

II.

Funding, Evaluation, Finance and Budget

BOARD POLICY ON FUNDING, EVALUATION, FINANCE AND BUDGET

PART II

FUNDING

2-1 Controlling Act

All funds shall be allocated within the intent of the controlling act, the Juvenile Welfare Board Act, Chapter 23, 483, Special Act of 1945 as amended.

2-2 Funding Criteria

The following criteria are to be used as guidance by the Board in assessing applications submitted for Juvenile Welfare Board funding. While the criteria are used as guidance for funding, it is not the only consideration taken into account in making a decision on funding. Other considerations would include, in the judgment of the Board and its staff, such factors as the provider's ability to implement the program proposed, the soundness of the proposed methodology, and the administrative and fiscal capability of the agency, as well as the soundness of the proposed methodology. Specifically, it is the Board's policy to give special emphasis to development and preventive services. However, this policy does not preclude financial support to children and families requiring services of a problem solving nature. The Juvenile Welfare Board will continue to assume appropriate responsibility for development, prevention, and early intervention in partnership with the voluntary, local, state, and federal sectors.

To be eligible to receive funds from the Juvenile Welfare Board, programs must ~~meet one or more of the following criteria:~~ reflect the Goals of the Strategic Plan as well as the Operating Principles and Public Policy Statements of the Juvenile Welfare Board. :

- 1) Programs shall either demonstrate new approaches and techniques based on solid research, theory, and/or promising practices; or
- 2) Utilize existing approaches or techniques which are research-based, proven, and/or

validated programs.

- 3) Programs must demonstrate cost effectiveness and provide tangible benefits for the participants
- 4) Programs receiving funding from the Juvenile Welfare Board shall reflect competence, respect, and appreciation for all aspects of diversity within the community.

JWB supports programs/services in the following three (3) categories as defined in the Strategic Plan:

1. Community and Human Development - programs and activities designed to promote resiliency and skill development and prevent problem behaviors. These programs and activities may focus on groups of persons, (identified by age range, gender, geography, ethnicity, etc) but are not aimed at any identifiable individual or family.
2. Personal Problem Solving - programs designed to intervene and/or treat problem behaviors which focus on identifiable persons or families who have demonstrated some need for assistance or are receiving treatment.
3. Support Activities and Services - programs whose primary function is to support the programs, staff, and agencies which provide direct consumer contact, activities supports, and assistance.

Additional funding consideration will be given to programs/services that meet one or more of the following:

1. ~~Reflect the Goals of the Strategic Plan as well as the Operating Principles and Public Policy Statements of the Juvenile Welfare Board.~~
2. ~~Are development or prevention programs designed to promote resiliency and skill development and prevent problem behaviors. Problem-solving programs¹ focus on early intervention, are research-based and contain elements of positive youth development, family support, and consumer and community involvement.~~
- 3-1. Designed to fill key documented gaps in the overall network of services for children.
4. ~~Are consistent with the Juvenile Welfare Board's internal organizational capacity to plan and coordinate service for children.~~

~~6.2. Provide for Reflect diversification of financial support.~~

6.3. Provide Attract matching federal, state, or foundation funds for programs or services consistent with the Strategic Plan and with potential for sustainability from other funding sources.

7.4. Are time-limited and have identified potential for sustained funding from other agencies or sources.

~~8. Demonstrate new approaches and techniques based on solid research, theory, and/or promising practices.~~

~~9. Existing approaches or techniques which are research based, proven, or validated programs.~~

~~10.5. Increase efficiency of Enhance the overall system of service to children, youth, and families.~~

~~11. Affect significant numbers of youth and their families.~~

~~12. Provide relatively lasting and significant benefits.~~

~~13. Are cost effective.~~

~~14. Reflect cultural, and diversity, and/or orientation diversity and competence.~~

6. Demonstrate through program design and/or cooperative agreements coordinated, comprehensive services for children and families.

