

**NORTH CAROLINA ADMINISTRATIVE CODE**

**CHAPTER 10 - HEALTH AND WELLNESS TRUST FUND COMMISSION**

**SECTION .0100 - GENERAL PROVISIONS**

**20 NCAC 10 .0101 AUTHORIZATION**

*History Note: Authority G.S. 147-86.30; 147-86.33;  
Temporary Adoption Eff. June 15, 2002;  
Temporary Adoption Expired February 20, 2003.*

**20 NCAC 10 .0102 DEFINITIONS**

In addition to the definition of terms found in G.S. 147, the following definitions are in effect throughout this Chapter:

- (1) Advisory Committee. One or more committees appointed by the Commission consisting of experts to advise the Commission on drafting Requests for Proposals or reviewing grant applications.
- (2) Capacity building. Any resources that strengthen or enhance a community's ability to meet the health and wellness needs of its residents. More specifically, capacity building is a term referring to the collective traits that enable an organization to perform at an optimum level. Capacity building leads to organizational effectiveness and may include assistance to hire staffing to acquire technology, to train staff or Boards, and to learn new skills.
- (3) Corporation. An entity created under the laws of North Carolina or another State which is vested with the authority to transact business.
- (4) Master Settlement Agreement. The settlement agreement between certain tobacco manufacturers and the states, as incorporated in the consent decree entered in the action of State of North Carolina v Philip Morris, Incorporated, et al., 98 CVS 14377, in the General Court of Justice, Superior Court Division, Wake County, North Carolina.
- (5) Person. An individual human being.
- (6) Requests for proposals. Specific written requests for grant proposals solicited by the Commission to fund specific priorities or programs.
- (7) Tobacco products. Cigarettes, cigars, smokeless tobacco, pipe tobacco, roll your own tobacco or any other tobacco product sold at retail intended for human consumption.

*History Note: Authority G.S. 147-86.30; 147-86.33;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.*

**SECTION .0200 - GRANT PROGRAM**

**20 NCAC 10 .0201 PURPOSE**

The purpose of the Commission's Grant Program is to provide funding for projects as set out in G.S. 147-86.30.

*History Note: Authority G.S. 147-86.30;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.*

**20 NCAC 10 .0202 TYPES OF GRANTS**

The Commission shall have two types of grant programs:

- (1) General Grants. General grants are grants awarded to applicants seeking funding for programs to address a health need or wellness issue existing in North Carolina that the application highlights as needing attention. General grants may also address or be directed to an area of health and wellness which the Commission has identified as a funding priority. Undirected general grants shall follow an annual funding cycle beginning January 1<sup>st</sup> of any year through December 31<sup>st</sup> of that same year. Applications

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for any funding year are due on or before August 1<sup>st</sup> of the funding year. Directed general grants may be made at any time if they are part of a health and wellness initiative undertaken by the Commission.

- (2) Requests for Proposals (RFP) Grants. Requests for proposals grants are grants awarded in response to requests for proposals published by the Commission to address its funding priorities or to provide specific health and wellness programs identified by the Commission.

*History Note:* Authority G.S. 147-86.30; 147-86.33;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.

### **20 NCAC 10 .0203 ELIGIBILITY TO RECEIVE GRANTS**

The Commission may award grants of any kind to the organizations set out in G.S. 147-86.31.

*History Note:* Authority G.S. 147-86.31;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.

### **20 NCAC 10 .0204 APPLICATIONS FOR UNDIRECTED GENERAL GRANTS**

(a) General grant proposals shall be typed or printed in ink in 12 point type on 8 1/2' by 11' white or light colored paper and submitted with five one-sided copies to the Commission at 7090 Mail Service Center, Raleigh, North Carolina 27699-7090. Applicants may also provide an electronic copy in a format such as a formatted diskette or via e-mail using Microsoft Word. Completed general grant proposals postmarked later than August 1 of any funding year shall be considered in the subsequent funding year.

(b) To be eligible for consideration for funding, applicants shall complete the Health and Wellness Trust Fund General Grant Application Form which shall contain the following information:

- (1) Name, mailing address, telephone number, facsimile number, email and federal identification number for the applying organization and name of the key contact person at the applying organization;
- (2) If a non-profit organization, a description of the applying organization including history, current programs, activities, accomplishments, a mission statement, financial information, audit statements (if available), organizational goals, a list of members of the Board of Directors, a list of contributors to the organization with the amounts given for the current year, and evidence of tax-exempt status. If the application involves more than one organization, person or entity, it shall identify participating organizations, persons or entities and define their roles in completing the general grant; but there must be a lead organization identified which shall have fiscal responsibility for the grant and for the activities proposed;
- (3) A verified statement from the chair of the Board of Directors or the head of the applying entity stating that the grant application has the approval of the governing body;
- (4) A description of the proposed project, including the project's goals and measurable objectives, the manner in which the applicant intends to accomplish these goals and objectives, a statement of how these goals and objectives meet the statutory purposes of the Health and Wellness Trust Fund, and a brief description of the need for the project;
- (5) A statement of the projected annual budget of the proposed project, including any administrative costs as well as the budget of the applying organization or in case there is more than one organization, of the lead organization which reflects expected funding from any other sources which have been applied for or have been received. The projected annual budget must also include an allocation for conducting an outcomes analysis or evaluation of the project;
- (6) A list of sub-recipients under the grant and a specification of how the applicant's methodology for accounting for funds disbursed to sub-recipients will work. The applicant shall have a continuing duty to identify sub-recipients under the grant;
- (7) A description of how the project will be completed including time lines;

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- (8) A description of the geographic area and population the project will serve and an explanation of how these people will benefit from the project;
  - (9) A description of the bank accounts and internal accounting ledgers or books that will be set up and used and an assurance that all accounts, books and ledgers can be audited by the Commission or the State auditor;
  - (10) A list of expected outcomes from the project including what the applicant expects the project to accomplish and an explanation of how the project's results will be evaluated along with a definition of the long-term impact of the project;
  - (11) At least three references whom the Commission may contact;
  - (12) Any other information required by G.S. 147, Article 6C or required by these rules in order to make a decision on the grant proposal;
  - (13) An explanation of how the project will be sustained beyond the life of the grant;
  - (14) An explanation of how the program will build or enhance health care capacity in the community served; and
  - (15) A list and history of applicant's past projects funded by grants or awards as well as the names of all granting entities involved in those grants or awards.
- (c) As a condition of applying for or of receiving a grant, applicants or grantees must allow the Commission or the Commission staff to make site visits at the Commission's convenience and must also allow the State Auditor or an outside auditor hired by the Commission to have access to all books and records of the grant project.

*History Note:* Authority G.S. 147-86.33;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.

### **20 NCAC 10 .0205 APPLICATION FOR GRANTS ISSUED IN RESPONSE TO REQUESTS FOR PROPOSALS**

The Commission may specify programs based on its funding priorities which address specific health needs of the residents of North Carolina or programs intended to improve the health and wellness of the residents of North Carolina and grant money to eligible entities that can best perform the specified work. Specifications shall include the information required for general grants listed in 20 NCAC 10 .0204 and may be published in documents available on the Commission website. To be complete, responses to requests for proposals must address each and every specification contained in the request for proposals. Incomplete responses to requests for proposals shall be returned to the applicant with an explanation of what is missing. Requests for proposals shall be kept open for at least 30 days.

*History Note:* Authority G.S. 147-86.30, 147-86.33;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.

### **20 NCAC 10 .0206 OUT OF CYCLE AWARD OF UNDIRECTED GENERAL GRANTS**

- (a) The Commission may consider and award general grants out of cycle if any of the following conditions are met:
- (1) The requested program will respond to a serious and unforeseen threat to the public health, safety or welfare; or
  - (2) The requested program is required in response to a recent change in federal or State budgetary or health care related policy; or
  - (3) The requested program is in response to a disaster as that term is defined in G.S. 166A, Article 1; or
  - (4) The Commission determines that awarding a grant or grants out of cycle is in the public interest.
- (b) The maximum amount which can be awarded to an out of cycle grant is twenty-five thousand dollars (\$25,000).

*History Note:* Authority G.S. 147-86.33;  
Temporary Adoption Eff. June 15, 2002;

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*Eff. August 1, 2004.*

### **20 NCAC 10 .0207 REVIEW OF PROPOSALS**

- (a) The Executive Director of the Commission and his or her staff or designee shall screen all grant applications, whether general grant applications or applications in response to requests for proposals, to see if they are complete. The Executive Director shall notify applicants if the grant application is incomplete.
- (b) Applications that have been deemed complete shall be forwarded to one or more Grant Review Committees of the Commission. Grant Review Committee members shall include Commissioners. Grant Review Committees may hire consultants or appoint advisory committees to advise them in their review and evaluation of the grant proposals.
- (c) During the review and evaluation of proposals, the Grant Review Committees may request that the Commission staff or designee make site visits and report to the Grant Review Committee.
- (d) At the conclusion of their review and evaluation, Grant Review Committees shall make recommendations to the Commission.
- (e) The Commission shall receive the suggestions of the Grant Review Committees and shall evaluate proposals based on the beneficial impact of the request on the health and wellness of the people of North Carolina. In making this evaluation the Commission may consider who will benefit from the grant, how many will benefit from the grant, the cost of administering the grant, capacity building and sustainability of the grant application and whether the grant will benefit the health and wellness of the residents of the State in a measurable manner. Scoring and ranking of proposals may be determined by using any consistent rating methodology, including adjectival, numerical, or ordinal rankings.
- (f) No grant shall be awarded for a project that is unlawful.

