

NORTH CAROLINA

Policy and Procedure Manual

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Last revision 3/20/10

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. A-1

Date Implemented by Board of Directors: 1/98; revised 1/26/02

Topic: Policy and Procedure Manual

Objective/Background: To supplement the bylaws with an up-to-date manual containing policy decisions and day-to-day procedures for the operation of NAMI North Carolina.

Procedures:

The Board of Directors will record in this policy manual Board decisions about ongoing policies and procedures. Initial categories will be the following:

- A. Operation of the Board
- B. Operation of Committees
- C. Budget and Finance
- D. Personnel
- E. Scholarships and Awards
- F. Program Policy
- G. Position Statements

Each time a policy decision is made, the President will ask the Bylaws Committee to draft the policy and procedures in manual format. When policies are drafted they will be presented at the next Board meeting for review, approval and incorporation into the manual.

When policies/procedures are revised, the old ones will be removed from the manual. The revised policy should note it is a replacement.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. A-2

Date Implemented by Board of Directors: 12/5/92; revised 1/22/00, 1/26/02

Topic: Meetings of the Board of Directors

Objective/Background: To ensure regular meetings of the Board of Directors.

Procedures:

It is the responsibility of the President of the Board of Directors to establish a calendar of meetings for the full Board of Directors during the fiscal year he/she is serving as President. The full Board shall meet as determined by the President and in full compliance with the Bylaws, Article VII, Section 2.

The President, in consultation with the Executive Director, may schedule meetings of the Executive Committee as needed.

The meeting after the spring conference, to elect Board officers, and the annual Board retreat are not regular Board meetings. These should not be counted as regular Board meetings

Date Implemented by Board of Directors: 1/93; revised 2/93, 1/22/00, 1/26/02

Topic: Approval and Distribution of Board Minutes

Objective/Background: To ensure accurate recording of Board proceedings and appropriate dissemination of minutes.

Procedures:

The Executive Director or other designated staff will serve as recording secretary at all Board meetings. A copy of the minutes will be sent to the Board Secretary for review and signature. If the Secretary was not present at the meeting, a copy of all minutes should be sent to the President for review and signature.

The Board Secretary will prepare minutes for Executive Committee meetings. These minutes should be sent to the President for review and approval.

A copy of the minutes including minutes of any Executive Committee meeting will be included in the Board member packet sent prior to the next Board meeting for member review.

Minutes of all the preceding meetings will be approved by the Board at each meeting. Any corrections made and approved by Board members will be included in the signed copy of the minutes. The signed copy will be filed at the NAMI office as part of the permanent record.

Copies of the Minutes may be provided to any member of NAMI North Carolina in good standing. Minutes may be reviewed at the NAMI office by anyone, and reasonable requests for copies may be mailed. Minutes must have Board approval before distribution.

Date Implemented by Board of Directors: 1/22/00

Topic: Process Preceding Dissemination of NAMI North Carolina Public Documents

Objective/Background: To assure that any policy statements, written positions, brochures, audio/video, books, or other materials are consistent with the mission of NAMI North Carolina and the positions and policies established by its Board of Directors.

Procedures:

All materials developed for dissemination to the public should be carefully reviewed by the Executive Director to determine whether they need Board approval. NAMI North Carolina original materials are subject to Board review. This designation specifically excludes 1) materials based on NAMI publications, 2) materials consistent with NAMI and NAMI North Carolina positions.

The draft of original material not meeting the above exclusions shall be submitted to the Chair of the appropriate committee for review and approval. The committee must provide a recommendation to the Board for approval. The Board must accept the recommendation for the material to be considered official NAMI North Carolina material. If time does not allow for this process, the committee chair and President must provide approval. The material must be presented to the Board for approval at the next Board meeting.

NAMI North Carolina letterhead shall not be used by anyone except the President and staff without approval of the Executive Director.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. A-5

Date Implemented by Board of Directors: 1/22/00; revised 11/17/07

Topic: Endorsements and Advertisements

Objective/Background: To establish a policy regarding advertisements and support of NAMI North Carolina publications and activities.

Procedures:

NAMI North Carolina endorses no product, but it may accept paid advertisements subject to the approval of the Executive Committee for its *Clippings* to offset the cost of publication.

Further, NAMI North Carolina may accept contributions to support its publications or activities and may acknowledge receipt of that contribution in a publication.

Acknowledgement of receipt of a contribution does not imply endorsement of any business practice or product.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. A-6

Date Implemented by Board of Directors: 1/22/00; revised 1/26/02

Topic: Board Orientation

Objective/Background: To ensure board training and development activities.

Procedures:

All Board members shall receive a copy of a new or revised Board Manual at the annual retreat.

The Executive Director, in consultation with the President, will provide an update for the entire Board at the annual retreat or a summer Board meeting. The presentation shall include, but is not limited to, updating current policy issues, program overview, financial update, and roles of important players in the mental health system. An orientation for new members shall be held after their election, but before the retreat, and shall include history, and roles and responsibilities of the Board and staff.

Ongoing Board activities to promote Board development may be scheduled at the direction of the President as needed.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. A-7

Date Implemented by Board of Directors: 7/1/99; revised 1/22/00, 1/26/02, 9/22/07, 7/19/08

Topic: Reimbursement of Board Travel Expenses

Objective/Background: To establish reimbursable travel expenses and a procedure for approval and payment.

Procedures:

Board members may be reimbursed for the following expenses: mileage, air or ground transportation, meals, conference registration fees, and parking. Travel expenses must be in relation to carrying out the duties and responsibilities of the board of directors, including attending board meetings, NAMI NC conferences, visiting affiliates, speaking at education/policy forums on behalf of the organization.

Conference expenses for the President and the Consumer Council representative will be paid by NAMI North Carolina to the NAMI Leadership Conference and national conventions. Other Board members attending these meetings must apply for scholarship support.

Board members may request assistance for travel expenses to the Board meetings if this travel presents a hardship.

Transportation

Mileage payment will not exceed the cost of a super saver airfare ticket plus ground transportation. Actual mileage will be reimbursed at one-half the allowable IRS rate per mile. Airfare will be reimbursed at the super saver rate, or lowest applicable fare for the trip.

Meals and Hotel

Meals will not be reimbursed for in-state travel, except in those cases where overnight travel is required or when the cost of meals is included in the meeting fee. For out of state meetings, board members will receive the current out-of-state NC State Government per diem for meals.

Actual cost for a single room at the lowest applicable rate will be reimbursed. If a room is shared, one-half the actual cost of the double will be reimbursed.

Reporting

Travel expenses must receive prior approval by the Executive Director, in consultation with the President if needed, and be within the budget identified for board travel expenses. Expenses will be reimbursed if receipts are received by the NAMI North Carolina office within 30 days of the expenditures. Cash advances prior to an expenditure must be approved by the Executive Director in consultation with the President.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. A-8

Date Implemented by Board of Directors: 1/08

Topic: Reimbursement of Employee Travel Expenses

Objective/Background: To establish reimbursable travel expenses and a procedure for approval and payment

Procedures:

Employees may be reimbursed for the following expenses: mileage, air or ground transportation, meals, conference registration fees, lodging, and parking. Travel expenses must be in relation to carrying out the duties and responsibilities of the employees' position at NAMI North Carolina, including attending meetings, NAMI NC conferences, and speaking or exhibiting at conferences, conventions or educational forums on behalf of the organization. Tips are not a covered expense.

Transportation

Reimbursement for airfare will not exceed the cost of a super saver airfare ticket plus ground transportation. Actual mileage will be reimbursed at the IRS allowable rate per mile. Airfare will be reimbursed at the super saver rate, or the lowest applicable fare for the trip. Employees are expected to park in the cheapest lot available.

Meals and Hotel

Meals will be reimbursed for in-state travel, only when traveling outside of your regular working area, when overnight travel is required or when the cost of meals is included in the meeting fee. Reimbursement rates will conform to the NC Division of Mental Health for in and out-of-state travel. Actual cost for a single room at the lowest applicable rate will be reimbursed. If a room is shared, one-half the actual cost of the double will be reimbursed.

Reporting

Employees' will fill out a Travel Reimbursement form within 30 days of travel charges. Receipts for airfare, cab/car rental, parking, hotel and meals **over the per diem rates** must be attached to the reimbursement form which will be handed in to be approved by the Executive Director. Spending over the per diem levels is discouraged and may not be reimbursable. All travel must be within the budget identified for the employees' travel expenses.

Date Implemented by Board of Directors: subsumes Conflict of Interest adopted in 7/25/91 and reaffirmed 9/18/04; revised 3/20/10

Confidentiality/Conflict of Interest

Objectives/Background: This policy covers conflict of interest, and confidentiality. Our board chose not to adopt all aspects of the internal & external relations/board conduct policy issued by national as our ethics and values are covered in our board job description.

Confidentiality

Confidentiality is a hallmark of professionalism. NAMI employees and board members:

- Ensure that all information that is confidential or privileged or that is not publicly available is not disclosed inappropriately.
- Ensure that all nonpublic information about other persons or firms acquired by NAMI personnel in dealing with outside firms on behalf of NAMI is treated as confidential and not disclosed.

It is the policy of NAMI that board members and employees of NAMI may not disclose, divulge, or make accessible confidential information belonging to, or obtained through their affiliation with NAMI to any person, including relatives, friends and business and professional associates, other than to persons who have a legitimate need for such information and to whom NAMI has authorized disclosure. Board members and employees shall use confidential information solely for the purpose of performing services as a board member or employee for NAMI. This policy is not intended to prevent disclosure where disclosure is required by law.

Board members and employees must exercise good judgment and care at all times to avoid unauthorized or improper disclosures of confidential information. Conversations in public places, such as restaurants, elevators, and airplanes, should be limited to matters that do not pertain to information of a sensitive or confidential nature. In addition, board members and employees should be sensitive to the risk of inadvertent disclosure and should for example, refrain from leaving confidential information on desks or otherwise in plain view and refrain from the use of speakerphones to discuss confidential information if the conversation could be heard by unauthorized persons.

Board members and employees shall sign a confidentiality form at the onset of their service and as appropriate complete an exit check sheet at the conclusion of their service.

Conflict of Interest

It is the responsibility of both the Board and employees of NAMI NC to administer its affairs honestly and economically, exercising their best care, skill and judgment for the benefit of the organization. To that end, this policy requires full disclosure of any interest which might result in a conflict of interest on the part of an employee or a Board member.

Board of Directors and employees should exercise the utmost good faith in all their duties to NAMI NC and its property. In their dealings with and on behalf of NAMI NC they are held to a strict rule of honest and fair dealing between themselves and the organization. They shall not use their positions, or the knowledge gained from their position, so that a conflict might arise between the corporation's interest and that of the individual.

All acts of Board members and employees shall be for the benefit of the organization in any dealing which may affect it adversely.

No Board member or employee shall accept any favor which might influence his actions affecting the organization.



**Confidentiality Policy for Board Members of
NAMI North Carolina, Inc.**

Because NAMI North Carolina (NAMI) considers certain information to be confidential and/or proprietary, Board members are asked to sign a confidentiality agreement. Board members may not communicate this information without authorization.

