Office of Inspector General
Corporation for National and Community Service

Audit of Corporation for National Service Grant Numbers 440A001/12, 13 & 14 to Baltimore County Department of Aging Towson, Maryland

OIG Audit Report Number 02-05
April 27, 2001

Financial Schedules
and
Independent Auditor's Reports

For the Period
October 1, 1997 to September 30, 2000

Prepared by:
Leonard G. Birnbaum and Company
Certified Public Accountants
6285 Franconia Road
Alexandria, Virginia 22310

Deliver Order S-OPRAQ-99-D-0020-CNS-07

CORPORATION
FOR NATIONAL
SERVICE

Office of Inspector General
Corporation for National and Community Service
OIG Audit Report Number 02-05

Audit of Corporation for National Service
Grant Numbers 440A001/12, 13 & 14
to the
Baltimore County Department of Aging
Towson, Maryland

The Office of Inspector General engaged L. G. Birnbaum and Company, LLP to audit costs claimed by the Baltimore County Department of Aging under CNS grant numbers 440A001/12, 13 & 14. The audit covered the period October 1, 1997 through September 30, 2000 and included procedures to determine if costs claimed in financial reports prepared by the Bureau were allowable, internal controls were adequate to safeguard Federal funds, and whether the Bureau had policies and procedures adequate to ensure compliance with Federal laws, applicable regulations and award conditions.

As a result of the work performed, the auditors questioned none of the costs claimed. They noted one compliance issue that was resolved prior to issuance of this final audit report. CNS OIG reviewed the report, with which we concur, and the work papers supporting its conclusions. The Corporation's and the Baltimore County Department of Aging's responses to this report are discussed within the report and included in their entirety as Appendices A and B, respectively.

Inspector General
1201 New York Avenue, NW
Washington, DC 20525

Office of Inspector General
Corporation for National and Community Service
Audit of Corporation for National Service
Grant Nos. 440A001/12, 13 & 14 to
Baltimore County Department of Aging

Table of Contents

	Page
REPORT SUMMARY AND HIGHLIGHTS:	
Summary of Audit Results	1
Purpose and Scope of Audit	1
Background	2
INDEPENDENT AUDITOR'S REPORT	3
FINANCIAL SCHEDULES:	
Exhibit A - Schedule of Award Costs - Fiscal Years 1998-2000	6
Exhibit A-1 - Schedule of Award Costs - Fiscal Year 1998	7
Exhibit A-2 - Schedule of Award Costs - Fiscal Year 1999	8
Exhibit A-3 - Schedule of Award Costs - Fiscal Year 2000	9
Notes to Financial Schedules	10
INDEPENDENT AUDITOR'S REPORTS ON COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING	12
RESPONSES TO REPORT	
CNS Grants Management	Appendix A
Baltimore County Department of Aging	Appendix B

REPORT SUMMARY AND HIGHLIGHTS

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Inspector General
Corporation for National Service

This report is issued under an engagement to audit the costs claimed by the Baltimore County Department of Aging for its Retired Senior Volunteer Program for the period October 1, 1997 through September 30, 2000. It focuses on the audit of claimed costs and testing of compliance with Federal laws, applicable regulations and award conditions and relevant internal controls.

Our audit covered the funds awarded by the Corporation for National Service under Grant Nos. 440A001/12, 13 & 14 for the Retired Senior Volunteer Program and disclosed the following:

SUMMARY OF AUDIT RESULTS

	Period	Amount	Percentage of Award Budget
Award Budget	10/97 - 09/00	$ 195,447	-
Claimed Costs	10/97 - 09/00	$ 186,028	95%
Questioned Costs	10/97 - 09/00	$ 0	-

PURPOSE AND SCOPE OF AUDIT

Our audit covered the costs claimed under Grant Nos. 440A001/12, 13 & 14 during the period October 1, 1997 through September 30, 2000, the award period. The objectives were to determine whether:

1. Financial reports prepared by Baltimore County Department of Aging presented fairly the financial condition of the award;

2. The internal controls were adequate to safeguard Federal funds;

3. Baltimore County Department of Aging had adequate procedures and controls to ensure compliance with Federal laws, applicable regulations and award conditions;

4. The award costs reported to the Corporation were documented and allowable in accordance with the award terms and conditions; and

5. Baltimore County Department of Aging had adequate procedures and controls to track and report progress toward achievement of the program objectives.

