



# *COMMONWEALTH of VIRGINIA*

NELSON SMITH  
COMMISSIONER

*DEPARTMENT OF  
BEHAVIORAL HEALTH AND DEVELOPMENTAL SERVICES*

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**June 27, 2025**

**RE: AMENDMENT 3 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS – Contract No. P1636.3**

Dear CSB Executive Directors,

The attached final FY26-27 amended Community Services Performance Contract (PC) and supplemental documents are ready for your execution through DocuSign.

It is important for the smooth continuity of the process to have signed performance contracts returned to the Department as soon as practicable. Please keep in mind that Code requires CSBs on or before September 30<sup>th</sup> to:

1. Make the proposed contract available for public review and solicit public comments for a period of 30 days before submitting it for local approval.
2. Submit its proposed performance contract to the governing body (city council or board of supervisors) for review and approval. CSBs to have their PC approved or renewed by the governing body of each city or county that established it. If no action is taken by the governing body of each city or county that established it by the deadline, the contract is deemed approved or renewed.
3. Sign its PC

To avoid disruptions in service continuity and allow sufficient time to complete public review and comment about the contract and negotiation and approval of the contract, the Department provides semi-monthly payments of state-controlled funds to the community services boards. It is important for the smooth continuity of the process to have signed performance contracts returned to the Department as soon as practicable.

The performance contract is a transactional agreement between the Department and the Community Services Boards and Behavioral Health Authority community partners. Changes to this agreement may be made periodically to improve the business relationship, funding and delivery of program services for better alignment with the strategic initiatives of the Commonwealth.

We encourage you take the time to familiarize yourself with all these documents to understand what is required but we would like to bring your attention to certain changes from this review period.

**AMENDMENTS - FY2026 and 2027 Community Services Performance Contract**

Certain amendments provided below are in compliance with required Code of Virginia and Budget amendment changes. The provisions of subsection C of §§ 37.2-508 and 37.2-608 of the Code of Virginia, as amended and budget amendment Item 295#9c shall become effective July 1, 2024. Outlined here are the material changes to the PC for your review.

- 1.0 Section 4 - Term and Termination** – the Term has been amended. This contract shall be in effect for a term of two years, commencing on July 1, 2025, and ending on June 30, 2027.
- 1.1 CCS and Taxonomy Sunset** – effective July 1, 2025, any reference to CCS3/CCS or Core Services Taxonomy has been removed from all performance contract documents. CCS as the data reporting mechanism for the Department has been replaced as part of the Data Modernization Program and the project to sunset CCS3 and direct alignment with industry standard reporting codes which also makes the core services taxonomy obsolete.
- 1.2 Section 6 – Service Change Management** – amended from the 45 to 30-day requirement for submission of a service modification. Effective June 19, 2025 the regulation changed to require submission of a service modification at least 30 days in advance [12VAC35-105-60. Modification.](#)
- 1.3 Section 13 Compliance with Laws** – this amendment incorporates revised privacy and data sharing language that was added through PC amendment P1636.2 that expires June 30, 2025. This section has been amended to relieve CSBs of perceived risk related to sharing PHI with DBHDS. In particular, PHI governed by 42 CFR Part 2 that has been a long-standing concern for some CSBs, and the proposed amendments address this concern.
  1. Section 13.A. has been renamed from HIPAA to Data Privacy.
  2. Language has been removed from Section 13.A related to DBHDS facilitating, initiating, or otherwise requiring BAAs or other data sharing agreements for which DBHDS is not a party to said agreements.
  3. Language has been removed from Section 13.A. that previously required CSBs to execute a BAA with third party business associates of the Department to facilitate access to PHI/PII required by DBHDS for CSBs to provide. The OAG has stated clearly this is neither necessary nor appropriate.
- 1.4 Exhibit B: Continuous Quality Improvement (CQI)**- this Exhibit has been amended based on the work done internally and externally to establish and refine BH QMS core measures, establish measure benchmarks and track progress toward targets, facilitates the provision of TA, and develops Quality Improvement Initiatives to address systemic issues.
  - 1. Section II. Measure Development** – the Department’s Behavioral Health Measure Development and Review process has been added as Attachment 1
  - 2. Section V. Performance Measures** – certain program service measures have been revised (See Exhibit B for more details)
    - B. Same Day Access Measures** – ISERV measure development for FY26-27  
Definition finalized in program workgroup, in conjunction with the CSB/DBHDS Data SMEs, and will begin messaging with the mutually (CSB/DBHDS reps at Program Workgroup) created job-aide.

- C. SUD Engagement Measure (Block Grant SAMSHA/DBHDS Requirement) – benchmark increased to 65%. National scores are average and used as a baseline not a benchmark. During our presentation to the Q&O and DMC the SUD engagement benchmark was discussed.
- D. DLA-20 Measure – revised definition. Measure development for FY26-27. Finalized in conjunction with the CSB/DBHDS Data SME's

### 3. VI. Additional Expectations and Elements Being Monitored

**A.1. Primary Care Screening** – revised definition. Measure development for FY26-27. Finalized in conjunction with the CSB/DBHDS Data SME's

**A.2. Antipsychotic Metabolic Screening** – new required measure - Finalized in conjunction with the CSB/DBHDS Data SME's

**B. Outpatient Services** - revised measure and benchmark (95%) - Finalized in conjunction with the CSB/DBHDS Data SME's

**C. Service Members, Veterans, and Families (SMVF)** - revised measures and

**D. benchmarks** (Training 95% and 90% admissions for MH/SUD services) - Finalized in conjunction with the CSB/DBHDS Data SME's

**1.5 Exhibit C: PHI Data Sharing and Use Agreement** - exhibit C is being repurposed for this amendment that incorporates language into the PC from PC Amendment 2 (P1636.2) that added Exhibit N- PHI Data Sharing and Use Agreement date December 6, 2024 through June 30, 2025 that was regarding sharing confidentiality and security of individually identifiable health information between the Department and the CSBs.

**1.6 Exhibit E: Performance Contract Schedule and Process** – updated to provide the CSB specific due dates for Department required reporting submissions for the performance contract, financial, program related required data submissions for the new data platform, local government audits and Certified Public Accountant (CPA) audits for FY26-27. It also provides specific dates for disbursement of state and federal funds to the CSBs.

**1.7 Exhibit F: Federal Grant Requirements** – revised to reflect the current federal grants and their general and specific terms and conditions. These are required material changes that are not negotiable as a Subrecipient of federal funds. We encourage you to familiarize yourself with this information as a Subrecipient of federal funds

**1.8 Exhibit G: Community Services Boards Master Programs Services Requirements** – this exhibit has been revised to provide terms and conditions for certain programs services that a CSB may provide to reduce the amount of Exhibits D the Department and CSBs will have to review, process, and track. Keep in mind that this is not inclusive of all programs/services a CSB may provide, just those that it may have received on a regular basis for review and execution that have well established baseline requirements, with minimal to no changes, and/or part of ongoing baseline funding received from the Department.

At the request of the CSBs, more program service information has been added as Attachment 1 to provide more details regarding funding information such as appropriation language, where to find additional requirements that may be in other Exhibits, cost center information and program points of contacts.

**1.9 Exhibit H: Regional Local Inpatient Purchase of Services (LIPOS) Requirements - revised**

to update the reduction of appropriated funding and remove certain CCS3 and taxonomy language.

**1.10 Exhibit K (new attachments - Appendix D, E, F, G, H): State Hospital Census Management Admission and Discharge Requirements – this Exhibit was revised and reorganize to streamlining and ensuring the inclusion of all populations in the protocols. None of the changes are direct result of the 30-day discharge pilot because those are pilots. DBHDS programs staff did some extensive work regarding this Exhibit with CSB program and state hospitals staff responsible for this work. Please ensure that you take the time to review. Here are some key changes.**

**Exhibit K - Collaborative Discharge Requirements for Community Services Boards and State Hospitals** – revised to clarify: State Hospital Responsibilities and CSB Responsibilities and Time Frames.

**New Appendices**

1. **Appendix D-** Admission Notifications  
Individuals to include in admission notification: hospital liaison, liaison supervisor, MH/Clinical Director, ID Director if applicable
2. **Appendix E -** Discharge Dispute Process  
Discharge Readiness Dispute Process for State Hospitals, CSBs, and DBHDS Central Office
3. **Appendix F-** Clinical Readiness Scale for State Psychiatric Hospitals with Psycho-Legal Considerations
4. **Appendix G:** Discharge Medication Protocol
5. **Appendix H:** Discharge Pilot Protocols for Central State Hospital, Southwestern Virginia Mental Health Institute, Or Southern Virginia Mental Health Institute

**1.11 Exhibit M: Department of Justice Settlement Agreement: amended as required for DOJ compliance. These are required material changes that are not negotiable. Please review to understand the requirements. Here are some of the revisions:**

1. CSB will post a message for individuals with DD and their families related to the DMAS document titled “Help in Any Language” to the CSB website and provide the information through other means, as needed, or requested by individuals with DD and their families who are seeking services.
2. Face-to-Face Visits
  - a. CSBs shall refer to Enhanced Case Management Criteria Instructions and Guidance and the Case Management Operational Guidelines issued by the Department.
  - b. CSB will document the selected Support Coordinator’s name on the Virginia Informed Choice form to indicate individuals, and as applicable Substitute Decision-Maker's, choice of the assigned SC.
3. Support Coordinator Quality Review
  - a. Each year, the CSB shall complete the number of Support Coordinator Quality Reviews and provide data to DBHDS as outlined by the process.

- b. As requested by DBHDS, the CSB will submit a performance improvement plan (PIP) or Corrective Action Plan (CAP) when two or more indicators ((Item 9ci through x above) are found to be below 60% during any year reviewed.
3. CSB shall notify the community resource consultant (CRC) and regional support team (RST) in the following circumstances using the [RST referral form in the waiver management system \(WaMS\) application](#) to enable the RST to monitor, track, and trend community integration and challenges that require further system development.

**1.12 Addendum I Administrative Requirements and Processes– Administrative Requirements for Accounts Receivables**

1. **Appendix D - User Acceptance Testing Process** – revised to align with the data modernization requirements
2. **Appendix E - Administrative Requirements for Accounts Receivables** - was repurposed to implement a targeted review process to assess the extent to which CSBs are billing for Medicaid-eligible services they provide, (ii) determine if additional technical assistance and training, in coordination with Medicaid managed care organizations, is needed on appropriate Medicaid billing and claiming practices to relevant CSB staff, and (iii) evaluate the feasibility of a central billing entity, similar to the Federally Qualified Health Centers, that would handle all Medicaid claims for the entire system.
3. **Appendix F** - was repurposed to move Regional Program Operating Principles from the Core Services Taxonomy

**1.13 Addendum III - Sunset Core Services Taxonomy** – the contents will sunset except for Regional Program Operating Principles, that was moved to Appendix F of Addendum I- Administrative Requirements and Processes and Procedures of the performance contract. We will keep a placeholder for future repurpose of this section.

The Department would like to thank you all for your service to the community and working with us.

All your hard work and dedication to both your communities and our community services system is much valued and appreciated.

If you need help or have questions, please email [performancecontractsupport@dbhds.virginia.gov](mailto:performancecontractsupport@dbhds.virginia.gov)

Thank you,



Chaye Neal-Jones

Director

Office of Enterprise Management Services

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

**Table of Contents**

1.	Purpose .....	4
2.	Defined Terms .....	5
3.	Relationship .....	6
4.	Term and Termination .....	6
5.	Contract Amendment.....	6
9.	Services.....	6
6.	Service Change Management .....	6
7.	Funding Requirements.....	7
A.	Funding Resources.....	7
B.	Funding Allocations.....	7
C.	Expenses for Services .....	7
D.	Use of Funds.....	7
E.	Availability of Funds .....	8
F.	Local Match.....	8
G.	Local Contact for Disbursement of Funds .....	8
H.	Unanticipated Changes in the Use of Funds Due to a Disaster .....	8
10.	Billing and Payment Terms and Conditions .....	8
A.	Federal Funds Invoicing .....	8
B.	Payment Terms .....	9
C.	Reconciliation and Closeout Disclosures .....	9
11.	CSB Responsibilities .....	10
A.	Exhibit A.....	10
B.	Populations Served .....	10
C.	Scope of Services.....	10
D.	Response to Complaints .....	10
E.	Quality of Care .....	10
F.	Reporting Requirements and Data Quality .....	11
12.	Subcontracting .....	13
A.	Subcontracts.....	14
B.	Subcontractor Compliance.....	14
C.	Subcontractor Dispute Resolution .....	14
D.	Quality Improvement Activities .....	14
13.	Compliance with Laws .....	14
A.	DATA PRIVACY.....	14

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

B.	Employment Anti-Discrimination .....	15
C.	Service Delivery Anti-Discrimination .....	15
D.	General State Requirements .....	16
E.	Conflict of Interests .....	16
F.	Freedom of Information.....	16
G.	Protection of Individuals Receiving Services .....	16
H.	Licensing .....	16
14.	Department Responsibilities .....	17
A.	Program and Service Reviews .....	17
B.	State Facility Services.....	17
C.	Quality of Care .....	18
D.	CSB Performance Dashboard .....	18
E.	Utilization Management .....	18
F.	Human Rights .....	18
G.	Licensing .....	18
H.	Peer Review Process.....	19
I.	Electronic Health Record (EHR) .....	19
J.	Reviews .....	19
K.	Reporting and Data Quality Requirements .....	19
L.	Data Submission .....	19
M.	Data Elements .....	20
N.	Streamlining Reporting Requirements.....	20
O.	Data Quality.....	20
P.	Surveys and Additional Data Reporting Requests.....	20
Q.	Communication .....	20
R.	Department Comments or Recommendations on CSB Operations or Performance .....	21
15.	Compliance and Remediation.....	21
16.	Liability .....	24
17.	Severability .....	24
18.	Counterparts and Electronic Signatures.....	24
19.	Signatures .....	24
20.	Exhibit L: List of Acronyms.....	26

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

**Other Performance Contract Document Attachments**

- ☒Exhibit A: Resources and Services (Only available through the electronic reporting application provided by the Department)
- ☒Exhibit B: Continuous Quality Improvement (CQI) Process and CSB Performance Measures
- ☒Exhibit C: PHI Data Sharing and Use Agreement (Repurposed effective July 1, 20125)
- ☐Exhibit D: Individual CSB Performance Measures (Provided separately as needed by the Department)
- ☒Exhibit E: Performance Contract Schedule and Process
- ☒Exhibit F: Federal Grant Requirements
- ☒Exhibit F(B): Single Audit Exemption Form (Template Document provided by Department)
- ☒Exhibit G: Community Services Boards Master Programs Services Requirements
- ☒Exhibit H: Regional Local Inpatient Purchase of Services (LIPOS) Requirements
- ☒Exhibit I: INTENTIONALLY LEFT BLANK FOR FUTURE USE
- ☒Exhibit J: Certified Preadmission Screening Clinicians Requirements
- ☒Exhibit K: State Hospital Census Management Admission and Discharge Requirements
- ☒Exhibit L: List of Acronyms (See Table of Contents)
- ☒Exhibit M: Department of Justice Settlement Agreement
- ☒Addendum I: Administrative Requirements and Processes and Procedures
- ☒Addendum II: Partnership Agreement
- ☒Addendum III: INTENTIONALLY LEFT BLANK FOR FUTURE USE

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**FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT**  
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**Hampton-Newport News Community Services Board**  
**Contract No. P1636.764.3**

**1. Purpose**

The Department of Behavioral Health and Developmental Services (the “Department”) and the Community Service Board or Behavioral Health Authority (the “CSB”) collectively hereinafter referred to as “the Parties”, enter into this contract for the purpose of funding services provided directly or contractually by the CSB in a manner that ensures accountability to the Department and quality of care for individuals receiving services and implements the mission of supporting individuals by promoting recovery, self-determination, and wellness in all aspects of life.

Title 37.2 of the Code of Virginia, hereafter referred to as the Code, establishes the Virginia Department of Behavioral Health and Developmental Services, hereafter referred to as the Department, to support delivery of publicly funded community mental health (MH), developmental (DD), and substance use (SUD), services and supports and authorizes the Department to fund those services.

Sections 37.2-500 through 37.2-512 of the Code require cities and counties to establish community services boards for the purpose of providing local public mental health, developmental, and substance use disorder services; §§ 37.2-600 through 37.2-615 authorize certain cities or counties to establish behavioral health authorities that plan and provide those same local public services.

This contract refers to the community services board, local government department with a policy-advisory community services board, or behavioral health authority named in this contract as the CSB. Section 37.2-500 or 37.2-601 of the Code requires the CSB to function as the single point of entry into publicly funded mental health, developmental, and substance use disorder services. The CSB fulfills this function for any person who is located in the CSB’s service area and needs mental health, developmental, or substance use disorder services to the greatest extent possible and within the resources available to the CSB for this purpose.

Sections 37.2-508 and 37.2-608 of the Code and State Board Policy 4018, establish this contract as the primary accountability and funding mechanism between the Department and the CSB, and the CSB is applying for the assistance provided under Chapter 5 or 6 of Title 37.2 by submitting this contract to the Department.

The CSB exhibits, addendums, appendices, Administrative Requirements and Processes and Procedures, CCS Extract and CARS or successor (hereinafter referred to as “Data Reporting Mechanism”), and Partnership Agreement documents are incorporated into and made a part of this contract by reference. The documents may include or incorporate ongoing statutory, regulatory, policy, and other requirements that are not contained in this contract. The CSB shall comply with all provisions and requirements. If there is a conflict between provisions in any of those documents and this contract, the language in this contract shall prevail.

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

**2. Defined Terms**

**Appropriation Act** is defined as an Act for the appropriation of the Budget submitted by the Governor of Virginia in accordance with the provisions of § 2.2-1509 of the Code of Virginia and to provide a portion of the revenues for a two year period.

**Data Reporting Mechanism** is defined as CCS Extract and CARS or their successors

**Federal Fiscal Year** the Federal Fiscal Year begins on October 1 of the calendar and ends on September 31 of the subsequent calendar year.

**Federal Funds** the Federal Funds are funds that are allocated by the federal government and are provided to the Department of Behavioral Health and Developmental Services as the State of Virginia’s authority for the allocation, management, and oversight for the use of these specific funds. The funds are considered restricted and must be used or encumbered during the federal fiscal year or extensions. Any unused funds are required to be returned to the Department by the CSB and from there to the federal government in a timely manner.

**Fiscal Agent** the Fiscal Agent has two specific purposes.

The specific local government that is selected by the local governments or government participating in the establishment of a specific CSB and identified in the local resolutions passed by each locality in its creation of the CSB. If the participating governments decide to select a different fiscal agent, it must be done through a local resolution passed by each participating local government that created the CSB.

The second purpose of Fiscal Agent is the specific CSB that has been selected by the CSB Region to receive state-controlled funds from the Department and manage those funds in a way that has been identified in a memorandum of understanding (MOU) agreed to by each participating CSB in a regionally funded activity. If the CSB acting as Fiscal Agent changes by decision of the Regional CSB, then that change must be noted in a revision to the existing MOU.

**Memorandum of Understanding (MOU) or Memorandum of Agreement (MOA)** is an agreed upon process for the management of services, funds, or any rules or regulations that govern the processes all participating parties agree to follow for the common good of the participating parties. In the case of the Community Services Performance Contract, or any activities funded through the Community Service Performance Contract, the MOU is agreed upon and signed for the delivery of services identified and funded through the Region the participating community services boards or behavioral health authority provide services in.

**Populations Served** are defined as adults with serious mental illnesses, children with or at risk of serious emotional disturbance, individuals with developmental disabilities, or individuals with substance use disorders to the greatest extent possible within the resources available to it for this purpose.

**Restricted Funds** are funds identified separately in letters of notification, performance contracts, Exhibits D and the Department’s Data Reporting Mechanism(s) to be used for specified purposes; CSB must account for, and report expenditures associated with these funds to the Department. The uses of restricted funds usually are controlled and specified by a funding source, such as federal mental health and substance abuse block grants or the Appropriations Act passed by the General Assembly. The Department may restrict funds that would otherwise be unrestricted.

**State Fiscal Year** the State Fiscal Year (FY) begins July 1 of the calendar year and ends June 30 of the subsequent calendar year.

**State General Funds** these are funds that are appropriated by the Virginia General Assembly and are

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

identified in each current Appropriation Act. The act is not considered law until it is signed by the Governor of Virginia.

**Unrestricted Funds** are funds identified separately in letters of notification, performance contracts, and Department's Data Reporting Mechanism(s) but without specified purposes; CSB do not have to account or report expenditures associated with them separately to the Department.

### **3. Relationship**

The Department functions as the state authority for the public mental health, developmental, and substance use disorder services system, and the CSB functions as the local authority for that system. The relationship between and the roles and responsibilities of the Department, the state hospitals and the CSB are described in the Partnership Agreement between the parties. This contract shall not be construed to establish any employer-employee or principal-agent relationship between employees of the CSB or its board of directors and the Department.

### **4. Term and Termination**

**Term:** This contract shall be in effect for a term of two years, commencing on July 1, 2025, and ending on June 30, 2027.

**Termination:** The Department may terminate all or a portion of this contract immediately at any time during the contract period if funds for this activity are withdrawn or not appropriated by the General Assembly or are not provided by the federal government. In this situation, the obligations of the Department and the CSB under this contract shall cease immediately. The CSB and the Department shall make all reasonable efforts to ameliorate any negative consequences or effects of contract termination on individuals receiving services and CSB staff.

The CSB may terminate all or a portion of this contract immediately at any time during the contract period if funds for this activity are withdrawn or not appropriated by its local government(s) or other funding sources. In this situation, the obligations of the CSB and the Department under this contract shall cease immediately. The CSB and Department shall make all reasonable efforts to ameliorate any negative consequences or effects of contract termination on individuals receiving services and CSB staff.

### **5. Contract Amendment**

This contract, including all exhibits and incorporated documents, constitutes the entire agreement between the Department and the CSB and may be amended only by mutual agreement of the parties, in writing and signed by the Parties hereto, except for the services identified in Exhibit A, amendments to services under Exhibit A shall be in accordance with the performance contract revision instructions contained in Exhibit E.

### **9. Services**

Exhibit A of this contract includes all mental health, developmental, and substance use disorder services provided or contracted by the CSB that are supported by the resources described in this contract.

### **6. Service Change Management**

The CSB shall notify the Department 45 days prior to seeking to provide a new category or subcategory or stops providing an existing category or subcategory of services if the service is funded with more than 30 percent of state or federal funds or both by the Department. The CSB shall provide sufficient information to the Office of Management Services (OEMS) through the performancecontractsupport@dbhds.virginia.gov for its review and approval of the change, and the CSB shall receive the Department's approval before implementing the new service(s) or stopping the existing service(s).

Pursuant to 12VAC35-105-60 of the *Rules and Regulations for Licensing Providers by the Department of*

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

*Behavioral Health and Developmental Services*, the CSB shall not modify a licensed service(s) without submitting a modification notice to the Office of Licensing in the Department at least 30 days in advance of the proposed modification.

**7. Funding Requirements**

**A. Funding Resources**

Exhibit A of this contract provides an example of the following resources: state funds and federal funds appropriated by the General Assembly and federal government and allocated by the Department to the CSB, and any other funds associated with or generated by the services shown in Exhibit A. The CSB must review the most recent version of Exhibit A sent by the Department's Fiscal and Grants Management Office.

**B. Funding Allocations**

1. The Department shall inform the CSB of its state and federal fund allocations in its letter of notification (LON). Allocations of state and federal funds shall be based on state and federal statutory and regulatory requirements, provisions of the Appropriation Act, State Board policies, and previous allocation amounts.
2. The Department may reduce or restrict state or federal funds during the contract term if the CSB reduces significantly or stops providing services supported by those funds as documented in its community services reports. These reductions shall not be subject to provisions in Section 14.A. and B. of this contract. The Commissioner or designee shall communicate all adjustments to the CSB in writing.
3. Continued disbursement and /or reimbursement of state or federal funds by the Department to the CSB may be contingent on documentation in the CSB's Data Reporting Mechanism that it is providing the services supported by these funds.

**C. Expenses for Services**

The CSB shall provide those services funded by the Department set forth in Exhibit A and documented in the CSB's financial management system. The CSB shall distribute its administrative and management expenses across the program areas (mental health, developmental, and substance use disorder services), emergency services, and ancillary services on a basis that is auditable and satisfies Generally Accepted Accounting Principles. CSB administrative and management expenses shall be reasonable and subject to review by the Department.

**D. Use of Funds**

1. The Department has the authority to impose additional conditions or requirements for use of funds, separate from those established requirements or conditions attached to appropriations of state-controlled funds by the General Assembly, the Governor, or federal granting authorities. The Department shall, when possible, provide sufficient notice in writing to the CSB of changes to the use of funds.
2. **Medicaid Billing** - The CSB shall maximize billing and collecting Medicaid payments and other fees in all covered services to enable more efficient and effective use of the state and federal funds allocated to it.
3. **Supplanting**- State Board Policy 6005 and based on the Appropriation Act prohibition against using state funds to supplant funds provided by local governments for existing services, there should be no reduction of local matching funds as a result of a CSB's retention of any balances of unspent state funds.

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

**E. Availability of Funds**

The Department and the CSB shall be bound by the provisions of this contract only to the extent of the funds available or that may hereafter become available for the purposes of the contract.

**F. Local Match**

Pursuant to § 37.2-509 of the Code allocations from the Department to any community services board for operating expenses, including salaries and other costs, or the construction of facilities shall not exceed 90 percent of the total amount of state and local matching funds provided for these expenses or such construction, unless a waiver is granted by the Department and pursuant to State Board Policy 4010 and the *Departments established Minimum Ten Percent Local Matching Fund Waiver Request Process*.

**G. Local Contact for Disbursement of Funds**

1. If the CSB is an operating CSB and has been authorized by the governing body of each city or county that established it to receive state and federal funds directly from the Department and act as its own fiscal agent pursuant to Subsection A.18 of § 37.2-504 of the Code, must send notification to the Department and include:
  - a. Name of the Fiscal Agent's City Manager or County Administrator or Executive
  - b. Name of the Fiscal Agent's County or City Treasurer or Director of Finance
  - c. Name, title, and address of the Fiscal Agent official or the name and address of the CSB if it acts as its own fiscal agent to whom checks should be electronically transmitted

2. The notification must be sent to:

Fiscal and Grants Management Office  
Virginia Department of Behavioral Health and Developmental Services  
Eric.Billings@dbhds.virginia.gov

**H. Unanticipated Changes in the Use of Funds Due to a Disaster**

The Department reserves the right to re-purpose the currently allocated funds to a CSB. This action will not be done without clear deliberations between the Parties. The decision can rest on the requirements outlined in an Executive Order issued by the Governor, changes to the ability of the Department or the CSB to provide contracted services to the preservation of health and safety of individuals receiving services or the health and safety of staff providing services, or to decisions made by local government forbidding the provision of services, the funding allocations, the specific services intended to be funded, and the types and numbers of individuals projected to be served.

**10. Billing and Payment Terms and Conditions**

**A. Federal Funds Invoicing**

The CSB shall invoice the Department on a monthly basis no later than the 20th of the following month for which reimbursement is being requested. The CSB will utilize the Departments grants management system to invoice the Department for federal funds reimbursement. The CSB may be asked to include supporting documentation when the Department determines it is necessary to meet federal grant requirements. The CSB understands and agrees to all of the following:

1. CSB shall only be reimbursed for actual, reasonable, and necessary costs based on its award amounts.
2. An invoice under this agreement shall include only reimbursement requests for actual, reasonable, and necessary expenditures.
3. Expenditures required in the delivery of services shall be subject to any other provision of this agreement relating to allowable reimbursements.

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

4. An invoice under this agreement shall not include any reimbursement request for future expenditures.
5. An invoice under this agreement shall be processed when the Department's FSGMO is in receipt of any required documentation.

**B. Payment Terms**

1. Federal Funds are reimbursed to the CSB monthly. To receive payment, the CSB must file for reimbursement as provided in the policies and procedures established by the Office of Fiscal Services and Grants Management.
2. State Funds shall be disbursed by the Department's Fiscal Services and Grants Management Office as set forth in its established policies and procedures and outlined in an applicable Exhibit D or Exhibit G.

**C. Reconciliation and Closeout Disclosures**

The CSB shall comply with state and federal grant reconciliation and closeout disclosures, and applicable policies and procedures established by the Office of Fiscal Services and Grants Management. If a CSB does not return its signed Exhibit(s) D, Notices of Award, or other required documentation in a timely manner this may result in a delay in or ineligibility for receiving funding.

Unexpended federal funds must either be returned in the form of a check made payable to the Treasurer of Virginia and sent to:

DBHDS  
Office of Fiscal and Grants Management  
PO Box 1797  
Richmond, VA 23218-1797  
C/O Eric Billings

Or

CSB may return the funds electronically through an ACH transfer. The transfer would be made to DBHDS' Truist account. The account information and DBHDS' EIN is as follows:

Account Number: 201141795720002  
Routing Number: 061000104  
EIN: 546001731

Name and Address of Bank:  
Truist Bank  
214 North Tryon Street  
Charlotte, NC 28202

If the ACH method of payment is utilized, please send an email indicating your intent to submit funds electronically to:

Eric.Billings@dbhds.virginia.gov  
Benjamin.wakefield@dbhds.virginia.gov  
Christine.Kemp@dbhds.virginia.gov

Approval to execute an ACH payment is not required, but DBHDS must be aware that the payment is coming to account for it properly.

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

**11. CSB Responsibilities**

**A. Exhibit A**

Exhibit A shall be submitted electronically through the report provided by the Department. At the end of each fiscal year, the CSB shall provide an end year report that provides the actual array of services, the actual cost of those services, and the actual service capacity to provide those services.

**B. Populations Served**

The CSB shall provide the services needed to adults with serious mental illnesses, children with or at risk of serious emotional disturbance, individuals with developmental disabilities, or individuals with substance use disorders to the greatest extent possible within the resources available to it for this purpose.

**C. Scope of Services**

Exhibit G of this performance contract provides a scope of certain Code mandated and other program services a CSB may be responsible for providing but are not limited to those in Exhibit G.

**D. Response to Complaints**

Pursuant to § 37.2-504 or § 37.2-605 of the Code, the CSB shall implement procedures to satisfy the requirements for a local dispute resolution mechanism for individuals receiving services and to respond to complaints from individuals receiving services, family members, advocates, or other stakeholders as expeditiously as possible in a manner that seeks to achieve a satisfactory resolution and advises the complainant of any decision and the reason for it.

The CSB shall acknowledge complaints that the Department refers to it within five (5) business days of receipt and provides follow up commentary on them to the Department within 10 business days of receipt. The CSB shall post copies of its procedures in its public spaces and on its website, provide copies to all individuals when they are admitted for services.

