

Board Gifts and Grants Policy

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Background: Acceptance of Gifts & Grants

- The Board has statutory authority to apply for and receive public and private funding, including gifts & grants - Md. Code, Ins., §31-106(c)(1)(vii).
- The Exchange may also solicit gifts and grants for an established program by following certain Ethics laws.
- Accepted funds must be processed through the budget amendment appropriation processes - State Finance & Procurement §2-201
- This policy does not apply to Federal grants.

Policy Statement

In soliciting, accepting and spending gifts and grants under this policy, MHBE, its officers and employees shall follow all regular budget and budget amendment appropriations processes required by the Maryland Department of Budget and Management; and shall abide by the provisions of Maryland State Ethics Law, Md. Code Ann., General Provisions (§§ 5-101 through 5-1001).

Procedures - Gift/Grant Acceptance

1. Gift/Grant offered is vetted by Executive Director.
2. Board delegation to Executive Director to accept anything under \$50,000 without Board consultation, unless:
 - a. offered by an MHBE vendor or partner;
 - b. entails an estimated initial or annual cost to the Exchange of \geq \$5,000; or
 - c. not in the form of currency (e.g., vehicles, vessels, real property.)
3. Executive Director will report accepted gifts/grants at the next open Board meeting.
4. Executive Director will ensure monies are used in accordance with the terms of the gift/grant, if any.

Procedures - Gift/Grant Solicitations

- Board approval required for solicitations.
- Must be broad and not target vendors or those regulated by MHBE.
- Must be made clear that donations will not confer any special benefit with MHBE.
- Must not result in personal benefit to any MHBE employee.
- No involvement by MHBE employees who are involved in regulatory and/or procurement matters related to the entities being solicited.

Procedures - Gift/Grant Solicitations contd.

- AAG should be consulted for ethical and statutory compliance.
- Executive Director will send donor written acknowledgement of acceptance and maintain copy for at least 3 years.
- Written acknowledgement will be made available to the Maryland Dept. of Budget and Management upon request.

Procedures - Allocation

- CFO will submit funds to be processed through the regular budget and budget amendment appropriation process.
- No spending, regardless of value, until funds have been anticipated and appropriated by the budget, or have been appropriated by an approved budget amendment.

When Board Approval is Needed

- Gifts valued at \$50,000 or more.
- Any gift less than \$50,000 that would result in the total annual amount donated by that donor exceeding \$50,000.
- Any gift, regardless of value, which will cost the Exchange \$5,000 or more.
- Any gift not in the form of currency (real property, vehicles).
- Any gift, regardless of value, offered by an MHBE vendor or partner.

RESOLUTION OF THE MARYLAND HEALTH BENEFIT EXCHANGE BOARD OF TRUSTEES APPROVING GIFTS AND GRANTS TO THE EXCHANGE – SOLICITATION, ACCEPTANCE, AND SPENDING POLICY

WHEREAS, the Board of Trustees (the “Board” or “Trustees”) of the Maryland Health Benefit Exchange (“MHBE”) wishes to establish a policy governing the MHBE’s solicitation, acceptance, and spending of gifts and non-federal grants in manner that is fair, transparent, and in accordance with applicable state law.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees hereby adopts the Maryland Health Benefit Exchange Board of Trustees’ Gifts & Grants to the Exchange – Solicitation, Acceptance, and Spending Policy, attached in the packet as Exhibit A.