

OFFICIAL NOTICE AND AMENDED AGENDA

Notice is hereby given that the **North Central Community Services Program Board** will hold a meeting at the following date, time, and location shown below.

Thursday, November 30, 2023 at 3:00 pm

North Central Health Care, **Eagle Board Room, 2400 Marshall Street, Suite A,** Wausau WI 54403

Persons wishing to attend the meeting by phone may call into the telephone conference beginning five (5) minutes prior to the start time indicated above using the following number:

Meeting number: 1-408-418-9388 **Access Code:** 2485 784 0472 **Password:** 1234

Our Mission

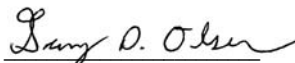
Langlade, Lincoln, and Marathon Counties partnering together to provide compassionate and high-quality care for individuals and families with mental health, recovery, and long-term care needs.

AMENDED AGENDA

1. CALL TO ORDER
2. CHAIRMAN’S ANNOUNCEMENTS
3. PUBLIC COMMENT FOR MATTERS APPEARING ON THE AGENDA (Limited to 15 Minutes)
4. CONSENT AGENDA AND MONITORING REPORTS
 - A. Board Minutes and Committee Reports
 - i. ACTION: *Motion to Approve the September 28, 2023, NCCSP Board Minutes*
 - ii. FOR INFORMATION: Minutes of the September 20 and October 30, 2023 Executive Committee Meetings and September 21, 2023 Nursing Home Operations Committee Meeting
5. BOARD DISCUSSION AND/OR ACTION
 - A. Educational Presentations
 - i. Program Updates
 - a. Outpatient Services – D. Dertz
 - ii. Construction Update Including Medically Monitored Treatment (MMT) and Adult Crisis Stabilization Facility (ACSF) – G. Olsen
 - iii. Wausau Adult Day Services (ADS), Supportive Apartments, and Community-based Residential Facilities (CBRF) Group Homes Program Updates – G. Olsen
 - iv. Update Regarding Transfer of Property to Marathon County – G. Olsen
 - v. New Director of Human Resources – G. Olsen
 - i. Financial Update – J. Hake
 - ii. ACTION: Approval of Purchasing & Procurement Policy – G. Olsen/J. Hake
6. BOARD CALENDAR AND FUTURE AGENDA ITEMS
 - A. Next Board Meeting: Thursday, January 25, 2024 at 3:00 p.m.
7. ADJOURN
8. TOUR OF FACILITY – No official action will be taken

Any person planning to attend this meeting who needs some type of special accommodation in order to participate should call the Administrative Office at 715-848-4405. For TDD telephone service call 715-845-4928.

NOTICE POSTED AT: North Central Health Care
COPY OF NOTICE DISTRIBUTED TO:
Wausau Daily Herald, Antigo Daily Journal, Tomahawk Leader,
Merrill Foto News, Langlade, Lincoln & Marathon County Clerks Offices


Presiding Officer or Designee

DATE: 11/27/2023 TIME: 4:30 PM BY: D. Osowski

NORTH CENTRAL COMMUNITY SERVICES PROGRAM

BOARD MEETING MINUTES

September 28, 2023

3:00 p.m.

North Central Health Care

Present: EXC Eric Anderson	X _(WebEx) Randy Balk	EXC Chad Billeb
X Angela Cummings	X Kurt Gibbs	X Liberty Heidmann
X Jeremy Hunt	X _(WebEx) Renee Krueger	X _(WebEx) Alyson Leahy
EXC Lance Leonhard	X _(WebEx) Bruce McDougal	EXC Dave Oberbeck
X Jessi Rumsey	EXC Robin Stowe	

Staff Present: Gary Olsen, Jason Hake

Others: Dejan Adzic, Deputy Corporation Counsel

Call to order

- Meeting was called to order by Chair Gibbs at 3:15 p.m.

Chairman's Announcements

- Thank you for the dedication and service to the Board, to North Central Health Care, and taking time to serve on this vital board.

Public Comment for Matters Appearing on the Agenda

- No public comment.

Consent Agenda

- **Motion**/second, Cummings/Rumsey, to approve the July 27, 2023 NCCSP Board minutes. Motion carried.

Executive Director Report – G. Olsen

- The Executive Director Report, included in the Board meeting packet, was reviewed. The site visit for Lakeside Recovery was completed September 26. We will now wait to receive the approval from the State.

Financial Update – J. Hake

- Through August net income was \$404,455, an increase of \$348,00 from the prior month, which was driven by one-time adjustments, i.e., receipt of a supplemental payment. We continue to break down costs of Behavioral Health Services to identify true costs of operating our hospitals. Nursing homes received an increase in the supplemental payment.
- K. Gibbs noted that a meeting with legislative leaders is scheduled for November 10 to discuss nursing home and mental health funding.

Discussion Regarding Responsibilities of the NCCSP Board – G. Olsen

- Based on the Tri-County Agreement amended in 2022, the duties and responsibilities of the Board have changed. A review of the Board Responsibilities was provided. (See document in meeting packet.)
- Regularly scheduled Board meetings will occur every other month with a review of a specific program at each meeting. A review of Outpatient Services is planned for the next meeting. In March the agenda will include discussing priorities for the next budget and making recommendations to the Executive Committee for final determination. The Board should bring forward ideas for programs and services for consideration as the Board is the voice of the community and helps identify possible gaps in services.

2024 Budget Presentation – G. Olsen/J. Hake

- J. Hake provided a review of the proposed 2024 Budget. Reach out to J. Hake or G. Olsen with any questions.
- K. Gibbs expressed thanks and appreciation to the staff for providing a very thorough and complex budget.
- **Motion**/second, Balk/Krueger, to authorize the Executive Director to forward the final approved budget to the Department of Health Services. Motion carried.

Board Calendar and Future Agenda Items

- Next Meeting of the Board: November 30, 2023 at 3:00 p.m.

Adjourn

- **Motion**/second, Rumsey/Cummings, to adjourn the meeting at 4:31 pm Motion carried.

NORTH CENTRAL COMMUNITY SERVICES PROGRAM EXECUTIVE COMMITTEE MEETING MINUTE

September 20, 2023

1:00 p.m.

North Central Health Care

Present: X Kurt Gibbs
EXC Lance Leonhard

X_(WebEx) Renee Krueger
X_(WebEx) Robin Stowe

Staff: Gary Olsen, Jason Hake

Others: Dejan Adzic, Marathon County Deputy Corporation Counsel, Jacque Krause

Call to Order

- Meeting was called to order by Chair Gibbs at 1:01 p.m.

