



# **RULES and REGULATIONS**

**Governing State Aid  
Under The  
COMMUNITY MENTAL HEALTH SERVICES ACT**

**CHAPTER 100 - PUBLIC LAW 1967  
(N.J.S.A. 30:9A-1 to 11)**



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**STATE OF NEW JERSEY  
DEPARTMENT OF INSTITUTIONS AND AGENCIES  
DIVISION OF MENTAL HEALTH AND HOSPITALS  
BUREAU OF COMMUNITY MENTAL HEALTH SERVICES  
TRENTON**

OFFICIAL RULES AND REGULATIONS

Governing State Aid

Under

THE COMMUNITY MENTAL HEALTH SERVICES ACT  
(Chapter 100, P.L. 1967)

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## RULES & REGULATIONS UNDER COMMUNITY MENTAL HEALTH SERVICES ACT

### I. INTRODUCTION

In June of 1967, Assembly Bill #600 was enacted into law (Chapter 100, P.L. 1967). This law substantially amended the original Community Mental Health Services Act of 1957. Under the earlier legislation, 50 community out-patient psychiatric clinics became operative throughout the 21 counties of the State, beginning with the 17 functioning clinics covering 10 counties at the time of the passage of the Act. Since the original law was enacted, 21 County Mental Health Boards were appointed by the Board of Chosen Freeholders serving each county of the State.

The major changes made by enactment of Chapter 100 include: 1) the addition of the specific elements, which comprise a community mental health center along with the out-patient psychiatric clinics, as possible participants in grants under the Act; 2) the creation of the 15 member Community Mental Health Board appointed by the Governor; 3) State participation in construction costs of comprehensive community mental health centers; 4) reimbursement grants from State to community facilities was increased from 50% to 60% of allowable operating expenditures; 5) the opportunity for counties to create a position of mental health administrator with reimbursement of part of the salary from the State; 6) a change in appointment dates for members of the CMHB with possibility of serving two 3-year terms.

This amendment provides for the basic "dovetailing" of the State program into the federal community mental health center program; however, the expansion of coverage will of necessity be gradual "phasing-in" operation, requiring a number of years for development throughout the State with the opportunity for adapting to local needs as they arise.

Through the provisions of the Act, it is declared to be the public policy of this State to encourage the development, treatment and aftercare services for mental health problems through additional community mental health programs and the expansion of existing community mental health services in designated service areas for the entire State.

### II. DEPARTMENT OF INSTITUTIONS AND AGENCIES

#### A. State Board of Control

The Department of Institutions and Agencies is the official mental health authority of the State of New Jersey. The policy making body of the Department is the State Board of Control. A brief review of the State Board of Control's role and function follows:

The State Board of Control shall determine all matters of departmental policy and shall regulate the administration of the Department so that integrated and comprehensive welfare, mental health, mental retardation and correctional services are available to the citizens of New Jersey.

To discharge this responsibility the State Board of Control shall require of the Commissioner studies of problems and issues confronting the Department and recommend appropriate lines of action to meet them.

## II. DEPARTMENT OF INSTITUTIONS AND AGENCIES (cont.)

In the preparation of these studies the division directors, respective boards of managers, superintendents, bureau chiefs, and consultants will participate in deliberations where alternative policy positions are evaluated. Possible effects of alternative policy positions will be included in the reports of these studies.

The Board has ultimate authority and control over the entire Department, subject (1) to the action of the Legislature expressed in the statutes, (2) to the power of judicial review and action, (3) to the limitations imposed by annual appropriations or bond issue proceeds and (4) to the action of the State Civil Service Commission with regard to selection and promotion of personnel and determination of job descriptions.

The Board has the power, concurrently with the Governor, of appointment and removal of the chief executive of the Department.

The Board of Control also appoints the members of the boards of the institutions and agencies within the Department, with minor exceptions, provided the Governor approves the appointments. By statute the Board of Control is given the power to supersede a local or agency board should it see fit to do so.

A superintendent, medical director or executive head of an agency within the Department is appointed by the institutional board of managers or by the agency board, provided the State Board of Control approves. Removal also requires the approval of the State Board.

Accordingly, the State Board of Control has power, except as shared with the Governor or another board, to appoint or remove those holding the most important posts in the Department.