**E. Quality of Care**

1. **Department CSB Performance Measures:** CSB staff shall monitor the CSB's outcome and performance measures in Exhibit B, identify and implement actions to improve its ranking on any measure on which it is below the benchmark, and present reports on the measures and actions at least quarterly during scheduled meetings of the CSB board of directors.
2. **Quality Improvement and Risk Management:** The CSB shall develop, implement, and maintain a quality improvement plan, itself or in affiliation with other CSBs, to improve services, ensure that services are provided in accordance with current acceptable professional practices, and address areas of risk and perceived risks. The quality improvement plan shall be reviewed annually and updated at least every four years.
  - a. The CSB shall develop, implement, and maintain, itself or in affiliation with other CSB, a risk management plan or participate in a local government's risk management plan. The CSB shall work with the Department to identify how the CSB will address quality improvement activities.
  - b. The CSB shall implement, in collaboration with other CSBs in its region, the state hospitals and training centers serving its region, and private providers involved with the public mental health, developmental, and substance use disorder services, regional utilization and management procedures and practices.
3. **Critical Incidents:** The CSB shall implement procedures to ensure that the executive director is informed of any deaths, serious injuries, or allegations of abuse or neglect as defined in the

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

Department's Licensing (12VAC35-105-20) and Human Rights (12VAC35-115-30) Regulations when they are reported to the Department. The CSB shall provide a copy of its procedures to the Department upon request.

**F. Reporting Requirements and Data Quality**

**1. Individual Outcome and CSB Provider Performance Measures**

- a. **Measures:** Pursuant to § 37.2-508 or § 37.2-608 of the Code, the CSB shall report the data for individual outcome and CSB provider performance measures in Exhibit B of this contract to the Department.
- b. **Individual CSB Performance Measures:** The Department may negotiate specific, time-limited measures with the CSB to address identified performance concerns or issues. The measures shall be included in an Exhibit D.
- c. **Individual Satisfaction Survey:** Pursuant to § 37.2-508 or § 37.2-608 of the Code, the CSB shall participate in the Annual Survey of Individuals Receiving Services, the Annual Youth Services Survey for Families (i.e., Child MH survey), and the annual QSRs and the NCI Survey for individuals covered by the DOJ Settlement Agreement.

**2. Electronic Health Record**

The CSB shall implement and maintain an electronic health record (EHR) that has been fully certified and is listed by the Office of the National Coordinator for Health Information Technology-Authorized Testing and Certification Body to improve the quality and accessibility of services, streamline, and reduce duplicate reporting and documentation requirements, obtain reimbursement for services, and exchange data with the Department and its state hospitals and training centers and other CSB.

**3. Reporting Requirements**

CSBs are required to report data to DBHDS related to program services funded in part or in whole by state and/or federal funds.

For purposes of reporting to the Department, the CSB shall comply with State Board Policy 1030 and shall:

- a. Report individual characteristic and service data to the Department, as required by § 37.2- 508 or § 37.2-608 of the Code, the federal Substance Abuse and Mental Health Services Administration, and Part C of Title XIX of the Public Health Services Act - Block Grants, § 1943 (a) (3) and § 1971 and § 1949, as amended by Public Law 106- 310, and as permitted under 45 CFR §§ 164.506 (c) (1) and (3) and 164.512 (a) (1) and (d) of the HIPAA regulations and §32.1-127.1:03.D (6) of the Code, and as defined in the current Data Reporting Mechanism specifications, including the current Business Rules.
- b. Follow the current Data Reporting Mechanism specifications, when responding to reporting requirements established by the Department.
- c. Complete the National Survey of Substance Abuse Treatment Services (N-SSATS) annually that is used to compile and update the National Directory of Drug and Alcohol Abuse Treatment Programs and the on-line Substance Abuse Treatment Facility Locator.
- d. Follow the user acceptance testing process described in Appendix D of the CSB Administrative Requirements for new data reporting releases and participate in the user acceptance testing process when requested to do so by the Department.
- e. Report program service data on substance abuse prevention and mental health promotion services

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

provided by the CSB that are supported wholly or in part by the SABG set aside for prevention services through the prevention data system. Report all prevention and any other mental health promotion services financial data (report funding, expenditure, and cost data on these services) through the Department's Data Reporting Mechanism.

- f. Report data and information required by the current Appropriation Act.
- g. Report data identified collaboratively by the Department and the CSB working through the VACSB DMC.

**4. Routine Reporting Requirements**

The CSB shall account for all services, funds, expenses, and costs accurately and submit reports to the Department in a timely manner using current programmatic and financial Data Reporting Mechanism, or other software provided by the Department. All reports shall be provided in the form and format prescribed by the Department in accordance . The CSB shall provide the following information and meet the following reporting requirements:

- a. Types and service capacities of services provided, costs for services provided, and funds received by source and amount and expenses paid by program area and for emergency and ancillary services semi-annually in CARS, and state and federal block grant funds expended by service category with the end-of-the-fiscal year CARS report.
- b. Demographic characteristics of individuals receiving services and types and amounts of services provided to each individual monthly through the current Data Reporting Mechanism.
- c. Federal Balance Report.
- d. PATH reports (mid-year and at the end of the fiscal year).
- e. Amounts of state, local, federal, Medicaid, other fees, other funds used to pay for services by service category in each program area and emergency and ancillary services in the end of the fiscal year CARS report; and
- f. Other reporting requirements in the current Data Reporting Mechanism specifications.

5. **Subsequent Reporting Requirements:** In accordance with State Board Policy 1030, the CSB shall work with the Department through the VACSB DMC to ensure that current data and reporting requirements are consistent with each other and the current , the current Data Reporting Mechanism and the federal substance abuse Treatment Episode Data Set (TEDS) and other federal reporting requirements. The CSB also shall work with the Department through the VACSB DMC in planning and developing any additional reporting or documentation requirements beyond those identified in this contract to ensure that the requirements are consistent with the current , the current Data Reporting Mechanism, and the TEDS and other federal reporting requirements.

6. **Data Elements:** The CSB shall work with the Department through the DMC to standardize data definitions, periodically review existing required data elements to eliminate elements that are no longer needed, minimize the addition of new data elements to minimum necessary ones, review CSB business processes so that information is collected in a systematic manner, and support efficient extraction of required data from CSB electronic health record systems whenever this is possible.

7. **Streamlining Reporting Requirements:** The CSB shall work with the Department through the VACSB DMC to review existing reporting requirements including the current Data Reporting Mechanism to determine if they are still necessary and, if they are, to streamline and reduce the number of portals through which those reporting requirements are submitted as much as possible; to ensure reporting requirements are consistent with the current Data Reporting Mechanism specifications and ; and to maximize the interoperability between Department and CSB data bases to

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

support the electronic exchange of information and comprehensive data analysis.

8. **Data Quality:** The CSB shall review data quality reports from the Department on the completeness and validity of its Data Reporting Mechanism data to improve data quality and integrity. When requested by the Department, the CSB executive director shall develop and submit a plan of correction to remedy persistent deficiencies in the CSB's Data Reporting Mechanism submissions and, upon approval of the Department, shall implement the plan of correction.
9. **Providing Information:** The CSB shall provide any information requested by the Department that is related to the services, funds, or expenditures in this contract or the performance of or compliance with this contract in a timely manner, considering the type, amount, and availability of information requested. Provision of information shall comply with applicable laws and regulations governing confidentiality, privacy, and security of information regarding individuals receiving services from the CSB.
10. **Reviews:** The CSB shall participate in the periodic, comprehensive administrative and financial review of the CSB conducted by the Department to evaluate the CSB's compliance with requirements in the contract and CSB Administrative Requirements and the CSB's performance. The CSB shall address recommendations in the review report by the dates specified in the report or those recommendations may be incorporated in an Exhibit D.
11. **Language Access:** To support Virginia's efforts to ensure all people with DD and their families have access to Medicaid information, the CSB will post a message for individuals with DD and their families related to the DMAS document titled "Help in Any Language" to the CSB website and provide the information through other means, as needed, or requested by individuals with DD and their families who are seeking services. This document can be accessed at:  
<https://dmas.virginia.gov/media/2852/language-taglines-for-dmas.pdf> or by contacting DBHDS or DMAS.

## **12. Subcontracting**

A subcontract means a written agreement between the CSB and another party under which the other party performs any of the CSB's obligations. Subcontracts, unless the context or situation supports a different interpretation or meaning, also may include agreements, memoranda of understanding, purchase orders, contracts, or other similar documents for the purchase of services or goods by the CSB from another organization or agency or a person on behalf of an individual.

If the CSB hires an individual not as an employee but as a contractor (e.g., a part-time psychiatrist) to work in its programs, this does not constitute subcontracting under this section. CSB payments for rent or room and board in a non-licensed facility (e.g., rent subsidies or a hotel room) do not constitute subcontracting under this section, and the provisions of this section, except for compliance with the Human Rights regulations, do not apply to the purchase of a service for one individual.

The CSB may subcontract any requirements in this contract. The CSB shall remain fully and solely responsible and accountable for meeting all of its obligations and duties under this contract, including all services, terms, and conditions, without regard to its subcontracting arrangements.

Subcontracting shall comply with applicable statutes, regulations, and guidelines, including the Virginia Public Procurement Act, § 2.1-4300 et seq. of the Code. All subcontracted activities shall be formalized in written contracts between the CSB and subcontractors. The CSB agrees to provide copies of contracts or other documents to the Department on request.

**AMENDED AND RESTATED**  
**FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT**  
**MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS**  
**Hampton-Newport News Community Services Board**  
**Contract No. P1636.764.3**

**A. Subcontracts**

The written subcontract shall, as applicable and at a minimum, state the activities to be performed, the time schedule and duration, the policies, and requirements, including data reporting, applicable to the subcontractor, the maximum amount of money for which the CSB may become obligated, and the manner in which the subcontractor will be compensated, including payment time frames. Subcontracts shall not contain provisions that require a subcontractor to make payments or contributions to the CSB as a condition of doing business with the CSB.

**B. Subcontractor Compliance**

The CSB shall require that its subcontractors comply with the requirements of all applicable federal and state statutes, regulations, policies, and reporting requirements that affect or are applicable to the services included in this contract. The CSB shall require that its subcontractors submit to the CSB all required Data Reporting Mechanism on individuals they served and services they delivered in the applicable format so that the CSB can include this data in its Data Reporting Mechanism submissions to the Department.

1. The CSB shall require that any agency, organization, or person with which it intends to subcontract services that are included in this contract is fully qualified and possesses and maintains current all necessary licenses or certifications from the Department and other applicable regulatory entities before it enters into the subcontract and places individuals in the subcontracted service.
2. The CSB shall require all subcontractors that provide services to individuals and are licensed by the Department to maintain compliance with the Human Rights Regulations adopted by the State Board.
3. The CSB shall, to the greatest extent practicable, require all other subcontractors that provide services purchased by the CSB for individuals and are not licensed by the Department to develop and implement policies and procedures that comply with the CSB's human rights policies and procedures or to allow the CSB to handle allegations of human rights violations on behalf of individuals served by the CSB who are receiving services from such subcontractors. When it funds providers such as family members, neighbors, individuals receiving services, or others to serve individuals, the CSB may comply with these requirements on behalf of those providers, if both parties agree.

**C. Subcontractor Dispute Resolution**

The CSB shall include contract dispute resolution procedures in its contracts with subcontractors.

**D. Quality Improvement Activities**

The CSB shall, to the extent practicable, incorporate specific language in its subcontracts regarding the quality improvement activities of subcontractors. Each vendor that subcontracts with the CSB should have its own quality improvement system in place or participate in the CSB's quality improvement program.

**13. Compliance with Laws**

CSB shall comply with all applicable federal, state, and local laws and regulations to include, but not limited to, those detailed below. If any laws or regulations that become effective after the execution date of this contract substantially change the nature and conditions of this contract, they shall be binding upon the parties, but the parties retain the right to exercise any remedies available to them by law or other provisions of this contract.

**A. DATA PRIVACY**

1. The Parties shall comply with the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191 (1996) and its accompanying standards found at 45 CFR 160, 162, and 164 (HIPAA), the Virginia Health Records Privacy Act found at § 32.1-127.1:03 of the Code of Virginia, 42 CFR Part 2, the 21st Century Cures Act, and the HITECH Act by their compliance dates, and where federal

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

- requirements and applicable state statutes or regulations are contrary and state statutes or regulations are more stringent, as defined in 45 CFR §160.202.
2. The Parties shall execute a “PHI Data Sharing and Use Agreement” Exhibit C as a part of this Agreement governing the use, disclosure, and safeguarding of any HIPAA or 42 CFR Part 2- protected health information (PHI), personally identifiable information (PII), and other confidential data that the CSB exchanges with the Department and its state facilities to ensure the privacy and security of sensitive data. Additionally, should the CSB determine any third party, including those under contract with DBHDS and the Commonwealth, is a Business Associate of the CSB, the CSB shall be responsible for entering into business associate agreements (BAA) with vendors providing data platform, exchange, or other services/solutions to implement the Performance Contract, including those under contract with DBHDS and the Commonwealth.
  3. The Parties shall ensure sensitive data, including HIPAA-PHI, PII, and other confidential data, exchanged electronically with the Department, its state hospitals and training centers, other CSBs, other providers, regional or persons meets the requirements in the Federal Information Processing Standards (FIPS) 140-2 standard and is encrypted using a method supported by the Department and CSB. To ensure the privacy and security of PHI, PII, and other confidential data and as necessary to comply with HIPAA, each Party shall execute a BAA with any person or entity, other than the party’s workforce, who performs functions or activities on behalf of, or provides certain services to, the Party that involve access by the person or entity to PHI, PII, or other confidential data.

**B. Employment Anti-Discrimination**

1. The CSB shall conform to the applicable provisions of Title VII of the Civil Rights Act of 1964 as amended, the Equal Pay Act of 1963, Sections 503 and 504 of the Rehabilitation Act of 1973, the Vietnam Era Veterans Readjustment Act of 1974, the Age Discrimination in Employment Act of 1967, the Americans With Disabilities Act of 1990, the Virginians With Disabilities Act, the Virginia Fair Employment Contracting Act, the Civil Rights Act of 1991, regulations issued by Federal Granting Agencies, and other applicable statutes and regulations, including § 2.2-4310 of the Code. The CSB agrees as follows:
2. The CSB will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by federal or state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the CSB. The CSB agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.
3. The CSB, in all solicitations or advertisements for employees placed by or on behalf of the CSB, will state that it is an equal opportunity employer.
4. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for the purpose of meeting these requirements.

**C. Service Delivery Anti-Discrimination**

1. The CSB shall conform to the applicable provisions of Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Virginians with Disabilities Act, the Civil Rights Act of 1991, regulations issued by the U.S. Department of Health and Human Services pursuant thereto, other applicable statutes and regulations, and as further stated below.
2. Services operated or funded by the CSB have been and will continue to be operated in such a manner that no person will be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination under such services on the grounds of race, religion, color, national origin, age, gender, or disability.
3. The CSB and its direct and contractual services will include these assurances in their services policies and practices and will post suitable notices of these assurances at each of their facilities in areas accessible to individuals receiving services.

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

4. The CSB will periodically review its operating procedures and practices to ensure continued conformance with applicable statutes, regulations, and orders related to non- discrimination in service delivery.

**D. General State Requirements**

The CSB shall comply with applicable state statutes and regulations, State Board regulations and policies, and Department procedures, including the following requirements.

**E. Conflict of Interests**

Pursuant to § 2.2-3100.1 of the Code, the CSB shall ensure that new board members are furnished with receive a copy of the State and Local Government Conflict of Interests Act by the executive director or his or her designee within two weeks following a member's appointment, and new members shall read and become familiar with provisions of the act.

The CSB shall ensure board members and applicable CSB staff receive training on the act. If required by § 2.2-3115 of the Code, CSB board members and staff shall file annual disclosure forms of their personal interests and such other information as is specified on the form set forth in § 2.2-3118 of the Code. Board members and staff shall comply with the Conflict of Interests Act and related policies adopted by the CSB board of directors.

**F. Freedom of Information**

Pursuant to § 2.2-3702 of the Code, the CSB shall ensure that new board members are furnished with a copy of the Virginia Freedom of Information Act by the executive director or his or her designee within two weeks following a member's appointment, and new members shall read and become familiar with provisions of the act.

The CSB shall ensure board members and applicable staff receive training on the act. Board members and staff shall comply with the Freedom of Information Act and related policies adopted by the CSB by the CSB board of directors.

**G. Protection of Individuals Receiving Services**

1. **Human Rights.** The CSB shall comply with the current *Regulations to Assure the Rights of Individuals Receiving Services from Providers Licensed, Funded, or Operated by the Department of Behavioral Health and Developmental Services*. The CSB shall adhere to any human rights guidance documents published by the Department. In the event of a conflict between any of the provisions in this contract and provisions in these regulations, the applicable provisions in the regulations shall apply.

The CSB shall cooperate with any Department investigation of allegations or complaints of human rights violations, including providing any information needed for the investigation as required under state law and as permitted under 45 CFR § 164.512 (d) in as expeditious a manner as possible.

2. **Disputes.** The filing of a complaint as outlined in the Human Rights Regulations by an individual or his or her family member or authorized representative shall not adversely affect the quantity, quality, or timeliness of services provided to that individual unless an action that produces such an effect is based on clinical or safety considerations and is documented in the individual's individualized services plan.

**H. Licensing**

The CSB shall comply with the *Rules and Regulations for Licensing Providers by the Department of Behavioral Health and Developmental Services*. The CSB shall establish a system to ensure ongoing compliance with applicable licensing regulations. CSB staff shall provide copies of the results of licensing

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

reviews, including scheduled reviews, unannounced visits, and complaint investigations, to all members of the CSB board of directors in a timely manner and shall discuss the results at a regularly scheduled board meeting. The CSB shall adhere to any licensing guidance documents published by the Department.

**14. Department Responsibilities**

**A. Program and Service Reviews**

The Department shall develop and implement policies, processes and procedures for regular, ongoing monitoring of CSB performance to ensure compliance with the requirements of this agreement. The Department may conduct or contract for reviews of programs or services provided or contracted by the CSB under this contract to examine their quality or performance at any time as part of its monitoring and review responsibilities or in response to concerns or issues that come to its attention, as permitted under 45 CFR § 164.512 (a), (d), and (k) (6) (ii) and as part of its health oversight functions under § 32.1-127.1:03 (D) (6) and § 37.2-508 or § 37.2-608 of the Code or with a valid authorization by the individual receiving services or his authorized representative that complies with the *Rules and Regulations to Assure the Rights of Individuals Receiving Services from Providers Licensed, Funded, or Operated by the Department of Behavioral Health and Developmental Services*, and the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Privacy Rule. The CSB shall provide ready access to any records or other information necessary for the Department to conduct program or service reviews or investigations of critical incidents.

**B. State Facility Services**

1. **Availability:** The Department shall make state facility services available, if appropriate, through its state hospitals and training centers when individuals located in the CSB's service area meet the admission criteria for these services.
2. **Bed Utilization:** The Department shall track, monitor, and report on the CSB's utilization of state hospital and training center beds and provide data to the CSB about individuals receiving services from its service area who are served in state hospitals and training centers as permitted under 45 CFR §§ 164.506 (c) (1), (2), and (4) and 164.512(k) (6) (ii). The Department shall distribute reports to CSB on state hospital and training center bed utilization by the CSB for all types of beds (adult, geriatric, child, and adolescent, and forensic) and for TDO admissions and bed day utilization.

In addition, the Department and the CSB shall work jointly to identify or develop other mechanisms, as appropriate, that will be employed collaboratively by the CSB and the state hospitals to manage the utilization of state hospital beds.

3. **Continuity of Care:** The Department shall manage its state hospitals and training centers in accordance with State Board Policy 1035, to support service linkages with the CSB, including adherence to the applicable continuity of care procedures, and the current Exhibit K and other applicable document provided by the Department. The Department shall assure state hospitals and training centers use teleconferencing technology to the greatest extent practicable to facilitate the CSB's participation in treatment planning activities and fulfillment of its discharge planning responsibilities for individuals in state hospitals and training centers for whom it is the case management CSB.
4. **Medical Screening and Medical Assessment:** When working with CSB and other facilities to arrange for treatment of individuals in the state hospital, the state hospital shall assure that its staff follows the current Medical Screening and Medical Assessment Guidance Materials. The state hospital staff shall coordinate care with emergency rooms, emergency room physicians, and other health and behavioral health providers to ensure the provision of timely and effective medical screening and medical assessment to promote the health and safety of and continuity of care for individuals receiving services.
5. **Planning:** The Department shall involve the CSB, as applicable and to the greatest extent possible, in collaborative planning activities regarding the future role and structure of state

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

hospitals and training centers.

**C. Quality of Care**

The Department in collaboration with the VACSB Data Management and Quality Leadership Committees and the VACSB/DBHDS Quality and Outcomes Committee shall identify individual outcome, CSB provider performance, individual satisfaction, individual and family member participation and involvement measures, and quality improvement measures, pursuant to § 37.2-508 or § 37.2-608 of the Code, and shall collect information about these measures and work with the CSB to use them as part of the Continuous Quality Improvement Process described in Appendix E of the CSB Administrative Requirements to improve services.

**D. CSB Performance Dashboard**

1. The Department shall develop a dashboard (“Performance Dashboard”) to display performance data for all CSBs, to include:
  - a. Each CSB’s revenues, costs, and services;
  - b. Individuals served;
  - c. Measures in Exhibit B; and
  - d. Any other information deemed necessary by the Department
2. The Department and CSB shall work collaboratively to identify additional performance measures for reporting on the Performance Dashboard, as determined appropriate and beneficial to understand the community behavioral health system across the Commonwealth of Virginia.
3. The Department shall provide access to the dashboard to CSB.
4. The Department shall collaborate with the CSB to ensure all dashboard data is accurate before it is posted publicly on the Performance Dashboard and to determine the frequency at which the data will be updated.
5. The Department shall work with the CSB to identify and implement actions to improve the CSB’s ranking on any outcome or performance measure on which it is below the benchmark.

**E. Utilization Management**

The Department shall work with the CSB, state hospitals and training centers serving it, and private providers involved with the public mental health, developmental, and substance use disorder services system to implement regional utilization management procedures and practices.

**F. Human Rights**

The Department shall operate the statewide human rights system described in the current *Rules and Regulations to Assure the Rights of Individuals Receiving Services from Providers Licensed, Funded, or Operated by the Department of Behavioral Health and Developmental Services*, by monitoring compliance with the human rights requirements in those regulations.

**G. Licensing**

The Department shall license programs and services that meet the requirements in the current *Rules and Regulations for Licensing Providers by the Department of Behavioral Health and Developmental Services* and conduct licensing reviews in accordance with the provisions of those regulations. The Department shall respond in a timely manner to issues raised by the CSB regarding its efforts to coordinate and monitor services provided by independent providers licensed by the Department.

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

**H. Peer Review Process**

The Department shall implement a process in collaboration with volunteer CSB to ensure that at least five percent of community mental health and substance abuse programs receive independent peer reviews annually, per federal requirements and guidelines, to review the quality and appropriateness of services. The Department shall manage this process to ensure that peer reviewers do not monitor their own programs.

**I. Electronic Health Record (EHR)**

The Department shall implement and maintain an EHR in its central office and state hospitals and training centers that has been fully certified and is listed by the Office of the National Coordinator for Health Information Technology- Authorized Testing and Certification Body to improve the quality and accessibility of services, streamline and reduce duplicate reporting and documentation requirements, obtain reimbursement for services, and exchange data with CSB.

**J. Reviews**

The Department shall review and take appropriate action on audits submitted by the CSB in accordance with the provisions of this contract and the CSB Administrative Requirements. The Department may conduct a periodic, comprehensive administrative and financial review of the CSB to evaluate the CSB's compliance with requirements in the contract and CSB Administrative Requirements and the CSB's performance. The Department shall present a report of the review to the CSB and monitor the CSB's implementation of any recommendations in the report.

**K. Reporting and Data Quality Requirements**

In accordance with State Board Policy 1030, the Department shall work with CSB through the VACSB DMC to ensure that current data and reporting requirements are consistent with each other and the current t, the current Data Reporting Mechanism, and the Treatment Episode Data Set (TEDS) and other federal reporting requirements.

1. The Department also shall work with CSB through the DMC in planning and developing any additional reporting or documentation requirements beyond those identified in this contract to ensure that the requirements are consistent with the current , current Data Reporting Mechanism, and TEDS and other federal reporting requirements.
2. The Department shall work with the CSB through the DMC to develop and implement any changes in data platforms used, data elements collected, or due dates for all existing reporting mechanisms, Data Reporting Mechanism and stand-alone spreadsheet or other program- specific reporting processes.

**L. Data Submission**

The Department shall collaborate with CSB through the DMC in the implementation and modification of the current Data Reporting Mechanism, which reports individual characteristic and service data that is required under § 37.2-508 or § 37.2-608 of the Code, the federal Substance Abuse and Mental Health Services Administration, and Part C of Title XIX of the Public Health Services Act - Block Grants, §1943 (a) (3) and § 1971 and § 1949, as amended by Public Law 106-310, to the Department and is defined in the current Data Reporting Mechanism specifications, including the current Business Rules.

1. The Department will receive and use individual characteristic and service data disclosed by the CSB through Data Reporting Mechanism as permitted under 45 CFR§§ 164.506 (c) (1) and (3) and 164.512 (a) (1) of the HIPAA regulations and § 32.1- 127.1:03.D (6) of the Code and shall implement procedures to protect the confidentiality of this information pursuant to § 37.2-504 or § 37.2-605 of

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

the Code and HIPAA.

2. The Department shall follow the user acceptance testing process described in Addendum I Administrative Requirements and Processes and Procedures for new data reporting releases.

**M. Data Elements**

The Department shall work with CSB through the DMC to standardize data definitions, periodically review existing required data elements to eliminate elements that are no longer needed, minimize the addition of new data elements to minimum necessary ones, review CSB business processes so that information is collected in a systematic manner, and support efficient extraction of required data from CSB electronic health record systems whenever this is possible.

The Department shall work with the CSB through the DMC to develop, implement, maintain, and revise or update a mutually agreed upon electronic exchange mechanism that will import all information related to the support coordination or case management parts of the ISP (parts I-IV) and VIDES about individuals who are receiving DD Waiver services from CSB EHRs into WaMS. If the CSB does not use or is unable to use the data exchange, it shall enter this data directly into WaMS.

**N. Streamlining Reporting Requirements**

The Department shall work with CSB through the DMC to review existing reporting requirements including the current Data Reporting Mechanism to determine if they are still necessary and, if they are, to streamline and reduce the number of portals through which those reporting requirements are submitted as much as possible; to ensure reporting requirements are consistent with the current Data Reporting Mechanism specifications; and to maximize the interoperability between Department and CSB data bases to support the electronic exchange of information and comprehensive data analysis.

**O. Data Quality**

The Department shall provide data quality reports to the CSB on the completeness and validity of its Data Reporting Mechanism data to improve data quality and integrity. The Department may require the CSB executive director to develop and implement a plan of correction to remedy persistent deficiencies in the CSB's Data Reporting Mechanism submissions. Once approved, the Department shall monitor the plan of correction and the CSB's ongoing data quality.

**P. Surveys and Additional Data Reporting Requests**

The Department shall ensure that all surveys and requests for data have been reviewed for cost effectiveness and developed through a joint Department and CSB process. The Department shall comply with the *Procedures for Approving CSB Surveys, Questionnaires, and Data Collection Instruments and Establishing Reporting Requirements*, reissued by the Commissioner. The Department shall provide advance notification, when possible, to CSB for all surveys and requests for data. All negotiated surveys, new data collection instruments, and data reporting requirements will be communicated, at minimum, to the CSB executive director and chief financial officer.

**Q. Communication**

1. The Department shall provide technical assistance and written notification to the CSB regarding changes in funding source requirements, such as regulations, policies, procedures, and interpretations, to the extent that those changes are known to the Department.
2. The Department shall resolve, to the extent practicable, inconsistencies in state agency requirements that affect requirements in this contract.

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

3. The Department shall provide any information requested by the CSB that is related to performance of or compliance with this contract in a timely manner, considering the type, amount, and availability of the information requested.
4. The Department shall issue new or revised policy, procedure, and guidance documents affecting CSB via letters, memoranda or emails from the Commissioner, Deputy Commissioner, or applicable Assistant Commissioner to CSB executive directors and other applicable CSB staff and post these documents in an easily accessible place on its web site within 10 business days of the date on which the documents are issued via letters, memoranda, or emails.

**R. Department Comments or Recommendations on CSB Operations or Performance**

The Commissioner of the Department may communicate significant issues or concerns about the operations or performance of the CSB to the executive director and CSB board members for their consideration, and the Department agrees to collaborate as appropriate with the executive director and CSB board members as they respond formally to the Department about these issues or concerns.

The executive director and CSB board members shall consider significant issues or concerns raised by the Commissioner of the Department at any time about the operations or performance of the CSB and shall respond formally to the Department, collaborating with it as appropriate, about these issues or concerns.

**15. Compliance and Remediation**

The Department may utilize a variety of remedies, including requiring the CSB to enter into a performance improvement plan or corrective action plan, delaying payments, and reducing allocations or payments, to ensure CSB compliance with this performance contract. Specific remedies, described in Exhibit E of this contract, may be taken if the CSB fails to satisfy the reporting requirements in this contract.

- A.** In accordance with subsection G of § 37.2-508 of the Code, or if a behavioral health authority, subsection G of § 37.2-608 of the Code, the CSB shall not be eligible to receive state-controlled funds for mental health, developmental, or substance abuse services after September 30 of each year unless:
  1. Its performance contract has been approved or renewed by the governing body of each city or county that established it and by the Department.
  2. It provides revenue, cost, and services data and information, and aggregate and individual data and information about individuals receiving services, notwithstanding the provisions of § 37.2-400 or any regulations adopted thereunder, to the Department in the format prescribed by the Department.
  3. It uses standardized cost accounting and financial management practices approved by the Department.
  4. The CSB is in substantial compliance with its performance contract or is making progress to come into substantial compliance through the Department's remediation process. In accordance with subsection E of § 37.2-508, or if a behavioral health authority, subsection E of § 37.2-608, of the Code, the Department may terminate all or a portion of this contract, after unsuccessful use of the remediation process described in Section 14.C.3 below and after affording the CSB, or behavioral health authority, an adequate opportunity to use the appeal process described in Section 14.C.3.f.

**B. Remediation Process**

The parties shall attempt in good faith to promptly resolve any disputes regarding implementation of this performance contract, controversy or claims arising out of or relating to this performance contract, or CSB noncompliance with the terms of this performance contract identified by the Department during its contract compliance review and performance management efforts.

