Model Governance Agreement
For Children’s Collaboratives
In Minnesota

A tool to resolve technical problems
and ease anxiety about system change

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for
The Governance Focus Team,
a technical assistance team
of local and state staff

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**No legal advice herein.** Nothing in this document should be construed as legal advice. Those who contemplate executing a collaborative governance agreement should seek the counsel of their own legal advisors.
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Introduction to this Model Governance Agreement

WHY CREATE A MODEL GOVERNANCE AGREEMENT?

The underlying purpose of a governance agreement is to make people feel more comfortable with the effort of building a local children’s collaborative. It resolves many of the anxieties inherent in changing the way we do business. It solves problems before they start.

A model agreement helps local collaboratives to draft their own governance agreements. Specifically, technical assistance staff drafted this model governance agreement because:

• Collaboratives requested that we do so.
• It relieves each collaborative from having to start from scratch.
• It answers many technical and legal problems local collaboratives have raised.
• Further maturation of collaboratives will require a sophisticated governance capabilities.
• Collaboratives are struggling to define roles and responsibilities, the goal of a governance agreement.
• Once-friendly collaborative meetings began to turn sour when substantial dollars landed on the table.
• Statutes enacting Collaboratives provide very little guidance on governance.

The strategy manifest in this particular governance model derives from four years of listening to Local Collaboratives talk about the problems they’ve encountered and political realities they face. The strategy is driven also by a loose collective vision of what a Collaborative ought to be. Finally, it is driven by principles of effective administration. Framers considered these things and set down several conceptual premises as the foundation of this model.

PREMISES OF THE MODEL AGREEMENT

This approach to governing a Local Collaborative presumes that:

Premise 1. There should be no new bureaucracy.
A Local Collaborative structured on this model does not precipitate a new layer of government. Rather, it constitutes a network of relationships that are laid down on top of existing agencies and resources. This model neither duplicates nor supplants existing organizations. Instead, it weaves together the resources, knowledge, and talent of both new and existing players and wraps the new fabric of the system around the needs of an individual child and family. It reformulates relationships among existing players and infuses the network with new energy and expertise, particularly that of parents.

Premise 2. The fundamental level of decision-making is the Child and Family Team.
In an operational Collaborative (rather than one in its developmental phase), the key decisions must be taken by those with responsibility to put together a package of services for a child and family. The rest of the governance structure is built to support or operationalize this process.

Premise 3. Parents should be equal partners and contributors
This model makes parents equal partners in the collaborative venture. They exercise decision-making authority regarding system management in exchange for contributing resources to the Integrated Fund. State-of-the-art service delivery models champion a decision-making role for parents and consumers. But
there has been strong reluctance among agencies to give over control of resources to any party that puts no dollars on the table. The solution, in this model, is a three-part strategy to turn parent/consumer groups into contributors. It (a) defines the Integrated Fund so as to include in-kind contributions; (b) clearly defines the duties that parent organizations must contribute, focusing on activities that parents are best qualified to perform; (c) places a monetary value on in-kind contributions so that they can be compared to monetary contributions.

Parents’ role in the delivery of services to their own children is less a governance matter than a service delivery matter. However, since the purpose of the governance structure is to operationalize the service delivery system, the service delivery approach has great significance for governance. Here, the fictitious Bigland County Collaborative has chosen the “Wraparound Process” as its service delivery model. The implications of choosing this family-centered model is discussed here.

Why must an integrated system serving children with multiple and special needs incorporate parents as decision-makers? Parents are the primary caregivers. Parents are the best source of information necessary for assessment and diagnosis. Parents have the greatest stake in positive client outcomes and their stake produces tremendous commitment to evaluating and improving system performance. Parents’ involvement keeps day-to-day operations on track. Finally, let us not forget, the clients are their children.

A system designed and committed to making optimal use of parents will leverage a tremendous financial return on a minimal public investment in family supports; especially when it compiles a catalog of informal resources, helps families make full use of their natural support networks, and coordinates those networks with formal services. In the real world, before families will be willing to expose its friends, relatives, clergymen, neighbors or co-workers to “the system”, they will need to be convinced that their natural supporters will be taken seriously and treated with the utmost respect. This model provides the structural elements of a family-centered, respectful system. Local agencies and professionals will need to supply the human elements.

**Premise 4. Legal and fiscal authority lies with elected officials**

This model recognizes what public sector managers never forget: that the source of their authority is the elected official and the taxpayer. In this model, legal authority and spending limits are placed squarely in the hands of elected officials who are accountable to taxpayers for their budgetary priorities. Elected officials can create a collaborative and they can dissolve a collaborative. Beyond that, the authority for designing and operating a child-serving system goes with the experts.

**Premise 5. The expertise needed for an integrated system is widely dispersed**

This model recognizes that the expertise needed to design and operate an integrated system is broadly dispersed among professionals, parents, providers, advocates, and community members. It bestows upon such people the necessary authority to design, participate in, and monitor the service delivery system. At the same time, this model acknowledges that not everyone needs to make all decisions. It, therefore, defines who makes what decision based upon who is best qualified to do so.

**Premise 6. Collaboratives must get ready for managed care**

This model recognizes the inexorable move in this state toward managed care, in children’s mental health and child welfare as well as medical care. In fact, a good Collaborative is a form of managed care, but there are important differences between the Collaborative approach and the financial and administrative approach of managed care organizations such as HMOs.
This model creates governance structures for a local system of care that can be readily adapted to managed care. Not surprisingly, a model compatible with managed care is not a “minimalist” approach to governance. What is presented here is not a “quick start” model, but an advanced-level governance structure for a mature or sophisticated Collaborative—or a Collaborative with such aspirations.

**NOTES ON KEY SECTIONS OF THE MODEL AGREEMENT**

Re: Section 2. Service Delivery Model
The “Wraparound Process” is identified as the service delivery model. *Wraparound* is a state-of-the-art alternative to the traditional categorical service approach for children with complex needs. It emphasizes community responsibility for children, rather than government responsibility, and it operationalizes this philosophy by utilizing non-governmental resources. These so-called “informal resources” should form 75 percent of a child’s individualized care plan, thereby leveraging tremendous helping power from a minimal government investment.

Re: Section 3. Composition of the Collaboratives Decision-making Bodies
There are four levels of governance in this model—or four levels of decision-making. The four levels are not duplicative, but distribute appropriate authority to those best qualified to exercise it. [See Figure 1 on the next page.] Serving children with complex needs is a labor-intensive business. The four decision-making levels are as follows:

**Family Care Teams.** Care planning teams are not perceived usually as part of governance. Yet they make crucial decisions with both financial and administrative implications. We simply recognize the reality of their role in an operational collaborative. Their composition will be fluid to the extent that participants will change with the child being served. The constant link to the system is the “Family Facilitator”, appointed by the Administrator to get the ball rolling. (The Facilitator may or may not be the child’s care coordinator.) Other agency professionals will find themselves on several teams, depending upon whether they are providing direct services to a child and/or family.

**Collaborative Administrator.** Most Collaboratives appoint a “Coordinator” during the developmental or planning phase of the Collaborative. They need to think ahead to how the duties of that central role and the qualifications of its incumbent may change as the Collaborative moves from planning to operations. In either phase, many Collaboratives fail to establish a position with enough authority to make day-to-day decisions. They find themselves bogged down in cumbersome committee decision-making, sometimes aggravated when committees do not exercise clear decision-making processes. The appointment of a Collaborative Administrator in this model is nothing more than sound management practice.

**Care Management Council.** Herein lies the breadth of expertise essential to designing and monitoring an integrated care system. The Governing Board composes the Council by deciding which organizations or individuals will be represented on the Council, plus the number of memberships to be allocated to each organization. Member organizations name persons to be their representatives. The Governing Board should compose the Council with a mind to the Collaborative’s need (a) to develop a network of formal and informal resources; (b) for public agencies to fulfill their statutory responsibilities; and (c) for sufficient breadth and depth of knowledge, skills, and experience.