~~1. Personal Problem Solving programs and services are those designed to intervene and/or treat problem behaviors, which focus on identifiable persons or families who have demonstrated some need for assistance or are receiving treatment.~~

Staff will analyze each application for funding based on consistency with the above criteria and Board Policy.

2-3 Type of Agency Funded

Only private, not-for-profit incorporated agencies or public agencies shall be considered for funding by the Juvenile Welfare Board.

2-4 Scope of Programs Funded

2-4.1 The Board funds programs, which contribute to the social development of children and families with children in Pinellas County. The Board does not fund:

- programs which are under the exclusive jurisdiction of the public school system.
- recreational programs which do not have a clear youth development component.
- direct medical services except as a demonstration project or as an integrated element of a program that encourages positive child, youth, and family development.
- Programs requiring worship or religious instructional activities as a condition of participation.

2-4.2 The Board will fund other governmental agencies. If the applicant is a governmental entity with taxing authority, the Juvenile Welfare Board will require for all Equipment and Renovation and Program Contingency requests, confirmation from the Chief Administrative Officer or elected official that there has been a presentation and formal review of the capability of the governmental unit to fund the item and that the funding is not available.

2-4.3 The Board ~~will funds limited capital and non-capital expenditures per~~ consistent with established fiscal policies. ~~Capital expenditures are funded through the competitive ; i.e., eEquipment and #Renovations funding cycle. Programs applying for initial funding may request one-time-only funding for limited capital expenses in their JWB program budget. Guidelines will be developed for the implementation of this policy. These gGuidelines for Equipment and Renovation Funding~~ will be reviewed annually and revised/updated as needed.

2-4.4 The Board funds community development activities, which support positive child and family development; and provide safe constructive community environments using collective community involvement. Guidelines will be developed for the implementation of this policy.

2-4.5 The Board funds Continuation Funded programs with renewable, multi-year funding commitments of up to three years, contingent upon the Truth in Millage process (TRIM) and adherence to performance/certification standards.

2-4.6 Agencies with an audit that contains a "going concern" statement, a negative fund balance, or is qualified for greater than two fiscal years will be funded on a six-month basis. The Board will review the fiscal status of the agency mid-year and determine whether the contract should be issued for the remainder of the fiscal year.

2-4.7 Programs receiving Continuation Funding commitments will undergo an A.S.S.E.T. review every three years. Programs will be recommended for continued funding based on:

1. A satisfactory A.S.S.E.T. review, which includes a satisfactory review of measurable objectives, minimum service levels, and contract compliance.

All programs will be reviewed in the context of both the program's objectives and the community's progress toward overall results as well as consistency with the JWB Strategic plan and identified community priorities.

2-4.8 Programs that do not fulfill the requirements of 2-4.7 will be recommended to the Board for 1. probation, 2. reduced funding or 3. contract termination. The terms and the time frame of the probation will be defined by staff and approved by the Executive Director.

2-4.9 A.S.S.E.T. Comprehensive Program Review System

2-4.10 The Juvenile Welfare Board, in alignment with its Strategic Plan, developed an organizational standards-based review system to assist funded agencies in the process of facilitating strong services for the children, families, and communities of Pinellas County. A.S.S.E.T. (Agency Self-Study Efficacy Tool) integrates the concepts of quality improvement and public accountability, incorporates strength-based approaches into program design and implementation, and encourages the sharing of responsibility for results-based outcomes.

The review model consists of a period of agency self-study (up to 6 months) and a comprehensive site review, utilizing a peer review team, to be conducted at least once every three years.

2-4.11 All JWB funded programs will complete the A.S.S.E.T. Comprehensive Program Review at least once every three years. In the intervening years, contract managers will complete an annual assessment, which is more narrow in scope.

2-4.12

Exceptions to this include:

1. Agencies receiving less than \$50,000 of JWB funding will receive an annual assessment review which is more narrow in scope.
2. Agencies receiving only Community Development funds will receive an annual assessment which is more narrow in scope.

