**14 DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**118 OFFICE OF SUBSTANCE ABUSE**

# **Chapter 1: RULES GOVERNING GRANTS AND PURCHASE OF SERVICE AGREEMENTS**

**Summary Statement:** This rule sets forth regulations for obtaining funds from the State of Maine under the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and the Drug Abuse Office, and Treatment Act of 1972.

## **I. General**

A. The comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and the Drug Abuse Office and Treatment Act of 1972, make, by allotment, Federal Funds available to this State under a formula grant basis. The State Administrator may provide a portion of these funds to: State, regional and local public and private non-profit agencies and organizations for participation in programs under these Acts. in addition, some State funds are made available for the same purposes.

B. Almost any type of project activity may be fundable, provided that the activity is based upon:

1. the Maine State Plan for Alcohol and Drug Abuse Services.

2. the development of new or innovative programs to fill gaps in existing services or to expand the reach of existing services.

3. the ultimate integration of services and resources of all State, regional, and local public and private agencies assisting alcohol or drug abusers, or high-risk persons as defined in the Maine State Plan for Alcohol and Drug Abuse Services.

4. specifications listed in a request for proposal issued by this office for the particular funding resource sought by the applicant.

C. These guidelines have been developed from existing state and federal guidelines and represent the minimum requirements for grants and contracts management by this office.

D. The use of Federal/State Funds must not result in a decrease in the effort of providing local alcohol or drug abuse prevention services. To the extent feasible, this program is designed to stimulate an increase in local effort.

E. The major thrusts of the grant program are for the delivery of services, and ongoing planning and coordination of all alcohol and drug abuse prevention, treatment and rehabilitation efforts.

F. OSA may fund up to 75% of a proposed alcoholism or drug abuse project subject to the availability of funds.

G. Funding by OSA may be accomplished through a grant in aid or a purchase of service agreement (Contract) mechanism or a combination of both.

## **II. Program Guidelines**

A. Project design, identification and justification are basically the same as those in developing any other type of funding proposal.

B. The project documentation features shall include the following specific information where applicable:

1. Statement of Need: In this part, identify in detail the problem which this project is intended to address. Accurate problem definition is essential. The problem as described here must be specifically related to the activities or effort proposed. Describe the problem in a manner which offers the potential to observe and measure its dimensions before, during and after the project activity.

As a minimum this item should:

a. Describe the nature and scope of the problem addressed in this application.

b. Provide supporting facts and figures which describe the existence of this problem and a summary of your analysis of the implications of this information.

c. Describe the underlying causes of the problem.

d. Provide a clear description of the impact or effect of the problem on other community agencies or groups.

2. Goals and Objectives: This section is vital to the application. It should clearly and concisely present the goal statement and measurable objectives for the project. In other words, this section should describe precisely what the project will achieve and/or demonstrate The goal statement and measurable objectives presented in this section should be directly related to the statement of the problem so that the project can be monitored and/or evaluated in terms of its ability to resolve the problem identified.

a. Specify a goal statement for the project. The goal statement should clearly communicate the intended result of the project as of the end of the grant period. The goal statement identifies, before the project starts, what must happen or be achieved in order for the project to be considered a success. The goal statement must be precise enough so that a person could, on the basis of project records and data, determine if the project goal has been achieved.

Below is one method for writing a precise goal statement:

(1) Identify the terminal (end) behavior or condition which will be accepted as evidence that the project has achieved its goal.

(2) Try to further define the desired behavior or condition by describing the important limits or circumstances under which the behavior and/or conditions will be expected to occur.

(3) If possible specify the criteria of acceptable performance and/or results by defining the minimum acceptable functioning level of the project.

NOTE: Complex projects may have more than one goal statement.

b. Identify implementation objectives for the project. Implementation objectives reflect major activities necessary to begin the project. They should be stated in the order in which they will happen. Describe how completion of each activity will be document.

c. Identify performance objectives for the project. Performance objectives Indicate major activities necessary to conduct the project as planned. Each performance objective should incorporate, where applicable, specific behavior, the method or procedures to be followed, time specifications and how achievement of the objective will be documented. Performance objectives should answer the questions 1) Who? 2) What? 3) Where? 4) When? 5) How? 6) Under what conditions? 7) To what level of acceptance? 8) As documented by what?