Confidential information can include the following information about NAMI and the organizations it serves; information related to all technical assistance services; certain business information such as financial and marketing data or strategies, budget information, bid proposals, contract negotiations; information on internal organizational issues or problems, research and development ideas, current or proposed policies, meeting minutes, passwords, access codes, fundraising information, and donors' or prospective donors names or affiliations; personnel actions such as promotions, demotions, terminations, personnel controversies, compensation, payroll data and performance appraisals; information that is of a personal or confidential nature; certain legal advice, opinions and documents; and any other information designated as confidential. If board members are not sure if the information they are handling is confidential, they should consult the Executive Director.

When discussing or transmitting confidential information, board members should follow these guidelines:

- Do not reveal any confidential information unless the Board approves it;
- Be sure that confidential information is properly marked and secured before transmittal;
- Ensure that the recipient has a legitimate need to know the confidential information;
- Avoid displaying confidential information where it can be easily observed;
- Immediately inform the Board of the loss of any confidential information;
- Limit reproduction and distribution of such information;
- Secure confidential documents in locked cabinets or containers when not in use; and
- Properly dispose of all confidential information.

Board members may not remove any confidential information from NAMI's offices without specific authorization to do so. Board members who are leaving NAMI must return all confidential and sensitive information to the Board before departing.

I agree to uphold this policy as a Board member of NAMI North Carolina:

Name: _____

Title: _____

Date: _____



**Confidentiality Policy for Staff Members of
NAMI North Carolina, Inc.**

Because NAMI North Carolina (NAMI) considers certain information to be confidential and/or proprietary, new employees are asked to sign a confidentiality agreement. Employees may not communicate this information without authorization from their supervisor.

Confidential information can include the following information about NAMI and the organizations it serves; information related to all technical assistance services; certain business information such as financial and marketing data or strategies, budget information, bid proposals, contract negotiations; information on internal organizational issues or problems, research and development ideas, current or proposed policies, meeting minutes, passwords, access codes, fundraising information, and donors' or prospective donors names or affiliations; personnel actions such as promotions, demotions, terminations, personnel controversies, compensation, payroll data and performance appraisals; information that is of a personal or confidential nature; certain legal advice, opinions and documents; and any other information designated as confidential. If employees are not sure if the information they are handling is confidential, they should consult their supervisor.

When discussing or transmitting confidential information, staff should follow these guidelines:

- Do not reveal any confidential information unless your supervisor approves it;
- Be sure that confidential information is properly marked and secured before transmittal;
- Ensure that the recipient has a legitimate need to know the confidential information;
- Avoid displaying confidential information where it can be easily observed;
- Immediately inform your supervisor of the loss of any confidential information;
- Limit reproduction and distribution of such information;
- Secure confidential documents in locked cabinets or containers when not in use; and
- Properly dispose of all confidential information.

Employees may not remove any confidential information from NAMI's offices without specific authorization to do so. Employees who are leaving NAMI must return all confidential and sensitive information to their supervisor before departing.

I agree to uphold this policy as a staff member of NAMI North Carolina:

Name: _____

Title: _____

Date: _____

Date Implemented by Board of Directors: 03-21-09

TOPIC: Whistle Blower Policy

It is the policy of NAMI NC that employees or other public stakeholders have an open opportunity to bring to the attention of NAMI NC governance, allegations of wrongdoing or malfeasance on the part of NAMI NC staff, its officers, employees, and independent contractors. This includes but is not limited to violations of law, gross waste of NAMI NC funds or property, or abuse or neglect of fiduciary duty. Not by way of elimination but by way of explanation, these allegations will usually fall into the following categories:

- Commission of criminal offences
- Instances of regulatory non-compliance
- Issues of probity and propriety, e.g. fraud, theft, bribery, corruption and embezzlement

Retaliation towards those who report such allegations will not be tolerated. Those who retaliate, interfere with investigations, or destroy or conceal evidence will be subject to immediate disciplinary actions to the full extent of the law.

Employees who willfully file complaints based upon information known by the employee making the allegations to be false or misrepresented, will be subject to disciplinary action or other remedies of law.

Procedures for Whistle Blower Complaints and Complaints of Retaliation

The Board of Directors shall receive allegations pursuant to the provisions of this policy. Reports of alleged wrongdoing, should be submitted in writing, and include a verifiable name, address, and telephone number of the reporter to the Board of Directors. Reports of allegations submitted anonymously may or may not be investigated.

The Board Executive Committee will conduct an investigation of the complaint. Referrals shall be made to the appropriate law enforcement agencies when there is reason to believe that a crime may have been committed.

Investigations will be conducted promptly and a written report with investigative findings and conclusions shall be sent to the Board of Directors within ninety (90) days of the date on which the allegations were received.

An employee or applicant who believes that retaliation prohibited by this policy has occurred must, within sixty (60) days after the alleged prohibited action has taken place, file a complaint with the Board of Directors.

Each report of retaliation will follow the same investigative policy rule as outlined above. A prompt investigation will be conducted and a written report will be sent to the Board of Directors within (90) days of the date on which the allegations were received. The Board of Directors will take appropriate action on the report's recommendations.

This policy is not to be substituted or used in place of other NAMI NC personnel policies for personnel matters other than those described above.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. A-11

Date Implemented by Board of Directors: 10/17/09

Topic: Records Retention

Objective/Background: The purpose of this policy statement is to allow NAMI North Carolina to identify, retain, store, and dispose of the organization's records in an appropriate, legally sound, and orderly manner.

Procedures:

1. No officer, director, employee, agent or member of the organization shall knowingly destroy a document with the intent to obstruct or influence the investigation or proper administration of any matter within the jurisdiction of any government department or agency or in relation to or contemplation of any such matter.
2. Employees are expected to utilize documentation practices as trained and are required to comply with the documentation standards outlined in this policy. Failure to do so could result in disciplinary action, up to and including termination of employment. Employees with questions about this policy should consult with management.
3. The Organization will maintain accurate and high-quality records electronically or in local, damage-proof storage for the duration of the time periods provided for in this policy.
4. Documents maintained solely in electronic format will be scanned and retained in organized electronic folders on the organization's network in accordance with this schedule.
5. The organization is to maintain complete, accurate and high-quality records in storage for the duration of the time periods provided for in this policy. When any such time period is complete, the records are to be destroyed.
6. Irrespective of the retention periods specified in Part B, upon (i) receiving notice of a lawsuit, government investigation, or other legal action against or involving the organization, or (ii) learning of circumstances likely to give rise to such an action, proceeding or investigation, all documents in any way relating to such matter shall be preserved and safeguarded.
7. The organization's Executive Director in conjunction with the Office Manager is responsible for authorizing, overseeing, and ensuring that records are destroyed pursuant to this policy.

1. General Corporate Records

Type of Record	Retention Period
Articles of Incorporation and amendments thereto	Permanently
Bylaws	Permanently
Meeting Minutes	Permanently
Patents, trademark registrations, copyright registrations	Permanently
Property records (including leases, deeds, easements, rights of way, appraisals, costs, depreciation reserves, blueprints, plans, end-of-year trial balances, tax records)	Permanently
Membership ballots	3 years following the applicable vote
Membership applications	Membership term, plus 1 year
Correspondence relating to member discipline matters	Membership term, plus 5 years
Contracts	3 years

2. Accounting, Finance and Tax Records

Type of Record	Retention Period
Income tax returns and filings	Permanently
Audit reports of accountants	Permanently
Cash books	Permanently
Charts of accounts	Permanently
Federal and state tax bills and statements	3 years
Schedules, ledgers and other supporting documentation for financial statements and tax forms	7 years
Bank reconciliations	3 years
Checking records, including account statements, check register	3 years
Social security tax records	7 years
Accounts Receivable and payable	7 years
End-of-year financial statements	Permanently
Budget data	3 years
Banking records, including deposit and withdrawal records, bank statements	7 years
Expense accounts, approvals, petty cash records	3 years
Invoices to members, customers and vendors	7 years

3. Personnel Records and Payroll Documents

Type of Record	Retention Period
Resumes/applications and related employment materials, including background checks, letters of reference and related documents: For applicants not hired For employees	2 years Employment term, plus 4 years
I-9 Forms Active employees Terminated employees	Employment term Employment term, plus the later of 3 years from date of hire or 1 year following termination of employment.
Compensation, job history and timekeeping records	Employment term, plus 4 years
FMLA/USERRA and related leave records	Employment term, plus 4 years
Performance appraisal/disciplinary action records	Employment term, plus 4 years
Benefit records	Employment term, plus 6 years
Records related to disputed issues involving external agencies or parties, wage charge or suit hour investigation by DOL, EEOC charge, arbitrations, court actions, etc	Employment term, plus 4 years
Records of accommodation to any disabled employee requesting such accommodation	Employment term, plus 4 years
Records of any sexual harassment complaints and the investigations and actions taken in response	Employment term, plus 4 years
OSHA & employee safety records	Employment term, plus 5 years
Workers Compensation claims	30 years after date of injury/illness

4. Insurance

Type of Record	Retention Period
Insurance records	Permanently
Accident reports	7 years
Appraisals	7 years
Worker compensation claims	7 years
Unemployment insurance	7 years

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. B-1

Date Implemented by Board of Directors: 12/5/95; 1/22/00, 1/26/02, 3/21/09, revised 3/19/11

Topic: Committees

Objective/Background: To establish a system of standing and ad hoc committees for the management of NAMI North Carolina.

Procedures:

The following committees have been adopted by the Board of Directors:

- Public Policy
- Education
- Bylaws, and Policies and Procedures
- Executive Committee
 - Budget, Finance, and Personnel (as needed)
- Development
- Recruiting and Nominating

The President shall appoint the Committee Chairs.

The Board Recruiting committee shall use discretion in nominating a new member as an officer;

The committee chairs may appoint subcommittees as they see fit. Committee chairs may use discretion in adding non board members to the committee, with the majority of the membership always being board members. The President may appoint ad hoc committees as the need arises.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. B-2

Date Implemented by Board of Directors: 8/15/92; revised 3/9/96, 1/22/00, 1/26/02; 7/10, revised 3/19/11

Topic: Conference Policy

Objective/Background: To clarify roles and responsibilities for conferences for the state and local chapters in order to produce the most effective conferences possible. Procedures updated

Procedures:

A. Selection of Conference Locations and Facilities

The conference committee, including staff and others will identify potential sites and collaborate with the local affiliate if appropriate to secure a facility. Input will be sought from the Education Committee as appropriate. The annual statewide conference will generally be in the center of the state, and there will also be a regional conference held that will alternate between the East and the West.

B. Conference Speakers, Forums and Workshops

The Conference committee, including staff, affiliates, consumer council representatives will plan the program and present a general outline of the conference content to the Education Committee and to the Board of Directors for their input and comment. Reasonable travel and lodging expenses and speaker fees for may be authorized by the Executive Director within the budget for the event.

D. Affiliate Requests for Display Space at Conferences

Any affiliate may request display space at the conference for advocacy, educational, or fund raising purposes. Requests should be made to the NAMI NC state office for approval of the use of the space, contingent on space being available, with the ability to waive the fee as appropriate.

