



New York State
Office of Alcoholism & Substance Abuse Services
Addiction Services for Prevention, Treatment, Recovery

**ADMINISTRATIVE
AND
FISCAL GUIDELINES
FOR
OASAS FUNDED
PROVIDERS**

ADMINISTRATIVE AND FISCAL GUIDELINES FOR OASAS FUNDED PROVIDERS

JANUARY 2010**Page 1 of 2**

<u>GENERAL GUIDELINES:</u>	<u>ITEM NO.</u>	<u>LATEST UPDATE</u>
FINANCIAL RECORDS	1	JANUARY 2010
TIME AND ATTENDANCE	2	JANUARY 2010
CONSULTANT/PROFESSIONAL SERVICES	3	JANUARY 2010
PURCHASING GUIDELINES	4	JANUARY 2010
EMPLOYEE TRAVEL GUIDELINES	5	JANUARY 2010
FUND RAISING ACTIVITIES	6	JANUARY 2010
EMPLOYEE SEPARATION	7	JANUARY 2010
BOARD OF DIRECTORS	8	JANUARY 2010
CONFLICT OF INTEREST	9	JANUARY 2010
EMPLOYEE MANUAL	10	JANUARY 2010
EMPLOYEE PERSONNEL RECORDS	11	JANUARY 2010
<hr/> <u>LOCAL SERVICES BULLETINS:</u>		<u>ITEM NO.</u>
SANCTION POLICY FOR NON-COMPLIANCE WITH OASAS CONSOLIDATED FISCAL REPORTING REQUIREMENTS		LSB-NO. 2007-05
PROVIDER PROPERTY LEASING		LSB NO. 2007-01
PERSONAL NEEDS ALLOWANCE (PNA) FUNDS ADMINISTRATIVE DIRECTIVE (ADM) ISSUED BY THE NEW YORK STATE OFFICE OF TEMPORARY DISABILITY AND ASSISTANCE (OTDA)		LSB NO. 2006-06
REVISED REPORTING REQUIREMENTS		LSB NO. 2006-03
MEDICAID FEES FOR MEDICALLY SUPERVISED OUTPATIENT CHEMICAL DEPENDENCE SERVICES – POLICIES, PROCEDURES & FEE DETERMINATION CRITERIA		LSB NO. 2005-03
MEDICAID DOCUMENTATION AND BILLING REQUIREMENTS		LSB NO. 2004-01
PATIENT FEES-DEVELOPMENT OF POLICIES AND PROCEDURES AND SLIDING FEE SCALES		LSB NO. 2009-01
SERVICE PROVIDER CERTIFICATION OF COMPLIANCE WITH OASAS POLICY ON CLOSELY ALLIED ENTITIES		LSB NO. 1999-02
SERVICE PROVIDER EQUIPMENT ACQUISITION AND MANAGEMENT		LSB NO. 96-03

ADMINISTRATIVE AND FISCAL GUIDELINES FOR OASAS FUNDED PROVIDERS

JANUARY 2010

Page 2 of 2

STATE AID BULLETINS:

ITEM NO.

**CHANGES IN ADMINISTRATIVE PROCEDURES FOR FUNDED
LOCAL SERVICES**

SAB NO. 1994-01

NYS CONSOLIDATED FISCAL REPORTING AND CLAIMING MANUAL:

**NEW YORK STATE CONSOLIDATED FISCAL REPORTING
AND CLAIMING MANUAL (CFR) – APPENDIX I –
AGENCY ADMINISTRATION**

APPENDIX I

**NEW YORK STATE CONSOLIDATED FISCAL REPORTING
AND CLAIMING MANUAL (CFR) – APPENDIX J –
ALLOCATING EXPENSES FOR SHARED PROGRAM/SITE**

APPENDIX J

**NEW YORK STATE CONSOLIDATED FISCAL REPORTING
AND CLAIMING MANUAL (CFR) – APPENDIX L –
ACCEPTABLE TIME STUDIES**

APPENDIX L

**NEW YORK STATE CONSOLIDATED FISCAL REPORTING
AND CLAIMING MANUAL (CFR) – APPENDIX X –
ADJUSTMENTS TO REPORTED COSTS**

APPENDIX X

OFFICE OF MANAGEMENT AND BUDGET (OMB) CIRCULARS:

**AUDITS OF STATES, LOCAL GOVERNMENTS, AND
NON-PROFIT ORGANIZATIONS (REVISED JUNE 26, 2007 and JUNE 27, 2003)**

**OMB CIRCULAR
NO. A-133**

**OMB CIRCULAR NO. A-133: COMPLIANCE SUPPLEMENT
(JUNE 2010)**

**OMB CIRCULAR
NO. A-133**

SOCIAL SERVICES LAW:

**ARTICLE 5, TITLE 1, SECTION 131-0
PERSONAL ALLOWANCES ACCOUNTS**

RECIPIENTS

- All Funded Service Providers
- Local Governmental Units (LGUs)

PURPOSE

The purpose of this item is to identify minimum requirements for all Office of Alcoholism and Substance Abuse Services (OASAS)-funded service providers regarding their responsibilities in maintaining adequate financial records and accounting and control procedures.

BACKGROUND

OASAS considers proper accounting and control procedures essential to the operation of all chemical dependence and problem gambling programs. According to The American Institute of Certified Public Accountants and the New York State Office of the State Comptroller proper accounting control is a plan of organization, procedures, and records that are concerned with the safeguarding of assets and the reliability of financial records. Accounting and control procedures must assure that:

- Financial transactions are executed with management's general or specific authorization.
- Financial transactions are recorded to permit preparation of financial statements in accordance with generally accepted accounting principles and any other criteria applicable to such statements.
- **Internal financial reporting systems should be structured to capture the cost categories included in the appropriate year-end Consolidated Fiscal Report (CFR).**
- **Staff responsible for completing and submitting the year-end CFR are aware of the complete program array to be reported and the associated coding used to identify those services. This includes both the OASAS funded and unfunded OASAS program services.**
- Access to assets is permitted only with management authorization.

MINIMUM REQUIREMENTS

OASAS has established the following minimum financial accounting requirements to ensure that each service provider has the basic tools and executes the basic steps to adequately determine its financial condition and to report program revenues and expenditures applicable to OASAS funded providers. Financial Records must be maintained for a minimum of six years **after the last payment is made for a given fiscal reporting period or contract.**

1. Accounting System

- A double-entry bookkeeping system must be maintained. If a computerized system is used, a description of the software used and the name and title of the individuals authorized to make changes to the system should be included in the Fiscal Policy and Procedure Manual.
- Either the accrual or cash basis of accounting may be used. However, if the cash basis of accounting is used, appropriate year-end adjustments must be made to the general ledger to reflect accruals.
- **Note: All CFR core schedules of Full, Abbreviated and Article 28 Abbreviated CFR submission types must be completed using accrual accounting for both expenses and revenues. CFR core schedules include schedules CFR-1 through and including DMH-1.**
- At a minimum, the following books of account must be maintained: a general ledger, a general journal, a cash receipts journal and a cash disbursements journal.
- At a minimum, the following subsidiary accounting records must be maintained: equipment register and payroll register.

