

POLICY AND PROCEDURE FOR GRANTS

MARIN HEALTHCARE DISTRICT

Adopted: May 26, 1992
Amended: August 25, 1992
Reviewed: September 23, 2002
Revised: September 14, 2004

I. Policy:

The purposes of Marin Healthcare District include the promotion of actions to provide health care services in the community. The District is not a grants agency, but may make selected grants for qualifying health care programs as funds are available for such purposes.

The Marin Healthcare District may from time to time make grants to health care programs which promote the purpose of the District to enhance the provision of adequate health services to residents of the District. Priority will be given to those programs which serve the medically underserved, have an ongoing relationship with Marin General Hospital and, where applicable, participate in a collaborative effort with public, private and other community agencies to meet the health care needs of the community.

Any grants made by the District are discretionary. All grant approvals shall be one-time only, and shall not create priority consideration for grantees as to any future grant funds. Decisions shall be subject to availability of District funds.

II. Procedure:

A. Scope of Grants.

Grant proposals will be considered by the District based on the following:

1. The grantee shall be a nonprofit health care organization or public agency providing health care services. Marin General Hospital shall be eligible to be a grantee.
2. The grantee shall be within and serving the residents of the District, or providing a program which will serve the residents of the District.
3. Priority will be given to grantees which work in collaboration with the public and private provider network.
4. Priority will be given to grant proposals for outpatient health care programs which:
 - a. Are necessary for the provision of adequate health services within the

District; and

- b. Serve the medically underserved within the District.
5. Grant funds will be used to assist grantees for the following purposes: (i) to enhance or supplement existing programs of the grantee; or (ii) to add "start-up funds" for new programs which are capable of continuing operation with stable funding from other sources.
6. Priority will be given to grantees which have an ongoing relationship with the services and programs of Marin General Hospital; the relationship may be a lease, service agreement, affiliation or other arrangement.
7. Grants will be considered for such programs as community clinics, mental health and crisis clinics, maternal and child health, preventive health and health care education.
8. The amount of a grant will be based on the funds available to the District for such purposes at the time of the grant approval. Payment of the grant may be made in one or more installments, so long as all payments are made within two (2) years of the grant approval.
9. Each grant proposal approved by the District will have a designated grant period within which the grantee may use the grant funds for an approved grant proposal and submit to the District the quarterly reports specified in Paragraph II.E.
10. Failure by a grantee to spend grant funds within the approved grant period shall result in the reversion to the District of all unspent grant funds. In addition, the District shall have the right to recoup any grant funds which are expended by a grantee in violation of the conditions of the grant agreement.

B. Criteria for Grants.

The criteria for making decisions on grants shall be the following:

1. Whether the grant will be used to provide direct health care services to the medically underserved in the District.
2. Whether the grantee and/or the grant program is integrated with the public and private provider network within the community.
3. Whether the grant will be used to supplement or provide operating support for the provision of direct health care services, as opposed to use for capital costs.
4. Whether the grantee has other sources of funding (grant and operational) available for the grant program.

5. Whether the grantee has or can develop stable sources of future funding in order to sustain the grant program in future years without further grants from the District.
6. Whether the grantee has an ongoing relationship with the services and programs of Marin General Hospital as defined in Paragraph II.A.6.

C. Requirements for Grantees.

All grantees shall submit a written grant proposal to the District. The grant proposal shall be submitted thirty (30) days prior to the Board meeting at which the grant will be considered. The grant proposal shall be reviewed by the District to be determine whether it provides the information listed in this paragraph II.C, and the grantee shall be notified if additional information is required. The grant proposal shall include:

1. Background and basic information as to the grantee, including:
 - a. A list of the grantee's directors and officers.
 - b. An organization chart of the grantee showing all affiliates and the internal management structure of the grantee.
 - c. A list of all affiliates of the grantee.^{1/}
 - d. A list of all affiliations with for profit and not for profit entities.^{2/}
2. A description of the programs of the grantee.
3. A description of the program proposed by the grantee for District assistance, including the proposed grant period, the population served by the program, demographic data on patients/clients, availability of other grants, sources of program reimbursement (such as CMSP, Medi-Cal, county funds, Medicare, private insurance, self-pay, etc.) and historical utilization data.
4. The goals and objectives of the grant program during the grant period.

^{1/} "Affiliate" includes a corporation which directly (or indirectly through one or more intermediaries) controls, is controlled by or is under common control with the grantee (such as a subsidiary, parent or sister corporation). For purposes of this Policy and Procedure, "affiliate" also includes any partnership in which the grantee, or any affiliate of the grantee, is a general partner.

^{2/} "Affiliation" means an association or working relationship between the grantee and a for profit entity for the provision of services by, for or on behalf of the grantee. An "affiliation" shall include donations and other voluntary contributions (monetary or in-kind) to the grantee, or the provision of routine support services such as utilities, purchase of routine supplies, banking or financial services by commercial banks or lenders, accounting or legal services, or commercial leases of space or equipment.

5. The budget of operational and capital costs for the program for the year preceding (if applicable) and during the grant period.
6. The amount of grant funds requested.
7. The specific uses of grant funds (capital and operational).
8. The timetable for the payment and use of grant funds and any anticipated changes or events in the grant program during the grant period.
9. A copy of the grantee's most recent independent audit (including management letters) and IRS Form 990 (or equivalent documents).
10. Additional information which addresses each of the criteria listed in Paragraph II.B.

