwise any basis for any claim or cause of action by a person or entity not a party to this contract arising out of any claimed violation of any provision of this contract, nor does it create any claim or right on behalf of any person to services or benefits from the CSB or the Department.

i. **Fraud:** All CSB financial transactions that are the result of fraud or mismanagement shall become the sole liability of the CSB, and the CSB shall refund any state or federal funds disbursed by the Department to it that were involved in those financial transactions. The CSB shall ensure that new CSB board members receive training annually on their fiduciary responsibilities under applicable provisions of the Code of Virginia and this contract.

j. **Constitution of the CSB:** The resolutions or ordinances currently in effect that were enacted by the governing body or bodies of the local government or governments to establish the CSB are consistent with applicable statutory requirements in §§ 37.2-500, 37.2-501, and 37.2-502 or §§ 37.2-601, 37.2-602, and 37.2-603 of the Code of Virginia and accurately reflect the current purpose, roles and responsibilities, local government membership, number and type of CSB board member appointments from each locality, and the CSB's relationship with its local government or governments.

k. **Severability:** Each paragraph and provision of this contract is severable from the entire contract, and the remaining provisions shall nevertheless remain in full force and effect if any provision is declared invalid or unenforceable.

10. **Areas for Future Resolution:** On an ongoing basis, the CSB and the Department agree to work together to identify and resolve barriers and policy and procedural issues that interfere with the most effective and efficient delivery of public services. This section identifies issues and topics that the CSB and the Department agree to work on collaboratively during the term of this contract in order to resolve them during that period or later, if necessary. Issues and topics may be added at any time by mutual agreement through amendment of this contract. The CSB or representatives of the CSB and the Department will establish work groups where appropriate to address these issues and topics. The Department and the CSB also may address issues and topics through the System Leadership Council, described in the Partnership Agreement.

a. **Mental Health and Substance Abuse Services Performance Expectations and Goals:** Review results of the previous year's implementation and consider revisions of performance expectations and goals that address emergency services and case management services and expand this continuous quality improvement approach to other services provided by the CSB, including preadmission screening and discharge planning and local, regional, and statewide utilization management, and to state facility operations.

b. **Data Quality and Use:** Work collaboratively through the VACSB Data Management Committee to monitor and increase the timeliness and quality of data submitted through the current CCS and to move beyond the current ways of collecting, analyzing, and using information, including the current CCS and other systems, by establishing a shared vision of future data exchange that (i) takes advantage of changes in technology, (ii) identifies key data elements to collect and the best ways in which to collect them, and (iii) establishes a mechanism to consolidate and store information that promotes the development and understanding of outcomes.

c. **Quality Improvement Measures:** Work collaboratively to develop and implement a small number of quality improvement measures for behavioral health and developmental services that (1) use existing data to the greatest extent possible, (2) reflect and support the Vision Statement in State Board Policy 1036 and *Creating Opportunities* initiatives, (3) provide regular quarterly feedback directly to individual CSBs and state facilities for their use in improving services, and (4) are posted on the Department's web site for public accessibility.

d. **Individual Satisfaction Surveys:** Work collaboratively through the VACSB Data Management and Quality Improvement Committees to review the content, administration, and reporting results of surveys listed in section 6.b.4.) c.) to ensure the most efficient and effective measurement and reporting of individual satisfaction with CSB services.

11. Signatures: In witness thereof, the Department and the CSB have caused this performance contract to be executed by the following duly authorized officials.

Virginia Department of Behavioral Health And Developmental Services	**Central Virginia Community Services** CSB
By: ______________________	By: Gary Marple
Name: James W. Stewart, III	Name: Gary Marple
Title: Commissioner	Title: CSB Chairperson
Date: ______________________	Date: 6-21-12
	By: Nancy Cottingham
	Name: Nancy Cottingham
	Title: CSB Chief Executive Officer
	Date: 6/19/12

FY2013 Community Services Performance Contract

Quarter C

Exhibit A: Resources and Services

Central Virginia Community Services

Consolidated Budget (Pages AF-3 through AF-7)				
Funding Sources	Mental Health Services	Developmental Services	Substance Abuse Services	TOTAL
State Funds	4,369,793	145,417	1,354,344	5,869,554
Local Matching Funds	847,904	0	3,603	851,507
Total Fees	24,326,231	8,354,455	353,458	33,034,144
Transfer Fees In/(Out)	99,000	0	-99,000	0
Federal Funds	157,125	0	1,533,951	1,691,076
Other Funds	359,124	1,908	138,871	499,903
State Retained Earnings	100,000	0	0	100,000
Federal Retained Earnings	0		22,000	22,000
Other Retained Earnings	0	550,842	0	550,842
Subtotal Funds	**30,259,177**	**9,052,622**	**3,307,227**	**42,619,026**
State Funds One-Time	0		0	0
Federal Funds One-Time	0		0	0
Subtotal One -Time Funds	**0**	**0**	**0**	**0**
TOTAL ALL FUNDS	**30,259,177**	**9,052,622**	**3,307,227**	**42,619,026**
Cost for MH/DV/SA	**27,480,903**	**8,857,335**	**2,388,145**	**38,726,383**
Cost for Services Available Outside of a Program Area (SAOPA) (AP-4)				**3,892,643**
Total Cost				**42,619,026**

Local Match Computation	
Total State Funds	5,869,554
Total Local Matching Funds	851,507
Total State and Local Funds	6,721,061
Total Local Match % (Local/Total State + Local)	12.67%

Administrative Expenses	
Total Admin. Expenses	4,011,309
Total Expenses	42,619,026
Administrative Percent	9.41%

FY2013 Community Services Performance Contract
Exhibit A: Resources and Services
Central Virginia Community Services
Financial Comments

Comment1	Page AP-7: Integrated Behavioral and Primary Health Care -
Comment2	Lynchburg Family Medicine Residency - Provides Office Space for CVCSB
Comment3	Staff. Primary Health Care is provided by LFMR and Behavioral Health Care
Comment4	is provided by CVCSB, on-site at Lynchburg Family Medicine Residency.
Comment5	Centra Health - Doctor provides Primary Health Care, while CVCSB staff
Comment6	provide Behavioral Health Care on-site at CVCSB.
Comment7	MH Other Funds - $359,124 - Consists of: $322,597 Billing Contract Revenue,
Comment8	$18,800 Rent Revenue, $1,727 Donations, $15,000 for Copies of Medical Records,
Comment9	and $1,000 Miscellaneous Other Revenue.
Comment10	MH State Retained Earnings - $100,000 - is for MH Pharmacy-Medication Supports.
Comment11	DV Other Funds - $1,908 - Consists of: $800 Fundraisers, $108 Donations, and
Comment12	$1,000 Miscellaenous Other Revenue.
Comment13	DV Other Retained Earnings - $550,842 - Consists of General Equity used to
Comment14	offset budgeted deficit.
Comment15	SA Other Funds - $138,871 - Consists of: $138,206 Billing Contract Revenue
Comment16	and $665 Donations.
Comment17	SA Federal Retained Earnings - $22,000 - Consists of $22,000 SA FBG Prevention.
Comment18	
Comment19	
Comment20	
Comment21	
Comment22	
Comment23	
Comment24	
Comment25	

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Mental Health (MH) Services

Central Virginia Community Services

Funding Sources	Funds
FEES	
MH Medicaid Fees	21,790,305
MH Fees: Other	2,535,926
Total MH Fees	24,326,231
MH Transfer Fees In/(Out)	99,000
MH NET FEES	**24,425,231**
FEDERAL FUNDS	
MH FBG SED Child & Adolescent (93.958)	140,540
MH FBG SMI (93.958)	16,585
MH FBG SMI PACT (93.958)	0
MH FBG SMI SWVMH Board (93.958)	0
Total MH FBG SMI Funds	16,585
MH FBG Geriatrics (93.958)	0
MH FBG Consumer Services (93.958)	0
Total MH FBG Adult Funds	16,585
MH Federal PATH (93.150)	0
MH Other Federal - DBHDS	0
MH Other Federal - CSB	0
TOTAL MH FEDERAL FUNDS	**157,125**
STATE FUNDS	
Regional Funds	
MH Acute Care (Fiscal Agent)	0
MH Regional DAP (Fiscal Agent)	720
MH Crisis Stabilization (Fiscal Agent)	374,500
MH Recovery (Fiscal Agent)	0
MH Other Regional (Fiscal Agent)	1,200,534
MH Total RegionalTransfer In/(Out)	161,200
Total MH Net Regional Funds	1,736,954
Children's Funds	
MH Child & Adolescent Services Initiative	199,524
MH Children's Outpatient	51,694
Total Restricted MH Children's Funds	251,218
MH State Children's Services	25,000
MH Juvenile Detention	100,127
MH Demo Proj-System of Care (Child)	0
Total Unrestricted MH Children's Funds	125,127
Total MH State Children's Funds (Restricted for Children)	376,345

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Mental Health (MH) Services

Central Virginia Community Services

Funding Sources	Funds
Other State Funds	
MH Law Reform	331,492
MH Pharmacy - Medication Supports	399,705
MH Jail Diversion/Service	30,000
MH Expanded Community Capacity (Fiscal Agent)	0
MH Expanded Community Capacity Transfer In/(Out)	0
Total MH Net Expanded Community Capacity	0
Total Restricted MH Other State Funds	761,197
MH State Funds	288,659
MH State Regional Deaf Services	0
MH State NGRI Funds	0
MH PACT	700,000
MH Discharge Assistance (DAP)	506,638
MH Geriatric Services	0
Total Unrestricted MH Other State Funds	1,495,297
Total MH Other State Funds	2,256,494
TOTAL MH STATE FUNDS	4,369,793
OTHER FUNDS	
MH Other Funds	359,124
MH Federal Retained Earnings	0
MH State Retained Earnings	100,000
MH State Retained Earnings - Regional Prog	0
MH Other Retained Earnings	0
TOTAL MH OTHER FUNDS	459,124
LOCAL MATCHING FUNDS	
MH Local Government Appropriations	844,904
MH Philanthropic Cash Contributions	0
MH In-Kind Contributions	0
MH Local Interest Revenue	3,000
TOTAL MH LOCAL MATCHING FUNDS	847,904
TOTAL MH FUNDS	30,259,177
ONE-TIME FUNDS	
MH FBG SMI (93.958)	0
MH FBG SED Child & Adolescent (93.958)	0
MH State Funds	0
TOTAL MH ONE-TIME FUNDS	0
TOTAL All MH FUNDS	30,259,177

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Developmental (DV) Services

Central Virginia Community Services

Funding Sources	Funds
FEES	
DV Medicaid Fees	4,316,598
DV Medicaid ICF/MR	3,583,255
DV Fees: Other	454,602
Total DV Fees	8,354,455
DV Transfer Fees In/(Out)	0
DV NET FEES	8,354,455
FEDERAL FUNDS	
DV Other Federal - DBHDS	0
DV Other Federal - CSB	0
TOTAL DV FEDERAL FUNDS	0
STATE FUNDS	
DV State Funds	103,217
DV OBRA	42,200
Total DV Unrestricted State Funds	145,417
DV Crisis Stabilization (Fiscal Agent)	0
DV Crisis Stabilization Transfer In/(Out)	0
Total DV Net Crisis Stabilization (Restricted)	0
DV Trust Fund (Restricted)	0
Total DV Restricted State Funds	0
TOTAL DV STATE FUNDS	145,417
OTHER FUNDS	
DV Workshop Sales	0
DV Other Funds	1,908
DV State Retained Earnings	0
DV Other Retained Earnings	550,842
TOTAL DV OTHER FUNDS	552,750
LOCAL MATCHING FUNDS	
DV Local Government Appropriations	0
DV Philanthropic Cash Contributions	0
DV In-Kind Contributions	0
DV Local Interest Revenue	0
TOTAL DV LOCAL MATCHING FUNDS	0
TOTAL DV FUNDS	9,052,622
ONE-TIME FUNDS	----------
TOTAL ALL DV FUNDS	9,052,622

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Substance Abuse (SA) Services

Central Virginia Community Services

Funding Sources	Funds
FEES	
SA Medicaid Fees	94,743
SA Fees: Other	258,715
Total SA Fees	353,458
SA Transfer Fees In/(Out)	-99,000
SA NET FEES	254,458
FEDERAL FUNDS	
SA FBG Alcohol/Drug Trmt (93.959)	1,034,169
SA FBG SARPOS (93.959)	132,797
SA FBG Jail Services (93.959)	0
SA FBG Co-Occurring (93.959)	0
SA FBG New Directions (93.959)	0
SA FBG Recovery (93.959)	0
Total SA FBG A/D Trmt Funds	1,166,966
SA FBG Women (Includes LINK at 6 CSBs) (93.959)	74,115
SA FBG Prevention-Women (LINK) (93.959)	0
Total SA FBG Women Funds	74,115
SA FBG Prevention (93.959)	192,870
SA FBG Prev-Strengthening Families (93.959)	100,000
Total SA FBG Prevention Funds	292,870
SA Other Federal - DBHDS	0
SA Other Federal - CSB	0
TOTAL SA FEDERAL FUNDS	1,533,951
STATE FUNDS	
Regional Funds	
SA Facility Reinvestment (Fiscal Agent)	0
SA Facility Reinvestment Transfer In/(Out)	0
SA Net Facility Reinvestment Funds	0
Other State Funds	
SA Women (Includes LINK at 4 CSBs) - Restricted	15,600
SA State Funds	1,293,520
SA Region V Residential	0
SA Jail Services/Juv Detention	0
SA MAT - Medically Assisted Treatment	0
SA SARPOS	45,224
SA Recovery	0
SA HIV/AIDS	0
Total Unrestricted SA Other State Funds	1,338,744
Total SA Other State Funds	1,354,344
TOTAL SA STATE FUNDS	1,354,344

FY 2013 Community Services Performance Contract Financial Summary

Exhibit A: Resources and Services

Substance Abuse (SA) Services

Central Virginia Community Services

Funding Sources	Funds
OTHER FUNDS	
SA Other Funds	138,871
SA Federal Retained Earnings	22,000
SA State Retained Earnings	0
SA State Retained Earnings-Regional Prog	0
SA Other Retained Earnings	0
TOTAL SA OTHER FUNDS	160,871
LOCAL MATCHING FUNDS	
SA Local Government Appropriations	3,603
SA Philanthropic Cash Contributions	0
SA In-kind Contributions	0
SA Local Interest Revenue	0
TOTAL SA LOCAL MATCHING FUNDS	3,603
TOTAL SA FUNDS	3,307,227
ONE TIME FUNDS	
SA FBG Alcohol/Drug Trmt (93.959)	0
SA FBG Women (includes LINK at 6 CSBs) (93.959)	0
SA FBG Prevention (93.959)	0
SA State Funds	0
TOTAL ONE TIME SA FUNDS	0
TOTAL ALL SA FUNDS	3,307,227

