

**NORTH CAROLINA
HEALTH AND WELLNESS TRUST FUND COMMISSION**

POLICIES

I. Governance

- A. North Carolina General Statutes Chapter 147, Article 6.C (“Enabling Statute”) as may be amended from time to time governs the establishment, membership, purpose, powers, duties, and reporting requirements of the North Carolina Health and Wellness Trust Fund Commission.
- B. North Carolina Administrative Code, Title 20, Chapter 10 (“Administrative Code”) as may be amended from time to time governs the administration of the North Carolina Health and Wellness Trust Fund Commission’s grant programs. In any instance where the language contained in the Administrative Code conflicts with language contained in the Enabling Statute, the language of the Enabling Statute shall control.
- C. North Carolina Health and Wellness Trust Fund Commission Policies (“Policies”) as formally adopted by the duly appointed Commissioners of the North Carolina Health and Wellness Trust Fund Commission govern all activities not governed by the Enabling Statute and the Administrative Code. In any instance where the language contained in the Policies conflicts with language contained in the Enabling Statute or the Administrative Code, the language of the Enabling Statute and Administrative Code shall control respectively.

II. Committees and Task Forces

- A. Committees and task forces may be created by the chair to study health issues, issue Requests for Grant Proposals and make funding recommendations to the full Commission.
- B. The chair shall appoint all committees and task forces and the committee and task force chair, and shall assign duties to the committees and task forces.
- C. Unless otherwise agreed upon by majority vote of members present at a meeting, all recommendations for Commission action shall come from the committee and task force assigned to consider the topic at issue.
- D. Standing committees and task forces shall include the Operations and Administration Committee, the Teen Smoking Prevention and Cessation Task Force, and the Research, Education and Prevention Task Force, all of which shall make recommendations to the full Commission.

III. Meetings

- A. All meetings of the full Commission and all meetings of appointed committees and task forces shall be publicly noticed and shall be open to the public pursuant to the Open Meetings Law, N.C. Gen. Stat. 143-318.9 et seq. Closed sessions of open meetings shall be closed pursuant to the same law.
- B. The chair shall set the meeting agenda and approve all agenda items prior to the meeting.
- C. All meetings shall be conducted pursuant to Robert's Rules of Order. The Commission may suspend or modify Roberts Rules of Order upon majority vote of Commission members present at any meeting.
- D. Meetings may be conducted as telephone conference calls or as video conference calls. Members physically absent from a meeting may participate by telephone or videoconferencing.
- E. The Commission must meet at least twice a year. Special meetings may be called by the chair or a majority of the voting members of the Commission.
- F. Minutes shall be kept of all Commission meetings and of all committee and task force meetings.

IV. Administration

- A. The Commission shall exercise its powers independently, but for administrative purposes shall be located within the Office of the State Treasurer.
- B. All administrative expenses of the Commission shall be paid from the Health and Wellness Trust Fund which is established in the Office of the State Treasurer.
- C. All purchasing will be done consistent with State Purchase and Contract or N. C. Office of Information Technology Services rules and statutes.
 - 1. The executive director is authorized to spend up to and including \$10,000 without vote of the Operations and Administration Committee.
 - 2. Any money spent under the authorization threshold shall be reported to the Operations and Administration Committee.
- D. The Commission shall follow the General Schedule for State Agency Records issued by the North Carolina Department of Cultural Resources. Consistent with that

Schedule, records with short-term value shall be disposed of when their reference value ends.

- E. To the extent not specifically addressed in these policies, the Commission will follow the policies and procedures of the N.C. Department of the State Treasurer.