**Governing Board.** Concerns arose soon after Collaboratives were enacted about turning control of public funds over to amorphous organizations controlled in part by non-government individuals or organizations
## Composition of Collaborative Decision-Making Bodies

**Summary of Section 3 of the Model Governance Agreement**

<table>
<thead>
<tr>
<th>Family Care Teams</th>
<th>Administrator</th>
<th>Care Management Council</th>
<th>Governing Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family Facilitator *</td>
<td>Professional administrator</td>
<td>Determined by the Board</td>
<td>County board(s)</td>
</tr>
<tr>
<td>Parent(s) or Guardian</td>
<td>OR</td>
<td>Should include: agencies of formal care system AND brokers of informal resources</td>
<td>School board(s)</td>
</tr>
<tr>
<td>Parent’s chosen supporter</td>
<td>Executive committee of the Council</td>
<td></td>
<td>Mental health entity</td>
</tr>
<tr>
<td>Child</td>
<td></td>
<td></td>
<td>CAP/Head Start</td>
</tr>
<tr>
<td>Each professionals involved with the family</td>
<td></td>
<td></td>
<td>Parent organization</td>
</tr>
<tr>
<td>Natural support system</td>
<td></td>
<td></td>
<td>Each organization that contributes either monetary or in-kind resources to the collaborative’s integrated fund.</td>
</tr>
<tr>
<td>Informal resources</td>
<td></td>
<td></td>
<td>[E.g. United Way board, hospital board, clinic board]</td>
</tr>
<tr>
<td>Care Coordinator</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Informal resources brokers may include:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Parents &amp; consumers</td>
<td></td>
</tr>
<tr>
<td>Kin and “non-blood” kin of consumers</td>
<td></td>
</tr>
<tr>
<td>Cultural leaders</td>
<td></td>
</tr>
<tr>
<td>Neighborhood leaders</td>
<td></td>
</tr>
<tr>
<td>Clergy</td>
<td></td>
</tr>
<tr>
<td>Civic or club leaders</td>
<td></td>
</tr>
<tr>
<td>Business leaders</td>
<td></td>
</tr>
<tr>
<td>Volunteer networks</td>
<td></td>
</tr>
<tr>
<td>Advocates</td>
<td></td>
</tr>
</tbody>
</table>

* The Family Facilitator may or may not be a permanent member. She/he acts as the family’s intake host/guide and helps the family compose its Team.

**FIGURE 1**

[Note: Public Health and Juvenile Corrections, who are mandatory partners in particular collaboratives, act on the Board by assigning specific county commissioners to represent them. All mandatory partners are signatories to the Agreement. Their expertise is exercised on the Care Management Council.]
with no accountability to the taxpayers. A second concern arose when it appeared that governing bodies exercised insufficient power and expertise to bring about major system change. This model addresses both concerns by establishing a Governing Board in which governmental partners are represented by elected officials, providing unquestionable public accountability. Non-government stakeholder-partners are represented by their top people. Further, all entities represented on the Board are financial contributors and a methodology is provided for unmoneled stakeholders to become contributors. The Board, then, contains sufficient authority to make change, sufficient expertise to make those changes effective and credible, and keeps fiscal control in the hands of those who put their resources on the table.

County departments, such as Public Health and Corrections, do not sit on the Governing Board along side county commissioners. To permit their participation would be to mix levels of authority. Yet statute makes these departments mandatory partners. This model obeys statutes by virtue of having these county agencies become signatories to the Agreement. This is precisely what law requires.

The Nature Of A Collaborative’s Legal Authority

The creation of a Collaborative Governance Agreement and Governing Board works like this:

The governing boards of the mandatory partners (such as county boards and school boards) draft and sign a governance agreement. (It may be an interagency agreement, joint powers agreement, or articles of incorporation.). The act of signing of this agreement creates the Collaborative. The agreement, then, becomes the “constitution” of the Collaborative.

In this constitution, the founding partners will have established a form of government. That is, they will have established a governing board which, like our nation’s government, exercises legal authority. And, again like our nation’s government, participation in these governing bodies is not limited to the “founding fathers”. The act of the founders to create a constitution established a governing structure that distributes authority beyond the founders themselves. A Governing Board, then, may (and should) include diverse membership from public and private organizations.

Once the Collaborative is created, the founding partners have no role outside of the Collaborative bodies established by the Agreement. There is one exception: The mandatory partners who founded the Collaborative also can dissolve the Collaborative. But between the beginning and the end, the mandatory partners may exercise authority only through the Governing Board and must do so in the manner defined by the Collaborative Agreement.

In short, the legal authority of the Collaborative derives from three entities, representing three steps in a process: the founding partners, the “constitutional” agreement, and the governing board.

Re: Section 4. Powers and Duties of Collaborative Bodies

Where the previous section identified the collaborative’s decision-making bodies and described their composition, this section describes the roles and responsibilities of each body. [See Figure 2.]

Should the Collaborative ultimately move into managed care, duties of each body in this model are such that, roughly speaking, the Governing Board would become the purchaser of services and the activities of
## The Four Levels of Governance: Comparison of Roles

### Summary of Section 4 of the Model Governance Agreement

<table>
<thead>
<tr>
<th>Care Teams</th>
<th>Administrator</th>
<th>Council</th>
<th>Board</th>
</tr>
</thead>
<tbody>
<tr>
<td>Functions as provider system interface with clients.</td>
<td>Functions as operations manager of the provider system.</td>
<td>Functions as designer and policy overseer of the provider system.</td>
<td>Functions as purchaser of services.</td>
</tr>
<tr>
<td>1. Assess the type and frequency of supports and services needed based on the child’s and family’s strengths and needs.</td>
<td>1. Coordinate the development of the integrated service system.</td>
<td>1. Establish integrated service delivery system.</td>
<td>1. Establish system parameters, including defining the Target Population.</td>
</tr>
<tr>
<td>2. Develop individualized care plans via the “wraparound” process.</td>
<td>2. Manage daily operation of the integrated service system.</td>
<td>2. Establish integrated fund spending criteria.</td>
<td>2. Determine composition of the Care Management Council.</td>
</tr>
<tr>
<td>3. Authorize the provision of supports and services according to the care plan.</td>
<td>3. Manage service expenditures within operations budget or capitation.</td>
<td>3. Establish operations budget.</td>
<td>3. Oversee the integrated fund.</td>
</tr>
<tr>
<td>4. Monitor progress toward achieving outcomes.</td>
<td>4. Contract for services and supports via the fiscal agent.</td>
<td>4. Evaluate the performance of the Administrator and Care Teams and assure client outcomes.</td>
<td>4. Negotiate contributions to the integrated fund.</td>
</tr>
<tr>
<td>5. Meet at the call of the family’s care coordinator.</td>
<td>5. Appoint a family facilitator to each child and family served.</td>
<td>5. Establish personnel policies.</td>
<td>5. Establish revenue budget (overall spending limits).</td>
</tr>
<tr>
<td>6. Create a respectful atmosphere that is conducive to an equal decision-making role for parents.</td>
<td>6. Assure care coordination.</td>
<td>6. Advise Board regarding amending target population.</td>
<td>6. Select fiscal agent.</td>
</tr>
<tr>
<td></td>
<td>7. Contract or employ staff and supervise staff.</td>
<td>7. Establish committees: staff development, managed care planning, advisory.</td>
<td>7. Receive funds via fiscal agent.</td>
</tr>
<tr>
<td></td>
<td>8. Supervise fiscal agent staff.</td>
<td></td>
<td>8. Assign contributions for use according to the operating budget.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10. Evaluate system performance and client outcomes.</td>
</tr>
</tbody>
</table>

**FIGURE 2**
The life of a Collaborative has two distinct phases. In each phase the duties of each decision-making body will differ. The first is the developmental (or planning) phase. The other is the operational phase. [See Figure 3.] Even if planning and operations occur simultaneously, the two distinct types of activities should be recognized.

Family Care Teams. These teams are the system’s link with children and families. They are the manifestation of an integrated system. They put to use all of the resources that the rest of the system has been gathering and organizing. Thus, once the Collaborative is operative, Family Care Teams become the fundamental decision-maker of the system, deciding how its resources will be utilized. The purpose of other parts of the system is to support and make possible the activities of the Family Care Teams.

Collaborative Administrator. The buck stops here. A well-managed organization needs someone with authority to make decisions and arbitrate conflicts. That person is the Administrator. In the operational phase, the Collaborative Administrator manages daily operations. He or she manages the expenditure budget and oversees the activities and decisions of the Family Care Teams. If Family Care Teams directly authorize services, the Administrator monitors and guides resource-use practices. (Experience in other states suggests that care teams quickly learn the balancing act of resource management.) The Administrator supervises staff, including individuals hired by the Collaborative and partners’ employees assigned to the Collaborative (with regard to Collaborative activities). In the development phase, this central figure is more likely to be known as the Collaborative Coordinator and to concentrate on coordinating developmental activities. The qualifications for the central individual may differ between the two phases.

Care Management Council. In the operational phase, the Council is the policy body and the body of creative experts with regard to the service system. For example it sets policies for use of the integrated fund and for operating budgets. In the developmental phase, the Council establishes the integrated service system, creating its multitude of service and administrative components.

Governing Board. In the operational phase, the Governing Board functions as the purchaser of services. It sets overall spending limits. It negotiates contributions to the Integrated Fund. It hires and supervises the Collaborative Administrator. In the developmental phase, the Board defines the scope of the Collaborative and establishes the composition of the Care Management Council.

Re: Section 5. Duties of the Parties
This section defines the ongoing duties of each Collaborative partner. The essence of these provisions is to define the relationship of each signatory party to the collective effort. Since this is a governance agreement rather than a purchase-of-service contract, it does not attempt to stipulate each and every activity that a partner will undertake in the service of the target population.

However, there is comparatively more detail in the section defining the duties that a parent organization must perform as its in-kind contribution to the Integrated Fund. This detail defines the contribution that allows the parent organization to sit on the Governing Board.