FY 2013 Community Services Performance Contract

Exhibit A: Resources and Services

Local Government Tax Appropriations

Central Virginia Community Services

City/County	Tax Appropriation
Lynchburg City	444,003
Campbell County	160,500
Bedford City	6,500
Bedford County	104,386
Appomattox County	40,736
Amherst County	92,382
Total Local Government Tax Funds:	**848,507**

FY 2013 Community Services Performance Contract

Exhibit A: Resources and Services

Supplemental Information

Reconciliation of Projected Revenues and (Core Services) Costs by Program Area

Central Virginia Community Services

	MH Services	DV Services	SA Services	SAOPA *	Total
Total All Funds (Page AF-1)	30,259,177	9,052,622	3,307,227		42,619,026
Cost for MH, DV, SA, and SAOPA Services (Page AF-1)	27,480,903	8,857,335	2,388,145	3,892,643	42,619,026
Difference	2,778,274	195,287	919,082	-3,892,643	0

* Services Available Outside of a Program Area

Difference results from

Other 0

Explanation of Other in Table Above:

FY 2013 Community Services Performance Contract
Exhibit A: Resources and Services
CSB 100 Mental Health Services
Central Virginia Community Services

Report for Form 11

Core Services Code	Costs
310 Outpatient Services	$6,812,654
350 Assertive Community Treatment	$1,394,263
320 Case Management Services	$7,203,010
410 Day Treatment or Partial Hospitalization	$8,386,079
420 Ambulatory Crisis Stabilization Services	$305,255
425 Rehabilitation or Habilitation	$728,044
510 Residential Crisis Stabilization Services	$914,633
551 Supervised Residential Services	$1,057,115
581 Supportive Residential Services	$587,743
610 Prevention Services	$92,107
Total Costs	$27,480,903

FY 2013 Community Services Performance Contract
Exhibit A: Resources and Services
CSB 200 Developmental Services
Central Virginia Community Services

Report for Form 21

Core Services Code		Costs
320 Case Management Services		$2,247,260
501 Highly Intensive Residential Services		$2,371,452
521 Intensive Residential Services		$2,935,426
581 Supportive Residential Services		$1,303,197
	Total Costs	$8,857,335

FY 2013 Community Services Performance Contract
Exhibit A: Resources and Services
CSB 300 Substance Abuse Services
Central Virginia Community Services

Report for Form 31

Core Services Code	Costs
310 Outpatient Services	$509,773
320 Case Management Services	$71,809
501 Highly Intensive Residential Services	$1,384,946
610 Prevention Services	$421,617
Total Costs	$2,388,145

FY 2013 Community Services Performance Contract
Exhibit A: Resources and Services
CSB 400 Services Available Outside of a Program Area
Central Virginia Community Services

Report for Form 01

Core Services Code	Costs
100 Emergency Services	$3,260,396
318 Motivational Treatment Services	$175,075
390 Consumer Monitoring Services	$1,500
720 Assessment and Evaluation Services	$455,672
Total Costs	**$3,892,643**

FY 2013 and FY 2014 Community Services Performance Contract

Exhibit B: Continuous Quality Improvement (CQI) Process

Introduction: The Department shall continue to work with CSBs to achieve a welcoming, recovery-oriented, integrated services system, a transformed system for individuals receiving services and their families in which CSBs, state facilities, programs, and services staff, in collaboration with individuals and their families, are becoming more welcoming, recovery-oriented, and co-occurring disorder capable. The process for achieving this goal within limited resources is to build a system-wide CQI process in a partnership among CSBs, the Department, and other stakeholders in which there is a consistent shared vision combined with a measurable and achievable implementation process for each CSB to make progress toward this vision. This contract and section II.A.10 of the CSB Administrative Requirements provide further clarification for those implementation activities, so that each CSB can be successful in designing a performance improvement process at the local level.

Meaningful performance expectations are part of a CQI process being developed and supported by the Department and the CSB that will monitor the CSB's progress in achieving those expectations to improve the quality, accessibility, integration and welcoming, person-centeredness, and responsiveness of services locally and to provide a platform for system-wide improvement efforts. Generally, performance expectations reflect requirements based in statute, regulation, or policy. The capacity to measure progress in achieving performance expectations and goals, provide feedback, and plan and implement CQI strategies shall exist at local, regional, and state levels.

Implementing the CQI process will be a multi-year, iterative, and collaborative effort to assess and enhance CSB and system-wide performance over time through a partnership among CSBs and the Department in which they are working to achieve a shared vision of a transformed services system. In this process, CSBs and the Department engage with stakeholders to perform meaningful self-assessments of current operations, determine relevant CQI performance expectations and goals, and establish benchmarks for goals, determined by baseline performance, to convert those goals to expectations. Because this CQI process focuses on improving services and to strengthen the engagement of CSBs in this process and preserve essential services for individuals, funding will not be based on or associated with CSB performance in achieving these expectations and goals. The Department and the CSB may negotiate CSB performance measures in Exhibit D reflecting actions or requirements to meet expectations and goals in the CSB's CQI plan. As this joint CQI process evolves and expands, the Department and the Virginia Association of Community Services Boards will utilize data and reports submitted by CSBs to conduct a broader scale evaluation of service system performance and identify opportunities for CQI activities across all program areas.

Pursuant to Section 7: Accountability in the Community Services Performance Contract Central Office, State Facility, and CSB Partnership Agreement, the CSB provides the following affirmations of its compliance with the listed performance expectations and goals. If the CSB cannot provide a particular affirmation, it shall attach an explanation to this exhibit with a plan for complying with the identified expectation or goal, including specific actions and target dates. The Department will review this plan and negotiate any changes with the CSB, whereupon, it will be part of this exhibit.

I. CQI Performance Expectations and Goals for Emergency Services

A. General Performance Goal and Expectation Affirmations

1. For individuals hospitalized through the civil involuntary admission process in a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital, including those who were under a temporary detention or an involuntary commitment order or were admitted voluntarily from a commitment hearing, and referred to the CSB, the CSB that will provide services upon the individual's discharge has in place a protocol to engage those individuals in appropriate CSB services and supports upon their return to the community. The CSB monitors and strives to increase the rate at which these

individuals keep scheduled face-to-face (non-emergency) service visits within seven business days after discharge from the hospital or unit. Since these individuals frequently experience co-occurring mental health and substance use disorders, CSB services are planned as co-occurring capable and promote successful engagement of these individuals in continuing integrated care. The CSB shall provide this protocol to the Department upon request. During its inspections, the Department's Licensing Office may examine this protocol to verify this affirmation as it reviews the CSB's policies and procedures.

B. Emergency Services Performance Goal and Expectation Affirmations

1. Telephone access to clinicians employed or contracted by the CSB to provide emergency services is available 24 hours per day, seven days per week. Initial telephone responders in emergency services triage calls are able to link callers with emergency needs with a preadmission screening evaluator within 15 minutes of his or her initial call.
2. When an immediate face-to-face intervention by a certified preadmission screening evaluator is appropriate to determine the possible need for involuntary hospitalization, the intervention is completed by a certified preadmission screening evaluator who is available within one hour of initial contact for urban CSBs and within two hours of initial contact for rural CSBs. Urban and rural CSBs are defined and listed in the current Overview of Community Services in Virginia, available at www.dbhds.virginia.gov/OCC-default.htm.

II. Co-Occurring Mental Health and Substance Use Disorder Performance Expectation Affirmations

A. The CSB ensures that, as part of its regular intake processes, every adolescent (ages 12 to 18) and adult presenting for mental health or substance abuse services is screened, based on clear clinical indications noted in the services record or use of a validated brief screening instrument, for co-occurring mental health and substance use disorders. If screening indicates a need, the CSB assesses the individual for co-occurring disorders. During its on-site reviews, staff from the Department's Office of Substance Abuse Services may examine a sample of service records to verify this affirmation.

B. If the CSB has not conducted an organizational self-assessment of service integration in the last three years using the COMPASS, COMPASSEZ, or DDCAT/DDMHT tool as part of the Virginia System Integration Project (VASIP) process, the CSB conducts an organizational self-assessment of service integration during the term of this contract with one of these tools and uses the results of this self-assessment as part of its continuous quality improvement plan and process. The CSB shall provide the results of its continuous quality improvement activities for service integration to the Department's Office of Substance Abuse Services during its on-site review of the CSB.

C. In the CSB's information system, individuals are identified as having co-occurring mental health and substance use disorders if there is (1) an Axis I or Axis II mental health diagnosis and (a) an Axis I substance use disorder diagnosis or (b) admission to the substance abuse program area (denoted in a type of care record) or (2) an Axis I substance use disorder diagnosis and (a) an Axis I or Axis II mental health diagnosis or (b) admission to the mental health program area (denoted in a type of care record). The Department will monitor this affirmation by analyzing the CSB's CCS 3 submissions and reviewing any continuous quality improvement plan submitted by the CSB.

III. Data Quality Performance Expectation Affirmations

A. The CSB submits 100 percent of its monthly CCS consumer, type of care, and services file extracts to the Department in accordance with the schedule in Exhibit E of this contract and the current CCS 3 Extract Specifications and Business Rules, a submission for each month by the end of the following month for which the extracts are due. The Department will monitor this measure quarterly by analyzing the CSB's CCS submissions and may negotiate an Exhibit D with the CSB if it fails to meet this goal for more than two months in a quarter.

B. The CSB monitors the total number of consumer records rejected due to fatal errors divided by the total consumer records in the CSB's monthly CCS consumer extract file. If the CSB experiences a fatal error rate of more than five percent of its CCS consumer records in more than one monthly submission, the CSB develops and implements a data quality improvement plan to achieve the goal of no more than five percent of its CCS consumer records containing fatal errors within a timeframe negotiated with the Department. The Department will monitor this affirmation by analyzing the CSB's CCS submissions.

C. The CSB ensures that all required CCS data is collected and entered into its information system when a case is opened or an individual is admitted to a program area, updated at least annually when an individual remains in service that long, and updated when an individual is discharged from a program area or his case is closed. The CSB identifies situations where data is missing or incomplete and implements a data quality improvement plan to increase the completeness, accuracy, and quality of CCS data that it collects and reports. The CSB monitors the total number of individuals without service records submitted showing receipt of any substance abuse service within the prior 90 days divided by the total number of individuals with a TypeOfCare record showing a substance abuse discharge in those 90 days. If more than 10 percent of the individuals it serves have not received any substance abuse service within the prior 90 days and have not been discharged from the substance abuse program area, the CSB develops and implements a data quality improvement plan to reduce that percentage to no more than 10 percent. The Department will monitor this affirmation by analyzing the CSB's CCS submissions.

IV. Employment and Housing Opportunities Expectation Affirmations

A. The CSB reviews and revises, if necessary, its joint written agreement, required by subdivision A.12 of § 37.2-504 or subsection 14 of § 37.2-605 of the Code of Virginia, with the Department of Aging and Rehabilitative Services (DARS) regional office to ensure the availability of employment services and specify DARS services to be provided to individuals receiving services from the CSB. The CSB works with employment service organizations (ESOs) where they exist to support the availability of employment services and identify ESO services available to individuals receiving services from the CSB.

B. The CSB ensures that its staff asks individuals currently receiving services from the CSB if they want to work and when appropriate and as practicable engages them in seeking employment services in a timely manner.

C. The CSB reviews and revises, if necessary, its joint written agreements, required by subdivision 12 of subsection A of § 37.2-504 or subsection 14 of § 37.2-605 of the Code of Virginia, with public housing agencies, where they exist, and works with planning district commissions, local governments, private developers, and other stakeholders to maximize federal, state, and local resources for the development of and access to affordable housing and appropriate supports for individuals receiving services from the CSB.

D. The CSB works with the Department through the VACSB Data Management Committee, at the direction of the VACSB Executive Directors Forum, to collaboratively establish clear employment and stable housing policy and outcome goals and develop and monitor key housing and employment indicators.

V. Continuous Quality Improvement Process Measures

The CSB agrees to monitor and collect data and report on the following measure, using the attached Exhibit B Required Measures Report, and to use data from the Department or other sources to monitor its accomplishment of the performance expectations and goals in this exhibit.

FY 2013 and FY 2014 Community Services Performance Contract

Expectation or Goal Measure

I.A.1. The CSB agrees to monitor and report quarterly to the Department on the percentage of individuals referred to the CSB who keep a face-to-face (non-emergency) service visit within seven business days after having been discharged from a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital following involvement in the civil involuntary admission process. This includes all individuals referred to the CSB upon discharge from a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital who were under a temporary detention or an involuntary commitment order or who were admitted voluntarily from a commitment hearing. The Department agrees to monitor part of this measure through comparing AVATAR data on individuals discharged from state hospitals to the CSB with CCS data about their admission to the mental health program area and dates of service after discharge from the hospital or unit.

VI. Continuous Quality Improvement Data Feedback

The Department shall provide regular reports to the CSB on the completeness and validity of its CCS 3 individual and service data to improve data quality and integrity. When requested by the Department, the CSB executive director shall develop and submit a plan of correction to remedy persistent deficiencies in the CSB's CCS 3 submissions (e.g., a persistent fatal error rate of more than 10 percent of its CCS consumer records) and, upon approval of the Department, shall implement the plan of correction. Persistent deficiencies that are not resolved through this process shall be addressed with a CSB Performance Measure in Exhibit D.

VII. Quality Improvement Measures: The CSB and Department agree to use Behavioral Health Quality Improvement Measures, developed by the Department in collaboration with the VACSB Data Management and Quality Assurance Committees and available on the Department's web site at www.dbhds.virginia.gov, to monitor outcome and performance measures for CSBs.

VIII. CSB Performance Measure: Access to Substance Abuse Services for Pregnant Women

Measure	Substance Abuse Services Access for Pregnant Women
Source of Requirement	SAPT Block Grant
Type of Measure	Aggregate
Data Needed For Measure	Number of Pregnant Women Requesting Service
	Number of Pregnant Women Receiving Services Within 48 Hours
Reporting Frequency	Annually
Reporting Mechanism	Performance Contract Reports (CARS)

Signature: In witness thereof, the CSB provides the affirmations in this Exhibit and in section II.A.10 of the CSB Administrative Requirements and agrees to monitor and collect data and report on the measures in sections V and VIII and use data from the Department or other sources to monitor accomplishment of performance expectations and goals in this Exhibit and affirmations in section II.A.10, as denoted by the signature of the CSB's Executive Director.