1. If the Department determines that the informal dispute resolution process is unsuccessful at addressing

**AMENDED AND RESTATED**  
**FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT**  
**MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS**  
**Hampton-Newport News Community Services Board**  
**Contract No. P1636.764.3**

any CSB noncompliance with this performance contract or any Exhibit, the Department may use the following process to ensure CSB compliance:

- a. Describe the situation or condition, such as a pattern of failing to achieve a satisfactory level of performance on a significant number of major outcomes or performance measures in the contract, that if unresolved could result in substantial noncompliance.
  - b. Require the CSB to implement a performance improvement plan or corrective action plan with specific actions and timeframes approved by the Department to address the situation or condition; and
  - c. Include the performance measures that will document a satisfactory resolution of the situation or condition. If the CSB does not implement the performance improvement plan (PIP) or corrective action plan (CAP) successfully within the approved timeframes, the Department, as a condition of continuing to fund the CSB, may request changes in the management and operation of the CSB's services linked to those actions and measures to obtain acceptable performance. These changes may include realignment or re-distribution of state-controlled resources or restructuring the staffing or operations of those services. The Department shall review and approve any changes before their implementation. Any changes shall include mechanisms to monitor and evaluate their execution and effectiveness.
2. If the CSB determines the informal dispute resolution process is unsuccessful at addressing any CSB performance contract or any Exhibit, the CSB may use the following process:
- a. The dispute must be sent to the Office of Enterprise Management Services (OEMS) email address at [performancecontractsupport@dbhds.virginia.gov](mailto:performancecontractsupport@dbhds.virginia.gov) with a detail description of the dispute.
  - b. The OEMS shall review and respond to the dispute within 15 calendar days of receipt of dispute.
  - c. If the CSB does not agree with the decision by the OEMS, they may request a review by the Department's Deputy Commissioner for Community Services or designee within 7 calendar days of receipt of the OEMS decision.
3. **Remediation After Failure to Substantially Comply:** If the Department determines that the CSB fails to substantially comply with the requirements of this performance contract, the following remediation process shall be used to allow the CSB an opportunity to come into compliance.
- a. The Department shall provide written notification to the CSB's board chairperson, executive director, and governing body of each city or county that established the CSB of the Department's determination that the CSB fails to substantially comply with this performance contract. The written notice shall describe in detail the factors leading to the determination of substantial noncompliance.
  - b. Within 15 calendar days of the CSB's receipt of notice of substantial noncompliance, the CSB shall submit a written notice to the Department's OEMS Director or designee, through the [performancecontractsupport@dbhds.virginia.gov](mailto:performancecontractsupport@dbhds.virginia.gov) email address stating its desire to use the remediation process.

If the CSB does not submit a notice requesting remediation during the designated timeframe, the Department shall move forward with its intended enforcement action in accordance with § 37.2-508 (withholding or reducing funds, repayment of funds, or termination of all or part of this performance contract) and notify the CSB board chairperson, executive director, and governing body of each city or county that established the CSB.

- c. If the CSB submits a request to remediate, OEMS shall, within 15 days after receipt of the CSB's remediation request, submit the justification for the Department's determination of substantial noncompliance and the CSB's remediation request to the Department's Deputy Commissioner for Community Services for review and approval to move forward with a CAP to address the substantial

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

compliance issues with its contract.

- d. The OEMS shall work with the Deputy Commissioner for Community Services to develop the CAP that the CSB will implement to address the issue(s) identified in the Department's notice. The CAP shall include specific, measurable, attainable, reasonable, and time-specific actions the CSB must meet. The CAP shall include specific times at which the Department shall provide updates to the CSB and its chairperson regarding the CSB's progress toward coming into substantial compliance.
- e. If the CSB fails to comply with the CAP, the Department may move forward with its enforcement action due to the CSB's failure to come into substantial compliance and shall notify the CSB board chairperson, executive director, and governing body of each city or county that established the CSB of that decision.
- f. **Appeal of Enforcement Action:** The CSB may appeal the Department's enforcement action and shall use the appeal process outlined as follows:

- i. Within 15 days of receipt of the Department's notification in accordance with 14.C.3.e, that it is taking enforcement action, the CSB may provide a written request to use the appeal process. This written notice shall be submitted to the Department's OEMS Director or designee, through the performancecontractsupport@dbhds.virginia.gov email address stating its desire to use the appeal process.

If the CSB does not submit a notice requesting an appeal during the designated timeframe, the Department shall move forward with its enforcement action.

- ii. If the CSB submits a request to appeal, the OEMS Director or designee shall, within 15 days after the Department's receipt of the CSB's request to appeal, facilitate the following process:
  - a) Notify the CSB within seven days of receipt of the written notice that a panel will be appointed within 15 days to conduct a panel conference to consider the issues identified in the Department's notice.
  - b) Establish a panel of five (5) disinterested persons that shall be appointed to the panel conference. The panel members shall elect a chairman, and the chairman shall convene the panel.
  - c) Inform each panel member of the nature of the issues identified in the Department's notice. Each panel member shall sign a statement indicating that he has no interest in this matter. Any person with an interest in the underlying issues shall be relieved of panel responsibilities, and another person shall be selected as a panel member.
  - d) Schedule panel conference not more than 15 days after the appointment of the final panel member.
  - e) Contact the parties for a panel conference at a mutually convenient time, date, and place. Confirmation of the time, date, and place of the panel conference will be communicated to all parties at least seven days in advance of the panel conference by the OEMS.
  - f) Handle any multiple appeal notices independently and sequentially so that an initial appeal will not be delayed by a second appeal.
- iii. At the panel conference, the CSB shall present evidence first, followed by the Department. The panel may hear rebuttal evidence after the initial presentations by the CSB and the Department. The panel may question either party to obtain a clear understanding of the facts.
- iv. Subject to provisions of the Freedom of Information Act, the panel shall convene in closed

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

session at the end of the hearing and shall issue written recommended findings of fact within seven days of the hearing. The recommended findings of fact shall be submitted to the Department's Chief Deputy of Community Services and to the Commissioner or their designee(s) for the final decision.

The findings of fact shall be final and conclusive and shall not be set aside by the Commissioner unless they are (a) fraudulent, arbitrary, or capricious; (b) so grossly erroneous as to imply bad faith; (c) in the case of termination of the contract due to failure to perform, the criteria for performance measurement are found to be erroneous, arbitrary, or capricious; or (d) not within the CSB's purview.

- v. The Department shall send the final decision on the CSB's appeal by certified mail to the CSB board chairperson, executive director, and governing body of each city or county that established the CSB no later than 120 days after receipt of the CSB's written notice invoking the appeal process.
- vi. If the CSB's appeal is unsuccessful, the Department may take its intended enforcement action, including withholding or reducing funds, requiring repayment of funds, or terminating all or part of the CSB's performance contract as provided in § 37.2-508(C)(6)(c).
- vii. Upon terminating all or a portion of a performance contract pursuant to § 37.2-508(E), the Department, only after consulting with the governing body of each city or county that established the CSB that was a party to the performance contract, may negotiate a performance contract with another community services board, a behavioral health authority, or a private nonprofit or for-profit organization or organizations to obtain services that were the subject of the terminated performance contract in accordance with § 37.2-508(F).
- viii. The CSB may seek judicial review of a final decision to withhold or reducing funds, require repayment of funds, or terminate this contract in the Circuit Court for the City of Richmond within 30 days of receipt of the final decision.

### **16. Liability**

To the extent permitted by applicable law, The CSB shall defend or compromise, as appropriate, all claims, suits, actions, or proceedings arising from its performance of this contract. The CSB shall obtain and maintain sufficient liability insurance to cover claims for bodily injury and property damage and suitable administrative or directors' and officers' liability insurance. The CSB may discharge these responsibilities by means of a proper and sufficient self-insurance program operated by the state or a city or county government. The CSB shall provide a copy of any policy or program to the Department upon request. This contract is not intended to and does not create by implication or otherwise any basis for any claim or cause of action by a person or entity not a party to this contract arising out of any claimed violation of any provision of this contract, nor does it create any claim or right on behalf of any person to services or benefits from the CSB or the Department.

### **17. Severability**

Each paragraph and provision of this contract is severable from the entire contract, and the remaining provisions shall nevertheless remain in full force and effect if any provision is declared invalid or unenforceable.

### **18. Counterparts and Electronic Signatures**

Except as may be prohibited by applicable law or regulation, this Agreement and any amendment may be signed in counterparts, by facsimile, PDF, or other electronic means, each of which will be deemed an original and all of which when taken together will constitute one agreement. Facsimile and electronic signatures will be binding for all purposes.

### **19. Signatures**

**AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS  
Hampton-Newport News Community Services Board  
Contract No. P1636.764.3**

In witness thereof, the Department and the CSB have caused this performance contract to be executed by the following duly authorized officials.

**VIRGINIA DEPARTMENT OF BEHAVIORAL  
HEALTH AND DEVELOPMENTAL SERVICES**

By: \_\_\_\_\_

Name: **Nelson Smith**

Title: Commissioner

Date: \_\_\_\_\_

**Hampton-Newport News Community Services  
Board**

By: \_\_\_\_\_

Name: **Steven Brown**

Title: Chairperson

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: **Daphne Cunningham, PhD**

Title: Executive Director

Date: \_\_\_\_\_

**AMENDMENT 3**  
**AMENDED AND RESTATED**  
**FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT**  
**MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS**  
**Hampton-Newport News Community Services Board**  
**Contract No. P1636.764.3**

<b>20. Exhibit L: List of Acronyms</b>			
<b>Acronym</b>	<b>Name</b>	<b>Acronym</b>	<b>Name</b>
ACE	Adverse Childhood Experiences	NCI	National Core Indicators
ACT Community Treatment (ACT) – Effective 7.1.2021	Assertive Community Treatment (ACT) – Effective July 1, 2021		
BAA	Business Associate Agreement (for HIPAA compliance)	NGRI	Not Guilty by Reason of Insanity
CARS	Community Automated Reporting System	OEMS	Office of Management Services
CCS	Community Consumer Submission -sunset effective July 1, 2025	PACT	Program of Assertive Community Treatment– Retired as of 7.1.2021, See Assertive Community Treatment (ACT)
CFR	Code of Federal Regulations	PATH	Projects for Assistance in Transition from Homelessness
CIT	Crisis Intervention Team	PHI	Protected Health Information
CPMT	Community Policy and Management Team (CSA)	PII	Personally Identifiable Information
CQI	Continuous Quality Improvement	PSH	Permanent Supportive Housing
CRC	Community Resource Consultant (DD Waivers)	QSR	Quality Service Reviews
CSA	Children’s Services Act (§ 2.2- 5200 et seq. of the Code)	RCSU	Residential Crisis Stabilization Unit
CSB	Community Services Board	RDAP	Regional Discharge Assistance Program
DAP	Discharge Assistance Program	REACH	Regional Education Assessment Crisis Services Habilitation
DBHDS	Department	RFP	Request for Proposal
DD	Developmental Disabilities	RMG	Regional Management Group
Department	Department of Behavioral Health and Developmental Services	RST	Regional Support Team (DD Waivers)

**AMENDMENT 3**  
**AMENDED AND RESTATED**  
**FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT**  
**MASTER AGREEMENT AND SUPPLEMENTAL DOCUMENTS**  
**Hampton-Newport News Community Services Board**  
**Contract No. P1636.764.3**

DMAS	Department of Medical Assistance Services (Medicaid)	RUMCT	Regional Utilization Management and Consultation Team
DOJ	Department of Justice (U.S.)	SABG	Federal Substance Abuse Block Grant
EBL	Extraordinary Barriers to Discharge List	SDA	Same Day Access
EHR	Electronic Health Record	SFTP	Secure File Transfer Protocol
FTE	Full Time Equivalent	SPF	Strategic Prevention Framework
HIPAA	Health Insurance Portability and Accountability Act of 1996	TDO	Temporary Detention Order
ICC	Intensive Care Coordination (CSA)	VACSB	Virginia Association of Community Services Boards
ICF	Intermediate Care Facility	VIDES	Virginia Individual DD Eligibility Survey
IDAPP	Individualized Discharge Assistance Program Plan	WaMS	Waiver Management System (DD Waivers)
LIPOS	Local Inpatient Purchase of Services	SPQM	Service Process Quality Management

Dear Community Services Board,

Please find the following Exhibits enclosed for your review (excluding Exhibits D; these will be sent separately through DocuSign):

- .02. P1636.3 - Exhibit A AMD3 -FY26-27 PC Resources and Services EX\_TEMPLATE**
- .03. P1636.3 - Exhibit B AMD3 FY26-27 CQI FINAL**
- .03.1. P1636.3-Exhibit B Attachment 1 - BH Quality and Data Committees and Workgroup and Processes**
- .04. P1636.3 - Exhibit C AMD3-26-27 PC PHI Data Sharing and Use Agreement**
- .06. P1636.3 - Exhibit E AMD3 - FY26-27 PC Schedule and Process**
- .07. P1636.3 -Exhibit F AMD3 - FY26-27 Federal Grant Requirements**
- .07.1. P1636.3 - Exhibit F \_B AMD3 FY26-27 Single Audit Exemption Form FINAL**
- .08. P1636.3 - Exhibit G AMD3 -FY26-27 CSB Master Programs Services Reqs**
- .09. P1636.3- Exhibit H - AMD3- FY26-27 LIPOS FINAL**
- .10. P1636.3 - Exhibit I -AMD3 FY26-27 INTENTIONALLY LEFT BLANK FOR FUTURE USE**
- .11. P1636.3-Exhibit-J-AMD3 FY26-27 PRESCREENER-QUALIFICATIONS**
- 12.0. P1636.3- Exhibit K AMD3 FY26-27 Collaborative State Hospital Discharge Protocols**
- 12.1 P1636.3-Exhibit K.1. AMD3-FY26-27 Appx. A OUT OF CATCHMENT NOTIFICATION TEMPLATE-FINAL**
- 12.2 P1636.3 -Exhibit K.2. AMD3 FY26-27 Appx. B Patient Choice Memo**
- 12.3 P1636.3 - Exhibit K.3. AMD3 - FY26-27 Appx. C DAP SECURE MEMORY CARE JUSTIFICATION FINALTEMPLATE**
- 12.4. P1636.3 - Exhibit K.4. AMD3– FY26-27 Appx. D- Admission Notifications**
- 12.5. P1636.3 - Exhibit K.5. AMD3 FY26-27 Appx. E Dispute Process**
- 12.6. P1636.3 - Exhibit K.6.AMD3 FY26-27 Appx. F Clinically Ready for Discharge Psycho Legal Considerations**
- 12.7. P1636.3 - Exhibit K.7. AMD3 FY26-27 Appx. G Discharge Medication Protocol**
- 12.8. P1636.3 - Exhibit K.8. AMD3 FY26-27 Appx. H Discharge Pilots-30dayLOS1**

- 13. P1636.3 - Exhibit M AMD3 -FY26-27 DOJ Settlement Agreement Requirements**
  - 14. P1636.3 - Addendum I- AMD3 FY26-FY27 Administrative Requirements P and P**
  - 15. P1636.3 - Addendum II NOCHANGES - FY26-27 Partnership Agreement**
  - 16. P1636.3 - Addendum III - INTENTIONALLY LEFT BLANK FOR FUTURE USE**
- TMACT Memo**

As always, thank you for your continued cooperation with DBHDS!

Sincerely,

Chaye Neal – Jones

Director, Office of Enterprise Management Services (OEMS)

Virginia Department Behavioral Health & Developmental Services

AMENDMENT 3  
 AMENDED AND RESTATED  
 FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
 MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT

Exhibit A: Resources and Services  
**Contract No. P1636.3**

*This is an example template of Exhibit A submitted to the Department by the CSB electronically using the DBHDS reporting application.*

**FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE CONTRACT**

**FY XXXX Exhibit A: Resources and Services**

**Any funding appropriated by the General Assembly to CSB for staff compensation shall only be used for staff compensation, and the CSB must report annually to DBHDS on any staff compensation actions taken during the prior fiscal year.**

**CSB:** \_\_\_\_\_

<b>Consolidated Budget (Pages AF-3 Through AF-10)</b>				
<b>Funding Sources</b>	<b>Mental Health (MH) Services</b>	<b>Developmental (DV) Services</b>	<b>Substance Use Disorder (SUD) Services</b>	<b>TOTAL</b>
State Funds				
Local Matching Funds				
Total Fees				
Transfer Fees (In)/Out				
Federal Funds				
Other Funds				
State Retained Earnings				
Federal Retained Earnings				
Other Retained Earnings				
<b>Subtotal: Ongoing Funds</b>				
State Funds One-Time				
Federal Funds One-Time				
<b>Subtotal: One-Time Funds</b>				
<b>Total: All Funds</b>				

<b>Cost for MH, DV, SUD Services</b>				
	<b>Cost for Emergency Services (AP-4)</b>			
	<b>Cost for Ancillary Services (AP-4)</b>			
	<b>Total Cost for Services</b>			

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT

Exhibit A: Resources and Services  
**Contract No. P1636.3**

Local Match Computation	
Total State Funds	
Total Local Matching Funds	
Total State and Local Funds	
Total Local Match Percentage (Local ÷ Total State + Local Funds)	

CSB Administrative Percentage	
Administrative Expenses	
Total Cost for Services	
Administrative Percentage (Admin ÷ Total Expenses)	

FY XXXX Exhibit A: Resources and Services

CSB: \_\_\_\_\_

Financial Comments

Comment 1	
Comment 2	
Comment 3	
Comment 4	
Comment 5	
Comment 6	
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Comment 24	
Comment 25	

Use of Retained Earnings

**FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE CONTRACT**

**FY XXXX Exhibit A: Resources and Services for Mental Health (MH) Services**

<b>Funding Sources</b>	<b>Funds</b>
<b><u>FEES</u></b>	
MH Medicaid Fees	
<u>MH Fees: Other</u>	
<b>Total MH Fees</b>	
<u>MH Fees Transfer In/(Out)</u>	
<b>MH NET FEES</b>	
<b><u>FEDERAL FUNDS</u></b>	
MH FBG SED Child & Adolescent (93.958) *	
MH FBG Young Adult SMI (93.958)*	
MH FBG Crisis Services (93.958) *	
MH FBG SMI (93.958) *	
MH FBG SMI PACT (93.958) *	
MH FBG SMI SWVBH Board (93.958) *	
<b>Total MH FBG SMI Funds*</b>	
MH FBG Geriatrics (93.958) *	
MH FBG Peer Services (93.958) *	
<b>Total MH FBG Adult Funds*</b>	
MH Federal PATH (93.150) *	
 MH Federal COVID Emergency Grant (93.665) *	
MH Other Federal - DBHDS*	
MH Other Federal – COVID Support*	
MH Other Federal - CSB*	
<b>TOTAL MH FEDERAL FUNDS</b>	
<b><u>STATE FUNDS</u></b>	
<b><u>Regional Funds</u></b>	
MH Acute Care (Fiscal Agent) * <sup>1</sup>	
MH Acute Care Transfer In/(Out)	
Total Net MH Acute Care - Restricted	
MH Regional DAP (Fiscal Agent) * <sup>1</sup>	
MH Regional DAP Transfer In/ (Out)	
Total Net MH Regional DAP - Restricted MH	
MH Regional Residential DAP - Restricted	
MH Crisis Stabilization (Fiscal Agent) * <sup>1</sup>	
MH Crisis Stabilization Transfer In/(Out)	
Total Net MH Crisis Stabilization – Restricted	
MH Transfers from DBHDS Facilities (Fiscal Agent) *	
MH Transfers from DBHDS Facilities - Transfer In/(Out)	
Total Net MH Transfers from DBHDS Facilities	

FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE CONTRACT

FY XXXX Exhibit A: Resources and Services for Mental Health (MH) Services

CSB: \_\_\_\_\_

Funding Sources

Funds

MH Expanded Community Capacity (Fiscal Agent) \*  
MH Expanded Community Capacity Transfer In/(Out)  
Total Net MH Expanded Community Capacity

MH First Aid and Suicide Prevention (Fiscal Agent) \*  
MH First Aid and Suicide Prevention Transfer In/(Out)

Total Net MH First Aid and Suicide Prevention

MH STEP-VA Outpatient (Fiscal Agent) \*  
MH STEP-VA Outpatient Transfer In/(Out)  
Total Net MH STEP-VA Outpatient

MH STEP-VA Crisis (Fiscal Agent) \*  
MH STEP-VA Crisis Transfer In/(Out)  
Total Net MH STEP-VA Crisis

MH STEP-VA Clinician’s Crisis Dispatch (Fiscal Agent) \*  
MH STEP-VA Clinician’s Crisis Dispatch Transfer In/(Out)  
Total Net MH STEP-VA Clinician’s Crisis Dispatch

MH STEP-VA Peer Support (Fiscal Agent) \*  
MH STEP-VA Peer Support Transfer In/(Out)  
Total Net MH STEP-VA Peer Support

MH STEP-VA Veteran’s Services (Fiscal Agent) \*  
MH STEP-VA Veteran’s Services Transfer In/(Out)  
Total Net MH STEP-VA Veteran’s Services

MH Forensic Discharge Planning (Fiscal Agent) \*  
MH Forensic Discharge Planning Transfer In/(Out)  
Total Net MH Forensic Discharge Planning

MH Permanent Supportive Housing (Fiscal Agent) \*  
MH Permanent Supportive Housing Transfer In/(Out)  
Total Net MH Permanent Supportive Housing

MH Recovery (Fiscal Agent) ‡  
MH Other Merged Regional Funds (Fiscal Agent) ‡  
MH State Regional Deaf Services (Fiscal Agent) ‡  
MH Total Regional Transfer In/(Out)

**Total Net MH Unrestricted Regional Funds** \_\_\_\_\_

**Total Net MH Regional State Funds** \_\_\_\_\_

Children’s State Funds

MH Child & Adolescent Services Initiative\*  
MH Children’s Outpatient Services\*  
MH Juvenile Detention\*

**Total MH Restricted Children’s Funds** \_\_\_\_\_

MH State Children’s Services‡  
MH Demo Project - System of Care (Child) ‡  
Total MH Unrestricted Children’s Funds \_\_\_\_\_

MH Crisis Response & Child Psychiatry (Fiscal Agent) \*  
MH Crisis Response & Child Psychiatry Transfer In/(Out) \_\_\_\_\_  
Total Net MH Crisis Response & Child Psychiatry \_\_\_\_\_

**Total MH Children’s State Funds (Restricted)**

### **Other State Funds**

MH Law Reform\*  
 MH Pharmacy - Medication Supports\*  
 MH Jail Diversion Services\*  
 MH Rural Jail Diversion\*  
 MH Docket Pilot JMHCP Match\*  
 MH Adult Outpatient Competency Restoration Services\*  
 MH CIT Assessment Sites\*  
 MH Expand Telepsychiatry Capacity\*  
 MH PACT\*  
 MH PACT Forensic Enhancement\*  
 MH Gero-Psychiatric Services\*  
 MH Step-VA – SDA, Primary Care Screening, and Ancillary Services\*  
 MH Young Adult SMI\*

### **Total MH Restricted Other State Funds**

MH State Funds‡  
 MH State NGRI Funds‡  
 MH Geriatric Services‡ \_\_\_\_\_

### **Total MH Unrestricted Other State Funds \_\_\_\_\_**

### **Total MH Other State Funds \_\_\_\_\_**

### **TOTAL MH STATE FUNDS \_\_\_\_\_**

### **OTHER FUNDS**

MH Other Funds\*  
 MH Federal Retained Earnings\*  
 MH State Retained Earnings\*  
 MH State Retained Earnings - Regional Programs\*  
 MH Other Retained Earnings\*

### **TOTAL MH OTHER FUNDS**

### **LOCAL MATCHING FUNDS**

MH Local Government Appropriations‡  
 MH Philanthropic Cash Contributions‡  
 MH In-Kind Contributions‡  
 MH Local Interest Revenue‡ \_\_\_\_\_

### **TOTAL MH LOCAL MATCHING FUNDS \_\_\_\_\_**

### **TOTAL MH FUNDS**

### **ONE-TIME FUNDS**

MH FBG SMI (93.958) \*  
 MH FBG SED Child & Adolescent (93.958) \*  
 MH FBG Peer Services (93.958) \*  
 MH State Funds

MH One-Time Restricted State Funds\* \_\_\_\_\_

### **TOTAL MH ONE-TIME FUNDS \_\_\_\_\_**

### **TOTAL MH ALL FUNDS \_\_\_\_\_**

<sup>1</sup> MH acute care (LIPOS), regional DAP, and crisis stabilization funds are restricted, but each type of funds can be used for the other purposes in certain situations approved by the Department.

\* These funds are restricted and expenditures of them are tracked and reported separately.

‡ These are unrestricted funds; expenditures are reported as a sum for all of the lines within the overall funding category.

**FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE CONTRACT**

**FY XXXX Exhibit A: Resources and Services for Developmental (DV) Services**

**CSB:** \_\_\_\_\_

<b>Funding</b>	<b>Funds</b>
<b><u>FEES</u></b>	
DV Medicaid DD Waiver Fees	
DV Other Medicaid Fees	
DV Medicaid ICF/IDD Fees	
DV Fees: Other	_____
<b>Total DV Fees</b>	
DV Fees Transfer In/(Out)	_____
<b>DV NET FEES</b>	

**FEDERAL FUNDS**

DV Other Federal - DBHDS\*  
 DV Other Federal – COVID Support\*  
 DV Other Federal - CSB\*

**TOTAL DV FEDERAL FUNDS** \_\_\_\_\_

**STATE FUNDS**

DV State Funds‡  
 DV OBRA Funds‡ \_\_\_\_\_

**Total DV Unrestricted State Funds**

DV Trust Fund\*  
 DV Rental Subsidies\*  
 DV Guardianship Funding\*  
 DV Crisis Stabilization (Fiscal Agent) \*  
 DV Crisis Stabilization Transfer In/(Out) \_\_\_\_\_  
 Total Net DV Crisis Stabilization\*  
 DV Crisis Stabilization - Children (Fiscal Agent) \*  
 DV Crisis Stabilization - Children Transfer In/(Out) \_\_\_\_\_  
 Total Net DV Crisis Stabilization - Children \_\_\_\_\_  
 DV Transfers from DBHDS Facilities (Fiscal Agent) \*  
 DV Transfers from DBHDS Facilities - Transfer In/(Out) \_\_\_\_\_  
 Total Net DV Transfers from DBHDS Facilities \_\_\_\_\_

**Total DV Restricted State Funds** -

**TOTAL DV STATE FUNDS**

**OTHER FUNDS**

DV Workshop Sales\*  
 DV Other Funds\*  
 DV State Retained Earnings\*  
 DV State Retained Earnings - Regional Programs\*  
 DV Other Retained Earnings\* \_\_\_\_\_

**TOTAL DV OTHER FUNDS**

FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE CONTRACT  
FY XXXX Exhibit A: Resources and Services for Developmental (DV) Services

CSB: \_\_\_\_\_

Funding	Funds
<b><u>LOCAL MATCHING FUNDS</u></b>	
DV Local Government Appropriations‡	
DV Philanthropic Cash Contributions‡	
DV In-Kind Contributions‡	
DV Local Interest Revenue‡	_____
<b>TOTAL DV LOCAL MATCHING FUNDS</b>	_____
<b>TOTAL DV FUNDS</b>	
 <b><u>ONE-TIME FUNDS</u></b>	
DV State Funds	
DV One-Time Restricted State Funds*	_____
<b>TOTAL DV ONE-TIME FUNDS</b>	
<b>TOTAL DV ALL FUNDS</b>	_____

\* These funds are restricted and expenditures of them are tracked and reported separately.  
‡ These are unrestricted funds; expenditures are reported as a sum for all of the lines within the overall funding

FYXXXX and FY2023 COMMUNITY SERVICES PERFORMANCE CONTRACT

FY XXXX Exhibit A: Resources and Services for Substance Use Disorder (SUD) Services

CSB: \_\_\_\_\_

Funding Sources	Funds
<b><u>FEES</u></b>	
SUD Medicaid Fees	
<u>SUD Fees: Other</u>	
<b>Total SUD Fees</b>	
SUD Fees Transfer In/(Out)	
<b>SUD NET FEES</b>	
<b><u>FEDERAL FUNDS</u></b>	
SUD FBG Alcohol/Drug Treatment (93.959) *	
SUD FBG SARPOS (93.959) *	
SUD FBG Jail Services (93.959) *	
SUD FBG Co-Occurring (93.959) *	
SUD FBG New Directions (93.959) *	
SUD FBG Recovery (93.959) *	
SUD FBG Medically Assisted Treatment (93.959) *	_____
<b>Total SUD FBG Alcohol/Drug Treatment Funds</b>	
SUD FBG Women (Includes LINK at 6 CSBs) (93.959) *	_____
<b>Total SUD FBG Women Funds</b>	
SUD FBG Prevention (93.959) *	
SUD FBG Prevention Family Wellness (93.959) *	_____
<b>Total SUD FBG Prevention Funds</b>	
SUD Federal COVID Emergency Grant (93.665) *	
SUD Federal YSAT – Implementation (93.243) *	
SUD Federal Opioid Response Recovery (93.788) *	
SUD Federal Opioid Response Prevention (93.788) *	
SUD Federal Opioid Response Treatment (93.788) *	
Total SUD Federal Opioid Response (93.788) *	
SUD Other Federal - DBHDS*	
SUD Other Federal – COVID Support*	
SUD Other Federal - CSB*	
_____	<b>TOTAL SUD</b>
<b>FEDERAL FUNDS</b>	
<b><u>STATE FUNDS</u></b>	
<b><u>Regional Funds</u></b>	
SUD Facility Reinvestment (Fiscal Agent) *	
SUD Facility Reinvestment Transfer In/(Out)	_____
Total Net SUD Facility Reinvestment Funds	
SUD Transfers from DBHDS Facilities (Fiscal Agent) *	
SUD Transfers from DBHDS Facilities – Transfer In/(Out)	_____
Total Net SUD Transfers from DBHDS Facilities	
SUD Community Detoxification (Fiscal Agent) *	

FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE CONTRACT

FY XXXX Exhibit A: Resources and Services for Substance Use Disorder (SUD) Services

CSB: \_\_\_\_\_

Funding Sources	Funds
SUD Community Detoxification Transfer In/(Out)	
Total Net SUD Community Detoxification	
SUD STEP-VA (Fiscal Agent) *	
SUD STEP-VA Transfer In/(Out)	
Total Net SUD STEP-VA	
Total Net SUD Regional State Funds	
<b><u>Other State Funds</u></b>	
SUD Women (Includes LINK - 4 CSBs) *	
SUD MAT - Medically Assisted Treatment*	
SUD Permanent Supportive Housing Women*	
SUD SARPOS*	
SUD Recovery* _____	
<b>Total SUD Restricted Other State Funds</b>	
SUD State Funds‡	
SUD Region V Residential‡	
SUD Jail Services/Juvenile Detention‡	
SUD HIV/AIDS‡	
<b>Total SUD Unrestricted Other State Funds</b>	_____
<b>Total SUD Other State Funds</b>	
<b>TOTAL SUD STATE FUNDS</b>	
<b><u>OTHER FUNDS</u></b>	
SUD Other Funds*	
SUD Federal Retained Earnings*	
SUD State Retained Earnings*	
SUD State Retained Earnings - Regional Programs*	
SUD Other Retained Earnings* _____	
<b>TOTAL SUD OTHER FUNDS</b>	_____
<b>LOCAL MATCHING FUNDS</b>	
SUD Local Government Appropriations‡	
SUD Philanthropic Cash Contributions‡	
SUD In-Kind Contributions‡	
SUD Local Interest Revenue‡ _____	
<b>TOTAL SUD LOCAL MATCHING FUNDS</b>	_____
<b>TOTAL SUD FUNDS</b>	_____

FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE CONTRACT

FY XXXX Exhibit A: Resources and Services for Substance Use Disorder (SUD) Services

CSB: \_\_\_\_\_

Funding Sources	Funds
<b><u>ONE-TIME FUNDS</u></b>	
SUD FBG Alcohol/Drug Treatment (93.959) *	
SUD FBG Women (includes LINK - 6 CSBs) (93.959) *	
SUD FBG Prevention (93.959) *	
SUD FBG Recovery (93.959) *	
SUD State Funds	
SUD One-Time Restricted State Funds*	_____
<b>TOTAL SUD ONE-TIME FUNDS</b>	_____
<b>TOTAL SUD ALL FUNDS</b>	

\* These funds are restricted and expenditures of them are tracked and reported separately.