E. NARSAD Card Sales

The state office has the authority to sell NARSAD cards at conferences and events or to assign the concession for NARSAD cards to a local affiliate. The host affiliate, if there is one, has the right of first refusal.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. B-3

Date Implemented by Board of Directors: 12/9/95; revised 1/22/00, 1/26/02, revised 3/19/11

Topic: Bylaws and Resolutions

Objective/Background: To provide the membership with a balanced view of proposed bylaws changes.

Procedures:

The Bylaws Committee will present to the Board in a timely manner any proposed bylaws changes, accompanied by a statement of rationale for the change. Board members shall have an opportunity to discuss and amend the proposal. Proposed changes which have been approved by the Board will be sent to the membership with the rationale for the change, which may include pros and cons of the change.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. B-4

Date Implemented by Board of Directors: 01/22/00, revised 1/26/02, 1/17/09, revised 6/9/09

Topic: Functioning of the Board Recruiting and Nominating Committee

Objective/Background: To provide consistency and continuity in efforts to recruit and develop potential members to the Board of Directors.

Procedures:

The President shall name a Board Recruiting and Nominating Committee in accordance with the NAMI North Carolina Bylaws. The two nominated members shall then recruit one additional non-Board members to the committee. This committee will develop strategies for recruitment and engage in continuous recruitment activities.

The Board Recruiting and Nominating Committee shall review all candidates for the Board of Directors and submit a slate of candidates for election. This review will consist of at minimum a telephone screening and when possible a face to face interview. The committee will utilize a screening tool that includes criteria for eligibility and basic Board member duties. Nominated prospective directors must have been members of NAMI for at least a year. On a select basis, exceptions may be made to the one year requirement, based on special skills and background that would be of help to the Board.

The slate shall consist of no more than twice the number individuals for the number of vacant director seats. A statement of qualifications shall accompany each nomination.

The Board Recruiting and Nominating Committee shall plan and implement the orientation of new Directors.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. B-5

Date Implemented By Board of Directors: 1/22/00, 1/26/02; 7/2010, revised 3/19/11

Topic: Selling Books

Objective/background: To establish a policy regarding NAMI NC selling books.

Procedures:

NAMI North Carolina may sell books and other related materials

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. C-1.1

Date Implemented by Board of Directors: 7/92; revised 4/96, 1/98, 5/98, 1/22/00, 4/21/01, 1/26/02, 6/7/03, 11-17-07, 6/9/09, revised, 9/11/10

Topic: Financial Policies and Procedures

Objective/Background: NAMI North Carolina must have orderly and comprehensive financial procedures to safeguard its funds and achieve its purposes. The Budget and Finance Committee, chaired by the Treasurer, is charged with advising the Board about financial issues.

The fiscal year runs from July 1-June 30.

The budget adopted each year is balanced, meaning NAMI North Carolina does not project to spend more than it expects to generate.

The roles and duties of the Board of Directors, Budget and Finance (B&F) Committee, and Executive Director are as follows:

The Board of Directors approves the annual dues, annual budget, and has ultimate authority over and responsibility for the funds of the organization.

A member of the Board, or another individual designated by the Board, must review the monthly bank reconciliation.

The B&F Committee monitors all income and expenses through regular contact with the Executive Director to review the current financial statement.

The Executive Director is responsible for all checks issued for the organization. Check writing authority is given to the Executive Director or designated staff but the Executive Director must approve all expenditures. The Executive Director insures that expenditures are within the approved budget. The Executive Director supervises the maintenance of all financial books and records.

The Executive Director is the only required signatory for checks up to \$3,000. For checks exceeding \$3,000 additional approval must be obtained by email from two of the following positions: President, Treasurer, or President-Elect. Checks written to the staff health insurance provider and to the printing company are exempted from the approval limits. The Executive Director may not sign checks payable to himself/herself.

If an unanticipated restricted contribution is received, the Executive Director should spend the funds as specified by donor. This may create expenses greater than what the Board has budgeted for certain items but is acceptable because of the offsetting revenue. The Executive Director must inform the B&F Committee when this situation occurs.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. C-1.2

Contingency Funds

A goal of NAMI North Carolina is to maintain a money market fund account equal to at least 25% of the annual budget. This fund is utilized to assist with cash flow.

NAMI North Carolina maintains an intermediate investment account currently set for at least \$25,000. This fund is composed of conservative investments and can be utilized for unexpected, unbudgeted items. Intermediate investment account funds are tracked from time of deposit. In the absence of extraordinary need, voted upon by the board as a whole, each deposit is retained in this account from two to five years before spending.

The BFP Committee regularly reviews with the Executive Director the level of funds maintained in each of these accounts and adjustments are made if necessary. Consultation with the investment advisor should be done as needed but at least twice a year.

Decisions to use undesignated funds in the intermediate contingency account are made by the Board and are made only in extraordinary situations. A plan to cover the expense in a different way in future years should be developed by the BFP Committee.

Budget Development

The Executive Director prepares and presents a proposed budget to the BFP Committee by April 15th. The BFP Committee reviews/revises the budget and presents it to the Board for adoption at the last Board meeting prior to the beginning of the new fiscal year. This is usually the annual board retreat.

Evaluate proposed expenditures during the fiscal year

Budget revenues and expenses will be reported to the Board at each meeting. An explanation will be provided for extraordinary items. A semi-annual review of the budget will be held to make needed adjustments based on unexpected revenue or expenses.

Grants and contracts

The Executive Director will review potential contracts or grants with the President and Executive Committee prior to completion and seek approval to proceed.

The President will review each contract before submission to the contracting organization. If the President is not available, the Vice President will review. The contract/grant should be presented to the Executive Committee or Board at the next meeting.

Date Implemented by Board of Directors: 5/19/95; revised 1/22/00, 1/26/02

Topic: Advisory Board

Objective/Background: Establish an Advisory Board to assist and advise the organization on program and corporate development.

Procedures:

Charter

The Board of Directors of the NAMI North Carolina, by action at a meeting held on May 19, 1995, has approved this Charter providing as follows:

Article I - Organization and Duration

1. There is hereby created an unincorporated association to be known as the BOARD OF ADVISORS.
2. The association shall continue in existence at the pleasure of the Board of Directors.

Article II - Purpose and Functions

1. The BOARD OF ADVISORS shall be a service organization of NAMI North Carolina.
2. In this role the association shall have the following functions:
 - (a) to assist the Executive Director and the Board of Directors of NAMI North Carolina in program and corporate development including long range financing, strategy, and goal setting;
 - (b) to advise and assist the Board of Directors and the Executive Director in the cultivation and solicitation of grants and gifts from individuals, corporations, foundations, and other charitable organizations;
 - (c) to advise and assist the Board of Directors and the Executive Director in interpreting to the people of North Carolina the mission, programs, accomplishments, and aspirations of NAMI NC;
 - (d) to offer advice to the Board of Directors and the Executive Director on governmental and public relations.

Article III - Membership

1. The BOARD OF ADVISORS shall consist of not less than three nor more than forty five elected members, plus the Executive Director, the immediate Past President of the Board of Directors, and the Chair of the Fund Raising Committee of the Board of Directors who shall serve as EX OFFICIO members.
2. There shall be but one qualification for membership in the association - a willingness to help NAMI North Carolina fulfill its threefold mission of support, education, and advocacy.
3. Members shall be elected to the association initially by the Board of Directors and thereafter by the established membership of the BOARD OF ADVISORS on nomination from the Executive Director.
4. As terms expire, up to fifteen members shall be nominated to the Board of Directors for approval. Each member will serve a three-year term beginning July 1 of the appropriate year and ending June 30 of the appropriate year. Any person who has completed a three-year term shall be eligible for re-election for another three-year term. There is no maximum number of terms that a person can be elected to the Board. Any vacancy that occurs in the membership shall be filled for the balance of the unexpired term in the manner specified in paragraph 3 of this Article.
5. The Board of Directors may remove a member of the Board of Advisors for any cause determined by the Board at their discretion.

Article IV - Officers

1. There shall be a Chairman and one or more Vice-Chairmen of the association. The Executive Director of NAMI North Carolina shall serve as the Executive Secretary of the association.
2. The officers of the association, other than the Executive Secretary, shall be elected each spring by the BOARD OF ADVISORS (by such process as it may determine) on nomination of the Executive Director.
3. Such officers shall serve until June 30 of the year following election. An officer may be re-elected for an unlimited number of terms. Any vacancy in an office shall be filled for the balance of the unexpired term in the manner specified in paragraph 2 of this Article.

Article V - Meetings

1. The Chairman in consultation with the Executive Director will call meetings of the association.
2. Such meetings may be held at any time and place specified in the call of the meeting.
3. Members of the Board of Directors and the Executive Director may attend and participate in all meetings of the association.

Article VI - Amendments

1. This Charter may be amended at any time by action of the Board of Directors.
2. Amendments may be made by such Board on its own initiative or in response to suggestions made by the Executive Director or by the association.

Date Implemented by Board of Directors: 10/12/96; revised 1/22/00, 1/26/02, 7/19/08

Topic: Endowment Policy

Objective/Background: Identify the objective for the endowment. Establish procedures for the management, monitoring, and release of income from the NAMI North Carolina endowment funds.

Procedures:

I. Endowment Objective

The purpose of NAMI North Carolina's endowment funds (The NAMI North Carolina Endowment and the Dave Silber Endowment) is to increase the value of donors' gifts after spending and inflation and provide a stable funding source for ensuring the future viability of the organization.

II. Investment Guidelines

Historical return data indicates that investment in common stocks provides long-term growth, but has greater short-term volatility, which requires a longer investing time horizon. Bonds and other fixed income investments provide a lower overall return with lower short-term volatility. Accordingly, a mix of stocks and bonds with a majority weighting in stocks is needed in order to achieve the desired result.

III. Investment Objectives

- Preservation of capital
- Conservative growth consistent with overall market performance

Typically, institutional investments have a weighting of 50-80% in stocks, and the remainder in bonds and cash. Based on this, the target asset allocation for NAMI North Carolina's Endowment is as follows:

Asset Class	Allocation
Stocks	75%
Bonds	20%
Cash	5%

The Stock investment should be mostly "large cap" (larger, more stable companies) with about 1/4 smaller companies (in order to catch the next Microsoft) and international. The easiest and lowest cost way to do this is to invest the stock portion in a total stock market index mutual fund.

V. Endowment Monitoring

The BFP Committee will review the performance of the external investment advisory organization(s) at least semi-annually with respect to return, risk, and consistency with the endowment objective.

VI. Spending Policy

The BFP Committee will recommend a semi-annual payout rate to the Board as part of the budget development process. The NAMI NC Board has the authority to modify the rate by a majority vote of the board. The BFP Committee shall attempt to balance the need for an ongoing stable revenue source with the need to increase the real purchasing power of the Endowment Fund.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. C-4

Date Implemented by Board of Directors: 5/95; revised 1/22/00, 1/26/02, 10/17/09

Topic: Business Support Relationships

Objective/Background: To assure that contributions from pharmaceutical firms and businesses do not compromise the mission and purpose of NAMI North Carolina. This policy covers donation practices, products, endorsements and disclosures.