Central Virginia Community Services By: [signature]

CSB

Name: Nancy Cottingham
Title: **Chief Executive Officer**

Date: 6/19/12

<table>
<tr><th colspan="4">FY 2013 Exhibit B Quarterly Required Measure Report</th></tr>
<tr><td colspan="2">Date of Report:</td><td colspan="2">Quarter: ☐ First ☐ Second ☐ Third ☐ Fourth Quarter</td></tr>
<tr><td colspan="2">CSB Name:</td><td colspan="2">Contact Name:</td></tr>
<tr><td colspan="2">Contact Telephone Number:</td><td colspan="2">E-Mail Address:</td></tr>
<tr><th>Exh. B</th><th>Expectation or Goal Measure</th><th>Data</th><th>Data Reported</th></tr>
<tr><td rowspan="3">I.A.1</td><td rowspan="3">Percentage of individuals referred to the CSB who keep a face-to-face (non-emergency) service visit within seven business days after having been discharged from a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital following involvement in the civil involuntary admission process. This includes all individuals referred to the CSB upon discharge from a state hospital, private psychiatric hospital, or psychiatric unit in a public or private hospital who were under a temporary detention order or an involuntary commitment order or who were admitted voluntarily from a commitment hearing.</td><td></td><td>Number of individuals who kept scheduled face-to-face (non-emergency) service visits within seven business days of discharge from the hospital or unit in this quarter.</td></tr>
<tr><td></td><td>Number of individuals who were discharged to the CSB from the hospital or unit in this quarter.</td></tr>
<tr><td>%</td><td>Enter 1st number ÷ by 2nd number x 100.</td></tr>
</table>

FY 2013 and FY 2014 Community Services Performance Contract

Exhibit D: Individual CSB Performance Measures

Signatures: In witness thereof, the Department and the CSB have caused this performance contract amendment to be executed by the following duly authorized officials.

Virginia Department of Behavioral Health and Developmental Services	______________________
	______________________ **CSB**
By: ______________________	By: ______________________
Name: James W. Stewart, III	Name: ______________________
Title: Commissioner	Title: Chairperson of the CSB
Date: ______________________	Date: ______________________
	By: ______________________
	Name: ______________________
	Title: CSB Executive Director
	Date: ______________________

FY 2013 and FY 2014 Community Services Performance Contract

FY 2013 Exhibit E: Performance Contract Process

05-07-12: The Department distributes the FY 2013 Performance Contract and FY 2013 Letters of Notification to CSBs electronically with enclosures that show tentative allocations of state and federal block grant funds. Another enclosure may list performance measures that have been negotiated with a CSB to be included in Exhibit D of the contract. The Department's Office of Information Technology Services (OITS) completes distribution of the FY 2013 Community Services Performance Contract package software in the Community Automated Reporting System (CARS) to CSBs.

06-15-12: Exhibits A and H and other parts of the FY 2013 Community Services Performance Contract, submitted electronically in CARS, are due in the OITS in time to be received by this date. Tables 1 and 2 of the Performance Contract Supplement (also in CARS) must be submitted with the contract. While a paper copy of the complete contract is not submitted, paper copies of the following completed pages with signatures where required are due in the Office of Community Contracting (OCC) by this date: the signature page of the contract body; the signature page in Exhibit B; Exhibit D, if applicable; Exhibit F (two pages); Exhibit G, and Exhibit J (if applicable).

Contracts must conform to Letter of Notification allocations of state and federal funds or amounts subsequently revised by or negotiated with the OCC and confirmed in writing and must contain actual appropriated amounts of local matching funds. If the CSB cannot include the minimum 10 percent local matching funds in the contract, it must submit a written request for a waiver of the matching funds requirement, pursuant to § 37.2-509 of the Code of Virginia and State Board Policy 4010, to the OCC with its contract. This requirement also applies to end of the fiscal year performance contract reports if the reports reflect less than the minimum 10 percent local matching funds.

06-29-12: CSB Financial Analysts in the Department's Office of Fiscal and Grants Management prepare Electronic Data Interchange (EDI) transfers for the *first two semi-monthly payments* (July) of state and federal funds for all CSBs and send the requests to the Department of Accounts.

07-13-12: CSB Financial Analysts receive authorizations to prepare EDI transfers for *payments 3 through 6* (August and September) of state and federal funds for CSBs whose contracts were received and determined to be complete by this date and, after the OCC Administrator authorizes their release, prepare and send the transfers to the Department of Accounts. Payments will not be released without complete contracts, as defined in item 1 of Exhibit I. For a CSB whose contract is received after this date, EDI transfers for these four semi-monthly payments will be processed if the contract is complete and funds will be disbursed with the next scheduled payment.

07-13-12: The OITS distributes FY 2012 end of the fiscal year performance contract report software (CARS).

07-31-12: CSBs submit their Community Consumer Submission (CCS) consumer, type of care, and service extract files for June to the OITS in time to be received by this date.

07-31-12: Department staff complete reviews by this date of FY 2013 contracts received by the due date that are complete and acceptable. Contracts received after that date will be processed in the order in which they are received.

1. The **Office of Fiscal and Grants Management** (OFGM) analyzes the revenue information in the contract for conformity to Letter of Notification allocations and advises the CSB to revise and resubmit financial forms in Exhibit A of its contract.
2. The **Offices of Mental Health, Child and Family, Developmental,** and **Substance Abuse Services** review and approve new service proposals and consider program issues related to existing services based on Exhibit A.

3. The **Office of Community Contracting** (OCC) assesses contract completeness, examines maintenance of local matching funds, integrates new service information, makes corrections and changes on the service forms in Exhibit A, negotiates changes in Exhibit A, and finalizes the contract for signature by the Commissioner. The OCC Administrator notifies the CSB when its contract is not complete or has not been approved and advises the CSB to revise and resubmit its contract.

4. The **Office of Information Technology Services** (OITS) receives CARS and CCS submissions from CSBs, maintains the community database, and processes signed contracts into that database as they are received from the OCC.

08-10-12: CSBs submit their complete CCS reports for total (annual) FY 2012 CCS service unit data to the OITS in time to be received by this date. This later date for final CCS service unit data allows for the inclusion of all units of services delivered in FY 2012, which might not be in local information systems in July.

08-31-12: CSBs submit their CCS monthly consumer, type of care, and service extract files for July to the OITS in time to be received by this date.

08-31-12: CSBs send complete FY 2012 end of the fiscal year performance contract reports electronically in CARS to the OITS in time to be received by this date.

OITS staff places the reports in a temporary data base for OCC and OFGM staff to access them. The OCC Administrator reviews services sections of the reports for correctness, completeness, consistency, and acceptability; resolves discrepancies with CSBs; and communicates necessary changes to CSBs. OFGM CSB Financial Analysts review financial portions of reports for arithmetic accuracy, completeness, consistency, and conformity with state funding actions; resolve discrepancies with CSBs; and communicate necessary changes to CSBs.

Once they complete their reviews of a CSB's reports, the OCC Administrator and OFGM CSB Financial Analysts notify the CSB to submit new reports reflecting only those approved changes to OITS. CSBs submit these new reports to correct errors or inaccuracies no later than **9-14-2012**. The Department will not accept CARS report corrections after this date. Upon receipt, the process described above is repeated to ensure the new reports contain only those changes identified by OFGM and OCC staff. If the reviews document this, OCC and OFGM staffs approve the reports, and OITS staff processes final report data into the Department's community database.

Late report submission or submitting a report without correcting errors identified by the CARS error checking program may result in a letter from the Commissioner to the CSB Chairman and local government officials. See Exhibit I for additional information.

09-14-12: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 7 and 8* (October) and, after the OCC Administrator authorizes their release, prepare and send the transfers to the Department of Accounts for payment 7 for CSBs with signed contracts that submitted their final FY 2012 CCS consumer, type of care, and service extract files by the due date and whose FY 2012 end of the fiscal year CARS reports were received in the Department by the due date. Payments 7 and 8 will not be released without a contract signed by the Commissioner and receipt of those CCS extract files and complete CARS reports, as defined in item 2.a. of Exhibit I.

After the Commissioner signs it, the OCC sends a copy of the approved contract Exhibit A to the CSB, with the signature page containing only the Commissioner's signature. The CSB must review this contract, which reflects all of the changes negotiated by Department staff; complete the signature page, which documents its acceptance of these changes; and return the completed signature page to the OCC Administrator.

09-28-12: CSBs submit their CCS monthly consumer, type of care, and service extract files for August to the OITS in time to be received by this date.

10-12-12: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 9 and 10* (November), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose complete FY 2012 end of the fiscal year performance contract reports were received by the due date. Payments will not be released without (1) complete CCS submissions for FY 2012 and for the first two months of FY 2013 and (2) the completed contract signature page received from the CSB.

10-15-12: CSBs submit Federal Balance Reports to the OFGM in time to be received by this date.

10-31-12: CSBs submit CCS monthly consumer, type of care, and service extract files for September to the OITS in time to be received by this date.

11-09-12: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 11 and 12* (December), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts. Payments will not be released without receipt of September CCS submissions.

11-30-12: CSBs submit their CCS monthly consumer, type of care, and service extract files for October to the OITS in time to be received by this date.

11-30-12: **A.** CSBs that are not local government departments or included in local government audits send one copy of the audit report for the preceding fiscal year on all CSB operated programs to the Department's Office of Budget and Financial Reporting (OBFR) by this date. A management letter and plan of correction for deficiencies must be sent with this report. CSBs submit a copy of C.P.A. audit reports for all contract programs for their last full fiscal year, ending on June 30, to the OBFR by this date. For programs with different fiscal years, reports are due three months after the end of the year. Management letters and plans of correction for deficiencies must be included with these reports.

B. Audit reports for CSBs that are local government departments or are included in local government audits are submitted to the Auditor of Public Accounts by the local government. Under a separate cover, the CSB must forward a plan of correction for any audit deficiencies that are related to or affect the CSB to the OBFR by this date. Also, to satisfy federal block grant sub-recipient monitoring requirements imposed on the Department under the Single Audit Act, a CSB that is a local government department or is included in its local government audit shall contract with the same CPA audit firm that audits its locality to perform testing related to the federal Mental Health Services and Substance Abuse Prevention and Treatment Block Grants. Alternatively, the local government's internal audit department can work with the CSB and the Department to provide the necessary sub-recipient monitoring information.

If the CSB receives an audit identifying material deficiencies or containing a disclaimer or prepares the plan of correction referenced in the preceding paragraph, the CSB and the Department shall negotiate an Exhibit D that addresses the deficiencies or disclaimer and includes a proposed plan with specific timeframes to address them, and this Exhibit D and the proposed plan shall become part of this contract.

12-14-12: CSB Financial Analysts receive authorization to prepare EDI transfers for *payment 13* (1st January), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose FY 2012 end of the fiscal year performance contract reports have been verified as accurate and internally consistent, per items 2.b. through d. of Exhibit I, and whose CCS monthly extracts for

October have been received. Payments will not be released without verified reports and CCS submissions for October.

12-31-12: CSBs submit their CCS monthly consumer, type of care, and service extract files for November to the OITS in time to be received by this date.

01-03-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 14 through 16* (2nd January, February), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose monthly CCS consumer, type of care, and service extract files for November were received by the end of December. Payments will not be released without receipt of these monthly CCS submissions and receipt of audit reports with related management letters and plans of corrections (A at 11-30-12) or sub-recipient monitoring information and plans of corrections (B at 11-30-12).

01-11-13: The OITS distributes FY 2013 mid-year performance contract report software.

01-31-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for December to the OITS in time to be received by this date.

02-15-13: CSBs send complete mid-year performance contract reports and a revised Table 1 in Exhibit H to the OITS electronically in CARS within 45 calendar days after the end of the second quarter, in time to be received by this date. OITS staff places the reports on a shared drive for OCC and OFGM staff to access them. The offices review and act on the reports using the process described for the end of the fiscal year reports. When reports are acceptable, OITS staff processes the data into the Department's community data base. CSB Financial Analysts receive authorization to prepare EDI transfers for *payment 17* (1st March), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose monthly CCS consumer, type of care, and service extract files for December were received by the end of January; payments will not be released without the submissions.

02-25-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 18 and 19* (2nd March, 1st April) and, after the OCC Administrator authorizes their release, prepare and send the transfers to the Department of Accounts for CSBs whose complete FY 2013 mid-year performance contract reports were received by the due date. Payments will not be released without complete reports, defined in item 2.a. of Exhibit I.

02-28-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for January to the OITS in time to be received by this date.

03-29-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for February to the OITS in time to be received by this date.

04-01-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payments 20 through 22* (2nd April, May) and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose mid-year performance contract reports have been verified as accurate and internally consistent, per items 2.b. through d. of Exhibit I, and whose monthly CCS consumer, type of care, and service extract files for January and February were received by the end of the month following the month of the extract. Payments will not be released without verified reports and without these monthly CCS submissions.

04-30-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for March to the OITS in time to be received by this date.

05-14-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payment 23* (1st June), and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts for CSBs whose monthly CCS consumer, type of care, and service extract files for March were received by the end of April. Payments will not be released without these monthly CCS submissions.

05-31-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for April to the OITS in time to be received by this date.

05-31-13: CSB Financial Analysts receive authorization to prepare EDI transfers for *payment 24* (2nd June) and, after the OCC Administrator authorizes their release, prepare and send these transfers to the Department of Accounts, after the Department has made any final adjustments in the CSB's state and federal funds allocations, for CSBs whose monthly CCS consumer, type of care, and service extract files for April were received by the end of May. Payments will not be released without these monthly CCS submissions.

06-28-13: CSBs submit their CCS monthly consumer, type of care, and service extract files for May to the OITS by this date.

07-12-13: The OITS distributes FY 2013 end of the fiscal year performance contract report software (CARS) to CSBs.

07-31-13: CSBs submit their final CCS consumer, type of care, and service extract files for June to the OITS in time to be received by this date.

08-12-13: CSBs submit their complete Community Consumer Submission (CCS) reports for total (annual) FY 2013 service units to the OITS in time to be received by this date. This later date for final CCS service unit data, allows for the inclusion of all units of services delivered in FY 2013, which might not be in local information systems in July.

09-03-13: CSBs send complete FY 2013 end of the fiscal year performance contract reports electronically in CARS to the OITS in time to be received by this date. If the CSB cannot include the minimum 10 percent local matching funds in its reports and a waiver has not been granted previously in the fiscal year by the Department, it must submit a written request for a waiver of the matching funds requirement, pursuant to § 37.2-509 of the Code of Virginia and State Board Policy 4010, to the OCC with its report.

FY 2013 Performance Contract Revision Instructions

The CSB shall notify the Department before it:

1. begins providing a new category or subcategory of core services or
2. stops providing a category or subcategory of core services.

The CSB may revise Exhibit A of its signed contract only in the following circumstances:

1. a new, previously unavailable category or subcategory of core services is implemented;
2. an existing category or subcategory of core services is totally eliminated;
3. a new program offering an existing category or subcategory of core services is implemented;
4. a program offering an existing category or subcategory of core services is eliminated;
5. new earmarked state general or federal funds are received to expand an existing service or establish a new one;
6. state general or federal block grant funds are moved between program (MH, DV, SA, or SAOPA) areas (an exceptional situation);
7. allocations of state general, federal, or local funds change; or
8. a major error is discovered in the original contract.