Section 6: Collaborative Finances and Integrated Fund
The Integrated Fund suggested here is a “hybrid” model as defined by the Finance Focus Team. The
FIGURE 3

Sequence of Action
Phase I vs. Phase II

**System Development Phase**

**STEP 1**
- Governing Board
  - Exercises legal authority
  - Establishes Council
  - Appoints fiscal agent
  - Negotiates IF contributions
  - Sets revenue budget
  - Sets performance standards

**STEP 2**
- Care Management Council
  - Assembles expertise
  - Designs integrated system
  - Creates network of relationships
  - Established client outcomes

**STEP 3**
- Collaborative Administrator
  - Coordinates development of integrated system
  - Implements integrated system
  - Oversees staff and Family Teams

**STEP 4**
- Child/Family Teams
  - Implements service delivery model

**Operational Phase**

**STEP 1**
- Child/Family Teams
  - Assesses child/family needs
  - Develops care plans
  - Authorizes services

**STEP 2**
- Collaborative Administrator
  - Manages overall service expenditures
  - Supervises staff
  - Evaluates Team performance

**STEP 3**
- Care Management Council
  - Monitors expenditure budget
  - Evaluates system performance
  - Evaluates client outcomes

**STEP 4**
- Governing Board
  - Gathers & provides revenue
  - Provides public accountability
  - Evaluates administrator
  - Monitors performance of system
  - Updates performance standards
Fund, as such, is a single financial statement consisting of two accounts. The Service Delivery Account is a “joint checking account” model as defined by the Finance Focus team in which the various contributors transfer dollars to a common account. The Administrative Account is a “holding company” model as defined by the Finance Focus Team in which partners retain these dollars but identify them as Collaborative dollars by setting up separate cost centers in their own books. Both accounts are utilized at the discretion of the Collaborative but contributors may desire different control mechanisms. The single financial statement then summarizes both the joint account and the scattered profit centers in the holding account. [See Figure 4.] [For another description of an integrated fund, see also the Finance Focus Team’s “Collaborative Fiscal Framework” in the Collaborative Planning Guide.]

Re: Section 7. Personnel
This section addresses the four classes of workers a Collaborative is likely to utilize: those employed by a partner agency and assigned to the Collaborative; those hired by the Collaborative; those contracted by the Collaborative; and volunteers. The common thread is that all report to the Collaborative Administrator. Partner employees who do not work for the Collaborative full-time would, of course, report to the Collaborative Administrator only with regard to Collaborative duties. Text notes warn readers of potential risks they could face from using independent contractors as staff.

Re: Section 8. Data Practice and Procedures
We believe this Model Agreement sufficiently resolves the data privacy concerns that have tended to stymie Collaboratives’ progress. Undoubtedly, this model will not solve every problem that arises.

We do not support efforts to “get around” data privacy regulations. Rather we support families’ right to privacy from government agencies, even those whose mission is to help. This model attempts to establish practices which expedite agencies’ efforts when they are done in conjunction with families and according to their wishes. This model is premised on a commitment to a family-professional partnership. In such a partnership, it is reasonable to assume that families will be willing to consent to the sharing of information among professionals and agencies when families believe they will benefit from such exchange.

Re: Section 9. Insurance and Indemnification
Provisions in this section are designed to be consistent with the Collaboratives’ newly-won ability to obtain liability protection from the Minnesota Counties Insurance Trust or similar insurance trusts. Statutory changes in 1996 and 1997 make Collaboratives, their people and their activities insurable under the state’s tort liability statute.

Re: Section 10. Dispute Resolution
This section suggests protocols for resolution of disputes (a) between Collaborative partners and (b) between clients and the Collaborative.

Unresolved Issues: What This Model Does Not Do
This model does not resolve the following issues:

1. Risk-sharing for costs that are beyond the control of signatory parties and statutory service. They include:
   • the special education quasi-entitlement;
   • court-ordered services like residential treatment; foster care; and juvenile detention placements.
Summary of Section 6 of the Model Governance Agreement

Integrated Fund
A single financial statement consisting of two accounts

Service Delivery Account
Joint account under control of Governing Board and managed by fiscal agent.

Contains:
- Local service dollars from counties, school districts, cities (Property tax, CSSA, Title XX, Etc.)
- State & federal Medicaid
- State and federal grants
- Local Collaborative Time Study earnings
- Private contributions and gifts
- Value of volunteer services

Pays For:
- Collaborative administrative activity
- Direct provision of services
- Service coordination activity
- Purchase of service contracts
- Informal support activities

FIGURE 4

Administrative Account
Separately-held funds identified as cost centers in individual partners’ books. Under control of Governing Board. Operated by each partner.

Shows:
- Value of in-kind administrative activity
- Value of partners’ employees assigned to Collaborative service delivery activity

Pays For:
- Staff-provided administrative activity
- Staff-provided direct services

According to Individualized Service plans
The easiest solution would be for partners to draft an agreement providing for the mutual assumption of those risks and obligations with a mechanism for distributing costs. A somewhat more complicated approach may be to develop monthly capitation payments to the Integrated Fund from each partner for each new child/family served by the Collaborative. Other solutions could be explored along the lines of a stop-loss reserve pool made up of partner contributions that protects any partner against costs per client that exceed a pre-set limit. Or Collaboratives could propose a local-state risk-sharing mechanism.

2. Contracted staff. As noted earlier, contracting with an individual who functions like an employee could potentially have severe consequence with the Internal Revenue Service. Minn. Rules, Part 5200.0221, explains in part: “All factors must be weighed to determine whether a worker is economically dependent upon the business to which the worker provides services.” Part 5224.0330, Subp. 1, says: “The most important factor in determining whether a person is an independent contractor is the degree of control which the purported employer exerts over the manner and method of performing the work contracted. The more control there is (by the employer) the more likely the person is an employee and not an independent contractor.” Subsequent subparts list circumstances that tend to indicate control by the employer, such as: (a) the organization hires and pays the contractor’s assistants; (b) the worker is required to comply with detailed instructions about when, where, and how he or she is to work; (c) the worker must devote full time to the activity; (d) the worker has no simultaneous contracts with other persons or organizations; (e) the organization reimburses the worker for expenses. Part 5224.0340 lists factors that tend to make a worker an independent contractor, such as: (a) the worker makes services available to the general public; (b) the worker is compensated on a “job basis” rather than by the hour, week, or month; (c) the worker stands to realize a profit or suffer a loss as a result of services provided; (d) the worker has substantial investment in facilities or equipment; (e) the worker is liable for his own negligence, personal behavior, and work actions with regard to customers or the general public.

WHAT IS GOVERNANCE? WHY IS IT CRUCIAL TO CHILDREN AND FAMILIES?

Governance is the arrangement of formal relationships and decision-making processes that a Collaborative creates in order to support its integrated service delivery. A governance agreement reduces this arrangement to writing. The result of planning for the Agreement is that the Collaborative will have organized its resources so that it can address the individualized needs of children and families.

All the detail in governance is about setting down various stakeholders’ roles and responsibilities so that the right people have the authority they need at a given moment to make decisions for children and families that they are best qualified to make and that bring the right resource to bear at precisely the moment when it will do the most good.

For example, the notion of family-centered care planning assumes that parents have valuable insights into the strengths and needs of their children. If parents’ insights are essential to the redesign of systems and to the appropriate care of their children, then we can view governance as the means by which a Collaborative decides to whom in the system parents will have the opportunity to speak, in what decisions parents will have the opportunity to engage, and what power parents will have to impact the decisions about the system and their own children. In short, governance is how a collaborative demonstrates whose voices it wants to hear and how powerfully it wants to hear each voice.

We say that the purpose of Collaboratives is to help children and families. Some people get frustrated with discussions of governance because, they believe, governance is merely about the system and bureaucracy—not about kids. Yet systems, too, are about children and families. Institutions are the extension and formalization of human relationships and interaction. Governance examines how to re-create the
formalized human interaction of people involved in the local system so as to result in better lives for children and families.

Contrary to those who claim that structure gets in the way of helping kids, a good governance agreement relieves an organization from indecision and haggling; thus allowing individuals to focus their energies on serving children and families. It does this by setting down a common resolution to such conflicts as: Who controls what? Who makes what decisions? Who performs what actions? Who is responsible for what? Who is accountable to whom? Good fences make good neighbors. Having once dispatched of such anxiety-producing matters, attention can return to more important work.

A good governance agreement sets forth purpose and defines responsibilities. It establishes a clear manner for making decisions. It preserves hard-won interagency relationships beyond the tenure of their creators.

**THE THREE PRODUCTS CONTAINED IN THIS DOCUMENT**

The reader will find three distinct products interwoven into this document. They interact but can function independently.

First, as a whole, the document lays out the components of a governance agreement and shows how to build an agreement. A collaborative can adopt the Model Agreement in whole or in part or merely use it as a pattern from which to tailor its own agreement. At the very least, a collaborative will not be forced to start from scratch.

Second, within several parts of the Model Agreement lie resolutions to specific, longstanding technical problems. The strategies used to overcome such barriers as liability, data practices, personnel, and the establishment of an integrated fund can be utilized whether or not the overall approach to governance is deemed to meet local needs.