If this is a continuation of a previously funded project then the prior years' goals and objectives must be indicated along with a statement of the progress made toward achieving each specific goal or objective.

3. Project Description: Describe physical requirements for the project to be funded. List the types of clients to be served and describe the services to be delivered. Provide a list of project personnel requirements with job descriptions and special training and education requirements. Explain how this project will be made available to the specific client groups and identify sources of referral to and from your project. Indicate the relationship of each project activity to the goals and objectives. If this is a Single Purpose request, then describe only that purpose and Indicate the impact on your program of not funding the request.

4. Project Budget: The budget should be prepared listing the total expense for each line item and Identifying the OSA share of the line. It will be assumed that this budget may be applied evenly for each quarter of the grant year unless otherwise noted To the grant request.

5. Line Item Costs Justification: You must show the basis of cost for each major category line in the budget. This may be done by showing the process used to arrive at the line expense total. If an estimate is used from a supplier or contractor then give the name of the firm and/or person from which the estimate was obtained.

NOTE: If training funds are included in the budget a training plan must accompany the application to adequately justify the cost.

6. Summary of Project Personnel List each position or job title relative to the grant activity. state the number of persons who will hold each position or job title and the number of hours to be spent weekly on the project for each position. Show the total salary expense for that position or job title. A breakdown of fringe benefit costs should also be provided. The maximum fringe benefit ceiling allowed by the state should not be exceeded.

7. Sources of Income: All sources of income must be listed (including "in-kind" services). Show contract dates and indicate the amount represented by each source. If this is a continuation of a previously funded proposal then show the increase or decrease from the previous budget.

8. Future Project Funding: Describe the steps that your agency plans to take concerning funding for this project for at least one year following the requested termination date of this grant. Identify sources of funding and indicate the proportion of the project that each source is expected to support. If this is a continuation of current activity request, then describe the progress which has been made during the previous funding period toward achieving funding goals.

9. Evidence of Community Support:

a. List any inter-agency agreements which concern this project, and indicate in what ways they have been utilized, and how they will be used during the requested grant period.

b. Describe the involvement that the local community has had in developing this project. What attempts will be made to solicit local community support during the project period? What is the present financial commitment on the part of the community to the project?

c. Provide evidence of community support if possible in the form of unsolicited endorsement letters from community leaders, municipal officials, legislative representatives, former clients (with the client's written permission only!), and other concerned citizens.

10. Assurance of Compliance with the Department of Health, Education and Welfare Regulation under Title VI of the Civil Rights Act of 1964: A signed and properly filled in copy of the illustrated affidavit must be included with the grant application. See figure 11 - 1.

11. Applicant Certification and Governing Authority review: The applicant must certify that the application is complete and accurate and that he/ she has read and will abide by these grant guidelines, The application must be reviewed and approved by the governing authority of the agency prior to submission to OSA. A statement of approval must be signed by the principal board officer.

12. Review and Comment Sign Off: Letters substantiating Review and Comment by the designated Regional Coordinator (Council) and (if applicable) the Maine Health Systems Agency must accompany the application when submitted to OSA for final review and consideration. Applicant bears full responsibility for obtaining these local reviews. No project which has less than statewide impact will be accepted without such review.

**ASSURANCE OF COMPLIANCE WITH THE DEPARTMENT OF**

**HEALTH, EDUCATION, AND WELFARE REGULATION UNDER**

**TITLE VI OF THE CIVIL RIGHTS ACT OF 1964**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (hereinafter called the "Sponsoring Agency")

(Sponsoring Agency)

HEREBY AGREES THAT it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to the Regulation of the Department of Health, Education, and Welfare (45 CFR Part 80) issued pursuant to that title, to the end that, in accordance with Title VI of that Act and the Regulation, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance from the Department; and HEREBY GIVES ASSURANCE THAT it will immediately take any measures necessary to effectuate this agreement.