Procedures:

Guiding Principles for Corporate Relationships

1. NAMI NC shall at all times maintain an independent position on issues affecting the welfare of people with mental illness. The potential effect of such positions on the commercial interests of any sponsor shall not be a relevant factor in the NAMI NC's decision-making process.
2. NAMI NC will solicit and accept support only for projects and activities that are consistent with its mission.
3. NAMI NC will accept funds for projects relating to the communication of information only when it has final editorial approval over content and distribution.
4. NAMI NC will neither endorse nor accept conditions that allow the perception that NAMI NC endorses any products, devices, treatments or services NAMI NC may require a disclaimer explicitly stating this policy be included in any publication;
5. NAMI NC will accept support for projects or programs only with assurances that the privacy of people with mental illness and their families will be protected, including requiring specific, prior written permission in order to waive such privacy.
6. NAMI NC will accept support for professional meetings and symposia only when the program content and selection of speakers are approved by NAMI NC or an independent body designated for that purpose by NAMI NC.
7. NAMI NC shall, at all times, maintain complete control and sole discretion over all funds received.
8. NAMI NC will ensure that programs for which it accepts funding do not adversely affect NAMI NC's nonprofit, tax-exempt status.
9. The use of NAMI NC's name and logo in any print, electronic or other form not produced by NAMI NC is not permitted without specific, prior written permission from NAMI NC.
10. Corporate, other business and professional association sponsors, as well as their agents, vendors and trade associations, are expected to work collaboratively with NAMI NC on issues directly affecting NAMI NC and local affiliates.
11. NAMI NC retains sole discretion with regard to how the support it receives in the form of educational grants or in-kind gifts from corporate, other business or professional association sponsors will be applied, invested or expended.

Affirmative Disclosure

NAMI NC will, unless otherwise prohibited by law, disclose the sources of financial support it receives from corporations, other businesses and professional associations as listed in the annual filing of IRS Form 990 upon request.

Endorsement

NAMI NC will not endorse, license, certify, or in any way imply support for any sponsor's product, service or program, including recognizing or certifying the quality or standards of any particular product, service, or program.

Product Association

NAMI NC's name and logo may not be associated with specific branded products. References to NAMI NC's website, phone number or address for the purposes of referral to NAMI NC may be permitted with NAMI NC's written approval.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. C-5

Date Implemented by the Board of Directors: 11/21/98; revised 1/22/00, 1/26/02, 1/17/09

Topic: NAMI Dues Sharing

Objective/Background: To clarify how dues sharing will be initiated. NAMI North Carolina will follow NAMI's recommendation for both the dues amount and for dues sharing.

Procedures:

Renewal notices for dues are mailed to affiliates no later than October. Payment is expected by December 31 although dues may be submitted at any time. The membership year runs from January 1 through December 31.

Most members join at the affiliate level, with the affiliate keeping their dues share and sending the national and state amount to NAMI NC. NAMI NC sends the appropriate share on to national.

If dues are paid directly to NAMI North Carolina by members joining at that level, the national dues amount is sent to NAMI and the recommended local dues are sent to the local affiliate.

If dues are paid directly to national, national sends the state and local affiliate dues share to the state. NAMI North Carolina records these memberships and forwards the recommended amounts to the local affiliates no less than quarterly, but generally within one to two weeks. If a member joins at the national level on ejoin (electronically) national's share of the dues split is given by NAMI NC to the appropriate affiliate, in addition to their regular share.

As an example, NAMI recommends total dues for Individual/Family members of \$35. National dues are \$10 and recommended dues for state and local affiliates are \$10 and \$15, respectively. If there were no affiliate, the state would keep \$25.

NAMI also has Open Door memberships available for consumers and others on limited incomes. Currently, these are \$3, with \$1 for each level.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. C-6

Implemented by Board of Directors: 6/10/07

Topic: Overhead/Administrative Costs Determination Methodology

Objective/Background: To accurately allocate costs to appropriate categories of administration, fund raising, or programs. This allows the Board of Directors to monitor the effectiveness of the organization in using funds primarily for the mission of the organization (support, education, and advocacy) with only a reasonable amount in administration.

Procedures:

Many grants and contracts do not cover the total costs of the programs they support. In using unrestricted income to fulfill its mission, NAMI NC must also allocate expenditures to accurately reflect the areas they support. The IRS requires that charitable non-profit groups (501 c 3) file a Form 990. In the instructions, Part II, Statement of Functional Expenses, the following guidance is provided:

- The accounting system must segregate expenses into categories such as Program Services, Management and General, and Fund Raising.
- The method of allocation must be documented in the organization's records (this policy would constitute such documentation)
- Time spent by CEO that is spent directly supervising program services should be allocated as program expenses.

The following categories will be tracked for purposes of administrative/overhead allocation.

General Administration: (to include but not be limited to the following)

- includes portion of staff meeting that is general to all (specific content that is programmatic should be coded to program.
- Preparation of board meeting materials
- Budget development for entity as a whole
- Work with auditor
- Facility management/maintenance

Fund Raising: Writing Annual Fund letters, costs incurred in distribution of Annual Fund letters (time spent), time on WALK that is not related to education/anti-stigma; preparing fund raising manuals, materials, conducting special events for raising funds.

Programs – includes all of the categories of service/activity below and like activities:

Helpline calls/coverage

Young Families Program

Family to Family

Support Groups

Peer to Peer; IOOV; Consumer Council activities

Other NAMI National Programs

Education activities including planning, preparation for Annual Conference, educational support to affiliates, Fall Institutes, presentations; health fairs

Public Relations activities/ publicity

Advocacy – General Assembly educational work

Support- Development of new affiliates; support for existing affiliates

Membership - maintenance and expansion of membership

Other Guidelines:

Staff who work entirely within one or more programs that are defined under Programs in this policy are 100% allocated to programs.

Staff who work across categories (Admin/Fund Raising/Program) will keep a time sheet sample for a period of time to be determined with the auditor that details by 30 minute intervals their time spent in each of the three functional categories. These will be averaged and their salary/benefits/travel expenses will be allocated according to the average spent in each category.

Based on this historical sampling, costs will be projected based on time studies for the future fiscal years, with adjustments made as necessary.

Non-employee costs will be allocated on a prorata basis based upon employee Program time.

The opinion of the auditor will be sought regarding this policy, and his comments integrated into the content.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. C-7

Date Implemented by Board of Directors: 6/10/07, 1/17/09

Topic: Fees for NAMI NC Programs

Objective/Background: To clarify fees charged to Local Management Entities (LMEs) or others for NAMI courses/ the split of those fees, if applicable.

Procedures:

Effective July 1, 2007 NAMI NC will charge \$3000 per Family to Family Class (or other NAMI courses) to LMEs for those who want to contract for F2F or other courses such as Basics, Peer to Peer, support groups, IOOV , with the state handling the contract, the billing, and the 50% reimbursement to the affiliate. Fifty per cent of the course fee will be shared with the applicable affiliate, if one exists. Stipends for IOOV and for payment of peer to peer mentors or like expenses will strictly accrue to NAMI NC since they pay for those expenses, not the affiliates.

This rate will apply to newly negotiated contracts; if an obligation has been made at a different rate that will be honored, with movement towards \$3000/class in the future. This policy will authorize the Executive Director to use discretion in negotiating a mutually acceptable rate if cost is a barrier to securing a contract from a local management entity. In addition, under certain circumstances, an entity may contract for additional staffing assistance necessary to the execution of the contract, which would be in addition to the \$3000 per course.

The Board will revisit charges for Family to Family or similar programs on a regular basis.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. D-1

Date Implemented by Board of Directors: 1/22/00; revised 1/26/02; 7/22/07

Topic: Performance Evaluation of Employees (see policy D-2; Article I, 5)

Objective/Background: To establish a systematic mechanism for evaluating the job performance of the Executive Director, with the goal of providing at least annual feedback and using it to determine the amount of merit salary increase to be given.

Procedures: Executive Director

Each year the Executive Director and the President will review the existing job description and amend it as appropriate as part of the annual performance review.

By the end of the fiscal year the Executive Committee will complete a job performance evaluation. A summary of the Executive Committee evaluation shall be presented to the

Executive Director by the President, and compared to the evaluation completed by the Executive Director, within two weeks of its completion.

Salary merit increases will be recommended by the Budget, Finance and Personnel Committee at the annual retreat. Merit increases shall be considered separately from cost of living increases.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. D-2.1

Date Implemented by Board of Directors: 1/98; revised 1/22/00, 1/26/02; 7/22/07, revised 3/19/11

Topic: Personnel Policies

Objective/Background: To clearly delineate policies applicable to staff hired by NAMI North Carolina

Procedures:

Each year the Executive Director will review with staff their job description and NAMI North Carolina's strategic plan for the coming year.

The Executive Director shall complete a job performance evaluation of each employee. Salary increases will be recommended to the Finance Committee as part of the draft budget submitted to the Finance Committee and will be made in part based on fund availability. A summary of the evaluation shall be presented to the employee by the supervisor and a signed copy will be kept in the personnel record.

The personnel employed by NAMI North Carolina, Inc. (NAMI NC) will be expected to do their job in a manner that will support and promote the objectives of NAMI NC. It is preferred that employees be family members of a mentally ill person so as to better understand the needs of the mentally ill, the goals of NAMI NC, and to better understand and support the feelings and needs of family members.

NAMI North Carolina, Inc. will not discriminate against any employee or applicant because of race, color, ethnicity, socio-economic status, sexual orientation, religion, gender, age, national origin, political belief, or physical/mental disability. This policy shall apply to the following: employment, promotion, demotion, transfer, layoff or termination, compensation, selection for training, or upgrading of position. NAMI NC will offer equal employment opportunity to qualified applicants with disabilities and employees.

NAMI North Carolina, Inc. will maintain a working environment free of conduct that is harassing, abusive, disorderly, or disruptive. Harassment on account of race, color, religion, age, sex, national origin, handicap, or status as a disabled or Vietnam-era veteran both violates this policy and is illegal. Harassment includes verbal or physical conduct that has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. D-2.2

SECTION 1 – Policy Against Harrassment

Any employee found to have engaged in any form of harassment will be subject to disciplinary action, up to and including termination of employment.

Employees with complaints are encouraged to take them to their immediate supervisor. If the problem is not resolved, or is of such a nature that the employee prefers not to discuss it with the supervisor, the employee should not hesitate to discuss it with the Executive Director.

If the problem is still not resolved to the employee's satisfaction, he/she may appeal the matter in writing to any members of the Budget, Finance & Personnel Committee or the President of the Board.

All complaints will be thoroughly and promptly investigated. Confidentiality, if at all possible, will be maintained. False complaints will not be tolerated and may lead to disciplinary action against the accuser.

NAMI North Carolina, Inc. will abide by the requirements of all applicable local, state, and federal laws.

SECTION 2 - Drug- and Alcohol-Free Workplace

Date Implemented by Board of Directors: 3/15/10

The unlawful manufacturing, dispensing, use, possession, or distribution of a controlled substance (drugs and alcohol) is prohibited in the NAMI NC workplace. Any abuse of this policy should be reported to the Executive Director immediately. The Executive Director will inform the Executive Committee of the Board of the policy violation.