Public Comments

- Jacque Krause, employee at Pine Crest Nursing Home provided comments regarding the sick leave balance that was transferred to NCHC on 1/1/2020 at the onset of the Management Agreement and keeping the balances secure through another transition.

Approval of Executive Committee Meeting Minutes

- **Motion**/second, Krueger/Stowe, to approve the August 31, 2023 Executive Committee meeting minutes. Motion carried.

Executive Director Update – G. Olsen

- G. Olsen provided an overview of his report noting that construction for us is coming to an end in the next few months. Outpatient Services will move mid-October. A site visit will occur for Adult Crisis Stabilization (ACSF) tomorrow and the State has finally scheduled a site visit next week for the Medically Monitored Treatment (MMT) program.

Financial Update

- J. Hake provided an overview of the August financial statements and the financial position of the organization through August. Several large adjustments occurred due to receiving \$599,000 in additional supplemental funds from last year's supplemental payment. Without the adjustments we would have had a \$15,000 loss.
- Pharmacy expenses in the hospital have lived within the pharmacy budget and we are working to apply these to hospital expenses.
- Health insurance claims are down from prior years.

Sick Leave Benefits for Employees of Pine Crest Nursing Home and Lincoln Industries Policy – G. Olsen

- Retaining sick leave is the number one concern of employees of Pine Crest. We have been working with Corporation Counsel on what options are available. The option of a sick payout into a 115 Health Trust Plan administered by Precision Retirement was presented and discussed.
- **Motion**/second, Krueger/Stowe, to postpone action on the Sick Leave Policy until the next Executive Committee meeting where additional information will be presented including how money was transferred, financial impact, etc. Motion carried.

Medical Staff

- Medical Executive Staff requests the Executive Committee approve the following recommendations contingent on approval at their meeting on 9/21/23:
- **Motion**/second, Krueger/Stowe, to approve the recommendations of the Medical Staff for Initial Appointment for David McMahon, DO, Reappointments for Bennett Harris, D.O. and Susan Tran, M.D., and privilege amendment for Susan Brust, APNP, and Heidi Heise, APNP. Motion carried.

Next Meeting

- Wednesday, October 18th, 2023 at North Central Health Care.

Adjourn

- **Motion**/second, Stowe/Krueger, to adjourn at 1:55 p.m. Motion carried.

NORTH CENTRAL COMMUNITY SERVICES PROGRAM EXECUTIVE COMMITTEE MEETING MINUTE

October 30, 2023

8:30 a.m.

NCHC Eagle Board Room

Present: X Kurt Gibbs X Renee Krueger
X Lance Leonhard X Robin Stowe

Staff: Gary Olsen, Jason Hake

Others: Dejan Adzic, Marathon County Deputy Corporation Counsel, Kevin Stevenson (WebEx),
Carrie Sarazin (WebEx)

Call to Order

- Meeting was called to order by Chair Gibbs at 8:30 a.m.

Public Comments

- None

Approval of Executive Committee Meeting Minutes

- **Motion**/second, Stowe/Krueger, to approve the September 20, 2023 Executive Committee meeting minutes. Motion carried.

Discussion of Lease Agreement between Marathon County and NCHC for Certain Properties Utilized for CBRF Operations – G. Olsen

- After researching the properties located on Heather Street and Chadwick Street, we learned that in the 1990's Marathon County purchased these two properties and deeded them to North Central Health Care (NCHC) and NCHC paid the county back for the properties. Upon approval of a revised Tri-County Agreement in 1997, NCHC could no longer own properties and a lease was to be done to transfer the properties back to the County. However, we have not been able to locate the lease, therefore, a lease was completed now and signed by the County and NCHC.

Construction Update – G. Olsen

- Outpatient and Community Treatment have moved into the new space which were the last areas to move. Construction on the 2nd floor for Northern Reflections, is expected to be completed by end of November. The back parking lot is being paved today with anticipated completion this week.

Lakeside Medically Monitored Treatment (MMT) Update – G. Olsen

- The State approved the license for MMT which was needed before we could apply for Medicaid billing. The State informed us there is a 60-day time period to approve our

request. J. Hake noted that we are exploring the possibility of a soft opening since we have staff already on the payroll.

Financial Update

- J. Hake provided an overview indicating YTD net income for NCHC programs is \$418,000 which is almost \$14,000 better than the prior month. This is due in large part to improved census over the last three months. Both nursing homes did well due to improved census. Mount View has a YTD income of about \$1.6 million and Pine Crest is just above break-even at \$32,000.
- Health insurance has a net income of \$621,000 which saw a slight decrease of \$52,000; YTD it is doing well.

Sick Leave Benefits for Employees of Pine Crest Nursing Home and Lincoln Industries Policy – G. Olsen

- NCHC continues to work with Lincoln County and asked that this agenda item be postponed.
- **Motion**/second, Krueger/Stowe, to postpone action on this agenda item until December. Motion carried.

Discussion and Possible Action of Management Agreement, Transfer Agreement, and Assignment of Leases to a 501(C)(3) Non-Profit Organization Operating in the Wausau Area

- G. Olsen informed the committee that the decision was made to transfer the operations of the Wausau Adult Day Services (ADS), Supported Apartments, and the CBRF's, to Opportunity Inc. The Management Agreement will allow Opportunity Inc to manage these programs until they receive the licenses from the State. Seven days after licenses are received, we will transfer the programs to them and then work on transferring the leases.
- **Motion**/second, Leonhard/Stowe, to support the execution of these documents as set forth in the packet relative to these programs and transferring to Opportunity Inc. Motion carried.

Discussion and Possible Action of Transfer of certain properties located in Wausau, Wisconsin, from North Central Health Care to Marathon County

- Per the Tri-County Agreement NCHC is not to own property. Currently NCHC owns two properties (811 N. 3rd Avenue, Wausau and 529 McClellan Street, Wausau). NCHC is under contract with a realtor to sell the McClellan property. With the transfer of the Wausau ADS program, NCHC no longer has use for the N 3rd Avenue property. Upon transfer of these properties to Marathon County, NCHC requests that money from the sale of these properties would go against NCHC's debt payment.
- **Motion**/second, Leonhard/Krueger, to approve the transfer of the stated properties to Marathon County with the understanding that any proceeds from their ultimate sale be considered as credit against NCHC debt obligations with the condition with termination of the real estate agreement. Motion carried.