2. Fiscal Policy and Procedure Manual

All service providers must develop and maintain a fiscal policy and procedure manual. At a minimum, the manual should cover the following areas:

- General description of the accounting system and records maintained.
- Administrative and shared program/site cost allocation policy and procedures, in accordance with Appendix I and Appendix J of the Consolidated Fiscal Reporting Manual, where applicable.
- Cash receipts and disbursements procedures.
- Purchasing policy and procedures.
- Employee travel reimbursement policy and procedures.
- Equipment inventory and control procedures.
- Petty cash policy and procedures, if the program maintains a petty cash fund. – **See Item 4 - Purchasing Guidelines** for further information.
- Payroll policy and procedures.
- Personal Needs Allowance policies and procedures (residential service providers only).

Policies and procedures for employee travel, in addition to covering those areas indicated in Item 5 – **Employee Travel Guidelines** should also identify the accounting department's procedures for the processing and approval of expense vouchers.

3. General Ledger

- **The general ledger must include separate expenditure cost centers for all funded and unfunded OASAS programs operated.**
- A separate revenue account for each source of funds received relative to the OASAS funded **and unfunded** services must be maintained.
- Separate expense accounts for each service provided, in accordance with budgeted cost categories approved by OASAS, must be maintained. However, if the maintenance of consolidated expense accounts is more practical, the direct charges and general cost allocations relative to each service provided must be sufficiently detailed in supporting worksheets.
- Transactions must be posted to the appropriate ledger accounts on a timely basis.
- The accounting system should have the capability of generating a trial balance from the general ledger to ensure appropriate postings.
- All books of account must be appropriately adjusted and closed at the end of each fiscal year and opening account balances must be reflected in the succeeding fiscal year's general ledger.

4. Separation of Duties

The service provider must ensure that, to the extent possible, accounting duties are sufficiently separated among available staff so as to provide adequate internal control over the receipt and use of service provider funds.

5. Cash and Bank Accounts

- All funds must be sufficiently documented as to the source and amount. Payments received for services provided must be documented using receipt slips that contain unique payment identification numbers.
- All bank accounts must be reconciled within 30 days after receipt of the bank statements.
- Funds must be deposited in the appropriate bank account as soon as practicable taking into account the amount collected, cash vs. check, and proximity to the bank/financial institution. While the frequency of deposits should increase with the amount of cash handled on a daily basis, service providers must deposit funds a minimum of twice a week. Prior to deposit, funds received must be secured in a safe place.
- When a program assumes custodial responsibility for clients' personal monies (**e.g., a representative payee**), such funds must be deposited in a separate bank account(s) established for this purpose. In addition, if a single bank account is established, the program must maintain subsidiary records identifying amounts deposited, withdrawn, interest income earned (interest bearing accounts), **document** available balances for each participating client **and comply with all applicable state and federal laws, rules and regulations.**

6. Preparation of Mid-Year Consolidated Quarterly Report and Year-End Consolidated Fiscal Report

- The service provider must substantiate the basis for its preparation of the Mid-Year Consolidated Quarterly Reports (CQR-1) and Year-End Consolidated Fiscal Reports (CFR). Accordingly, these revenue and expense reports must be prepared directly from the general ledger or from supporting worksheets which provide a reconciliation of amounts reported to the general ledger.
- The service provider must maintain adequate documentation in support of reported revenues and expenditures, and allow their ready accessibility for review by authorized OASAS personnel.
- The CFR and CQR-1 must be submitted timely in accordance with Local Services Bulletins 2006-03 **and 2007-05 as well as the CFR and CBR Manual applicable for the fiscal reporting period in question.**

DESCRIPTION OF ACCOUNTING RECORDS

The following is a description of the accounting records which are required to be maintained.

1. Cash Receipts Journal

A cash receipts journal provides for the recording of the daily cash receipts of the service provider. While the particular journal format may vary depending on bank accounts established, the journal should normally include specific source classification columns (i.e., OASAS advances, Safety Net, Medicaid, etc.) and miscellaneous source classification columns (i.e., refunds, loans and other non-revenue receipts). In addition, the journal should include a column to record the amount of cash deposited in the bank. This journal should be posted monthly to the general ledger with indications of specific general ledger account posting references.

2. Cash Disbursements Journal

A cash disbursements journal provides for the recording of each disbursement transaction (i.e., check, electronic payment) by the provider in numerical sequence. Each disbursement should be classified to appropriate expense or non-expense categories (such as exchanges or loans). A separate cash disbursements journal should be utilized for each checking account. This journal should be posted monthly to the general ledger with indication of specific general ledger account posting references.

3. Accounts Payable Listing

The accounts payable listing is to be used in conjunction with a cash disbursement journal when the accrual basis of accounting is employed. The accounts payable listing provides for the recording of expenditures as they are incurred with similar classification of expenditures to specific expense categories as described for the cash disbursements journal. When specific expenses are paid, applicable check **or transaction number (if paid electronically)** are also recorded in the listing. This listing should be posted monthly to the general ledger with appropriate indication of specific general ledger account posting references.

4. General Journal

A general journal provides for the recording of transactions or adjustments which cannot be recorded in other specific source journals. Typical entries include: reclassification of expenditures from one budget category to another; corrections of erroneous postings to the general ledger; recording of bank charges identified on monthly bank statements; year-end adjustments, etc. Each journal entry should include a sufficient explanation as to its nature with reference to supporting documentation, if necessary. General journal entries should be posted to the general ledger on a monthly basis with indication of specific general ledger account posting references.

5. General Ledger

A general ledger provides for the recording of a summary of the transactions appearing in the cash receipts, cash disbursements and general journals and facilitates financial analysis and reporting. See pages 2 and 3 for more details.

6. Payroll Register

The use of a payroll register facilitates computation and approval of payments. The register indicates the gross pay, withholding taxes, other deductions, the net pay and the payroll check numbers (transaction numbers for direct deposit) by pay period; and should indicate to which funding source and program the gross pay is chargeable.

7. Equipment Register

An equipment register establishes the basis for accountability for all equipment in the OASAS-funded components; whether purchased and/or provided by OASAS, an LGU or donated to the program. An equipment register must be maintained for each site, in accordance with Local Services Bulletin (LSB) No. 96-03.

RECIPIENTS

- All Funded Service Providers
- Local Governmental Units (LGUs)

PURPOSE

The purpose of this item is to identify minimum requirements for Office of Alcoholism and Substance Abuse Services (OASAS)-funded service providers regarding their responsibilities in maintaining adequate internal controls over employee time and attendance.