An exception will be alcohol consumed in moderation on the premises for special occasions with the prior approval of the Director.

NAMI NC will inform employees as appropriate about the dangers of drug abuse in the workplace and will refer individuals as appropriate to available drug counseling, rehabilitation, and EAP programs.

Requirements:

All employees will agree to comply with the terms of this policy. All employees must notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction.

NAMI NC will notify the Department of Health and Human Services within ten days after receiving notice as stipulated above. Further NAMI NC will take the following action:

1. NAMI NC will take appropriate personnel action against the employee, up to and including termination; or
2. Requiring the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency; and
3. NAMI NC will make a good faith effort to continue to maintain a drug free workplace per the requirements listed within this policy.

ARTICLE I

GENERAL EMPLOYMENT POLICIES

SECTION 1 - Responsibility of the Executive Director

The Executive Director shall be responsible for the administration of the personnel policies and procedures which shall apply to all personnel employed by NAMI North Carolina, Inc.

SECTION 2 - Position Descriptions

A position description shall be established by the Executive Director and approved by the Board of Directors for each position created. The position description should state the title/classification of the position, the major duties to be performed, a salary range, and position requirements.

SECTION 3 - Political Activity

Every employee will have the right to freely express his/her views as a citizen and to cast his/her vote. No employee shall be required as a duty of his/her employment, or as a condition of employment or promotion to contribute to, solicit for, or act as custodian of funds for political or partisan purposes.

SECTION 4 - Training

Training to assure a high quality performance is needed by all employees. Training needs to be received in the area of one's job duties, but more importantly, in the needs and an understanding of mentally ill persons and their families. The NAMI NC must advocate for the mentally ill of North Carolina, and every employee working for NAMI NC must prepare themselves to be an advocate, and thereby, carry out a part of their job responsibility.

SECTION 5 - Evaluations of Employee's Performance

An evaluation of each employee's job performance will occur prior to ending the probationary period of employment and at least annually thereafter. The President of the Board is responsible for the evaluation process for the Executive Director. Such an evaluation should occur on at least an annual basis in an attitude of mutual support in carrying out the objectives of NAMI NC.

SECTION 6 - Employment

The rules, regulations, and personnel policies of NAMI NC do not constitute a contract of employment. Employment and compensation can be terminated, with or without cause, and with or without notice, at any time, at the option of either NAMI NC or the employee. No supervisor or representative of NAMI NC, other than the Executive Director, has any authority to enter into any agreement for employment for any specified period of time or to make any agreement contrary to the foregoing. Employment agreements must be in writing. If there is no Executive Director, the President of the Board of Directors will have the authority to enter into an agreement for employment.

SECTION 7 - Salary Administration and Compensation Revision 2/21/2011

Salary administration is designed to reward each employee's contribution to NAMI NC; provide appropriate salary adjustments--up or down--based on job classification, merit, or changing market conditions, and attract and retain employees who will promote the success of NAMI NC.

Salary Ranges - Each salary range will be consistent with the position description to which it relates, with other positions in the organization, and with market conditions which exist (regarding salaries generally paid for similar work in the relevant market area). The board will regularly examine compensation surveys in the nonprofit sector in order to determine appropriate compensation ranges and levels.

Salary Increases - Since salary increases must relate to the operating budget and the incoming revenue, salary increases must be authorized by the Board of Directors along with other budgetary items. The Board may consider annual cost of living increases for staff in the budget development process.

Salary increases also may be awarded based on meritorious service. Demonstration of the meritorious service should be based upon concrete and objective criteria such as the annual evaluation, which should include the employee's dependability, initiative, judgment, human interactions, and date of last salary increase. Other factors to be considered could include but not be limited to salary comparison with other staff or persons employed in a similar position, the need for retention of good employees and the degree of difficulty in finding the right person to fill the job.

The Executive Director recommends any salary increases for his/her staff to the Budget, Finance & Personnel Committee. The Budget, Finance & Personnel Committee (with input from the Executive Director) relays its recommendations for any salary increases for all staff members (including any salary increase for the Executive Director) to the Board.

SECTION 8 - Pay Periods

All employees of NAMI NC shall be paid semi-monthly according to an established work week, which is to be determined for NAMI NC'S benefit under the regulations provided by the Federal Fair Labor Standard's Act.

SECTION 9 - Other Benefits

a. Social Security: Each NAMI NC employee is covered and may become eligible for disability or retirement benefits in accordance with the provisions of the Social Security program.

b. (i) Health Insurance: Each full-time employee will be provided the opportunity to enroll in NAMI North Carolina's health insurance plan through a company and policy selected by the NAMI NC Board of Directors. *Individual employees share in their health care costs.* NAMI NC will pay the employer's share of the monthly premium at the minimum level required by the insurance company. Employer share of the premium is 75%, employee share is 25%. The Finance Committee will conduct an annual assessment of health insurance benefits and recommend any changes as the yearly budget for NAMI NC is being drafted. There will be at least a 30-day waiting period before coverage begins. (3/08)

c. For full-time employees whose health insurance is covered by another company (ex: a spouse's workplace coverage), NAMI NC will reimburse the out-of-pocket employee's health insurance premium cost at the minimum level required by NAMI NC's insurance company but not more than NAMI NC's contribution as if the employee were enrolled in the NAMI NC plan. Therefore, 75% of the total cost to those electing coverage through another company will be paid by NAMI NC with 25% to be paid by the employee.

d. Each employee will be offered the opportunity to reduce his/her salary to the extent allowed by the NAMI NC 403(b) retirement plan.

e. Life Insurance: NAMI NC will provide each full-time employee with a term life insurance policy, not to exceed \$100,000 as part of health insurance benefits.

Date Implemented by Board of Directors: 6/10/07, 7/19/08

ARTICLE II

ATTENDANCE AND LEAVE

SECTION 1 - Work Week

The standard workweek for NAMI NC employees shall be five (5) days and 37.5 hours per week. Normal office hours are from 8:30 a.m. until 5:00 p.m. The standard workweek shall be from 12:01 am Saturday to 12:00 midnight the following Friday. Generally, jobs should be completed within the scheduled time, but from time to time, especially for special events, longer hours are necessary. The goal is to balance this time out for non exempt employees over a two week period, and to allow those exempt employees to bank earned compensatory time by the quarter, up to a limit of 37.5 hours, which expires at the end of each quarter.

SECTION 2 – Full Time and Part Time Employment

A full time employee is defined as working the standard workweek of five (5) days and 37.5 hours per week.

A part time employee works fewer than 37.5 hours per week.

SECTION 3 – Overtime Compensation

All employees who are determined to be **nonexempt** under the Fair Labor Standards Act will be eligible for overtime pay at the rate of time and one half of base pay. Overtime is any time worked over 75 hours in a two week period. Working overtime will be avoided whenever possible, however, if necessary, it must be approved prior to earning the time by the Executive Director, or his/her designee. For nonexempt employees (those subject to Wage and Hour regulations) staff may exceed the scheduled hours in one week, then balance out their two week period of work by taking time off in the second week, with the goal being to not exceed 75 hours in a two week period.

Exempt employees will receive compensatory time off on an hour for hour basis for time worked within a two week period of time that exceeds 75 hours, beginning with the first full week in July each year up to the limits described in this policy. The workweek shall be from 12:01 a.m. Saturday to 12:00 midnight the following Friday. Exempt employees should also first attempt to reduce their time within a two week period of time to balance out excess hours worked within the first week of the two week period, in order to avoid banking time.

All employees, exempt or nonexempt, must receive written approval prior to earning or using comp time by the Executive Director. Comp time may be used within the annual period earned,

and unused time expires at the end of that period, which is December 31. Total usable banked amount of time is 250 hours.

SECTION 4 - Holidays

The full-time employees of NAMI NC shall receive full pay for approved holidays. Holidays shall include:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving (Thurs., Fri.)
Christmas (two days)
Two Floating Holidays

A part-time employee will receive a paid holiday if the holiday falls within the part-time employee's designated work period.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. D-2.6

SECTION 5 - Vacation Leave

A full-time employee who is in pay status for one-half or more of the regularly scheduled workdays in any month shall earn vacation leave at the following rate, (part-time employees working 50% or more shall earn vacation leave on a pro rata basis):

Years of Aggregate Covered Service	Hours Granted Each Month	Hours Granted Each Year	Days Granted Each Year
Less than 5 years	6.25	75.0	10
5 but less than 10 yrs	9.38	112.5	15
10 or more	12.50	150.0	20

Vacation leave shall not be cumulative for more than 225 hours (30 days, 7.5 hours per day) at the end of each fiscal year. Vacation leave may not exceed the leave time that has been earned and accumulated. Any leave beyond that which has been earned must be leave without pay.

Vacation leave shall be taken only upon authorization of the Executive Director, who shall consider such times when the leave will least interfere with the efficient operation of NAMI NC.

The minimum amount of vacation leave, which may be taken, is one day.

Upon separation from NAMI NC employment, an employee shall be paid for unused vacation leave. In the case of a deceased employee, payment for terminal leave may be made to the deceased employee's executor or administrator.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. D-2.6

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Vacation leave shall be taken only upon authorization of the Executive Director, who shall consider such times when the leave will least interfere with the efficient operation of NAMI NC.

The minimum amount of vacation leave, which may be taken, is one day.

Upon separation from NAMI NC employment, an employee shall be paid for unused vacation leave. In the case of a deceased employee, payment for terminal leave may be made to the deceased employee's executor or administrator.

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No. D-2.6

SECTION 6 - Sick Leave and Personal Leave

A full-time employee who is in a pay status for one-half or more of the regularly scheduled workdays in any month shall earn sick leave at the rate of 7.5 hours per month, or 12 days per year (part-time employees working 50% or more shall earn sick leave on a pro-rata basis). Sick leave may accumulate to a maximum of 24 days. Sick leave can only be taken if it has been earned. Time off for illness when there is no earned leave available must be taken without pay.

Sick leave may be used for illness or injury, including medical appointments, which prevent an employee from performing his/her usual duties. Time off caused by pregnancy and any complications, childbirth and recovery shall be treated the same as any other temporary disability suffered by an employee. Accumulated sick leave may be used for the period of actual disability as a result of childbearing or recovery there from. Since there is no certainty as to when disability actually begins and ends, a doctor's certificate may be required to verify the employee's period of temporary disability.

Holidays shall not be counted as sick leave.

Sick leave may be used for the illness, injury and/or medical appointments of an employee's immediate family.

NAMI NC does not accept unused sick leave for a new appointment to its staff.

Sick leave is not allowable in any terminal leave payments when an employee is separated from employment. An employee may request leave without pay for sick leave purposes. If this request is made, the employee must exhaust all earned sick leave before going on leave without pay. Leave without pay may be granted only by approval from the Executive Director.

The minimum amount of sick leave which may be taken is one hour and any amount thereafter shall be calculated in increments of 1/2 hour.

To avoid the abuse of sick leave privileges, the Executive Director may require a statement from a medical doctor or other acceptable proof that the employee was unable to work due to personal illness.