‡ These are unrestricted funds; expenditures are reported as a sum for all of the lines within the overall funding category.

FY XXXX Exhibit A: Resources and Services

Local Government Tax Appropriations

City or County	Tax Appropriation
Total Local Government Tax Funds	

Reconciliation of Projected Resources and Services Costs by Program Area CSB:

	MH Services		DV Services	SUD Services	Emergency Services	Ancillary Services	Total
Total All Funds (Page AF-1)							
Cost for MH, DV, SUD, Emergency, and Ancillary Services (Page AF-1)							
Difference							

**FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE  
CONTRACT**

**FY XXXX Exhibit A: Resources and Services**

**Difference results from Explanation of Other in Table Above**

**Other:**

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**FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE  
CONTRACT**

**FY XXXX Exhibit A: Resources and Services**

**CSB 100 Mental Health Services**

<b>Form 11: Mental Health (MH) Services Program Area (100)</b>			
<b>Services</b>	<b>Projected Service Capacity</b>	<b>Projected Numbers of Individuals Receiving Services</b>	<b>Projected Total Service Costs</b>
<b>250 Acute Psychiatric Inpatient Services</b>	<b>Beds</b>		
<b>310 Outpatient Services</b>	<b>FTEs</b>		
<b>312 Medical Services</b>	<b>FTEs</b>		
<b>350 Assertive Community Treatment</b>	<b>FTEs</b>		
<b>320 Case Management Services</b>	<b>FTEs</b>		
<b>410 Day Treatment or Partial Hospitalization</b>	<b>Slots</b>		
<b>420 Ambulatory Crisis Stabilization Services</b>	<b>Slots</b>		
<b>425 Mental Health Rehabilitation</b>	<b>Slots</b>		
<b>430 Sheltered Employment</b>	<b>Slots</b>		
<b>465 Group Supported Employment</b>	<b>Slots</b>		
<b>460 Individual Supported Employment</b>	<b>FTEs</b>		
<b>501 MH Highly Intensive Residential Services (MH Residential Treatment Centers)</b>	<b>Beds</b>		
<b>510 Residential Crisis Stabilization Services</b>	<b>Beds</b>		
<b>521 Intensive Residential Services</b>	<b>Beds</b>		
<b>551 Supervised Residential Services</b>	<b>Beds</b>		
<b>581 Supportive Residential Services</b>	<b>FTEs</b>		
<b>610 Prevention Services</b>	<b>FTEs</b>		
<b>Totals</b>			

<b>Form 11 A: Pharmacy Medication Supports</b>	<b>Number of Consumers</b>
<b>803 Total Pharmacy Medication Supports Consumers</b>	

**FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE  
CONTRACT**

**FY XXXX Exhibit A: Resources and Services**

**CSB 200 Developmental Services**

<b>Form 21: Developmental (DV) Services Program Area (200)</b>			
<b>Services</b>	<b>Projected Service Capacity</b>	<b>Projected Numbers of Individuals Receiving Services</b>	<b>Projected Total Service Costs</b>
<b>310 Outpatient Services</b>	<b>FTEs</b>		
<b>312 Medical Services</b>	<b>FTEs</b>		
<b>320 Case Management Services</b>	<b>FTEs</b>		
<b>420 Ambulatory Crisis Stabilization Services</b>	<b>Slots</b>		
<b>425 Developmental Habilitation</b>	<b>Slots</b>		
<b>430 Sheltered Employment</b>	<b>Slots</b>		
<b>465 Group Supported Employment</b>	<b>Slots</b>		
<b>460 Individual Supported Employment</b>	<b>FTEs</b>		
<b>501 Highly Intensive Residential Services (Community-Based ICF/IDD Services)</b>	<b>Beds</b>		
<b>510 Residential Crisis Stabilization Services</b>	<b>Beds</b>		
<b>521 Intensive Residential Services</b>	<b>Beds</b>		
<b>551 Supervised Residential Services</b>	<b>Beds</b>		
<b>581 Supportive Residential Services</b>	<b>FTEs</b>		
<b>610 Prevention Services</b>	<b>FTEs</b>		
<b>Totals</b>			

**FY XXXX AND FY XXXX COMMUNITY SERVICES PERFORMANCE  
CONTRACT**

**FY XXXX Exhibit A: Resources and Services**

**CSB 300 Substance Use Disorder Services**

<b>Form 31: Substance Use Disorder (SUD) Services Program Area (300)</b>			
<b>Services</b>	<b>Projected Service Capacity</b>	<b>Projected Numbers of Individuals Receiving Services</b>	<b>Projected Total Service Costs</b>
<b>250 Acute Substance Use Disorder Inpatient Services</b>	<b>Beds</b>		
<b>260 Community-Based Substance Use Disorder Medical Detoxification Inpatient Services</b>	<b>Beds</b>		
<b>310 Outpatient Services</b>	<b>FTEs</b>		
<b>312 Medical Services</b>	<b>FTEs</b>		
<b>313 Intensive Outpatient Services</b>	<b>FTEs</b>		
<b>335 Medication Assisted Treatment</b>	<b>FTEs</b>		
<b>320 Case Management Services</b>	<b>FTEs</b>		
<b>410 Day Treatment or Partial Hospitalization</b>	<b>Slots</b>		
<b>420 Ambulatory Crisis Stabilization Services</b>	<b>Slots</b>		
<b>425 Substance Use Disorder Rehabilitation</b>	<b>Slots</b>		
<b>430 Sheltered Employment</b>	<b>Slots</b>		
<b>465 Group Supported Employment</b>	<b>Slots</b>		
<b>460 Individual Supported Employment</b>	<b>FTEs</b>		
<b>501 Highly Intensive Residential Services (Medically Managed Withdrawal Services)</b>	<b>Beds</b>		
<b>510 Residential Crisis Stabilization Services</b>	<b>Beds</b>		
<b>521 Intensive Residential Services</b>	<b>Beds</b>		
<b>551 Supervised Residential Services</b>	<b>Beds</b>		
<b>581 Supportive Residential Services</b>	<b>FTEs</b>		
<b>610 Prevention Services</b>	<b>FTEs</b>		
<b>Totals</b>			

CSB 400 Emergency and Ancillary Services

FY XXXX Exhibit A: Resources and Services

Form 01: Emergency and Ancillary Services (400)			
Services	Projected Service Capacity	Projected Numbers of Individuals Receiving Services	Projected Total Service Costs
100 Emergency Services	FTEs		
Ancillary Services			
318 Motivational Treatment Services	FTEs		
390 Consumer Monitoring Services	FTEs		
720 Assessment and Evaluation Services	FTEs		
620 Early Intervention Services	FTEs		
730 Consumer-Run Services			
Ancillary Services Totals			

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
EXHIBIT B: Continuous Quality Improvement (CQI) Process  
for Behavioral Health Performance Measures  
**Contract No. P1636.3**

Table of Contents

I. Introduction .....2

II. Measure Development.....2

III. Technical Assistance .....2

IV. Performance Monitoring .....2

    1. Performance Improvement Plan (PIP).....2

    2. Corrective Action Plan (CAP).....2

V. Performance Measures .....3

    A. Suicide Screening Measure .....3

    B. Same Day Access Measures .....3

    D. SUD Engagement Measure (Block Grant SAMSHA/DBHDS Requirement) .....3

    E. DLA-20 Measure .....3

VI. Additional Expectations and Elements Being Monitored .....3

    A. Outpatient Primary Care Screening and Monitoring .....4

        1. Primary Care Screening.....4

        2. Antipsychotic Metabolic Screening .....4

    B. Outpatient Services.....4

    C. Service Members, Veterans, and Families (SMVF).....4

    D. Peer and Family Support Services .....5

Attachment 1 .....6

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
EXHIBIT B: Continuous Quality Improvement (CQI) Process  
for Behavioral Health Performance Measures  
**Contract No. P1636.3**

## I. Introduction

The Department, the Community Services Boards and Behavioral Health Authority (CSB) are committed to a collaborative continuous quality improvement (CQI) process aimed at improving the quality, transparency, accessibility, consistency, integration, and responsiveness of services across the Commonwealth pursuant to Code §37.2-508(C) and §37.2-608(C). Exhibit B establishes the CQI framework through which CSBs, providing community behavioral health services, and the Department engage in the CQI processes that are established to track progress towards meeting established benchmarks, identify barriers to achievement, and understand and address root causes that impacts progress. For the purposes of this Exhibit, “benchmark” is defined as the measure target for achievement that is established by the Department in collaboration with CSB.

## II. Measure Development

The establishment of benchmarks is a collaborative process with the CSBs and exists as part of the Department’s Behavioral Health Measure Development and Review process (See Attachment 1).

## III. Technical Assistance

An opportunity for technical assistance exists when a CSB requires support in meeting an established goal. The following graduated response will be employed to support the CSB to achievement.

### Technical Assistance (TA)

For the purposes of this Exhibit, technical assistance (TA) is defined as targeted, collaborative support provided by the Department to CSBs for the purposes of improving performance on the core measures outlined in [Section V](#) of this exhibit. The Department may initiate the process for its provision of TA when a CSB’s performance does not meet the benchmark. Upon receipt of Department notification of the requirement for CSB participation in TA, the CSB shall respond to the Department within 10 business days to confirm receipt and establish next steps.

Additionally, TA may be requested by the CSB at any time. A CSB may request TA from the Department by completing the [Exhibit B TA Request form](#). The Department shall respond to the CSB request for TA within 10 business days to confirm receipt and establish next steps.

The Department will work to address CSB-raised concerns or identified Department data issues as part of the technical assistance process.

## IV. Performance Monitoring

### 1. Performance Improvement Plan (PIP)

Develop a Performance Improvement Plan (PIP). For the purposes of this Exhibit, a PIP is defined as a written, collaborative agreement between the Department and the CSB that identifies specific action steps required to support the CSB in meeting identified benchmarks for core performance measures as outlined in [Section V](#) of this exhibit. A PIP will not be entered into until at least 6 months of TA has been provided in order to allow for the review of at least 2 quarters of data, or as otherwise established by the Department.

### 2. Corrective Action Plan (CAP)

In the event PIP implementation does not result in improvement regarding core performance measures pursuant to [Section V](#) of this exhibit; the Department may seek other remedies as outlined in the Compliance and Remediation section of the performance contract such as initiating a CAP. For the purpose of this Exhibit, a CAP is defined as a written plan to address lack of achievements with identified benchmarks for

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
EXHIBIT B: Continuous Quality Improvement (CQI) Process  
for Behavioral Health Performance Measures  
**Contract No. P1636.3**

core performance measures outlined in [Section V](#) of this exhibit. The Department may also find it necessary to enter into a CAP with the CSB in circumstances where the severity of the issue(s) is determined to be necessary for a CAP versus a PIP. If the CSB refuses to participate in the TA and/or PIP process, a CAP will be initiated by the Department. If the CSB disagrees with the CAP they shall utilize the Compliance and Remediation of the performance contract.

## V. Performance Measures

**CSB Core Performance Measures:** The CSB and Department agree to use the CSB Core Performance Measures, developed by the Department in collaboration with the VACSB Data Management, Quality Leadership, and/ Quality and Outcomes Committees (Q&O) to monitor outcome and performance measures for the CSBs and improve the performance on measures where the CSB falls below the benchmark. These performance measures include:

### A. Suicide Screening Measure

Percent of individuals ages six and older that receive Columbia Suicide Severity Rating Scale screening within 30 days before or 5 days after a new MH or SUD case has been opened.

**Benchmark:** The CSB shall conduct a Columbia Suicide Severity Rating Scale screening for at least 86 percent of individuals with a new MH or SUD case opening.

### B. Same Day Access Measures

**ISERV Definition:** The percentage of new consumers with initial comprehensive needs assessment provided within 10 business days of first contact as well as the mean number of days from the first contact. DBHDS and CSB will collaborate to determine how to collect this information in FY26.

**Benchmark:** CSB and DBHDS will work together to establish by SFY27

### C. Appointment Kept: Percentage of new consumers with initial comprehensive needs assessment who keep and attend a follow up appointment within 30 days.

**Benchmark:** At least 70 percent of the individuals seen in SDA who are determined to need a follow-up service will return to attend that service within 30 calendar days of the SDA assessment.

### D. SUD Engagement Measure (Block Grant SAMSHA/DBHDS Requirement)

Percentage of individuals 13 years or older with a new episode of substance use disorder services as a result of a new SUD diagnosis who initiate services within 14 days of diagnosis and attend at least two follow up SUD services within 30 days.

**Benchmark:** The CSB shall have at least 65% of SUD clients engage in treatment per this definition of engagement.

### E. DLA-20 Measure

The percentage of individuals receiving STEP-VA services assessed using the DLA-20 who demonstrate improvement in their DLA-20 score over a 6-month period.

**Benchmark:** CSB and DBHDS will work together to establish by SFY27

## VI. Additional Expectations and Elements Being Monitored

The data elements and expectations of this section are active expectations regarding CSB operations and implementation. The Department in collaboration with the VACSB Data Management, Quality Leadership, and Quality and Outcomes Committees will monitor outcome and performance measures in this section.

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
EXHIBIT B: Continuous Quality Improvement (CQI) Process  
for Behavioral Health Performance Measures  
**Contract No. P1636.3**

**A. Outpatient Primary Care Screening and Monitoring**

**1. Primary Care Screening**

**Measures** - The percentage of Adults with a SMI diagnosis and children with SED, engaged in MH CM and Psychiatry services, who receive an annual primary care screening to include height, weight and therefore, BMI.

**Benchmark** - CSB and DBHDS will work together to establish by SFY27.

**Outcomes** - To provide yearly primary care screening to identify and provide related care coordination to ensure access to needed physical health care to reduce the number of individuals with serious mental illness (SMI), known to be at higher risk for poor physical health outcomes largely due to unidentified chronic conditions.

**Monitoring**- CSB must report the screen completion and monitoring completion as required by DBHDS.

**2. Antipsychotic Metabolic Screening**

**Measures** - The percentage of individuals, receiving STEP-VA services, over the age of 3 years old, receiving antipsychotic medications prescribed by a CSB, who have undergone metabolic screenings within 1 year of identification and comply with recommended metabolic screening schedule (at least annually)

**Benchmark** - CSB and DBHDS will work together to establish by SFY27

**Outcomes** - To provide screening in order to identify and provide related care coordination to ensure access needed to physical health care as well as additional information for psychiatric providers.

Individuals with serious mental illness (SMI) or serious emotional disturbance (SED) are known to be at higher risk for poor physical health outcomes.

**Monitoring** - CSB must report the screen completion and monitoring completion as required by DBHDS

**B. Outpatient Services**

Outpatient services are foundational services for any behavioral health system. Outpatient services may include diagnosis and evaluation, screening and intake, counseling, psychotherapy, behavior management, psychiatry, psychological testing and assessment, laboratory, and ancillary services.

**Measures** - Percent of CSB Outpatient provider staff that have received the required 8 hours of trauma focused training within the first year of employment and 4 hours in each subsequent year or until 40 hours of trauma-focused training can be demonstrated

**Benchmark** - Benchmark is 95% of above-mentioned staff.

**Monitoring:** Provide training data regarding required trauma training yearly in July when completing evidence-based practice survey.

**C. Service Members, Veterans, and Families (SMVF)**

**1. Training Measures** - Percent of CSB Direct Services Staff that receive military cultural competency training within 90 days of hire and every 3 years of employment thereafter.

**Benchmark** – 95% of CSB staff delivering direct services to the SMVF population

**2. Identifying SMVF members**

**Measures**- At admission, health records in all program areas will contain a valid entry for the Military Status demographic variable.

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
EXHIBIT B: Continuous Quality Improvement (CQI) Process  
for Behavioral Health Performance Measures  
**Contract No. P1636.3**

**Benchmark-** The CSB shall ensure the Benchmark of 90% of individuals will have a valid entry at admission for MH/SUD services.

**D. Peer and Family Support Services**

**1. Peer FTEs (STEP-VA Funded)**

- (a) **Measure:** Total number of Peer Support Services FTE offering peer support services in mental health and/or substance use treatment settings funded by STEP-VA allocations.
- (b) **Benchmark:** Year 1 will allow for monitoring and benchmarking.

**2. Peer FTEs (Total)**

- (a) **Measure:** Total number of Peer Support Services FTE offering peer support services in CSB/BHA from all funding sources.
- (b) **Benchmark:** Year 1 will allow for monitoring and benchmarking

**3. Peer Certification and Registration**

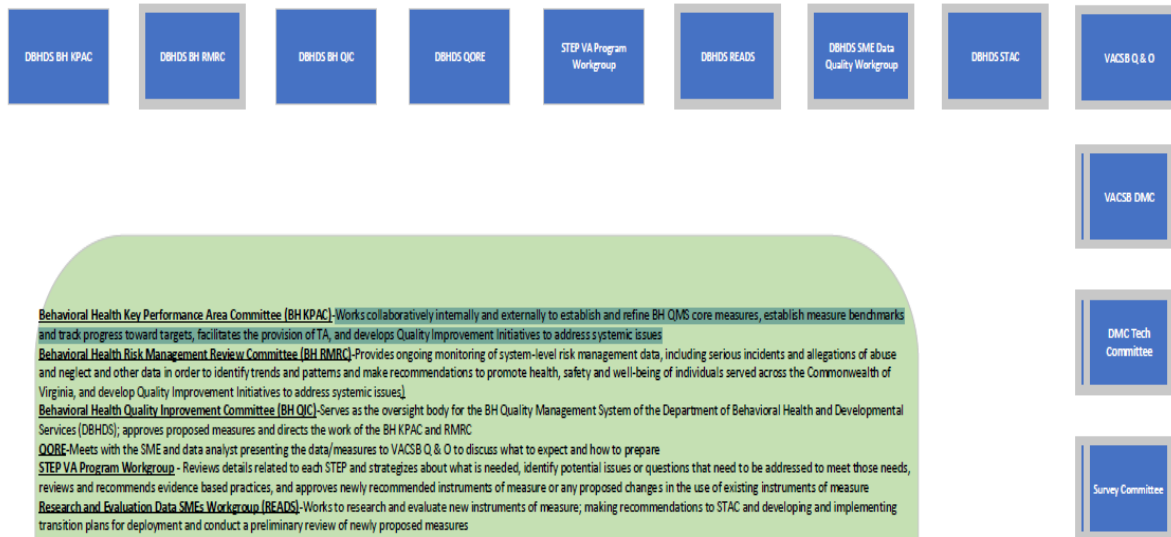
- (a) **Measure:** Peer Supporters will obtain certification within 15 months of hire and be registered within 18 months of hire (from the Board of Counseling)
- (b) **Benchmark:** There is not a benchmark at this time as FY24 is the first year collecting this information. We will revisit setting a benchmark next year.

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
EXHIBIT B: Continuous Quality Improvement (CQI) Process  
for Behavioral Health Performance Measures  
**Contract No. P1636.3**

**Attachment 1**



Quality and Data Committees Involved in BH Quality and Data Work



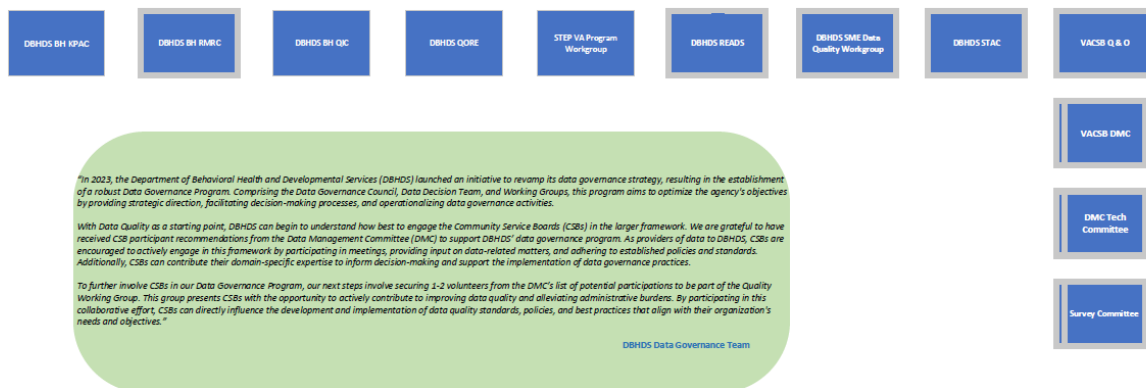
\*Boxes outlined in grey denote CSB involvement

4/12/24

**AMENDMENT 3**  
**AMENDED AND RESTATED**  
**FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT**  
**MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT**  
**EXHIBIT B: Continuous Quality Improvement (CQI) Process**  
**for Behavioral Health Performance Measures**  
**Contract No. P1636.3**



**Behavioral Health Quality and Data Committees and Virginia Association of Community Services Boards Data Governance Engagement**

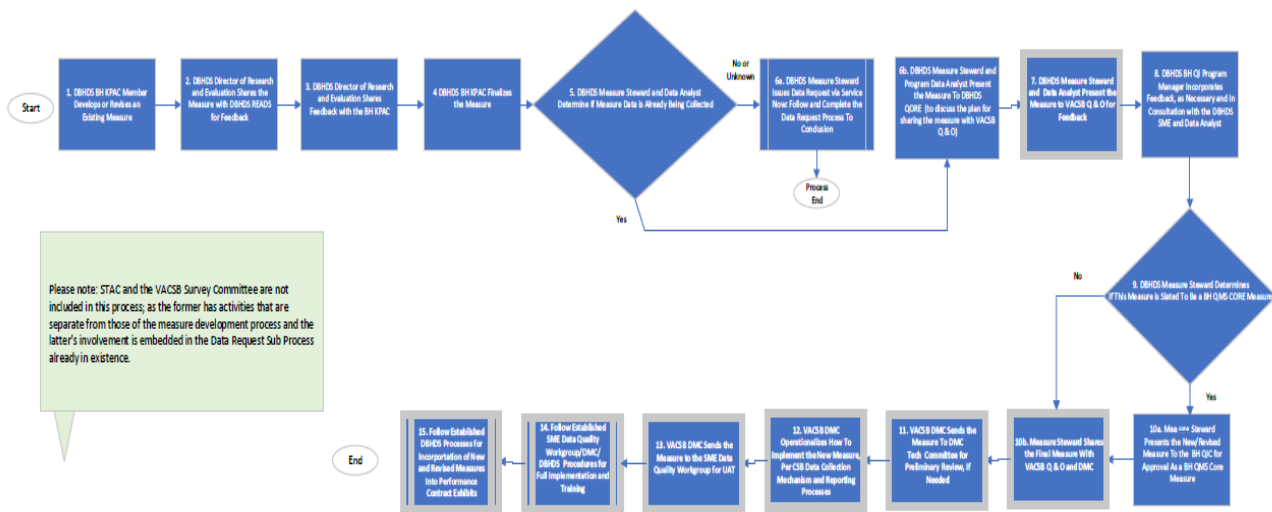


\*Boxes outlined in grey denote CSB involvement

4/12/24



**Behavioral Health Measure Development Process**



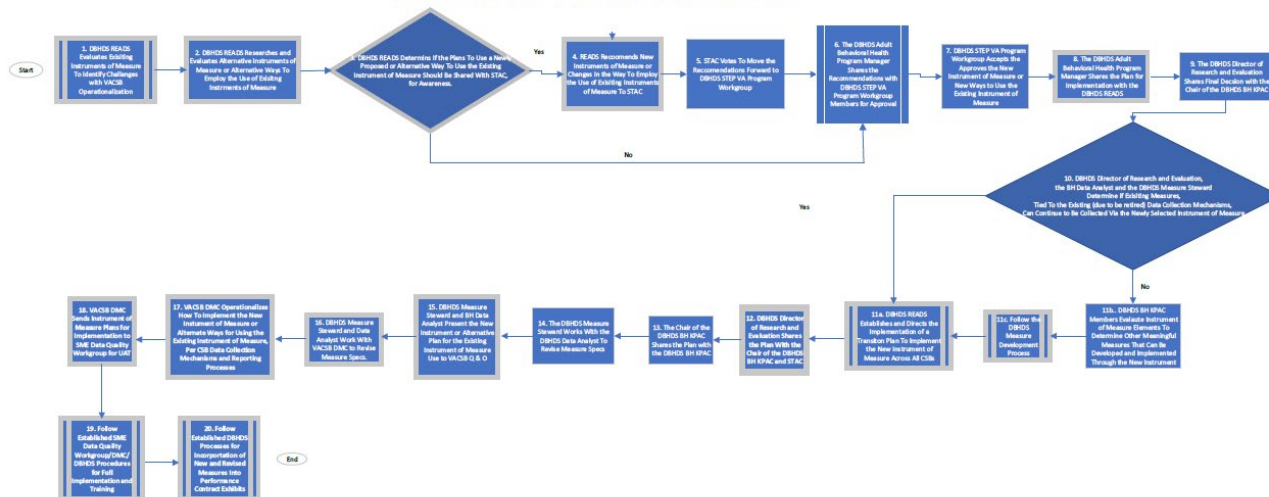
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4/12/24

**AMENDMENT 3**  
**AMENDED AND RESTATED**  
**FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT**  
**MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT**  
**EXHIBIT B: Continuous Quality Improvement (CQI) Process**  
**for Behavioral Health Performance Measures**  
**Contract No. P1636.3**



BH Instrument of Measure Development and Revision Process

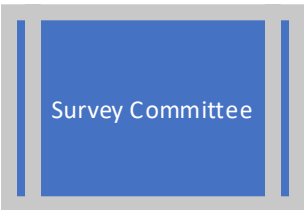
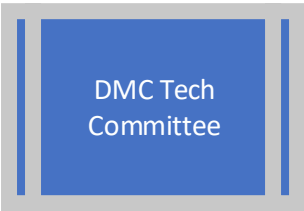
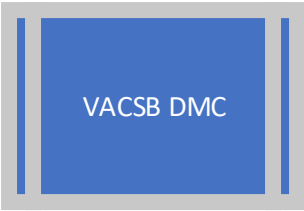


\*Boxes outlined in grey denote CSB involvement

4/12/24



Quality and Data Committees Involved in BH Quality and Data Work



**Behavioral Health Key Performance Area Committee (BH KPAC)**-Works collaboratively internally and externally to establish and refine BH QMS core measures, establish measure benchmarks and track progress toward targets, facilitates the provision of TA, and develops Quality Improvement Initiatives to address systemic issues

**Behavioral Health Risk Management Review Committee (BH RMRC)**-Provides ongoing monitoring of system-level risk management data, including serious incidents and allegations of abuse and neglect and other data in order to identify trends and patterns and make recommendations to promote health, safety and well-being of individuals served across the Commonwealth of Virginia, and develop Quality Improvement Initiatives to address systemic issues)

**Behavioral Health Quality Improvement Committee (BH QIC)**-Serves as the oversight body for the BH Quality Management System of the Department of Behavioral Health and Developmental Services (DBHDS); approves proposed measures and directs the work of the BH KPAC and RMRC

**QORE**-Meets with the SME and data analyst presenting the data/measures to VACSB Q & O to discuss what to expect and how to prepare

**STEP VA Program Workgroup** - Reviews details related to each STEP and strategizes about what is needed, identify potential issues or questions that need to be addressed to meet those needs, reviews and recommends evidence based practices, and approves newly recommended instruments of measure or any proposed changes in the use of existing instruments of measure

**Research and Evaluation Data SMEs Workgroup (READS)**-Works to research and evaluate new instruments of measure; making recommendations to STAC and developing and implementing transition plans for deployment and conduct a preliminary review of newly proposed measures

**SME Data Quality Workgroup**-Addresses known issues within or across CSBs, during the development/testing phase

**STEP VA Advisory Council (STAC)**- Assists DBHDS in the implementation of STEP VA, to create the appropriate regulatory and operational environment to ensure the success of STEP VA

**Virginia Association of Community Services Boards (VACSB) Quality and Outcomes Committee**-Reviews and discusses current and proposed CSB measures; identifying trends by region and statewide; discussing performance reasons at a regional and statewide level

**VACSB Data Management Committee (DMC)**-Operationalizes how the boards configure data collection mechanisms within their respective board EHRs to collect and report data on identified measures

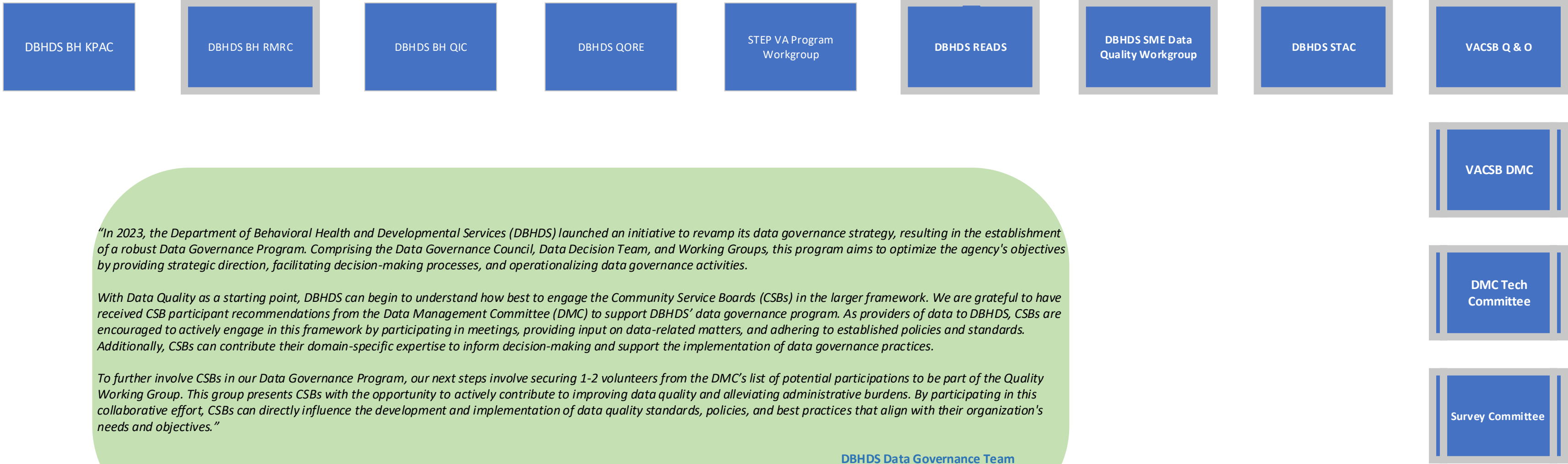
**VACSB DMC Tech**-Conducts a preliminary review of measures