V. Staff

- A. The Commission shall hire an executive director and whatever staff person(s) the executive director shall justify to the Commission.
- B. Commission staff shall be state employees that receive the customary State benefits and N.C. General Statute, Chapter 126 Article 1 (126-5 (c1)(19) designates Commission staff as state employees exempt from all sections of the State Personnel Act except as the provisions of Section 6 (discrimination) and Section 7 (privacy) of this same chapter.
- C. The salary and the budget category for Commission employees other than the executive director shall be approved by the Commission chair and the Operations and Administration Committee chair. Salaries shall fall within the ranges approved for each position by the Commission, and will be charged to a programmatic budget only in cases where the position is exclusively assigned:
1. to function within a contracted organization providing technical assistance services in support of a particular initiative, or
 2. to support a particular initiative from within the Commission staff organization and the position is designated as *time-limited* by the Office of State Personnel.

Salaries of all other employees shall be charged to the operating and administrative budget.

- D. The Commission may from time to time use personal services contracts to hire temporary staff members as well as subject-matter experts required for designing programs, developing requests for grant proposals and evaluating grant applications.
- E. Leave Policies
1. Vacation Leave. The vacation leave policy is found in Section (5) of the State Personnel Manual. Leave may be accumulated without any applicable maximum until December 31st of each year. Any accumulated leave in excess of 240 hours (30 days) is transferred to the employee's sick leave.

2. Other Types of Leave. State policy authorizes several types of leave listed below. Commission policy does not differ from State policy on the following categories of leave, as found in Section (5) of the State Personnel Manual.
 - a. Sick Leave
 - b. Leave without Pay
 - c. Military Leave
 - d. Civil Leave
 - e. Family Medical Leave
 - f. Child Involvement Leave
 - g. Voluntary Shared Leave
 - h. Compensatory Leave
 3. Scheduling Leave. While formal leave request forms are not required, each staff member must clear requests for leave with the executive director in order that work schedules will not be unduly disrupted. The executive director shall clear his or her leave with the Commission chair or with the Operations and Administration Committee chair. Prior to taking leave, the employee should leave a telephone number with the executive director or the Commission chair so that he or she can be reached in an emergency.
 4. Leave Records. At the end of each month, each permanent State employee will complete a Monthly Leave Memo (form attached) reflecting the hours worked and the hours taken for sick and vacation leave, as well as compensatory time earned and taken. The employee shall sign the memo and give it to the executive director who shall verify the accuracy of the report, sign it where indicated and submit a copy to the human resources director of the Department of the State Treasurer no later than the 5th of the subsequent month. The human resources director for the Department of the State Treasurer or his or her designee shall sign the leave memo of the executive director, with consultation of the Commission chair, if necessary. The Department of the State Treasurer shall maintain the leave records of the Commission staff.
- F. Travel
1. The Commission hereby adopts by reference that section of the State Budget Manual, which deals with travel policies and regulation.
 2. These policies shall apply to both Commission members and staff.

VI. Disbursement of Grant Monies

A. Grant Agreements

1. Grant agreements shall be for one year, but if consistent with the Commission vote that awarded the grant, grant agreements may be renewed for a subsequent year provided the grantee has complied with all material terms of the grant agreement, including performing the scope of work detailed in the grant agreement.
2. The Commission chair shall sign all grant agreements.

B. Indirect Costs in Grants

1. Indirect costs are costs that are not directly necessary to perform the work required under a grant project.
2. If a grantee can clearly justify its need for indirect costs, the Commission may allow those costs in the grant agreement; however, the Commission's ceiling on payment of indirect costs in any grant agreement shall be ten percent (10%) of the total grant award.
3. Justification by grantees for payment of indirect costs shall be reviewed on a case-by-case basis and approved specifically by Commission vote as part of the grant award.

C. Second Party Expenditures

1. Travel and Subsistence Rates. Grantees may include line items for travel and subsistence in their proposed budgets. All such expenses must be reimbursed under the prevailing State rates and policies for State employees. State travel and subsistence rates are listed in Appendix A to this document and shall be periodically updated by Commission staff to remain current. This policy may be waived or modified only by vote of the Commission.
2. Payments for Consulting, Training or Personal Services Contracts. Fees paid for consulting, training or other personal services by either the Commission's grant recipients or by State or local governmental agencies performing work for the Commission must conform to the applicable State or agency fee guidelines in paying for those services. Professional fees not included in State or agency guidelines shall be established by the Commission. Such fees are listed in

Appendix A to this document and shall be periodically updated by Commission staff to remain current. This policy may be waived or modified only by vote of the Commission.