SECTION 7 - Civil Leave

Jury Duty: When an employee serves on a jury, he is entitled to leave with pay for the period of absence required. Any fees received from the Court should be used to reimburse NAMI NC for the time off while on Jury Duty.

SECTION 8 - Leave Without Pay

Leave without pay may be taken with approval from the Executive Director. If an employee is out due to the need for sick leave, they should exhaust their sick leave and annual leave prior to going on leave without pay.

Leave without pay cannot continue indefinitely without some type of relief to NAMI NC. If leave without pay is requested to extend beyond thirty (30) work days, the Executive Director should inform the Board of Directors about the request, the need for the leave, and the effect such leave will have upon NAMI NC's program. Extension of leave beyond ninety (90) calendar days must be approved by both the Executive Director and the Board of Directors.

SECTION 9 - Funeral Leave

A maximum of 3 days may be used in case of death of a member of the employee's immediate family. For the purpose of leave policies, immediate family is defined as wife, husband, mother, father, brother, sister, son, daughter, grandmother, grandfather, grandson and grand daughter. Also, included are the step, half and in-law relationships as appropriate based on the above listing.

OPEN DOOR POLICY

Employees may experience problems with work or in personal relationships within the organization. In themselves, these misunderstandings may or may not be serious, but, if they are allowed to remain unresolved, they could become major problems.

In most cases, the problems can and should be satisfactorily settled between the employee and the supervisor.

If the problem is not resolved, or is of such a nature that the employee prefers not to discuss it with the supervisor, the employee should not hesitate to discuss it with the Executive Director.

If the problem is still not resolved to the employee's satisfaction he/she should appeal it in writing to one or more members of the Budget, Finance & Personnel Committee or the President of the Board.

Concerns will be treated with sensitivity. Employees should feel free to use the Open Door procedure without fear of reproach or penalty.

DISCIPLINARY ACTION

The goal of NAMI NC is for every employee to be happy in their work and to perform in such a way that there will never be a need for any disciplinary action. In the event that a situation would arise, where in the judgment of the employee's Supervisor or the Executive Director, there is a need for disciplinary action, such action may consist of the following:

1. Oral warning
2. Written warning
3. Suspension from work
4. Dismissal from employment

Normally, for minor problems, including work performance, the supervisor will discuss those issues as a part of the supervisory process, and a continuation of the problem(s) could lead to an oral warning. If the problem continues, there could be a written warning, and, if the problem(s) continue, the next step could be a dismissal from employment.

As part of a written warning, the supervisor is expected to put in writing for the employee's Personnel Record documentation of what lead to the disciplinary action, efforts made to help the employee correct the problem, if job work performance is involved, and a letter to the employee stating the action taken and the reasons for the action and a statement that the employee Open Door Policy is the process that should be followed if the employee should wish to grieve the action taken.

There may be times when the circumstances involving an employee are such that it could bring discredit upon NAMI NC and/or where a crime has been committed. In these cases a suspension may be in order until legal action has been taken that might have a bearing upon the employee's continued employment, or an immediate dismissal may be in order. In either case, the situation should be clearly documented in the employee's Personnel Record and the reasons for the action, the action taken, and the Open Door Policy be given to the employee in a written letter. There may be reasons to seek legal advice or the advice of members of the Budget/Personnel Committee when taking disciplinary action. The Budget, Finance & Personnel Committee should be advised of situations that appear to be leading up to an employee's dismissal. The President of the Board authorizes a dismissal after discussing the details with the Executive Director and receiving input from Budget, Finance & Personnel Committee members.

If a situation warrants immediate action, an employee's supervisor, acting at the direction of the Executive Director, may suspend an employee until further consideration and investigation can occur.

Date Implemented By Board of Directors: 1/22/00; revised 3/25/00

Topic: Employment References for Past Employees

Objective/Background: To establish a policy regarding providing references for past employees.

Procedures:

NAMI North Carolina staff may confirm the employment of any present or former employee, for purposes of reference-checking or credit-checking, by providing the employee's name, Social Security number (for identification purpose only), job title, and dates of employment. Such confirmation of employment does not require authorization or consent of the employee.

Additional information and/or evaluation of the employee's work may be provided to prospective future employers ONLY if the employee or former employee authorizes the release of such information. The authorization:

- must be in writing;
- must be signed by the employee or former employee;
- must specifically consent to the release of the information; and
- must release NAMI North Carolina and the staff member providing the reference from liability for any damages arising or alleging to arise from the release of the information.

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No. D-4

Date Implemented by Board of Directors: 1/26/02

Topic: Staff Participation on Other Boards

Objective/Background: To ensure that both the independence and effectiveness of NAMI North Carolina are preserved when staff members serve on the Boards of other organizations concurrent with their employment at NAMI North Carolina.

Procedures:

Members of the staff of NAMI North Carolina are free to join the Boards of other mental health advocacy and service organizations, provided that their involvement does not conflict with the mission of NAMI North Carolina or interfere with the effective performance of their NAMI North Carolina job duties. In addition, such service will be viewed as an individual undertaking, not as an endorsement of that organization by NAMI North Carolina.

The Executive Committee of the Board of Directors shall review any involvement by the Executive Director on other Boards. The Executive Director shall review all other staff involvement on other Boards.

Date Implemented by Board of Directors: 1/26/02, revised 9/20/08

Topic: Confidentiality and Acceptable Use of Computers and Information

Objective/Background: To insure the appropriateness and confidentiality of information maintained by NAMI North Carolina.

Procedures:

Follow generally accepted information security procedures.

1. All office equipment including but not limited to computers, telephones, and filing cabinets is the property of NAMI NC. Any information contained or stored in this equipment is the property of NAMI NC and may be examined at any time by NAMI NC without notice to the employee.
2. All employees and the Board of Directors should understand that all records such as computer files, databases and printed material containing **member** or **donor** information are strictly confidential, and may not be disclosed to non-employees without prior approval of the Executive Director. In the case of the Executive Director, prior approval of the President of the Board must be obtained. Particular care must be exercised with regard to confidentiality of Helpline call information. The names of callers or consumers may not be disclosed to non-employees unless the caller gives permission to advocate on his/her behalf.
3. Internet access and E-mail are provided to employees to assist them perform their job functions within NAMI NC. Limited personal use (any use not related to the mission of NAMI NC) of computer systems and networks during work hours is permitted as long as it does not interfere with job performance and is not excessive. As a guideline, personal, non-business use of computers during regular work hours that exceeds 10 minutes a day, but excluding use during lunch or breaks, might be considered excessive.
4. Any use of computers or copiers for display, reproduction or transmission of images or messages of a sexual orientation is prohibited. Any transmission of E-mail communications that may be construed as harassment or disparagement of others based on their race, national origin, sexual orientation, age, disability, or religious or political beliefs is prohibited.
5. In order to protect the reliability and security of computers and the computer network, employees should not install any software on computers without prior approval of the Executive Director or designated staff.

Date Implemented by Board of Directors: 1/26/02, revised 9/20/08

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**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. E-1

Date Implemented by Board of Directors: 10/98; revised 1/22/00, 1/26/02

Topic: Scholarships

Objective/Background: To clarify criteria and procedures for individuals to apply for scholarship support to NAMI North Carolina conferences.

Procedures:

The following represent the purpose and priority of awarding scholarships, which provide financial assistance to those who otherwise would be unable to attend conferences:

- 1) To encourage new leadership and strengthen present leaders.
- 2) To encourage increased participation by minority members and consumers.
- 3) To encourage growth in geographic areas where NAMI NC needs strengthening.
- 4) To enable affiliate presidents to attend.
- 5) To encourage participation of under-represented groups.
- 6) To enable Board members to attend.

The Education Committee will meet after the closing date to review applications and approve funds. The following criteria will be used to make this determination:

- the relation of request to the stated priorities for scholarships;
- the recommendation from an affiliate officer or NAMI NC board member detailing the reasons the scholarship should be given;
- membership and level of participation in NAMI NC;
- the applicant's need and the record of past assistance given;
- the costs and location of the conference.

The Education Committee with NAMI NC staff will develop an application form and provide a copy of the priorities and criteria to all interested applicants. All scholarship applications must have a letter of support from an affiliate officer or a NAMI NC board member. Letters of support should refer to the list of priorities and criteria and how it applies to the applicant.

Persons receiving scholarships will be required to return all monies to NAMI North Carolina within thirty (30) days of the conclusion of the event if they failed to attend for whatever reason. The Education Committee and staff will make provisions to distribute application forms in advance of the spring conference. Applications will be received in the state office and forwarded to the Education Committee.

Notification of scholarships will be sent to all applicants as soon as a determination is made. Persons receiving scholarships will be asked to contact the state office immediately if they will be unable to attend so alternates may be contacted.

Date Implemented by Board of Directors: 8/9/98; revised 1/22/00, 1/26/02; updated 9/17/09

Topic: Awards

Objective/Background: Identify types of awards and procedures for submitting nominations and choosing recipients. Awards are a way to provide public recognition of individuals for efforts on behalf of persons with mental illness.

Procedures:

Nominations for awards may be made by any affiliate or member of the NAMI North Carolina Board or staff. Staff will invite affiliates to submit nominations for awards at least 90 days prior to each Annual Conference. Nominations must be received no later than 30 days prior to the Annual Conference.

Individuals serving as state NAMI North Carolina Board members are not eligible to receive awards while serving their term, with the exception of the President's award. The Executive Committee, after reviewing applications and any other information available from any other sources, will select the award recipients.

Award Types and Criteria

The Lifetime Achievement Award: Given, when awarded, to a NAMI NC member to recognize efforts either within the organization or the state which have had a profound effect to improve the lives of those with mental illness. The individual should have been involved in the organization and its activities for a minimum of five years.

The John Baggett Award: Given, when awarded, to recognize the community efforts of non-members on behalf of individuals with mental illness.

The Media Award: Given, when awarded, to an individual(s) or media source who, during the course of the year, has supported NAMI NC's mission to support, educate, and advocate on behalf of those with mental illness.

The Mental Health Professional(s) of the Year: Given, when awarded, to recognize an individual(s) within the mental health community who has been a particularly effective innovator and/or advocate for the development of services or support systems for individuals with mental illness.

Outstanding Affiliate Award: Given, when awarded, to an affiliate exhibiting outstanding performance on a variety of criteria- consumer involvement, class offerings, special events and awareness, advocacy, and membership growth. Overall leadership and innovation are also important aspects of this award.

Advocate of the Year: Given, when awarded, to the individual who has engaged in ongoing activities which have had a significant effect in the state or their community to improve the lives of those with neurobiological brain disorders.

The President's Award: Given, when awarded, to recognize an individual(s) who has persevered in his/her battle against mental illness and made a positive difference in the lives of others as well as their own.

The Legislator(s) of the Year Award: Recommended by the Executive Director and approved by the Executive Committee.

**NAMI NORTH CAROLINA
POLICY AND PROCEDURE MANUAL**

No. F-1

Date Implemented by Board of Directors: 5/98; revised 1/22/00, 1/26/02

Topic: Affiliate Grant Program

Objective/Background: Provide technical support and financial assistance to strengthen affiliates.