3. Programs administered by governmental agencies, higher education institutions, and hospitals will participate in an abbreviated version of A.S.S.E.T. once every three years.
4. Agencies accredited through national accreditation organizations will participate in an abbreviated version of the A.S.S.E.T. program once every three years.

2-4.13

All newly funded programs, for which on-going funding is the objective, will enter the JWB system in a capacity development phase lasting up to three years. During the three-year phase, agencies/programs will receive technical assistance in order to prepare for A.S.S.E.T. Agencies can elect to take A.S.S.E.T. anytime in that three-year time span.

2-4.14

Upon satisfactory* A.S.S.E.T. certification which includes the accomplishment of agency/program goals and objectives and minimum service levels, agencies/programs will transition into continuation funding in the next budget year for a three-year term. Every three years thereafter, agencies/programs must satisfactorily complete an A.S.S.E.T. certification to remain eligible for continued JWB funding. (*Satisfactory completion of A.S.S.E.T. refers to scoring a 1, 2, or 3 on each A.S.S.E.T. standard.)

2-4.15

An unsatisfactory A.S.S.E.T. review (scoring of 4 on any standard) will result in agencies/programs receiving:

- 1.) A Program Development Action Plan
- 2.) Technical Assistance
- 3.) Re-review as scheduled in the Program Development Action Plan

The Board will be notified of all Program Development Action Plans through the quarterly compliance reporting system and will be notified quarterly if agencies/programs do not meet criteria outlined in Program Development Action Plan.

2-4.16

Appeal processes will be reserved for situations involving non-compliance ratings (score of 4). Specifically, in the event an agency receives an unsatisfactory A.S.S.E.T. review (a score of 4 on any standard) by their rating team, they may challenge a given rating(s). Their evidences and ratings may be forwarded to a five (5) member independent interdisciplinary panel, chaired by the JWB Executive Director. The primary responsibility of the panel will be the resolution of issues regarding report findings. The interdisciplinary review panel, upon thorough review and evaluation of additional evidence(s), will determine a final assessment score.

2-4.17

In addition to satisfactory A.S.S.E.T. certification, all agencies will be expected annually to achieve their minimum service levels, meet their performance objectives, and general conditions of their contract.

2-4.18

While it is the intent of the Juvenile Welfare Board to be responsive to emerging needs of the community, funding is primarily awarded through the competitive process. The Board may consider out-of-cycle funding requests, when such requests are not appropriate to the standard annual competitive funding practices. Out-of-cycle funding requests must be submitted in the standard JWB format or in a format agreed upon by JWB. In addition, out-of-cycle funding requests must: 1) be consistent with the Juvenile Welfare Board's internal organizational capacity to plan and coordinate services for children; 2)

meet the provisions established in section 2-2; and 3) meet one or more of the following criteria for Board consideration:

Agency Requests is for out-of-cycle funding shall be limited requests for:

1. ~~Program Contingency f~~Funds to for currently funded programs, which experience an unforeseen financial emergency, which can be expected to seriously impair the effectiveness of the program if not relieved. These requests shall utilize the Program Contingency Fund category.
2. ~~Transitional Time-limited funds for up to three (3) years~~ to match newly available time-sensitive federal, state, local, or foundation funds. Requests for funding shall utilize the Community Contingency Fund category.
3. One-time-only or time-limited funding (usually one year or less), but up to three years if multi-year funding is justified and consistent with established policies and the Strategic Plan. Requests for funding shall utilize the Community Contingency Fund.

The Juvenile Welfare Board reserves the right to initiate out-of-cycle Community Contingency Fund requests for:

- 4-1. Funds to support Gcollaborative funding opportunities with other funding sources to enhance services to children and families in Pinellas County.
- 5-2. Funds to support Gcommunity planning activities or the results there of in which JWB has been an actively participating.
- 6.— ~~Funds to increase the efficiency of the overall system of services to children and families.~~
- 7.3. Funds to support a Rresearch or demonstration project, from funds budgetted for that purpose.
- 8.4. Funds to support program/services ~~A result of a~~ previously approved through the JWB planning process.