The State Board of Control is composed of the Governor, ex-officio, and 9 additional members (residents of the State, of whom at least 1 shall be a woman) who are appointed by the Governor with the advice and consent of the Senate. They serve for 8 year terms.

The members of the Board are not compensated, but are entitled to reimbursement for their actual expenses. They meet regularly once a month, with additional special meetings as required. They have no executive committee and rarely act through committees, but do have some standing and ad hoc committees whose duty it is to follow particular subjects and report to the full Board. In recent years the president of the Board has assigned individual members as liaison with individual institutions or agencies, but in practice most of the board members do not regularly visit them.

The Board reorganizes annually and elects a president and a vice-president from among its members.

There has been no established practice as to required attendance at board meetings or as to whether members should be reappointed after serving 1 or more terms. The statute requires the appointment to be made without regard to political belief or affiliation. Removal is by the Governor, for cause.

## II. DEPARTMENT OF INSTITUTIONS AND AGENCIES (cont.)

B. State Community Mental Health Board

Chapter 100 of the laws of 1967 provides for the establishment of a Community Mental Health Board to aid the Department in the administration of the Act.

Community Mental Health Board shall mean a board of 15 members, 10 to be appointed by the State Board of Control with the approval of the Governor. Of those 10, 7 members shall be chosen from among citizens of the State with demonstrated interests in mental health services, 2 from among persons recommended by the State Association of Freeholders and 1 from among persons recommended by the State League of Municipalities. The term of each of these 10 members shall be for 3 years and shall commence on July 1 and shall terminate on June 30.

In addition, the Board of Control will designate 1 member from among persons currently serving as members of the Board of Managers of each of the 4 State mental hospitals and the Neuro-Psychiatric Institute to be appointed in July of each year.

The Community Mental Health Board shall become and continue to be thoroughly acquainted with those programs of the Department of Institutions and Agencies dealing with community mental health and regularly review all such programs and practices within the units thereof. It shall establish policies and procedures within the general directives of the State Board of Control covering these programs and shall assist the Department in formulating the annual budget requests. It shall promote and maintain constructive relationships with the county mental health boards, community mental health center boards and other official bodies and organized agencies concerned with mental health. It shall also serve, where possible, such advisory capacities to the Department in the area of community mental health as are required by federal statutes.

The Community Mental Health Board shall choose 1 of its members to act as chairman and shall meet as often as required to conduct the business of the board and to assist and advise in the administration of the duties and responsibilities imposed by this chapter, but not less than 6 times each year.

The Community Mental Health Board, acting on behalf of the State Board of Control and subject to the authority and direction thereof, may establish within itself committees directly concerned with state operated facilities, state grant-in-aid programs, planning for comprehensive mental health services and mental health manpower resources, utilization and training, and may establish such other committee as it may determine.

It may, subject to the approval of the State Board of Control, establish any subsidiary unsalaried advisory or consultant committees or study groups as it may deem necessary and proper, and appoint the members thereof.

Its role in implementation of the Community Mental Health Services Act is established in Chapter 100 of the P.L. of 1967. The basic authority, powers and duties of the Department are outlined in Chapter 83 of the Laws of 1947 with subsequent amendments to the revised statutes (Title 30).

## II. DEPARTMENT OF INSTITUTIONS AND AGENCIES (cont.)

- C. The role of the Department of Institutions and Agencies in the implementation of this Act encompasses the following areas of activity and responsibility:
1. Definition, delineation and modification of community mental health center service areas of the State.
  2. Assessment and determination of the eligibility of the community mental health projects for participation in the Community Mental Health Services Act program.
  3. Establishment and maintenance of minimum professional standards for personnel participating in the program.
  4. Responsibility for the administration of state and federal community mental health funds in community mental health projects.
  5. Provision of consultative and technical assistance to communities in the development of community mental health services in this State.
  6. Provision of leadership to county, community groups and projects in the area of program development, community relations, fiscal planning and encouragement of supportive health and welfare resources.
  7. Responsibility for the coordination of designated agencies and units of the Department which have operational interest in mental health planning or services.
  8. Development of policy and administrative procedures in all matters concerning the community mental health centers construction program.
  9. Development and revision at indicated periods of the State plan for construction of community mental health centers.
  10. Development of a project construction schedule.
  11. Development of procedures and regulations for the administration of the State Plan relating to the Community Mental Health Centers Act of 1963, P.L. 88-164.