D. Mid-term Suspension of Grant Payments, Leading to Possible Termination

1. If the Commission staff determines from progress reports required of a grantee and/or from ongoing evaluations provided by the Commission's technical assistance contractor, that a grantee has failed to implement the terms of the grant agreement, the Commission staff must first notify the grantee that continued funding is jeopardized absent immediate effective remedial measures, and also must concurrently engage the Commission's technical assistance contractor to assist the grantee with such remedial measures.
2. Following a reasonable trial period, if Commission staff concludes that remedial measures have proved ineffective, the staff may suspend funding, and may further recommend to the Commission that the grant be terminated. Final termination of any grants must be approved by the Commission.

E. Accumulated Unspent Grant Funds

1. At no time may a grantee have on-hand an unspent balance that exceeds the initial payment authorized by the grant agreement between the grantee and the Commission. Commission staff may withhold or reduce monthly payments to a grantee until an on-hand unspent balance is reduced to the established limit or depleted.
2. At the end of each program year, the Commission staff shall review monthly expenditure reports to determine if a grantee has any unspent balance. In cases where a grantee has an unspent balance, the Commission staff shall review that grantee's progress reports and work with the grantee to determine which of the following options is warranted and implement it:
 - a. Grant Expansion. If the grantee is deemed to be performing satisfactorily, and can demonstrate that grant performance will be further enhanced by using the unspent balance to expand authorized funding categories, staff may allow the grantee to carry forward the unspent balance into subsequent grant agreement terms, and amend the approved budget for

subsequent grant agreement terms to permit the unspent balance to be used, going forward, in those authorized categories.

- b. Grant Extension. If the grantee is deemed to be performing satisfactorily, the grantee may elect to expend the unspent balance through an extension of the grant term, and the staff may so authorize. In such a case, current and subsequent grant agreements must be amended to extend the term of the grant.

APPENDIX A

Travel Rates

Travel reimbursement and policies must be consistent with Section 5 of the State Budget Manual. The business standard mileage rate set by the IRS (\$0.405 per mile effective January 1, 2005) will be paid. If a state employee chooses to use a personal vehicle when a state-owned vehicle is available, all departments and agencies will reimburse the employee at the motor fleet rate for mileage (\$0.25 per mile effective July 1, 2005).

Subsistence Rates

Subsistence reimbursement and policies must be consistent with Section 5 of the State Budget Manual. The maximum allowable daily rate for meals and lodging is \$91.75 for in-state travel and \$105.00 for out-of-state travel. The payment of sales tax, lodging tax, local tax, or service fees applied to the cost of lodging is allowed in addition to the lodging rate and is to be paid as a lodging expense. This total is broken down thusly: *(Updated 07/01/05)*

	<u>In-State</u>	<u>Out-of-State</u>
Breakfast	\$ 7.00	\$ 7.00
Lunch	\$ 9.25	\$ 9.25
Dinner	\$ 15.75	\$ 17.75
Lodging	<u>\$ 59.75</u> (actual, up to)	<u>\$ 71.00</u> (actual, up to)
Total	\$ 91.75	\$105.00

Fees for Consulting, Training or Other Services

Fees for consulting, training or other services must be consistent with State or agency policies. Payment for preparation time from Commission granted funds shall only be allowed with express permission of the Commission or the Commission staff.

Current fees for services include:

Pharmacists	maximum of \$75.00 per hour (No more than \$600 per day)
Physicians, dentists and psychiatrists	maximum of \$100.00 per hour (No more than \$800 per day)
Trainers, consultants other service providers	maximum of \$50.00 per hour (No more than \$400 per day)