BACKGROUND

OASAS considers establishment of proper policies and minimum requirements regarding time and attendance for all staff as an essential element of internal control and management operations. Such policies, in addition to conforming to the standard labor laws, should be consistent with any contractual agreements by which the employees are covered. In addition, such policies should be applicable to all the employees working in a particular location unless otherwise regulated by any contractual agreements.

MINIMUM REQUIREMENTS

Service providers are expected to establish the following minimum requirements regarding time and attendance policies. Service provider policies should ensure that hours of operation are consistent with the needs of clients and that adequate staff coverage is available to meet regulatory requirements. In addition, time and attendance policies, including types and amounts of leave accrued as well as authorized usage of such leave should be included in the provider's Employee Manual, which must be made available to all employees.

Time Records

Service providers must establish a method for determining which employees are exempt (salaried) and which employees are non-exempt (hourly) to assure compliance with the Fair Labor Standards Act. Service providers must maintain documentation of employee attendance which records the daily arrival and departure time of non-exempt employees and presence or absence of exempt employees (unless prohibited by union contract). Records must also be maintained which document the type of leave granted to each employee who is absent from work. Time and attendance record format may follow any acceptable practice (i.e., time card, sign-in sheet, electronic time records, etc.). Service providers should periodically review the status of exempt and non-exempt employees. Service providers must also maintain a system to document the allocation of time for employees who work in more than one program (see Consolidated Fiscal Reporting and Claiming Manual Appendices J & L).

The record of attendance must be submitted by the employee and endorsed by his or her supervisor. The service provider shall also establish supervisory control procedures for the approval of the use of leave time, as appropriate. The service provider must maintain attendance records in a fashion that permits OASAS staff to audit employees' attendance. In addition, service providers must develop a policy regarding the computation, approval and payment of overtime.

The service provider must maintain a written policy which articulates how the Board of Directors monitors the performance of the Executive Director. At a minimum, the minutes of the meetings of the Board of Directors should reflect their review of the time and effort expended by the Executive Director and his/her oversight of the organization as a whole. In addition, the Board of Directors should prepare an annual written evaluation of the performance of the Executive Director. Requests for leave of the Executive Director must be approved by the Board of Directors.

Basic Work Week

The basic work week shall conform to the prevailing practices in the geographic area. Full-time status may entitle an employee to certain attendance benefits not available to part-time employees.

Holidays

Service providers are generally permitted up to 12 holidays per year. Exceptions to this policy must be explained in the provider's Employee Manual with reasonable justification provided. Employees required to work on holidays may receive compensatory time off or overtime payments if eligible, in accordance with service provider policies. The authorized holidays should be identified in the provider's Employee Manual.

Accrual and Reimbursement of Leave Accruals

Unless provided for in a union or employment contract:

- Employees cannot accrue a balance of more than 40 days of vacation leave.
- Employees cannot, upon separation from employment, receive reimbursement for unused vacation accruals in excess of 30 days. **Providers should develop written policies if they want to provide flexibility for employees to charge time in order to bring their excess accruals below 30 days.**
- Employees cannot receive reimbursement for unused sick leave or personal leave balances.
- Maximum accrual and payment for universal leave is the same as vacation leave.

RECIPIENTS

- **All Funded Service Providers**
- **Local Governmental Units (LGUs)**

PURPOSE

The purpose of this item is to identify minimum requirements for Office of Alcoholism and Substance Abuse Services (OASAS)-funded service providers regarding their responsibilities in the procurement of consultant/**professional** services.

BACKGROUND

Consultant/**professional** service agreements must be solicited only for services for which the provider can demonstrate need and availability of funds. If needs cannot be met with current staff, consultants should be sought through public, volunteer or community service organizations. Cooperative agreements arranged with other chemical dependence programs should also be considered prior to soliciting from private organizations or individuals.

MINIMUM REQUIREMENTS

The governing board of the service provider should take an active role in the determination of need and process for selection of major consultants/professional services (e.g., management services, accounting/auditing services, legal services) and authorize the use of such consultants by resolution or through recording of such authorization in the Board minutes. The total anticipated costs should be included in the Consolidated Budget Report.

Selection of Consultants

The provider must follow these guidelines for entering into consultant agreements.

Needs Assessment, Availability of Services and Restrictions

Providers should consider past experience and current or projected requirements to anticipate problems or plan for improving services. Consultant costs incurred primarily for lobbying on behalf of the provider organization(s) are not allowable under any circumstances as noted in Appendix X of the Consolidated Fiscal Reporting Manual. Consultant costs incurred for fund raising activities cannot exceed the proportionate share of revenues reported from such activities. **In addition, all service providers (direct contract, subcontract or subgrant) must adhere to State Aid contract provisions which prohibit lobbying on the part of Consultant/Professional Services.**

Availability of Funds

The service provider **must** discuss the need for consultant services and the use of OASAS funds for such services with their OASAS Program Manager prior to engaging those services. **Documentation must be maintained of Field Office approval.**

General Criteria

General criteria for selecting consultants must include an analysis of technical qualifications, financial resources, ability to comply with contract timetables, and past performance.

Bids

- The service provider must solicit at least three written bids when the amount of the service per consultant is expected to exceed \$25,000 per year. When the amount is between \$10,000 and \$25,000 documentation of telephone quotations or some other method of comparison must be maintained. Consultants who provide direct care for clients (i.e., Psychiatrist, Psychologist, Physician, Medical Director) may be exempt from the bidding requirement, however, the service provider must document: the circumstances leading to the selection of the vendor, including the alternatives considered; the rationale for selecting the specific vendor and the basis supporting reasonableness of the cost.

In soliciting bids, New York State-based firms and firms covered by affirmative action executive orders must be given appropriate consideration.

Solicitation of bids from consultants should contain the following information:

- definition of services desired and duration of services.
- credentials required.
- method of reimbursement such as fixed price or unit price.
- conditions for final payment under the agreement, if appropriate.

See purchasing guidelines for further information.

Awards Procedure

After reviewing all bids, the service provider must identify its choice of bidders. Whenever, feasible, selection should be based on the lowest bid. If the lowest bid is rejected, justification must be fully documented.

The consultant agreement must include a description of the types of services to be performed, **a schedule of deliverables (if appropriate)**, duration of the agreement, rates and total compensation to be paid, the conditions for final payment such as submission of a summary report of activities and recommendations and conditions for termination. The agreement must be signed by the consultant and authorized staff of the service provider.

If services to be rendered by the consultant involve direct services to clients, the agreement must include a statement to the effect that the consultant or consulting firm has been informed that the information disclosed to them may not be lawfully redisclosed by them in any reports, or otherwise, except to the program providing the original data.