Third, the Model illustrates how to establish a governance structure in order to support a particular service delivery approach. The content of this Model and, to a lesser degree, its structure is strongly biased toward a family-driven service approach. We specifically name the “Wraparound” process as our service delivery approach, but the Model Agreement will support other family-driven approaches equally well.

Therefore, the reader should view the document as a whole and then review it for its parts. If one aspect of the Model Agreement fails to address local needs, another aspect very well may be useful.

**INTRODUCTION TO THE FORMAT OF THE DOCUMENT**

The two-column format of the Model Agreement displays the Agreement text in the left-hand column and corresponding notes on that text in the right-hand column. The Governance Focus Team chose this format in order to clarify the meaning or purpose of text as the reader proceeds through the document.

The intent is that this Model Agreement serve both Family Services Collaboratives and Children’s Mental Health Collaboratives.

The Model can serve as the basis for (a) an interagency agreement, (b) a joint powers agreement, (c) articles of incorporation with somewhat more modifications, or (d) other forms of legal structure.
Fiscal Roles of Collaborative Bodies

Revenue Authority

- Governing Board
  - Establishes revenue budget (global budget)

Expenditure Authority

- Care Management Council
  - Establishes operating/expenditure budget
- Administrator
  - Manages funds or capitation & oversees and reviews service expenditure
- Family Care Teams
  - Commits resources according to care plans

FIGURE 5
(Down Arrow shows flow of budget & oversight decisions)
(Up Arrow shows flow of service authorization decisions)
Model Governance Agreement for Children’s Collaboratives in Minnesota

This agreement, made and entered into this ___ day of _______ 1997, by and between [names of parties to sign the agreement]

_______________________________________
_______________________________________
_______________________________________
_______________________________________
hereinafter referred to as the “Parties”, is as follows:

Authority and Premises:
Whereas: Minn. Stat. Sect. 121.8355 and Sect. 245.491 permits public and private child-serving agencies to come together by mutual agreement to establish a family service collaborative, a children’s mental health collaborative, or a collaborative formed by the merger of family services and children’s mental health collaboratives and to establish an integrated children’s service system; and

Whereas: The Parties agree that children’s needs cross over the boundaries of the categorical agencies and that services need to be coordinated across traditional systems; and

Whereas: The Parties agree that an integrated system should be built upon existing agencies and that system redesign consists in large part of redefining relationships among agencies; and

Whereas: The Parties agree that parents and community supports are key to successful care planning for children;

Now, therefore, in consideration of the mutual agreements combined herein, all participating Parties do hereby establish the Bigland County Children’s Collaborative, hereinafter referred to as the “Collaborative”, and do agree as follows:

Section 1: Purpose of the Collaborative
The Parties enter into this Agreement for the purpose of improving the social, emotional, educational, and economic outcomes of all Bigland County children, adolescents and their families by mitigating risk factors and enhancing protective factors and for the purpose of creating an integrated service delivery system for children, adolescents, and their families with multiple and special needs. The Parties shall found the Collaborative on the latest knowledge and best practices available in relevant professional fields and service delivery approaches. The Collaborative shall not function as a service provider but shall perform activities that coordinate supports and services such as: common intake; common assessment; common care planning; care coordination; standards setting; and outcomes evaluation. The Collaborative shall neither replace nor duplicate existing agencies but shall recreate relationships among them.
Section 2: Population to be Served and Service Delivery Model

A. Population To Be Served: The Collaborative shall serve children from birth through age 21 who have multiple problems or are at risk of developing multiple problems. Further, these shall be children who need, or are at risk of needing, coordinated multi-agency services and supports. Need for services and supports shall be determined by screening criteria developed by the Collaborative and/or evidenced by a behavior or condition that affects the child’s ability to function in a primary aspect of daily living including personal relations, living arrangements, work, school, self-care, and recreation. The Collaborative also shall serve the families of such children. A family to be served shall be defined, minimally, as the child’s primary adult care-taker(s) and other children with whom the child is residing. A family may include biological, step, adoptive, custodial, or non-custodial parents; biological, step, or adoptive siblings or other minors with whom the child is residing.

The Governing Board, in consultation with the Care Management Council, shall define an initial target population and subsequent operational target populations and, in addition, shall establish a plan for progressing from the initial target population to the ultimate service population as define in the above paragraph.

B. Service Delivery Model: The service-delivery model shall be the “wraparound process”, defined as intervention that is developed by an interdisciplinary team and that is based on the child and family’s strengths and the resources of the child’s community and that is cost-effective, needs-driven, unconditional, and culturally competent and that includes the delivery of highly individualized informal supports and formal services.

Whether or not a collaborative uses the term “target population”, it is useful to describe who is to be served by the collaborative. It is unlikely that any collaborative will serve all children within its geographic boundary. Even one whose intention is to serve all children will need to develop capacity over time as resources become available. In the meantime, how will it define its highest-priority children?

Children’s mental health collaborative statutes define a target population and require CMH collaboratives to define an “initial target population”. Family services collaborative law does not use the term “target population” but, in Minn.Stat. 1996, Sect. 121.8355, Subd.3(6)—it requires family services collaboratives to “determine which children and families need coordinated multiagency services”, an implicit requirement for a target population. In fact, many FS collaboratives have established target populations and the PEW-funded collaboratives expressly targeted children from birth to 6.

The model definition (at left) incorporates elements that are common to both kinds of collaboratives. Yet, due to wide variation among collaboratives, it should be viewed as little more than placeholder language.

The “wraparound process” is a nationwide social services, education, mental health, and developmental disabilities model developed by John VanDenBerg, Mary Grealish, Karl Dennis, and others. Several hundred Minnesota county, school, and Collaborative staff have received training.
Section 3: Composition of the Collaborative’s Decision-Making Bodies

A. **Family Care Teams:** The package of services and supports to be provided to a specific child or family shall be determined by an ad hoc “family care team” under the supervision of the Administrator. Such service decisions shall include expenditure decisions. A facilitator assigned to a family by the Administrator when a family applies for services shall work with the family to compose a Family Care Team. The composition of each Family Care Team shall be tailored to the family being served. The Team shall be composed of a care coordinator [case manager]; professionals who are, or have been, involved with the family; non-professionals who know the family or who have access to informal resources; the child, when appropriate; and at least one parent, caretaker, guardian, or trustee of the client child. A parent may be either an adoptive or a biological parent and may be either a custodial or a non-custodial parent. At least half of each Team shall be selected or approved by the client family and, additionally, the Family may select any person from inside or outside the local system of care to serve on the Team as their advocate.

B. **Collaborative Administrator:** Operational authority shall reside in the Collaborative Administrator, hereinafter referred to as the “Administrator”. Operational authority shall mean the day-to-day management of the Collaborative’s activities and personnel. The Administrator shall be selected by the Board.

C. **Care Management Council:** Design and policy oversight authority for the integrated service system to be operated by the Collaborative shall reside in the Care Management Council, hereinafter referred to as the “Council”. The Council shall exercise expenditure authority. Composition of the Council shall be determined by the Board and shall represent both agencies of the formal system of care and brokers of informal resources as needed to represent community resources available to strengthen and support families. [Suggested members are as follows: Formal agency representatives may include the County Social Services Director; the Superintendent of the School District, the chief executive officer of the community mental health center or the director of the county mental health agency; the director of public health, the director of community corrections or a juvenile court judge; tribal council chairpersons or tribal agency directors; directors of the local Community Action Program or Head Start and job transition agencies, private providers and culturally-specific providers, and community-based agencies that serve children or families. Informal resource brokers may include parents of children in the target population, neighborhood leaders, clergy, business leaders, volunteer networks, civic leaders and clubs, cultural leaders, leagues and teams, unions, kin and “non-blood” kin, and family advocacy agencies.]

The Board—having legal and revenue authority—should logically have hiring and firing power over the top manager. As part of a checks-and-balances system, the Administrator answers to the Council with regard to expenditures.

The Council brings in non-agency stakeholders in order to gain access to the informal resources which participants such as clergy, business, cultural, and neighborhood leaders represent. Their participation also mitigates the tendency among agency-only teams to let a bias toward traditional services creep in. Plus, it encourages the broader community to assume community “ownership” of children and families with complex needs. This leads toward a community value which says: “We take care of our own.”

Others states’ indicate that communities with high levels of cohesiveness tend to have smaller councils, whereas communities with high levels of disagreement on policies around families and children need to start with larger, more inclusive memberships.
D. Governing Board: Legal authority of the Collaborative shall be exercised by the Collaborative Governing Board, hereinafter referred to as the “Board”. The Board shall exercise revenue authority. The Board shall be composed of ___ members and an alternate from the Bigland County Board of Commissioners, each regular member assigned to represent a statutorily-mandated county entity; one member and an alternate from the School Board of [each participating school district], one member and an alternate from the [non-county local mental health entity], two members and an alternate from [a local organization of consumers or parents of children in the target population], and one member and an alternate from [each organization--public or private-- that contributes monetary or in-kind resources to the Collaborative’s integrated fund.] Appointments of members and alternates to the Board shall be determined by a process established by each represented entity.