**VACSB Survey Committee**-Reviews and develops surveys used as data collection tools for reporting purposes, when no other mechanisms for data collection and reporting exist

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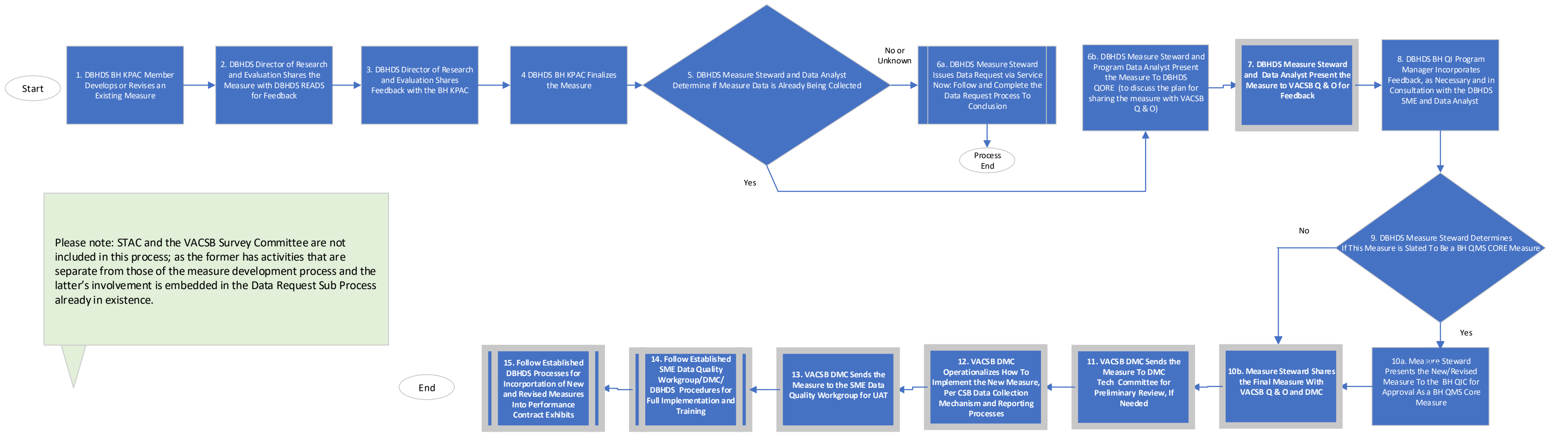


Behavioral Health Quality and Data Committees and Virginia Association of Community Services Boards Data Governance Engagement



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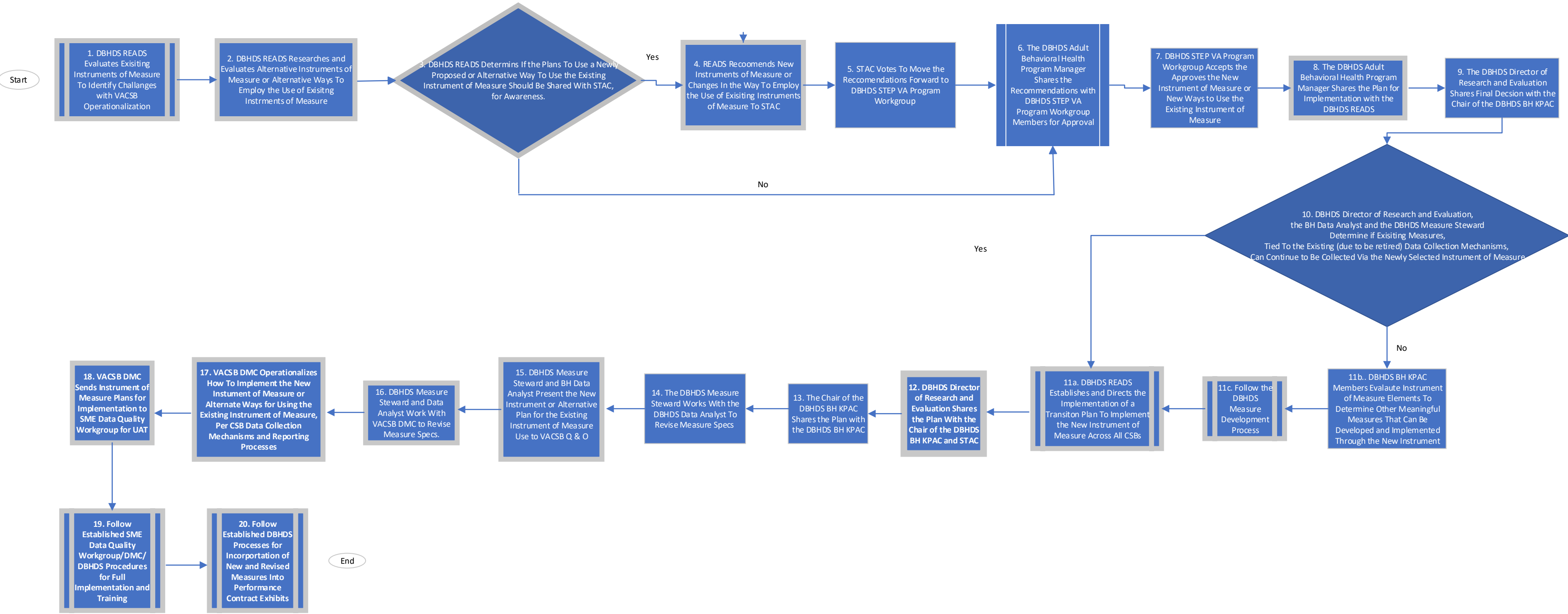
Behavioral Health Measure Development Process



\*Boxes outlined in grey denote CSB involvement



BH Instrument of Measure Development and Revision Process



\*Boxes outlined in grey denote CSB involvement

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
Exhibit C - PHI Data Sharing and Use Agreement  
**Contract No. P1636.3**

**Background**

Various laws govern the confidentiality and security of individually identifiable health information, including the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191 (1996) and its accompanying standards found at 45 CFR 160, 162, and 164 (“HIPAA”) and the regulations governing the confidentiality of substance use disorder patient records found at Part 2.

CSBs are considered covered entities under HIPAA as organizations collecting and transmitting PHI in electronic form. Further, CSBs are considered federally assisted programs subject to the requirements of Part 2 because they receive federal funding, and they provide diagnosis, treatment, and referral for treatment of substance use disorders.

DBHDS is considered a health oversight agency in relation to the CSBs under HIPAA as a governmental agency with oversight obligations for the publicly funded behavioral health system. Further, DBHDS is a state governmental agency that provides financial assistance to CSBs as Part 2 programs and is authorized by the Code of Virginia to regulate the activities of the CSBs. DBHDS is tasked with ongoing monitoring of the CSBs and their compliance with the terms of the performance contract pursuant to sections 37.2-508 and 37.2-608 of the Code of Virginia.

HIPAA permits disclosure of PHI by a covered entity to a health oversight agency for various oversight activities authorized by law. (45 CFR 164.512(d)(1))

Part 2 permits the disclosure of PHI by a Part 2 program to a state governmental agency that provides financial assistance to the Part 2 program or is authorized by law to regulate the activities of the Part 2 program for audit and evaluation purposes. Audits and evaluations under this section of the regulation may include but are not limited to the identification of actions DBHDS can make to improve care and outcomes for patients with substance use disorders who are treated by Part 2 programs or ensuring that resources are managed effectively to care for patients. Disclosure of this nature requires this written agreement between the parties.

This Exhibit is attached to and made part of the community services performance contract by reference.

**A. CSB Responsibilities**

Exchange data, including PHI, with DBHDS upon request for the purposes of oversight, audit, and/or evaluation.

**B. DBHDS Responsibilities**

1. DBHDS agrees to follow appropriate process and procedure for requesting data from CSBs as outlined elsewhere in this Performance Contract.
2. Pursuant to 42 CFR § 2.53, DBHDS agrees to:
  - a. Maintain and destroy the PHI in a manner consistent with policies and procedures established that comply with 42 CFR § 2.16.
  - b. Retain records in compliance with applicable federal, state, and local record retention laws.
  - c. Comply with the limitations on use and disclosure at 42 CFR § 2.53(f), which requires that information disclosed under this agreement may only be disclosed back to the Part 2 program from which it was obtained and may be used only to carry out an audit or evaluation purpose or to investigate or prosecute criminal or other activities, as authorized by a court order entered under 42 CFR § 2.66.

AMENDMENT 3  
 AMENDED AND RESTATED  
 FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
 MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
 Exhibit E: Performance Contract Schedule and Process  
**Contract No. P1636.3**

**Purpose**

The purpose of this Exhibit is to provide the CSB with the schedule and process for providing the community services performance contract and other required program and financial data to the Department. It also provides administrative performance requirements and processes specific to this Exhibit.

DUE DATE	DESCRIPTION
5-20-25	<ol style="list-style-type: none"> <li>1. The Office of Fiscal and Grants Management (OFGM) distributes the Letters of Notification (LON) to CSB with state and federal block grant funds allocations.</li> </ol> <p><b>NOTE:</b> <u>State funds are contingent on the implementation of the fiscal year budget as passed by the General Assembly and signed into law by the Governor. The Code of Virginia allows the Governor to make certain adjustments to the Budget. Changes in Federal legislation, inclement weather and uncertain revenue collections, are just a few examples of events that may require adjustments to the budget in order to maintain the balanced budget as required by Virginia's constitution.</u></p> <ol style="list-style-type: none"> <li>2. The Department distributes the current fiscal year performance contract and associated report. to CSB. CSB must only provide allocations of state and federal funds or amounts subsequently revised by or negotiated and approved by the Department and have actual appropriated amounts of local matching funds.</li> </ol>
<b>See Section II for the Department's State (790) and Federal Funding Disbursement Schedules</b>	
	<b>New State Fiscal Year Begins</b>
07-01-25	The current fiscal year performance contract, revisions, or Exhibits D that may be due at this time should be signed and submitted electronically by the CSB.
07-17-25	The Department distributes the end of the fiscal year report.
07-31-25	<ol style="list-style-type: none"> <li>1. Prior fiscal year Q4 Turnover and Vacancy Reporting is due.</li> <li>2. End of fiscal Staffing and Compensation Report is due for prior fiscal year</li> </ol>
08-05-25	<ol style="list-style-type: none"> <li>1. The Performance Contract budget report is due back to the Department.</li> <li>2. <b>Local Match:</b> If the CSB will not meet the minimum 10 percent local matching funds requirement at the beginning of the fiscal year, it must submit a written request for a waiver, pursuant to § 37.2-509 of the Code and State Board Policy 4010 and the Minimum Ten Percent Matching Funds Waiver Request Guidelines sent to the OEMS <a href="mailto:performancecontractsupport@dbhds.virginia.gov">performancecontractsupport@dbhds.virginia.gov</a> email address.</li> </ol>
08-19-25	Due date for any final CCS3 extract submission for FY25 program services.
09-02-25	<ol style="list-style-type: none"> <li>1. CSB send end of the fiscal year report to the Department.</li> <li>2. OFGM reviews the financial portions of reports for any discrepancies and works with CSB to resolve deficiencies.</li> </ol>

AMENDMENT 3  
 AMENDED AND RESTATED  
 FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
 MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
 Exhibit E: Performance Contract Schedule and Process  
**Contract No. P1636.3**

<b>9-18-2025</b>	CSB must resubmit approved revised end of the year financial reports no later than 09-18-2025. This is the final closeout date. The Department will not accept report corrections after this date.
<b>09-30-25</b>	<ol style="list-style-type: none"> <li>1. All CSB signed performance contracts and applicable Exhibits D/NOAs are due to the Department for final signature by the Commissioner pursuant to § 37.2-508 of the Code.</li> <li>2. Federal Balance Reports are sent to CSB.</li> </ol> <p><u>Inaccurate or no submission of reports from end of fiscal year or performance contract reports and/or unsigned performance contracts will be out of compliance and may result in delayed payment disbursement until signed contract is received by the Department and/or a one- time, one percent reduction not to exceed \$15,000 of state funds apportioned for CSB administrative expenses.</u></p>
<b>10-1-25</b>	<b>New Federal Fiscal Year Begins</b>
<b>10-03-25</b>	After the Commissioner signs the contracts, a fully executed copy of the performance contract and applicable Exhibits D will be sent to the CSB electronically by OEMS.
<b>10-16-25</b>	CSB submits Federal Balance Reports to the OFGM.
<b>10-31-25</b>	Q1 Turnover and Vacancy Reporting is due.
<b>12-02-25</b>	<ol style="list-style-type: none"> <li>1. CSB that are not local government departments or included in local government audits send one copy of their Certified Public Accountant (CPA) audit reports for the previous fiscal year on all CSB operated programs to the Department's Office of Budget and Financial Reporting (OBFR).</li> <li>2. CSB must complete the Exhibit F (B) Single Audit Exemption Form if it is not subject to a single audit.</li> <li>3. CSB submit a copy of CPA audit reports for all contract programs for their last full fiscal year, ending on June 30th, to the OBFR. For programs with different fiscal years, reports are due three months after the end of the year.</li> <li>4. The CSB shall have a management letter and plan of correction for identified material deficiencies which must be sent with these reports.</li> <li>5. Audit reports for CSB that are local government departments or are included in local government audits are submitted to the Auditor of Public Accounts (APA) by the local government.</li> </ol>
<b>12-29-25</b>	CSB end of the fiscal year reports that are not accurate and/or incomplete, payments may not be released
<b>01-06-26</b>	The Department distributes the mid-year performance contract fiscal report to CSB for completion.
<b>01-30-26</b>	Q2 Turnover and Vacancy Reporting is due.
<b>02-18-26</b>	CSB send complete mid-year reports.
<b>03-31-26</b>	CSB must submit their final, complete and accurate mid-year financial reports.
<b>04-30-26</b>	Q3 Turnover and Vacancy Reporting is due.
	<b>New State Fiscal Year Begins</b>
<b>07-01-26</b>	The current fiscal year performance contract, revisions, and Exhibits D/NOAs that may be due at this time should be signed and submitted electronically by the CSB.
<b>07-15-26</b>	The Department distributes the end of the fiscal year performance contract report for completion by CSB.
<b>08-05-26</b>	<b>Local Match:</b> If the CSB has not met or maintained the minimum 10 percent local matching funds requirement at the end of the previous fiscal year, it must submit a written request for a waiver, pursuant to § 37.2-509 of the Code and State Board Policy 4010 and the Minimum Ten Percent

AMENDMENT 3  
 AMENDED AND RESTATED  
 FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
 MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
 Exhibit E: Performance Contract Schedule and Process  
**Contract No. P1636.3**

	Matching Funds Waiver Request Guidelines sent to the OMS <a href="mailto:performancecontractsupport@dbhds.virginia.gov">performancecontractsupport@dbhds.virginia.gov</a> email address.
<b>08-31-26</b>	<ol style="list-style-type: none"> <li>1. CSB sends complete end of the fiscal year report.</li> <li>2. OFGM reviews financial portions of reports for any discrepancies and works with CSB to resolve deficiencies.</li> </ol>
<b>9-18-2026</b>	CSB must resubmit approved revised program and financial reports. This is the final closeout date. The Department will not accept report corrections after this date.
<b>09-30-26</b>	<p>All CSB signed performance contracts and applicable Exhibits D are due to the Department for final signature by the Commissioner pursuant to § 37.2-508 of the Code.</p> <p><u>Inaccurate or no submission of reports from 9-18-2026 and/or unsigned performance contracts will be out of compliance and may result in a one- time, one percent reduction not to exceed \$15,000 of state funds apportioned for CSB administrative expenses.</u></p>
<b>10-02-26</b>	After the Commissioner signs the contracts, a fully executed copy of the performance contract and applicable Exhibits D/NOAs will be sent to the CSB electronically by OMS.
<b>10-13-26</b>	CSB submits Federal Balance Reports to the OFGM.
<b>12-02-26</b>	<ol style="list-style-type: none"> <li>1. CSBs that are not local government departments or included in local government audits send one copy of their Certified Public Accountant (CPA) audit reports for the previous fiscal year on all CSB operated programs to the Department's Office of Budget and Financial Reporting (OBFR).</li> <li>2. CSB submit a copy of CPA audit reports for all contract programs for their last full fiscal year, ending on June 30th, to the OBFR. For programs with different fiscal years, reports are due three months after the end of the year.</li> <li>3. The CSB shall have a management letter and plan of correction for identified material deficiencies which must be sent with these reports.</li> <li>4. Audit reports for CSB that are local government departments or are included in local government audits are submitted to the Auditor of Public Accounts (APA) by the local government.</li> </ol>
<b>01-05-27</b>	The Department distributes of the mid-year financial performance contract report to CSB for completion.
<b>02-16-27</b>	CSB send complete mid-year financial performance contract reports.
<b>03-31-27</b>	CSB must submit their final, complete and accurate mid-year financial performance contract reports.

**AMENDMENT 3**  
**AMENDED AND RESTATED**  
**FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT**  
**MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT**  
**Exhibit E: Performance Contract Schedule and Process**  
**Contract No. P1636.3**

**I. Administrative Performance Requirements**

The CSB shall meet these administrative performance requirements in submitting its performance contract, contract revisions, and mid-year and end-of-the-fiscal year performance contract reports and required program service data through the reporting mechanism established by the Department.

- A.** The performance contract and any revisions submitted by the CSB shall be:
  - 1. Complete all required information is displayed in the correct places and all required Exhibits, including applicable signature pages, are included.
  - 2. Consistent with Letter of Notification allocations or figures subsequently revised by or negotiated with the Department.
  - 3. Prepared in accordance with instructions by the Department.
  - 4. Received by the due dates listed in this Exhibit. If the CSB does not meet these performance contract requirements, the Department may delay future payments of state and federal funds until satisfactory performance is achieved.
- B.** Mid-year and end-of-the-fiscal year performance contract reports submitted by the CSB shall be:
  - 1. Complete, all required information is displayed in the correct places, all required data are included in the reports, and any other required information not included in reports are submitted.
  - 2. Consistent with the state and federal grant funds allocations in the Letter of Notification or figures subsequently revised by or negotiated with the Department.
  - 3. Prepared in accordance with instructions provided by the Department.
  - 4. All related funding, expense, and cost data are consistent, and correct within a report, and errors identified are corrected; and
  - 5. Received by the due dates listed in this Exhibit
- C.** If the CSB does not meet these requirements for its mid-year and end-of-the-fiscal year reports, the Department may delay future payments until satisfactory performance is achieved. The Department may impose one-time reductions of state funds apportioned for CSB administrative expenses on a CSB for its failure to meet the requirements in its end-of-the-fiscal year report may have a one percent reduction not to exceed \$15,000 unless an extension has been granted by the Department.
- D.** If the CSB fails to meet other reporting requirements in this Exhibit, the Department may delay payments until satisfactory performance is achieved.
- E.** If the Department is at fault for the CSB not submitting timely reports, no penalty shall be applied to CSB.
- F.** If the Department negotiates a performance improvement plan or corrective action plan with a CSB because of unacceptable data quality, and the CSB fails to satisfy the requirements by the end of the contract term, the Department may impose a one-time one percent reduction not to exceed a total of \$15,000 of state funds apportioned for CSB administrative expenses and other applicable non-compliance penalties.
- G.** The CSB shall not allocate or transfer a one-time reduction of state funds apportioned for administrative expenses to direct service or program costs.

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
Exhibit E: Performance Contract Schedule and Process  
**Contract No. P1636.3**

**H. Process for Obtaining an Extension of the End-of-the-Fiscal Year Report Due Date**

1. **Extension Request:** The Department will grant an extension only in very exceptional situations such as a catastrophic information system failure, a key staff person's unanticipated illness or accident, or a local emergency or disaster situation that makes it impossible to meet the due date.
2. It is the responsibility of the CSB to obtain and confirm the Department's approval of an extension of the due date within the time frames specified below. Failure of the CSB to fulfill this responsibility constitutes prima facie acceptance by the CSB of any resulting one-time reduction in state funds apportioned for administrative expenses.
3. As soon as CSB staff becomes aware that it cannot submit the end-of-the-fiscal year report by the due date to the Department, the executive director must inform the Office of Management Services (OMS) through the [performancecontractsupport@dbhds.virginia.gov](mailto:performancecontractsupport@dbhds.virginia.gov) email mailbox that it is requesting an extension of this due date. This request should be submitted as soon as possible and describe completely the reason(s) and need for the extension and state the date on which the report will be received by the Department.
4. The request for an extension must be received in the OMS no later than 5:00 p.m. on the fourth business day before the due date through the [performancecontractsupport@dbhds.virginia.gov](mailto:performancecontractsupport@dbhds.virginia.gov) email mailbox.
5. The OMS will act on all requests for due date extensions that are received in accordance with this process and will notify the requesting CSB of the status of their requests within 2 business of receipt of the request.

AMENDMENT 3  
 AMENDED AND RESTATED  
 FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
 MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
 Exhibit E: Performance Contract Schedule and Process  
**Contract No. P1636.3**

**II. CSB Payment Disbursement Schedule**

<b>FY 2026 CSB Payment Key Dates</b>			
<b>Warrant #</b>	<b>Payment Date</b>	<b>Due to A/P</b>	<b>Payment Adjustments due from CO Program Staff</b>
1	July 8, 2025	June 20, 2025	June 13, 2025
2	July 15, 2025	July 7, 2025	June 27, 2025
3	August 1, 2025	July 22, 2025	July 15, 2025
4	August 15, 2025	August 5, 2025	July 25, 2025
5	September 3, 2025	August 15, 2025	August 8, 2025
6	September 15, 2025	September 5, 2025	August 29, 2025
7	October 1, 2025	September 23, 2025	September 16, 2025
8	October 15, 2025	October 3, 2025	September 26, 2025
9	November 3, 2025	October 17, 2025	October 10, 2025
10	November 17, 2025	November 3, 2025	October 28, 2025
11	December 1, 2025	November 17, 2025	November 7, 2025
12	December 15, 2025	December 5, 2025	November 28, 2025
13	January 2, 2026	December 15, 2025	December 8, 2025
14	January 15, 2026	January 2, 2026	December 26, 2025
15	February 2, 2026	January 16, 2026	January 9, 2026
16	February 17, 2026	February 2, 2026	January 23, 2026
17	March 2, 2026	February 18, 2026	February 6, 2026
18	March 16, 2026	March 2, 2026	February 20, 2026
19	April 1, 2026	March 20, 2026	March 13, 2026
20	April 15, 2026	April 3, 2026	March 27, 2026
21	May 1, 2026	April 22, 2026	April 15, 2026
22	May 15, 2026	May 1, 2026	April 27, 2026
23	June 1, 2026	May 22, 2026	May 15, 2026
24	June 15, 2026	June 8, 2026	June 2, 2026

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
Exhibit E: Performance Contract Schedule and Process  
Contract No. P1636.3

CY 2025 Federal Reimbursement Schedule					
Beginning of Submission Period	Due Date for Requests	Due Date for L1 Approval	Due Date for L2 Approval	Drawdowns Due/Final Review Date	Date of Payment
December 21, 2024	January 21, 2025	February 3, 2025	February 10, 2025	February 13, 2025	February 20, 2025
January 22, 2025	February 20, 2025	March 3, 2025	March 11, 2025	March 14, 2025	March 20, 2025
February 21, 2025	March 20, 2025	April 4, 2025	April 14, 2025	April 16, 2025	April 21, 2025
March 21, 2025	April 21, 2025	May 2, 2025	May 12, 2025	May 16, 2025	May 20, 2025
April 22, 2025	May 20, 2025	June 4, 2025	June 13, 2025	June 17, 2025	June 20, 2025
May 21, 2025	June 20, 2025	July 3, 2025	July 14, 2025	July 17, 2025	July 21, 2025
June 21, 2025	July 21, 2025	August 4, 2025	August 13, 2025	August 15, 2025	August 20, 2025
July 22, 2025	August 20, 2025	September 3, 2025	September 15, 2025	September 17, 2025	September 22, 2025
August 21, 2025	September 19, 2025	October 3, 2025	October 13, 2025	October 15, 2025	October 20, 2025
September 20, 2025	October 20, 2025	November 3, 2025	November 13, 2025	November 17, 2025	November 20, 2025
October 21, 2025	November 20, 2025	December 4, 2025	December 15, 2025	December 17, 2025	December 22, 2025
November 21, 2025	December 19, 2025	January 5, 2026	January 14, 2026	January 16, 2026	January 21, 2026

Payments that remain unexpended at the end of the period of performance should be refunded to DBHDS. If the period of performance coincides with the federal grant award period, the funds will be refunded through the Federal Balance Report

CY 2026 Federal Reimbursement Schedule						
Month	Beginning of Submission Period	Due Date for Requests	Due Date for L1 Approval	Due Date for L2 Approval	Drawdowns Due/Final Review Date	Date of Payment
January	December 20, 2025	January 20, 2026	February 3, 2026	February 10, 2026	February 13, 2026	February 20, 2026
February	January 21, 2026	February 20, 2026	March 3, 2026	March 10, 2026	March 13, 2026	March 20, 2026
March	February 21, 2026	March 20, 2026	April 3, 2026	April 10, 2026	April 13, 2026	April 20, 2026
April	March 21, 2026	April 20, 2026	May 4, 2026	May 11, 2026	May 14, 2026	May 20, 2026
May	April 21, 2026	May 20, 2026	June 3, 2026	June 10, 2026	June 15, 2026	June 22, 2026
June	May 21, 2026	June 19, 2026	July 2, 2026	July 10, 2026	July 13, 2026	July 20, 2026
July	June 20, 2026	July 20, 2026	August 3, 2026	August 10, 2026	August 14, 2026	August 20, 2026
August	July 21, 2026	August 20, 2026	September 3, 2026	September 10, 2026	September 14, 2026	September 21, 2026
September	August 21, 2026	September 21, 2026	October 2, 2026	October 12, 2026	October 14, 2026	October 20, 2026
October	September 22, 2026	October 20, 2026	November 3, 2026	November 10, 2026	November 13, 2026	November 20, 2026
November	October 21, 2026	November 20, 2026	December 3, 2026	December 10, 2026	December 14, 2026	December 21, 2026
December	November 21, 2026	December 21, 2026	January 4, 2027	January 12, 2027	January 15, 2027	January 20, 2027

Note: Upfront payments that remain unexpended at the end of the period of performance should be refunded to DBHDS. If the period of performance coincides with the federal grant award period, the funds will be refunded through the Federal Balance Report process in the fall.

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
Contract No. P1636.3

Table of Contents

I. Background ..... 2

II. Defined Terms ..... 2

III. Federal Grant Requirements for DBHDS as the Pass-through Entity ..... 5

IV. General Federal Grant Requirements for the Department and CSBs ..... 6

V. Federal Grant Specific Requirements ..... 24

VI. List of Federal Grants ..... 40

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

## I. Background

State agencies often administer federal awards received as pass-through funds to other non-federal entities. These non-federal recipient entities are called Subrecipients, and they assist in carrying out various federally funded programs. Subrecipients are typically units of local government (i.e. city and county agencies) but also include other entities such as Native American tribes, other state agencies, and institutions of higher education, special districts and non-profits. The nature of these relationships is governed by federal statute, regulations, and policies in addition to state laws and regulations. The source of the funding determines the regulations and policies that govern the provision of the funds. The Substance Abuse and Mental Health Services Administration (SAMHSA) is the primary source of federal funds awarded to DBHDS. DBHDS also receives funds from the U.S. Department of Justice, U.S. Department of Education, and other federal entities.

As a primary recipient of federal funds, state agencies serve a pass-through role in which funds are sub-awarded to Subrecipients. federal regulations require that pass-through entities provide monitoring of their Subrecipient which is outlined in Sections 200.300 through 200.476 in 2 C.F.R. Part 200 and Sections 75.300 through 75.477 in 45 C.F.R. Part 75 for SAMHSA awards. Further, audit requirements contained in 2 C.F.R. Part 200, Subpart F and 45 C.F.R. Part 75, Subpart F for SAMHSA awards, require that pass-through entities monitor the activities of their Subrecipient, as necessary, to ensure that federal awards are used appropriately and that performance goals are achieved.

In order to further the provision of necessary goods and services to the community, DBHDS may enter federally funded subrecipient relationships with Community Service Boards (CSBs). This exhibit provides certain compliance requirements and other specific and general grant information for the federal grant funds that DBHDS passes-through to the CSBs.

## II. Defined Terms

**Administrative Proceeding** – A non-judicial process that is adjudicatory in nature to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the federal and State level but only in connection with performance of a federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.

**Capital Expenditures** – Expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations, renovations, or alterations to capital assets that materially increase their value or useful life.

**Conference** – A meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the non-federal entity and is necessary and reasonable for successful performance under the federal award.

**Conviction** – For purposes of this award term and condition, a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.

**De Minimis Rate** – Pursuant to 2 CFR 200.414, this is the default indirect cost rate for any non-federal entity that does not have a current negotiated (including provisional) indirect cost rate. The rate is set at 15% of modified total direct costs (MTDC).

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

**Drug-Free Workplace** – A site for the performance of work done in connection with a specific award to a Subrecipient, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the federally funded project.

**Employee** - An individual employed by the subrecipient who is engaged in the performance of the project or program under this award; or another person engaged in the performance of the project or program under this award and not compensated by the subrecipient including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

**Entity** – Any of the following, as defined in 2 CFR Part 25: a Governmental organization, which is a State, local government, or Indian tribe; a foreign public entity; a domestic or foreign nonprofit organization; a domestic or foreign for-profit organization; a federal agency, but only as a subrecipient under an award or sub-award to a non-Federal entity.

**Equipment** – Tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$10,000.

**Executive** – Officers, managing partners, or any other employees in management positions.

**Expenditure** – A transaction for which cash has been dispersed to an entity to pay for a good or service.

**Forced labor** - Labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

**Funding Opportunity Announcement (FOA)** – The document that all federal agencies utilize to announce the availability of grant funds to the public. This is used interchangeably with NOFO.

**Indirect Costs (IDC)** – Costs incurred for a common or joint purpose benefiting more than one cost objective and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved.

**Intangible Property** – Intangible property means property having no physical existence, such as trademarks, copyrights, patents and patent applications and property, such as loans, notes and other debt instruments, lease agreements, stock and other instruments of property ownership (whether the property is tangible or intangible).

**Major Medical Equipment** – An item intended for a medical use that has a cost of more than \$5,000 per unit.

**Minor Renovation, Remodeling, Expansion, and Repair of Housing** – Improvements or renovations to existing facilities or buildings that do not total more than \$5,000.

**Modified Total Direct Cost** – The MTDC base consists of 1) all direct salaries and wages; 2) applicable fringe benefits; 3) materials and supplies; 4) services; 5) travel, and 6) up to the first \$50,000 of each subaward or contract (regardless of the period of performance of the subaward or contract under the award).