*History Note: Authority G.S. 147-86.33;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.*

### **20 NCAC 10 .0208 AWARD OF GRANTS**

- (a) All applicants shall be notified in writing whether they have received a grant or not. All awards shall be made subject to the availability of funds to the Commission.
- (b) All grant awards shall be incorporated in a written grant agreement between the Commission and the grantee. The grant proposal, whether for a general grant or a request for proposals grant, shall be incorporated into the grant agreement and the goals, time lines and other grant objectives shall be performance standards for the grant agreement.
- (c) Funds shall be transmitted to grantees based on a schedule agreed upon in a grant agreement with the Commission.
- (d) The grant agreement may allow up to 50 percent of the total funding for the first program year to be paid upon signing of the contract if such payment is requested in the grant application for start up costs and initial administration.
- (e) Other payments to successful applicants shall be paid upon receipt of expenditure reports or invoices at mutually agreed upon periodic intervals in the grant agreement.
- (f) The Commission or the Commission staff may agree to amend time lines or payment schedules specified in the grant agreement when such changes do not undermine the purposes and goals of the grant.
- (g) The Commission may consider the applicant's past performance of grants and publicly funded projects when awarding grants. The Commission shall not award money to an applicant whose past performance of Commission grants and program has been unsatisfactory according to these Rules.
- (h) The granting agreement shall also outline the standard accounting practices which the applicant must follow in order to facilitate review by the Commission staff or the State Auditor, or an outside auditor hired by the Commission.
- (i) If the Commission determines that grant funds are not being used for the purpose for which they were awarded, the Commission may cease making payments under the grant schedule until the problem has been resolved. Grantees must pay back to the Commission any funds that the Commission determines have not been spent for the purpose for which they were awarded.

*History Note: Authority G.S. 147-86.33;  
Temporary Adoption Eff. June 15, 2002; Eff. August 1, 2004.*

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### **20 NCAC 10 .0209 REPORTING**

(a) Successful applicants for both general grants and requests for proposals grants shall submit written progress reports at six-month intervals or upon completion of the project, whichever is sooner. Written reports shall describe the status of the grant project, progress toward achieving grant objectives, occurrences which the grantee deems notable, any problems encountered which the grantee deems significant, and steps taken to overcome the problems. These reports are due no later than 30 days after completion of the six-month intervals or at other predetermined intervals specified in the grant agreement. Within 60 days of completion of the grant, the successful applicant must make a final written report to the Commission which final report shall include an evaluation of the success of the program.

(b) A representative of the Commission shall review the progress reports for completeness which shall include a showing of how the project is meeting its stated goals and performance standards. If the representative finds that the report is deficient in showing how the project is meeting its stated goals and performance standards, the grantee shall be notified of the deficiency and must provide a changed and corrected report within 30 working days. If a corrected or changed report is not received in the specified time the Commission may withhold future grant payments.

*History Note: Authority G.S. 147-86.33;  
Temporary Adoption Eff. June 15 2002;  
Eff. August 1, 2004.*

### **20 NCAC 10 .0210 POLICIES GOVERNING GRANTS**

(a) Successful applicants shall keep financial and other records of the grant for five years and shall comply with audit requests. If the Commission determines that the amount of the money awarded or the performance or alleged non-performance of the grantee compels it, the Commission shall require a compliance audit of the grant project.

(b) All applications, attachments to applications and written reports received by the Commission are public records unless determined otherwise by court order or other applicable law.

*History Note: Authority G.S. 147-86.33; 147-86.36;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.*

## **SECTION .0300 – GIFTS AND GRANTS**

### **20 NCAC 10 .0301 GIFTS MADE TO THE COMMISSION**

All proposed gifts shall be submitted to the Commission for a decision on whether to accept the gift. The Commission shall direct how all gifts will be used or spent. If the Commission determines that honoring a donor's request is consistent with the Commission's statutory duties and the public interest, the Commission may accept gifts and honor the request of the donor regarding the use of the gift for a specific funding priority; however, the Commission shall not accept a gift that requires the Commission to award a grant to a specific entity or person. Upon acceptance, the gift shall be deposited in the Commission's general fund at the Treasurer's Office.

*History Note: Authority G.S. 147-86.33;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.*

### **20 NCAC 10 .0302 GRANTS ACCEPTED BY THE COMMISSION**

The Commission may apply for grants if it determines that accepting a grant and performing work under the grant is consistent with its statutory duties. All money awarded to the Commission pursuant to a grant shall be deposited in the Commission's general fund at the Treasurer's Office.

*History Note: Authority G.S. 147-86.33;  
Temporary Adoption Eff. June 15, 2002;  
Eff. August 1, 2004.*