2-4.19 JWB does not fund:

1. The acquisition of real property or payment of interest or related costs except for that which may occur through ordinary budgeted occupancy expenses.
2. Supplementation of operating reserves for an ongoing corporation or entity.

3. The supplantment of existing funding by another agency without the prior agreement of the Board. The Board may delay budgeting requests when anticipated funds from other sources may be influenced by the Board's decision.
4. The retirement of debt.
5. The payment of fines or assessed penalties.
6. The funding of personal expenses of board members, staff, or volunteers unless directly related to legitimate business purposes.
7. Expenses not otherwise approved through the budget or budget amendment process.
8. Expenses incurred in a JWB fiscal year that has been closed.
9. Expenses incurred in a previous fiscal year applied against a current allocation.
10. Expenses previously paid by another funding entity or agency resources.
11. Contributions to any political party or candidate or to another charitable purpose.
12. Legal fees in relationship to defense in any criminal matter where individual or corporation is found guilty.
13. Indirect administrative cost rates which exceed 20% nor does it fund administrative costs which exceed 20% of the JWB program allocation.
14. Direct costs associated with fundraising activities.
15. The Board at their discretion may chose not to fund based on the best interest of the Juvenile Welfare Board.

2-4.20 Funding Categories

1. **CONTINUATION FUNDING** – Funding category for ongoing programs funded by the Juvenile Welfare Board. Criteria for ongoing funding are found in section 2-4.7.
2. **STRATEGIC PLAN IMPLEMENTATION (NEW & EXPANDED)** – Annual competitive funding cycle. Provides three-year funding for programs and activities designed to promote resiliency and skill development and prevent problem behaviors.
3. **EQUIPMENT & RENOVATION** – Annual competitive funding cycle. Funding category utilized to assist child-serving agencies (funded and unfunded) in acquiring equipment or making renovations with a useful life of one year or more. Utilizes fund balance dollars. The funding range for Equipment & Renovation is \$750 to \$12,500 per application.
4. **RESEARCH & EVALUATION** – Research-based funding for evaluation of existing projects or demonstrations of new program models utilizing fund balance dollars.
5. **COMMUNITY DEVELOPMENT** – Programs which support positive family development, provide safe, constructive community environments through collective community involvement. These funds are available throughout the year and may be initiated by community organizations, agencies or staff.
6. **PROGRAM CONTINGENCY** – Available to JWB funded agencies for unforeseen financial emergencies, which could be expected to seriously impair the effectiveness of the program if not relieved.
7. **TRANSITIONAL ALLOCATED** – Funds for programs previously approved for transitional funding for a fixed term of two or more years or which the Board chooses to continue for an additional year during the budget process.
8. **TRANSITIONAL UNALLOCATED COMMUNITY CONTINGENCY** – ~~Time-limited Funding category is utilized to cover expenses related to either termination of existing contracts or initiation of Board approved related community enhancement additional activities. It is time limited funding confined to the current fiscal year, Funds are subject to annual Board approval, and utilizing fund balance dollars undesignated cash reserves.~~
9. **MERGER AND CONSOLIDATION** – Funding to assist child-serving agencies in program consolidations, program transfers, or corporate mergers through the payment of expenses directly related to such activities.

2-5 Calendar

Staff shall present proposed funding parameters to the Board no later than March in order to develop the budget for the upcoming year. The proposed budget is presented to the Board in June. Action is taken in July, subject to the Truth In Millage (TRIM) process. The TRIM process is scheduled consistent with statutory requirements.

2-6 Application Format

All requests for Juvenile Welfare Board funding shall be made in a standard format as developed by Juvenile Welfare Board staff and must be submitted at least twenty-five (25) business days prior to the requested date of Board action.

