

Bill No. 28-03
Concerning: Health and Human Services
- Local Management Board
Revised: 9-11-03 Draft No. 5
Introduced: July 29, 2003
Enacted: September 23, 2003
Executive: October 7, 2003
Effective: January 6, 2004 (but see #2)
Sunset Date: None
Ch. 20, Laws of Mont. Co. 2003

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmember Leventhal, Council Vice-President Silverman, and Councilmembers Perez and Praisner

AN ACT to:

- (1) authorize the designation of a local management board for children, youth, and families, as required by state law;
- (2) specify the scope and mission of the local management board, and authorize it to undertake certain activities;
- (3) establish a process to designate and revoke a designation of a quasi-public corporation as the local management board;
- (4) establish certain criteria that a quasi-public corporation must meet to be designated as the local management board; and
- (5) generally provide for an interagency service delivery system, consistent with state law, for certain services to children, youth, and families.

By adding

Montgomery County Code
Chapter 2, Administration
Article VI, Local Management Board for Children, Youth, and Families

Boldface

Underlining

[Single boldface brackets]

Double underlining

[[Double boldface brackets]]

* * *

Heading or defined term.

Added to existing law by original bill.

Deleted from existing law by original bill.

Added by amendment.

Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

The County Council for Montgomery County, Maryland approves the following Act:

1 Section 1. Chapter 2 is amended by adding Article VI as follows:

2 ARTICLE VI. [Reserved]

3 LOCAL MANAGEMENT BOARD FOR CHILDREN, YOUTH, AND
4 FAMILIES.

5 2-117. Declaration of Policy.

6 The County Council finds that:

- 7 (a) State law requires the County to establish or designate a local
8 management board to ensure the implementation of a local, interagency
9 service delivery system for children, youth, and families.
- 10 (b) Under State law, the County may designate a quasi-public, nonprofit
11 corporation that is not an instrumentality of the County to act as the
12 County's local management board.
- 13 (c) Designating a quasi-public, nonprofit corporation as the local
14 management board will best enable the County to implement a local,
15 interagency service delivery system for children, youth, and families.

16 2-118. Purposes: scope and mission.

17 The primary functions of the local management board are to:

- 18 (a) administer state funds for certain children's services, and plan and
19 coordinate those state-funded services:
- 20 (b) participate in community planning for children's services related to the
21 state-funded programs: and
- 22 (c) apply for and administer funds for children's programs, as provided in
23 Section 2-122.

24 2-119. Designation.

- 25 (a) The County Council may designate, by resolution approved by the County
26 Executive, a nonprofit corporation which complies with all requirements
27 of this Article as the County's local management board. If the County

28 Executive disapproves the resolution within 10 days after receiving it, the
 29 Council may readopt the resolution with at least 6 affirmative votes.

30 (b) Each designation expires 3 years after the resolution is adopted unless the
 31 Council extends it by adopting another resolution under this Section.

32 (c) A corporation must comply, through its articles of incorporation and by-
 33 laws, with all requirements of this Article to continue as the County's
 34 local management board.

35 (d) In this Chapter, local management board means the corporation that the
 36 County has designated to implement a local, interagency service delivery
 37 system for children, youth, and families.

38 **2-120. Board of Directors.**

39 (a) Appointment and confirmation. For a corporation to qualify as a quasi-
 40 public corporation, the corporation's board of directors must be appointed
 41 by the County Executive and confirmed by the County Council. The
 42 board of directors must have 21 voting members, allocated as specified in
 43 this Section.

44 (b) Public members. The County Executive must appoint 12 members from
 45 the public sector, including:

46 (1) a designee of the President of the County Council:

47 (2) a designee of the President of the Board of Education:

48 (3) a designee of the Superintendent of Montgomery County Public
 49 Schools;

50 (4) the Director of the Department of Health and Human Services, or
 51 the Director's designee:

52 (5) the Director of either the Department of Finance or the Office of
 53 Management and Budget, or either Director's designee:

- 54 (6) the Director of the Core Service Agency, or the Director's
- 55 designee:
- 56 (7) the Regional Director of the state Department of Juvenile
- 57 Services, or the Director's designee;
- 58 (8) the County Health Officer, or the Officer's designee; and
- 59 ~~[[8]]~~ (9) a County employee who provides direct client social services to
- 60 children, youth, or families.