Next Meeting

- The next meeting of the Executive Committee will be moved to 2:00 p.m. on Thursday, November 30, 2023.

Adjourn

- **Motion**/second, Stowe/Krueger, to adjourn at 8:59 a.m. Motion carried.

Minutes prepared by Debbie Osowski, Senior Executive Assistant

DRAFT

NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD NURSING HOME OPERATIONS COMMITTEE

September 21, 2023

10:00 AM

NCHC Wausau Board Room

Present: X Kurt Gibbs X Bill Bialecki ABS Greg Hartwig
X Chris Holman X(WebEx) Renee Krueger

Staff: Gary Olsen, Jason Hake, Kristin Woller, Connie Gliniecki, Ryan Hanson (WebEx)

Call to Order

- Meeting called to order by Chair Gibbs at 10:07 a.m.

Public Comment for Matters Appearing on the Agenda

- No public comment.

Approval of July 26, 2023 Nursing Home Operations Committee Minutes

- **Motion**/second, Bialecki/Holman, to approve the July 26, 2023 Nursing Home Operations Committee meeting minutes. Motion carried.

Executive Director Report – G. Olsen

- Final department moves into the newly renovated building are planned to occur October 18-20. Nursing home construction should also be completed by end of October.
- Lincoln County Board has made it evident they wish to sell Pine Crest Nursing Home. G. Olsen continues to meet regularly with employees and residents to provide updates. The main concerns expressed by residents is a fear they will not have a place to live and employees are concerned about the status of their sick leave banks.

Financial Report – J. Hake

- Net income for Mount View for August was \$1.4 million. Patient contractual adjustment has a positive number due to an increase in Medicaid rates of over 20% effective 7/1. Other revenue included an additional supplement of \$468,000. In total we saw an increase of \$350,000 for August.
- Pine Crest saw a positive reflection in contractual services related to the Medicaid rate increase. Other revenue increased due to the supplemental payment and increased accrual showing a total adjustment of \$240,000. Contracted services shows expenses over \$80,000 for contracted labor costs. Recruitment has been tough at Pine Crest with a potential sale in the future. Net income of \$288,000 with a year-to-date loss of \$42,000.

Mount View Care Center Report – K. Woller

- The report provided in the meeting packet was reviewed. The number of referrals from Aspirus has declined significantly. We understand there has been a large turnover of case managers and referral coordinators at Aspirus which may have contributed to the decline. Currently we receive just 1-2 referrals per day versus 10-12 referrals per day previously. We meet regularly with staff at Aspirus providing an explanation of services and availability.
- Mount View is a 5-Star nursing home. A celebration for employees is being planned to let them know how amazing they are and for the great job they do!

Pine Crest Nursing Home Report – R. Hanson

- The report provided in the meeting packet was reviewed. Pine Crest is waiting on the installation of a door in order to expand memory care capabilities. Continue to struggle with applicant flow and are looking at fresh avenues to improve recruitment flow. Working with hospitals to reduce the use of psychotropic medications with new admits. Have had an increase in short stay admissions.

Adjourn

- **Motion**/second, Bialecki/Holman, to adjourn the meeting at 10:31 a.m. Motion carried.

Minutes prepared by Debbie Osowski, Senior Executive Assistant

To: NCCSP Board
From: Gary D. Olsen, MPA, Executive Director
Date: November 27, 2023
RE: Information for the November 30, 2023 Board Meeting

INFORMATION FOR THE MEETING:

Program Updates:

DeAnna Dertz, the Director of Outpatient, will be at the meeting to provide an update regarding the outpatient services provided at NCHC.

Construction Update Including Medically Monitored Treatment (MMT) and Adult Crisis Stabilization Facility (ACFS):

All office spaces are officially completed, and the staff have moved into their new spaces. All the construction projects for NCHC are completed. The clients moved into the new ACFS space on November 9th. MMT held their open house and we are currently waiting for the ability to bill Medicaid, then we can open the facility. The landscaping will happen next year.

Wausau Adult Day Services (ADS), Supportive Apartments, and Community-based Residential Facilities (CBRF) Group Homes Program Updates:

On November 1, 2023, we partnered with Opportunity Inc. to transfer the ADS, Supportive Apartments, and CBRFs programs to Opportunity Inc. for them to continue the programs. I will explain this transfer of services to the Board at the meeting.

Update Regarding Transfer of Property to Marathon County:

Per the Tri-County Agreement, NCHC cannot own property. Because of this, the Executive Committee voted to transfer the two properties owned by NCHC to Marathon County. Those properties are the Wausau ADS building located at 811 N. 3rd Avenue, and a vacant piece of property located at 529 McCellan Street. When Marathon County sells these properties, then the proceeds will go towards the debt payment.

New Director of Human Resources:

Shelva Colvin has started as the new Director of Human Resources. Shelva has a comprehensive background in Human Resources Management and a track record of cultivating positive workplace environments, Shelva is set to lead our HR Team into a new era of growth and development. Shelva holds a B.S. in Accounting from Hampton University and earned her MBA in Human Resources from Morgan State University. She is a SHRM-Certified Professional and her expertise in managing employee relations and developing company-wide policies and procedures will be invaluable as we continue to strengthen our workforce in our three counties of service.

We are excited to have Shelva join our NCHC team!

Financial Update:

Managing Director of Finance/Administration, Jason Hake, will provide a financial report for the Board.

North Central Health Care
Programs by Service Line
For the Period Ending October 31, 2023