2-7 Financial Disclosure

2-7.1 In applying for Juvenile Welfare Board funds, an agency must submit the following documents, which will establish the financial condition of that agency:

- a. A statement showing all income sources, and expenditures, for the current fiscal year;
- b. A statement of all available assets and liabilities, and the restrictions placed upon assets, if any;
- c. The most recently completed financial audit.

2-7.2 A total agency budget shall be provided to the Juvenile Welfare Board upon request.

2-8 Fee Paying Policy

Juvenile Welfare Board staff shall review the fee-paying policies of funded agencies to consumers, who are able to do so, to contribute towards the cost of services provided.

2-9 Review of Standard Contract

Juvenile Welfare Board staff shall review standard agency contracts including general conditions at least every other year and recommend changes as appropriate for Board action.

2-10 Notice of Recommendation

Staff shall forward a copy of any staff recommendation, pertaining to an agency, to the agency concerned no later than the day after such recommendations are forwarded to the Juvenile Welfare Board.

2-11 Advances

Requests for advance funds may be approved by the Executive Director. The amount advanced may not exceed one-tenth of an agency's JWB allocation. All advances must be repaid by the end of the fiscal year in which they are provided. Agencies may receive advances as follows:

- a. Agencies requesting interest-free advances must certify that they hold no cash, marketable securities, and net receivables due within 30 days, other than restricted assets as defined by the American Institute of Certified Public Accountants' Audit Guide which in aggregate exceed one-tenth of the agency's JWB allocation.
- b. Agencies unable to certify to 2-11a may receive advances at a rate of interest equivalent to that which would be earned should those funds have remained under the control of JWB.

- c. Agencies must certify that they do not hold more than three months in operating funds at the time of the request. Agencies with an excess of three months operating funds are not eligible for advances.

2-12 Budget Roles of Board and Executive Director

Adjustments between approved line items and between programs provided by the same agency may be authorized by the Executive Director OH/OD and additional line items which would be normally eligible expenses may be authorized by the Executive Director OH/OD, provided that such changes may not alter the program's structure or increase the aggregate allocation to the agency approved by the Board. Program allocations approved by the Board during the annual budgeting process for which contracts are not executed will be reported to the Board in a timely fashion.

2-13 Withholding of Reimbursement

The Executive Director is authorized to withhold reimbursement to funded programs for failure to comply with any general or special condition as stated in the program's contract and for any other reason deemed appropriate. Consultation shall occur with the senior available Board officer on issues of a sensitive nature. Any such withholding of reimbursement shall be reported at the next Board meeting for ratification. Reimbursement may resume after the program has come into compliance and has met such other conditions as may have been set by the JWB Board.

2-14 Program Operation

It is not the function of the Juvenile Welfare Board to provide direct services to children and families. It will generally limit administered program efforts to the following circumstances:

- a. Temporary operation in order to maintain continuity of services in case of default by a contracted agency.
- b. Demonstration projects.

In both cases, transfer of program operations to an appropriate service provider will be undertaken as soon as feasible.

2-15 Reimbursement for Expenses

Members receive no salary or other compensation for service on the Board; however, members may receive reimbursement for travel and related expenses when such travel is in the interest of the agency, including conferences which offer content of interest to the goals and purpose of JWB. Reimbursement shall be on the same basis as staff is reimbursed, as provided by the personnel policies and travel regulations.

2-16 Program Reports

A report shall be submitted to the Board regarding contracted programs' compliance with general conditions not less than four times each program year. A report on achievement of contracted program objectives by contracted programs shall be prepared annually.

2-17 Delegation of Limited Budget Authority

JWB funded agencies may be authorized to adjust JWB approved line items within programs without prior JWB approval, subject to guidelines covering the application and implementation of this policy.

2-18 Open Agenda Policy

The Juvenile Welfare Board welcomes public input from Pinellas County Citizens. Participation will be in accordance with approved guidelines. Guidelines will be developed for the implementation of this policy.