NOTE: If a consultant services agreement is based on an hourly rate or unit price, the service provider must maintain **supporting** time or unit records.

Documentation of Work Performed

Providers shall maintain written documentation of work performed by and amounts paid to each consultant. This documentation shall include the nature of work performed, dates and/or timeframe that work was conducted, and if/when work was completed by the consultant.

RECIPIENTS

- **All Funded Service Providers**
- **Local Governmental Units**

PURPOSE

The purpose of this item is to provide general guidelines and minimum requirements for Office of Alcoholism and Substance Abuse Services (OASAS)-funded service providers regarding their responsibilities over the purchase of goods and services. These general guidelines and minimum requirements include elements addressing sound purchasing practices, procurement of consultant and contractual services, and purchases involving the use of petty cash funds.

BACKGROUND

OASAS considers it essential for service providers to have adequate internal controls in place to monitor the necessary and proper purchase of goods and services and expenditure of contract funds. Service provider management is responsible for assuring that proper internal controls are in place and operating as intended.

MINIMUM REQUIREMENTS

Service providers are to use sound purchasing practices to assure proper expenditure and accountability of funds. Governmental entities and Public Schools must follow the guidelines of the local authority/School District. The requirements established in this section apply to all purchases, regardless of the source of funds, which are included in OASAS approved budgets.

Sound Purchasing Practices

Service providers' purchasing practices are expected to include the following elements:

- Documentation, through a Purchase Requisition Form, or similar form, establishing the need for the purchase.
- Documented purchase approval by an authorized program official other than the person requesting the purchase. The decision as to whether to approve the purchase should be based on the following criteria:
 - The goods and/or services to be purchased are a legitimate program-related expense. The authorized official should be satisfied that the purchase represents the type and quantity of goods/services needed by the program to carry out its mission.
 - Funds are available in the OASAS approved budget for the purchase.
 - Objective procurement criteria utilized in the selection of vendors including quotations or bids.
 - Competition in the procurement process serves both service providers and potential vendors by: ensuring the procurement process produces an optimal solution at a reasonable price; guarding against favoritism, fraud and collusion; and, allowing qualified vendors an opportunity to obtain the agency's business. OASAS expects the use of some form of competitive process for purchases as a measure of good management and economy. For example, telephone quotations and other means of comparison shopping should be regularly used to ensure that the program is paying a reasonable amount, which is not excessive, for goods and services.
 - When competition exists, service providers should make every effort to administer a process which provides maximum opportunities for vendors to compete. Alternatively, when competition does not exist or is not utilized (i.e., sole source/single source procurement), service providers should endeavor to negotiate a reasonable price and terms and conditions which can be justified and documented.

Sound Purchasing Practices (Cont'd)

- **Sole Source Procurement** – A sole source procurement is one in which only one vendor can supply the commodities, technology and/or perform the services required by a service provider. Procurement by this method must be **pre-approved by the Field Office** and documented with an explanation of: the unique nature of the requirement; the basis upon which it was determined that there is only one known vendor able to meet the need (i.e., the steps taken to identify potential competitors); and, the basis upon which the cost was determined to be reasonable.
- **Single Source Procurement** – A single source procurement is one in which two or more vendors can supply the commodity, technology and/or perform the services required by a service provider, but one vendor is selected over the other for reasons such as expertise or previous experience. In a single source procurement, the service provider must document: the circumstances leading to the selection of the vendor, including the alternatives considered; its rationale for selecting the specific vendor; the basis upon which it determined the cost was reasonable and, how that conclusion was reached. **Procurement by this method must be pre-approved by the Field Office.**
- **Formal Competitive Procurement Process** – The service provider must solicit at least three written bids when the amount of the purchase of goods and services exceeds \$25,000 **annually**. When the amount is between \$10,000 and \$25,000 documentation of telephone quotations or some other method of comparison must be maintained. Service providers under subcontract with LGU's should, however, adhere to the threshold bidding requirements established by the LGU (if less than \$25,000), as appropriate. When competitive bidding is required, the service provider must maintain the following documentation:
 - Bidders' names, addresses and telephone numbers.
 - Item number, description, quantities, as appropriate.
 - Description and duration of services, as appropriate.
 - Unit price, if appropriate.
 - Other pertinent data such as brand name, delivery date, schedule, etc.
 - Total price, including transportation, if any.
 - Copies of all written bids received.

If the service provider is unable to obtain at least three written bids, documentation of the particular circumstances must be maintained. In addition, rejection of the lowest bid must have proper documented justification for management review as well as for audit purposes. Documentation of bidding must be maintained for a minimum of six years.

While formal competition is not required in the case of purchases below the threshold of \$25,000, the following should be maintained:

- Written documentation of the order to the vendor which contains the complete terms of the transaction (i.e., an agency's Purchase Order Form or form provided by the vendor upon placing an order).
- Maintenance of written documentation evidencing the receipt of goods and/or services.
- Cancellation of vendor invoices or other documents utilized for payment purposes (i.e., notation of date paid and approval to pay, check number and check amount recorded on or attached to the vendor invoice).

Service Agreements/Contracts

As part of the procurement process for consultant and contractual services, service providers must ensure that a fully executed written contract/agreement is maintained for each vendor on a current basis. The contract/agreement must, at a minimum, include the following elements:

- Clear and specific delineation of services (**including deliverables**) to be provided and duration of such services.
- Rates and total compensation to be paid.
- Billing procedures to be used (i.e., billing statement frequency and content format, enabling independent verification of billed services).
- Condition for final payment under the agreement, if appropriate.
- Conditions for termination.

(Note: See Item No. 3 – Consultant/Professional Services for additional guidelines.)

Petty Cash Purchases

Should the service provider find it necessary to make purchases in which issuing a check would be impractical, such purchases should be made through a petty cash fund, maintained on an imprest basis. The total amount of the fund and the frequency of replenishment will vary among programs, based on each program's size and needs. Security of the funds must be maintained.

Each program that maintains a petty cash fund, must maintain written petty cash procedures which should include at least the following:

- The title of the petty cash custodian(s).
- The title of person(s) designated to approve petty cash purchases.
- Number, physical location and total amount of each petty cash fund currently in use.
- The maximum amount of individual petty cash transaction.
- A procedure for replenishing the fund.
- A procedure for reconciling the fund balance to the established fund amount.
- A procedure for posting petty cash transactions to the General Ledger.
- A method for approving and recording each petty cash transaction (i.e., use of petty cash vouchers).
- Segregating the duties of the petty cash custodian and the person approving each petty cash transaction.