If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Sponsoring Agency by the Department, this assurance shall obligate the Sponsoring Agency, or in the case of any transfer of such property, and transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is so provided, this assurance shall obligate the Sponsoring Agency for the period during which it retains ownership or possession of the property. In all other cases, this assurance shall obligate the Sponsoring Agency for the period during which the Federal financial assistance is extended to it by the Department.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining any and all Federal grants, loans, contracts, property, discounts or other Federal financial assistance extended after the date hereof to the Sponsoring Agency by the Department, including installment payments after such date on account of applications for Federal financial assistance which were approved before such date. The Sponsoring Agency recognizes and agrees that such Federal financial assistance will be extended In reliance on the representations and agreements made in this assurance, and that the United States shall have the right to seek judicial enforcement of this assurance. This assurance is binding on the Sponsoring Agency, Its successors, transferees and assignees, and the person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Sponsoring Agency.

Dated\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Chief Administrator of

Sponsoring Agency)

By\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Project Director, if different)

Figure 11 - I

13. Proposal Submission: Grant proposals for OSA funds will be submitted to OSA regional planning and coordinating agencies and (if applicable) to Maine Health Systems Agency. Recommendations resulting from local review should be Included in the final application which then must be submitted to OSA prior to any deadline specified in the request for proposal. A waiver of deadline not to exceed twenty working days may be granted at the discretion of the OSA Director. Such waiver must be applied for in writing at least five working days prior to the specified deadline in the RFP.

14. Evidence will be submitted, upon request by OSA, that the grant request has been comprehensively planned and that appropriate local and regional agency coordination has been fully accomplished.

15. The OSA staff will accomplish a technical review of the proposal and ensure its completeness prior to review by the State Review and Comment Committee. The following steps will then be taken to lead to a final decision on the proposal:

a. A State Review and Comment Committee meeting will be scheduled and all principles notified (to include as a minimum the applicant, the regional coordinator, and the members of the committee) in writing concerning the meeting.

b. Prior to interviewing the applicant all written information will be reviewed and discussed as appropriate by the committee.

c. The applicant and all principles will be present during the interview at which time additional written information may be submitted for review by the committee.

d. After the applicant interview is completed the committee will meet in open or closed session (at the discretion of the committee chairman) to discuss its findings and produce a written recommendation to the OSA Director concerning the disposition of the applicant's request. A copy of the committee's recommendation will be forwarded to the applicant and other local review groups.

e. The OSA Director will make the final decision concerning the request, utilizing the committees written recommendation and any other pertinent information he has available. Applicants will be informed in writing of this final decision.

f. Appeals concerning the decision of the OSA Director may be initiated through the office of the Commissioner of Human Services by written request with a copy to the Director of OSA.

g. Applications for funding relating to OSA administrative concerns only or having a value of $5,000.00 or less may not receive a review by the State Review and Comment Committee subject to the discretion of the Director of OSA.

16. Acceptance of the award of funds by Grant in Aid or Purchase of Services Agreement (PSA) constitutes an additional assurance by the recipient (or vendor in the case of a PSA) that:

a. Funds paid to the applicant under this plan will be used to make a significant contribution toward improving the quality, scope and extent of alcohol and/or drug abuse treatment, rehabilitation or prevention services.

b. Funds paid will be used to supplement and, to the extent practicable, to increase the level of funds that would otherwise be made available for the purposes for which these funds are provided and will not supplant local funds.

c. There will be applicant participation in the cost of carrying out the project at the rate of at least 25% of the project costs.

d. Methods and procedures for properly charging project costs will be established and maintained. Fiscal procedures will be adequately described in writing and made available to OSA on request.

e. In accordance with Title VI of the Civil Rights Law of 1964 (42 U.S.C. 200 d et seq.) and the regulation issued thereunder by the U.S. Department of Health, Education, and Welfare (45 DFR Part 80) no individual shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under the project submitted. No professionally qualified person will be discriminated against on account of sex and creed with respect to the privilege of professional practice in the facility.