	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
BEHAVIORAL HEALTH SERVICES								
Adult Behavioral Health Hospital	5,468,688	3,858,890	1,609,799	5,035,715	4,568,227	(467,489)	432,973	1,142,310
Adult Crisis Stabilization Facility	1,400,471	1,310,422	90,048	1,085,805	1,214,740	128,935	314,665	218,984
Lakeside Recovery MMT	92,660	893,106	(800,446)	370,191	763,776	393,585	(277,531)	(406,861)
Youth Behavioral Health Hospital	1,945,540	1,079,974	865,566	2,297,147	2,263,382	(33,766)	(351,607)	831,800
Youth Crisis Stabilization Facility	884,381	862,492	21,888	672,605	805,279	132,674	211,776	154,562
Contracted Services (Out of County Placements)	-	-	-	1,503,458	487,500	(1,015,958)	(1,503,458)	(1,015,958)
Crisis Services	1,974,463	1,842,361	132,102	2,230,812	2,176,679	(54,133)	(256,348)	77,970
Psychiatry Residency	242,057	661,710	(419,653)	225,447	776,182	550,735	16,610	131,082
	<u>12,008,260</u>	<u>10,508,956</u>	<u>1,499,304</u>	<u>13,421,181</u>	<u>13,055,765</u>	<u>(365,416)</u>	<u>(1,412,920)</u>	<u>1,133,888</u>
COMMUNITY SERVICES								
Outpatient Services (Marathon)	4,016,094	3,329,880	686,214	4,227,221	4,360,824	133,603	(211,127)	819,816
Outpatient Services (Lincoln)	944,587	718,303	226,284	644,781	591,115	(53,667)	299,806	172,618
Outpatient Services (Langlade)	729,845	592,955	136,890	548,536	604,289	55,753	181,309	192,643
Community Treatment Adult (Marathon)	4,199,313	3,584,416	614,897	4,429,170	3,948,547	(480,623)	(229,857)	134,274
Community Treatment Adult (Lincoln)	651,944	605,118	46,827	611,942	668,072	56,130	40,002	102,956
Community Treatment Adult (Langlade)	218,731	245,318	(26,588)	429,390	460,110	30,720	(210,659)	4,132
Community Treatment Youth (Marathon)	5,332,043	3,519,477	1,812,566	5,040,443	3,362,417	(1,678,027)	291,599	134,539
Community Treatment Youth (Lincoln)	1,446,216	1,250,755	195,461	1,409,900	1,169,458	(240,442)	36,316	(44,980)
Community Treatment Youth (Langlade)	982,346	1,069,298	(86,952)	973,585	872,949	(100,635)	8,761	(187,587)
Jail Meals (Marathon)	680,825	-	680,825	465,814	-	(465,814)	215,012	215,012
	<u>19,201,945</u>	<u>14,915,520</u>	<u>4,286,425</u>	<u>18,780,783</u>	<u>16,037,781</u>	<u>(2,743,002)</u>	<u>421,162</u>	<u>1,543,423</u>
COMMUNITY LIVING								
Adult Day Services (Marathon)	709,267	799,432	(90,165)	673,625	810,593	136,968	35,642	46,803
Day Services (Langlade)	315,232	291,757	23,475	257,819	208,142	(49,677)	57,413	(26,202)
Supportive Employment Program	210,973	121,229	89,744	243,266	192,202	(51,064)	(32,293)	38,680
Andrea St Group Home	526,399	-	526,399	534,145	-	(534,145)	(7,746)	(7,746)
Chadwick Group Home	581,420	399,784	181,636	633,462	424,492	(208,970)	(52,043)	(27,335)
Bissell Street Group Home	180,307	-	180,307	325,662	-	(325,662)	(145,356)	(145,356)
Heather Street Group Home	263,186	349,609	(86,424)	222,360	412,107	189,747	40,826	103,324
Marshall Street Residential	-	812,539	(812,539)	-	818,537	818,537	-	5,999
Jelinek Apartments	802,573	627,219	175,355	774,846	538,592	(236,254)	27,728	(60,899)
River View Apartments	470,025	531,255	(61,230)	625,384	497,051	(128,333)	(155,359)	(189,563)
Riverview Terrace	204,099	-	204,099	196,578	-	(196,578)	7,520	7,520
Hope House (Sober Living Marathon)	22,420	15,280	7,140	67,841	40,504	(27,336)	(45,421)	(20,196)
Sober Living (Langlade)	41,364	45,314	(3,950)	56,392	45,965	(10,427)	(15,028)	(14,377)
	<u>4,327,265</u>	<u>3,993,418</u>	<u>333,847</u>	<u>4,611,381</u>	<u>3,988,186</u>	<u>(623,195)</u>	<u>(284,116)</u>	<u>(289,347)</u>
NURSING HOMES								
Mount View Care Center	17,764,624	17,912,830	(148,207)	15,794,587	15,141,110	(653,477)	1,970,037	(801,684)
Pine Crest Nursing Home	11,090,277	10,139,110	951,167	10,666,049	9,292,582	(1,373,467)	424,228	(422,300)
	<u>28,854,901</u>	<u>28,051,940</u>	<u>802,960</u>	<u>26,460,635</u>	<u>24,433,691</u>	<u>(2,026,944)</u>	<u>2,394,265</u>	<u>(1,223,984)</u>
Pharmacy	6,666,866	5,951,829	715,037	6,742,676	5,989,900	(752,776)	(75,810)	(37,739)
OTHER PROGRAMS								
Aquatic Services	946,961	935,518	11,442	896,818	842,457	(54,361)	50,142	(42,919)
Birth To Three	532,326	-	532,326	532,326	-	(532,326)	-	-
Adult Protective Services	646,606	649,712	(3,106)	625,502	626,585	1,082	21,104	(2,023)
Demand Transportation	355,086	336,411	18,675	397,986	368,941	(29,045)	(42,900)	(10,370)
	<u>2,480,979</u>	<u>1,921,642</u>	<u>559,337</u>	<u>2,452,633</u>	<u>1,837,983</u>	<u>(614,650)</u>	<u>28,346</u>	<u>(55,313)</u>
Total NCHC Service Programs	<u>73,540,215</u>	<u>65,343,304</u>	<u>8,196,911</u>	<u>72,469,288</u>	<u>65,343,305</u>	<u>(7,125,983)</u>	<u>1,070,927</u>	<u>1,070,928</u>
SELF-FUNDED INSURANCE TRUST FUNDS								
Health Insurance Trust Fund	7,261,023	-	7,261,023	6,502,484	-	(6,502,484)	758,539	758,539
Dental Insurance Trust Fund	418,447	-	418,447	345,071	-	(345,071)	73,375	73,375
Total NCHC Self-Funded Insurance Trusts	<u>7,679,470</u>	<u>-</u>	<u>7,679,470</u>	<u>6,847,555</u>	<u>-</u>	<u>(6,847,555)</u>	<u>831,914</u>	<u>831,914</u>

North Central Health Care
Fund Balance Review
For the Period Ending October 31, 2023