Section 4: Powers and Duties of Collaborative Decision-making Bodies

The powers and duties of this Agreement shall be carried out by a Collaborative Governing Board, a Care Management Council, a Collaborative Administrator, and ad hoc multiagency Family Care Teams as defined below. In general, the Board shall function as the purchaser of supports, interventions, and services. The Council shall function as the coordinator of the provider system and act, day to day, via the Administrator and Family Care Teams.

A. The Family Care Teams Shall:

1. Assess the type and frequency of supports and services needed based on the child’s and family’s strengths and needs;

2. Develop highly individualized and coordinated care plans via the “wraparound” process. Teams shall base care plans on a child’s and family’s strengths, culture, values, and preferences. Teams shall balance care plans between formal services and informal supports and resources. Plans must be consistent with financing criteria established by the Council as provided in Section 4-C-2 of this Agreement and are subject to oversight and review by the Administrator;

3. Authorize and incur expenses for the provision of supports and services according to the care plan;

4. Monitor progress toward achieving outcomes stated in the care plans and assure that authorized services are, in fact, provided;

5. Meet at the call of the family’s care coordinator;

6. Create a respectful atmosphere that is conducive to an equal decision-making role for parents, caretakers, or guardians in the planning of supports, interventions, and services for the children and family.

7. Strive to reach consensus but may make decisions by majority vote.

Splitting revenue and expenditure authority between the Board and the Council serves two purposes: First, it is a key element of checks-and-balances. Second, it anticipates evolution toward managed care by setting up the Board with duties similar to a purchaser of services.

Each of the county commissioners may be assigned to represent particular county departments. This arrangement provides representation for departments that are statutorily-mandated partners, such as public health and juvenile justice, while maintaining a Board comprised of elected officials. Further, it avoids the discomfort of placing commissioners and their employees on the same body as nominal equals.
B. The Collaborative Administrator Shall:

1. Coordinate the development of the integrated service system;

2. Manage the daily operations of the integrated service system, including the functions as provided in Section 4-C-1 of this Agreement;

3. Manage service expenditures within the operating budget established by the Council, including oversight and review of the costs of service packages developed by Family Care Teams;

4. Contract, through the Fiscal Agent, for supports, interventions, and services for children and families in the Target Population according to an individualized multiagency care plan as developed by Family Care Teams.

5. Appoint a “family facilitator” who shall serve as host and advocate to each child and family when applying for or receiving services. The Facilitator also shall work with the family to configure a Family Care Team.

6. Assure care coordination;

7. Hire and supervise Collaborative-employed staff. Supervise staff employed by the Parties who are assigned to Collaborative duties, with regard to those Collaborative duties;

8. Supervise Fiscal Agent staff with regard to Collaborative duties;

9. Oversee the collection and reporting of data by the Fiscal Agent and ensure collection of data as necessary for the maintenance of client records, coordination of service provision, performance and outcome evaluation; periodic reports to the Parties; and mandated reports to local, state, or federal governments;

10. Report to the Board.

May be called “manager”, “coordinator”, “director”, “chief executive officer”, or whatever suits the Board. The function is to be in charge of the Collaborative’s operations and daily activities and to execute the Collaborative’s mission and the policies of the Board and Council.

The issue of schools’ inability to operate under budget caps due the entitlement nature of services identified in IEPs is unresolved. Consideration could be given to a stop-loss or state-local risk-sharing arrangement covering school liability for IEPs, out-of-home placements, and court-ordered services.
C. The Care Management Council Shall:

1. Develop an integrated service delivery system for children in the Target Population, the design of which shall be approved by the Board. The integrated system shall include:
   
a. A common vision of how the local system of care should serve the Target Population, including a Collaborative planning and development process and timetable;

b. A plan for the expansion of the operational target population, enlistment of additional Collaborative partners, expansion of the services and supports array, and--if becoming a provider of prepaid children’s mental health services is contemplated--ensuring a catchment area sufficiently large to provide economic viability;

c. Practices that provide earlier identification of problems and risks;

d. A common client pathway which identifies the components and functions of an integrated system and a client’s access to each component;

e. A client access plan that permits normalized or non-stigmatized access to the entire service network regardless where the child enters the system;

f. Common intake protocols that link a client with a “family facilitator” immediately upon referral or application for service to serve as the family’s host and advocate in the system;

g. Protocols providing for either coordination of assessments or use of a common assessment tool and for determination of the need for multi-agency service coordination;

h. Protocols for highly individualized multiagency care planning by a Family Care Team as provided in Section 4-A-2 of this Agreement;

i. Protocols for unitary care coordination (case management) in which the care coordinator has access to all program options and all funding sources in the local system of care and who will work with the family as an equal partner to determine how the system may best serve the family’s needs;

j. Client outcome standards;

k. Data practices guidelines for Collaborative staff regarding the collection, creation, reception, maintenance, dissemination, or use of private data on individuals;

l. Procedures for appeals, due process, and client-to-system mediation.

Each item 1-A through 1-L represents a component of an integrated service system which the Council or subcommittees must develop or adopt.
2. Establish policies for use of the Integrated Fund including setting criteria for the financing of individual plans of care;

3. Adopt an operating (expenditure) budget based on revenues assigned by the Board;

4. Evaluate performance of the Administrator and Family Care Teams and the clinical performance of providers and assure client outcomes;

5. Establish personnel policies for any hired or contracted staff or any staff employed by any Party but assigned to Collaborative work;

6. Advise the Board with regard to expanding the operational target population;

7. Establish a Staff Development Committee whose charge shall be to enhance staff capacity to carry out the mission of the Collaborative. The Committee will:
   a. develop cultural competency training for direct-service staff and managers;
   b. recruit or train culturally competent and professionally qualified service providers for the Collaborative network;
   c. develop training modules in: the wraparound process; functioning in an integrated system; comparative overview of funding streams; and other training modules as needed.

8. Establish an Informal Resources Committee to facilitate access to informal resources.

9. Establish a Managed Care Planning Committee whose charge shall be to investigate, plan, and make recommendations to the Council with regard to the Collaborative’s future relationship to the local managed health care system, other collaboratives, and any emergent managed child welfare system;

10. Appoint an advisory committee composed of parents of children in the target population, providers, client advocates, and representatives of parent organizations, community organizations, and local business or any person or organizational representative whose advice or technical assistance is deemed valuable by the Council. The composition of the advisory committee shall be representative of the diverse cultures in the target population. By mutual agreement, the Local Advisory Council, as provided in M.S. Sect. 245.4875, subd. 5, may function as this advisory committee.

11. By mutual agreement, the Council may assume the duties of the Local Coordinating Council, as defined in M.S. Sect. 245.4875, Subd. 6.

Committees suggested in 7-10 are only suggested ways to focus resources on future development needs. Your list of anticipated needs may differ.
D. The Governing Board Shall:

1. Define the scope of the system to be established, including the Target Population;

2. Determine the composition of the Care Management Council;

3. Oversee an Integrated Fund, as established by Section 6 of this Agreement;

4. Negotiate Integrated Fund contributions from each Party in accordance with a specified work product to be provided to the Target Population;

5. Approve an annual revenue budget at its annual meeting by approval of three-quarters of those in attendance who are eligible to vote. Such revenue budget shall account for all resources available to the Collaborative, both monetary and in-kind. Such budget also shall show both the joint service delivery account and the administrative accounts maintained separately by the Parties, as provided in Section 6-D;

6. Select a Fiscal Agent from among the Parties to this Agreement. The Fiscal Agent shall:
   a. establish and maintain a “service delivery” account and an “administration” account, as provided in Section 6-D;
   b. receive and maintain funds assigned by the Board;
   c. receive local, state, and federal grant dollars, cash, and charitable contributions and maintain in the joint service delivery account;
   d. disburse funds at the direction of the Collaborative Administrator;
   e. account for revenues and expenditures and produce appropriate financial statements according to categories determined by the Board and Council;
   f. provide reports as required by state and federal agencies;
   g. designate a staff person for Collaborative duties who shall report to the Collaborative Administrator;
   h. prepare periodic financial reports to the Board.

7. Through its Fiscal Agent, receive funds contributed by Parties to this Agreement and funds from the State of Minnesota, the federal government and from any lawful governmental or private source, including gifts;

8. Apply for and accept grants, gifts, loans, and other assistance from any lawful source.

9. Through its Fiscal Agent, expend funds and enter into contracts for the purposes described in this Agreement and in accordance with the operating budget approved by the Council, as provided in Section 4-C-3;

10. Employ and supervise a Collaborative Administrator who may, at the Board’s discretion, be an employee of the Collaborative or of any Party;

11. Evaluate Collaborative fiscal performance to ensure accountability for effective and efficient use of public funds and oversee client outcomes;

Establishing the Collaborative is accomplished by executing this agreement.

Establishing the integrated fund is accomplished by executing this agreement.