Revisions of Exhibit A must be submitted using the CARS software and the same procedures used for the original performance contract.

FY 2013 and FY 2014 Community Services Performance Contract

FY 2013 Exhibit F: Federal Compliances

Certification Regarding Salary: Federal Mental Health and Substance Abuse Prevention and Treatment Block Grants

Check One

__X__ 1. The CSB has no employees being paid totally with Federal Mental Health Block Grant funds or Federal Substance Abuse Prevention and Treatment (SAPT) Block Grant funds at a direct annual salary (not including fringe benefits and operating costs) in excess of Level 1 of the federal Executive Schedule.

_____ 2. The following employees are being paid totally with Federal Mental Health or SAPT Block Grant funds at a direct annual salary (not including fringe benefits and operating costs) in excess of Level 1 of the federal Executive Schedule.

	Name	***Title***
1.		
2.		
3.		
4.		
5.		
6.		

Assurances Regarding Equal Treatment for Faith-Based Organizations

The CSB assures that it is and will continue to be in full compliance with the applicable provisions of 45 CFR Part 54, Charitable Choice Regulations, and 45 CFR Part 87, Equal Treatment for Faith-Based Organizations Regulations, in its receipt and use of federal Mental Health Services and Substance Abuse Prevention and Treatment Block Grants and federal funds for Projects for Assistance in Transitions from Homelessness programs. Both sets of regulations prohibit discrimination against religious organizations, provide for the ability of religious organizations to maintain their religious character, and prohibit religious organizations from using federal funds to finance inherently religious activities.

FY 2013 and FY 2014 Community Services Performance Contract

FY 2013 Exhibit F: Federal Compliances

Assurances Regarding Restrictions on the Use of Federal Block Grant Funds

The CSB assures that it is and will continue to be in full compliance with the applicable provisions of the federal Mental Health Services Block Grant (CFDA 93.958) and the federal Substance Abuse Prevention and Treatment Block Grant (CFDA 93.959), including those contained in the CSB Administrative Requirements and the following requirements. Under no circumstances shall Federal Mental Health Services and Substance Abuse Prevention and Treatment Block Grant funds be used to:

1. provide mental health or substance abuse inpatient services[1];
2. make cash payments to intended or actual recipients of services;
3. purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;
4. satisfy any requirement for the expenditure of non-federal finds as a condition for the receipt of federal funds;
5. provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs;
6. provide financial assistance to any entity other than a public or nonprofit private entity; or
7. provide treatment services in penal or correctional institutions of the state.

[Source: 45 CFR § 96.135]

Neal Cottle (signature) — 6/19/12

Signature of CSB **Chief Executive Officer** — Date

[1] However, the CSB may expend SAPT Block Grant funds for inpatient hospital substance abuse services only when all of the following conditions are met:

a. the individual cannot be effectively treated in a community-based, non-hospital residential program;
b. the daily rate of payment provided to the hospital for providing services does not exceed the comparable daily rate provided by a community-based, non-hospital residential program;
c. a physician determines that the following conditions have been met: (1) the physician certifies that the person's primary diagnosis is substance abuse, (2) the person cannot be treated safely in a community-based, non-hospital residential program, (3) the service can reasonably be expected to improve the person's condition or level of functioning, and (4) the hospital-based substance abuse program follows national standards of substance abuse professional practice; and
d. the service is provided only to the extent that it is medically necessary (e.g., only for those days that the person cannot be safely treated in a community-based residential program).

[Source: 45 CFR § 96.135]

FY 2013 and FY 2014 Community Services Performance Contract

Exhibit G: Local Contact for Disbursement of Funds

1. Name of the CSB: Central Virginia Community Services

2. City or County designated
   as the CSB's Fiscal Agent: City of Lynchburg

If the CSB is an operating CSB and has been authorized by the governing body of each city or county that established it to receive state and federal funds directly from the Department and act as its own fiscal agent pursuant to Subsection A.18 of § 37.2-504 of the Code of Virginia, do not complete items 3 and 4 below.

3. Name of the Fiscal Agent's City Manager or County Administrator or Executive:

   Name: L. Kimball Payne Title City Manager

4. Name of the Fiscal Agent's County or City Treasurer or Director of Finance:

   Name: David C. Thurman Title: Treasurer

5. Name, title, and address of the Fiscal Agent official or the name and address of the CSB if it acts as its own fiscal agent to whom checks should be electronically transmitted:

   Name: Central Virginia Community Services Title: __________

   Address: 2241 Langhorne Road

   Lynchburg, VA 24501

This information should agree with information at the top of the payment document e-mailed to the CSB, for example: Mr. Joe Doe, Treasurer, P.O. Box 200, Winchester, VA 22501.

FY 2013 Community Services Performance Contract

Table 1: Board of Directors Membership Characteristics

Name of CSB:	Central Virginia Community Services				
Total Appointments:	15	Vacancies:	2	Filled Appointments:	13
Number of Consumers:	0			Number of Family Members:	4

FY 2013 Community Services Performance Contract

Table 2: Board Management Salary Costs

Name of CSB: **Central Virginia Community Services**

Table 2a: Management Position Title	FY 2013 Beginning	Salary Range Ending	FY 2013 Budgeted Tot. Salary Cost	Tenure (yrs)
Executive Director	$0.00	$0.00	$138,242.00	5.50

Table 2: Integrated Behavioral and Primary Health Care Questions

1. Is the CSB participating in a partnership with a federally qualified health center, free clinic, or local health department to integrate the provision of behavioral health and primary health care?

   Yes

2. If yes, who is the partner?

   ☐ a federally qualified health center
   Name:
   ☐ a free clinic
   Name:
   ☐ a local health department, or
   Name:
   ☑ another organization
   Name: Lynchburg Family Medicine Residency; Centra Health

3. Where is primary health (medical) care provided?

   ☑ on-site in a CSB program,
   ☐ on-site at the primary health care provider, or
   ☑ another site --specify: Lynchburg Family Medicine Residency

4. Where is behavioral health care provided?

   ☑ on-site in a CSB program,
   ☐ on-site at the primary health care provider, or
   ☑ another site --specify: Lynchburg Family Medicine Residency

FY 2013 Community Services Performance Contract

Central Virginia Community Services

Table 2: Board Management Salary Costs

Explanations for Table 2a

Table 2b: Community Service Board Employees

1.	2.	3.	4.	5.	6.	7.
No. of FTE CSB Employees	**MH**	**DEV**	**SA**	**SAOPA**	**ADMIN**	**TOTAL**
Consumer Service FTEs	317.00	135.00	20.00	15.00		487.00
Peer Staff Service FTEs	1.00	0.00	0.00	0.00		1.00
Support Staff FTEs	124.00	13.00	24.00	5.00	47.00	213.00
TOTAL FTE CSB Employees	442.00	148.00	44.00	20.00	47.00	701.00

FY 2013 Community Services Performance Contract

Exhibit D: CSB Board of Directors Membership List

Central Virginia Community Services

Name	Address	Phone Number	Start Date	End Date	Term No.
James Borland	200 Russell Woods Drive Lynchburg,VA 24502	(434) 237-1486	1/1/2012	12/31/2012	1
Hunsdon Cary	3701 Manton Drive Lynchburg,VA 24503	(434) 384-0495	1/1/2012	12/31/2014	1
Clyde Clark	517 Maplewood Road Lynchburg,VA 24503	(434) 845-6576	1/1/2007	12/31/2012	2
William Craft	P.O. Box 181 Appomattox,VA 24522	(434) 352-2172	11/30/2005	12/31/2014	3
Krystal Hullette	122 E Main St. Ste G01 Beford,VA 24523	(540) 586-7652	2/9/2009	12/31/2014	2
Dana Koenig	3294 Hopper Road Forest,VA 24551	(434) 384-3843	1/11/2010	12/31/2012	1
Gary Marple	500 Ivy Lake Dr. Forest,VA 24551	(434) 534-9657	1/1/2007	12/31/2012	2
Leon Parrish	200 9th Street Madison Heights,VA 24572	(434) 845-6130	3/6/2010	12/31/2010	1
David Pugh	219 Oak Grove Drive Madison Heights,VA 24572	(434) 509-2038	1/1/2012	12/31/2013	1
William Schneider	337 Wild Turkey Road Lynchburg,VA 24502	(434) 385-0424	1/27/2008	12/31/2013	2
Jim Sikkema	6155 Rocky Ford Road Bedford,VA 24523	(540) 586-4170	1/23/2012	12/31/2014	1
Parks Snead	Lynchburg Police Dept. 905 Court Street Lynchburg,VA 24	(434) 455-6045	6/9/2010	12/31/2012	1
Mary Lou Spiggle	Dept. of Soc. Services, P. O. Box 1098 Lynchburg,VA 245	(434) 352-8202	1/1/2010	12/31/2012	1

FY 2013 and FY 2014 Community Services Performance Contract

Exhibit I: Administrative Performance Standards

Standards

The CSB shall meet these administrative performance standards in submitting its performance contract, contract revisions, mid-year and end of fiscal year performance contract reports in the Community Automated Reporting System (CARS) and monthly Community Consumer Submission (CCS) extracts to the Department.

1. The performance contract and any revisions submitted by the CSB shall be:
   a. complete, that is all required information is displayed in the correct places and all required Exhibits, including applicable signature pages, are included;
   b. consistent with Letter of Notification allocations or figures subsequently revised by or negotiated with the Department;
   c. prepared in accordance with instructions in the Department-provided CARS software and any subsequent instructional memoranda; and
   d. received by the due dates listed in Exhibit E of this contract.

   If these performance contract standards are not met, the Department may delay future semi-monthly payments until satisfactory performance is achieved.

2. Mid-year and end of fiscal year performance contract reports submitted by the CSB shall be:
   a. complete, that is all required information is displayed in the correct places, all required data are included in the electronic CARS application reports, and any required paper forms that gather information not included in CARS are submitted;
   b. consistent with the state general and federal block grant funds allocations in the Letter of Notification or figures subsequently revised by or negotiated with the Department;
   c. prepared in accordance with instructions;
   d. (i) internally consistent and arithmetically accurate: all related expense, revenue, and cost data are consistent, congruent, and correct within a report, and (ii) submitted only after errors identified by the CARS error checking programs are corrected; and
   e. received by the due dates listed in Exhibit E of this contract.

   If these standards are not met for mid-year reports, the Department may delay future semi-monthly payments until satisfactory performance is achieved. If the CSB does not meet these standards for its end of the fiscal year reports, the Department may delay future semi-monthly payments until satisfactory performance is achieved, and the Commissioner may contact the CSB and local government officials about failure to comply with both aspects of standard 2.d or to satisfy standard 2.e.

3. Monthly consumer, type of care, and service extract files must be submitted by the end of the month following the month of the extract in accordance with the CCS Extract and Design Specifications, including the current Business Rules. If the CSB fails to meet the extract submission requirements in Exhibit E of this contract, the Department may delay future semi-monthly payments until satisfactory performance is achieved.

4. Substance abuse prevention units of service data must be submitted to the Department through the KIT Prevention System.

Exhibit J: Joint Agreements

If it enters into a joint agreement pursuant to § 37.2-512 or § 37.2-615 of the Code of Virginia, the CSB shall describe the agreement in this exhibit and attach a copy of the joint agreement to this Exhibit.

FY 2013 and FY 2014 Community Services Performance Contract

Exhibit K: General Requirements

These general requirements apply to the CSB and the Department and the services included in this contract. Any substantive change in these requirements, except changes in statutory, regulatory, policy, or other requirements which are made in accordance with processes or procedures associated with those statutes, regulations, policies, or other requirements, shall be made in accordance with applicable provisions of the Partnership Agreement and shall be considered to be a performance contract amendment that requires a new contract signature page, signed by both parties. Additional general requirements are contained in the CSB Administrative Requirements document.

I. CSB Requirements

A. Compliance with State Requirements

1. **General State Requirements:** The CSB shall comply with applicable state statutes and regulations, State Board regulations and policies, and Department procedures including the following requirements:
   a. The CSB shall ensure new board members receive training on the State and Local Government Conflict of Interests Act. Pursuant to § 2.2-3100.1 of the Code of Virginia, the CSB shall ensure that new board members are furnished with a copy of the act by the executive director within two weeks following a member's appointment and that new members read and become familiar with provisions of the act. If required by § 2.2-3115 of the Code, CSB board members shall file annual disclosure forms of their personal interests and such other information as is specified on the form set forth in § 2.2-3118 of the Code.
   b. The CSB shall ensure new board members receive training on the Virginia Freedom of Information Act. Pursuant to § 2.2-3702 of the Code, the CSB shall ensure that new board members are furnished with a copy of the act by the executive director or the CSB's legal counsel within two weeks following a member's appointment and that new members read and become familiar with provisions of the act.
2. **Protection of Individuals Receiving Services**
   a. **Human Rights:** The CSB shall comply with the current *Rules and Regulations to Assure the Rights of Individuals Receiving Services from Providers Licensed, Funded, or Operated by the Department of Behavioral Health and Developmental Services*. In the event of a conflict between any of the provisions in this contract and provisions in these regulations, the applicable provisions in the regulations shall apply. The CSB shall cooperate with any Department investigation of allegations or complaints of human rights violations, including providing any information needed for the investigation as required under state law and as permitted under 45 CFR § 164.512 (d) in as expeditious a manner as possible.
   b. **Disputes:** The filing of a complaint or the use of the informal dispute resolution mechanism in the Human Rights Regulations by an individual or his or her family member or authorized representative shall not adversely affect the quantity, quality, or timeliness of services provided to that individual unless an action that produces such an effect is based on clinical or safety considerations and is documented in the individual's individualized services plan.
   c. **Dispute Resolution Mechanism:** The CSB shall develop its own procedures for satisfying requirements in § 37.2-504 or § 37.2-605 of the Code of Virginia for a local dispute resolution mechanism for individuals receiving services.

d. **Licensing:** The CSB shall comply with the *Rules and Regulations for Licensing Providers by the Department of Behavioral Health and Developmental Services*. The CSB shall establish a system to ensure ongoing compliance with applicable licensing regulations. Results of licensing reviews, including scheduled reviews, unannounced visits, and complaint investigations, shall be provided to all members of the CSB's board of directors in a timely manner.