FINANCE POLICIES

2-19 INTERNAL CONTROLS

The Director of Finance shall establish a written system of internal controls and operational procedures. A review of such internal controls by independent auditors shall be a part of any financial audit of the Juvenile Welfare Board. Internal controls are designed to prevent the loss of funds by fraud, employee error, misrepresentations by third parties, or imprudent actions by employees of the Juvenile Welfare Board.

2-20 REPORTING

The Director of Finance shall report banking and investment results to the Board on a monthly basis. Annually, the Comprehensive Annual Financial Report shall reflect the status of JWB's monetary assets as required by the Governmental Accounting Standards Board and the State of Florida.

2-21 Request for Proposals Finance Services and Auditing Services

The Juvenile Welfare Board will issue Request for Proposals for banking services and auditing services every three years. The Board at its discretion may waive this policy for purposes of efficiency and/or cost effectiveness.

2-22 Purchasing Policy

The Juvenile Welfare Board shall adhere to prudent financial management practices and applicable governmental standards for purchasing.

2-22.1 Items with a cost of less than \$500 may be purchased by phone call or other contact between the Purchasing Unit and Supplier, using buyer experience and knowledge. Purchase order will indicate name of person contacted and date. (Competitiveness is stressed for orders under \$500)

2-22.2 Items with a cost of between \$500 and \$5000 will be purchased on the basis of a minimum of three oral or telephone bids or three written quotations.

2-22.3 Items with a cost of between \$5000 and \$15,000 will be purchased on the basis of a minimum three written quotations or a Request for Proposal.

2-22.4 Items with a cost in excess of \$15,000 require a Request for Proposal to be issued.

2-23 GUIDELINES ON INVESTMENT

2-23.1 SCOPE

This investment policy applies to activities of the Juvenile Welfare Board with regard to investing the financial assets of all funds.

2-23.2 OBJECTIVES

The objectives of the Investment Policy of the Juvenile Welfare Board are to minimize risk; to insure that investments mature when the cash is required to finance operations; and to insure a competitive rate of

return.

Funds of the Juvenile Welfare Board will be invested in accordance with Florida Statutes, Chapter 280 "Security for Public Deposits", Florida Statutes, Chapter 218.345 "Special Districts: Investments", and Florida Statutes, Chapter 218.405.

2-23.3 DELEGATION OF AUTHORITY

The Director of Finance is designated as investment officer of the Juvenile Welfare Board and is responsible for investment decisions and activities, under the direction of the Director of Programs & Finance, the Executive Director, and the Juvenile Welfare Board. The Director of Finance shall develop and maintain written administrative procedures for the operation of the investment program, consistent with these policies. The investment commitment shall depend on financial and staffing considerations.

2-23.4 PERFORMANCE MEASUREMENT

The monthly investment reports submitted to the Board shall contain sufficient information to evaluate the monthly performance of the investment program.

The investment officer will routinely monitor the investments.

2-23.5 ETHICS/PRUDENCE

The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule in accordance with the Government Finance Officers Association, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the management of all funds.

The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported immediately and that appropriate action is taken to control adverse developments.

2-23.6 AUTHORIZED INVESTMENT INSTITUTIONS & DEALERS

Written contracts shall be obtained with only creditworthy institutions, and those institutions which possess a certificate of qualified depository with the State of Florida.

2-23.7 AUTHORIZED INVESTMENTS

All investments must be acquired in accordance with the rules of the Department of Insurance, Division of Treasury which establish procedures for the administration of the "Florida Security for Deposits Act", which is encompassed in the Florida Statutes.

Through the course of the fiscal year, JWB has cash available that may be invested in one of the following securities:

- a. Local Government Surplus Funds Trust Fund, or intergovernmental investment pool authorized through the Florida Interlocal Cooperation Act.
- b. S.E.C. registered money market funds with the highest credit quality rating from a nationally

- recognized rating company.
- c. Savings accounts in state-certified qualified public depositories, invested to match investment maturities with cash needs.
- d. Certificates of Deposit (CD's) in state-certified qualified public depositories, invested to match investment maturities with cash needs.
- e. Direct obligations of the U.S. Treasury, invested to match investment maturities with cash needs.
- f. Federal Agencies and instrumentalities, invested to match investment maturities with cash needs.
- g. Time Deposit (Money Market).
- h. Collateralized Repurchase Agreement.