The program will encourage affiliates to recruit new members, provide better opportunities for member involvement, plan and implement beneficial community programs and sharpen members' leadership and advocacy skills. The experience gained will help prepare affiliates to seek funding from community foundations and civic groups.

Procedures:

As part of the budget development process, the board will consider the availability of funds and the level of funding for the affiliate grant program. The board also will establish the amount of funds to be given for the types of grants awarded.

After approval of the annual budget, announcement of the grant program will be sent to affiliates. Affiliates may apply for a grant at any time.

The Membership Committee will review grant applications, recommend grant amounts and present their recommendations to the Board.

Policy Statement Approved by Board of Directors: 11/20/93

Topic: Response to the recommendations by the Government Performance Audit Committee

The North Carolina Alliance for the Mentally Ill (NC AMI), an organization of families and friends of persons afflicted with severe and persistent mental illness (SPMI), is dedicated to the development, provision, improvement and preservation of all services necessary to the attainment of a reasonable and appropriate quality of life for those persons. The services needed include, among others, medical care, housing, employment, financial support, protection from harm and periodic hospitalization which, in some cases, must be for prolonged periods of time. Regrettably, with currently available treatment programs, some individuals may never become capable of functioning outside of a hospital facility. This fact is undisputed.

The General Assembly of the State of North Carolina, on recommendation of the Government Performance Audit Committee (GPAC), has instructed the Division of Mental Health, Developmental Disabilities and Substance Abuse Services to explore certain changes in the existing system of care for mentally ill persons which would entail modifications in the way hospital care of the mentally ill is provided and paid for. The current focus of this exploration is on redirecting state-appropriated dollars to community mental health centers to permit purchase of needed services from available providers, including existing state hospitals. This concept has been referred to as "single-stream funding" or "integrated funding"; it has been under consideration in North Carolina and elsewhere for several years and already has been implemented in some parts of the United States. Some anticipate this will lead to reduced utilization of state-owned hospitals and will allow reduction in numbers of hospital beds and supporting personnel. This has been referred to as "downsizing".

In reference to these proposals, NC AMI has made the following observations:

The rationale for these proposals is purely economic; little attention has been paid to whether these proposed changes would improve life for the mentally ill. Also, the accuracy of some of the data and some of the assumptions in the GPAC report which are the basis of this rationale is questionable.

Existing services in the community are inadequate to meet the needs of mentally ill persons already residing there, especially in the area of housing, and some authorities predict an increase in the U.S. mentally ill population of 14 percent by the year 2010.

Community hospitals traditionally have not provided the kinds of services required by more severely ill patients and are not likely to begin to do so. Recent published reports from some states which have implemented these approaches describe unexpected problems and failures including inability of programs to purchase needed services, increases in numbers of homeless persons, more incarceration and inability to retain state hospital personnel.

Single-stream funding and hospital downsizing were conceptualized prior to the advent of the federal Health Care Reform initiative, a process which could result in changes in systems of delivery of mental health care which could prove to be totally incompatible with these proposals.

Based on these observations, it is our belief that:

Any planning or implementation of any substantive changes in provision of care for the mentally ill in an atmosphere of monumental uncertainty about the future of our national system of health care delivery is injudicious and perilous.

In the absence of new and more effective treatments for SPMI, there is no reason to anticipate a reduction in the true need for the level of care available only in the state mental hospitals and an increase in need could occur.

Shifting purchasing power (for services) to the community is meaningless while services available for purchase are inadequate to meet existing demand, and further increasing demand as a result of relocation of patients could increase costs. In any case, the expectation that redirection of funds, in itself, would result in less cost is illogical. Accordingly, our position is that the Division of Mental Health, Developmental Disabilities and Substance Abuse Services must:

Declare a moratorium on planning and implementation of any program designed to reduce the state's inpatient psychiatric services; viz., "hospital downsizing".

Dedicate all available funds and seek additional funds to correct existing deficiencies in community services for the mentally ill and expand those services, especially in the areas of housing and employment.

Suspend consideration of funding changes until substantive final decisions about Health Care Reform have been made by the U. S. Congress.

Then, and only then, explore the feasibility of alternative funding mechanisms in North Carolina.

Policy Statement Approved by Board of Directors: 8/24/96

Topic: Consumer Representation

It is important for mental health consumers when capable and qualified to aspire and serve in positions of policy making and advocacy statewide which permit themselves direct representation and voice as stakeholders. We endorse to legislative and government entities that qualified consumer candidates be given full consideration when filling representative positions in which the interests of mental health consumers are deliberated. Lastly, we encourage the increasing of direct mental health consumer representation when possible as one of the most effective measure of reducing the stigma on mental illness in our society.

Policy Statement Approved by Board of Directors: 4/12/97

Topic: Managed Care

Statement on Managed Care in the North Carolina Public MH/DD/SA Service System

The North Carolina Alliance for the Mentally Ill (NC AMI) strongly supports the public sector management of Medicaid funds and endorses the statement "Why We Support Public Sector Management of Medicaid Funds" (G-3.2+3.3) developed by the Carolina Alternatives Policy Committee (CAPAC) on March 19, 1997. Further, NC AMI believes that the meaningful involvement of families and consumers in the development of a public managed care system is critical to its success. The Division of MH/DD/SA Services, the Council of Community Programs and its managed care work group, and any other policy and planning entity at the state and local level should require and provide for meaningful participation of families and consumers on work groups, advisory boards, and policy committees involved in the design, implementation, evaluation, and monitoring of the managed care system.

Finally, NC AMI re-affirms its support of the Principles for Managed Care adopted by the National Alliance for the Mentally Ill, (G-3.4+3.5) and will advocate that these principles be implemented and reflected in the North Carolina public managed care system.

Why We Support Public Sector Management of Medicaid Funds CAPAC Discussion 3/19/97

1. The area program system provides a mechanism for keeping accountability for access, quality and cost effectiveness at a local level.
2. Area program management of Medicaid funds promotes additional local investment in services.
3. Decision making happens at a local level, closer to community service system and to clients' needs.
4. Savings incurred through efficient use of community resources are reinvested in the local service system.
5. Continuity of care is promoted through local management of an entire community resource system.
6. Area programs are part of the public safety net and can provide continuous services to clients who gain and lose eligibility for special funding.
7. Area programs, through their governing boards and other mechanisms, promote input from stakeholders, including consumers and their families.
8. Consumers gain greater protection from a service system that is accountable to local, state, and federal funding agencies.
9. Practice standards and rules require individualized treatment planning and service delivery.
10. Area programs, as part of the public service system, are already familiar with the needs of consumers whose needs are long-term, complicated, and serious. The public sector has always served these consumers who have been shifted out of other service systems.
11. Area programs have the treatment technology to respond to consumer's needs. They provide the wide array of services, (from inpatient through clubhouses and supported living and employment arrangements), necessary to help consumers live independently in their communities.
12. Personal knowledge of consumers, the community, and available services, allows area programs to provide relevant and effective interventions designed to help clients remain independent and in their communities.
13. Area programs are major players in their local service communities and help coordinate services for their clients with other community agencies.
14. Public agencies have access to and depend upon a substantial amount of volunteer time, which allows service dollars to go farther.
15. Medicaid dollars, although not used directly for consumers who are not Medicaid recipients, do provide a significant amount of support to the overall infrastructure of the behavioral health public safety net. Withdrawal of these funds would have a dramatic and detrimental effect on the "system" for clients who do not receive Medicaid services.
16. Many area programs provide transportation or pay for transportation to increase access to services.
17. Area programs use of contract providers promotes contact and collaboration between the public and private sectors, allowing the best of the private provider community to be involved.

National Alliance for the Mentally Ill

January 1997

This policy statement by the National Alliance for the Mentally Ill (NAMI) is brought forward in the context of the rapid restructuring of the public mental health care system.

NAMI's principles for managed care are:

1. State government must continue to be accountable for the delivery of treatment and services for persons with severe and persistent brain disorders ("mental illnesses"). State government cannot relinquish this responsibility, even when contracting out the services.
2. The priority population for treatment and services shall be persons with severe and persistent brain disorders--such as schizophrenia, bi-polar disorder, panic disorder, and borderline personality disorder in adults; and additionally, for children—autism, pervasive developmental disorders, Tourette's syndrome, and attention deficit hyperactivity disorder.
3. There must be continued eligibility for persons who are employed but cannot obtain health coverage through their employers.
4. State government must develop and maintain a comprehensive community support system of treatment and services for those disabled by severe brain disorders. Services must, at a minimum, be those required in a state mental health plan by PL 99-660.
5. There must be meaningful participation of consumers and families at every stage of the redesign, implementation, evaluation, and monitoring of the managed care system.
6. All planning and delivery of services must be culturally sensitive to ethnically diverse populations and the communities in which they are located.
7. States that contract with for-profit managed care organizations (MCOs) or other entities for the management and/or delivery solely of Medicaid-funded services for the severely and persistently mentally ill must exercise great caution lest they inadvertently divide the mental health system and cause dumping of chronic heavy users of costly services back onto a public system that is likely under funded.
8. Public resources saved by reduced utilization of state hospitals must be committed to the population who used these facilities or who would have met the threshold for admission. Funds generated through other system efficiencies should also be reallocated to expand services to priority populations.
9. Provider personnel, both administrators and treatment staff, must have an understanding of serious and persistent brain disorders, have training to work with the priority population--including training in the family and consumer perspective--and must accept accountability for the quality of services.
10. All provider staff must be rigorously and appropriately credentialed by the state mental health authority.

11. For individuals who meet the priority definition and either have a Global Assessment Functioning (GAF) scale score of 50 or below--or who are at risk of declining to this level--a comprehensive array of community support services must be available. This must include new-generation medications, inpatient treatment, intensive case management, psychosocial rehabilitation, and consumer-run services. Outpatient services must be mobile.
12. MCOs must be accountable for linkages to housing with supportive services and to employment services.
13. There must be consumer and family involvement in individual treatment planning, including choice of provider, treatment delivery, and appropriate access to peer support groups.
14. Appeal and grievance procedures must be in place that are user friendly and time sensitive to the life-threatening nature of psychotic episodes.
15. The state must report quarterly to the public on the number of recipients who:
 - 1) fail to present for services,
 - 2) are in jail or prison,
 - 3) have been placed in a state hospital or,
 - 4) have died.
16. Outcome measurement for persons with severe and persistent brain disorders must be included in the contracts with managed care organizations and be required by the states/counties in the public sector. Outcomes should include clinically relevant, person-centered, and scientifically sound measures of clinical status, general health status, functioning, quality of life (such as housing status, employment status, education, treatment status, substance abuse, involvement with the criminal justice system, and involvement with meaningful activities), and measures reflecting consumers' and family members' satisfaction/dissatisfaction.