3. **Interagency Relationships**

   a. Pursuant to the case management requirements of § 37.2-500 or § 37.2-601 of the Code of Virginia, the CSB shall, to the extent practicable, develop and maintain linkages with other community and state agencies and facilities that are needed to assure that individuals it serves are able to access treatment, training, rehabilitative, and habilitative mental health, developmental, or substance abuse services and supports identified in their individualized services plans. The CSB shall comply with § 37.2-504 or § 37.2-605 of the Code of Virginia regarding interagency agreements.

   b. The CSB also shall develop and maintain, in conjunction with the courts having jurisdiction in the cities or counties served by the CSB, cooperative linkages that are needed to carry out the provisions of § 37.2-805 through § 37.2-821 and related sections of the Code of Virginia pertaining to the involuntary admission process.

   c. The CSB shall develop and maintain the necessary linkages, protocols, and interagency agreements to effect the provisions of the Comprehensive Services Act for At-Risk Youth and Families (§ 2.2-5200 through § 2.2-5214 of the Code of Virginia) that relate to services that it provides. Nothing in this provision shall be construed as requiring the CSB to provide services related to this act in the absence of sufficient funds and interagency agreements.

4. **Reporting Fraud:** Fraud is an intentional wrongful act committed with the purpose of deceiving or causing harm to another party. Upon discovery of circumstances suggesting a reasonable possibility that a fraudulent transaction has occurred, the CSB's Executive Director shall report this information immediately to any applicable local law enforcement authorities and the Department's Internal Audit Director.

5. **Financial Management:** The CSB shall comply with following requirements, as applicable.

   a. To avoid any appearance of conflict or impropriety, the CSB shall provide complete annual financial statements to its Certified Public Accountant for audit.

   b. All financial reports prepared by the CSB for the reliance of third parties shall be reviewed by a designated staff person before the reports are presented or submitted and the reviews shall be documented.

   c. All checks issued by the CSB that remain outstanding after one year shall be voided.

   d. All CSB bank accounts shall be reconciled regularly, and the reconciliations shall be approved by a designated staff person not involved in preparing the reconciliation.

   e. A contract administrator shall be identified for each contract for the purchase of services entered into by the CSB, and every contract shall be signed by a designated staff person and each other party to the contract, where applicable.

   f. Each write-off of account receivables for services to individuals shall be approved and documented by a designated staff person. The CSB shall maintain an accounts receivable aging schedule, and debt that is deemed to be uncollectable shall be written off periodically. The CSB shall maintain a system of internal controls including separation of duties to safeguard accounts receivable assets.

g. Each payroll shall be certified by a designated staff person who does not enter or process the CSB's payroll.

h. The CSB shall maintain documentation and reports for all expenditures related to the federal Mental Health Block Grant and federal Substance Abuse Prevention and Treatment Block Grant funds contained in Exhibit A sufficient to substantiate compliance with the restrictions, conditions, and prohibitions related to those funds.

i. The CSB shall maintain an accurate list of fixed assets as defined by the CSB. Assets that are no longer working or repairable or are not retained shall be excluded from the list of assets and written off against accumulated depreciation, and their disposition shall be documented by a designated staff person who does not have physical control over the assets. The current location of or responsibility for each asset shall be indicated on the list of fixed assets.

j. Access to the CSB's information system shall be controlled and properly documented. Access shall be terminated in a timely manner when a staff member is no longer employed by the CSB to ensure security of confidential information about individuals receiving services and compliance with the Health Insurance Portability and Accountability Act of 1996 and associated federal or state regulations.

B. Compliance with Federal Requirements

1. **General Federal Compliance Requirements:** The CSB shall comply with all applicable federal statutes, regulations, policies, and other requirements, including applicable provisions of the federal Mental Health Services Block Grant (CFDA 93.958) and the federal Substance Abuse Prevention and Treatment Block Grant (CFDA 93.959) Requirements contained in Appendix C of the CSB Administrative Requirements and:

   a. the Federal Immigration Reform and Control Act of 1986; and

   b. Confidentiality of Alcohol and Substance Abuse Records, 42 C.F.R. Part 2.

   Non-federal entities, including CSBs, expending $500,000 or more in a year of federal awards shall have a single or program-specific audit conducted for that year in accordance with Office of Management and Budget Circular A-133.

   CSBs shall prohibit the following acts by themselves, their employees, and agents performing services for them:

   a. the unlawful or unauthorized manufacture, distribution, dispensation, possession, or use of alcohol or other drugs; and

   b. any impairment or incapacitation from the use of alcohol or other drugs, except the use of drugs for legitimate medical purposes.

2. **Disaster Response and Emergency Service Preparedness Requirements:** The CSB agrees to comply with section 416 of Public Law 93-288 and § 44-146.13 through § 44-146.28 of the Code of Virginia regarding disaster response and emergency service preparedness. Section 416 of P.L. 93-288 authorizes the State Office of Emergency Services to require the Department to comply with the *Commonwealth of Virginia Emergency Operations Plan, Volume 2,* Emergency Support Function No. 8: Health and Medical Services, Section 4: Emergency Mental Health Services. Section 4 requires the CSB to comply with Department directives coordinating disaster planning, preparedness, and response to emergencies and to develop procedures for responding to major disasters. These procedures must address:

a. conducting preparedness training activities;

b. designating staff to provide counseling;

c. coordinating with state facilities and local health departments or other responsible local agencies, departments, or units in preparing CSB all hazards disaster plans;

d. providing crisis counseling and support to local agencies, including volunteer agencies;

e. negotiating disaster response agreements with local governments and state facilities; and

f. identifying community resources.

3. **Federal Certification Regarding Lobbying for the Mental Health and Substance Abuse Prevention and Treatment Block Grants:** The CSB certifies, to the best of its knowledge and belief, that:

   a. No federal appropriated funds have been paid or will be paid, by or on behalf of the CSB, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

   b. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the CSB shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

   c. The CSB shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, or cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

   This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 or more than $100,000 for each failure.

C. Compliance with State and Federal Requirements

1. **Employment Anti-Discrimination**: The CSB shall conform to the applicable provisions of Title VII of the Civil Rights Act of 1964 as amended, the Equal Pay Act of 1963, Sections 503 and 504 of the Rehabilitation Act of 1973, the Vietnam Era Veterans Readjustment Act of 1974, the Age Discrimination in Employment Act of 1967, the Americans With Disabilities Act of 1990, the Virginians With Disabilities Act, the Virginia Fair Employment Contracting Act, the Civil Rights Act of 1991, regulations issued by Federal Granting Agencies, and other applicable statutes and regulations, including § 2.2-4310 of the Code of Virginia. The CSB agrees as follows.

   a. The CSB will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the CSB. The CSB agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

b. The CSB, in all solicitations or advertisements for employees placed by or on behalf of the CSB, will state that it is an equal opportunity employer.

c. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting these requirements.

2. **Service Delivery Anti-Discrimination:** The CSB shall conform to the applicable provisions of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Americans With Disabilities Act of 1990, the Virginians With Disabilities Act, the Civil Rights Act of 1991, regulations issued by the U.S. Department of Health and Human Services pursuant thereto, other applicable statutes and regulations, and paragraphs a and b below.

   a. Services operated or funded by the CSB have been and will continue to be operated in such a manner that no person will be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under such services on the grounds of race, religion, color, national origin, age, gender, or disability.

   b. The CSB and its direct and contractual services will include these assurances in their services policies and practices and will post suitable notices of these assurances at each of their facilities in areas accessible to individuals receiving services.

   c. The CSB will periodically review its operating procedures and practices to insure continued conformance with applicable statutes, regulations, and orders related to non-discrimination in service delivery.

II. Department Requirements

A. Compliance with State Requirements

1. **Human Rights:** The Department shall operate the statewide human rights system described in the current *Rules and Regulations to Assure the Rights of Individuals Receiving Services from Providers Licensed, Funded, or Operated by the Department of Behavioral Health and Developmental Services*, monitor compliance with the human rights requirements in those regulations, and conduct reviews and investigations referenced in those regulations. The Department's human rights staff shall be available on a daily basis, including weekends and holidays, to receive reports of allegations of violations of the human rights of individuals receiving services from the CSB.

2. **Licensing:** The Department shall license programs and services that meet the requirements of the current *Rules and Regulations for Licensing Providers by the Department of Behavioral Health and Developmental Services* and conduct licensing reviews in accordance with the provisions of those regulations. The Department shall respond in a timely manner to issues raised by the CSB regarding its efforts to coordinate and monitor services provided by independent providers licensed by the Department. Pursuant to the Licensing Review Protocol for CARF-Accredited CSB Outpatient and Day Support Services, contained in the CSB Administrative Requirements, the Department's Office of Licensing shall accept CARF surveys as a review of regulation compliance for those licensing regulations or standards that are the same for outpatient and day support services at CSBs that have triennial licenses for

these services. These regulations or standards are identified in the crosswalk between the licensing regulations and CARF standards in the CSB Administrative Requirements.

3. **Reviews:** The Department shall review and take appropriate action on audits submitted by the CSB in accordance with the provisions of this contract and the CSB Administrative Requirements. The Department may conduct procurement, financial management, reimbursement, and human resource management reviews of a CSB's operations, in accordance with provisions in the CSB Administrative Requirements.

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **July 10, 2012** AGENDA ITEM NO.: 2

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **FY 2013 Commonwealth's Attorney Fines & Fees Budget**

RECOMMENDATION: Adopt a resolution to amend the FY 2013 General Fund Budget and appropriate $17,736 with resources from additional Fines and Fees Collection Revenue to support a new Fines and Fees Collection Division in the Office of the Commonwealth's Attorney.

SUMMARY: The Office of the Commonwealth's Attorney (OCA) is transitioning from Department of Taxation collections of court fines and fees to in-house collections. In doing so, an increase of $17,736 is necessary to support start-up costs associated with the set-up of the Fines and Fees Division. In FY 2013 the OCA anticipates it will generate enough revenue to completely off-set the increase in budget.

PRIOR ACTION(S):
Finance Committee July 10, 2012

FISCAL IMPACT:
Increase the FY 2013 OCA Budget in the amount of $17,736, which will be offset with additional Fines and Fees revenues.

CONTACT(S):
Mike Doucette, Commonwealth's Attorney, 455-3762
Kerry McMinn, Office Administrator, 455-3764

ATTACHMENT(S):
Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED that the FY 2013 General Fund Budget is amended and $17,736 is appropriated with resources from additional Fines and Fees Collection Revenue to support a new Fines and Fees Collection Division in the Office of the Commonwealth's Attorney.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

092L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **July 10, 2012**		AGENDA ITEM NO: **3**
CONSENT:	REGULAR: X	CLOSED SESSION: (Confidential)
ACTION: X	INFORMATION:	

ITEM TITLE: **College Hill Water Treatment Plant Exterior Concrete Repairs Change Order**

RECOMMENDATION: Adopt a resolution to approve a change order for $50,419 to repair concrete on the exterior of the College Hill Treatment Plant.

SUMMARY: The contract is a unit price contract. The consultant estimated the quantity of each type of repair from ground level observations of the 7-story plant. These quantities were shown on the drawings and the bid form. The low bidder submitted a bid of $98,179 using the estimated quantities multiplied by the bidder's proposed unit prices. It was anticipated closer inspection and testing during construction would detect additional deterioration. Ultimately 680 repairs were required, compared to an estimated 284. Each repair was inspected and measured by the City's inspector to determine the type and actual quantity. The unit prices were applied to the actual quantities to determine the adjusted contract amount. This change order reconciles the difference between the estimated and actual quantities, resulting in the final contract amount.

The original construction contract was $98,179. A change order has been submitted for additional concrete repairs in the amount of $50,419. State Code requires City Council approval for any change order for more than twenty-five percent of the amount of the contract or $50,000, whichever is greater.

PRIOR ACTION(S):
Physical Development Committee July 10, 2012

FISCAL IMPACT:
None, all funds have been previously appropriated in the Water Capital Fund.

CONTACT(S):
Tim Mitchell, Director of Water Resources, 455-4252

ATTACHMENT(S):
Resolution

APPROVED BY: lkp

RESOLUTION:

BE IT RESOLVED that a change order in the amount of $50,419 is approved to repair concrete on the exterior of the College Hill Treatment Plant.

Adopted:

Certified: ______________________________
Clerk of Council

090L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **July 10, 2012** AGENDA ITEM NO.: 4

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Out-stationed Benefit Programs Specialist at Centra Health**

RECOMMENDATION: Adopt a resolution to amend the FY 2013 City/Federal/State Aid Fund budget and appropriate $50,862 with resources from Centra Health, Inc. for an Out-stationed Benefit Programs Specialist position.

SUMMARY: The Department of Social Services has contracted with Centra Health to station a Benefit Programs Specialist at Lynchburg General Hospital to assist in connecting patients to Medicaid and other services while they are in the hospital. Centra Health, Inc. has agreed to reimburse the City of Lynchburg for 100% of the salary and fringe benefits for this position, a total of $50,862 annually. The contract will run for three (3) years beginning effective July 1, 2012. The position created by this grant is restricted based on funding. Should the contract be withdrawn, the position will also cease.

PRIOR ACTION(S): Finance Committee, July 10, 2012

FISCAL IMPACT: No local match is required. All costs of the position are being reimbursed by Centra Health.

CONTACT(S): Cindy Kirkland, DSS, 455-5788

ATTACHMENT(S): Resolution appropriating the funds; copy of the contract

REVIEWED BY: lkp

RESOLUTION

BE IT RESOLVED that the FY 2013 City/Federal/State Aid Fund budget is amended and $50,862 is appropriated with resources from Centra Health Inc. for an Out-stationed Benefit Programs Specialist position.

Introduced: Adopted:

Certified: ______________________________
Clerk of Council

091L

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: **July 10, 2012** AGENDA ITEM NO.: 5

CONSENT: REGULAR: X WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: X INFORMATION:

ITEM TITLE: **Central Virginia Radio Communications Board Fund Balance Transfer**

RECOMMENDATION: Adopt the attached resolution authorizing the transfer of the fund balance in the amount of $440,912 for the Central Virginia Radio Communications Board from the City of Lynchburg financial system to the Region 2000 financial system.

SUMMARY: On May 1, 1996 the City of Lynchburg entered into a regional agreement with the City of Bedford, the County of Bedford and the County of Amherst to fund, build and operate a regional 800 MHz trunked radio communications system. The Central Virginia Radio Communications Board (CVRCB), made up of representatives from these member jurisdictions was created in that agreement and has overseen the building, maintenance and operation of the radio system since that time.

In the 5/1/1996 agreement the City of Lynchburg agreed to act as Fiscal Agent for the Board. The Director of the Department of Emergency Services has handled the day to day administration of the funds according to current City financial policies as they have resided in an account within the City financial system.

On June 14, 2011 Council approved the draft concept of a new cooperative agreement. On December 13, 2011 Council approved the final version of the agreement, which has since been signed by the City Manager.

The new agreement provides a new administrative structure wherein the CVRCB will operate under the Local Government Council and have legal status to enter into contracts. It provides the financial framework to support requisitioning funding for future system upgrade needs, and it reaffirms a cooperative effort that has been extremely successful in providing the region with a dependable and interoperable public safety/service radio communications system.