## III. COUNTY MENTAL HEALTH BOARDS

Since the enactment of the Community Mental Health Services Act in 1957, some one thousand citizens of New Jersey have served on county mental health boards and their professional advisory committees. In order for a county to participate in the Act, the appointment of the County Mental Health Board by the Board of Freeholders is required.

The County Mental Health Board shall assume functions that set it apart from the boards of other mental health groups within a county. The County Mental Health Board should, therefore, be clearly distinguished from the type of board which governs a specific mental health facility, and the board of a county mental health association.

### III. COUNTY MENTAL HEALTH BOARDS (cont.)

Freeholders appoint 7 to 12 residents of the county who serve without compensation on the county mental health board. They will represent points of view of local boards of health, school boards, county welfare boards, parent-teacher associations and other persons as the freeholders deem necessary. They need not, however, be official representatives of these groups.

Members will serve for 3 years and shall terminate their term of office on June 30. Members may not be appointed after serving 2 full 3 year terms until 2 years shall have elapsed since the expiration of such terms.

#### A. The Role of the CMHB shall be:

1. To review progress in the development of comprehensive community mental health services in the county and to make recommendations to local agencies, the Community Mental Health Board and the Department.
2. To review, advise and make recommendations with regard to community mental health service projects submitted for State financial participation.
3. To develop a plan of community mental health services for the county.
4. To receive, review and advise the Department regarding all requests for changes in community mental health center service areas.

#### B. The Function of the CMHB shall be:

1. To receive and review annually all project applications from the individual agencies.
2. To submit such reports as may be required by the Department of Institutions and Agencies.
3. To insure that support of an ongoing and currently approved project shall not be cut back unless this can be done in a manner not disruptive to staff morale and only when it can be demonstrated that such action is in the direction of implementing a comprehensive mental health plan for the county.
4. To consult with its professional advisory committee on all issues relating to professional aspects of mental health programs.

#### C. The Procedures of the CMHB shall be:

1. To elect annually a chairman.
2. To meet at least 4 times each year. Notices and minutes of meetings of CMHB shall be sent regularly to the Department.
3. To appoint annually a professional mental health advisory committee of not less than 5 members, including representatives of mental health agencies receiving support under the Act. The professional advisory committee shall meet often enough to give full and proper study to make recommendations on appropriate issues confronting the CMHB.

### III. COUNTY MENTAL HEALTH BOARDS (cont.)

4. To review all applications for CMHS Act funds by October 1st of each year.
5. To make recommendations for State financial participation for each project and to forward them to the Bureau of Community Mental Health Services no later than November 1st of each year.
6. To submit such reports of evaluation and assessment of projects as may be required by the Department.
7. No county mental health board shall operate a community mental health project.
8. With approval of the board of freeholders the county mental health board may create the position of mental health administrator.
  - a. Minimum Qualifications for Mental Health Administrator

Since these are considered minimal, freeholders are urged to increase salary in order to attract the best qualified individuals available.

The terminology used in connection with knowledge and abilities conforms with Civil Service terminology for job descriptions on which competitive appointment and promotional examinations are based. It would be desirable and fortuitous if each administrator possessed thorough knowledge in each of the areas outlined at the time of his appointment but rigid adherence to such a requirement would seriously limit the ability to find a competent individual. In reviewing the qualifications the Department will consider the extent of present knowledge and the potential for acquisition of thorough knowledge in the course of job performance.

#### Education

Bachelor's degree from an accredited university in the areas of social science, education, journalism or a related field.

#### Experience

A minimum of three years of experience in community organization. Graduate training in the indicated areas on a year-to-year basis may be substituted for up to 2 years of this experience.

#### License

Possession of a valid automobile driver's license issued by the New Jersey Division of Motor Vehicles.

#### Knowledge and Abilities

Thorough knowledge of editing and writing techniques relative to preparing official documents and reports.

### III. COUNTY MENTAL HEALTH BOARDS (cont.)

Thorough knowledge of principles and techniques involving the organization and functioning of community organizations, committees, conferences and meetings.

Thorough knowledge of the organization, structure, objectives, programs, and limitations of voluntary and business programs directly or indirectly concerned with the development and/or improvement of mental health services.

Working knowledge of current developments in the fields of mental health, education, welfare and/or public health.