A collaborative organized under an interagency agreement must appoint a fiscal agent. A collaborative organized as a separate legal entity (such as a joint-powers authority) may choose either to appoint a fiscal agent or to set up its own administrative capacity.
12. Notify all Parties at least one fiscal quarter before the beginning of each fiscal year of any anticipated additional financial expenses for the forthcoming year;

13. Adopt by-laws on operating procedures.

By-laws may include the following provisions:

a. The Board shall meet quarterly.

b. At an annual organizational meeting to be held each January, the Board shall elect from its membership a chairperson and such other officers as it deems necessary for the conduct of its affairs.

c. The Board shall strive for consensus in its decision-making but a two-thirds majority vote shall rule.

d. Each member shall have one vote in the determination of all issues.

e. A quorum is necessary for the conduct of business. A quorum means the presence of a majority of the members or alternates.

f. Any member with more than two unexcused absences from regular Board meetings in a calendar year may be removed from the Board.

g. An alternate member, when acting in the absence of a member, shall have all rights and privileges of a member, including the right to vote on all matters before the Board.

h. Time and places of regular and special meetings shall be determined by the Board. All meetings shall be conducted in a manner consistent with the Minnesota Open Meeting Law, Minn. Stat., Sect. 471.705, which permits closing a meeting for the discussion of private data.

i. Each member of the Board who is not entitled to collect a per diem from a Party to this agreement may receive a per diem from the Collaborative. Members may be reimbursed for their expenses in the performance of their official duties. The source of per diems and expenses shall be established by a resolution of the Board.

j. A record of the proceedings of all Board meetings shall be kept in the form of Minutes approved by the Board. Minutes shall be kept by the Collaborative Administrator.

k. The laws relating to official interest in contracts and conflicts of interest shall apply. It shall not constitute a conflict of interest for an employee, director, or officer of a provider agency who is a Party to this agreement to serve as a member of the Board provided that such employee, director, or officer abstain from deliberation, action, or vote in specific respect to that provider agency, including service contracts between the Collaborative and that provider agency.

l. The Board shall annually present a full and clear statement of the financial condition and mission effectiveness of the Collaborative to all Parties.

m. All Parties shall be permitted to inspect the books and records of the Board and Collaborative at any reasonable time. Notwithstanding this provision, all state and federal laws regarding the privacy of client data shall apply.

n. The proceedings of the Board shall be conducted according to Roberts Rules of Order, except as modified by the Board.

o. The location of Board meetings shall be accessible by wheel chairs.
Section 5: Duties of the Parties

A. The Bigland County Board of Commissioners Agrees to:

1. Designate ___ members to the Collaborative Governing Board;

2. Assign staff to the operation of the integrated service system as needed to accomplish the mission of the Collaborative;

3. Participate in programs and projects operated by the Collaborative;

4. Serve as Fiscal Agent, via the Bigland County Department of Social Services, for the Integrated Fund, establish a special fund for execution of fiscal agency duties, and produce monthly financial reports;

5. Assign to the Integrated Fund an amount specified in Section 6-H of this Agreement which shall consist, in part, of the following state and federal grants:
   a. Children’s Mental Health Combined Grant
   b. Children’s Community Based Service (R-78)
   c. CMH Collaborative Implementation
   d. CMH Collaborative Wraparound
   e. TEFRA Alternatives
   f. Homeless Mental Health Screening
   g. Adolescents with SED & Violent Behavior
   h. CMH Service Capacity Building
   i. Respite Care for SED Children
   j. Federal Child Care discretionary funds
   k. Child Abuse Prevention funds
   l. Family Preservation
   m. Family Services Collab. Implementation
   n. Independent Living Initiative
   o. Maternal and Child Health
   p. Prenatal Care Outreach

6. Assign to the Integrated Fund that portion of funds derived from Child Welfare Case Management reimbursement which is in excess of the amount required to sustain existing activity;

7. Require public health and corrections agencies to participate in the Local Collaborative Time Study under terms and conditions agreed to between the County and the Minnesota Department of Human Services and to contribute earnings to the Integrated Fund;

8. Assign to the Integrated Fund _____ percent of savings realized in all budget categories as a result of Collaborative activities.

Grants listed at left are illustrations only. However, the willingness of Collaborative partners to entrust the bulk of their responsibilities and resources for multi-problem and special needs children to the Collaborative ultimately will determine whether the Collaborative brings system change or becomes just another add-on project.
B. The Board [of each School District] Agrees to:

1. Designate ___ member(s) to the Governing Board;
2. Assign staff to the operation of the integrated service system as needed to accomplish the mission of the Collaborative;
3. Participate in programs and projects operated by the Collaborative;
4. Assign to the Integrated Fund the amount specified in Section 6-H of this Agreement, which shall include the following funds:
   a. _____________________
   b. _____________________
   c. _____________________
5. Participate in the Local Collaborative Time Study under terms and conditions agreed to with the Minnesota Department of Human Services and contribute earnings to the Integrated Fund;
6. Assign to the Integrated Fund _____ percent of savings realized in all budget categories as a result of Collaborative activities.

C. The Social Services Agency Agrees to:

1. Assign staff to the Care Management Council;
2. Assign staff to the operation of the integrated service system as needed to accomplish the mission of the Collaborative;
3. Participate in programs and projects operated by the Collaborative.

D. The Public Health Agency Agrees to:

1. Assign staff to the Care Management Council;
2. Assign staff to the operation of the integrated service system as needed to accomplish the mission of the Collaborative;
3. Participate in programs and projects operated by the Collaborative;
4. Participate in the Local Collaborative Time Study under terms and conditions agreed to with the Minnesota Department of Human Services and contribute earnings to the Integrated Fund.
E. The Corrections Agency Agrees to:

1. Assign staff to the Care Management Council;
2. Assign staff to the operation of the integrated service system as needed to accomplish the mission of the Collaborative;
3. Participate in programs and projects operated by the Collaborative;
4. Participate in the Local Collaborative Time Study under terms and conditions agreed to with the Minnesota Department of Human Services and contribute earnings to the Integrated Fund.

F. The CAP/Head State Agency Agrees to:

1. Assign staff to the Care Management Council;
2. Assign staff to the operation of the integrated service system as needed to accomplish the mission of the Collaborative;
3. Participate in programs and projects operated by the Collaborative.

G. The Mental Health Entity Agrees to:

1. Assign staff to the Care Management Council;
2. Assign staff to the operation of the integrated service system as needed to accomplish the mission of the Collaborative;
3. Participate in programs and projects operated by the Collaborative.

H. The Parent-Consumer Organization Agrees to:

1. Designate members to the Collaborative Governing Board;
2. Provide information and resources to parents of children in the Target Population with regard to the parents’ partnership in their Family Care Teams;
3. Contribute ____ staff or volunteer hours per year to the duties described in this section, such hours to be valued as provided in Section 6-H of this Agreement.
4. Assist parent support groups;
5. Provide information and resources about effective parent partnerships to system-of-care workers;
6. Implement a process for reviewing complaints from families and making recommendations to address those complaints.
7. Develop or assist with development of a community outreach plan; implement the outreach plan, as approved by the Board; serve as liaison between the Collaborative and its geographic and client communities; and provide outgoing public relations services to the Collaborative in cooperation with other Parties, the Board, the Council, and the Administrator;

By signing this Agreement, the CAP agency satisfies the law requiring it to be a member of a family services collaborative. In this Model, the agency may designate a representative to the Governing Board if it contributes resources to the Integrated Fund.

By signing this Agreement, the mental health entity satisfies the law requiring it to be a member of a children’s mental health collaborative. In this Model, the agency may designate a representative to the Governing Board if it contributes resources to the Integrated Fund.

Duties defined herein are examples only.

A parent-consumer organization, for the purposes of this agreement, is one whose members are parents of children in the target population or consumers or past consumers of children’s mental health services or whose members advocate for families of children in the target population.

A local parent-consumer organization may be either an independent, uniquely-local group—such as many school-based groups—or it may be an affiliate of a statewide organization.

Those who intend to sign this agreement may define a parent-consumer group to meet local needs. However, once defined, the parent-consumer organizations should be able to initiate their participation in the Collaborative and should not be required to seek the sanction or “permission” of other signatories to perform their role in the local system of care.
8. Participate and assist with advocacy services for children in the Collaborative’s Target Population;
9. Provide fund-raising services for the Collaborative;
10. Review Collaborative supports, interventions, and services for inclusivity and cultural appropriateness;
11. Train its staff, directors, and members as needed to conduct the above described activities.

Liability coverage purchased from the Minnesota Counties Insurance Trust would protect parent/consumer participants.

A community with no formal parent-consumer organization would need to develop one under the strategy of this agreement. PACER and MACMH have received state grants to develop a statewide network of parent support groups and to help parents learn skills necessary for involvement in the policy arena.