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

The MTDC base **must exclude**: expenditures for equipment; capital expenditures; charges for patient care; rental costs; tuition reimbursement; scholarships and fellowships; participant support costs [direct costs for items such as travel allowances and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences or training projects], and; the portion of each subaward or contract in excess of \$50,000.

**Notice of Award (NOA)** – The official award document issued by the federal granting agency that notifies the primary recipient of their award amount.

**Notice of Funding Opportunity (NOFO)** – The document that all federal agencies utilize to announce the availability of grant funds to the public. This is used interchangeably with FOA.

**Obligation** – Orders placed for property and services, contracts and subawards made, and similar transactions during the Period of Performance.

**Pass-Through Entity** - Pass-through entity means a non-federal entity that provides a subaward to a subrecipient to carry out part of a federal program.

**Period of Performance** – The timeframe in which the Subrecipient may incur obligations on funding received because of an agreement between DBHDS and the CSB which is funded with federal grant money.

**Recipient** – The non-federal entity that receives a grant award from a federal entity. The recipient may be the end user of the funds or may serve as a pass-through to subrecipient entities.

**Subaward** – A legal instrument to provide support for the performance of any portion of the substantive project or program for which the Recipient received the federal award and that the recipient awards to an eligible subrecipient.

**Subrecipient** – A non-federal entity that receives a subaward from the recipient (or Pass-Through Entity) under this award to carry out part of a federal award, including a portion of the scope of work or objectives, and is accountable to the Pass-Through Entity for the use of the Federal funds provided by the subaward. Grant recipients are responsible for ensuring that all sub-recipients comply with the terms and conditions of the award, per 45 CFR §75.101.

**Supplant** – To replace funding of a recipient's existing program with funds from a federal grant.

**System of Award Management (SAM)** – The Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at: <http://www.sam.gov>).

**Total compensation** – The cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)): salary and bonus; awards of stock, stock options, and stock appreciation rights (use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments); earnings for services under non-equity incentive plans (this does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees); change in pension value (this is the change in present value of defined benefit and actuarial pension plans); above-market earnings on deferred compensation which is not tax-qualified and; other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000. [75 FR 55669, Sept. 14, 2010, as amended at 79 FR 75879, Dec. 19, 2014]

**Total value of currently active grants, cooperative agreements, and procurement contracts** – Only the Federal share of the funding under any Federal award with a recipient cost share or match; and the value of all expected funding increments under a federal award and options, even if not yet exercised [81 FR 3019, Jan. 20, 2016].

**Unique Entity Identifier (UEI)** – The identifier required for SAM registration to uniquely identify business entities.

**Unliquidated Obligations** – An invoice for which the Subrecipient has already been allocated funding to pay by the pass-through entity that falls within the timeframe for expending unliquidated obligations provided in Section III of this Exhibit. Unliquidated Obligations cannot include personnel costs and are limited to goods or services that were purchased or contracted for prior to the end of the Period of Performance but were not yet expensed as the goods or services were not yet received or the Subrecipient had not yet received an invoice.

**III. Federal Grant Requirements for DBHDS as the Pass-through Entity**

As the pass-through entity for federal grant funds, DBHDS must comply and provide guidance to the subrecipient in accordance with U.S. C.F.R. 2 § 200.332 and CFR 45 § 75.352 (for SAMHSA awards). DBHDS shall:

- A. Ensure every subaward is clearly identified to the subrecipient as a subaward and includes the following information at the time of the subaward. If any of these data elements change, DBHDS will include the changes in subsequent subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and subaward. This information includes:
  1. Subrecipient name (which must match the name associated with its unique entity identifier).
  2. Subrecipient's unique entity identifier.
  3. Federal Award Identification Number (FAIN).
  4. Federal Award Date (see § 200.1 and § 75.2 Federal award date) of award to the recipient by the awarding agency.
  5. Subaward Period of Performance Start and End Date (Dates within which DBHDS may expend funds).
  6. Subaward Budget Period Start and End Date (Dates within which the subrecipient may expend funds from a subaward).
  7. Amount of Federal Funds Obligated by this action by the pass-through entity to the subrecipient.
  8. Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity including the current obligation.
  9. Total Amount of the Federal Award committed to the subrecipient by the pass-through entity.
  10. Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA).
  11. Name of Federal awarding agency, pass-through entity, and contract information for awarding official of the pass-through entity.
  12. CFDA Number and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement.
  13. Identification of whether the award is R&D; and
  14. Indirect cost rate for the Federal award (including if the de minimis rate is charged per § 200.414 and § 75.414).

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

- B. Comply with all Federal statutes, regulations and the terms and conditions of the Federal award.
- C. Negotiate with the subrecipient an approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient or a de minimis indirect cost rate as defined in § 200.414(f) and § 75.414(f).
- D. Be responsible for monitoring the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include, but is not limited to the following:
  - 1. Reviewing financial and performance reports required by the pass-through entity.
  - 2. Following up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.
  - 3. Issuing a management decision for audit findings pertaining to the federal award provided to the subrecipient from the pass-through entity as required by § 200.521 and § 75.521.
  - 4. The Department shall evaluate each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.
  - 5. The Department shall verify that every subrecipient is audited as required by subpart F when it is expected that the subrecipient's federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 and §75.501.
  - 6. The Department shall consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.

**IV. General Federal Grant Requirements for the Department and CSBs**

The federal grants listed in Section IV of this Exhibit have requirements that are general to the federal agency that issues the funds. Included below are the general grant terms and conditions for each of the federal agencies for which DBHDS is the pass-through entity to the CSBs.

**A. SAMHSA GRANTS**

- 1. **Grant Oversight:** The CSBs and the Department are legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 2 CFR 200.331 - 200.333 and 45 CFR 75.351 – 75.353, Sub-recipient monitoring and management.
- 2. **Acceptance of the Terms of an Award:** By drawing or otherwise obtaining funds from DBHDS that resulted from funds obtained from the Health and Human Services (HHS) Payment Management System), the subrecipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. If the subrecipient cannot accept the terms, the subrecipient should notify the Program contact at DBHDS prior to the execution of its Exhibit D or Notice of Award. Once the Exhibit D or Notice of Award is executed by the subrecipient, the contents of the Exhibit D or Notice of Award are binding on the subrecipient until modified and signed by both parties.

Certification Statement: By invoicing DBHDS for funds, the subrecipient certifies that proper financial management controls and accounting systems, to include personnel policies and procedures, have been established to adequately administer Federal awards and drawdown funds. Recipients of Department of Health and Human Services' (DHHS) grants or cooperative agreement awards, and their Subrecipient, must comply with all terms and conditions of their

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

awards, including: (a) terms and conditions included in the HHS Grants Policy Statement in effect at the time of a new, non-competing continuation, or renewal award (HHS Grants Policy Statement Oct. 1, 2024), including the requirements of HHS grants administration regulations; (b) requirements of the authorizing statutes and implementing regulations for the program under which the award is funded; (c) applicable requirements or limitations in appropriations acts; and (d) any requirements specific to the particular award specified in program policy and guidance, the FOA, the NOFO, or the NOA.

3. **Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards:** The NOA issued is subject to the administrative requirements, cost principles, and audit requirements that govern Federal monies associated with this award, as applicable, in the Uniform Guidance 2 CFR Part 200 as codified by HHS at 45 CFR Part 75.
4. **Award Expectations:** The eligibility and program requirements originally outlined in the FOA or NOFO must continue to be adhered to as the funded project is implemented. Recipients must comply with the performance goals, milestones, outcomes, and performance data collection as reflected in the FOA and related policy and guidance. Additional terms and/or conditions may be applied to this award if outstanding financial or programmatic compliance issues are identified by Substance Abuse and Mental Health Services Administration (SAMHSA). Subrecipient must comply with the Scope of Services of their award.
5. **Flow down of requirements to sub-recipients:** The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 2 CFR 200.331 – 2 CFR 200.332 and 45 CFR 75.351 – 75.353, Subrecipient monitoring and management.
6. **Risk Assessment:** SAMHSA's Office of Financial Advisory Services (OFAS) may perform an administrative review of the subrecipient organization's financial management system. If the review discloses material weaknesses or other financial management concerns, grant funding may be restricted in accordance with 45 CFR 75 and 2 CFR 200, as applicable. DBHDS reviews and determines the risk associated with its Subrecipient. As part of the risk assessment process, DBHDS may perform an administrative review of the subrecipient's financial management system.
7. **Improper Payments:** Any expenditure by the Subrecipient which is found by auditors, investigators, and other authorized representatives of DBHDS, the Commonwealth of Virginia, the U.S. Department of Health and Human Services, the U.S. Government Accountability Office or the Comptroller General of the United States to be improper, unallowable, in violation of federal or state law or the terms of the NOA, FOA, NOFO or this Exhibit, or involving any fraudulent, deceptive, or misleading representations or activities of the Subrecipient, shall become Subrecipient's liability, to be paid by Subrecipient from funds other than those provided by DBHDS for the given program or any other funding agreements between DBHDS and the Subrecipient. This provision shall survive the expiration or termination of the applicable Performance Contract.
8. **Treatment of Property and Equipment:** If the Program permits the Subrecipient or entities that receive funding from the Subrecipient to purchase real property or equipment with grant funds, the Program retains a residual financial interest, enabling the Program to recover the assets or determine final disposition. This will be accomplished on a case-by-case basis, according to the federal grant guidelines applicable to the grant that is funding the service(s) in accordance with 2 CFR 200.1 and 45 CFR 75.2. Equipment is defined in the defined terms section of this Exhibit.
9. **Program Income:** Program income accrued under this grant award must be reported to the Recipient and must be used to further the objectives of the grant project and only for allowable costs.

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

10. **Financial Management:** The Subrecipient shall maintain a financial management system and financial records and shall administer funds received in accordance with all applicable federal and state requirements, including without limitation:
- 1) the Uniform Guidance, 2 C.F.R. Part 200 and 45 C.F.R. Part 75.
  - 2) the NOA; and
  - 3) FOA or NOFO

The Subrecipient shall adopt such additional financial management procedures as may from time to time be prescribed by DBHDS if required by applicable laws, regulations or guidelines from its federal and state government funding sources. Subrecipient shall maintain detailed, itemized documentation and records of all income received and expenses incurred pursuant to this Exhibit.

11. **Audit of Financial Records:** The Subrecipient shall comply with the audit and reporting requirements defined by the Federal Office of Management and Budget (OMB) 2 CFR 200.500 - 200.521 (Audits of States, Local, Governments and Non-Profit organizations) and 45 CFR 75.500 – 75.521 as applicable. The Subrecipient will, if total Federal funds expended are \$1,000,000 or more a year, have a single or program specific financial statement audit conducted for the annual period in compliance with the General Accounting Office audit standards (2 CFR 200.501(a) and 45 CFR 75-501(a)).

If total federal funds expended are less than \$1,000,000 for a year the Subrecipient is exempt from federal audit requirements (2 CFR 200.501(d) and 45 CFR 75-501(d)), but the Subrecipient's records must be available to the Pass-Through Agency and appropriate officials of HHS, SAMHSA, the U.S. Government Accountability Office and the Comptroller General of the United States, and it must still have a financial audit performed for that year by an independent Certified Public Accountant. Further, the subrecipient shall complete the certification letter included in Exhibit F (B) disclosing that they are not subject to the single audit requirement.

Should an audit by authorized state or federal official result in disallowance of amounts previously paid to the Subrecipient, the Subrecipient shall reimburse the Pass-Through Agency upon demand.

Pursuant to 2 CFR 200.334 and 45 CFR 75.361, the Subrecipient shall retain all books, records, and other relevant documents for three (3) years from the end of the calendar year in which the grant period terminates. If any litigation, claim, or audit is initiated prior to the expiration of the 3-year period, all records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. DBHDS, its authorized agents, and/or federal or state auditors shall have full access to and the right to examine any of said materials during said period.

12. **Accounting Records and Disclosures:** The Subrecipient must maintain records which adequately identify the source and application of funds provided for financially assisted activities, including awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. The Subrecipient should expect that the Recipient and SAMHSA may conduct a financial compliance audit and on-site program review of this project as outlined in paragraph (11).
13. **Standards for Documentation of Personnel Expenses:** The Subrecipient shall comply with 2 CFR 200.430 and 45 CFR 75.430 Compensation-Personal Services and 2 CFR 200.431 and 45 CFR 75.431 Compensation-Fringe Benefits as required by the Federal Office of Management and Budget (OMB) Circular 2 CFR 200 (Cost Principles for State, Local and Indian Tribal Government). Per Standards for Documentation of Personnel Expenses 2 CFR

## AMENDMENT 3

AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT

## Exhibit F: Federal Grant Compliance Requirements

## Contract No. P1636.3

200.430(g)(3) and 45 CFR 75.430(g)(3) in accordance with Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) (29 CFR Part 516), charges for the salaries and wages of nonexempt employees, in addition to the supporting documentation described in this section (2 CFR 200.430 and 45 CFR 75.430), must also be supported by the appropriate records.

14. **Non-Supplant:** Federal award funds must supplement, not replace (supplant) nonfederal funds. Applicants or award recipients and Subrecipient may be required to demonstrate and document that a reduction in non-federal resources occurred for reasons other than the receipt of expected receipt of federal funds.
15. **Unallowable Costs:** All costs incurred prior to the award issue date and costs not consistent with the FOA/NOFO, 2 CFR Part 200, 45 CFR Part 75, and the HHS Grants Policy Statement, are not allowable.
16. **Executive Pay:** Pursuant to Executive Order and effective January 1, 2024, the amount of direct salary to Executive Level II of the Federal Executive Pay scale is restricted to \$221,900.
17. **Intent to Utilize Funding to Enter into a Procurement/Contractual Relationship:** If the Subrecipient utilizes any of these funds to contract for any goods or services, the Subrecipient must ensure that the resultant contract complies with the terms of Appendix II, 45 C.F.R. 75 which governs the contractual provisions for non-federal entity contracts under federal awards issued by the Department of Health and Human Services.
18. **Ad Hoc Submissions:** Throughout the project period, SAMHSA or DBHDS may require submission of additional information beyond the standard deliverables. This information may include, but is not limited to the following:
  - Payroll
  - Purchase Orders
  - Contract documentation
  - Proof of Project implementation
19. **Conflicts of Interest Policy:** Subrecipient must establish written policies and procedures to prevent employees, consultants, and others (including family, business, or other ties) involved in grant-supported activities, from involvement in actual or perceived conflicts of interest. The policies and procedures must:
  - Address conditions under which outside activities, relationships, or financial interest are proper or improper.
  - Provide for advance disclosure of outside activities, relationships, or financial interest to a responsible organizational official.
  - Include a process for notification and review by the responsible official of potential or actual violations of the standards; and
  - Specify the nature of penalties that may be imposed for violations.
20. **Administrative and National Policy Requirements:** Public policy requirements are requirements with a broader national purpose than that of the Federal sponsoring program or award that an applicant/recipient/subrecipient must adhere to as a prerequisite to and/or condition of an award. Public policy requirements are established by statute, regulation, or Executive order. In some cases, they relate to general activities, such as preservation of the environment, while, in other cases they are integral to the purposes of the award-supported activities. An application funded with the release of federal funds through a grant award does not constitute or imply compliance with federal statute and regulations. Funded organizations are responsible for ensuring that their activities comply with all applicable federal regulations.
21. **Marijuana Restriction:** Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 45 C.F.R. 75.300(a) (requiring HHS to

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

“ensure that Federal funding is expended in full accordance with U.S. statutory requirements.”); 21 U.S.C. § 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the Drug Enforcement Agency and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

22. **Confidentiality of Alcohol and Drug Abuse Patient Records:** The regulations (42 CFR 2) are applicable to any information about alcohol and other drug abuse patients obtained by a "program" (42 CFR 2.11), if the program is federally assisted in any manner (42 CFR 2.12b). Accordingly, all project patient records are confidential and may be disclosed and used only in accordance with 42 CFR Part 2. The recipient and/or subrecipient is responsible for assuring compliance with these regulations and principles, including responsibility for assuring the security and confidentiality of all electronically transmitted patient material.
23. **Drug-Free Workplace:** The Subrecipient agrees to 1) provide a drug-free workplace for the Subrecipient's employees; 2) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Subrecipient's workplace and specifying the actions that will be taken against employees for violations of such prohibition; 3) state in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient that the Subrecipient maintains a drug-free workplace; and 4) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
24. **Promotional Items:** Pursuant to 2 CFR 200.421 and 45 CFR 75.421, SAMHSA grant funds may not be used for Promotional Items. Promotional items include but are not limited to clothing and commemorative items such as pens, mugs/cups, folders/folios, lanyards, and conference bags. HHS Policy on the Use of Appropriated Funds for Promotional Items: <https://www.hhs.gov/grants/contracts/contract-policies-regulations/spending-on-promotionalitems/index.html>
25. **SAM and UEI Requirements:** This award is subject to requirements as set forth in 2 CFR 25.300 - Requirement for recipients to ensure subrecipients have a unique entity identifier. This requires the subrecipient to obtain a Unique Entity Identifier (UEI) to be eligible to receive subrecipient awards.
26. **Acknowledgement of Federal Funding in Communications and Contracting:** As required by HHS appropriations acts, all HHS recipients and Subrecipient must acknowledge Federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal funds. Recipients and Subrecipient are required to state: (1) the percentage and dollar amount of the total program or project costs financed with Federal funds; and (2) the percentage and dollar amount of the total costs financed by nongovernmental sources.
27. **Acknowledgement of Federal Funding at Conferences and Meetings:** Allowable conference costs paid by the non-Federal entity as a sponsor or host of the conference may include rental of facilities, speakers' fees, costs of meals and refreshments, local transportation, and other items incidental to such conferences unless further restricted by the terms and conditions of the Federal award. As needed, the costs of identifying, but not providing, locally available dependent-care resources are allowable. Conference hosts/sponsors must exercise discretion and judgment in ensuring that conference costs are appropriate, necessary and managed in a manner that minimizes costs to the Federal award. The HHS awarding agency may authorize exceptions where appropriate for programs including Indian tribes, children,

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

and the elderly. See also 2 CFR 200.438/45 CFR 75.438, 2 CFR 200.456/45 CFR 75.456, 2 CFR 200.475 - 476/45 CFR 75.474, - 75.475.

When a conference is funded by a grant or cooperative agreement, the recipient and/or subrecipient must include the following statement on all conference materials (including promotional materials, agenda, and Internet sites):

Funding for this conference was made possible (in part) by (insert grant or cooperative agreement award number) from SAMHSA. The views expressed in written conference materials or publications and by speakers and moderators do not necessarily reflect the official policies of the Department of Health and Human Services; nor does mention of trade names, commercial practices, or organizations imply endorsement by the U.S. Government.

Conference materials and other publications must include language that conveys the following:

- a. The publication, event or conference was funded [in part or in whole] by SAMHSA Grant (Enter Grant Number from the appropriate federal NOA that was sent out to your CSB).
- b. The views expressed in written materials or by conference speakers and moderators do not necessarily reflect the official policies of the U.S. Department of Health and Human Services or the Executive Branch of the Commonwealth of Virginia.
- c. Mention of trade names, commercial practices or organizations does not imply endorsement by the U.S. Government or the Commonwealth of Virginia.

28. **Mandatory Disclosures:** Consistent with 2 CFR 200.113 and 45 CFR 75.113, the Subrecipient must disclose in a timely manner, in writing to the HHS Office of Inspector General (OIG), all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, waste, abuse, or gratuity violations potentially affecting the Federal award. Subrecipient must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the HHS OIG, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Disclosures must be sent in writing to the awarding agency and to the HHS OIG at the following addresses:

U.S. Department of Health and Human Services  
Office of Inspector General ATTN: Mandatory Grant Disclosures, Intake Coordinator  
330 Independence Avenue, SW, Cohen Building Room 5527  
Washington, DC 20201  
Fax: (202) 205-0604  
(Include "Mandatory Grant Disclosures" in subject line) or email:  
MandatoryGranteeDisclosures@oig.hhs.gov

Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.339 and 45 CFR 75.371 remedies for noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31U.S.C. 3321).

The Subrecipient will notify DBHDS when violations are reported to HHS Office of Inspector General within three business days.

29. **Lobbying Restrictions:** Pursuant to 2 CFR 200.450 and 45 CFR 75.450, no portion of these funds may be used to engage in activities that are intended to support or defeat the enactment of legislation before the Congress or Virginia General Assembly, or any local legislative body, or to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any federal, state or local government, except in presentation

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

to the executive branch of any State or local government itself. No portion of these funds can be used to support any personnel engaged in these activities. These prohibitions include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

30. **Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)), amended by 2 C.F.R. Part 175:** The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees:

- a) Engage in severe forms of trafficking in persons during the period that the award is in effect.
- b) Procure a commercial sex act during the period that the award is in effect; or,
- c) Use forced labor in the performance of the award or subawards under the award. The text of the full award term is available at 2 C.F.R. 175.15(b). See <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-sec175-15.pdf>

31. **Accessibility Provisions:** Recipients and Subrecipient of Federal Financial Assistance (FFA) from HHS must administer their programs in compliance with Federal civil rights law. This means that recipients and Subrecipient of HHS funds must ensure equal access to their programs without regard to a person's race, color, national origin, disability, age, and in some circumstances, sex and religion. This includes ensuring your programs are accessible to persons with limited English proficiency.

The HHS Office for Civil Rights also provides guidance on complying with civil rights laws enforced by HHS. Please see:

<http://www.hhs.gov/ocr/civilrights/understanding/section1557/index.html>

Recipients and Subrecipient of FFA also have specific legal obligations for serving qualified individuals with disabilities. Please see-

<http://www.hhs.gov/ocr/civilrights/understanding/disability/index.html>

Please contact the HHS Office for Civil Rights for more information about obligations and prohibitions under Federal civil rights laws at <https://www.hhs.gov/civil-rights/index.html> or call 1-800-368-1019 or TDD 1-800- 537-7697.

Also note that it is an HHS Departmental goal to ensure access to quality, culturally competent care, including long-term services and supports, for vulnerable populations. For further guidance on providing culturally and linguistically appropriate services, recipients and Subrecipient should review the National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care at <https://minorityhealth.hhs.gov/omh/browse.aspx?lvl=1&lvlid=6>.

32. **Executive Order 13410: Promoting Quality and Efficient Health Care:** This Executive Order promotes efficient delivery of quality health care using health information technology, transparency regarding health care quality and price, and incentives to promote the widespread adoption of health information technology and quality of care. Accordingly, all recipients and Subrecipient that electronically exchange patient level health information to external entities where national standards exist must:

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

- a) Use recognized health information interoperability standards at the time of any HIT system update, acquisition, or implementation, in all relevant information technology systems supported, in whole or in part, through their federally funded agreement/contract with DBHDS. Please consult [www.healthit.gov](http://www.healthit.gov) for more information, and
  - b) Use Electronic Health Record systems (EHRs) that are certified by agencies authorized by the Office of the National Coordinator for Health Information Technology (ONC), or that will be certified during the life of the grant. For additional information contact: Jim Kretz, at 240-276-1755 or [Jim.Kretz@samhsa.hhs.gov](mailto:Jim.Kretz@samhsa.hhs.gov).
33. **Travel:** Funds used to attend meetings, conferences or implement the activities of this grant must not exceed the lodging rates and per diem for Federal travel and Meal/Incidental expenses provided by the General Services Administration. These rates vary by jurisdiction.
34. **English Language:** All communication between the Pass-Through Agency and the Subrecipient must be in the English language and must utilize the terms of U.S. dollars. Information may be translated into other languages. Where there is inconsistency in meaning between the English language and other languages, the English language meaning shall prevail.
35. **Intangible Property Rights:** Pursuant to 2 CFR 200.315 and 45 CFR 75.322:
- a) Title to intangible property (as defined in the Definitions Section of this Exhibit) acquired under a federal award vest upon acquisition in the non-Federal entity. The non-federal entity must use that property for the originally authorized purpose and must not encumber the property without approval of the federal awarding agency (SAMHSA). When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in 2 CFR 200.313(e) and 45 CFR 75.320(e).
  - b) The non-federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a federal award. The awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes and to authorize others to do so.
  - c) The Non-Federal entity is subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce at 37 CFR Part 401.
  - d) The federal government has the right to: 1) Obtain, reproduce, publish, or otherwise use the data produced under a Federal Award; and 2) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.
  - e) Freedom of Information Act:
    - 1) In response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal Government in developing an agency action that has the force and effect of law, the HHS awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the HHS awarding agency obtains the research data solely in response to a FOIA request, the HHS awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the HHS awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).
    - 2) Published research findings means when:
      - (i) Research findings are published in a peer-reviewed scientific or technical journal; or

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

- (ii) A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. “Used by the Federal Government in developing an agency action that has the force and effect of law” is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.
- 3) Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: Preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This “recorded” material excludes physical objects (e.g., laboratory samples). Research data also do not include:
  - (i) Trade secrets, commercial information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and
  - (ii) Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in research study.
- f) The requirements set forth in paragraph (E)(1) of this part do not apply to commercial organizations.

The Pass-Through Agency reserves the irrevocable right to utilize any Intangible Property described above, royalty-free, for the completion of the terms of this Grant and any associated agreement.

- 36. **National Historical Preservation Act and Executive Order 13287, Preserve America:** The Subrecipient must comply with this federal legislation and executive order.
- 37. **Welfare-to-Work:** The Subrecipient is encouraged to hire welfare recipients and to provide additional needed training and mentoring as needed.
- 38. **Applicable Laws and Courts:** Awards of federal funds from DBHDS shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Subrecipient shall comply with all applicable federal, state and local laws, rules and regulations.
- 39. **Immigration Reform and Control Act of 1986:** The Subrecipient certifies that the Subrecipient does not and shall not knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
- 40. **Construction Purchases:** SAMHSA grant funds may not be used for the purchase or construction of any building or structure to house any part of the program (Applicants may request up to \$5,000 for renovations and alterations of existing facilities, if necessary and appropriate to the project).
- 41. **Residential or Outpatient Treatment:** SAMHSA grant funds may not be used to provide residential or outpatient treatment services when the facility has not yet been acquired, sited, approved, and met all requirements for human habitation and services provision. (Expansion or enhancement of existing residential services is permissible).
- 42. **Inpatient Services:** SAMHSA grant funds may not be used to provide inpatient treatment or hospital-based detoxification services. Residential services are not considered to be inpatient or hospital-based services.

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

43. **Direct Payments to Individuals:** SAMHSA grant funds may not be used to make direct payments to individuals to enter treatment or continue to participate in prevention or treatment services. Note: A recipient or treatment or prevention provider may provide up to \$30 in non-cash incentives to individuals to participate in required data collection follow-up and other treatment or prevention services.
44. **Meals:** Meals are allowable so long as they are part of conferences or allowable non-local travel and do not exceed the per diem reimbursement rate allowed for the jurisdiction by the General Services Administration. Grant funds may be used for light snacks, not to exceed \$3.00 per person per day.
45. **Sterile Needles or Syringes:** Funds may not be used to provide sterile needles or syringes for the hypodermic injection of any illegal drug. Provided, that such limitation does not apply to the use of funds for elements of a program other than making such purchases if the relevant State or local health department, in consultation with the Centers for Disease Control and Prevention, determines that the State or local jurisdiction, as applicable, is experiencing, or is at risk for, a significant increase in hepatitis infections or an HIV outbreak due to injection drug use, and such program is operating in accordance with state and local law.
46. **Compliance with Federal Regulations/Statute/Policy:** The Subrecipient agrees to enforce, administer, and comply with any applicable federal regulations, statutes, or policies that are not otherwise mentioned including 2 C.F.R. § 200, 45 C.F.R. § 75, the Health and Human Services Grants Policy Statement, or any other source.

**A. Treasury Grants**

1. **Grant Oversight:** The CSBs and the Department are legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 2 CFR 200.331 - 200.333, Sub-recipient monitoring and management.
2. **Acceptance of the Terms of an Award:** By drawing or otherwise obtaining funds, the Subrecipient acknowledges acceptance of the terms and conditions of the award and is obligated to perform in accordance with the requirements of the award. If the Subrecipient cannot accept the terms, the Subrecipient should notify the Program contact at DBHDS prior to the agreement. Once the agreement is signed by the Subrecipient, the contents are binding on the Subrecipient unless and until modified by a revised agreement signed by DBHDS.
3. **Certification Statement:** By invoicing DBHDS for funds, the Subrecipient certifies that proper financial management controls and accounting systems, to include personnel policies and procedures, have been established to adequately administer Federal awards and drawdown funds. Recipients of Coronavirus State and Local Recovery Funds, and their subrecipients, must comply with all terms and conditions of their awards, including: (a) requirements of the authorizing statutes and implementing regulations for the program under which the award is funded; (b) applicable requirements or limitations in appropriations acts; and (c) any requirements specific to the particular award specified in program policy and guidance.
4. **Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards:** The agreement issued is subject to the administrative requirements, cost principles, and audit requirements that govern Federal monies associated with this award, as applicable, in the Uniform Guidance 2 CFR Part 200.

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

5. Award Expectations: The eligibility and program requirements originally outlined in the Federal Guidance issued because of the American Rescue Plan Act 2021 must continue to be adhered to as the funded project is implemented. Recipients must comply with the performance goals, milestones, outcomes, and performance data collection as determined by DBHDS. Additional terms and/or conditions may be applied to this award if outstanding financial or programmatic compliance issues are identified by or amended guidance is provided by the US Department of Treasury and/or Commonwealth of Virginia Department of Planning & Budget. Subrecipients must comply with the Scope of Services of this agreement as outlined in the Performance Contract.
6. Flow down of requirements to sub-recipients: The grantee, as the awardee organization, is legally and financially responsible for all aspects of this award including funds provided to sub-recipients, in accordance with 2 CFR 200.331-332 - Subrecipient monitoring and management.
7. Risk Assessment: The responsible federal agency may perform an administrative review of the Subrecipient organization's financial management system. If the review discloses material weaknesses or other financial management concerns, grant funding may be restricted in accordance with 2 CFR 200.206, as applicable. DBHDS reviews and determines the risk associated with its subrecipients. As part of the risk assessment process, DBHDS may perform an administrative review of the Subrecipient's financial management system.
8. Improper Payments: Any expenditure by the Subrecipient under the terms of this Agreement which is found by auditors, investigators, and other authorized representatives of DBHDS, the Commonwealth of Virginia, the U.S. Government Accountability Office or the Comptroller General of the United States, or any other federal agency to be improper, unallowable, in violation of federal or state law or the terms of the this Agreement, or involving any fraudulent, deceptive, or misleading representations or activities of the Subrecipient, shall become Subrecipient's liability, to be paid by Subrecipient from funds other than those provided by DBHDS under this Agreement or any other agreements between DBHDS and the Subrecipient. This provision shall survive the expiration or termination of this Agreement.
9. Limitations on Expenditures: Subrecipient shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to the Effective Date of this agreement, or following the end of the Period of Performance. DBHDS shall only reimburse or otherwise compensate the Subrecipient for documented expenditures incurred during this period that are:
  - 1) Reasonable and necessary to carry out the agreed upon Scope of Services in Section III and Attachment C of this Agreement,
  - 2) Documented by contracts or other evidence of liability consistent with established DBHDS and Subrecipient procedures; and
  - 3) Incurred in accordance with all applicable requirements for the expenditure of funds payable under this agreement.
10. Treatment of Property and Equipment: If the Program permits the Subrecipient or entities that receive funding from the Subrecipient to purchase real property or equipment with grant funds, the Program retains a residual financial interest, enabling the Program to

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

recover the assets or determine final disposition. This will be accomplished on a case-by-case basis, according to the federal guidelines in accordance with 2 CFR 200.313.