D. Grant Conditions.

1. Basic Grant Conditions.

All grantees shall agree to the following basic conditions for receiving a District grant:

- a. Maintain nonprofit or public agency status (as applicable) during the grant period.
- b. Maintain tax-exempt status, if applicable.
- c. Maintain all required governmental licenses, permits and approvals for the grant program.
- d. Maintain the grant program in the manner described by the grantee and approved by the District Board.
- e. Submit basic corporate and operating documents (such as articles of incorporation and bylaws, IRS Form 990, independent audit, licenses, etc.) upon request of the District for the purpose of verifying the continuing eligibility and qualifications of the grantee for the grant.
- f. Maintain and adhere to policies prohibiting the grantee, in the provision of its services to the public and in its employment practices, from discriminating on such grounds as are set forth, and are applicable to the grantee, in the Unruh Civil Rights Act, the California Fair Employment and Housing Act and in other governmental laws or regulations applicable to the grantee.
- g. Submit the quarterly reports to the District as specified in Paragraph II.E.

2. Special Grant Conditions.

Based on the type of grantee, the nature of the grant program or other factors pertinent to a grant proposal, the District may impose special conditions for a grant.

3. Termination.

Grants shall be subject to early termination by the District, as follows:

- a. At any time, in the event the grantee, or any director, officer of management level employee of the grantee, is indicted or is otherwise the subject of any governmental criminal investigation or enforcement action related to the operations of the grantee (whether or not related to the grant or the grant program).
- b. Upon receipt of information that a grantee, or any director, officer, or management level employee of the grantee, is the subject of any governmental civil investigation or enforcement action, or of any published or other public report alleging or finding any impropriety related to the operations of the grantee (whether or not related to the grant or the grant program), the District may terminate the grant on thirty (30) days notice, subject to first requesting the grantee to respond to the allegations or finding, such as requesting written information from the grantee or holding a public meeting to review the allegations or finding.
- c. Upon any filing of bankruptcy by the grantee or any appointment of a receiver of the grantee.
- d. Upon any change of ownership of the grantee.

E. Reporting Obligations.

The grantee shall submit quarterly reports to the District containing information pertaining to the grant and the grant program. The information contained in the quarterly reports shall include without limitation:

1. The use of the grant funds.
2. The status of the grant program, including services provided and patients/clients served.
3. The financial performance of the grant program.
4. The progress of the grantee in meeting grant program goals and objectives.

5. A certification signed by the chief executive officer or other executive officer of the grantee certifying compliance during the reporting period by the grantee with the grant conditions for the grantee set forth in Paragraph II.D and with the terms of the grant agreement between the grantee and the District.

The quarterly reports to the District shall be submitted May 1, August 1, November 1, and February 1 of each year in accordance with the District meeting schedule.

F. Grant Approvals.

1. Members of the District Board are expected to be knowledgeable about local health care programs and the health care needs of the community.
 - a. Any grant request meeting the standards of this policy and procedure may be brought to the Board by any Board Member, with due consideration being made to the availability of funds for grants at the time of the grant approval.
 - b. Each District Board Member shall be limited to presenting to the Board one (1) grant proposal each year (defined as the District's fiscal year), except the District Board may vote to authorize a District Board Member to present an additional proposal on a case-by-case basis.
2. The review of grant proposals will be the responsibility of the District Board, with assistance from legal counsel and staff assigned to the District.
 - a. Because funds available for grants are limited and are affected by changing District priorities and budgetary considerations, no general solicitation or public request for proposals for grants will be made.
 - b. Grant proposals may be considered at any meeting of the Board. The Board's posted agenda will list each specific grant proposal to be considered by the Board as a special order (rather than under "New Business"). A grant proposal shall not be considered as a personal agenda item of a District Board Member under Paragraph I.A.5 of the District Policies and Procedures for Board Meetings.
 - c. The Board's agenda package shall include the grant proposal (see Paragraph II.C.).
 - d. An applicant for a grant shall attend the Board meeting to present the grant proposal.
 - e. No grant proposal shall be approved by the District if any District Board Member (or any immediate family member of a District Board Member):
 - (i) has an ownership interest (including debt) in the grantee;
 - (ii) is an officer or director of the grantee;

- (iii) is a paid consultant to the grantee; or
- (iv) has any other financial or business relationship with the grantee which would prohibit the District from making a grant under applicable law or the District's Conflict of Interest Code.

Prior to consideration of any grant proposal by the District Board, each District Board Member shall disclose any financial relationship which the District Board Member (or his/ her immediate family members) has with the grantee. This Paragraph II.F.3.e shall not prevent the District Board from approving a grant proposal presented by a grantee which has a financial relationship with the District.

3. The decision to approve a grant proposal will be made by the District Board of Directors. Upon approval, the Chair and Vice Chair, with the assistance of District legal counsel and staff, shall be authorized (i) to draft and execute the grant agreement and grant check, and (ii) to ensure compliance by the grantee with any conditions adopted by the Board for the grantee or the grant program.
4. The Management, Finance and Audit Committee shall be responsible for monitoring approved grants, including the review of the quarterly reports (see Paragraph II.E), and making reports to the Board.
5. Grantees will present an annual report on the grant program to the Board, and a final report following the end of the grant period.