Ability to identify basic problem areas in community mental health; develop programs; initiate corrective action and organize task force meetings.

Ability to work harmoniously with leaders and representatives of professional, civic and neighborhood organizations and to establish and maintain cooperative working relationships leading to the facilitation of community consensus around program developments.

#### b. Functions

The Mental Health Administrator must demonstrate continued ability to carry out the following functions:

1. On assignment by the county mental health board, he shall serve as the secretariat for the formulation of drafts for staffing and construction applications for community mental health centers for the respective mental health center service areas of his county.
2. He shall be available for and serve as representative of the county mental health board at all local and state meetings that this board deems necessary and appropriate.
3. He shall serve as liaison with regional or local planning groups.
4. He shall serve as a liaison to the Division of Mental Health and Hospitals and to the appropriate staff in the New York Regional Office of the Department of Health, Education and Welfare pertaining to construction and staffing applications within his county.
5. He shall submit monthly reports specifying progress and program developments in the county to the Division of Mental Health and Hospitals as well as attend staff conferences convened by the Division as deemed necessary.
6. The Mental Health Administrator will serve as the executive secretary for the county mental health board in their:
  - (a) Review of requests of local agencies for State funds.
  - (b) Development and utilization of guidelines and criteria for project review.

## III. COUNTY MENTAL HEALTH BOARDS (cont.)

- (c) Assessment of mental health needs in the county in terms of existing services and in regard to new or improved services.
  - (d) Formulation and dissemination of recommendations to local agencies.
  - (e) Formulation and transmittal to the Division of Mental Health and Hospitals of a recommended plan for comprehensive mental health services in the county.
  - (f) Maintenance of effective liaison with local agencies.
  - (g) Aid to county organizations and agencies within the county in planning new or improved services as part of the overall development of community mental health centers.
7. He shall assist the county mental health board in preparation of its annual budget, which will include his services, necessary clerical and consultant services, and other operating expenses.
  8. He shall be responsible for the maintenance of accurate records of summaries of deliberations of the professional advisory committee including the reactions and recommendations on issues specifically referred to the committee by the county mental health board.
  9. He shall conduct regular clerical and business matters of the county mental health board and be responsible to this body.
  10. He shall perform other duties as may be delegated by the board which are necessary or proper to carry out the purposes of the Community Mental Health Services Act.

c. Conditions Governing Reimbursement

State reimbursement for the mental health administrator's salary will be paid on a quarterly basis, contingent upon:

1. An official approval of the administrator's credentials.
2. Receipt of monthly reports by the Division of Mental Health and Hospitals specifying progress and program developments in the county.
3. Receipt and approval by the Division of Mental Health and Hospitals of quarterly certifications of satisfactory employment signed by the chairman of the county mental health board.

### III. COUNTY MENTAL HEALTH BOARDS (cont.)

4. Attendance at staff conferences convened by the Division of Mental Health and Hospitals for the county mental health administrators.
- d. Procedures for Approval of Reimbursement for Mental Health Administrators
1. With the approval of the Board of Chosen Freeholders, the county mental health board may create the position of Mental Health Administrator. This title should be created in a manner which will provide flexibility in the assignment of a rate consistent with the salary structure in a given county and with the qualifications of an applicant for the position.
  2. The Mental Health Administrator must meet the stipulated requirements of these regulations and be formally approved by the Department for reimbursement purposes. State reimbursement shall be at the rate of 75% of the actual salary up to a maximum State reimbursement of \$9,900.
  3. In all counties of the first and second class (populations between 200,000 and 600,000 as defined under P.L. 54 Chapter 73) County Mental Health Administrator must serve in a full time capacity.
  4. In counties of lesser classification, appropriate part time employment or shared time employment with other counties upon approval by the Department will permit reimbursement.
  5. State reimbursement will be limited to 75% of the actual salary of the administrator exclusive of quarters and secretarial activities.

### IV. COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES

- A. New Jersey's program of mental health services is focused in the direction of providing a wide range of coordinated mental health services insuring continuity of care to the patient in one or more community facilities under a unified system of administration. To the extent practical projects implementing the recommendations of the federal government for the development of comprehensive community mental health services will be given priority of support.
- B. In order to provide the setting for the development of comprehensive services, community mental health center service areas have been designated in each county. These community mental health center service areas have been established in keeping with guidelines developed by the federal government providing maximum latitude for eligibility for federal community mental health center construction and staffing grants.