ADMINISTRATIVE AND FISCAL GUIDELINES FOR OASAS FUNDED PROVIDERS

JANUARY 2010

EMPLOYEE TRAVEL GUIDELINES

Page 1 of 4

RECIPIENTS

- **All Funded Service Providers**
- **Local Governmental Units (LGUs)**

PURPOSE

The purpose of this item is to provide general guidelines and minimum requirements for Office of Alcoholism and Substance Abuse Services (OASAS)-funded service providers regarding their responsibility in preparing and maintaining appropriate guidelines for business-related travel by all staff and to help employees understand travel rules, regulations, and instructions on how to be reimbursed for allowable expenses. Since every reimbursement issue cannot be covered, these guidelines are designed to address general travel policies. Specific or unique circumstances should be evaluated on an individual basis by the service provider's management and, if necessary, involve consultation with appropriate OASAS Field Office personnel.

BACKGROUND

OASAS considers it the responsibility of the service provider's management to ensure that every effort is made to conduct all business travel in an efficient and economical manner. Only actual, necessary and reasonable business related expenses will be reimbursed. In addition, adequate documentation must be maintained to justify the travel reimbursement made to staff.

Service providers who operate under a subcontract with a Local Governmental Unit (LGU) must adhere to the travel policies established by that LGU. For service providers directly funded by OASAS and for LGUs that do not have their own established policies, the amounts allowed for travel, meals and lodging cannot exceed the maximum reimbursement rates allowed by the NYS Office of the State Controller (OSC).

MINIMUM REQUIREMENTS

To ensure uniformity in the documentation process for all reimbursable travel, service providers are advised to develop and maintain standard travel reimbursement policies and forms available to all staff. Providers may base their policies on either state or federal guidelines. Service providers should take into consideration the following standards in developing their individual travel guidelines and designing staff travel reimbursement forms.

Per Diem Rates:

- The maximum per diem rates allowed by OSC are established by the Federal Government and available at the General Service Administration (GSA) Office of Government-wide Policy website at the following web address:
<http://www.gsa.gov/perdiem>.
- If there are circumstances that justify the need to exceed these rates, service providers must contact their OASAS Field Office Program Manager to obtain a written waiver to the rates.

Travel Status:

Reimbursement of travel expenses such as meals and lodging is permitted only when an employee is in "travel status." Generally, when an employee is on assignment at a work location more than 35 miles from both his/her home and designated work location, he/she is considered to be in "travel status." Unless a service provider specifies a reasonable alternative definition of "travel status" in its written policies for purposes of staff travel reimbursement, it is expected to adhere to the 35-mile standard. Any alternative definition must articulate a reasonable standard for determining "travel status" based on distance traveled or nature of off-site activities.

Designated Work Location:

Designated work location is where the employee was hired to work and should be designated by the service provider. The purpose of a designated work location is to establish when an employee is in travel status and eligible for travel expenses. Travel between employee's residence and designated work location is considered commuting and not reimbursable.

Transportation Expenses:

When choosing the method of transportation, management should consider several factors, such as distance traveled, time to travel this distance, number of travelers, numbers of locations to be visited, and what type of transportation may be available (i.e., common carrier; agency, personal or rental vehicle). If the circumstances require a more expensive method, management should review the circumstances and provide documentation of such review and approval to the employee so that he/she can file a copy of it with his/her request for reimbursement of expenses relating to such travel.

Agency Car:

Staff should be advised to use public transportation wherever possible. If public transportation is not available and if the service provider has a vehicle available for staff use, every effort should be made to use the vehicle. If the vehicle is not available for use, then appropriate justification should be maintained for allowing the staff to use his/her private vehicle. If an employee uses the provider's vehicle under these circumstances, then he/she can be reimbursed for gasoline and any other necessary or emergency expenses actually incurred and documented.

Personal Car:

When an employee uses his/her own vehicle for agency business, he/she will be reimbursed a specified rate for mileage. This rate includes all charges for gas, oil, maintenance, repairs and insurance. No other charges will be reimbursed. Employees may be reimbursed at a rate determined by the agency/LGU. Such rate may not exceed the current IRS maximum reimbursement rate. Reimbursements in excess of these amounts are subject to withholding and reporting requirements established by the IRS. The current maximum mileage allowance can be obtained by accessing the IRS website at www.irs.gov/newsroom/article/0,,id=216048,00.html.

Rental Vehicle:

When a rental vehicle is necessary or prudent, the type and size of the vehicle rented should be dependent on the number of passengers and the purpose of the travel. In no case should employees be renting luxury vehicles. Any gasoline purchase and other direct costs associated with official use of the vehicle will be reimbursed.

Parking and Toll Charges:

All reasonable and necessary parking and toll charges will be reimbursed. Tolls paid by the EZ Pass method will be reimbursed.

Taxi Charges:

Reasonable and necessary taxi fares will be reimbursed, along with a customary tip.

Meals and Lodging:

Service providers have a choice of two different methods to reimburse for lodging and meals. Under state guidelines, only breakfast and dinner are reimbursed; lunch is not. However, under federal guidelines, reimbursement for breakfast, lunch and/or dinner is permitted, but not to exceed the established per diem rate. Tips and incidental expenses are included in the reimbursement amounts. Service providers must specify, in their written procedures, the meals and lodging reimbursement method used.

Method I:

Employees can be reimbursed at fixed per diem reimbursement rate without receipts. This method may be used even when lodging is obtained with a relative or friend. To be entitled to the full per diem, it must be necessary for the employee to be in overnight status and eligible for both breakfast and dinner. The current fixed per diem amount may be obtained by accessing the OSC website at <http://www.gsa.gov/perdiem>.

Method II:

This allows for reimbursement of actual lodging costs up to a specific amount, plus an allowance for meals. The per diem amount is based on the area of the employee's work assignment. Receipts are required for lodging. No receipts are required for meals. The reimbursement amounts are based on rates established by the Federal Government (See **Per Diem Rates** section above). The rates are set depending on the County in which travel is occurring, so the County (as well as the city) must be indicated on the Travel Voucher. Given that funded providers are tax-exempt, no taxes should be paid within New York State. For out-of-state travel, local and state taxes will be reimbursed in addition to the per diem amount.

Time Limits on Meal Allowances:

The normal per diem allowance is for dinner the first day, lodging, and breakfast on the following day. An employee may be eligible for breakfast on the day of departure or dinner on the day of return, if the following time limits are met: Any variations to the hours listed below must be identified in the service providers' policies and procedures.

Breakfast:

Reimbursement for breakfast is allowed if the employee had to leave at least one hour before his/her normal work starting time. For example, if the employee's regular work hours were 8:00 A.M. to 4:00 P.M., he/she would be eligible to claim the standard reimbursement for breakfast provided he/she left the residence prior to 7:00 A.M.

Dinner:

Reimbursement for dinner on the day the trip ends can be made if the employee returns at least two hours later than his/her normal work ending time. For example, if the employee's regular work hours are 8:00 A.M. to 4:00 P.M., he/she would be entitled to dinner reimbursement on the day the trip ends if he/she reached the designated work location or the residence after 6:00 P.M.