	<u>Marathon</u>	<u>Langlade</u>	<u>Lincoln</u>	<u>Total</u>
YTD Appropriation (Tax Levy) Revenue	3,984,338	191,822	867,378	5,043,537
Total Revenue at Period End	52,196,739	4,190,909	17,152,568	73,540,216
County Percent of Total Net Position	71.0%	5.7%	23.3%	
Total Operating Expenses, Year-to-Date *	51,451,389	4,470,698	16,547,201	72,469,288
<i>* Excluding Depreciation Expenses to be allocated at the end of the year</i>				
Share of Operating Cash	10,031,744	805,455	3,296,570	14,133,769
Days Cash on Hand	59	55	61	59
Minimum Target - 20%	12,348,333	1,072,968	3,971,328	17,392,629
Over/(Under) Target	(2,316,589)	(267,512)	(674,759)	(3,258,860)
Share of Investments	-	-	-	-
Days Invested Cash	0	0	0	0
Days Invested Cash on Hand Target - 90 Days	15,223,973	1,322,837	4,896,158	21,442,968
Current Percentage of Operating Cash	19.5%	18.0%	19.9%	19.5%
Over/(Under) Target	(2,316,589)	(267,512)	(674,759)	(3,258,860)
Share of Investments	-	-	-	-
Amount Needed to Fulfill Fund Balance Policy	<u>(2,316,589)</u>	<u>(267,512)</u>	<u>(674,759)</u>	<u>(3,258,860)</u>

North Central Health Care
Review of Services in Marathon County
For the Period Ending October 31, 2023


	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
Direct Services								
Outpatient Services	4,016,094	3,329,880	686,214	4,227,221	4,360,824	133,603	(211,127)	819,816
Community Treatment-Adult	4,199,313	3,584,416	614,897	4,429,170	3,948,547	(480,623)	(229,857)	134,274
Community Treatment-Youth	5,332,043	3,519,477	1,812,566	5,040,443	3,362,417	(1,678,027)	291,599	134,539
Residential	2,823,910	2,720,405	103,504	3,115,859	2,690,779	(425,080)	(291,950)	(321,576)
Hope House Sober Living	22,420	15,280	7,140	67,841	40,504	(27,336)	(45,421)	(20,196)
Riverview Terrace	204,099	-	204,099	196,578	-	(196,578)	7,520	7,520
Demand Transportation	355,086	336,411	18,675	397,986	368,941	(29,045)	(42,900)	(10,370)
Jail Meals	680,825	-	680,825	465,814	-	(465,814)	215,012	215,012
Adult Day Services	709,267	799,432	(90,165)	673,625	810,593	136,968	35,642	46,803
Aquatic Services	946,961	935,518	11,442	896,818	842,457	(54,361)	50,142	(42,919)
Birth To Three	532,326	-	532,326	532,326	-	(532,326)	-	-
Mount View Care Center	17,764,624	17,912,830	(148,207)	15,794,587	15,141,110	(653,477)	1,970,037	(801,684)
	<u>37,586,967</u>	<u>33,153,651</u>	<u>4,433,317</u>	<u>35,838,269</u>	<u>31,566,172</u>	<u>(4,272,097)</u>	<u>1,748,698</u>	<u>161,220</u>
Shared Services								
Adult Behavioral Health Hospital	4,088,183	2,893,184	1,195,000	3,738,156	3,391,126	(347,030)	350,027	847,969
Youth Behavioral Health Hospital	1,444,133	801,599	642,534	1,705,238	1,680,173	(25,065)	(261,105)	617,469
Residency Program	179,686	491,206	(311,520)	167,356	576,182	408,826	12,330	97,306
Supportive Employment Program	156,611	89,992	66,619	180,583	142,677	(37,906)	(23,972)	28,713
Crisis Services	1,548,310	1,450,247	98,063	1,655,995	1,615,811	(40,184)	(107,686)	57,879
Adult Crisis Stabilization Facility	1,039,610	972,764	66,846	806,024	901,737	95,712	233,585	162,558
Youth Crisis Stabilization Facility	656,501	640,253	16,248	499,294	597,781	98,488	157,207	114,736
Pharmacy	4,949,006	4,418,213	530,793	5,005,281	4,446,474	(558,807)	(56,276)	(28,015)
Lakeside Recovery MMT	68,784	662,978	(594,194)	274,804	566,973	292,169	(206,019)	(302,025)
Adult Protective Services	478,948	481,254	(2,306)	464,328	465,132	803	14,620	(1,502)
Contracted Services (Out of County Placements)	-	-	-	1,116,060	361,885	(754,174)	(1,116,060)	(754,174)
	<u>14,609,772</u>	<u>12,901,689</u>	<u>1,708,083</u>	<u>15,613,120</u>	<u>14,745,951</u>	<u>(867,169)</u>	<u>(1,003,348)</u>	<u>840,914</u>
Excess Revenue/(Expense)	52,196,739	46,055,340	6,141,399	51,451,389	46,312,123	(5,139,266)	745,350	1,002,133

North Central Health Care
Review of Services in Lincoln County
For the Period Ending October 31, 2023

	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
Direct Services								
Outpatient Services	944,587	718,303	226,284	644,781	591,115	(53,667)	299,806	172,618
Community Treatment-Adult	651,944	605,118	46,827	611,942	668,072	56,130	40,002	102,956
Community Treatment-Youth	1,446,216	1,250,755	195,461	1,409,900	1,169,458	(240,442)	36,316	(44,980)
Pine Crest Nursing Home	11,090,277	10,139,110	951,167	10,666,049	9,292,582	(1,373,467)	424,228	(422,300)
	<u>14,133,025</u>	<u>12,713,286</u>	<u>1,419,739</u>	<u>13,332,672</u>	<u>11,721,226</u>	<u>(1,611,446)</u>	<u>800,353</u>	<u>(191,707)</u>
Shared Services								
Adult Behavioral Health Hospital	875,890	629,856	246,034	769,635	698,187	(71,449)	106,255	174,585
Youth Behavioral Health Hospital	297,229	164,940	132,289	351,085	345,925	(5,161)	(53,856)	127,128
Residency Program	36,995	101,133	(64,138)	34,456	118,628	84,172	2,539	20,034
Supportive Employment Program	32,244	18,528	13,716	37,180	29,375	(7,804)	(4,936)	5,912
Crisis Services	297,334	277,145	20,190	340,947	332,674	(8,273)	(43,612)	11,917
Adult Crisis Stabilization Facility	214,041	200,279	13,763	165,949	185,655	19,706	48,092	33,468
Youth Crisis Stabilization Facility	135,165	131,819	3,345	102,798	123,075	20,277	32,367	23,623
Pharmacy	1,018,933	909,650	109,283	1,030,519	915,469	(115,051)	(11,586)	(5,768)
Lakeside Recovery MMT	14,162	136,498	(122,336)	56,578	116,732	60,154	(42,417)	(62,183)
Adult Protective Services	97,550	98,025	(475)	95,599	95,764	165	1,951	(309)
Contracted Services (Out of County Placements)	-	-	-	229,782	74,507	(155,274)	(229,782)	(155,274)
	<u>3,019,544</u>	<u>2,667,873</u>	<u>351,671</u>	<u>3,214,529</u>	<u>3,035,991</u>	<u>(178,538)</u>	<u>(194,986)</u>	<u>173,133</u>
Excess Revenue/(Expense)	17,152,568	15,381,158	1,771,410	16,547,201	14,757,217	(1,789,984)	605,367	(18,574)