We performed the audit in accordance with generally accepted auditing standards, and *Government Auditing Standards* (1994 Revision) issued by the Comptroller General of the United States. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the amounts claimed against the award, as presented in the schedule of award costs (Exhibit A), are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in Exhibit A. An audit also includes assessing the accounting principles used and significant estimates made by the auditee, as well as evaluating the overall financial schedule presentation. We believe our audit provides a reasonable basis for our opinion.

BACKGROUND

The Corporation awarded Grant Numbers 440A001/12, 13 & 14 in the amount of $195,447 for the period October 1, 1997 through September 30, 2000, to Baltimore County Department of Aging for its Retired Senior Volunteer Program to (1) provide in-home services to homebound elderly clients, (2) monitor daily attendance and offer counsel, support and encouragement to chronic truants, (3) tutor elementary school students, (4) enrich the lives of older adults by providing creative and challenging retirement options, (5) recruit volunteers to implement the Schoolyard Reforestation/Wildlife Habitat Program with local schools, and (6) recruit senior volunteers to help with homework, organize self-esteem building groups and coach after-school sports.

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INDEPENDENT AUDITOR'S REPORT

Inspector General
Corporation for National Service

We have audited the costs incurred by Baltimore County Department of Aging for its Retired Senior Volunteer Program, listed below. These costs, as presented in the Schedule of Award Costs (Exhibit A), are the responsibility of Baltimore County Department of Senior Services' management. Our responsibility is to express an opinion on the Schedule based on our audit.

Grant Numbers	Award Period	Audit Period
440A001/12, 13 & 14	October 1, 1997 to September 30, 2000	October 1, 1997 to September 30, 2000

We conducted our audit in accordance with generally accepted auditing standards, and *Government Auditing Standards* (1994 Revision), issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial schedules are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial schedules. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial schedule presentation. We believe our audit provides a reasonable basis for our opinion.

The accompanying financial schedules were prepared for the purpose of complying with the requirements of the award agreement as described in Note 1, and are not intended to be a complete presentation of financial position in conformity with accounting principles generally accepted in the United States of America.

MEMBER OF THE DIVISION FOR CPA FIRMS, PRIVATE COMPANIES PRACTICE SECTION
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

Inspector General
Corporation for National Service

In our opinion, the Schedule of Award Costs (Exhibit A) referred to above presents fairly, in all material respects, the costs claimed for the period October 1, 1997 to September 30, 2000, in conformity with the award agreements.

This report is intended for the information and use of the Office of the Inspector General, Corporation for National Service, the management of the Corporation, and Baltimore County Department of Aging. However, this report is a matter of public record and its distribution is not limited.

Leonard G. Birnbaum and Company

Alexandria, Virginia
April 27, 2001

FINANCIAL SCHEDULES

Exhibit A

Baltimore County Department of Aging
Corporation for National Service Award No. 440A001/12, 13 & 14
Schedule of Award Costs
From October 1, 1997 to September 30, 2000

Cost Category	Approved Budget	Claimed Costs
Personnel Services:		
RSVP Director	$ 71,113	$ 124,551
Secretary	28,978	31,729
RSVP Coordinator	49,246	133
Subtotal	149,337	156,413
Fringe Benefits:	25,041	26,454
Other Expenses:		
Travel, Tolls & Parking	3,000	7,971
Professional Services	-	3,687
Service Contracts	-	13,025
Postage and Supplies	350	9,000
Data Processing Equipment	800	1,195
Reproduction	600	6,950
Indirect	2,000	-
Other Allowable Support	2,710	413
Subtotal	9,460	42,241
Volunteer Expenses:		
Recognition	6,500	73
Travel	1,945	-
Meals	1,259	55
Other	1,905	-
Subtotal	11,609	128
Subtotal	195,447	225,236
Less: Local Cash Contribution	-	39,208
TOTAL FEDERAL FUNDS	195,447	186,028
Total Match	288,370	167,324
TOTAL PROJECT COSTS	$ 483,817	$ 353,352

The accompanying notes are an integral part of this financial schedule.