Meals for Day Trips:

Reimbursement for meals can be allowed if the employee's departure and return meet the time limits for meals. Reimbursement can be made up to the maximum Federal amount with a receipt (see **Per Diem Rates** section above), or an employee may claim the unreceipted meal allowance. The current unreceipted meal allowance can be obtained by accessing the OSC website at <http://www.osc.state.ny.us/agencies/travel/method1.htm>.

Out-of-State Travel:

Prior approval from management and the appropriate OASAS Field Office Program Manager is required for all out-of-state travel.

Miscellaneous Expenses:Telephone Calls:

Business-related calls will be reimbursed. It should be indicated on the Travel Voucher that calls were for business purposes.

Baggage Transfer Expenses:

Baggage transfer and storage expenses will be allowed if they are reasonable and necessary.

Personal Expenses:

Fines, incurred as a result of moving or parking violations, laundry charges, valet service, theater tickets, and other entertainment expenses are considered personal expenses and are not reimbursable. Expenses for supplies and materials may be reimbursed if they are for business-related purposes.

IRS Reporting:

The Internal Revenue Service requires withholding and reporting on the following types of travel reimbursements. The service provider's finance office is responsible for reporting this information:

- Per diem amounts paid in excess of the per diem rate and not substantiated with receipts.
- Payments made based on any "unreceipted" meal allowance for non-overnight travel.
- Mileage reimbursement in excess of the maximum rate allowed by the IRS.
- Reimbursement for travel expenses for continuous work at a single location in excess of one year.

Travel Voucher:

All employees' travel expenses must be documented in service provider records. Service providers are free to use any documentation desired as long as it includes the following:

- Employee name, home address, and job title.
- Dates and items of each expenditure.
- Total mileage when privately owned transportation is used.
- Points of origin and destination.
- Times of departure and arrival.
- The business purpose of the trip for which expenses were incurred.
- Receipts for transportation, lodging and tolls.

RECIPIENTS

- **All Funded Service Providers**
- **Local Governmental Units**

PURPOSE

This item provides guidance to service providers regarding fund raising activities and use of the proceeds derived from such activities.

BACKGROUND

As a matter of policy, the Office of Alcoholism and Substance Abuse Services (OASAS) expects that all service providers operating OASAS-funded programs will pursue all legitimate sources of revenue in support of program services. Fund raising activities are within the scope of approved revenue generating activities available to service providers.

MINIMUM REQUIREMENTS

Service providers, except for public schools and governmental entities, are to use the following guidelines as a means of maximizing fund raising opportunities. Public schools and governmental entities must follow the guidelines of the school district/local authorities.

Authorization

The governing body of the service provider has the responsibility for authorizing fund raising activities. The authorization should identify, in advance, the purpose and intent of the fund raising activity and the program services or components that will benefit from the proceeds.

For example, the governing body of a multi-service agency could decide to authorize a general fund raising effort wherein each service will share in the proceeds of the activity. The same agency could decide to authorize a fund raising effort to benefit a specific service. Similarly, a single service agency has the option of conducting fund raising activities to benefit the entire agency or one specific program.

Fund raising decisions shall appear in the minutes of the Board meetings of the governing body. The service provider shall maintain appropriate audit documentation indicating the method used to allocate fund raising proceeds.

NOTE:

Where a multi-service agency does not specify the intended use of fund raising proceeds, OASAS expects that each component shares in the net proceeds in proportion to the amount that each services budget bears to the total agency budget.

ADMINISTRATIVE AND FISCAL GUIDELINES FOR OASAS FUNDED PROVIDERS

JANUARY 2010

FUND RAISING

Page 2 of 2

Year-End Cost Reporting Requirements

In the Consolidated Fiscal Reporting System (CFRS), costs associated with fund raising cannot be charged to specific programs or included as part of agency administration. Fund raising expenses are considered a separate cost center in a service provider's General Ledger and are reported on the Consolidated Fiscal Report (CFR) as a non-OASAS expense. Revenues generated by fund raising activities are also reported as non-OASAS revenues. Net fund raising revenues in excess of fund raising costs may, however, be used in support of program services on the state aid claiming schedules included in the CFR. The use of these revenues should be consistent with the guidance provided in the preceding "Authorization" section.

State Aid Budget and Claiming Requirements

Funded service providers should include revenues they expect to receive from fund raising activities in their operating budgets. Should a decision to engage in fund raising or to expand fund raising efforts occur after OASAS approval of service provider operating budgets and/or contracts, the service provider must submit a budget change consistent with OASAS policy.

Service providers will report fund raising receipts and use of net proceeds on the mid-year Consolidated Quarterly Report and year-end Consolidated Fiscal Report.

Fund Raising Practices

Persons from whom donations are solicited in fund raising efforts should be informed of the purposes for which the funds are to be used.

Typical fund raising activities to be considered by service providers include testimonial banquets, dinners, bazaars, and telephone and mail solicitations.

ADMINISTRATIVE AND FISCAL GUIDELINES FOR OASAS FUNDED PROVIDERS

JANUARY 2010

EMPLOYEE SEPARATION

Page 1 of 2

RECIPIENTS

- All Funded Service Providers
- Local Governmental Units (LGUs)

PURPOSE

The purpose of this item is to set forth Office of Alcoholism and Substance Abuse Services' (OASAS) policy regarding severance pay and to describe the three categories of employee separation: voluntary, layoff, and termination for cause. This policy is effective in the absence of a labor management contract for those service providers operating under contract with a Local Governmental Unit (LGU), public school district, or other governmental authority.

BACKGROUND

OASAS does not support payment of a severance amount in any of the three categories of **employee separation shown above, and will not reimburse for these expenses.** See Item 2, Time and Attendance, for an explanation of reimbursement for leave accruals.

MINIMUM REQUIREMENTS

Service providers are expected to establish the following minimum requirements regarding the three categories of employee separation.

Voluntary

The service provider should establish a policy regarding voluntary separation from employment which requires employees to provide written notice to their supervisor and personnel office at least two weeks prior to the scheduled termination date. Employees failing to give such notice may not be entitled to compensation for any earned and unused leave credits.

The record of attendance should be submitted by the employee and endorsed by his or her supervisor. The service provider shall also establish supervisory control procedures for the approval of the use of leave time, as appropriate. The service provider must maintain attendance records in a fashion that permits OASAS staff to audit the employee's attendance.

Layoff

For purposes of this section, layoff is defined as a reduction of permanent staff due to fiscal or programmatic considerations. It does not apply to individuals employed on a temporary or seasonal basis.