## IV. COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES (cont.)

## C. Community Mental Health Centers

1. Definition - A Community Mental Health Center is a program of mental health services in the community, in one or more facilities, under a unified system of care within a designated mental health center service area. It must provide at least 5 essential services:
  - (a) Outpatient Care - A service established and maintained for the examination, diagnosis, care or treatment, on an out-patient basis of patients or individuals thought to be suffering from mental illness, mental retardation or emotional disorder.
  - (b) Inpatient Care - A facility providing inpatient care for the mentally ill.
    1. Psychiatric Hospital - A public or privately sponsored non-profit hospital where the primary concern is to provide inpatient care and treatment to the mentally ill.
    2. Psychiatric Unit of a General Hospital - A unit of beds set up and staffed specifically for psychiatric patients. The unit or beds must be physically separated from other hospital beds or in a separate building, wing or floor of the hospital.
  - (c) Partial Hospitalization (day and/or night care service) - A separate facility whose primary purpose is to provide a planned program of milieu therapy and other treatment modalities. The service is designed for patients who spend only part of a 24 hour period in the facility.
  - (d) Emergency Care - A 24 hour per day service which is available within at least one of the first 3 services listed (i.e. inpatient service; outpatient service; or partial hospitalization). This would require 24 hour walk-in service; 24 hour telephone service; home visits; and a service for suicide prevention.
  - (e) Consultation and Education - A service provided through consultation or training to staffs of community agencies.
    1. Consultation - A contractual relationship, implied or actual, with another professional person or group in which the consultant uses his special skills and knowledge with the goal of expediting solutions to problems presented by the consultee.
    2. Education - In-service training to staffs of community agencies. Those activities which are planned to instruct the workers of other agencies or professional groups about the mental health aspects of their work. The focus is on the teaching of mental health principles and/or techniques. These activities exclude formal instruction and supervisory activities for students or trainees, either within the agency or elsewhere.

## IV. COMPREHENSIVE COMMUNITY MENTAL HEALTH SERVICES (cont.)

2. There are 5 additional elements which complete the comprehensive community mental health program. If these services are also included, special consideration will be given to the application for support:

- (f) Diagnostic Service - A diagnostic or evaluation service in which patients are accepted in the program only for this service.
- (g) Rehabilitative Service - This service includes both social and vocational rehabilitation. It offers for those who need them services such as pre-vocational testing, guidance counseling and sometimes job placement.
- (h) Precare and Aftercare - Services focusing on pre-hospitalization and post-hospitalization needs of mentally ill individuals.
  - 1. Precare is defined as a service provided prior to the admission of a patient to any part of the community mental health center. The service includes evaluation, screening of the patient, and assessment of factors surrounding the referral. Services may also include home visits. This element is primarily designed for placement of the patient in the proper program or facility of the Mental Health Center.
  - 2. Aftercare program is designed to meet special needs of patients released from psychiatric hospitals or psychiatric units of general hospitals.
- (i) Training - This program provides training for all types of mental health personnel. Wherever possible centers should attempt to work out training arrangements with neighboring universities or other institutions, for such core professionals as psychiatrists, psychologists, social workers and psychiatric nurses.
- (j) Research and Evaluation - A program of research and evaluation to study problems of mental health, either through a research team or in cooperation with other agencies. The research program may also concern itself with establishing methods of evaluating the effectiveness of the Center.

## V. COMMUNITY MENTAL HEALTH PROJECTS

Elements of a community mental health center as defined in IV., C. (a) through (j) are classified as community mental health projects for the purpose of transitional support leading toward comprehensive community mental health centers.

For the present, state aid will be limited to the following categories of community mental health projects:

## V. COMMUNITY MENTAL HEALTH PROJECTS (cont.)

(A) Outpatient Psychiatric Clinics

1. This shall include mental hygiene clinics, child guidance clinics, and any facility, by whatever name known, which is established or maintained on a non-profit basis for the examination, diagnosis, care or treatment, on an outpatient basis, of persons suffering, or suspected of suffering mental illness, mental retardation, or emotional disorder, provided that:
  - (a) Emphasis be placed on the development of preventative measures and provision of consultative services to community health, education and welfare agencies.
  - (b) Emphasis be given to the examination and screening of children referred for psychiatric and mental retardation residential facilities.
  - (c) Facilities designed specifically to provide services to the mentally retarded shall receive State support only for examination, diagnosis and parent counsel.
2. The professional staff must include a qualified psychiatrist, psychologist, social worker, and may include a clinical nursing specialist.
3. The psychiatrist must assume medical and legal responsibility for the diagnostic and treatment program of the project, and must serve a sufficient amount of time to fulfill adequately this responsibility.
4. The services of the various professional disciplines must be integrated through regular staff meetings and other conferences initiated for the purpose of diagnosis, planning and treatment of patients.
5. Individual records shall be kept on each patient and shall contain all diagnostic studies including a record of treatment provided by the various professional disciplines. The record should provide sufficiently detailed information about the background and symptomatology of a patient, and the diagnostic formulation and course of treatment, so as to make possible an objective evaluation of services for statistical and other purposes.
6. A plan for the treatment and rehabilitation of each patient under care, based upon clearly defined and realistic goals shall be developed. This plan will be made available by the clinic whenever referral is made to other agencies or institutions.
7. Priority of support will be given to those clinics:
  - (a) which affiliate with community and psychiatric hospitals in preparation for developing a comprehensive community mental health center program
  - (b) which expand their services in preparation for contracting with other elements to form community mental health center programs.

## VI. CONDITIONS GOVERNING STATE GRANTS FOR MENTAL HEALTH SERVICES

1. Applications for state aid for mental health services must be filed on the official forms provided by November 1 for each calendar year beginning on January 1 subsequent.
2. All projects requesting financial assistance under the CMHS Act shall submit an application on the official forms, to the mental health board in the county in which the project will render services. A copy of such application is filed directly with the Bureau of Community Mental Health Services at the time the original forms are forwarded to the county board.
3. All projects shall include an explanation of the expenses proposed and a budget showing all sources of revenue including anticipated state aid and a personnel staffing pattern.
4. Services for which state aid is sought, must not be refused because of age, race, sex, color, creed, or nationality.
5. Projects may make no substantive changes of program without prior approval and consultation of the Department during the grant period.
6. In as much as services supported under State grants are viewed as essential community services not otherwise available and are not necessarily for the indigent, appropriate fee schedules will be established in each project.
7. Fees for service shall be all inclusive.
8. No project may deny services to any person because of inability to pay the agency fee.

## VII. CONDITIONS GOVERNING STATE GRANTS FOR COMMUNITY MENTAL HEALTH CENTER CONSTRUCTION

1. State grants for construction of mental health centers are contingent upon availability of funds and only in conjunction with a Community Mental Health Center approved under Title II, Public Law 88-164, U.S. Department of Health, Education and Welfare.
2. Applications for State grants for construction must be filed on the official forms provided.
3. Sponsoring agencies shall submit applications for state grants for construction to the Bureau of Special Community Mental Health Services.
4. After review by the Community Mental Health Board and affirmative action by the State Board of Control, the Commissioner will approve State financial participation to those centers which comply with the regulations of the Department.
5. The Commissioner shall notify the sponsoring agencies of his action and certify the amount of State participation allowed.

## VII. CONDITIONS GOVERNING STATE GRANTS FOR C.M.H. CENTER CONSTRUCTION (cont.)

6. The Department will conduct interim inspections at various stages of construction to insure that the approved project is constructed in accordance with federal and state standards.
7. The Department will certify requests for payment of installments of construction grants to project sponsors.
8. Ordinarily requests for installment payments covering interim construction will be made on the completion of each of the following stages:
  - (a) When not less than 25% of the work of construction of the building has been completed.
  - (b) When the mechanical work has been substantially roughed-in, or at 50% completion.
  - (c) At 75% completion.
  - (d) When the work is completed and final inspection made.
9. There shall be no requirements limiting payment to the above. If there are exceptional circumstances the Department may approve additional installments prior to the final payment, but not to exceed 6.

## VIII. FISCAL AND ADMINISTRATIVE PROCEDURES

Project Applications

Mental health project applications shall be submitted by new projects, and renewal applications by on-going projects, to the county mental health board in the county in which the project is located and concurrently to the Bureau of Community Mental Health Services. Applications and renewal applications shall be made on the official forms provided.