Exhibit A-1

Baltimore County Department of Aging
Corporation for National Service Award No. 440A001/12
Schedule of Award Costs
From October 1, 1997 to September 30, 1998

Cost Category	Approved Budget	Claimed Costs
Personnel Services:		
RSVP Director	$ 5,579	$ 41,877
Secretary	14,628	19,170
Coordinators	31,383	67
Subtotal	51,590	61,114
Fringe Benefits:	3,957	7,734
Other Expenses:		
Travel, Tolls & Parking	250	2,890
Professional Services	-	1,085
Postage and Supplies	350	3,070
Reproduction	-	2,147
Subtotal	600	9,192
Volunteer Expenses:		
Recognition	3,500	73
Travel	1,945	-
Meals	500	-
Other	1,905	-
Subtotal	7,850	73
Subtotal	63 997	78,113
Less: Local Cash Contribution	-	14,116
TOTAL FEDERAL FUNDS	63,997	63,997
Total Match	148,105	48,344
TOTAL PROJECT COSTS	$ 212,102	$ 112,341

The accompanying notes are an integral part of this financial schedule.

Exhibit A-2

Baltimore County Department of Aging
Corporation for National Service Award No. 440A001/13
Schedule of Award Costs
From October 1, 1998 to September 30, 1999

Cost Category	Approved Budget	Claimed Costs
Personnel Services:		
RSVP Director	$ 31,748	$ 48,652
Secretary	14,350	-
RSVP Coordinator	-	66
Subtotal	46,098	48,718
Fringe Benefits:	11,760	11,412
Other Expenses:		
Travel, Tolls & Parking	700	837
Professional Services	-	591
Service Contracts	-	13,000
Postage and Supplies	-	2,323
Reproduction	600	1,487
Indirect	2000	-
Subtotal	3,300	18,238
Volunteer Expenses:		
Recognition	3,000	-
Meals	759	55
Subtotal	3,759	55
Subtotal	64,917	78,423
Less: Local Cash Contribution	-	13,506
TOTAL FEDERAL FUNDS	64,917	64,917
Total Match	70,775	70,775
TOTAL PROJECT COSTS	$ 135,692	$ 135,692

The accompanying notes are an integral part of this financial schedule.

Exhibit A-3

Baltimore County Department of Aging
Corporation for National Service Award No. 440A001/14
Schedule of Award Costs
From October 1, 1999 to September 30, 2000

Cost Category	Approved Budget	Claimed Costs
Personnel Services:		
RSVP Director	$ 33,786	$ 34,022
Secretary	-	12,559
Coordinators	17,863	-
Subtotal	51,649	46,581
Fringe Benefits:	9,324	7,308
Other Expenses:		
Travel, Tolls & Parking	2,050	4,244
Professional Services	-	2,011
Postage and Supplies		3,832
Data Processing Equipment	800	1,195
Reproduction		3,316
Other Allowable Support	2,710	213
Subtotal	5,560	14,811
Subtotal	66,533	68,700
Less. Local Cash Contribution	-	11,586
TOTAL FEDERAL FUNDS	66,533	57,114
Total Match	69,490	48,205
TOTAL PROJECT COSTS	$ 136,023	$ 105,319

The accompanying notes are an integral part of this financial schedule.

Baltimore County Department of Aging
Corporation for National Service Award No. 440A001/12, 13 & 14
Notes to Financial Schedules

1. Summary of Significant Accounting Policies

Accounting Basis

The accompanying financial schedules, Exhibits A, A-1, A-2, and A-3 have been prepared from the books of account of the Baltimore County Department of Aging. The basis of accounting utilized differs from generally accepted accounting principles. The following information summarizes these differences.