Section 6: Collaborative Finances and Integrated Fund
A. The Parties agree to establish an Integrated Fund for the purposes of financing individualized care plans and increasing the flexibility of funding sources. The Integrated Fund will be used to purchase supports, interventions, and services for children and families in the Target Population, to coordinate the provision of supports, interventions, and services, and to operate the Collaborative.
B. Parties agree that the Integrated Fund shall be under the direct control of the Governing Board and shall be administered, under the Board’s control, by such fiscal agent as the Board shall choose.
C. The Integrated Fund shall consist of both monetary and in-kind resources to which a monetary value shall be assigned by agreement between the contributor and the Board.
D. Parties agree that the Integrated Fund shall constitute a single financial statement consisting of two accounts: The “service delivery account” shall be a joint account held in the name of the Collaborative separately from the Parties. The “administration account” shall show resources separately held by each Party in clearly distinct cost centers. Resources so maintained shall be administered by each holding Party but be subject to control of the Governing Board.
E. The Service Delivery Account shall contain local service dollars contributed by the Parties from sources including but not limited to local property tax revenues, Community Social Services block grants, federal Title XX grants, and other sources; state and federal Medicaid reimbursements; state and federal grants; Local Collaborative Time Study earnings; service contributions from non-governmental Parties; private gifts; and the monetary value of in-kind contributions. Resources in this account shall be designated for the provision of supports, interventions, and services to the Target Population, including direct provision of services; purchase of service contracts; service coordination activities; informal support activities; and Collaborative administrative activities. The fiscal agent shall administer this account.
F. The Administrative Account shall show the value of the Parties’ in-kind administrative activities and the value of Parties’ employees assigned to Collaborative service delivery and coordination activities. Resources in this account shall be designated for Parties’ staff-provided administrative activities and for Parties’ staff-provided direct services. Each Party shall administer its own cost center.
G. Grants and contributions to the Collaborative shall be maintained by the fiscal agent in the joint Service Delivery Account and shall not be considered as contributions from any particular Party or Parties.

H. This schedule of contributions shall be renegotiated each year, approved at the annual meeting, and be incorporated into this Agreement by attached Supplement. For the year [date] to [date], Parties agree to the following schedule of contributions to the Integrated Fund:

<table>
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<th>Monetary</th>
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<tbody>
<tr>
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<td>Parent Org.</td>
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<tr>
<td>Contributing Agency</td>
<td>$________</td>
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</tbody>
</table>

I. Parties shall make four equal payments of their Integrated Fund contributions as defined in section 6-H, above, on the first day of the first month of each fiscal quarter (January 1, April 1, July 1, and October 1).

J. No Party shall be required to encumber any amount exceeding that set forth in section 6-H. However, nothing in this Agreement shall prohibit any Party from making an additional contribution or encumbrance of monetary or in-kind resources, nor from considering additional contributions or encumbrances on a case-by-case basis.

Section 7: Personnel

A. Staff employed by any Party and assigned to Collaborative duties shall report to the Administrator with respect to those duties. Employees shall remain within the compensation and job classification structure of the employing Party except insofar as the Collaborative may choose to supplement compensation. Benefits as provided by the employer Party shall be retained, including employee health plan and contributions, retirement plans and contributions, liability insurance, and workers compensation insurance. This paragraph shall apply to the Administrator, if retained as an employee of any Party, except that the Administrator shall report to the Board.
B. Staff hired by the Collaborative shall report to the Administrator, except in the case of the Administrator who shall report to the Board. Compensation and benefits shall be determined by the Administrator in consideration of attracting the best-qualified candidates and of equity among staff. Compensation and benefits for a Collaborative Administrator hired in this manner shall be determined by the Board.

C. Staff retained by contract also shall report to the Administrator, except in the case of the Administrator who shall report to the Board. The employment relationship shall be defined by agreement between the employee and the Host agency. The employment contract shall contain, at minimum, the following provisions:
   (a) that a contract employee shall accrue no tenure, rights, or benefits available to Host agency employees except that the Collaborative may provide such benefits as health coverage, sick leave, vacation pay, or severance pay from the Integrated Fund or other available resources;
   (b) that a contract employee shall be insured by the Host agency for claims arising from acts or omissions within the scope of his or her employment;
   (c) that a contract employee shall be enrolled in the Host agency’s employee retirement plan; and
   (d) that the Host agency shall make payroll deductions for the retirement plan and taxes, as required by law.

D. Volunteers working for the Collaborative shall report to the Administrator. Volunteers shall be covered by liability insurance as provided in Section 9-A of this Agreement. The Fiscal Agent shall be reimbursed for the cost of additional insurance premiums arising from this coverage from the Integrated Fund or other available resources. Volunteers shall be reimbursed for their direct expenses resulting from their duties.

Section 8: Data Practices and Procedures

A. All Parties agree to establish data practices that conform to state and federal statutes and rules regulating data, particularly the collection, creation, receipt, maintenance, or dissemination of private data on individuals as defined and regulated by the Minnesota Government Data Practices Act, Minnesota Statutes, Sect. 13, and or any other applicable state or federal laws. Parties further agree to establish practices for student data that conform to the federal Family Education Rights and Privacy Act of 1974 (FERPA). Such data practices shall, at minimum, include the provisions defined below in Sect. 8.B. through 8.K.

B. The Parties designate the Collaborative Administrator as the Responsible Authority pursuant to the Minnesota Government Data Practices Act, as the individual responsible for the collection, reception, maintenance, dissemination, and use of any data on individuals pursuant to this Agreement and for the training of employees with regard to data practices.
C. Parties agree to permit client families to consider the benefits of maintaining their privacy against the benefits of permitting disclosure of information in order to expedite the receipt of services and enable coordination among providers.

D. Parties agree to present a clear written or verbal Tennessen Warning, as provided in Minn. Stat., Sect.13.04, Subd. 2, to a client prior to asking the client to provide private or confidential information about her/himself or her/his minor children. Such notice describes what uses will be made of the information and the identity of other persons and entities authorized to receive the information from the collecting agency.

Parties further agree that any employee or volunteer who issues a verbal Tennessen Warning shall, as a general practice, make note of such issuance in the receiver’s case file. Parties further agree that Collaborative entities shall obtain the client’s signature on a written Tennessen Warning at the first face-to-face meeting following issuance of a verbal Tennessen Warning.

E. In instances when Collaborative entities need to use or disseminate client data in a manner different from that described to the client in the Tennessen Warning, the Parties shall obtain the written informed consent of the subjects of the data. The test for such need shall be whether the information sharing would result in a clear benefit to the child or family. Information sharing solely for the convenience of the Collaborative or its Parties shall not be deemed necessary.

An exception to the “written informed consent” rule shall be made where immediate concerns exist regarding the safety or health of a child, such as a medical or child protection emergency.

Parties further agree to promote information-sharing practices among employees that are consistent with the Collaborative’s service philosophy, namely that obtaining a family’s informed consent is fundamental to maintaining a parent-professional partnership.

Parties further agree that maintaining such parent-professional partnerships minimizes the risk of claims arising from the use or exchange of information on families.

Parties further agree to use a consent form that specifies:
• which agency is authorized to release data about the subject;
• the nature of the information to be disclosed;
• the persons or agencies to whom the subject is authorizing disclosure;
• the purposes for which the information may be used by any of the receiving parties; and
• the expiration date of the consent agreement which may not be more than one year.

F. Parties who are political subdivisions may execute contracts with non-governmental Parties and with service providers in order to provide for the exchange of private data on individuals. Contracts shall be in consideration of more efficient coordination of services to mutual clients. Contracts shall be consistent with all provisions of this section and with the Minnesota Government Data Practices Act.
G. Parties agree to restrict client data access to only individuals whose work assignments reasonably require access and, then, permit access only to specific records required to perform those assignments. Parties further agree that judgement about which individuals have the need to see information shall be made by the Collaborative Administrator in conjunction with a designated individual from any Party that is asked to release private data on individuals. Parties further agree that access to all electronic records on individuals by any and all staff shall be restricted by way of individual passwords which permit access consistent with this paragraph.

H. The Parties understand and agree that, pursuant to federal law, a school district may not, as a general rule, release any information about a student to anyone else, including other members of a Collaborative, unless the parent (or student if the student is 18 years of age) has consented to the release. Parties further agree to ensure that any information about a minor that the minor shared with any Collaborative entity on the condition that it be restricted from access by the minor’s parents, in accordance with M.S. Sect. 13.02, Subd. 8, shall not be shared with any other Collaborative entity where the possibility exists that such information could be entered into the minor’s educational record and thus, according to federal law, become accessible to the minor’s parents without exception.

I. The Parties understand and agree that an agency that is subject to the Data Practices Act but is not a county social services agency, a public health agency, or school district does not need the client’s informed consent to release client data to another individual within the agency who has been identified by the agency as needing the data in order to do his/her job. However, as a general rule, such agencies must obtain informed consent in order to release data to agencies outside the Collaborative.

J. The Parties understand and agree that a Collaborative member who is not subject to the Data Practices Act may collect and use client data as permitted by the laws, codes of professional conduct, ethical standards, and by-laws applicable to the agency. However, the Parties agree that the data practices of such agencies with regard to children and families served by the Collaborative shall conform to the provisions of this Section and be consistent with commitments and promises made to clients.