North Central Health Care
Review of Services in Langlade County
For the Period Ending October 31, 2023

	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
Direct Services								
Outpatient Services	729,845	592,955	136,890	548,536	604,289	55,753	181,309	192,643
Community Treatment-Adult	218,731	245,318	(26,588)	429,390	460,110	30,720	(210,659)	4,132
Community Treatment-Youth	982,346	1,069,298	(86,952)	973,585	872,949	(100,635)	8,761	(187,587)
Sober Living	41,364	45,314	(3,950)	56,392	45,965	(10,427)	(15,028)	(14,377)
Adult Day Services	315,232	291,757	23,475	257,819	208,142	(49,677)	57,413	(26,202)
	<u>2,287,518</u>	<u>2,244,642</u>	<u>42,876</u>	<u>2,265,722</u>	<u>2,191,455</u>	<u>(74,267)</u>	<u>21,796</u>	<u>(31,391)</u>
Shared Services								
Adult Behavioral Health Hospital	504,615	335,850	168,765	527,924	478,915	(49,010)	(23,309)	119,755
Youth Behavioral Health Hospital	204,178	113,435	90,742	240,824	237,284	(3,540)	(36,646)	87,203
Residency Program	25,376	69,371	(43,995)	23,635	81,372	57,737	1,741	13,742
Supportive Employment Program	22,118	12,709	9,408	25,503	20,150	(5,353)	(3,385)	4,055
Crisis Services	128,819	114,970	13,849	233,869	228,194	(5,675)	(105,050)	8,174
Adult Crisis Stabilization Facility	146,820	137,379	9,440	113,831	127,349	13,517	32,988	22,957
Youth Crisis Stabilization Facility	92,715	90,420	2,295	70,513	84,422	13,909	22,202	16,204
Pharmacy	698,927	623,966	74,962	706,875	627,957	(78,918)	(7,948)	(3,956)
Lakeside Recovery MMT	9,714	93,630	(83,916)	38,809	80,071	41,262	(29,095)	(42,654)
Adult Protective Services	70,108	70,434	(326)	65,575	65,689	113	4,533	(212)
Contracted Services (Out of County Placements)	-	-	-	157,616	51,108	(106,509)	(157,616)	(106,509)
	<u>1,903,390</u>	<u>1,662,165</u>	<u>241,225</u>	<u>2,204,976</u>	<u>2,082,509</u>	<u>(122,467)</u>	<u>(301,586)</u>	<u>118,759</u>
Excess Revenue/(Expense)	4,190,909	3,906,807	284,102	4,470,698	4,273,964	(196,734)	(279,789)	87,368

Policy Title: Purchasing & Procurement	 <p data-bbox="899 180 1463 226">North Central Health Care</p> <p data-bbox="984 233 1377 260">Person centered. Outcome focused.</p>
Policy #: 300-xxx	Program: Business Operations 300
Date Issued: 1/1/2024	Policy Contact: Managing Director of Finance and Administration

Related Forms & Manuals

Purchase Order Form (available in the Purchasing area)
Purchasing Procedure Manual

1. Purpose

The purpose of the policy is to maintain a consistent ordering procedure for all NCHC programs and to utilize buying groups providing beneficial pricing for NCHC and to ensure all purchases are approved by the correct individual within the program. NCHC’s goal is to achieve an effective and efficient procurement of goods and services that are consistent with quality and delivery needs at the lowest possible cost.

2. Policy

Fair and open competition is a core principle of public procurement and inspires public confidence that goods and services are procured equitably and economically. Documentation of the acts taken and effective monitoring mechanisms are important means of avoiding improprieties and establishing public confidence in the procurement process. It is the duty of all NCHC staff to maintain the public trust by adhering to NCHC standards of professional conduct and ethical behavior. All NCHC personnel are responsible for maintaining the integrity of the procurement process and will be held accountable for actions taken that do not conform to the established procurement process.

3. Application

This Policy applies to contracts for the procurement of supplies, services, and construction, entered into by NCHC and to every expenditure of public funds by NCHC for public purchasing irrespective of its source. It also applies to any sale or other disposition of public property by NCHC.

When the procurement involves the expenditure of federal or state assistance or contract funds, the procurement shall be conducted in accordance with any applicable mandatory federal or state law and regulation not reflected in this Policy. Nothing in this Policy shall prevent NCHC from complying with the terms and conditions of any grant, gift or bequest consistent with law.

4. Program Specific Procedures

4.1. Budget limitations are to be considered on all purchases. When making purchases, NCHC employees are required to act in the best interests of the organization. No staff member shall benefit in a personal manner as a result of any purchase made by NCHC.

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- 4.2. The purchasing function is responsible to ensure that purchases of materials and equipment are obtained at prices that are most beneficial to the organization.
- 4.3. Director of Accounting must be notified of all rebates, which are considered revenue to the institution. The Director of Accounting will be responsible for monitoring all rebates and vendor incentives. Every effort will be made to include discounts into the pricing. Rebates received after the fact will be recorded into purchasing and used to offset the cost of memberships in buying groups.
- 4.4. The purchase of supplies and equipment is authorized in advance of purchase as part of the budgetary process. Program Leaders may proceed (through the Purchasing function) with purchases of routine nature provided they are budgeted. Non-budgeted or emergency items will be presented to the Senior Leadership Team for consideration and approval.
- 4.5. Senior Leadership approvals are required for all capital expenditures that are included in the budget and emergency expenditures. Managing Director of Finance and Administration and/or Executive Director approval are required for unbudgeted capital purchases.
- 4.6. When the need to dispose of NCHC assets or equipment arises, the program shall contact Senior Leadership Team for instruction. Items may be redeployed, sold, donated for a public purpose if permissible under applicable law, or stored for future use. Asset identification information will be provided to the Director of Accounting for accounting purposes.

5. Developing Specifications

Specifications establish the design, type, quality, functional capability and performance level desired. Identify the need and the key factors to fulfill the need completely. Be specific, identify grade, type, or other industry standards that must be met. It is very difficult to disqualify a poor quality product if the specifications are vague or limited.