As such and effective on July 1, 2012, Region 2000 will begin acting as the Fiscal Agent for all CVRCB transactions. The fund balance for CVRCB that currently resides within the City financial system needs to be transferred to the Region 2000 financial system so that they will be able to properly handle and account for all future transactions.

PRIOR ACTION(S): December 13, 2011 City Council approved Cooperative Agreement between the member jurisdictions.

FISCAL IMPACT: CVRCB fund balance to be moved from City financial system to Region 2000 financial system

CONTACT(S): William A. Aldrich, Director, Department of Emergency Services, 455-4285; Donna Witt, Director, Finance Department, 455-3968

ATTACHMENT(S): Cooperative Agreement, Resolution

REVIEWED BY: lkp

RESOLUTION:

WHEREAS, the City of Lynchburg has entered into a cooperative agreement with the City of Bedford, the County of Bedford and the County of Amherst to fund, build and operate a regional 800 MHz trunked radio communications system; and

WHEREAS, the Central Virginia Radio Communications Board will oversee the building, maintenance and operation of the communications system; and

WHEREAS, the cooperative agreement designates the Region 2000 Local Government Council as Fiscal Agent for the Central Virginia Radio Communications Board; and

WHEREAS, the funds collected in the past by authority of the 1996 Regional Cooperative Agreement to maintain and operate the communications system currently reside in the City financial system:

NOW THEREFORE, BE IT RESOLVED by the Lynchburg City Council that:

1. The City Council authorizes the transfer of the fund balance in the amount of $440,912, associated with the Central Virginia Radio Communications Board currently residing in the City financial system to the Region 2000 Local Government Council financial system.

2. This resolution shall take effect immediately upon its adoption.

Adopted:

Certified: ______________________________
Clerk of Council

093L

REGION 2000 EMERGENCY COMMUNICATIONS
REGIONAL COOPERATIVE AGREEMENT

This Agreement is entered into by and between Amherst County, Virginia ("Amherst County"), Bedford County, Virginia ("Bedford County"), the City of Bedford, Virginia ("Bedford City"), and the City of Lynchburg, Virginia ("Lynchburg"), collectively the "Member Jurisdictions", and Virginia's Region 2000 Local Government Council ("Council"), all political subdivisions or public bodies corporate and politic of the Commonwealth of Virginia, and all of which collectively may be referred to as the "Parties".

RECITALS

WHEREAS, the Member Jurisdictions have been jointly operating a Regional Emergency Communications System ("System") under the auspices of the Central Virginia Radio Communications Board ("CVRCB"), which the Member Jurisdictions formed pursuant to the May 1, 1996 Intergovernmental Agreement ("Intergovernmental Agreement"); and

WHEREAS, the System was financed primarily through a 1996 bond issuance by the Industrial Development Authority of the Town of Amherst, Virginia ("Amherst IDA") in the amount of $9,931,000.00 as described in the Intergovernmental Agreement; and

WHEREAS, the Member Jurisdictions have paid the interest and principal on the 1996 Bonds pursuant to the May 1, 1996 Lease Agreement ("Lease Agreement") between the Amherst IDA and the Member Jurisdictions, with the final payment having occurred and such bonds having been fully paid; and

WHEREAS, the Member Jurisdictions have determined that the System is in need of significant upgrades or replacement before January 1, 2014 (the "Project") in order to maintain or improve the level of emergency services currently provided by the Member Jurisdictions and expected by the residents of the community before the current System becomes unserviceable and obsolete; and

WHEREAS, the Project will require debt financing in an amount similar to the debt issued in 1996, which financed the current System; and

WHEREAS, the Member Jurisdictions and the Council have determined that in order to manage the Project operations and maintenance in an efficient and cost effective manner, the CVRCB should be dissolved upon repayment of the 1996 Bonds and replaced by a new Region 2000 Radio Communications Board ("Board"), established as a committee by the Council and consisting of representatives from each of the Member Jurisdictions; and

WHEREAS, the Parties have determined that the **Council will finance the Project through the issuance of debt** to be paid by the Council through payments received from the Member Jurisdictions; and

WHEREAS, the Council's purpose under §15.2-4207 of the Act is to encourage and facilitate local government cooperation, including physical infrastructure development, criminal justice and emergency management through regional cooperative arrangements for the facilitation of revenue sharing, joint service delivery, and joint government purchasing, such as is set forth in this Agreement.

NOW THEREFORE, for and in consideration of the mutual and reciprocal benefits inuring to the Parties, and in further consideration of the duties imposed upon the Parties hereby, the Parties covenant and agree as follows:

ARTICLE I
DEFINITIONS

Unless otherwise defined, each capitalized term in this Agreement shall have the meaning set forth below.

"1996 Assets" means all System assets and equipment financed jointly with the 1996 Bonds.

"1996 Bonds" means the Series 1996 Bonds issued by the Amherst IDA in the original principal amount of $9,931,000.00, as described in the Intergovernmental Agreement, for the original financing of the System.

"Act" means the Regional Cooperation Act, Chapter 42, Subtitle IV, Title 15.2, Code of Virginia, 1950, as now in effect or as hereafter amended.

"Agreement" means this agreement entered into by the Parties.

"Annual Budget" means the budget adopted each fiscal year by the Board to cover the annual Operating and Capital Costs associated with the Project and System.

"Annual Deficit" means any actual deficit at the end of a Fiscal Year consisting of an excess of Operating and Capital Costs over Operating Revenues for such Fiscal Year incurred by the Council acting pursuant to the Annual Budget and any amendments.

"Applicable Law" means any law, regulation, requirement (including but not limited to permit and governmental approval requirements) or order of any local, state or federal agency, court or other governmental body, applicable from time to time to the acquisition, design, construction, equipping, testing, start-up, financing, ownership, possession or operation of any of the Facilities, the System or the performance of any obligations under any agreement entered into in connection therewith.

"Board" means the Region 2000 Radio Communications Board as set forth herein.

"Bonds" means any bonds, notes, financing leases or other obligations issued by the Council to finance the acquisition, construction and equipping of the Project, including any bonds issued to refund such bonds.

"Capital Costs" means all capital-related costs associated with the Project and System, including but not limited to Debt Service Payments and Capital Expenditures necessary for compliance with Applicable Law, necessary for normal maintenance and reasonable periodic expansion of improvements to the Facilities, or incurred in connection with Uncontrollable Circumstances.

"Capital Expenditure" means any expenditure of a capital nature made directly to support the Project or System, and which will be amortized or depreciated over more than one Fiscal Year.

"Chairman" means chairman of the Board.

"Council" means Virginia's Region 2000 Local Government Council, a planning district commission and a public body corporate and politic, organized under the Act.

"Debt Service Payments" means the payments of principal, premium, if any, and interest required to be made by Council but funded from the Member Jurisdictions by the terms of any Bonds. It shall also include any payments to Member Jurisdictions that have advanced funding for the Project pursuant to a reimbursement resolution for such payments as may be approved by the Board and Council.

"Event of Default" means any of the events of default set forth in Article VIII of this Agreement.

"Executive Director" means Executive Director of the Council.

"Facility" or "Facilities" means all hardware, software, infrastructure, terminal equipment, and other tangible equipment comprising the System or associated with the Project, including all radio frequency licenses necessary for the operation of the System.

"Fiscal Year" means the period from July 1 of one year to June 30 of the next year.

"Indenture" means any Indenture of Trust, loan or financing agreement, financing lease or other agreement entered into between the Council and a corporate trustee or lender, pursuant to which the Bonds are issued.

"Member Jurisdiction" means each political subdivision that enters into this Agreement as of its effective date, and any additional political subdivision that subsequently enters into this Agreement as a Member Jurisdiction.

"Operating Costs" means all costs approved by the Board as properly allocable to acquiring, constructing, equipping, maintaining and operating the Facilities, other than any costs qualifying as Capital Costs, including, but not limited to:

(1) Salaries and fringe benefits of employees;

(2) Utilities, fuel, equipment (including but not limited to trucks and heavy equipment) tools and supplies;

(3) All costs incurred for engineering services, and other services, which may include design, permitting, operation, testing, and monitoring;

(4) All costs for compliance with all permit conditions and compliance with Applicable Law;

(5) All costs incurred for legal services, which may include zoning, permitting, financing, issues related to the operation of the Facilities, and defense of claims related to the operation of the Facilities;

(6) Insurance costs and the costs of bonds, letters of credit, escrows or other financial assurance or allowance for environmental assessments or property value guarantees, or for compliance with Applicable Law;

(7) Purchase and maintenance costs of equipment and maintenance of the Facilities;

(8) All accounting, bookkeeping and financial advisory fees and charges;

(9) All costs associated with uncollectible accounts;

(10) All amounts necessary to create funds required by an Indenture, or to replenish deficits in any such funds;

(11) Any payments made by the Member Jurisdictions to the Council or any other governmental entity for Project-related services;

(12) Amounts paid to reserve accounts created by the Board pursuant to Section 4.11 of this Agreement; and

(13) Amounts paid to maintain Facilities, including but not limited to costs for generator maintenance and fuel, pest control, and fire suppression.

"Operating Revenues" means all income and revenues resulting from the ownership or operation of the Facilities and the System, including any payments of a Member Jurisdiction's Pro Rata Share.

"Parties" means Amherst County, Bedford County, the City of Bedford, the City of Lynchburg, Virginia's Region 2000 Local Government Council ("Council"), and any political subdivision that may join this Agreement subsequent to the Effective Date.

"Pro Rata Share" means each Member Jurisdiction's proportional share of the Annual Deficit, Capital Costs and Operating Costs.

"Project" means the Facilities financed with Bonds, and any interest in real estate and equipment that are common facilities required to upgrade, manage and operate the System.

"Shortfall" means an expected lack of funds required for any Debt Service Payment pursuant to Section 6.1(c) of this Agreement.

"System" means the regional emergency communications system operated and managed by the Board.

"System Customer" means a non-Member Jurisdiction entity authorized to access and utilize the System pursuant to an agreement with the Board.

"Uncontrollable Circumstance" means any event or condition, whether affecting the Facilities, any Member Jurisdiction or the Council, that interferes with the acquisition, design, construction, equipping, start-up, operation, ownership or possession of the Facilities or the System, or other performance required hereunder, if such event or condition is beyond the reasonable control, and not the result of willful action of the party relying thereon as justification for any nonperformance including but not limited to an act of God, storm, flood, landslide, earthquake, fire or other casualty, war blockade, insurrection, riot, the order or judgment of any local, state, or federal court, administrative agency or governmental officer or body (other than such an officer or body of the party relying thereon), a strike, lockout or other similar labor action.

ARTICLE II
EFFECTIVE DATE AND DURATION OF AGREEMENT

Section 2.1. Effective Date. This Agreement shall become effective upon its execution by authorized officers of all Member Jurisdictions and the Council ("Effective Date"), subject to the terms and conditions contained herein. The initial term of this Agreement shall be 20 years following the Effective Date; provided, however, that the initial term may be extended by unanimous agreement of the Parties.

Section 2.2. Withdrawal of Member Jurisdiction. In the event a Member Jurisdiction withdraws from this Agreement while there is outstanding Project or System related debt, such withdrawal shall require unanimous consent of the other Parties. In the event a Member Jurisdiction withdraws from this Agreement while there is no outstanding debt, then such withdrawal shall not require the consent of the other Parties. In the event of any withdrawal from this Agreement, the withdrawing Member Jurisdiction shall have no right to any portion of the System or the Facilities without the consent of the other Member Jurisdictions. In order to be effective, any withdrawal shall require at least one year advance written notice to the Parties, and shall be approved by the resolution or ordinance of the governing body.

Section 2.3. Dissolution. In the event that the Member Jurisdictions unanimously agree, prior to the end of the term of the Agreement, to voluntarily dissolve the Board and discontinue joint ownership and operation of the System, or in the event that, at the end of the Term of the Agreement, the Member Jurisdictions determine not to extend the Agreement for another term, the Council shall, after the payment of all debts relating to the System that have been approved by the Board, transfer title to all System Facilities to the Member Jurisdictions in proportion to the respective shares of capital costs established in Section 4.7 of this Agreement. The consent of Council to the dissolution shall be required if there is any outstanding indebtedness attributable to the Bonds at the time dissolution is proposed. The determination as to which specific assets of the System or the Facilities shall be given to each Member Jurisdiction shall be determined by agreement of all of the Member Jurisdictions, or if there is no agreement, then the assets shall be sold and the funds transferred to the Member Jurisdictions in proportion to the respective shares of capital costs established in Section 4.7 of this Agreement. In the event that any portion of the System or Facilities is sold prior to Dissolution, the proceeds from such sale shall be divided among the Member Jurisdictions in the same manner as provided in the event of Dissolution.

Section 2.4. Termination of Intergovernmental Agreement. As of the Effective Date of this Agreement, the Member Jurisdictions agree that the Intergovernmental Agreement shall terminate.

ARTICLE III
EFFECTIVE DATE OF CERTAIN PROVISIONS

Section 3.1. Cost Allocation: Member Jurisdictions' Pro Rata Share. Notwithstanding any provision herein to the contrary, for the purposes of determining the proportional amounts owed by each Member for annual Capital Costs, Operational Costs, and any Annual Deficit, the provisions of Section 4.7 shall not take effect until July 1, 2013. Until that time, the Member Jurisdictions shall be responsible for such costs pursuant to the terms and conditions of the Intergovernmental Agreement and the Lease Agreement, such terms being incorporated herein solely for the purposes of this section and which establish the following percentages for which each Member Jurisdiction is responsible:

Amherst County	24.8%
Bedford County	38.2%
City of Bedford	3.9%
City of Lynchburg	33.1%

Section 3.2. Reserved.

ARTICLE IV
CENTRAL VIRGINIA RADIO COMMUNICATIONS BOARD; MEMBER JURISDICTION RIGHTS AND DUTIES

Section 4.1. Creation of Board. As authorized by the Act, the Council hereby creates with the agreement of the Member Jurisdictions, the Region 2000 Radio Communications Board ("Board") as a committee of the Council to manage the Facilities, the Project and the System as provided herein. Original membership shall consist of the Member Jurisdictions as defined herein as of the Effective Date. The principal office of the Board shall be at the office of the Executive Director of the Council, unless otherwise designated by the Member Jurisdictions. The Board is authorized to manage the day to day operations of the Facilities, the Project and the System as set forth herein.

Section 4.2. Board Membership; Bylaws. The members of the Board shall consist of one representative from each of the Member Jurisdictions who shall be the chief public safety communications officer for that jurisdiction. If a Member Jurisdiction does not have a chief public safety communications officer, then the Board member from such jurisdiction shall be its chief law enforcement officer. Each Member Jurisdiction shall appoint an alternate Board member, who shall be the jurisdiction's chief administrative officer or his or her designee, to attend meetings in the absence of the primary Board member. Alternates shall be entitled to vote on any matter before the Board in the absence of the primary member. The Board may establish bylaws or procedures governing the election of officers, the scheduling of meetings and notice thereof, and other procedural matters.