2-23.8 MATURITY & LIQUIDITY REQUIREMENTS

Investments of the Juvenile Welfare Board will allow for the day-to-day liquidity needs. Therefore, investments will be made in accordance with known/anticipated cash need and cash-flow requirements. JWB shall limit its maximum maturity to one year unless the Board gives specific authority to exceed.

2-23.9 PORTFOLIO COMPOSITION

The investment portfolio of the Juvenile Welfare Board shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account JWB's investment risk constraints and the cash flow characteristics of JWB.

2-23.10 RISK & DIVERSIFICATION

The Juvenile Welfare Board recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. Diversification is a way to control risk. Investment management is expected to be prudent to minimize default risk. No individual investment transaction shall be undertaken that jeopardizes the total capital position of JWB.

The Director of Finance, Director of Programs & Finance, and the Executive Director shall periodically review the appropriate investment management of funds and advise the Board of any necessary changes.

2-23.11 THIRD-PARTY CUSTODIAL AGREEMENTS

If arrangements are made for the holding of security assets as necessary by a third party, the held assets and/or collateral shall be designated that they are those of the Juvenile Welfare Board. Such assets shall not be withdrawn by anyone except an authorized staff member of the Juvenile Welfare Board. To ensure that the custodian will have the required assets at the conclusion of the transactions, such transactions between a custodian and an institution involving the sale or purchase of assets by transfer of money shall be made on a "delivery vs. payment" basis.

2-23.12 MASTER REPURCHASE AGREEMENT

All authorized institutions involved in direct repurchase agreement transactions on behalf of the Juvenile Welfare Board shall execute and perform these transactions according to a Master Repurchase Agreement.

2 - 24 RESERVE POLICY

2- 24.1 The Juvenile Welfare Board shall maintain a prudent reserve fund to assure that it has an adequate capability to respond to changing or emerging community needs, unanticipated funding opportunities, the need to stabilize the millage rate, natural disaster, or emergency situations which threaten to disrupt the orderly delivery of services to families and children in Pinellas County. An adequate reserve fund is also necessary to assure the effective management of cash flow.

2- 24.2 The Board shall adopt and periodically review targets for its reserve funds, which reflect:

- (a) the statutory prohibition against incurring debt.
- (b) the unique role of JWB as a funder of ongoing services to families and children.

2- 24.3 The total cash reserves (fund balance) less third party restricted funds of JWB shall not exceed 20% of the budgeted expenditures for the immediate succeeding fiscal year.

2-24.4 The Board shall identify both its undesignated and designated cash reserves.

- (a) The "Designated Cash Reserve" includes:
 - (1) those sums from the prior year(s) that are budgeted for expenditure in the immediate succeeding fiscal year (cash forward).
 - (2) those sums necessary to sustain mandated reserves.
 - (3) those sums dedicated to a future capital reserve for building expansion or construction.
 - (4) those sums which the Board has, by formal action, committed to expenditure in succeeding fiscal years.
- (b) The "Undesignated Cash Reserve" is the difference between the total Cash Reserves and the Designated Cash Reserves.
 - (1) JWB shall maintain an emergency reserve within the Undesignated Cash Reserve of at least 3% of the budgeted expenditures for the immediate succeeding fiscal year to meet the requirements of natural disaster or similar calamitous events.
 - (2) JWB shall seek to maintain a total undesignated fund balance that shall not exceed 10% of the budgeted expenditures for the immediate succeeding fiscal year.

2-24.5 Lapse Funds

- JWB staff will annually monitor lapsed funds on all program allocations following the completion of the JWB annual audit.
- Staff may recommend reduction in agency contract allocations in subsequent contract years when there is a lapse in excess of 7% for three or more contract years.