Specifications include, but are not limited to:

- Type of construction or materials.
“Product shall be stainless steel” is typically not specific enough in most cases.
“Product shall be 20 gauge 304 stainless steel” is a much better specification.
- Minimum level of performance required.
“High capacity fan” is typically not specific enough in most cases.
“Fan shall be 50 CFM (cubic feet per minute) minimum” is a much better specification.
- Physical characteristics, size, weight, color, shape, etc.
“Lightweight design” is typically not specific enough in most cases.
“Product weight shall not exceed 20 lbs.” is a much better specification.
- Delivery and installation requirements. Is NCHC responsible for unloading the product from the vendor’s truck? Does the product need to be unloaded by the vendor and set in a specific location? Is the vendor required to install the product?
- Quantity and packaging requirements. 1000 items loose in a box or 10 bundles of 100?
- Warranty requirements.
- Training requirements.
- This or equal quality. Identify a specific product (by manufacturer and part number) that meets all our needs and allow bidders to bid that product or an alternate product of

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equal quality.

- Scope of services. Include method of service delivery, onsite, online, phone, etc. Identify timeliness of service delivery, response time, lead time, time to complete project. Describe in detail what is required including outcomes desired.

6. Procurement Thresholds and Approval Levels

In determining the amount of the purchase, must take into consideration the entire amount paid during the term of the contract. If contract auto renews on ongoing basis, must factor in at least the projected cost over a five-year period.

Micro Purchases

- Purchases up to \$9,999.00
- No quotation or a cost/price analysis is necessary if price is determined to be fair and reasonable
- Cannot divide contract to lower cost below small purchase threshold to avoid competitive bidding requirements
- Purchases must be distributed equitably among qualified suppliers (to the extent practicable)
 - Ex. If two local businesses are selling identical writing utensils for \$.25 per piece, and all other factors being the same, NCHC should strive to purchase 50% of the necessary quantity from one business and 50% from the other in order to ensure equitable distribution.

Small Purchases (*Does not apply to public work improvement projects that exceed \$25,000.00*)

- Purchases ranging from \$10,000.00-\$79,999.00
- Price and rate quotes must be obtained from at least three (3) qualified sources
 - Price rate quotes must be documented in writing and retained by organization for audit and other purposes
- Must be approved by NCHC Chief Financial Officer
- Cannot divide contract to lower cost below small purchase threshold to avoid competitive bidding requirements

Large Purchases (>\$80,000.00)

Sealed Bids

- Used when product specifications can be clearly defined
- Preferred method for construction projects
- Requires formal advertising
- Two or more bidders are willing and able to respond
- Public bid opening is required
- Award to lowest cost responsible bidder

Competitive Proposal

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- Used when sealed bids method is not appropriate and award cannot be made strictly on specification or price
- Requires advertising
- Must include written method for conducting the technical evaluation
- Responses must be solicited from multiple qualified sources
- Award should be fixed price or cost reimbursable

Sole Source

- Only used in following circumstances:
 - Product and/or services is available through a single source
 - Public exigency or emergency will not permit delay required for competition
 - Awarding federal agency has expressly authorized a noncompetitive process
 - After solicitation of number of sources, competition is deemed inadequate
- Must be documented in detail and documentation must be retained for audit and other organizational purposes

7. Procurement Methods

The following methods are approved competitive processes to be used in the procurement process. The Managing Director of Finance and Administration should be contacted to determine the best method for a particular procurement. The Executive Director shall have the final authority on the method of procurement to be used. For procedural requirements that are applicable to the undermentioned procurement methods, the rules and procedures set forth in NCHC's Procurement Procedure Manual must be followed.

7.1. Simplified Bidding/Acquisition

"Simplified bidding" is a method of procurement used when the estimated cost of a transaction is \$49,999.00 or less. Simplified bidding takes place when three or more qualified suppliers are solicited to submit bids on a procurement. However, "three or more" is a minimum. The definition of "three or more" bidders is not to be used to restrict competition or to prevent qualified bidders from bidding on procurements.

7.2. Request for Bid (RFB)

A Request for Bid is an advertised solicitation that is conducted by the Purchasing Department for goods and services for \$50,000.00 or more and that can be defined with clear specifications.

7.3. Request for Proposal (RFP)

A Request for Proposal is an advertised solicitation conducted by the Managing Director of Finance and Administration that is used for goods and/or services that are not able to be clearly defined, outcome requirements that have multiple methods to accomplish, or for projects for which the skill or quality of the Contractor needs to be weighed with the cost. RFP solicitations are weighted and scored by an evaluation team and awarded to the highest scoring proposer.

7.4. Request for Information (RFI)

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A Request for Information is a type of request used when information and pricing is not readily available for goods, professional services, specialized services or specific construction projects that require a higher degree of skill than usual. The Request for Information may be used to create a short list of vendors for either direct negotiation or bid requests.

7.5. Cooperative Purchasing/Participation in Buying Groups

NCHC may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of goods and services. Cooperative purchases shall be made in accordance with public procurement principles of open and equitable competition. NCHC may also purchase from any other government entity without the intervention of bids (Section 66.0131 (2) Wis. Stat.).NCHC is a party to multiple cooperative purchase partnerships. The department soliciting the procurement should contact the NCHC Chief Financial Officer in order to obtain information regarding the buying groups that NCHC is a party to.

7.6. Sole Source Purchasing

The Managing Director of Finance and Administration , after approval from the Executive Director, may award a contract without competition when the Managing Director of Finance and Administration determines in writing, after conducting a good faith review of reasonably available sources, that there is only one source for the required supply, service or construction item, and when allowed by law. The Managing Director of Finance and Administration shall conduct negotiations, as appropriate, as to price, delivery, and terms. The Managing Director of Finance and Administration shall maintain a public record of sole source procurement that lists each contractor's name, the amount and type of each contract, a listing of the item(s) procured under each contract, and the identification number of each contract file.

7.7. Emergency Purchases

The Managing Director of Finance and Administration may make or authorize others to make emergency procurements of supplies, services or construction items when there exists a threat to public health, welfare, or safety, as defined by Wisconsin Statutes, provided that such emergency procurements shall be made with as much competition as is practicable under the circumstances. The Managing Director of Finance and Administration shall include in the contract file a written determination of the basis for the emergency and for the selection of the particular contractor. As soon as practicable, the Managing Director of Finance and Administration shall notify the Executive Director and make a record of each emergency procurement setting forth the contractor's name, the amount and type of the contract, a listing of the item(s) procured under the contract, and the identification number of the contract file.