Section 4.3. Powers and Duties of Board. The Board shall be responsible for overseeing the management, operation and administration of the Facilities, the Project and the System. Approval of the Board shall be required prior to the incurrence of Bonds related to the Project, the Facilities or the System.

Section 4.4. Reserved.

Section 4.5. Procedures to Add New Member. Any eligible local government entity or other political subdivision in Virginia may, with the approval of its governing body and with the consent of all of the Member Jurisdictions, join and participate in the use, management and operation of the Project and the System as a Board member under the provisions of this section and pursuant to any additional terms and conditions for membership as may be prescribed by the Board. New members shall be responsible for all costs associated with connecting their existing emergency communications infrastructure to the System, for purchasing their own portable and mobile radio equipment, and for other all applicable costs under this Agreement. The Board reserves the right to examine and test any equipment prior to connection to the System, and may, in its sole discretion, refuse to connect any such equipment to the System. Unless otherwise agreed to by the Board, legal title to any infrastructure being contributed and connected to the System by the new member shall be transferred to the Council and committed to use as a part of the System. A new member shall be responsible for providing and contributing any required infrastructure and equipment needed in such new member's jurisdiction, and in no event shall the Council or Member Jurisdictions be required to compensate a new member for the value of any infrastructure owned by the new member or transferred by the new member to the Council.

Section 4.6. Decisions Requiring Consent of Member Jurisdictions. None of the following decisions may be taken by the Board without the unanimous consent of all the Member Jurisdictions:

(a) Any amendment of this Agreement;

(b) Any change in the Cost Allocation Methodology used to determine the Pro Rata Share owed by any Member Jurisdiction; and

(c) The addition of a Member Jurisdiction.

Section 4.7. Allocation of Annual Deficit, Capital Costs and Operating Costs: Member Jurisdictions' Pro Rata Share. Beginning July 1, 2013, Each Member Jurisdiction shall pay its share of (i) any Annual Deficit, (ii) Capital Costs and (iii) Operating Costs associated with the Project and the System, as determined pursuant to the following Cost Allocation Methodology:

A. Capital Costs. Each Member Jurisdiction's share of Capital Costs shall be as follows:

Amherst County:	28.0%
Bedford County:	36.8%
City of Bedford:	5.1%
City of Lynchburg:	30.1%

B. Operating Costs. Each Member Jurisdiction's share of Annual Operating Costs shall be based on the number of radios on the System attributable to the Member Jurisdiction as a percentage of total Member Jurisdiction radios on the System.

C. Annual Deficit. Each Member Jurisdiction's share of any Annual Deficit shall be based on the formulas for determining its share of Capital Costs or Operating Costs, or a combination of both formulas as appropriate, depending on the type of costs constituting the Annual Deficit. Any unforeseen Operating Costs not included in the Annual Budget shall be treated as part of the Annual Deficit.

D. The total share of annual Capital Costs, Operating Costs, and Annual Deficit attributable to each Member Jurisdiction pursuant to the formulas set forth in this section shall constitute each Member Jurisdictions' respective "Pro Rata Share", which shall be set forth in the Annual Budget.

E. The Pro Rata Shares shall be re-calculated each fiscal year based on the methodology set forth in this section. However, if the Pro Rata Shares are not re-calculated in any particular fiscal year, then the Pro Rata Shares from the prior fiscal year shall continue to remain in effect.

F. For the purposes of determining each Member Jurisdiction's share of Operating Costs in subsection B, the number of radios shall be based on the total number attributable to each Member Jurisdiction as of July 1, in the fiscal year prior to the fiscal year for which the Annual Budget is being adopted.

G. Hand held and mobile radios for use on the System shall be purchased and owned separately by each respective Member Jurisdiction, unless otherwise agreed to by the Parties.

Section 4.8. System Customers. With approval of the Board, the Council may contract with System Customers for the use of the System. System Customers shall pay a proportional share of the Board's annual Operating Costs, based on the number of radios the System Customer uses on the System as a percentage of the total number of radios on the System, or as may otherwise be required by the Board. Any amounts received from System Customers shall be used for the Project or System. Such amounts may be used to offset Member Jurisdiction's Pro Rata Shares or any other payment obligations or expenses under this Agreement. However, such amounts shall in no way relieve any Member Jurisdiction of its obligations under this Agreement.

Unless otherwise agreed to in writing by the Board, individual hand held and mobile radios shall be purchased directly by each System Customer and shall remain the property of the System Customer.

Section 4.9. Annual Budget. On or before November 1 of each year the Board shall adopt a budget to cover all anticipated Operating Costs, Capital Costs and Annual Deficit for the ensuing fiscal year ("Annual Budget"), and communicate to each Member Jurisdiction the respective Pro Rata Shares due for the ensuing fiscal year. The Board shall itemize each Member Jurisdiction's Pro Rata Share by category of costs (Capital, Operating, Annual Deficit). Each Member Jurisdiction shall include its Pro Rata Share, as adopted in the Annual Budget and communicated by the Board, in its proposed annual budget for consideration by its governing body.

Section 4.10. Member Jurisdiction Payments. Each Member Jurisdiction agrees to pay its Pro Rata Share to the Council by July 30 each year.

Section 4.11. Reserve Accounts. Member Jurisdictions agree to appropriate monies into and maintain reserve accounts as may be required by the terms of any financing for the Project, to cover a certain percentage of Capital Costs, Operating Costs or other Project expenses as determined by the Board to be appropriate.

Section 4.12. City of Bedford; Reversion to Town Status. As of the execution of this Agreement, the City of Bedford has plans to revert to town status. Such reversion shall not affect the rights and obligations hereunder or any other agreement related to the Project or the System to which the City of Bedford is a party as of the date such Reversion becomes effective, unless agreed to in writing by the Parties. As long the Pro Rata Share attributable to the County and Town of Bedford combined continues to be paid in full (by either or both of such county and town), then the Parties agree to amend this Agreement in the event of the City of Bedford reverting to town status in order for this Agreement to be consistent with relevant terms and conditions of any reversion agreement(s) between Bedford County and City/Town of Bedford.

Section 4.13. Lease of tower space or radio spectrum. The Board, by majority vote and with the approval of the member of the Board from the jurisdiction where the tower is located, may lease space for the collocation of equipment on any System tower by entities that are not Member Jurisdictions or System Customers. Additionally, the Board may lease available radio spectrum to entities that are not Member Jurisdictions or System Customers. The Council agrees that in the event the System tower or System radio spectrum is owned by the Council, that it shall enter into any lease or co-location agreement approved by the Board pursuant to this section.

Section 4.14. Distribution of revenues from tower co-location or spectrum leases. Any revenues generated from the lease of System tower space or radio frequency spectrum shall either be used directly for the Project and System, or the Board may vote to divide such revenues according to the respective shares of Capital Costs set forth in Section 4.7.A and distribute them accordingly to the Member Jurisdictions. If there is outstanding indebtedness attributable to the Bonds at the time of the distribution, then such distribution shall be subject to the terms and conditions of the Bonds and any security therefor.

Section 4.15. Distribution of Operating Revenues. Operating revenues shall be used to pay Operating Costs, and to the extent appropriate be used as a credit towards Member Jurisdictions' respective Pro Rata Shares, once apportioned, or any other payment obligations or expenses under this Agreement. However, such amounts shall in no way relieve any Member Jurisdiction of its obligations under this Agreement.

ARTICLE V
REGION 2000 LOCAL GOVERNMENT COUNCIL RIGHTS AND DUTIES; OWNERSHIP OF SYSTEM

Section 5.1. Fiscal Responsibilities. The Council shall be the fiscal agent with regard to the Project and the System unless the Member Jurisdictions exercise their authority under Section 5.6. The Council shall deposit all Operating Revenues to a separate account or accounts established solely for the purposes of paying for all costs associated with the Project and the System. The Council shall not be liable or responsible for costs or other payments that are the responsibility of the Member Jurisdictions. The Executive Director is authorized to act on behalf of the Council in order to fulfill the responsibilities set out in this section. Pursuant to the Council's responsibilities as fiscal agent under this Agreement, the Council shall:

(i) Procure, upon approval by the Board, all contracts with vendors, service providers, contractors, engineers, attorneys, governmental agencies or other entities related to the Project and the System;

(ii) Provide professional, technical and clerical support to the Board on all matters related to planning, operations, monitoring, oversight, and evaluation of the Radio Board programs, activities and services as directed by the Board;

(iii) Assist the Board in developing an operations budget for the Board's approval and submission to the Member Jurisdictions;

(iv) Receive, account for and manage all of the Board's finances, including but not limited to accounts payables and receivables, audits and bond-related finances;

(v) Provide grant writing and management services;

(vi) Provide administrative staffing services for Board meetings; and

(vii) Perform such other duties as may be assigned by the Board from time to time.

Section 5.2. Ownership and Disposal of System and Project Facilities. Upon the Effective Date, the Member Jurisdictions shall transfer to the Council title to all 1996 Assets. The Council shall be the owner of and hold title to the System Facilities purchased with the Bonds, including the 1996 Assets, until such time as the Bonds are fully paid. Upon repayment of the Bonds, ownership of the System Facilities purchased with the Bonds and the 1996 Assets shall transfer to the Member Jurisdictions, who shall own jointly own such assets in proportion to the respective shares of Capital Costs set forth in Section 4.7. However, the Board, by unanimous vote, may agree for the Council to continue holding title to such assets.

Except as otherwise provided in the event of dissolution under Section 2.3, unanimous approval of the Board shall be required for the Council to sell, transfer or otherwise dispose of any of the System or Facilities to which it holds title. Upon such sale or disposal, any income derived therefrom shall be distributed to the Member Jurisdictions in proportion to the respective shares of Capital Costs set forth in Section 4.7.

Section 5.3. Continued access to towers. In the event that a Member Jurisdiction owns the land on which a System tower is located, or owns the land and the tower, then such Member Jurisdiction shall allow access over and across such property, at no cost, to the Board, the other Member Jurisdictions, the Council and any employee, contractor or agent thereof for the purposes of accessing such tower in the course of operating and maintaining the System.

Section 5.4. Ownership of Portable and Mobile Radios. Individual hand held and mobile radios shall be purchased directly from the vendor by each Member Jurisdiction and shall remain the property of the purchasing locality. Notwithstanding the above, the parties may agree to finance such equipment through Council-issued debt. In that case, such hand held and mobile radios shall be owned by the Council until such time as the debt is paid in full at which point such ownership of such equipment shall transfer to the appropriate Member Jurisdiction. Any Member Jurisdiction financing radios through the Council shall be solely responsible to the Council for the repayment of all associated debt and other expenses.

Section 5.5. Decisions Requiring Consent of Council.

(a) Any amendment of this Agreement.

(b) **<u>Any issuance of Bonds by the Council in relation to the Project</u>**, if the funds to cover such obligation have not previously been appropriated to the Board as a part of its Annual Budget or otherwise.

Section 5.6. Discharge of Fiscal Agent. The Member Jurisdictions, by majority vote, may discharge the Council as fiscal agent at any time during the initial term of this Agreement or during any extended term. **<u>Such discharge shall not affect Council's rights and obligations as the issuer of the Bonds.</u>**

ARTICLE VI
PROJECT FINANCING

Section 6.1. Project Financing.

(a) **General.** As soon as practicable after the retirement of the 1996 Bonds, the Council shall proceed to secure financing for the costs of the Project and its acquisition, construction and equipping. **<u>The Council shall, with all reasonable dispatch after Project costs are established, issue and sell the Bonds pursuant to the authority granted to it under the Act in an amount, together with other available funds, which will be sufficient to pay the costs of the Project, including the repayment of any interim financing; provided, however, that nothing contained in this Agreement shall require the Council to issue the Bonds other than upon terms deemed reasonable by it and in accordance with the terms of this Agreement, or other agreement relating to the Bonds.</u>** Any issuance of Bonds for the Project shall require unanimous approval by the Board in addition to approval of the Council.

(b) **Moral Obligation.** Each Member Jurisdiction hereby agrees that it has a moral, but non-binding, obligation to pay the Debt Service Payments in the event that the Council fails to make such payments. As such, each Member Jurisdiction agrees to direct its chief administrative officer to include in each proposed annual general fund budget submitted to the governing bodies for the Member Jurisdictions an amount equal to its share of the Debt Service Payments, as a component of Capital Costs, determined pursuant to section 4.7. Each Member Jurisdiction agrees to consider whether to include such amounts in its final general fund budget for the ensuing fiscal year.

Further, each Member Jurisdiction agrees to direct their chief administrative officer to submit a budget amendment or other appropriate ordinance or resolution to the respective governing body whenever the chief administrative officer receives a notice from the Council that there is a Shortfall as described in paragraph (c) below. Each Member Jurisdiction agrees to consider whether to make an appropriation to the Council in the amount requested each time that such a budget amendment or other appropriate ordinance or resolution is presented to it.

The obligation of the respective governing bodies to consider making any such appropriations constitutes neither a debt of the Member Jurisdictions within the meaning of any constitutional or statutory limitation nor a lien or charge upon any property or funds of such Member Jurisdiction. The governing body for each Member Jurisdiction has full discretion as to whether it wishes to make any such appropriation.

(c) Notification of Shortfall to Member Jurisdictions. Until the Bonds have been paid in full, the Council will ascertain whether it has or is likely to have on hand Operating Revenues sufficient to pay the principal of and interest due on the Bonds during the next succeeding Fiscal Year. If sixty (60) days prior to a Debt Service Payment being due, the Council determines that it does not and will not have on hand an amount sufficient to make such payment, then it will immediately notify the chief administrative officer of each Member Jurisdiction of the amount of any expected shortfall ("Shortfall") and request each to submit to their respective governing bodies immediately a budget amendment or other appropriate ordinance or resolution described in paragraph (b) above in an amount equal to the amount of the deficiency. When ascertaining whether it has or will have a sufficient amount on hand, the Council may take into account moneys in the Board accounts created pursuant to this Agreement, to extent such moneys have not been and need not be allocated to other expenditures on the Project or System.

(d) Payment upon Appropriation. If any Member Jurisdiction agrees to make a payment under this section, then it shall make such payment directly to the Council. The Council agrees that once it has received a payment from the Member Jurisdiction pursuant to its Moral Obligation Agreement, it shall immediately transfer the amount of such payment to the holder or holders of the Bonds, as appropriate, to be applied to the payment of the principal of and interest on the Bonds.