11. Program Income: Program income accrued under this grant award must be reported to the Recipient and must be used to further the objectives of the grant project and only for allowable costs.
12. Financial Management: The Subrecipient shall maintain a financial management system and financial records and shall administer funds received pursuant to this agreement in accordance with all applicable federal and state requirements, including without limitation:
  - a) the Uniform Guidance, 2 C.F.R. Part 200.
  - b) State and Local Fiscal Recovery Funds – Compliance and Reporting Guidance Ver 1.1 dated June 24, 2021
  - c) The Subrecipient shall adopt such additional financial management procedures as may from time to time be prescribed by DBHDS if required by applicable laws, regulations or guidelines from its federal and state government funding sources. Subrecipient shall maintain detailed, itemized documentation and records of all income received and expenses incurred pursuant to this Agreement.
13. Audit of Financial Records: The Subrecipient shall comply with the audit and reporting requirements defined by the Federal Office of Management and Budget (OMB) 2 CFR 200 (Audits of States, Local, Governments and Non-Profit organizations) as applicable. The Subrecipient will, if total Federal funds expended are \$1,000,000 or more a year, have a single or program specific financial statement audit conducted for the annual period in compliance with the General Accounting Office audit standards (2 CFR 200 Subpart F – Audit Requirements).

If total federal funds expended are less than \$1,000,000 for a year the Subrecipient is exempt from federal audit requirements (2 CFR 200-501(d)), but the Subrecipient's records must be available to the Pass-Through Agency and appropriate officials of HHS, SAMHSA, the U.S. Government Accountability Office and the Comptroller General of the United States, and it must still have a financial audit performed for that year by an independent Certified Public Accountant. Further, the subrecipient shall complete the certification letter included in Exhibit F (B) disclosing that they are not subject to the single audit requirement.

Should an audit by authorized state or federal official result in disallowance of amounts previously paid to the Subrecipient, the Subrecipient shall reimburse the Pass-Through Agency upon demand.

Pursuant to 2 CFR 200.334, the Subrecipient shall retain all books, records, and other relevant documents for three (3) years from the end of the calendar year in which the grant period terminates. In the event that any litigation, claim, or audit is initiated prior to the expiration of the 3-year period, all records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. DBHDS, its authorized agents, and/or federal or state auditors shall have full access to and the right to examine any of said materials during said period.

14. Accounting Records and Disclosures: The Subrecipient must maintain records which adequately identify the source and application of funds provided for financially assisted activities, including awards and authorizations, obligations, unobligated balances, assets,

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

liabilities, outlays or expenditures, and income. The Subrecipient should expect that the Primary Recipient or responsible federal agency may conduct a financial compliance audit and on-site program review of this project as outlined in paragraph (11).

15. Standards for Documentation of Personnel Expenses: The Subrecipient shall comply with 2 CFR 200.430 Compensation-Personal Services and 2 CFR 200.431 Compensation-Fringe Benefits as required by the Federal Office of Management and Budget (OMB) Circular 2 CFR 200 (Cost Principles for State, Local and Indian Tribal Government). Per Standards for Documentation of Personnel Expenses 2 CFR 200.430(i) in accordance with Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) (29 CFR Part 516), charges for the salaries and wages of nonexempt employees, in addition to the supporting documentation described in this section (2 CFR 200.430(i)(3)), must also be supported by records
16. Non-Supplant: Federal award funds must supplement, not replace (supplant) nonfederal funds. Applicants or award recipients and subrecipients may be required to demonstrate and document that a reduction in non-federal resources occurred for reasons other than the receipt of expected receipt of federal funds.
17. Unallowable Costs: All costs incurred prior to the award issue date and costs not consistent with the allowable activities under the guidance for the Coronavirus State and Local Fiscal Recovery Funds, 31 CFR 35, and 2 CFR 200 Subpart E – Cost Principles, are not allowable under this award.
18. Executive Pay: Pursuant to Executive Order and effective January 1, 2024, the amount of direct salary to Executive Level II of the Federal Executive Pay scales restricted to \$221,900.
19. Intent to Utilize Funding to Enter into a Procurement/Contractual Relationship:  
 If the Subrecipient utilizes any of these funds to contract for any goods or services, the Subrecipient must ensure that the resultant contract complies with the terms of Appendix II, 2 CFR 200 which governs the contractual provisions for non-federal entity contracts under federal awards issued by the US Department of Treasury.
20. Ad Hoc Submissions: Throughout the project period, the responsible federal agency or DBHDS may determine that a grant or Subrecipient Funding Agreement requires submission of additional information beyond the standard deliverables. This information may include, but is not limited to the following:
  - Payroll
  - Purchase Orders
  - Contract documentation
  - Proof of Project implementation
21. Conflicts of Interest Policy: Subrecipients must establish written policies and procedures to prevent employees, consultants, and others (including family, business, or other ties) involved in grant-supported activities, from involvement in actual or perceived conflicts of interest. The policies and procedures must:
  - Address conditions under which outside activities, relationships, or financial interest are proper or improper;
  - Provide for advance disclosure of outside activities, relationships, or financial interest to a responsible organizational official;

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

- Include a process for notification and review by the responsible official of potential or actual violations of the standards; and
  - Specify the nature of penalties that may be imposed for violations.
22. Administrative and National Policy Requirements: Public policy requirements are requirements with a broader national purpose than that of the Federal sponsoring program or award that an applicant/recipient/subrecipient must adhere to as a prerequisite to and/or condition of an award. Public policy requirements are established by statute, regulation, or Executive order. In some cases, they relate to general activities, such as preservation of the environment, while, in other cases they are integral to the purposes of the award-supported activities. An application funded with the release of federal funds through a grant award does not constitute or imply compliance with federal statute and regulations. Funded organizations are responsible for ensuring that their activities comply with all applicable federal regulations.
23. Marijuana Restriction: Grant funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Grant funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. See, e.g., 2 C.F.R. 200.300(a) (requiring HHS to “ensure that Federal funding is expended in full accordance with U.S. statutory requirements.”); 21 U.S.C. § 812(c) (10) and 841 (prohibiting the possession, manufacture, sale, purchase or distribution of marijuana). This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the Drug Enforcement Agency and under an FDA-approved investigational new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.
24. Confidentiality of Alcohol and Drug Abuse Patient Record: The regulations (42 CFR 2) are applicable to any information about alcohol and other drug abuse patients obtained by a "program" (42 CFR 2.11), if the program is federally assisted in any manner (42 CFR 2.12(b)). Accordingly, all project patient records are confidential and may be disclosed and used only in accordance with 42 CFR Part 2. The recipient and/or subrecipient is responsible for assuring compliance with these regulations and principles, including responsibility for assuring the security and confidentiality of all electronically transmitted patient material.
25. Drug-Free Workplace: During the performance of this agreement, the Subrecipient agrees to 1) provide a drug-free workplace for the Subrecipient’s employees; 2) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Subrecipient’s workplace and specifying the actions that will be taken against employees for violations of such prohibition; 3) state in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient that the Subrecipient maintains a drug-free workplace; and 4) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.
26. Promotional Items: Pursuant to 2 CFR 200.421(e), Federal funding awarded under Coronavirus State and Local Recovery Funds may not be used for Promotional Items.

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

Promotional items include but are not limited to clothing and commemorative items such as pens, mugs/cups, folders/folios, lanyards, and conference bags.

27. SAM and UEI Requirements: This award is subject to requirements as set forth in 2 CFR 25 - Universal Identifier And System For Award Management. This includes the following:

A. Requirement for SAM: Unless exempted from this requirement under 2 CFR 25.110, the Subrecipient must maintain its information in SAM, until the final financial report required under this agreement or receive the final payment, whichever is later. The information must be reviewed and updated at least annually after the initial registration, and more frequently if required by changes in the information or the addition of another award term.

B. Requirement for Unique Entity Identifier (UEI) if you are authorized to make subawards under this award, you: Must notify potential subrecipients that no governmental organization, foreign public entity, domestic or foreign nonprofit organization, or Federal agency serving as a subrecipient may receive a subaward unless the entity has provided its unique entity identifier; and

May not make a subaward to a governmental organization, foreign public entity, domestic or foreign nonprofit organization, or Federal agency serving as a subrecipient, unless the entity has provided its unique entity identifier.

28. Mandatory Disclosures: Consistent with 2 CFR 200.113, the Subrecipient must disclose in a timely manner, in writing to the US Department of Treasury and the primary recipient, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, waste, abuse, or gratuity violations potentially affecting the Federal award. Subrecipients must disclose, in a timely manner, in writing to the prime recipient (pass through entity) and the US Department of Treasury, all information related to violations, or suspected violations, of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award.

Failure to make required disclosures can result in any of the remedies described in 45 CFR 200.339 -Remedies for Noncompliance, including suspension or debarment (see 2 CFR parts 180 & 376 and 31 U.S.C. 3321). The Subrecipient will notify DBHDS when violations are reported to the federal government within three business days.

29. Lobbying Restrictions: Pursuant to 2 CFR 200.450, no portion of these funds may be used to engage in activities that are intended to support or defeat the enactment of legislation before the Congress or Virginia General Assembly, or any local legislative body, or to support or defeat any proposed or pending regulation, administrative action, or order issued by the executive branch of any federal, state or local government, except in presentation to the executive branch of any State or local government itself. No portion of these funds can be used to support any personnel engaged in these activities. These prohibitions include any activity to advocate or promote any proposed, pending or future Federal, State or local tax increase, or any proposed, pending or future requirement or restriction on any legal consumer product, including its sale or marketing, including but not limited to the advocacy or promotion of gun control.

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

30. Trafficking Victims Protection Act of 2000 (22 U.S.C. 7104(G)) amended by 2 C.F.R. Part 175:

The Trafficking Victims Protection Act of 2000 authorizes termination of financial assistance provided to a private entity, without penalty to the Federal government, if the recipient or subrecipient engages in certain activities related to trafficking in persons. SAMHSA may unilaterally terminate this award, without penalty, if a private entity recipient, or a private entity subrecipient, or their employees:

- a) Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
- b) Procure a commercial sex act during the period of time that the award is in effect; or,
- c) Use forced labor in the performance of the award or subawards under the award.
- d) The text of the full award term is available at 2 C.F.R. 175.15(b).

31. Accessibility Provisions: Recipients and subrecipients of Federal Financial Assistance (FFA) from the Coronavirus State and Local Recovery Fund are required to administer their programs in compliance with Federal civil rights law implemented by US Department of Treasury as codified in 31 CFR part 22 and 31 CFR part 23.

These requirements include ensuring that entities receiving Federal financial assistance from the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) Public Law 88-352, 42 U.S.C. 2000d-1 et seq., and the Department's implementing regulations, 31 CFR part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, as amended by Public Law 93-516, 29 U.S.C. 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. 1681 et seq., and the Department's implementing regulations, 31 CFR part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. 6101 et seq., and the Department implementing regulations at 31 CFR part 23.

32. Executive Order 13410: Promoting Quality and Efficient Health Care: This Executive Order promotes efficient delivery of quality health care through the use of health information technology, transparency regarding health care quality and price, and incentives to promote the widespread adoption of health information technology and quality of care. Accordingly, all recipients and subrecipients that electronically exchange patient level health information to external entities where national standards exist must:

- a) Use recognized health information interoperability standards at the time of any HIT system update, acquisition, or implementation, in all relevant information technology systems supported, in whole or in part, through this agreement/contract. Please consult [www.healthit.gov](http://www.healthit.gov) for more information, and
- b) Use Electronic Health Record systems (EHRs) that are certified by agencies authorized by the Office of the National Coordinator for Health Information Technology (ONC), or that will be certified during the life of the grant. For additional information contact: Jim Kretz, at 240-276-1755 or [Jim.Kretz@samhsa.hhs.gov](mailto:Jim.Kretz@samhsa.hhs.gov).

33. Travel: Funds used to attend meetings, conferences or implement the activities of this grant must not exceed the lodging rates and per diem for Federal travel and Meal/Incidental expenses provided by the General Services Administration. These rates vary by jurisdiction.

34. English Language: All communication between the Pass-Through Agency and the Subrecipient must be in the English language and must utilize the terms of U.S. dollars.

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

Information may be translated into other languages. Where there is inconsistency in meaning between the English language and other languages, the English language meaning shall prevail.

35. Intangible Property Rights Pursuant to 2 CFR 200.315:

- A. Title to intangible property (as defined in the Definitions Section of this Agreement) acquired under a Federal award vest upon acquisition in the non-Federal entity. The non-Federal entity must use that property for the originally authorized purpose and must not encumber the property without approval of the Federal awarding agency (SAMHSA). When no longer needed for the originally authorized purpose, disposition of the intangible property must occur in accordance with the provisions in 2 CFR 200.313(e).
- B. The non-Federal entity may copyright any work that is subject to copyright and was developed, or for which ownership was acquired, under a federal award. The awarding agency reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work for Federal purposes and to authorize others to do so.

The Non-Federal entity is subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce at 37 CFR Part 401.

- C. The Federal Government has the right to: 1) Obtain, reproduce, publish, or otherwise use the data produced under a Federal Award; and 2) Authorize others to receive, reproduce, publish, or otherwise use such data for Federal purposes.

36. Freedom of Information Act:

1) In response to a Freedom of Information Act (FOIA) request for research data relating to published research findings produced under a Federal award that were used by the Federal Government in developing an agency action that has the force and effect of law, the HHS awarding agency must request, and the non-Federal entity must provide, within a reasonable time, the research data so that they can be made available to the public through the procedures established under the FOIA. If the HHS awarding agency obtains the research data solely in response to a FOIA request, the HHS awarding agency may charge the requester a reasonable fee equaling the full incremental cost of obtaining the research data. This fee should reflect costs incurred by the Federal agency and the non-Federal entity. This fee is in addition to any fees the HHS awarding agency may assess under the FOIA (5 U.S.C. 552(a)(4)(A)).

2) Published research findings means when: (i) Research findings are published in a peer-reviewed scientific or technical journal; or(ii) A Federal agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law. “Used by the Federal Government in developing an agency action that has the force and effect of law” is defined as when an agency publicly and officially cites the research findings in support of an agency action that has the force and effect of law.

3) Research data means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, but not any of the following: Preliminary analyses, drafts of scientific papers, plans for future research, peer reviews, or communications with colleagues. This “recorded” material excludes physical objects (e.g., laboratory samples). Research data also do not include:(i) Trade secrets, commercial

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

information, materials necessary to be held confidential by a researcher until they are published, or similar information which is protected under law; and(ii) Personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

The requirements set forth in paragraph (E)(1) of this part do not apply to commercial organizations. The Pass-Through Agency reserves the irrevocable right to utilize any Intangible Property described above, royalty-free, for the completion of the terms of this Grant and Agreement.

37. National Historical Preservation Act and Executive Order 13287, Preserve America: The Subrecipient must comply with this federal legislation and executive order.
38. Welfare-to-Work: The Subrecipient is encouraged to hire welfare recipients and to provide additional needed training and mentoring as needed.
39. Applicable Laws and Courts: This agreement shall be governed in all respects by the laws of the Commonwealth of Virginia and any litigation with respect thereto shall be brought in the courts of the Commonwealth. The Subrecipient shall comply with all applicable federal, state and local laws, rules and regulations.
40. Immigration Reform and Control Act of 1986: By entering into a written agreement with the Commonwealth of Virginia, the Subrecipient certifies that the Subrecipient does not, and shall not during the performance of the agreement for goods and/or services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.
41. Construction Purchases: Coronavirus State and Local Recovery Funds may not be used for the purchase or construction of any building or structure to house any part of the program (Applicants may request up to \$5,000 for renovations and alterations of existing facilities, if necessary and appropriate to the project).
42. Meals: Meals are allowable so long as they are part of conferences or allowable non-local travel and do not exceed the per diem reimbursement rate allowed for the jurisdiction by the General Services Administration. Grant funds may be used for light snacks, not to exceed \$3.00 per person per day.
43. Sterile Needles or Syringes: Funds may not be used to provide sterile needles or syringes for the hypodermic injection of any illegal drug. Provided, that such limitation does not apply to the use of funds for elements of a program other than making such purchases if the relevant State or local health department, in consultation with the Centers for Disease Control and Prevention, determines that the State or local jurisdiction, as applicable, is experiencing, or is at risk for, a significant increase in hepatitis infections or an HIV outbreak due to injection drug use, and such program is operating in accordance with state and local law.
44. Compliance with Federal Regulations/Statute/Policy: The Subrecipient agrees to enforce, administer, and comply with any applicable federal regulations, statutes, or policies that are not otherwise mentioned in this agreement including 2 C.F.R. § 200, or any other source.

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
Contract No. P1636.3

**V. Federal Grant Specific Requirements**

There are additional requirements to the grants included in Section IV of this Exhibit that are not universal to all grants that DBHDS administers. Included below, by grant name, is a list of the grant specific requirements as required by federal statute, regulation, and policy. Use this link for [Allowable Recovery Support Services Expenditures through the SUBG and the MHBG](#).

**A. SAMHSA GRANTS**

**1. State Opioid Response Grant (SUD Federal Opioid Response)**

Pursuant to the Notice of Award received by DBHDS and the Notice of Funding Opportunity Announcement (TI-24-008) associated with the State Opioid Response Grant, the following are requirements of the funding distributed to the Subrecipient from this grant.

**a. Restrictions on Expenditures:** State Opioid Response Grant funds may not be used to:

- i. Pay for services that can be supported through other accessible sources of funding such as other federal discretionary and formula grant funds, e.g. HHS (CDC, CMS, HRSA, and SAMHSA), DOJ (OJP/BJA) and non-federal funds, 3rd party insurance and sliding scale self-pay among others.
- ii. Pay for a grant or subaward to any agency which would deny any eligible client, patient, or individual access to their program because of their use of Food and Drug Administration (FDA)-approved medications for the treatment of substance use disorders.
- iii. Provide incentives to any health care professional for receipt of any type of professional training development.
- iv. Make direct payments to individuals to enter treatment or continue to participate in prevention or treatment services (See U.S.C. § 1320a-7b).
- v. Funds may not be used to make direct payments to individuals to enter treatment or continue to participate in prevention or treatment services (See 42 U.S.C. § 1320a-7b).
- vi. A recipient or treatment or prevention provider may provide up to \$30 noncash incentive to individuals to participate in required data collection follow-up. This amount may be paid for participation in each required follow-up interview. For programs including contingency management as a component of the treatment program, clients may not receive contingencies totaling more than \$75 per budget period. The incentive amounts may be subject to change. SOR funds cannot be utilized for Contingency management without an approval from DBHDS. All subrecipients receiving funding to support contingency management must have a written policy and procedures that outline the intention and goals regarding contingency management, and step-by- step instructions that explains how to implement the policy.

**b. Expenditure Guidelines:**

- i. Grant funds:
  - a) For treatment and recovery support services grant funds shall only be utilized to provide services to individuals that specifically address opioid or stimulant misuse issues. If either an opioid or stimulant misuse problem (history) exists concurrently with other substance use, all substance use issues may be addressed. Individuals who have no history of or no current issues with opioids or stimulants misuse shall not receive treatment or recovery services with SOR grant funds.
  - b) Shall be used to fund services and practices that have a demonstrated evidence-base, and that are appropriate for the population(s) of focus.
  - c) If medications for the treatment of opioid use disorder (MOUD) are made available to those diagnosed with opioid use disorder (OUD), they shall include FDA-approved treatments such as: methadone, buprenorphine products, including

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

single-entity buprenorphine products, buprenorphine/naloxone tablets, films, buccal preparations, long-acting injectable buprenorphine products, and injectable extended-release naltrexone.

d) May only fund FDA approved products.

- c. **Limitations on Reimbursements:** Subrecipient shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to or more than 40 days after the appropriate Award Period included in section IV.

DBHDS shall only reimburse or otherwise compensate the Subrecipient for documented expenditures incurred during this period that are: 1) reasonable and necessary to carry out the agreed upon scope of service outlined in Exhibit D, Exhibit G, or Notice of Award 2) documented by contracts or other evidence of liability consistent with established DBHDS and Subrecipient procedures; and 3) incurred in accordance with all applicable requirements for the expenditure of funds payable under any associated agreement.

- d. **Closeout:** Final payment request(s) must be received by DBHDS no later than thirty (30) days after the end of the Period of Performance referenced in the Exhibit D, Exhibit G, or Notice of Award. No payment request will be accepted by DBHDS after this date without authorization from DBHDS. The Subrecipient may continue to expend retained funds until 40 days after the end of the Period of Performance to pay for unliquidated obligations.

Any funds remaining unexpended and unobligated at the end of the Period of Performance shall be returned to DBHDS within 30 days of the end of the Period of Performance. Any funds distributed to the Subrecipient by the pass-through entity that remain unexpended by 40 days after the end of the Period of Performance shall be returned to DBHDS. The Subrecipient will send these funds to DBHDS by no later than the end of the 75<sup>th</sup> day after the end of the Performance Period. Unexpended funds should be returned in the form of a check made payable to the Treasurer of Virginia and sent to:

DBHDS  
PO Box 1797  
Richmond, VA 23218-1797  
C/O Eric Billings

Funds for this grant may also be returned via an electronic ACH payment to DBHDS' Truist Bank account. The account information and DBHDS' EIN is as follows:

Account Number: 201141795720002  
Routing Number: 061000104  
EIN: 546001731

Name and Address of Bank:  
Truist Bank  
214 North Tryon Street  
Charlotte, NC 28202

If the ACH method is utilized, the Subrecipient shall provide email notification of their intention to provide payment electronically to:

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

Eric.Billings@dbhds.virginia.gov

Failure to return unexpended funds in a prompt manner may result in a denial of future federal Subrecipient awards from DBHDS.

The Subrecipient agrees, to the extent permitted by law, that acceptance of final payment from DBHDS will constitute an agreement by the Subrecipient to release and forever discharge DBHDS, its agents, employees, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which Subrecipient has at the time of acceptance of final payment or may thereafter have, arising out of or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to this Agreement. DBHDS understands that CSB is a political subdivision of the Commonwealth of Virginia and is legally prohibited from entering hold harmless and indemnification provisions. Local governments in Virginia have sovereign immunity from tort suits and cannot waive or contract away their immunity or assume the liability of another absent specific statutory authority. Subrecipient's obligations to DBHDS under this agreement shall not terminate until all closeout requirements are completed to the satisfaction of DBHDS. Such requirements shall include, without limitation, submitting final reports to DBHDS and providing any closeout-related information requested by DBHDS by the deadlines specified by DBHDS. This provision shall survive the expiration or termination of this agreement.

**2. Substance Abuse Prevention and Treatment Block Grant (SUD FBG)**

Pursuant to the Substance Abuse Prevention and Treatment Block Grant (SAPTBG) Funding Agreement and relevant federal statutes, the following are requirements of the funding distributed to the Subrecipient.

- a. **Restrictions on Expenditures:** No SAPTBG funds may not be used for any of the following purposes:
  - i. To provide inpatient hospital services.
  - ii. To make cash payments to intended recipients of health services.
  - iii. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling with DBHDS, Federal Grants Manager approval) any building or other facility, or purchase major medical equipment as defined in the Defined Terms section of this Exhibit.
  - iv. To satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds; or
  - v. To provide financial assistance to any entity other than a public or non-profit entity.
  - vi. To provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs, unless the Surgeon General of the Public Health Service determines that a demonstration needle exchange program would be effective in reducing drug abuse and the risk that the public will become infected with the etiologic agent for acquired immune deficiency syndrome.
- b. **Grant Guidelines:**
  - i. In the case of an individual for whom grant funds are expended to provide inpatient hospital services, as outlined above (A.a.), the Subrecipient shall not incur costs that are in excess of the comparable daily rate provided for community-based, non-hospital, residential programs of treatment for substance abuse (42 US Code § 300x-31(b)(2)).
  - ii. No entity receiving SAPTBG funding may participate in any form of discrimination on the basis of age as defined under the Age Discrimination Act of 1975 (42 US Code § 6101), on the basis of handicap as defined under section 504 of the Rehabilitation Act of 1973

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

- (29 US Code § 794), on the basis of sex as defined under Title IX of the Education Amendments of 1972 (20 US Code § 1681) or on the basis of race, color, or national origin as defined under Title VI of the Civil Rights Act of 1964 (42 US Code § 2000) (42 US Code § 300x-57(a)(1)).
- iii. No person shall on the ground of sex, or on the ground of religion, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity funded in whole or in part with funds made available under section 300x or 300x-21 of title 42 US Code (42 US Code § 300x-57(a)(2)).
  - iv. This funding source is designated to plan, implement, and evaluate activities that prevent or treat substance use disorder, including to fund priority substance use disorder treatment and support services for individuals without insurance or for whom coverage is terminated for short periods of time. Further these funds can be utilized to fund those priority treatment and support services that demonstrate success in improving outcomes and/or supporting recovery that are not covered by Medicaid, Medicare, or private insurance, fund primary prevention by providing universal, selective, and indicated prevention activities and services for persons not identified as needing treatment, and collecting performance and outcome data to determine the ongoing effectiveness of behavioral health promotion, treatment, and recovery support services. To the extent possible, other funding sources must be utilized first except where prohibited by law or regulation. Substance Abuse Block Grant funding must, however, be the payor of last resort when providing treatment services to pregnant women, women with children, children, and individuals with Tuberculosis or HIV pursuant to 45 CFR 96.124, 127, and 128.
  - v. Target and priority populations are pregnant and parenting women and intravenous (IV) drug users. In providing treatment services to these target and priority populations, providers must offer treatment in order of population preference as outlined in 45 CFR 96.131 (a) which is as follows:
    - a) Pregnant injecting drug users.
    - b) Pregnant substance abusers.
    - c) Injecting drug users.
    - d) All others
  - vi. Allowable SAPTBG services include: Healthcare Home/Physical Health (General and specialized outpatient medical services, Acute Primary care, General Health Screens, Tests and Immunizations, Comprehensive Care Management, Care coordination and Health Promotion, Comprehensive Transitional Care, Individual and Family Support, Referral to Community Services), Prevention and Promotion (Including Promotion, such as Screening, Brief Intervention and Referral to Treatment, Brief Motivational Interviews, Screening and Brief Intervention for Tobacco Cessation, Parent Training, Facilitated Referrals, Relapse Prevention/Wellness Recovery Support, Warm Line); Engagement Services (including Assessment, Specialized Evaluations (Psychological and Neurological), Service Planning (including crisis planning), Consumer/Family Education, Outreach); Outpatient Services (including Individual evidenced based therapies, Group therapy, Family therapy, Multi-family therapy, Consultation to Caregivers); Medication Services (including Medication management, Pharmacotherapy including MAT; Laboratory services); Community Rehabilitative Support (including Parent/Caregiver Support, Skill building (social, daily living, cognitive), Case management, Behavior management, Supported employment, Recovery housing, Therapeutic mentoring, Traditional healing services); Recovery Supports (including Peer Support, Recovery Support Coaching, Recovery Support Center Services, Supports for Self-Directed Care); and Other Habilitative Supports (including Respite; Supported Education; Transportation; Assisted living services; Recreational services; Trained behavioral health interpreters; Interactive communication technology devices); Intensive Support Services (including

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

Substance abuse intensive outpatient; Partial hospital; Intensive home based services; Multi-systemic therapy; Intensive Case Management); Out of Home Residential Services (including Crisis residential/stabilization, Clinically Managed 24 Hour Care (SA), Clinically Managed Medium Intensity Care (SA), Adult Substance Abuse Residential, Adult Mental Health Residential, Youth Substance Abuse Residential Services, Children's Residential Mental Health Services, Therapeutic foster care); and Acute Intensive Services (including Mobile crisis, Peer based crisis services, Urgent care, 23 hr. observation bed, Medically Monitored Intensive Inpatient (SA), 24/7 crisis hotline services).

- c. **Limitations on Reimbursements:** Subrecipient shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to or more than 40 days after the appropriate Award Period included in its Exhibit D, Exhibit G, or Notice of Award.

DBHDS shall only reimburse or otherwise compensate the Subrecipient for documented expenditures incurred during this period that are: 1) reasonable and necessary to carry out the agreed upon scope of service outlined in Exhibit D, Exhibit G, or Notice of Award, 2) documented by contracts or other evidence of liability consistent with established DBHDS and Subrecipient procedures; and 3) incurred in accordance with all applicable requirements for the expenditure of funds payable under any associated agreement.

- d. **Closeout:** Final payment request(s) must be received by DBHDS no later than thirty (30) days after the end of the Period of Performance referenced in the Exhibit D, Exhibit G, or Notice of Award. No payment request will be accepted by DBHDS after this date without authorization from DBHDS. The Subrecipient may continue to expend retained funds until 40 days after the end of the Period of Performance to pay for unliquidated obligations.

Any funds remaining unexpended and unobligated at the end of the Period of Performance shall be returned to DBHDS within 30 days of the end of the Period of Performance. Any funds distributed to the Subrecipient by the pass-through entity that remain unexpended by 40 days after the end of the Period of Performance shall be returned to DBHDS. The Subrecipient will send these funds to DBHDS by no later than the end of the 75th day after the end of the Performance Period. Unexpended funds should be returned in the form of a check made payable to the Treasurer of Virginia and sent to:

DBHDS  
PO Box 1797  
Richmond, VA 23218-1797  
C/O Eric Billings

Funds for this grant may also be returned via an electronic ACH payment to DBHDS' Truist Bank account. The account information and DBHDS' EIN is as follows:

Account Number: 201141795720002  
Routing Number: 061000104  
EIN: 546001731

Name and Address of Bank:  
Truist Bank  
214 North Tryon Street  
Charlotte, NC 28202

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

If the ACH method is utilized, the Subrecipient shall provide email notification of their intention to provide payment electronically to:

Eric.Billings@dbhds.virginia.gov

Failure to return unexpended funds in a prompt manner may result in a denial of future federal Subrecipient awards from DBHDS.

The Subrecipient agrees that acceptance of final payment from DBHDS will constitute an agreement by the Subrecipient to release and forever discharge DBHDS, its agents, employees, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which Subrecipient has at the time of acceptance of final payment or may thereafter have, arising out of or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to a program funded by this grant. Subrecipient's obligations to DBHDS under this Exhibit shall not terminate until all closeout requirements are completed to the satisfaction of DBHDS. Such requirements shall include, without limitation, submitting final reports to DBHDS and providing any closeout-related information requested by DBHDS by the deadlines specified by DBHDS. This provision shall survive the expiration or termination of any associated agreement.