The service provider should give an employee at least two weeks written notice prior to the scheduled layoff date. During this period the employee should have the opportunity to use any accrued non-compensatory overtime and holiday time. Compensation may be paid in accordance with OASAS Time and Attendance Policies. Where appropriate, efforts should be made to facilitate placement of affected staff.

Termination for Cause

Certain acts of employees may be of such serious nature as to warrant immediate dismissal. Employees should be aware of the circumstances which would generate such action. Under such circumstances, the service provider is not required to give a two-week notice.

ADMINISTRATIVE AND FISCAL GUIDELINES FOR OASAS FUNDED PROVIDERS

JANUARY 2010

EMPLOYEE SEPARATION

Page 2 of 2

All Separations

Prior to leaving the job site on their last day of employment, employees must turn in all program property (such as keys, ID cards, corporate credit cards, laptops, cell phones, electronic equipment, etc.) in their possession.

Service providers should consider use of exit interviews to strengthen employee retention and obtain feedback on and improve employer/employee relations.

ADMINISTRATIVE AND FISCAL GUIDELINES FOR OASAS FUNDED PROVIDERS

JANUARY 2010

BOARD OF DIRECTORS

Page 1 of 3

RECIPIENTS

- **All Funded Service Providers**
- **Local Governmental Units (LGUs)**

PURPOSE

The purpose of this item is to provide general guidelines and minimum requirements relating to the Boards of Directors of not-for-profit service providers funded by or through the Office of Alcoholism and Substance Abuse Services (OASAS).

BACKGROUND

Boards of Directors (the Board) of OASAS-funded not-for-profit service providers oversee the creation of and implementation of policies governing program management and operations. [For more detailed information about OASAS Board of Directors requirements see NYS OASAS Operating Regulations Part 810.7 (h).]

MINIMUM REQUIREMENTS

Boards of Directors of service providers funded by or through OASAS are subject to the policies prescribed in these guidelines covering the composition of the Board, Board member responsibilities and Board meetings.

Composition of the Board

The organization of Boards and procedures for the selection of Board members must be clearly outlined in the by-laws of OASAS-funded service providers. For the purposes of these guidelines and requirements, Boards of Directors may be comprised of members who are entitled by the bylaws to vote on board business and **ex-officio**/non-voting members. Board by-laws should specify:

- i. the minimum and maximum amount of voting members on the Board;
- ii. the number of voting members required for a quorum;
- iii. the authority of Board officers and the Executive Director;
- iv. the terms of office, nomination and election procedures;
- v. the frequency and location of Board meetings;
- vi. committee structure and;
- vii. policies defining conflict of interest and nepotism on the part of Board members and executive leadership.

Boards of Directors of OASAS-funded not-for-profit corporations shall include qualified persons, broadly representing the community, who have sufficient independence from senior management of such corporations and who will provide the Board with the knowledge, talents and expertise to responsibly govern and oversee the affairs of the corporation. If corporate bylaws allow, compensated employees may serve as ex-officio (non-voting) members of service provider Boards of Directors.

It is OASAS policy that the Board of Directors of an OASAS-funded not-for profit service provider not include:

- Any compensated employee of the corporation.
- Any person employed by OASAS.
- Family or household members of management of the not-for-profit corporation.

Responsibilities of Boards of Directors

Boards of Directors of OASAS-funded not-for-profit corporations have the legal and fiduciary responsibility for managing the affairs of the corporation in the pursuit of its missions and in accordance with all applicable laws, regulations and contractual requirements. In doing so, Boards of Directors develop and oversee the implementation of corporate policies of significance (finances, personnel, health and safety, resource development, program development, quality assurance, patient confidentiality, etc.) and provide general oversight of operations. Boards may delegate authority for day-to-day operations to corporation employees, but retain overall responsibility to ensure compliant operations. As fiduciaries, Board members must act reasonably, act loyally, obey the confines of office and the mission of the corporation, and are responsible for using good judgment in the conduct of the corporation's affairs. The Board is encouraged to have a defined and accountable committee structure to exercise its responsibilities.

Given the significant responsibilities of Boards of Directors and the changing regulatory and practice environment, OASAS-funded service provider Boards are expected to pursue available knowledge and skill training in Board responsibilities.

Executive Director

Boards of Directors may employ a lead administrator (i.e., Executive Director) who shall be responsible for carrying out the purposes of the organization and ensuring proper and compliant implementation of Board policies and directives. The Executive Director is typically responsible for general charge of the day-to-day affairs of the Corporation, is the principal staff support person for the Board of Directors, and works to protect and safeguard the fiduciary obligations of the Board and the Corporation.

It is OASAS policy that Boards of Directors ensure that Executive Directors of funded providers have:

- i. An up-to-date Board approved job description;
- ii. A written process for evaluating the Executive Director on an annual basis;
- iii. A reasonable compensation policy that will be followed in determining the Executive Director's salary and overall compensation. **The salary charged to OASAS for the Executive Director should not be at a rate in excess of Level I of the Federal Executive Schedule (\$199,700).**

Meetings of the Board of Directors

Meetings of Boards of Directors should be held regularly and occur at least four times a year. The frequency of Board meetings should be stated in the Board's by-laws. The presiding officer of the Board may call special meetings when, in his or her judgment, such meetings are required to fulfill the Board's oversight responsibility. Other processes for calling special meetings may be articulated in the Board's by-laws.

Minutes of every duly held Board meeting and meetings of committees appointed by the Board of Directors must be properly recorded, approved at subsequent meetings, and maintained. Minutes must record those in attendance, all actions taken, the reasons for such actions, the names of all voting Board members and their vote (yea or nay). Proxy voting is not allowed. Such minutes must be made available for OASAS review.

Conflict of Interest

Under NYS OASAS Operating Regulations Part 810.7(h) if any Board member of an OASAS-funded not-for-profit service provider is or has been an incorporator, Board member, partner or stockholder in an entity which has operated a hospital, or any other type of residential facility certified by the State Department of Health, or its predecessor the State Department of Social Services, or a residential facility for the mentally disabled within the last ten years, the name of each such facility and any interest such individual held or currently holds therein shall be reported to the Commissioner.

At a minimum, Board members must minimally adhere to the conflict of interest provisions in the New York State Not-for-Profit Corporation Law as well as any additional OASAS requirements related to conflict of interest. Board members shall avoid conflicts of interest where there is material or private interests, including but not limited to self dealings. Compensated board members are not permitted. Reimbursement for reasonable and customary expenses incurred by Board members in fulfilling their obligations are allowed providing the Board has a written policy for such reimbursement and proper documentation

Board Roster to be Furnished

Under Local Services Bulletin 2006-03 the OASAS Field Offices should be notified in advance of changes to the OASAS-funded not-for-profit Boards of Directors and officers. In addition, a list of current Board members including addresses, telephone numbers, places of work (if applicable) and terms of office should be submitted with the annual prospective budget package.