K. The Parties agree to provide training to pertinent staff and managers on the requirements of state and federal data practices law, on the provisions of this section, and on the data practices adopted by the Collaborative.
Section 9: Insurance and Indemnification

A. Insurance

1. Parties agree to protect the Collaborative from loss due to liability claims by applying for membership in the Minnesota Counties Insurance Trust. Membership shall include protection for (1) workers compensation and (2) property and casualty including: general liability, errors and omissions, professional liability, auto liability, and product liability.

2. Covered parties shall include any individual engaged in the activities of the Collaborative including but not limited to: signatories to the governance agreement; members of the governing board or any advisory committee, council, or task force; staff employed by the Collaborative; staff employed by a Party and assigned to the Collaborative; volunteers; parents and consumers while performing duties for the Collaborative; or any other individual not affiliated with an insured organization while performing Collaborative duties.

3. It is understood and agreed that the liability shall be limited by the provisions of Minn. Stat. Ch. 466 (Tort Liability, Political Subdivisions) and other applicable law and that such liability limits shall apply to any and all signatories to this Agreement and to any and all individuals while performing duties for the Collaborative.

4. Parties agree to evaluate the costs and benefits of providing an employee health plan, either through optional coverage from the Minnesota Counties Insurance Trust or another source.

5. Parties agree not to waive the provisions of this section.

B. Mutual Indemnification

1. In any instance in which mutual liability coverage is unavailable or inapplicable, each Party shall be liable for its own acts to the extent provided by law and hereby agrees to indemnify, hold harmless, and defend each other, its officers, employees, and volunteers against any and all liability, loss, costs, damages, expenses, claims or actions, including attorney’s fees which the other, its officers, employees and volunteers may hereinafter sustain, incur or be required to pay, arising out of or by reason of any act or omission of the Party, its agents, servants, employees or volunteers, in the execution, performance, or failure to adequately perform its obligations pursuant to this Agreement.

Statutory amendments enacted in 1996 and 1997 make any family services collaborative or children’s mental health collaborative that has been approved by the Children’s Cabinet insurable under the state’s tort liability statute. That statute limits liability and, thus, makes coverage more affordable. A collaborative may be organized under an interagency agreement, under joint powers authority, as a non-profit corporation, or by other means.

A family services collaborative that was approved by the Children’s Cabinet prior to August 1, 1996, need not include a CAP or Head Start agency among its signatory parties in order to obtain liability coverage.

This includes a collaborative approved prior to August 1, 1996, that later reorganized under a different legal structure such as a joint powers authority.
Section 10: Dispute Resolution

A. In the event of a disagreement between two or more Parties to this Agreement, Parties agree to abide by the following dispute resolution protocol:

1. Step One: The grieving Parties will attempt to work out the dispute through informal communication.

2. Step Two: The grieving Parties will notify members of the Governing Board in writing of the nature of the dispute and request the Board to hear the dispute at its next regular meeting and seek resolution at the meeting. Discussion shall comply with the state’s Open Meeting Law, Minn. Stat., Sect. 471.705

3. Step Three: If resolution is not achieved at the meeting described in Step Two, the Board shall take the matter under advisement and, at its following regular meeting, recommend a resolution to the grieving Parties, who must decide whether to accept the recommendation.

4. Step Four: The grieving Parties will submit the dispute to mediation by a neutral third party. The Governing Board will be a separate party to the mediation. The cost of mediation shall be equally distributed among grieving Parties.

5. Step Five: The grieving Parties will submit the dispute to binding arbitration. The cost of arbitration shall be equally distributed among grieving Parties.

6. Step Six: Upon resolution of the dispute, a joint communication will be issued to all affected parties.

B. Contracts between the Collaborative and service providers must include dispute resolution provisions whenever feasible.

C. Parties agree that if any Party fails to perform any of the duties in this Agreement, including failure to make quarterly payments to the Integrated Fund within ___ days of the established payment date, the Governing Board may, in lieu of terminating this Agreement, withhold service or administrative reimbursements from the Integrated Fund in the amount of $______ per day commencing ____days after the date of failure to perform.

D. Parties agree that families receiving services or supports from the Collaborative are key decision makers in all actions and decisions regarding their children. However, in the event of a dispute between the Collaborative and a family receiving services or supports from the Collaborative, the Parties to this Agreement will abide by the following dispute resolution protocol:

1. Step One: Any Collaborative staff, board member, advisor, or volunteer, upon learning by verbal or written means about any substantial grievance of a family be-
ing served by the Collaborative against the Collaborative, its personnel, or the actions of the Collaborative or its personnel, must notify the Family Care Team and the Administrator.

2. Step Two: The Family Care Team will invite the Family to a meeting of the Team within 20 days to describe the nature of the grievance. The family may invite an advocate or advocates of its choice. Either the family or the Team may invite any third party that it believes may facilitate resolution. The Team will attempt to resolve the grievance informally.

3. Step Three: Either the family or the Collaborative may request mediation by a neutral third party agreeable to all parties to the dispute. Participation in mediation is voluntary for all parties. Mediation must be completed within 20 days. Results of the mediation become binding and services and supports so agreed upon become part of the individualized care plan.

For the purposes of this Section, “family” means:
• a child over age 16 who has requested service or is being served by the Collaborative;
• the parents-- including a natural parent (either custodial or non-custodial), adoptive parent, or foster parent--of a child who has requested service or is being served by the Collaborative;
• a caretaker, guardian, trustee or other legal representative with written permission to represent the child or family.

Nothing in this protocol restricts a family’s due process rights under rule or law.

Section 11: Time Period of Agreement

The term of this agreement is for the period of time from the date signed to _________________[end date or “until rescinded”] unless amended as provided herein.

Section 12: Amendments to the Agreement

A. Except as provided in Section 12-B, below, this Agreement may be amended only by the agreement of [all / a majority / two-thirds] of the participating Parties. Notice of any proposed amendment must be provided in writing to all participating Parties at least thirty days in advance of the Governing Board meeting prior to the effective date of the proposed amendment.

B. Annually-renegotiated Integrated Fund contributions shall be deemed to be incorporated into this Agreement by attached Supplement.
Section 13: Withdrawal and Termination

A. Any Party may withdraw from this Agreement by passage of a resolution by its governing board declaring its intent to withdraw on a specific date, which date shall not be less than 180 days from the date of resolution and receipt of that resolution by the Collaborative Governing Board.

B. Where a Party exercises its option to withdraw, the withdrawing Party shall remain liable for fiscal obligations incurred prior to the effective date of withdrawal but shall incur no additional fiscal liability beyond the effective date of withdrawal.

C. The withdrawing Party shall not be entitled to a refund of contributions made to the Integrated Fund or other fees paid to operate the Collaborative.

D. Notwithstanding Parties’ authority to withdraw, this Agreement and the Board and Council created thereby shall continue in force until all participating Parties mutually agree to terminate this Agreement by joint resolution of the Parties, or until necessitated by law or decision of a court of competent jurisdiction. After the effective date of termination the Board shall continue to exist for the limited purpose of discharging the Collaborative’s debts and liabilities, settling its affairs, and disposing of Integrated Fund assets, if any.

Section 14: Disposal of Surplus Funds and Property

Upon termination of this Agreement, all personal and real property held by or in the name of the Collaborative will be distributed by resolution of the Governing Board in accordance with law and in a manner to best accomplish the continuing purposes of the Collaborative. As provided by law, any surplus monies will be returned to the Parties in proportion to contributions of the Parties after the purpose of the Agreement has been completed.

Section 15: Severability

The provisions of this Agreement are severable. If any section, paragraph, subdivision, sentence, clause, or phrase of the Agreement is held to be contrary to law, rule, or regulation having the force and effect of law, such decision shall not affect the remaining portions of this Agreement.
Section 16: Access to Books and Records

In accordance with Minn. Stat. Section 16B.06, Subdivision 4, each Party agrees to make its books and records retaining to its performance under this Agreement available to each other Party, and to keep such documentation for three years following termination of this Agreement.

Section 17: Effective Date

This Agreement shall be effective when adopted by all Parties.
IN WITNESS WHEREOF, participating entities, by official actions, have caused this Agreement to be executed by their respective officers:

Chairman, County Board
Chairman, School Board
Chairman, School Board
Director, Mental Health Entity
Director, Community Corrections
Director, Public Health
Director, CAP Agency
President, City Council

President, Parent Organization
Chairman, Tribal Council
Director, Health/Mental Health Clinic
Director, United Way
Director, Culturally-Specific Organizat’n
Director, Foundation
Director, HMO
Chr, Economic Development Council
President, Civic Organization
Chr., Ecumenical Council
President, Civic Organization
Director, Child Care Provider
Director, Volunteer Organization

Mandatory signatories:
Which ones are mandatory for your Collaborative depends upon whether yours is a family services collaborative or a children’s mental health collaborative.

Optional signatories:
Those listed are examples only.