**3. Community Mental Health Services Block Grant (MH FBG)**

Pursuant to the Community Mental Health Services Block Grant (CMHSBG) Funding Agreement and relevant federal statutes, the following are requirements of the funding distributed to the Subrecipient.

**a. Restrictions on Expenditures:** CMHSBG funds may not be used for any of the following purposes:

1. To provide inpatient services.
2. To make cash payments to intended recipients of health services.
3. To purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling with DBHDS, Federal Grants Manager approval) any building or other facility or purchase major medical equipment (as defined in the Definitions section of this Exhibit).
4. To satisfy any requirement for the expenditure of non-federal funds as a condition for the receipt of federal funds; or
5. To provide financial assistance to any entity other than a public or non-profit entity. (42 US Code § 300x-5(a))

**b. Grant Guidelines:**

1. No entity receiving CMHSBG funding may participate in any form of discrimination on the basis of age as defined under the Age Discrimination Act of 1975 (42 US Code § 6101), on the basis of handicap as defined under section 504 of the Rehabilitation Act of 1973 (29 US Code § 794), on the basis of sex as defined under Title IX of the Education Amendments of 1972 (20 US Code § 1681) or on the basis of race, color, or national origin as defined under Title VI of the Civil Rights Act of 1964 (42 US Code § 2000) (42 US Code § 300x-57(a)(1)).
2. No person shall on the ground of sex, or on the ground of religion, be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity funded in whole or in part with funds made available under section 300x or 300x-21 of title 42 US Code (42 US Code § 300x-57(a)(2)).
3. The Subrecipient must provide the services through appropriate, qualified community programs, which may include community mental health centers, child mental-health

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

programs, psychosocial rehabilitation programs, mental health peer-support programs, and mental-health primary consumer-directed programs. Services may be provided through community mental health centers only if the centers provide: 1) Services principally to individuals residing in a defined geographic area (hereafter referred to as a “service area”); 2) Outpatient services, including specialized outpatient services for children with a Serious Emotional Disturbance (SED), the elderly, individuals with a Serious Mental Illness (SMI), and residents of the service areas of the center who have been discharged from inpatient treatment at a mental health facility; 3) 24-hour-a-day emergency care services; 4) Day treatment or other partial hospitalization services, or psychosocial rehabilitation services; 5) Screening for patients being considered for admission to state mental health facilities to determine the appropriateness of such admission; 6) Services within the limits of the capacities of the centers, to any individual residing or employed in the service area of the center regardless of ability to pay; and 7) Services that are accessible promptly, as appropriate, and in a manner which preserves human dignity and assures continuity of high quality care (42 US Code § 300x-2(c)).

4. Treatment and competency restoration services may be provided to individuals with a serious mental illness or serious emotional disturbance who are involved with the criminal justice system or during incarceration.
  5. Medicaid and private insurance, if available, must be used first.
- c. **Limitations on Reimbursements:** Subrecipient shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to or more than 40 days after the appropriate Award Period included in section IV.

DBHDS shall only reimburse or otherwise compensate the Subrecipient for documented expenditures incurred during this period that are: 1) reasonable and necessary to carry out the agreed upon scope of service outlined in Exhibit D, Exhibit G, or Notice of Award 2) documented by contracts or other evidence of liability consistent with established DBHDS and Subrecipient procedures; and 3) incurred in accordance with all applicable requirements for the expenditure of funds payable under any associated agreement.

- d. **Closeout:** Final payment request(s) must be received by DBHDS no later than thirty (30) days after the end of the Period of Performance referenced in the Exhibit D, Exhibit G, or Notice of Award. No payment request will be accepted by DBHDS after this date without authorization from DBHDS. The Subrecipient may continue to expend retained funds until 40 days after the end of the Period of Performance to pay for unliquidated obligations.

Any funds remaining unexpended and unobligated at the end of the Period of Performance shall be returned to DBHDS within 30 days of the end of the Period of Performance. Any funds distributed to the Subrecipient by the pass-through entity that remain unexpended by 40 days after the end of the Period of Performance shall be returned to DBHDS. The Subrecipient will send these funds to DBHDS by no later than the end of the 75th day after the end of the Performance Period. Unexpended funds should be returned in the form of a check made payable to the Treasurer of Virginia and sent to:

DBHDS  
 PO Box 1797  
 Richmond, VA 23218-1797  
 C/O Eric Billings

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

Funds for this grant may also be returned via an electronic ACH payment to DBHDS' Truist Bank account. The account information and DBHDS' EIN is as follows:

Account Number: 201141795720002  
Routing Number: 061000104  
EIN: 546001731

Name and Address of Bank:  
Truist Bank  
214 North Tryon Street  
Charlotte, NC 28202

If the ACH method is utilized, the Subrecipient shall provide email notification of their intention to provide payment electronically to:

Eric.Billings@dbhds.virginia.gov

Failure to return unexpended funds in a prompt manner may result in a denial of future federal Subrecipient awards from DBHDS.

The Subrecipient agrees, to the extent permitted by law, that acceptance of final payment from DBHDS will constitute an agreement by the Subrecipient to release and forever discharge DBHDS, its agents, employees, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which Subrecipient has at the time of acceptance of final payment or may thereafter have, arising out of or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to this Agreement. DBHDS understands that CSB is a political subdivision of the Commonwealth of Virginia and is legally prohibited from entering hold harmless and indemnification provisions. Local governments in Virginia have sovereign immunity from tort suits and cannot waive or contract away their immunity or assume the liability of another absent specific statutory authority. Subrecipient's obligations to DBHDS under this agreement shall not terminate until all closeout requirements are completed to the satisfaction of DBHDS. Such requirements shall include, without limitation, submitting final reports to DBHDS and providing any closeout-related information requested by DBHDS by the deadlines specified by DBHDS. This provision shall survive the expiration or termination of this agreement.

**4. Projects for Assistance in Transition from Homelessness (PATH)**

Pursuant to the Notice of Award received by DBHDS, Notice of Funding Opportunity Announcement (SM-24-F2), and relevant statutes associated with the Project for Assistance in Transition from Homelessness (PATH) Grant, the following are requirements of the funding distributed to the Subrecipient.

- a. **Restrictions on Expenditures:** PATH funds may not be used for any of the following purposes:
1. To support emergency shelters or construction of housing facilities.
  2. For inpatient psychiatric treatment costs or inpatient substance use disorder treatment costs; or
  3. To make cash payments to intended recipients of mental health or substance use disorder services (42 U.S. Code § 290cc-22(g)).
  4. For lease arrangements in association with the proposed project utilizing PATH funds beyond the project period nor may the portion of the space leased with PATH funds be used for purposes not supported by the grant.

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

**b. Grant Guidelines:**

1. All funds shall be used for the purpose of providing the following:
  - a) Outreach services including the prioritization of eligible veterans.
  - b) Screening and diagnostic treatment services.
  - c) Habilitation and rehabilitation services.
  - d) Community mental health services.
  - e) Alcohol or drug treatment services.
  - f) Staff training including the training of individuals who work in shelters, mental health clinics, substance abuse programs, and other organizations serving eligible individuals.
  - g) Support for the training and certification of provider staff in the SSI/SSDI Outreach, Access, and Recovery (SOAR) model, designed to increase access to disability income benefits for eligible individuals who are experiencing or at risk of homelessness.
  - h)
  - i) Case management services including:
    - i. Preparing a plan for the provision of community mental health services to the eligible homeless individual involved and reviewing such plan not less than once every three months.
    - ii. Helping in obtaining and coordinating social and maintenance support services for eligible individuals, including services related to daily living activities, peer support, personal financial planning, transportation, and obtaining identification and other essential documents.
    - iii. Providing recovery support services such as job training, educational services, and relevant housing services, including use of peer providers to assure that these services are successfully accessed by eligible individuals.
    - iv. Helping in obtaining and coordinating income support services, housing assistance, food stamps, and supplemental social security income benefits.
    - v. Providing representative payee services in accordance with section 1631(a)(2) of the Social Security Act if the eligible individuals are receiving aid under title XVI of such act and if the applicant is designated by the Secretary to provide such services.
    - vi. Referring eligible individuals for such other services as may be appropriate.
    - vii. Supportive and supervisory services in residential settings including shelters, group homes, recovery housing, supported apartments and other residential settings specifically serving those living with SMI or COD.
    - viii. Housing services, as specified in Section 522(b)(10) of the PHS Act, as amended, including: Minor renovation, expansion, and repair of housing (as defined in the Definitions section of this Exhibit).
    - ix. Planning of housing.
    - x. Technical assistance in applying for housing assistance.
    - xi. Improving the coordination of housing services.
    - xii. Security deposits.
    - xiii. The costs associated with matching eligible homeless individuals with appropriate housing situations.
    - xiv. One-time rental payments to prevent eviction.
2. All funds shall only be utilized for providing the services outlined above to individuals who:
  - a) Are suffering from a serious mental illness; or
  - b) Are suffering from a serious mental illness and from a substance use disorder; and
  - c) Are homeless or at imminent risk of becoming homeless (42 U.S. Code § 290cc-22(a)).
3. Funding may not be allocated to an entity that:
  - a) Has a policy of excluding individuals from mental health services due to the existence or suspicion of a substance use disorder; or

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

- b) Has a policy of excluding individuals from substance use disorder services due to the existence or suspicion of mental illness (42 U.S. Code § 290cc-22(e)).
- 4. Match amounts agreed to with DBHDS may be:
  - a) Cash.
  - b) In-kind contributions, that are fairly evaluated, including plant, equipment, or services.
  - c) Amounts provided by the federal government or services assisted or subsidized to any significant extent by the Federal Government, shall not be included in determining the amount of match (42 U.S. Code § 290cc-23(b)).
- 5. Subrecipient may not discriminate on the basis of age under the Age Discrimination Act of 1975 (42 U.S. Code § 6101 et seq.), on the basis of handicap under section 504 of the Rehabilitation Act of 1973 (29 U.S. Code § 794), on the basis of sex under Title IX of the Education Amendments of 1972 (20 U.S. Code § 1681 et seq.), or on the basis of race, color, or national origin under Title VI of the Civil Rights Act of 1964 (42 U.S. Code § 2000d et seq.)(42 U.S. Code § 290cc-33(a)(1)).
- 6. The Subrecipient shall not exclude from participation in, deny benefits to, or discriminate against any individuals that are otherwise eligible to participate in any program or activity funded from the PATH grant (42 U.S. Code § 290cc-33(a)(2)).
- a. **Limitations on Reimbursements:** Subrecipient shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to or following one year after the end of the appropriate Award Period provided in section IV.

DBHDS shall only reimburse or otherwise compensate the Subrecipient for documented expenditures incurred during this period that are: 1) reasonable and necessary to carry out the agreed upon scope of service outlined in Exhibit D, Exhibit G, or Notice of Award 2) documented by contracts or other evidence of liability consistent with established DBHDS and Subrecipient procedures; and 3) incurred in accordance with all applicable requirements for the expenditure of funds payable under any associated agreement.

- b. **Closeout:** Final payment request(s) must be received by DBHDS no later than thirty (30) days after the end of the Period of Performance referenced in the Exhibit D, Exhibit G, or Notice of Award. No payment request will be accepted by DBHDS after this date without authorization from DBHDS. The Subrecipient may continue to expend retained funds until 40 days after the end of the Period of Performance to pay for remaining allowable costs.

Any funds remaining unexpended and unobligated at the end of the Period of Performance shall be returned to DBHDS within 30 days of the end of the Period of Performance. Any funds distributed to the Subrecipient by the pass-through entity that remain unexpended by 40 days after the end of the Period of Performance shall be returned to DBHDS. The Subrecipient will send these funds to DBHDS by no later than the end of the 75<sup>th</sup> day after the end of the Performance Period. Unexpended funds should be returned in the form of a check made payable to the Treasurer of Virginia and sent to:

DBHDS  
PO Box 1797  
Richmond, VA 23218-1797  
C/O Eric Billings

Funds for this grant may also be returned via an electronic ACH payment to DBHDS' Truist Bank account. The account information and DBHDS' EIN is as follows:

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**Contract No. P1636.3**

Account Number: 201141795720002  
Routing Number: 061000104  
EIN: 546001731

Name and Address of Bank:  
Truist Bank  
214 North Tryon Street  
Charlotte, NC 28202

If the ACH method is utilized, the Subrecipient shall provide email notification of their intention to provide payment electronically to:

Eric.Billings@dbhds.virginia.gov  
Benjamin.wakefield@dbhds.virginia.gov

Failure to return unexpended funds in a prompt manner may result in a denial of future federal Subrecipient awards from DBHDS.

The Subrecipient agrees, to the extent permitted by law, that acceptance of final payment from DBHDS will constitute an agreement by the Subrecipient to release and forever discharge DBHDS, its agents, employees, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which Subrecipient has at the time of acceptance of final payment or may thereafter have, arising out of or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to this Agreement. DBHDS understands that CSB is a political subdivision of the Commonwealth of Virginia and is legally prohibited from entering into hold harmless and indemnification provisions. Local governments in Virginia have sovereign immunity from tort suits and cannot waive or contract away their immunity or assume the liability of another absent specific statutory authority. Subrecipient's obligations to DBHDS under this agreement shall not terminate until all closeout requirements are completed to the satisfaction of DBHDS. Such requirements shall include, without limitation, submitting final reports to DBHDS and providing any closeout-related information requested by DBHDS by the deadlines specified by DBHDS. This provision shall survive the expiration or termination of this agreement.

**5. Screening Brief Intervention and Referral to Treatment Grant**

Pursuant to the Notice of Award received by DBHDS and the Notice of Funding Opportunity Announcement (NOFO) (TI-24-010) associated with the FY 2024 Screening, Brief Intervention and Referral to Treatment Grant, the following are requirements of the funding distributed to the Subrecipient because of this agreement.

- a. **Restrictions on Expenditures:** Screening Brief Intervention and Referral to Treatment Grant funds may not be used for any of the following purposes: None for this grant.
- b. **Grant Guidelines:**
  1. Funds shall be used to fund services and practices that have a demonstrated evidence-base, and that are appropriate for the population(s) of focus. An evidence-based practice refers to approaches to prevention or treatment that are validated by some form of documented research evidence.

AMENDMENT 3  
 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

2. All patients must be screened for substance use. Such screening will be conducted by the Subrecipient or subcontractors of Subrecipient (“Subcontractors”). The Subrecipient or Subcontractors are also encouraged to screen for risk of suicide as well. If a patient screens positive for drug misuse, the Subrecipient or Subcontractors’ staff will conduct a brief assessment to ascertain specific type(s) of drug(s) used, consumption level, and impact on functions of daily living to best determine level of severity and refer patients to specialty providers who can determine which specific type of treatment is needed. Subrecipients and Subcontractors with robust mental health services available must screen and assess clients for the presence of co-occurring serious mental illness and SUD and use the information obtained from the screening and assessment to develop appropriate treatment approaches for the persons identified as having such co-occurring disorders. In their interventions with children, Subrecipients or Subcontractors must also incorporate education for parents about the dangers of use of, and methods of, discouraging substance use.
  3. Subrecipients or Subcontractors, as applicable, must utilize third party reimbursements and other revenue realized from the provision of services to the extent possible and use SAMHSA grant funds only for services to individuals who are not covered by public or commercial health insurance programs, individuals for whom coverage has been formally determined to be unaffordable, or for services that are not sufficiently covered by an individual’s health insurance plan. Subrecipients or Subcontractors, as applicable, are also expected to facilitate the health insurance application and enrollment process for eligible uninsured clients. Subrecipients or Subcontractors, as applicable, should also consider other systems from which a potential service recipient may be eligible for services (for example, the Veterans Health Administration or senior services), if appropriate for and desired by that individual to meet his/her needs. In addition, Subrecipients or Subcontractors, as applicable, are required to implement policies and procedures that ensure other sources of funding are utilized first when available for the individual.
  4. All SAMHSA recipients are required to collect and report certain data so that SAMHSA can meet its obligations under the Government Performance and Results (GPRA) Modernization Act of 2010. Recipients are required to submit data via SAMHSA’s Performance Accountability and Reporting System (SPARS); and access will be provided upon notification of award.
- c. **Limitations on Reimbursements:** Subrecipient shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to or following 40 days after the end of the Award Period included in section IV.
- DBHDS shall only reimburse or otherwise compensate the Subrecipient for documented expenditures incurred during this period that are: 1) reasonable and necessary to carry out the agreed upon scope of service outlined in Exhibit D, Exhibit G, or Notice of Award 2) documented by contracts or other evidence of liability consistent with established DBHDS and Subrecipient procedures; and 3) incurred in accordance with all applicable requirements for the expenditure of funds payable.
- d. **Closeout:** Final payment request(s) must be received by DBHDS no later than thirty (30) days after the end of the Period of Performance referenced in the Exhibit D, Exhibit G, or Notice of Award. No payment request will be accepted by DBHDS after this date without authorization from DBHDS. The Subrecipient may continue to expend retained funds until 40 days after the end of the Period of Performance to pay for unliquidated obligations.

Any funds remaining unexpended and unobligated at the end of the Period of Performance shall be returned to DBHDS within 30 days of the end of the Period of Performance. Any funds distributed

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

to the Subrecipient by the pass-through entity that remain unexpended by 40 days after the end of the Period of Performance shall be returned to DBHDS. The Subrecipient will send these funds to DBHDS by no later than the end of the 75<sup>th</sup> day after the end of the Performance Period. Unexpended funds should be returned in the form of a check made payable to the Treasurer of Virginia and sent to:

DBHDS  
PO Box 1797  
Richmond, VA 23218-1797  
C/O Eric Billings

Funds for this grant may also be returned via an electronic ACH payment to DBHDS' Truist Bank account. The account information and DBHDS' EIN is as follows:

Account Number: 201141795720002  
Routing Number: 061000104  
EIN: 546001731

Name and Address of Bank:  
Truist Bank  
214 North Tryon Street  
Charlotte, NC 28202

If the ACH method is utilized, the Subrecipient shall provide email notification of their intention to provide payment electronically to:

Eric.Billings@dbhds.virginia.gov

Failure to return unexpended funds in a prompt manner may result in a denial of future federal Subrecipient awards from DBHDS.

The Subrecipient agrees, to the extent permitted by law, that acceptance of final payment from DBHDS will constitute an agreement by the Subrecipient to release and forever discharge DBHDS, its agents, employees, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which Subrecipient has at the time of acceptance of final payment or may thereafter have, arising out of or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to this Agreement. DBHDS understands that CSB is a political subdivision of the Commonwealth of Virginia and is legally prohibited from entering hold harmless and indemnification provisions. Local governments in Virginia have sovereign immunity from tort suits and cannot waive or contract away their immunity or assume the liability of another absent specific statutory authority. Subrecipient's obligations to DBHDS under this agreement shall not terminate until all closeout requirements are completed to the satisfaction of DBHDS. Such requirements shall include, without limitation, submitting final reports to DBHDS and providing any closeout-related information requested by DBHDS by the deadlines specified by DBHDS. This provision shall survive the expiration or termination of this agreement.

**6. Strategic Prevention Framework – Partnerships for Success Grant**

Pursuant to the Notice of Award received by DBHDS and the Notice of Funding Opportunity Announcement (NOFO) (SP-23-003) associated with the FY 2024 Strategic Prevention Framework –

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
**Contract No. P1636.3**

Partnerships for Success Grant, the following are requirements of the funding distributed to the Subrecipient because of this agreement.

- e. **Restrictions on Expenditures: Screening Brief Intervention and Referral to Treatment** Grant funds may not be used for any of the following purposes:
    - 1. Pay for the purchase or construction of any building or structure to house any part of the program.
    - 2. Provide inpatient treatment or hospital-based detoxification services. Residential services are not considered to be inpatient or hospital-based services.
    - 3. Pay for housing other than recovery housing which includes application fees and security deposits.
    - 4. Make direct payments to individuals to enter treatment or continue to participate in prevention or treatment services (See 42 U.S.C. § 1320a-7b).
  - f. **Grant Guidelines:**
    - a. Subrecipients must use the grant money to fund comprehensive, data-driven substance disorder use prevention strategies to continue to accomplish the following goals:
      - i. Prevent the onset and reduce the progression of substance use disorder.
      - ii. Reduce substance use disorder-related problems.
      - iii. Strengthen prevention capacity/infrastructure at the state, tribal, and community levels.
      - iv. Leverage, redirect and align state/tribal-wide funding streams and resources for prevention.
  - g. **Limitations on Reimbursements:** Subrecipient shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to or following 40 days after the end of the Award Period included in section IV.
- DBHDS shall only reimburse or otherwise compensate the Subrecipient for documented expenditures incurred during this period that are: 1) reasonable and necessary to carry out the agreed upon scope of service outlined in Exhibit D, Exhibit G, or Notice of Award 2) documented by contracts or other evidence of liability consistent with established DBHDS and Subrecipient procedures; and 3) incurred in accordance with all applicable requirements for the expenditure of funds payable.
- h. **Closeout:** Final payment request(s) must be received by DBHDS no later than thirty (30) days after the end of the Period of Performance referenced in the Exhibit D, Exhibit G, or Notice of Award. No payment request will be accepted by DBHDS after this date without authorization from DBHDS. The Subrecipient may continue to expend retained funds until 40 days after the end of the Period of Performance to pay for unliquidated obligations.

Any funds remaining unexpended and unobligated at the end of the Period of Performance shall be returned to DBHDS within 30 days of the end of the Period of Performance. Any funds distributed to the Subrecipient by the pass-through entity that remain unexpended by 40 days after the end of the Period of Performance shall be returned to DBHDS. The Subrecipient will send these funds to DBHDS by no later than the end of the 75<sup>th</sup> day after the end of the Performance Period. Unexpended funds should be returned in the form of a check made payable to the Treasurer of Virginia and sent to:

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PO Box 1797  
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C/O Eric Billings

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 AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
 CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
 Exhibit F: Federal Grant Compliance Requirements  
 Contract No. P1636.3

Funds for this grant may also be returned via an electronic ACH payment to DBHDS' Truist Bank account. The account information and DBHDS' EIN is as follows:

Account Number: 201141795720002  
 Routing Number: 061000104  
 EIN: 546001731

Name and Address of Bank:  
 Truist Bank  
 214 North Tryon Street  
 Charlotte, NC 28202

If the ACH method is utilized, the Subrecipient shall provide email notification of their intention to provide payment electronically to:

Eric.Billings@dbhds.virginia.gov

Failure to return unexpended funds in a prompt manner may result in a denial of future federal Subrecipient awards from DBHDS.

The Subrecipient agrees, to the extent permitted by law, that acceptance of final payment from DBHDS will constitute an agreement by the Subrecipient to release and forever discharge DBHDS, its agents, employees, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which Subrecipient has at the time of acceptance of final payment or may thereafter have, arising out of or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to this Agreement. DBHDS understands that CSB is a political subdivision of the Commonwealth of Virginia and is legally prohibited from entering hold harmless and indemnification provisions. Local governments in Virginia have sovereign immunity from tort suits and cannot waive or contract away their immunity or assume the liability of another absent specific statutory authority. Subrecipient's obligations to DBHDS under this agreement shall not terminate until all closeout requirements are completed to the satisfaction of DBHDS. Such requirements shall include, without limitation, submitting final reports to DBHDS and providing any closeout-related information requested by DBHDS by the deadlines specified by DBHDS. This provision shall survive the expiration or termination of this agreement.

**A. Treasury Grants**

1. **State and Local Fiscal Recover Fund Grant:** Pursuant to the Interim Final Rule issued by US Department of Treasury pertaining to Coronavirus State and Local Recovery Funds, SLFRF Compliance and Reporting Guidance Ver 2.1 dated November 15, 2021, and 31 CFR 35(A), the following are requirements of the funding distributed to the Subrecipient:
  - a. **Restrictions on Expenditures:** State and Local Fiscal Recovery Fund Grant funds may not be used to:
    - i Pay Funds shall not be used to make a deposit to a pension fund. Treasury's Interim Final Rule defines a "deposit" as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions for employees whose wages and salaries are an eligible use of funds.
    - ii Funds shall not be used towards funding debt service, legal settlements or judgments, and / or deposits to rainy day funds or financial reserves.

AMENDMENT 3  
AMENDED AND RESTATED FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE  
CONTRACT MASTER AGREEMENT - SUPPLEMENTAL DOCUMENT  
Exhibit F: Federal Grant Compliance Requirements  
Contract No. P1636.3

**b. Expenditure Guidelines:**

Grant funds: Shall be used to pay for services and practices that have a demonstrated evidence-base, which are inclusive of: mental health treatment, substance misuse treatment, other behavioral health services, hotlines or warmlines, crisis intervention, overdose prevention, infectious disease prevention, and services or outreach to promote access to physical or behavioral health primary care and preventative medicine.

**c. Limitations on Reimbursements:** Subrecipient shall not be reimbursed or otherwise compensated for any expenditures incurred or services provided prior to or after the appropriate Award Period included in section IV.

DBHDS shall only reimburse or otherwise compensate the Subrecipient for documented expenditures incurred during this period that are: 1) reasonable and necessary to carry out the agreed upon scope of service outlined in Exhibit D, Exhibit G, or Notice of Award 2) documented by contracts or other evidence of liability consistent with established DBHDS and Subrecipient procedures; and 3) incurred in accordance with all applicable requirements for the expenditure of funds payable under this agreement.

**d. Closeout:** Final payment request(s) under any associated Agreement must be received by DBHDS no later than thirty (30) days after the end of the Period of Performance referenced in the Exhibit D, Exhibit G, or Notice of Award. No payment request will be accepted by DBHDS after this date without authorization from DBHDS. The Subrecipient may continue to expend retained funds until the end of the Period of Performance to pay for remaining allowable costs unless otherwise instructed in their subaward document by DBHDS.

Any funds remaining unobligated at the end of the Period of Performance shall be returned to DBHDS within 30 days of the end of the Period of Performance. Any unexpended funds remaining at the end of the Period of Performance or, available at the end of a liquidation period for obligations incurred if allowed by the subaward document, will be returned to DBHDS within 30 days of the end of the relevant period. Unexpended funds should be returned in the form of a check made payable to the Treasurer of Virginia and sent to:

DBHDS

PO Box 1797

Richmond, VA 23218-1797

C/O Eric Billings

Funds for this grant may also be returned via an electronic ACH payment to DBHDS' Truist Bank account. The account information and DBHDS' EIN is as follows:

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EIN: 546001731

Name and Address of Bank:

Truist Bank

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Charlotte, NC 28202

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[Eric.Billings@dbhds.virginia.gov](mailto:Eric.Billings@dbhds.virginia.gov)

Failure to return unexpended funds in a prompt manner may result in a denial of future federal Subrecipient awards from DBHDS.

The Subrecipient agrees, to the extent permitted by law, that acceptance of final payment from DBHDS will constitute an agreement by the Subrecipient to release and forever discharge DBHDS, its agents, employees, representatives, affiliates, successors and assigns from any and all claims, demands, damages, liabilities, actions, causes of action or suits of any nature whatsoever, which Subrecipient has at the time of acceptance of final payment or may thereafter have, arising out of or in any way relating to any and all injuries and damages of any kind as a result of or in any way relating to this Agreement. DBHDS understands that CSB is a political subdivision of the Commonwealth of Virginia and is legally prohibited from entering into hold harmless and indemnification provisions. Local governments in Virginia have sovereign immunity from tort suits and cannot waive or contract away their immunity or assume the liability of another absent specific statutory authority. Subrecipient's obligations to DBHDS under this agreement shall not terminate until all closeout requirements are completed to the satisfaction of DBHDS. Such requirements shall include, without limitation, submitting final reports to DBHDS and providing any closeout-related information requested by DBHDS by the deadlines specified by DBHDS. This provision shall survive the expiration or termination of this agreement.

**VI. List of Federal Grants**

The federal grants that DBHDS passes-through to the CSB and the required identifying information that should be used to categorize and track these funds are found in the DBHDS grants management system.

AMENDMENT 3  
 AMENDED AND RESTATED  
 FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
 MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
 Exhibit F (B) FY22-23 Single Audit Exemption Form  
**Contract No. P1636.3**

**Audit of Financial Records:** The Subrecipient shall comply with the audit and reporting requirements defined by the Federal Office of Management and Budget (OMB) 2 CFR 200 (Audits of States, Local, Governments and Non-Profit organizations) and 45 CFR 75.500 – 75.521 as applicable.

If total federal funds expended are less than \$750,000 for a year the Subrecipient is exempt from federal audit requirements (45 CFR 75-501(d)), however, the Subrecipient's records must be made available to the Pass-Through Agency and appropriate officials of HHS, SAMHSA, the U.S. Government Accountability Office and the Comptroller General of the United States upon request, and it must still have a financial audit performed for that year by an independent Certified Public Accountant.

**The due date for submission of the audit shall be December 1, the same due date as audits required by OMB 2 CFR 200.** Further, if applicable, within 30 days of the effective date of this Agreement, the Subrecipient must submit to DBHDS' Federal Grants Manager a written statement of exemptions to the single audit requirement and a copy of the most recent audited financial statement along with any findings and corrective action plans.

**Organization Information:**

<u>Agency Name and Address</u>		<u>FEIN(s)</u>	<u>Fiscal Year End Date</u>
<u>Agency Representative</u>		<u>Title</u>	
<u>Telephone</u>	<u>Fax</u>	<u>Email</u>	

**Certification:**

For the fiscal year indicated above, the agency did not incur expenditures of \$750,000 or more for all federal programs and is not required to have an audit of federal programs in accordance with the Federal Single Audit 2 CFR § 200.501 and 45 CFR 75.501. **The agency, however, agrees to submit an independent financial audit performed by an independent Certified Public Accountant.**

<u>Agency Representative's Signature</u>	<u>Date</u>
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**Independent Auditor Information:**

<u>Firm Name and Address</u>		
<u>CPA Name</u>		<u>Virginia State License Number</u>
<u>Telephone</u>	<u>Fax</u>	<u>Email</u>

AMENDMENT 3  
AMENDED AND RESTATED  
FY2026 AND FY2027 COMMUNITY SERVICES PERFORMANCE CONTRACT  
MASTER AGREEMENT – SUPPLEMENTAL DOCUMENT  
Exhibit F (B) FY22-23 Single Audit Exemption Form  
**Contract No. P1636.3**

If your agency expended less than \$750,000 for all federal programs, please complete the following table for all federal programs where expenditures were incurred:

*Sample entry:*

Federal Agency	Pass Through Entity (if applicable)	Pass Through Entity Identifying Number	Subrecipient Entity Identifying Contract Number	CFDA #	Total Expenditures for Fiscal Year Ending in 2020 *
<i>SAMHSA</i>	<i>VA DBHDS</i>			<i>93.958</i>	<i>\$153,000</i>

Agency Name: \_\_\_\_\_

Federal Agency	Pass Through Entity (if applicable)	Pass Through Entity Identifying Number	Subrecipient Entity Identifying Contract Number	CFDA #	Total Expenditures for Fiscal Year Ending in 2020 *

Total expenditures for all federal awards \_\_\_\_\_

\* Include the value of federal awards expended in the form of non-cash assistance, the amount of insurance in effect during year, and loans or loan guarantees outstanding at year-end.