ADMINISTRATIVE AND FISCAL GUIDELINES FOR OASAS FUNDED PROVIDERS

JANUARY 2010

CONFLICT OF INTEREST

Page 1 of 2

RECIPIENTS

- **All Funded Service Providers**
- **Local Governmental Units (LGUs)**

PURPOSE

The purpose of this item is to identify and define what constitutes a conflict of interest and to provide standards that will help identify and prevent potential conflict of interest involving Board of Directors members and employees of not-for-profit services providers funded by or through the Office of Alcoholism and Substance Abuse Services (OASAS).

BACKGROUND

A conflict of interest occurs when an individual has simultaneous loyalties which are antagonistic and/or incompatible with one another. In general there are three types of activities that represent a conflict of interest and are prohibited by law, standard contract provisions, federal, state and local regulations. Such conflicts involve (1) financial interests, (2) nepotism, and (3) dual employment.

As a condition of receiving OASAS funds, service providers agree to comply with appropriate laws and regulations, including the New York State Public Officers Law. The text of Sections 73 and 74 of the Public Officers Law, which outlines potential conflicts of interest situations, is attached to this item. Compliance with the above sections of the Public Officers Law is now the responsibility of the Commission on Public Integrity.

MINIMUM REQUIREMENTS

The following types of conflict of interest are prohibited.

Financial Conflict of Interest

All decisions, votes and actions of members of the Board of Directors, officers, and management concerning the business and interests of an OASAS-funded not-for-profit corporation are to be uncompromised and in the best interests of the Corporation. Executive Directors and management employees are strictly prohibited from engaging in transactions with the Corporation that they or a member of their family or household have a financial interest or benefit in. In situations where Board members, members of their family or household, or their employer may materially benefit from potential transactions, they must disclose such interest in writing to the Board. They must also refrain from exercising any influence regarding the potential transaction and abstain from voting on the conflicted matter.

Nepotism

Nepotism involves paying for the services of relatives or household members of people already employed by the corporation or members of the Board of Directors. Nepotism may occur through the hiring of such persons or by subcontracting to such persons (e.g., purchasing equipment from one's father's company).

The rationale against nepotism is similar to the rationale regarding financial conflict of interest. Providers should hire the best qualified employees at reasonable salaries and purchase equipment/services from the company offering the best goods/services for the most economical price. Also, governance or management oversight and supervision of the purchased goods or service should be independent and not compromised by the relationship. If a relative or a household member is retained as an employee or contractor, a presumption of conflict of interest is created and the conflict of interest requirements apply. In those cases where a related party or household member is found to be the best candidate and is hired as an employee or a contractor, the provider is expected to document that the employee/contractor is qualified and paid a reasonable salary/rate in accordance with other provider employees and contractors. In addition, such employee or contractor shall not be supervised or in the line of supervision by the related party or household member.

Outside Employment

Service providers are expected to have an outside employment policy in their employee manual (see **Item 10** - Employee Manual guideline) which articulates agency procedure relative to the identification of outside employment and possible conflicts of interest. Any outside employment by an employee of the service provider might constitute a conflict or appearance of a conflict of interest. A conflict might exist when the outside employment involves competing interests or excessive time demands. It should be made clear to the employee that his/her program job is his/her first responsibility. Any outside activity must not interfere with the employee's ability to properly perform their job function. Any outside employment should be disclosed by the employee and discussed with the employee's direct supervisor to ensure that it will not interfere with the employee's job or pose a possible conflict of interest. Documentation of all disclosures of outside employment should be maintained in the employee's personnel file, as well as any agency determination of whether a conflict exists.

RECIPIENTS

- All Funded Service Providers
- Local Governmental Units (LGUs)

PURPOSE

The purpose of this item is to identify minimum requirements for Office of Alcoholism and Substance Abuse Services (OASAS)-funded service providers regarding their responsibilities in maintaining an employee manual.

BACKGROUND

An employee manual is an essential element of any personnel management system. It provides an explanation of an employee's rights, responsibilities and benefits in the organization. It serves as a basis for how the employee relates to the organization.

MINIMUM REQUIREMENTS

OASAS requires its service providers to maintain a current employee manual. Areas to be covered in such a manual include:

- Organization purposes and goals
- General personnel policies
- Employment, promotion, separation policies
- Employee orientation and training
- Employee appraisal (probationary and regular)
- Time and attendance
- Salary and job title structure
- Employee benefits
- Affirmative action/non-discrimination policies
- Sexual harassment policies
- Violence in the workplace
- Emergency preparedness policies and procedures
- Grievance procedures
- Conflict of Interest policies
- Outside Employment
- Employee Travel*

All service providers are expected to ensure that their personnel policies are consistent with OASAS standards, all federal, state and local labor laws and approved by their Board of Directors. Service providers should bring any employee policies which are inconsistent with OASAS standards to the attention of the OASAS Program Manager. OASAS may authorize exceptions to these requirements under appropriate circumstances, but only on a case by case basis. For example, OASAS may authorize an exception because an existing collective bargaining agreement addresses a particular issue covered in these requirements.

* Policies and procedures for employee travel may be included within the service provider's Fiscal Policies and Procedures Manual or within the Employee Manual.

ADMINISTRATIVE AND FISCAL GUIDELINES FOR OASAS FUNDED PROVIDERS

JANUARY 2010

EMPLOYEE PERSONNEL RECORDS

Page 1 of 1

RECIPIENTS

- All Funded Service Providers
- Local Governmental Units (LGUs)

PURPOSE

The purpose of this item is to identify minimum requirements for Office of Alcoholism and Substance Abuse Services (OASAS)-funded service providers regarding their responsibilities in maintaining employee personnel records.

BACKGROUND

Current and complete information for all employees should be maintained to ensure accurate salary detail, payroll deductions, employee benefits and other matters.

MINIMUM REQUIREMENTS

OASAS requires its service providers to maintain complete and up-to-date employee personnel records. At a minimum, such records should contain the following:

- Resume or employment application which includes prior work history
- References with documentation of written or oral verification
- Hiring notice/letter
- Copy of job description and qualifications
- Copy of performance evaluations
- Salary actions, promotions, etc.
- Income Tax Withholding Forms (W-4 and IT-2104)
- Employee benefit records (e.g., health insurance, pension, etc.)
- Record of training received, if any
- Professional licenses/certification and credentials
- Copies of letters of commendation, if any
- Copies of supervisory counseling memoranda, if any
- Disciplinary actions, if any*
- Grievance matters, if any
- Separation records, if any
- Other pertinent correspondence

* Disciplinary actions should only be included when there is a final determination warranting such action. If there was not a sufficient basis for proceeding with the disciplinary action, the records of such action should be maintained in a separate file.

Personnel records are confidential and should be maintained in a secure location. Personnel records must be accessible for review by OASAS staff.