A. Equity

Under the terms of the award, all funds not expended according to the award agreement and budget at the end of the award period are to be returned to the Corporation for National Service. Therefore, Baltimore County Department of Aging does not maintain any equity in the award and any excess of cash received from the Corporation over final expenditures, excluding any interest retained in accordance with OMB Circular A-110, is due to the Corporation.

B. Equipment

Equipment is charged to expense in the period during which it is purchased instead of being recognized as an asset and depreciated over its useful life.

Title to equipment acquired under Federal grants rests in Baltimore County Department of Aging while used in the program for which it is purchased or in other future authorized programs. However, the Corporation has a reversionary interest in the equipment. Its disposition, as well as the ownership of any proceeds therefrom, is subject to Federal regulations.

C. Supplies

Minor materials and supplies are charged to expense when purchased.

2. Income Taxes

Baltimore County Department of Aging is a local government entity in the State of Maryland and is therefore exempt from Federal and state income taxes.

INDEPENDENT AUDITOR'S REPORTS

ON

COMPLIANCE AND INTERNAL CONTROL OVER FINANCIAL REPORTING

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Inspector General
Corporation for National Service

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING

We have audited the Schedule of Award Costs which summarizes the costs claimed by the Baltimore County Department of Aging under the Corporation for National Service (Corporation) grant awards listed below, and have issued our report thereon dated April 27, 2001.

Grant Number	Award Period	Audit Period
440A001/12, 13 &14	October 1, 1997 to September 30, 2000	October 1, 1997 to September 30, 2000

We conducted our audit in accordance with generally accepted auditing standards, and *Government Auditing Standards* (1994 Revision), issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Baltimore County Department of Aging's financial schedules are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, and terms and conditions of the grant award, noncompliance with which could have a direct and material effect on the determination of allowable amounts. However, providing an opinion on compliance with those provisions was not an objective of our

MEMBER OF THE DIVISION FOR CPA FIRMS, PRIVATE COMPANIES PRACTICE SECTION
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described below.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Baltimore County Department of Aging's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial schedules and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the Schedule of Award Costs being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. We found one potential compliance matter that was resolved prior to the issuance of this final report; specifically information provided during the audit indicated that the Baltimore County Department of Aging provided RSVP participants with only two of the three types of required insurance coverage. Code of Federal Regulations (CFR) Title 45, Chapter XXV, Section 2553.43, requires RSVP volunteers to be provided with accident, personal liability, and, when appropriate, excess automobile liability insurance. Volunteers were said to be covered for comprehensive general liability and excess auto, but not by accident insurance.

Baltimore County Department of Aging Response

In its response to a draft of this report, the Department indicated that the Baltimore County Government, through its self-insurance fund, provides the three types of required coverage as specified by the Corporation for National Service. That coverage includes comprehensive liability, excess automobile insurance and Worker's Compensation benefits.

Auditor's Response

The Director, Baltimore County Department of Aging explained that, after receiving the draft report, an inquiry was made to the County's insurance staff who advised that the coverage was not limited to that set forth in documentation presented to us during the audit, but rather also included Worker's Compensation benefits. We accept this explanation.

Inspector General
Corporation for National Service

This report is intended for the information and use of the Office of the Inspector General, Corporation for National Service, the management of the Corporation, and Baltimore County Department of Aging. However, this report is a matter of public record and its distribution is not limited.

Leonard G. Birnbaum and Company

Alexandria, Virginia
April 27, 2001

Appendix A

Response of the Corporation's Office of Grants Management

CORPORATION
FOR NATIONAL
SERVICE

MEMORANDUM

DATE: September 25, 2001

TO: Luise S. Jordan, Inspector General

FROM: Rocco Gaudio, Director
Atlantic Service Center

SUBJECT: Comments on OIG Draft Audit Report 01-10, *Audit of the Corporation's Grant to the Baltimore County Department of Aging*