f. All information as to personal facts and circumstances obtained by the agencies or other private nonprofit agencies, groups or organizations, to whom funds are paid by the State, will be held confidential and will not be divulged without the individual's consent In accordance with current federal regulations except as necessary to provide services to him. Each project applicant will establish adequate procedures to carry out this provision and to adequately protect the rights of persons with respect to whom confidential information is held.

g. Applicants for projects shall be in compliance with the U.S. Department of Health, Education, and Welfare policy concerning Human Rights: Copies of HEW Regulations concerning Human Rights are maintained for reference purposes by OSA at 32 Winthrop Street, Augusta.

h. The project or facility to be provided funds will furnish a community service, and that consideration will be given to the involvement of residents of the community In management and operation of the project, or if applicable, the facility.

i. The project or the facility will furnish services to all persons in need of such services regardless of ability to pay.

Alcohol and Drug Agency

Perceives Need

OSA Issues RFP

Alcohol and Drug Agency Response

Project Proposal

Developed

Regional Coordinator

Review and Comment Recommendation

(MHSA Recommendation if required)

Applicant Completes

proposal and submits

application to OSA

OSA Staff

Technical Review

State Review and

Comment Committee

Review as Appropriate

Director OSA

(Final Decision)

Figure 11 - 2

j. Fees for services will be charged on the basis of the client's ability to pay. Prior to charging fees, a fee schedule must be submitted to and approved by OSA. Fees so collected may be used to expand project services, fund existing activities or discharge obligations resulting from prior year deficit operations. Fees for service funds may be utilized to provide seed money for matching future contracts or grants. Prior approval must be obtained from OSA regarding the above stated uses of fee for service funds.

k. Resumes detailing the professional qualifications of project staff and key operating personnel responsible for the operation of service projects or facilities funded under these guidelines will be provided upon request by OSA.

l. The grantee understands that all service projects funded will normally be scheduled for termination on or before June 30 of the current fiscal year. Projects scheduled for a time period of more than 12 months will only be considered for funding by the single state agency for a specific year. In the event of multi-year project applicants, the successive fiscal year funding will be dependent upon Federal/State funding levels and annual approval of OSA. At the present time there are no provisions for extended time length projects.

Such projects when submitted will be considered for funding subject to these conditions:

The annual availability of Federal/State funds

Relative success or failure of the project

Annual approval of the project by OSA

No obligations made before the starting or after the termination date may be charged to a grant except as specified by the Notice of Grant Award.

m. Any major change in the scope of the project (policy, objectives or goals) for funded projects must receive prior written approval of the single state agency responsible for administration of the program. Personnel changes must be reported to OSA within 5 working days of their occurrence.

Permissible changes in the approved project shall be limited to minor changes in methodology, approach, or other aspects that would expedite achievement of the project's objectives as long as the original objectives are not changed. Such changes may not result in increasing the cost of the project to OSA. Whenever the grantee, or program director, is uncertain as to whether any change complies with the above provision, the question shall be referred to the OSA for resolution.

n. The recipient organizational entity complies with provisions set forth in section 503 and 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706) concerning non-discrimination on the basis of handicap.

o. Subgranting is not allowable. The grantee may not, in whole or part, delegate or transfer responsibility for the use of project funds to any other institution, organization, or person except as provided for in the Notice of Grant Award or Purchase of Services Agreement.

p. Requirements for records retention will be strictly adhered to in accordance with current directives. Project accounting records are considered to be essential. Records required for retention include all original receipt and expenditure documents that support and substantiate charges to project activity. All recipients of project funds are required to maintain accounting records, as follows:

(1) Records may be destroyed three years after the end of the budget period if audit, by or on behalf, of the state agency has occurred by that time.

(2) If audit, by or on behalf of the state agency, has not occurred by that time, the records must be retained until audit or until five years following the end of the budget period, whichever is earlier.

(3) in all cases an overriding requirement exists to retain records until resolution of any audit questions relating to individual grants.

(4) Project records are subject to inspection and audit by state and federal representatives:

(a) To verify financial transactions and determine whether funds were used in accordance with applicable laws, regulations, and procedures;

(b) To ascertain whether policies, plans, and procedures are being followed;

(c) To provide management with objective and systematic appraisals of financial and administrative controls and information as to whether operations are carried out effectively, efficiently and economically; and

(d) To determine reliability of financial records and reports.

q. The audit is performed in accordance with generally accepted auditing practices in determining that there is a proper accounting for and use of grant funds. If the grantee falls to appeal a proposed audit disallowance within 30 days of receipt of written notification, the disallowance becomes final.