7.8. Used Equipment Purchases

The purchase of used equipment from vendors when, in the discretion of the department's respective head, the purchase of said used equipment will result in considerable savings to NCHC, shall be submitted to the Managing Director of Finance and Administration or Executive Director's review and approval for waiving requirements of the competitive process. Respective department head must provide written justification to Managing Director of Finance and Administration or Executive Director for review and approval.

7.9. Public Work or Public Construction Projects

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Public work is construction of roads, signs, or other systems carried out by the government for the use and benefit of the community. Public construction means a contract for the construction, execution, repair, remodeling or improvement of a public work or building or for the furnishing of supplies or material of any kind, proposals for which are required to be advertised for by law. Any improvement, remodel, remediation, expansion, repair, to any county owned building, utility, or fixture, has been interpreted to constitute public construction. Public contracts do not include equipment.

Wisconsin Statute § 59.52(29)(a) sets the limits on NCHC's ability to adopt its own procurement standards as they relate to public construction projects. For contracts involving public construction, all matters, negotiations, bidding procedure, etc. shall be referred Marathon County Facilities & Capital Maintenance Department or to Marathon County Corporation Counsel.

8. Information Technology Purchases

All requisitions and purchases for information technology (IT) equipment or software must have prior approval from the CCIT Director. If a RFB or RFP is issued, the CCIT Director shall provide input about the compatibility and other issues related to the software or equipment prior to an award being made. This is to ensure the compatibility of the requested equipment and software with existing systems and also ensure the new technology does not pose risks to cybersecurity of County systems. The CCIT Director may waive the compatibility requirement.

9. Tied Bids

Tied bids exist when the total costs of two or more responses to a request for bid are identical. Cost totals can be carried out to two decimal points to break a tie. Tied bids do not apply to requests for proposals. If the final scores of two or more proposals are identical, the best and final offer process shall be used to break the tie. If a tie bid occurs, award may be made to the bidder offering the best additional economic benefit to NCHC such as discounts for early payment, volume discounts, more advantageous contract term, etc. If all economic benefits are equal, the Managing Director of Finance and Administration or designee and one witness may conduct and document one of the following processes to complete the award:

- If only two vendors are tied, flip a coin: Assign "heads" to the vendor whose company name is alphabetically first, and "tails" to the other vendor. Flip the coin allowing the coin to come to rest on the floor. If "heads" is up, the vendor whose company name is alphabetically first wins. If "tails" is up, the other vendor wins.
- If more than two vendors are tied, draw lots: Assign similar sized pieces of paper for each tied vendor and conduct a blind draw to select one awarded vendor. The process used and the results shall be documented on the bid tabulation.

10. Contractor/Vendor Selection

Although efforts should be made to award all contracts to the lowest cost responsible bidder whenever possible, lowest price is not always the sole consideration in determining the contractor and/or vendor best suited for meeting organizational purchasing needs. When making decisions regarding purchasing, all department staff should be cognizant of long term impacts on NCHC for any given contract and ensure that the contractor and/or vendor selected will be the

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highest quality and most cost efficient option for NCHC over the entire duration of the contract. For example, when one contractor/vendor has the lowest bid, but the maintenance costs over the product life cycle are significantly more than the bid price gap between two contractors/vendors, NCHC should select the contractor/vendor that provides NCHC with highest quality and best price over the contract and/or product life cycle. Other considerations include, but are not limited to, the following:

- Contractor/vendor reputation and quality;
- Product warranties and other quality indicators;
- Compatibility of product with NCHC's systems;
- Whether staff training is offered as part of the product/service delivered or whether training and implementation will result in additional acquisition costs;
- Availability of goods/services within the required delivery time;
- Financial stability of the vendor;
- Payment terms;
- Any other factor resulting in increased value and/or decreased cost to NCHC.

11. Appeals Process

If unsuccessful bidder, offeror or contractor can show good cause as to why an award of contract was not in the best interests of NCHC, a formal protest must be filed with the Managing Director of Finance and Administration, in writing, within five (5) business days of the date of notice of award. The written notice of intent to protest must identify the Statutes or NCHC Policy provisions that are alleged to have been violated.

The Managing Director of Finance and Administration shall inform the Executive Director and conduct an investigation regarding each protest and may request information from departments or Legal Counsel when necessary. The Managing Director of Finance and Administration may also create an evaluation team to review the merits of the protest, depending on the complexity of the project.

The decision of the Managing Director of Finance and Administration may be appealed to the Executive Director within five (5) working days of issuance. The appeal must allege a violation of a Wisconsin Statute or a NCHC Policy provision.

12. Ethics in Public Contracting

Employees' Conflict of Interest

It shall be unethical for an employee to participate, directly or indirectly, in a procurement when the employee knows or should know that:

- the employee or any member of the employee's immediate family has a financial interest pertaining to the procurement; or
- any other person, business or organization with whom the employee or any member of an employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement.

An employee or any member of an employee's immediate family who holds a financial interest in

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a disclosed blind trust shall not be deemed to have a conflict of interest with regard to matters pertaining to that financial interest.

Gratuities and Kickbacks

Gratuities. It shall be unethical for any person to offer, give or agree to give an employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter, pertaining to any program requirement or a contract or subcontract or to any solicitation or proposal.

Kickbacks. It shall be unethical for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated with the prime contractor or higher tier subcontractor, as an inducement for the award of a subcontract, or order.

Contract Clause. The Managing Director of Finance and Administration shall ensure that the prohibition against gratuities and kickbacks prescribed in this section shall be conspicuously set forth in every contract and solicitation.

Prohibition Against Contingent Fees

It shall be unethical for a person to directly or by retaining another person to solicit or secure a NCHC contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies for the purpose of securing business.

Use of Confidential Information

It shall be unethical for any employee or former employee knowingly to use confidential information for the actual or anticipated personal gain of the employee or former employee or of that person's immediate family.

13. Socioeconomic Contracting

As part of the procurement process, NCHC shall take affirmative steps to assure that minority-owned, women-owned, small, and labor surplus area firms are used when possible. The affirmative steps must include at least the following:

- Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small, minority-owned, and women-owned businesses;
- Establishing delivery schedules, where the requirement permits, which encourage

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- participation by small, minority-owned, and women-owned businesses;
- Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;
 - Requiring the prime contractor, if subcontracts are to be let, to take the five previous, affirmative steps.

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