## A. Materials to Accompany Basic Applications

1. Copies of all pertinent local ordinances and resolutions
2. Copies of contracts for service with other agencies
3. The names, titles and addresses of each member of the official governing body of the project under which the facility operates.
4. A narrative statement describing the current program of services offered by the project. Included in the narrative statement must be a list of mental health needs of the community served by the agency with an indicated order of priorities. Specific goals for the establishment, extension, or improvement of services should be outlined and reviewed annually so that the official governing body has some measurement of the effectiveness of the project in terms of making progress toward the established goals. Plans for change of program in the course of the new year should be outlined in this section.
5. A biography for each member of the professional staff, unless previously filed with the Bureau of Community Mental Health Services.

## VIII. FISCAL AND ADMINISTRATIVE PROCEDURES (cont.)

6. Three copies of the application should be made. Of these, 1 should be retained for files at the project; 1 should be sent directly to the Bureau of Community Mental Health Services; and 1 should be sent to the county mental health board.

B. Dates of Submission

The deadline by which projects must make application for State funds under the CMHS Act is October 1. It is strongly recommended, however, that applications be submitted as soon as completed.

Under some circumstances, a date prior to October 1, but subsequent to September 1, may be designated. This exception may occur in counties where several projects apply and more time is needed by the county mental health board to review. Projects will be notified, either by the county mental health board, or by the Bureau of Community Mental Health Services if the earlier date is set. In the absence of specific notification, the October 1st date will apply.

C. Fiscal Section Information

The budget submitted with the basic application is the basis for calculating the State's share of monies which may be allocated to the respective projects.

It is expected that most allowable items can be included within the printed line items on the form itself. Effort should be taken to avoid making new line items for expenditures which can be included in existing categories. In the interest of sound fiscal practice, the established procedures, as outlined, should be followed.

D. Project Records

## 1. Fiscal Records

- (a) Each project shall establish and maintain appropriate methods for conducting fiscal affairs. A separate fund account shall be maintained for each allocation showing the itemized expenditures as projected in the budget and reflected in the quarterly expenditure reports.
- (b) Reimbursement grants shall be paid to projects from State funds in an amount not exceeding 60% of the allowable expenditures. Records, documents and information on the project including reported expenditures for matching shall be accessible for the purpose of audit when requested by the Bureau of Community Mental Health Services.

## 2. Expenditure Reports

- (a) Each project receiving a grant will submit a quarterly expenditure report on the official forms provided.

## VIII. FISCAL AND ADMINISTRATIVE PROCEDURES (cont.)

- (b) Quarterly Expenditure Reports in triplicate should be submitted according to the following schedule:

<u>Quarterly Periods</u>	<u>Reports Due On/Before</u>
First Quarter: January 1 - March 31	April 15
Second Quarter: April 1 - June 30	July 15
Third Quarter: July 1 - Sept. 30	October 15
Fourth Quarter: October 1 - Dec. 31	January 15

- (c) The expenditure report is to be prepared on a cash basis. Only those expenditures for which actual payment by check or warrant was made for the same quarter are to be reported.
- (d) A designated member of the Board of Trustees of the project should certify the report by signature.
- (e) State allocations may not be used to pay personnel or for other services, supplies or equipment received in a year prior to the one for which the allocation is made. Allocations from annual appropriations may be obligated only for purposes which date from the beginning of that year and not to discharge obligations incurred for program activities conducted wholly in the preceding year.
- (f) The following types of payments are not included within the scope of this restriction and may be encumbered and paid out of current year funds with the approval of the Department.
1. Supplies and equipment delivered in the current year even though they may have been ordered in a previous year.
  2. Services except ordinary salaries and wages, travel expenses or other items of expenditure originating in the previous fiscal year and continuing into the current fiscal year. Examples include:
    - a.) Travel expense for a trip beginning in December and continuing into January.
    - b.) Telephone charges billed from December 15 to January 15.
    - c.) Consultation fees for services performed December 29 through January 2.
- (g) The receipts from sale of equipment, from refunds, or other adjustments should be credited to the same account as were originally charged with the expenditure.
3. Restrictions on use of allocations

Certain items for which State funds may not be used, both as to initial undertaking and subsequent increases are:

## VIII. FISCAL AND ADMINISTRATIVE PROCEDURES (cont.)

- (a) Preparation of plans, construction, remodeling, or purchase of buildings.
- (b) Rental, interest charges, or mortgage costs.
- (c) Depreciation
- (d) Maintenance or care in hospitals or institutions.
- (e) Drugs or medications.
- (f) Supplementing the salary of federal government employees assigned to the State.
- (g) Dues for membership of an individual in any society or organization.
- (h) Fund raising campaign expenses.
- (i) Moving expenses of individuals or expenses involved in re-location of the project.