(e) Council not bond issuer after debt retired. Notwithstanding any other provision herein to the contrary, once the Bonds are paid in full, the Council's rights and duties as the Bond issuer shall terminate and shall be assumed by the Member Jurisdictions.

Section 6.2. Reimbursement Resolution. Member Jurisdictions and Council agree that any funds advanced by Member Jurisdictions for Capital Expenditures, Operating Costs or other costs related to the Project in advance of the Bonds being issued may be reimbursed out of the proceeds of the Bonds to such Member Jurisdiction. The Council may execute a Resolution or other agreement required to effectuate this provision.

ARTICLE VII
SYSTEM USE AND OPERATION

Section 7.1. Use of Emergency Communications System by Member Jurisdictions. Member Jurisdictions shall have exclusive rights to use the System; except that other entities, including System Customers shall be entitled to use the System pursuant to terms and conditions as may be established by the Board. Each Member Jurisdiction shall use the System as its primary emergency communications network as long as this Agreement is in effect, and as long as there are any outstanding Bonds on the Project. Failure to utilize the System as its primary emergency communications network shall not relieve any Member Jurisdiction of its duties and obligations under this Agreement unless agreed to in writing by all Parties. Notwithstanding the above, Member Jurisdictions may utilize other emergency communications network in emergency situations or as otherwise required to meet the public safety needs of such Member Jurisdiction, as long as the Member Jurisdiction continues to use the System as its primary emergency communications network.

Section 7.2. Reserved.

Section 7.3. Liability of Council. The financial obligations of the Council with regard to the Project and the System are not general obligations of the Council but are limited obligations payable solely from payments from the Member Jurisdictions. No director, officer, employee or agent of the Council shall be personally liable for the Council's obligations hereunder. The Council shall not be liable for the actions of any Member Jurisdiction.

ARTICLE VIII
DEFAULT AND REMEDIES

Section 8.1. Default by Council. Notwithstanding the provisions of Section 7.3 or any other provisions to the contrary, the occurrence of any one or more of the following events will constitute an "Event of Default" by the Council ("Council Default") and the Member Jurisdictions may pursue any appropriate legal or equitable action against the Council as a result of any such default that is not cured as provided below:

(a) Failure of the Council to pay principal or interest when due on any Bonds or other temporary or permanent financing for the Project issued or obtained by the Council pursuant to this Agreement when all required monies for such payment have been paid to the Council by the Member Jurisdictions;

(b) The Council is for any reason rendered incapable of performing any of its material obligations under this Agreement;

(c) The Council makes an assignment of all or a portion of its obligations under this Agreement without the prior consent of the Member Jurisdictions;

(d) **<u>The Council defaults on any of its material obligations under any agreement pursuant to which any Bonds, or other temporary or permanent financing for the Project are issued or obtained by the Council pursuant to this Agreement and such default is not cured within the applicable cure period;</u>**

(e) Any proceeding is instituted, with the consent or acquiescence of the Council, for the purpose of effecting a compromise between the Council and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the funds of the Council; or

(f) The Council defaults in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in this Agreement, and the default continues for 30 days after written notice specifying the default and requiring it to be remedied has been given to the Council by any Member Jurisdiction, unless the curing of such default is being diligently pursued, but in no event more than 60 days following such notice of default.

Section 8.2. Default by Member Jurisdictions. The occurrence of any one or more of the following events will constitute an "Event of Default" by any Member Jurisdiction ("Member Jurisdiction Default"):

(a) Failure of any Member Jurisdiction to pay its Pro Rata Share when due under this Agreement;

(b) Any Member Jurisdiction is for any reason rendered incapable of performing any of its material obligations under this Agreement;

(c) Any proceeding is instituted, with the consent or acquiescence of any Member Jurisdiction, for the purpose of effecting a compromise between such Member Jurisdiction and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are under any circumstances payable from the funds of such Member Jurisdiction; or

(d) Any Member Jurisdiction defaults in the due and punctual performance of any of the other covenants, conditions, agreements, and provisions contained in this Agreement, and the default continues for 30 days after written notice specifying the default and requiring it to be remedied has been given to such Member Jurisdiction by another Member Jurisdiction or by the Council, unless the curing of such default is being diligently pursued, but in no event more than 60 days following such notice of default.

Any Member Jurisdiction in default of this Agreement shall not be entitled to vote on the Board. Moreover, upon a majority vote of the non-defaulting members of the Board, access to and use of the System by the defaulting Member Jurisdiction may be limited or discontinued until such default is cured.

Section 8.3. Remedies of Member Jurisdictions. Upon the occurrence of any default, any party, after giving notice of such default to all parties, may bring suit by mandamus or other appropriate proceeding to require the defaulting party to perform its duties under the Act and this Agreement or to enjoin any acts in violation of the Act or this Agreement.

Section 8.4. Remedies of Council. Upon the occurrence of a Member Jurisdiction Default, the Council, after giving notice of such Member Jurisdiction Default to all parties, may bring suit by mandamus or other appropriate proceeding to require the Member Jurisdiction to perform its duties under the Act and this Agreement or to enjoin any acts in violation of the Act or this Agreement.

Section 8.5. Remedies Not Exclusive. No remedy in this Agreement conferred upon or reserved to the parties is intended to be exclusive of any other remedy, and each remedy is cumulative and in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute.

ARTICLE IX
MISCELLANEOUS

Section 9.1. Entire Agreement; Modification. This Agreement represents the entire agreement between the Member Jurisdictions and the Council and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement shall govern the relations between the Council and the Board, and shall supersede all other representations or agreements, either written or oral, unless otherwise agreed to by the Parties or required by law.

Section 9.2. Assignment. No assignment of this Agreement, or any right occurring under this Agreement, shall be made in whole or part by any Member Jurisdiction without the Parties' express written consent.

Section 9.3. Partnership. Nothing herein shall be construed to constitute a joint venture between the Council and any Member Jurisdiction or the formation of a partnership.

Section 9.4. Severability. If any clause, provision or section of this Agreement is held to be illegal or invalid by any court, the invalidity of the clause, provision or section will not affect any of the remaining clauses, provisions or sections, and this Agreement will be construed and enforced as if the illegal or invalid clause, provision or section had not been contained in it.

Section 9.5. Notices. All notices, certificates, requests or other communications under this Agreement must be in writing and will be deemed given, unless otherwise required, when either mailed by first-class U.S. Mail, postage prepaid, or delivered by hand, to the address set forth below:

If to Council:	Region 2000 Local Government Council Executive Director 828 Main Street – 12th Floor Lynchburg, VA 24504
If to City of Bedford:	Bedford, Virginia City Manager P.O. Box 807 Bedford, VA 24523
If to City of Lynchburg:	Lynchburg, Virginia City Manager 900 Church Street Lynchburg, VA 24504
If to County of Amherst:	Amherst County, Virginia County Administrator PO Box 390 Amherst, VA 24521
If to County of Bedford:	Bedford County, Virginia County Administrator 122 East Main Street, Suite 202 Bedford VA 24523

The parties may by notice given under this Section designate such other addresses as they may deem appropriate for the receipt of notices under this Agreement. If, by reason of the suspension of or irregularities in regular mail service, it is impractical to mail notice of any event when notice is required to be given, then any manner of giving notice which is satisfactory to the intended recipient will be deemed to be sufficient.

Section 9.6. Representations as to Ability to Perform. The Council is not a party to any legal, administrative, arbitration or other proceeding or controversy pending, or, to the best of the Council's knowledge threatened, which would materially adversely affect the Council's ability to perform under this Agreement. Each Member Jurisdiction represents as to itself that it is not a party to any legal, administrative, arbitration, or other proceeding or controversy pending, or, to the best of its knowledge, threatened, which would materially and adversely affect its ability to perform under this Agreement.

Section 9.7. Further Documents and Data. The parties to this Agreement will execute and deliver all documents and perform all further acts that may be reasonably necessary to perform the obligations and consummate the transactions contemplated by this Agreement.

Section 9.8. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, will be an original, and the counterparts taken together will constitute one and the same instrument.

Section 9.9. Tax Exemption Covenant.

(a) General. **Each Member Jurisdiction understands and acknowledges that the Council may issue Bonds or other obligations the interest on which will be treated as tax exempt under Federal income laws and regulations, including but not limited to the Internal Revenue Code of 1986, as amended (the "Tax Code").** In reliance on the financing provided by the issuance of such Bonds, each Member Jurisdiction agrees that it will not directly or indirectly use or permit the use of any of the proceeds received pursuant to the Bonds, in such manner as would, or enter into, or allow any other person or entity to enter into, any arrangement, formal or informal, that would, or take or omit to take any other action that would, cause interest on the Bonds to be includable in gross income for federal income tax purposes or to become a specific item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

(b) Use of Proceeds. Neither the Council nor any Member Jurisdiction shall knowingly (a) take any action, or approve the making of any investment or use of the proceeds of the Bonds (including failure to spend the same with due diligence) or taking any other action, which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or (b) barring unforeseen circumstances, approve the use of the proceeds from the sale of the Bonds otherwise than in accordance with the Authority's "non-arbitrage" certificate given immediately prior to the issuance of such Bonds.

(c) Preservation of Tax Exempt Status of Interest, Representation, Warranties and Covenants. The Council and each of the Member Jurisdictions agree that neither of them shall allow the use by or lease or sublease of the Project, the Facilities or the System, or any portion thereof, to any entity other than the Commonwealth of Virginia, a city, a county or a town, or any agency or political subdivision thereof, without an opinion of Bond Counsel that such sublease or other availability would not adversely affect the status of the interest on the Bonds for federal income tax purposes. The Council and each Member Jurisdiction covenant that the Project, the Facilities and the System shall not be used in a manner that would permit the proceeds of the Bonds to be used in any manner that would result in (a) 10% or more of such proceeds being used in a trade or business carried on by any person other than a governmental unit, as provided in Section 141(b) of the Tax Code, provided that no more than 5% of such proceeds may be used in a trade or business unrelated to the Council's or any Member Jurisdiction's use of the Project, Facilities or System, (b) 5% or more of such proceeds being used with respect to any "output facility" (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Tax Code, or (c) 5% or more of such proceeds being used directly or indirectly to make or finance loans to any persons other than governmental unit, as provided in Section 141(c) of the Tax Code; provided, however, that if the Council receives an opinion of nationally recognized bond counsel that any such covenants need not be complied with to prevent the interest on the Bonds from being includable in the gross income for Federal income tax purposes of the registered owner thereof under existing law, the Council and the Member Jurisdictions need not comply with such covenants.

(d) Financial Records and Statements. The Council and the Member Jurisdictions shall maintain proper books of record and account in which proper entries shall be made in accordance with generally accepted accounting principles, consistently applied, of all its business and affairs. The Council and each of the Member Jurisdictions shall have an annual audit of their respective financial conditions made by an independent certified public accountant within 180 days after the end of each Fiscal Year and shall furnish to Council, in an electronic format, copies of the report of such accountant immediately after such report is submitted to each Member Jurisdiction. Such report shall include statements in reasonable detail, certified by such accountant, reflecting the Member Jurisdiction's financial position as of the end of such Fiscal Year and the result of its operations and changes in the financial position of such Member Jurisdiction's funds for the Fiscal Year.

(e) Continuing Disclosure. Each Member Jurisdiction agrees that so long as any Bonds are outstanding, if required under any Indenture or other agreement related to the issuance of the Bonds, to provide financial and event information to the Council for submission to a national municipal securities information repository (NMSIR) which is required to be disclosed on a continuing basis, within the time frames required for such disclosure under Rule 15c2-12, as it may be amended from time to time, under the Securities Exchange Act of 1934, as amended and any similar rules of the Securities and Exchange Commission relating to disclosure requirements in the offering and sale of municipal securities, all as in effect from time or that may be promulgated by the Municipal Securities Rulemaking Board.

Section 9.10. Litigation. Any litigation involving this Agreement or the operation of the Council or the Member Jurisdictions shall be brought only in the Circuit Court or District Court for one of the Member Jurisdictions.

Section 9.11. Representations and Warranties. Each of the parties hereto makes the following representations and warranties, all of which shall continue for the duration of this Agreement:

a) It has the full power and authority to enter into this Agreement and to consummate and carry out the transaction contemplated herein. It has taken or will take all necessary action required by this Agreement and other applicable agreements and laws in connection therewith.

b) It has duly authorized the execution and delivery of this Agreement.

Section 9.12. Headings. The headings of sections throughout this Agreement are intended solely to facilitate reading. Such captions shall not affect the meaning or interpretation of this Agreement.

IN WITNESS WHEREOF, the parties have each caused this Agreement to be signed as dated below.

LAYOVER

LYNCHBURG CITY COUNCIL
Agenda Item Summary

MEETING DATE: ~~June 26, 2012~~ July 10, 2012 AGENDA ITEM NO.: 6

CONSENT: REGULAR: **X** WORK SESSION: CLOSED SESSION: (Confidential)

ACTION: **X** INFORMATION:

ITEM TITLE: **Virginia Foundation for Healthy Youth Grant**

RECOMMENDATION: Adopt a resolution to amend the FY 2013 General Fund budget and appropriate $5,163 with resources from a Virginia Foundation for Healthy Youth grant to support a pilot program to accept and process Supplemental Nutrition Assistance Program (SNAP) benefits at the Lynchburg Community Market.

SUMMARY: The Central Virginia Health District – Lynchburg received a Virginia Foundation for Healthy Youth grant to support the work of the Lynchburg ACHIEVE Community Health Action and Response Team. The grant supports a two year pilot program to accept and process SNAP benefits at the Lynchburg Community Market. The City of Lynchburg will be reimbursed by the Central Virginia Health District for all costs associated with the pilot program.

The Market will begin accepting SNAP benefits with a soft opening in October 2012; full implementation is planned for May 2013. The projected heaviest use of SNAP benefits will be on a seasonal basis, from May to October. The grant will fund the cost of: temporary staff to manage the program, equipment necessary to process SNAP benefits, and communications and promotional materials.

This is a two year pilot program to assess customer and farmer interest in the program as well as the staff hours required to administer it.

The grant is for $5,163 the first year, $7,513 the second year; no matching funds are required. The first year of funding becomes available July 1, 2012. Funding for the second year will be included as part of the FY 2014 General Fund Operating budget for Recreation Programs.

PRIOR ACTION(S): None

FISCAL IMPACT: None, no local match is required.

CONTACT(S): Kay Frazier, Director of Parks and Recreation, 455-5868

ATTACHMENT(S): Resolution

REVIEWED BY: lkp

RESOLUTION:

BE IT RESOLVED that the FY 2013 General Fund budget is amended and $5,163 is appropriated with resources from a Virginia Foundation for Healthy Youth grant to support a pilot program to accept and process Supplemental Nutrition Assistance Program (SNAP) benefits at the Lynchburg Community Market.

Introduced: June 26, 2012 Adopted:

Certified: ______________________________
Clerk of Council

085L