



What does it mean for an applicant or grantee to be in “Good Standing” with the Affiliate?

During the Grant Closeout process, the Affiliate will evaluate each grantee using the same definition of “Good Standing” to determine if the grant should be closed in “Good Standing” or “Not in Good Standing.”

Grantees determined to be “Not in Good Standing” will not be eligible to apply for funding from the Affiliate until they have completed the Corrective Action Plan laid out by the Affiliate.

It is important to note that not being in “Good Standing” with the Affiliate will never come as a surprise to a grantee. This definition is available to all grantees and potential applicants, so they are aware of the Affiliate’s expectations for their performance.

Category	Definition	Good Standing	Not In Good Standing
<p>Reporting</p>	<p>Progress and final reports</p>	<p>Grantee’s progress and final reports were approved and submitted by the deadline, or grantee received an approved extension prior to the deadline.</p> <p>Reports are generally approved when a grantee:</p> <ul style="list-style-type: none"> • Submits all documents required for the progress or final report. • Meets objectives outlined in the application, unless adequately justified. • Uses funds in accordance with the approved budget and provides adequate budget justification. • All unspent funds, if applicable, were returned to the Affiliate by the deadline stated in the grant contract. 	<p>Grantee’s progress and/or final reports were <u>not</u> approved.</p> <p>Examples of reasons reports might not be approved include:</p> <ul style="list-style-type: none"> • Grantee did not submit a progress report. • Grantee did not perform the program/services described within their application and refuses to do so. • Grantee charged inappropriate or unapproved expenses to the budget, or there are concerns with the management of funds. • Grantee does not provide requested financial documentation. • Grantee does not comply with the Affiliate’s request for information or a site visit. • Reports are consistently turned in past the deadline without prior approval for an extension. <p>Other possible reasons for a grant being considered not in good standing:</p> <ul style="list-style-type: none"> • Documented evidence of poor program management and poor patient care by the grantee. • Grantee or any of its key employees, directors, officers or agents is convicted of fraud or a crime involving any other financial or administrative impropriety during the grant term. • Grantee loses certification to provide key services related to their grant due to quality of care issues.



Category	Definition	Good Standing	Not In Good Standing
Rescinding funding	<p>Grant programs that have been identified as no longer viable for which the grant contract is terminated early and grant funds may or may not be requested for return.</p> <p>Grant programs that have been identified as viable, but need much less funding than expected.</p> <p>Audit findings which demonstrate misappropriation of funds.</p>	<ul style="list-style-type: none"> • No history of rescinded funds due to poor performance. • Grantee and the Affiliate have worked together in good faith to resolve any issues, and it is determined the best course of action is to rescind some or all of the grant funds. 	<ul style="list-style-type: none"> • Funds were rescinded from the last grant cycle because the program was no longer viable and contract was terminated. Organization has not satisfactorily documented how they will improve the viability of the program. • Audit findings which demonstrate misappropriation of funds.
Corrective Action*	<p>An action taken to address grantee performance and insufficiencies that are negatively affecting grantee's ability to meet the obligations of their grant contract.</p>	<ul style="list-style-type: none"> • Applicant is not currently under a written warning. • Applicant is currently under a written warning and is adequately addressing issues of concern. 	<ul style="list-style-type: none"> • Applicant is currently under a written warning and is <u>not</u> adequately addressing issues of concern. • Applicant is currently under a written warning and has outstanding reports that have not been approved.

*There are several steps involved in Corrective Action and while Affiliates could rescind a grant/terminate a contract based on a major contract breach, a series of corrective measures may be taken first.

- 1) Verbal Warning
- 2) Written Warning
 - Signed and acknowledged by Grantee and Affiliate
 - Corrective Action Plan put in place
- 3) Written Warning- formal letter from local legal counsel seeking to cure breach
- 4) Board votes to rescind grant and terminate contract