4. Conditions of Payment

- (a) Payment to a clinic from an allocation approved for the project may be certified only under the following conditions:
  - 1. An application has been approved and is on file with the Bureau of Community Mental Health Services, Division of Mental Health and Hospitals.
  - 2. Expenditure reports, related documents and current statistical reports are on file with the Department.
- (b) Payments to a project shall not exceed the total allocation to the project, or the actual expenditures necessary to carry out the approved plan as indicated in the basic application.
- (c) Payments to a project during any fiscal quarter shall be based upon the approved allowable expenditures reported for that period in the Quarterly Statement of Expenditure Report.

E. Community Mental Health Project Statistical Report System

Submission of statistical reports is required of individual projects participating in the Community Mental Health Services Act of 1967. The program is formulated to maintain a flow of statistical information between the projects and the Department. Significant data about patients from the time of initial application through termination and pertinent staff activity shall be included. The program is designed to provide information generally valuable in the measurement, evaluation, and improvement of mental health projects. Within the limits of time and appropriateness of request, the Department will also provide information and analyses of particular interest to individual projects.

## IX. PROFESSIONAL PERSONNEL

Professional personnel shall meet the minimum standards of training and experience set forth in this section.

A. Psychiatric personnel

## 1. Resident or psychiatrist in training

## a. General duties

- (1) While in a training status and under approved psychiatric supervision, participates in the examination, diagnosis, treatment, and rehabilitation of emotional disorders of children and adults. 1/
- (2) Participates in community mental health activities under the supervision of a staff or senior psychiatrist.

b. Training, **experience** and licensure

- (1) Graduation from a Class A medical school and one year of approved internship. 2/
- (2) Individuals holding appointment in a training capacity which is a part of a hospital residency training program must meet the academic requirements for medical licensure if graduates of American medical schools. If the resident is a graduate of a foreign medical school a certificate issued by the Educational Council for Foreign Medical Graduates is required.

## 2. Staff Psychiatrist

## a. General duties

- (1) Responsible for the diagnosis and treatment of psychiatric disorders.
- (2) Integrates the special skills of the clinic staff into the most suitable approach to the patient and to the mental health problems of the community.
- (3) Participates in community mental health activities by giving consultative services to other professional individuals or organizations.
- (4) Supports and participates in a program of mental health education for lay and professional groups.

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1/ The word "approved" with reference to psychiatric training means accepted by the American Board of Psychiatry and Neurology as part of the requirements for board certification.

2/ Approved by American Medical Association.

## IX. PROFESSIONAL PERSONNEL (cont.)

## b. Training, experience and licensure

- (1) Graduation from a Class A medical school and one year of approved internship.
- (2) Three years of approved training in psychiatry which includes service in a mental health clinic.
- (3) Licensed to practice medicine in New Jersey.

## 3. Clinical or Medical Director

## a. General duties

Directs the professional and community services activities of a clinic, a group of clinics, or a major phase of a large clinical program. Supervises staff members in the examination, staffing, and care of patients, provides instruction for other staff members; organizes and conducts community programs; provides consultative services to professional workers and organizations. Supports and participates in a mental health education program for lay and professional groups.

## b. Training, experience and licensure

- (1) Graduation from a Class A medical school and one year of approved internship.
- (2) Three years of approved training in psychiatry.
- (3) Two additional years of experience in psychiatry. At least one year of experience must have been in a mental health clinic or an equivalent of outpatient psychiatric service.
- (4) Licensed to practice medicine in New Jersey.

B. Psychological Personnel

## 1. Psychological Intern

## a. General duties

Under the supervision of a trained staff psychologist, administers, scores, evaluates and reports results of the more commonly used tests; collects and processes research data as may be prescribed by supervisor; or similar duties. The intern may participate in basic training in psychotherapeutic methods depending upon the discretion of the medical director.

## b. Training and experience

A master's degree, or 45 credits and enrollment in a doctoral program in psychology at a recognized university including practicum courses in diagnostic theory and methods.

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