61 Each member appointed from the public sector represents the public
 62 interest, and is not precluded from participating in a matter as a board
 63 member if that member's government employer is a party to the matter.

64 (c) Private members. The County Executive must appoint 9 members from
 65 the private sector, who may include:

- 66 (1) advocates for services to children, youth, and families;
- 67 (2) providers of services to children, youth, and families;
- 68 (3) parents of children who are receiving or recently received
 69 services of the type funded by the local management board;
- 70 (4) individuals between 18 and 25 years of age;
- 71 (5) business owners and managers;
- 72 (6) leaders of civic and community service organizations; and
- 73 (7) leaders of religious organizations.

74 However, the Executive must not appoint more than 2 persons who are
 75 members of a governing board of, and must not appoint any employee of,
 76 any organization that receives County funds, or state funds directed
 77 through the local management board, for children's services.

78 (d) Representation. In selecting public and private sector board members, the
 79 Executive must strive to achieve broad representation from various
 80 geographic areas and socio-economic and ethnic groups.

81 (e) Term; Removal.82 (1) Each board member must be appointed for a term of 3 years.83 However, when the board is first appointed, the Executive must
84 appoint 2/3 of the members to 1- or 2-year terms.85 (2) The Executive may reappoint a member, but a private sector
86 member must not serve more than 2 consecutive full terms, not
87 including any portion of an unexpired term.88 (3) The Executive may remove a member for violation of law or
89 other good cause specified in the bylaws of the corporation, after
90 giving the Council at least 15 days' notice of the proposed
91 removal.92 (f) Duties. The board of directors must direct all aspects of the corporation's
93 program, management, and finances.94 (g) Compensation: Relation to County retirement system.95 (1) A member of the board serves without compensation. However,
96 the corporation may reimburse a private sector member for
97 expenses incurred in attending meetings or carrying out other
98 official duties.99 (2) A member is not eligible to receive benefits under any County
100 retirement system for service rendered as a board member.101 **2-121. Articles of Incorporation: Bylaws.**102 (a) For a corporation to qualify as a quasi-public corporation, its articles of
103 incorporation must provide that the corporation is:104 (1) nonprofit;105 (2) not an instrumentality of the County; and106 (3) incorporated for the sole purpose of serving as the County's local
107 management board.

108 (b) The corporation's bylaws may contain any provision, not inconsistent with
 109 law or the articles of incorporation, to govern and manage the corporation.

110 (c) The corporation's bylaws must:

- 111 (1) prohibit conflict of interest, self-dealing, collusive practices, or
 112 similar impropriety by any member of the board of directors or
 113 employee, in a way that is at least as stringent as the conflict of
 114 interest provisions of the County ethics law; require the annual
 115 disclosure of a financial or similar interest of any director or
 116 officer in any matter that may come before the corporation;
 117 establish conditions under which a director or employee must not
 118 participate in corporation actions when there is a conflict between
 119 the person's official duties and private interests; and include
 120 appropriate remedies for violations of these and other ethical
 121 standards, including removal or termination;
- 122 (2) require the board of directors to comply with the state open
 123 meetings law as if the corporation were a public body and each
 124 action by the board were a quasi-legislative function;
- 125 (3) require competitive procurement for goods and services after
 126 reasonable public notice;
- 127 (4) require a surety bond or similar instrument to protect against
 128 misappropriation of funds by directors and employees;
- 129 (5) require a copy of each agreement with any state or federal agency
 130 to be sent to the Executive and Council within 14 days after the
 131 agreement is executed;
- 132 (6) require an annual audit by an independent accounting firm, a
 133 copy of which must be sent to the Executive and Council within
 134 14 days after receipt and made available to the public on request;