Policy Statement Approved by Board of Directors: 9/26/98

Topic: Wendell Williamson Verdict

The Wendell Williamson Case

- NAMI North Carolina is a grassroots organization for support, education and advocacy for people with mental illnesses and their families.
- We deplore the senseless and tragic deaths and injuries Wendell Williamson inflicted, but we must also deplore the substandard medical treatment he received for his serious mental illness. This was the essence of the jury decision, and the unhappy fact is that with a history of paranoid schizophrenia and violent behavior, Wendell Williamson was not receiving appropriate care.
- The jury heard from expert witnesses that schizophrenia is a serious brain disorder that can be treated effectively and that it is a waxing and waning lifelong chronic illness which impairs a person's judgment, thinking and ability to relate to others. Our hearts go out to the families of the two men who lost their lives. The void left by this loss can never be filled. Our hearts go out to those injured and their families, for the pain and suffering they have endured.
- Wendell Williamson's personal tragedy of untreated brain disease led him, a former Eagle Scout, school leader and law student, to commit a heinous crime for which he is now being punished by indefinite incarceration and deprivation of personal liberty at Broughton Hospital. Our hearts go out to him and his family.
- We call on citizens to reflect that the jury, unlike the public, has heard the entire story. The jury concluded the weight of the evidence showed Dr. Liptzin was negligent and that his negligence was a proximate cause of damage to Mr. Williamson. In particular, the jury found Dr. Liptzin failed to take ordinary care in the transfer of his seriously ill patient to another psychiatrist when Dr. Liptzin retired.
- We ask the public to respect the judicial process that led to the jury's verdict. The case went through several screening steps before it came to trial, including a judicial determination of merit. Over a period of a week, the jurors heard evidence from the plaintiff, the defendant, and expert witnesses. They were thoroughly instructed by the judge and deliberated two days before reaching their unanimous decision.

- NAMI North Carolina urges psychiatrists to avoid rushing to judgment with regard to this jury's decision. We are particularly concerned by news reports and letters by spokespersons and academic leaders in psychiatry suggesting the possibility that clinicians may withhold treatment from seriously mentally ill patients because of this decision. We urge that this jury's decision about one clinician's negligence will not result in punitive action directed at patients. Rather, we hope it will result in greater vigilance in referral and monitoring follow up care of seriously ill patients.
- This case can sound the alarm that our mental health system desperately needs attention. NAMI North Carolina urges that the potential for violent behavior by those with untreated serious mental illness be recognized, taken seriously, discussed in public forum with the goal of effecting changes in policy and practice. This is a major public health issue, to adequately treat an illness so that the general population is kept safe. If Wendell Williamson had received adequate care for the brain disease that took away his good judgment, this terrible tragedy might have been averted.

The Trial

It has been suggested that misplaced sympathy or confusion about the facts motivated the jury's decision. Rather, the jury, unlike the public, heard the whole story and made their unanimous decision based on that full knowledge.

The jury heard testimony that instead of reviewing the complete medical record of Mr. Williamson's 1992 hospitalization at UNC Hospital, Dr. Myron Liptzin chose to rely solely on the discharge summary of that hospitalization. The complete record included a psychological evaluation that literally forecast what was likely to happen should he not receive continuing care for his paranoid schizophrenia. The record also revealed Mr. Williamson had a history of violent behavior including self-injury and attempted suicide. The hospital discharged him on the condition that he continue outpatient treatment.

The jury heard testimony that Dr. Liptzin failed to clearly inform his patient that he had a serious, chronic mental illness called paranoid schizophrenia that required medication and counseling on a long-term basis. The doctor's working diagnosis, "delusional disorder--grandiose," remained as his diagnosis during his entire period of treating Mr. Williamson. Dr. Liptzin testified he did not wish to label his patient as a "paranoid schizophrenic." An individual diagnosed with any other serious medical disorder, such as diabetes, heart disease or Alzheimer's Disease, would have been informed of the true nature of the disorder and the need for continuing treatment.

The jury heard an expert witness state that the business of UNC's Student Health Service is short-term treatment and referral, but Dr. Liptzin failed to refer his patient for follow-up care. After Mr. Williamson completed the six visits allowed for psychiatric care, Dr. Liptzin did not make a referral, either by telephone or letter. He did not refer Mr. Williamson to another clinician in the Student Health Service or at UNC Hospitals, or to a physician in Mr. Williamson's home community. Dr. Liptzin, after his formal retirement, returned to the Student Health Service on a temporary basis for the following fall and spring semesters. During that time he made no attempt to ascertain whether Williamson was receiving any follow-up care. On cross-examination Dr. Liptzin said that there was no need to do so--that Williamson was responsible for that decision. The jury concluded Dr. Liptzin failed to meet the standard of care to ensure that his seriously ill patient received follow-up care after the doctor retired.

The jury heard that the standard of care requires a psychiatrist to use ordinary care in performing clinical tasks, such as conducting a thorough diagnostic evaluation with review of a patient's medical record, reviewing and updating diagnoses, properly managing medications and making appropriate referrals.

The jury decided unanimously that the greater weight of the evidence showed Dr. Liptzin was negligent in failing to take ordinary care to prevent his seriously ill patient from the foreseeable deterioration that would be likely to occur, should he fail to continue taking his medication and receiving psychiatric counseling. The jury's financial award to Mr. Williamson was based on Dr. Liptzin's negligence.

Call To Action

We hope this case will be a call to action to North Carolina citizens, causing them to realize our mental health system needs priority attention. The study examining the state hospitals has been completed, and many of its recommendations endorsed by key legislators. Currently there is discussion about a new study which would extend the scope of the present hospital evaluation to area programs, their structure and function. When both studies and their recommendations are completed, perhaps a comprehensive state system of care will then become a reality.

Recent research from the Schizophrenia Patient Outcomes Research Team (PORT) survey reveals that the overall quality of care for persons with schizophrenia in our country is inadequate. Researchers examined the current patterns of usual care for persons with schizophrenia compared those patterns with 12 treatment recommendations. The investigators found the actual patients' treatment conformed to recommendations only about half the time. The authors concluded, "current usual treatment practices likely fall substantially short of what would be recommended based on the best evidence of treatment efficacy. NAMI North Carolina finds this disparity between what should be and what is alarming and desperately in need of action. (Lehman, Steinwachs, *et al*, 1998, p. 11.)

Scientific understanding of the mechanisms and treatment of brain disorders) including schizophrenia, has advanced significantly in the past decade. We know treatment works. Yet implementing the new information and new medications has lagged far behind advances in treatment for other major medical disorders. This is particularly true of aftercare or rehabilitation. Persons recovering from a stroke or a heart attack typically have a wide array of community-based rehabilitation services available, while those with paranoid schizophrenia have little access to aftercare in most communities.

While the untreated paranoid schizophrenia of Wendell Williamson resulted in senseless, preventable violence, the larger societal tragedy is that similar preventable events continue to occur in our country. We believe it will be impossible to decrease the stigma, fear and misunderstanding associated with crimes committed by persons with serious mental illness until the association of violent behavior and serious mental illness is better understood, addressed in policy and, ultimately prevented.

Due to their illness, certain individuals with biological brain disorders, such as schizophrenia and manic-depressive illness, at times lack insight or judgment about their need for medical treatment. NAMI is also aware that laws and policies governing involuntary commitment, outpatient commitment and/or court-ordered treatment are little understood and unevenly applied.

Knowing what to do is easy. We have the knowledge. But finding the will and the dollars is more difficult. To fill the full spectrum of services needed by persons with disabling brain disorders, four critical elements must be in place:

- Community-based care including ongoing medical treatment, housing, rehabilitation and other support for those able to recognize their need for care and manage their own illness.
- Assertive community treatment programs that provide 24-hour-a-day outreach and crisis support for those less able to maintain their own treatment requirements.
- Outpatient treatment orders that require participation in treatment as a condition for living in the community for those who do not respond to outreach and resist treatment.
- Involuntary inpatient commitment that provides short-term hospitalization to treat and stabilize acute psychiatric symptoms for those whose symptoms make them unable to recognize their need for treatment.

Policy Statement Approved by Board of Directors: 4/21/01

Topic: North Carolina Protection and Advocacy Organization

North Carolina's protection and advocacy (P&A) is currently housed within state government. Questions have been raised for a number of years about the effectiveness of North Carolina's P&A, the Governor's Advocacy Council for Persons with Disabilities (GACPD) and repeated concerns have been raised regarding leadership, organization, and staffing problems. In response to these concerns, the question has been raised as to whether North Carolina's P&A agency would be more effective if it were re-designated outside of state government.

NAMI North Carolina believes that the most critical functions of a state P&A are:

- 1) Independent Advocacy
- 2) Strong Systemic Legal Impact
- 3) Commitment to Assistance and Advocacy on Behalf of Individuals in Institutions and Community Settings

Independent Advocacy

Completely independent rights protection must always be the standard, regardless of how strong or well placed the offender is. The independence of a P&A, required by statute must be applied to all, including the entire administration of each governor.

The greatest adverse impact on independence in state P&As comes from "chilling effects" on initiating unwelcome actions. An atmosphere that rewards conciliatory practices can create a barrier against taking bold, but potentially contentious, systemic action. Routine political contacts and subtle influences can have chilling effects. A greater sense of freedom has been experienced in P&As that have moved from state government to non-profit status.

The current structure can create a barrier for effective action. GACPD staff has two main sources of decision-making: to the Governing Board and to the State Department of Administration. This division of decision-making prevents the integrated oversight that would be expected in governance by a single entity. The Board sets priorities and makes other key decisions about the issues to be addressed. The Department of Administration hires the Director and makes other fundamental decisions about personnel and fiscal matters. The Department and indirectly the Governor's Office, also influence some political decisions and specific activities of the agency. There is confusion over the scope of authority between the Board and Administration and this confusion results in a lack of accountability for the agency and its actions.

Strong Systemic Legal Impact

System changes necessary to protect the rights of clients can often only occur through systemic legal action. GACPD and most P&As located inside government have organized and oriented their staff to emphasize conciliatory strategies over litigation. As compared with other P&As, GACPD historically has been among the states with less use of major systemic legal actions. Legally based systemic advocacy for mentally ill clients outside the state hospitals has been very meager. Consequently, many advocates have not considered GACPD as an agency to contact for systemic legal action.

North Carolina's P&A needs to make fundamental changes to have a stronger, more sustained systemic impact. Theoretically at least, this could be possible without a move to private non-profit status. In practice, however, it would be very difficult for GACPD to make the magnitude of change required while remaining in state government.

Commitment to Assistance and Advocacy on Behalf of Individuals in Institutions and Community Settings

Persons with mental illness in institutions are some of the most vulnerable individuals for rights abuses. There must be a strong P&A presence in our institutions to ensure rights protection. Thousands of clients now are in thousands of community facilities, some of them institutional (such as adult care homes) and most of them with less protection than in state facilities. These individuals also require strong protection from rights abuses. An increasingly effective role for State P&As has been as watchdog to regulators and providers responsible.

Conclusion

The Administration must respond to public concerns and the perception that the current P&A agency is ineffective. Overall there are compelling reasons for moving the North Carolina P&A to a private non-profit status. We believe such a move will improve the independence of the P&A and remove barriers to seeking systemic legal actions when necessary. We urge the administration to look at all options for a non-profit P&A, including consideration of proposals from existing non-profit organizations. We have concerns that simply moving the current GACPD organization, with its leadership, organization, and staffing concerns, will not necessarily improve P&A functions in the state. Any decision regarding re-designation should include strong input from advocacy organizations.