NOTE: The audit activity is not intended to review technical aspects of the conduct of the project.

17. Reports on Project Accomplishments and Evaluation:

Where Regional Coordinators exist, projects will be assigned to them for continuing consultation. Where they do not exist, consultation will be provided by central office OSA staff. Program Directors may relate progress or problems either verbally or preferably in writing at any time during the project.

In addition, there are five written reports required to be furnished to OSA central office and regional coordinators, where they exist.

a. Quarterly Evaluation Progress Report: (1 copy Regional Coordinator, 1 copy OSA central office.) This report is a narrative report of the project activities; it will include success or failure assessments based upon criteria in the original grant application. Problems with goal attainment will also be described in this report. As minimum, each project objective must be addressed.

b. OSA Management Information System Reports - Specific project activity reporting for the Maine Alcohol Program Information System and Client Oriented Data Acquisition Process must be accomplished correctly and in accordance with schedules established by OSA.

c. Final Report - (1 copy to Regional Coordinator, 1 copy to OSA central office). This report will be submitted within 30 days after the end of the project period. It will consist of a review of the project's activities and accomplishments during the entire project period and a final evaluation of the extent to which the project achieved its objectives.

## **III. Grantee Responsibility**

A. Grant requirements - The grantee, when applying for a project grant, agrees to administer any grant awarded by the State in accordance with governing State and Federal regulations and policies in effect at the time the award Is made. The grantee further agrees to assume responsibility for fiscal administration, public information, program management, integration of services with local public and private agencies, and compliance with all Federal, State and local requirements for the protection of human and civil rights.

B. Coordination - In order to effectively promote integration of projects in the community and regional system of services, and in order to provide integration of service care provided to client group, the grantee must:

1. coordinate with appropriate local, regional and state organizations and agencies.

2. secure letters of endorsement from these organizations, agencies, and others who will participate in project. Such letters must be specific in scope and serve as a project commitment.

## **IV. Submission and Review of Grant Application**

A. Complete the project application forms and the project description and forward them to the appropriate Regional Coordinator and (if required) the Maine Health Systems Agency.

**Region I** **Region II**

Ralph Kilgore John Coffey

Southern Regional Alcoholism and Western Regional Council on Alcohol

Drug Abuse Council, Inc. Abuse & Alcoholism, Inc.

Lafayette Town House 179 Lisbon Street

638 Congress Street Lewiston ME 04240

Portland ME 04101

**Region III** **Region IV**

Robert Burke, President William Christian

Kennebec-Somerset Regional Eastern Regional Council on Alcohol

Alcohol Council and Drug Abuse, Inc.

23 Drew Street Bangor Health Facility

Apt. 7 103 Texas Avenue

Augusta ME 04330 Bangor ME 04401

**Region V**

James Sabine Maine Health Systems Agency

Aroostook Mental Health Center 2 Central Plaza

Union Square Augusta ME 04330

Houlton ME 04730

B. The process described in Figure 11 - 2 normally takes ninety days to complete. In cases of extreme urgency at the regional coordinator's option, the Regional Review and Comment Committee review and regional council approval may be bypassed. The State Review and Comment Committee review and the State Advisory Council approval may be bypassed at the option of the OSA Director to facilitate urgent requests, but notification of such action must be made to committee members within five working days of such an occurrence.

STATUTORY AUTHORITY: 22 M.R.S.A. §42

EFFECTIVE DATE:

September 30, 1978

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January 19, 1999

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March 5, 2006 – filing 2006-98, repealed Section 2(B)(16)(n), (q), (t), (u), (v), Section 2(B)(17), Section 2(B)(18)(b), (e), Section V, Section VI, with the subject matter absorbed into 10-144 Ch. 24

Nonsubstantive edits made by agency to ensure accessibility; APAO Accessibility Check: August 20, 2025