- 135 (7) require quarterly and annual financial reports, reflecting funds
 136 received from all sources, to be submitted to the Executive.
 137 Council, and Board of Education:
- 138 (8) require the corporation to publish a detailed annual report of its
 139 operations and accomplishments, including initiatives
 140 undertaken, outcomes, objectives, performance measures, and
 141 evaluation of effectiveness, which must be submitted promptly to
 142 the Executive, Council, and Board of Education:
- 143 (9) require the corporation to publish an annual programmatic report
 144 to the public in an easily readable format;
- 145 (10) require each contract the corporation enters into to provide that
 146 the County government may assume the rights and obligations of
 147 the corporation under the contract if its designation as the local
 148 management board is suspended or revoked:
- 149 (11) require minutes of board meetings to be maintained on file and
 150 available for public inspection for at least 6 years; and
- 151 (12) require all contract files to be maintained for at least 6 years after
 152 the date of final payment.

153 (d) The board of directors must submit any proposed amendment to the
 154 articles of incorporation or bylaws to the Executive and Council for review
 155 and comment at least 60 days before the board takes final action on the
 156 amendment. The board must submit a copy of each adopted amendment
 157 to the Executive and Council within 5 days after adoption.

158 **2-122. Agreement with the State; Funding.**

159 (a) The local management board must enter into any agreement required by
 160 state law with the Governor's Office of Children, Youth, and Families, or
 161 any successor state agency, to act as the local management board.

162 (b) The local management board must take, consistent with County law, any
 163 action necessary to comply with any applicable state regulation or
 164 requirement.

165 (c) The local management board may apply for and receive funds from the
 166 State and other sources, including:

167 (1) the Federal government:

168 (2) County departments, offices, and agencies:

169 (3) private donations: and

170 (4) government and private grants.

171 (d) However, the local management board must obtain the Council's
 172 approval before the local management board applies for any non-
 173 government grant or donation that would exceed [[\$250,000]] \$500,000 in
 174 any fiscal year, that would require a County match that would exceed
 175 \$10,000, or that would require the local management board to provide or
 176 fund any service after the grant or donation is fully spent. The Council,
 177 after giving the Executive a reasonable time to offer a recommendation,
 178 may indicate its approval or disapproval by any means authorized by a
 179 majority of Councilmembers.

180 **2-123. Revocation of Designation as Local Management Board.**

181 The Council at any time may suspend or revoke the designation of a corporation
 182 as the local management board by resolution, adopted after at least 15 days public
 183 notice, that is approved by the County Executive or, if the Executive disapproves the
 184 resolution within 10 days after receiving it, is readopted by a vote of at least 6
 185 Councilmembers.

186 **Section 2. Timetable; transition.**

187 (a) The first resolution adopted under Section 2-119(a), inserted by Section
 188 1 of this Act, must take effect on July 1, 2004. Any corporation that

189 seeks to be designated as the local management board must submit
190 proposed articles of incorporation and bylaws to the County Executive
191 and County Council for review and comment by May 1, 2004.

192 (b) By February 1, 2004, the Director of the Department of Health and
193 Human Services must submit to the Executive and Council a local
194 management board transition plan to address such issues as financial
195 oversight during a transition; modification of service contracts to assure
196 that services to children and families are not disrupted; and transition of
197 affected employees.


198 (c) Notwithstanding any inconsistent provision of County Code Section
199 19A-13, a person employed by the Department of Health and Human
200 Services before July 1, 2004, may be employed by a corporation after it
201 is designated as the local management board, and if so employed may
202 immediately work on any matter that the person significantly
203 participated in as a Department employee.

204 *Approved:*

205 
Michael L. Subin, President, County Council

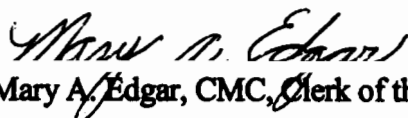
9/24/03
Date

206 *Approved:*

207 
Douglas M. Duncan, County Executive

10/2/03
Date

208 *This is a correct copy of Council action.*

209 
Mary A. Edgar, CMC, Clerk of the Council

10/7/03
Date