Thank you for the opportunity to review the draft report of your audit of the Corporation's grant to the Baltimore County Department of Aging. The audit report cited one compliance finding – that the grantee provided RSVP participants with only two of the three types of required insurance coverage. Specifically, volunteers had been covered for comprehensive general liability and excess auto, but not covered by accident insurance. However, my review disclosed that in each of the years audited the grantee budgeted for all of the required insurance. The accident coverage was provided under the County's blanket policy. Therefore, the volunteers were, in fact, fully covered.

cc: William Anderson, Deputy Chief Financial Officer
Peg Rosenberry, Director, Grants Management

801 Arch Street
Suite # 103
Philadelphia, PA 19107-2416
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Getting Things Done.
AmeriCorps, National Service
Learn and Serve America
National Senior Service Corps

Appendix B

Response of Baltimore County Department of Aging

Baltimore County
Department of Aging

611 Central Avenue
Towson, Maryland 21204
410-887-2594
Fax: 410-887-2159
TDD: 410-887-3787

September 19, 2001

Office of the Inspector General
1201 New York Avenue, NW
Washington, DC 20525

Dear Sir,

This letter is in response to the Independent Audit prepared by Leonard J. Birnbaum and Company Certified Public Accountants of the Corporation for National Service Grant numbers 440A001/12,13 and 14 of the Baltimore County Department of Aging for the period October 1, 1997 to Sept. 30, 2000.

After careful review of the report I noted that one instance of noncompliance was disclosed: "Baltimore County Department of Aging did not provide RSVP participants with accident insurance coverage required by program regulations".

The recommendation:
"We recommend that Baltimore County Department of Aging provide the accident insurance coverage as required by CFR 45 Chapter XXV Section 2553.43 and the RSVP Operations Handbook".

Baltimore County Department of Aging Response

In response to that disclosure I submit the following documentation. Baltimore County Government, through its self-insurance fund, provides the three types of required insurance coverage as specified by the Corporation for National Service. That coverage includes comprehensive liability, excess automobile insurance and Worker's Compensation Benefits. – (See attachment #1)
As noted, Worker's Compensation coverage is available to all county volunteers, including those registered as RSVP volunteers, and provides medical treatment coverage for accidental injury during travel between home and the volunteer service site and while attending project sponsored activities.

Baltimore County's self insurance fund was established on July 1, 1986 to "provide compensation to employees of the county, employees of the board of education, the board of library trustees, volunteer workers and members of boards and commissions, while acting within the scope of their duties". – (See Attachment #2, Baltimore County Code Article VI Section 15-191)

Rec'd CNS OIG 9/25/01

Also to "pay on behalf of the county and the board of library trustees any sum which the county and the trustees may be legally obligated to pay for liability claims, including but not limited to personal injury and/or property damage and also to pay on behalf of employees of the county and the board of library trustees any sum which said employee may become legally obligated to pay for liability claims, including but not limited to personal injury and or property damage…"

As noted earlier, Baltimore County's self-insurance fund was established in July 1986. Baltimore County Department of Aging became the sponsor of RSVP for Baltimore County in November 1986. The Department of Aging's RSVP volunteers have been covered by and continue to be covered by three kinds of insurance coverage as required in the Corporation for National Service Regulations.

A copy of the Baltimore County Department of Aging Certificate of Insurance is provided.

I hope that the attached documents provide sufficient documentation to indicate that RSVP volunteers in Baltimore County are provided with accident insurance coverage.

Sincerely,

Charles L. Fisher, Jr.
Director
Baltimore County Department of Aging

cc: Jerry Yates

INSURANCE COVERAGE - VOLUNTEERS

As provided by the Department of Aging's insurance policy, RSVP volunteers are covered by the following types of insurance:

1. Comprehensive general liability
2. Excess auto
3. Worker's Compensation benefits

1. **Liability insurance** is that covering accidents caused by the negligence of volunteers and damaging to participants, their property, the property of a privately owned center or County-owned property.

The County provides comprehensive general and professional liability insurance. The total liability for all damage and/or personal injury to which the coverage applies in a single incident, whether an individual claim or in aggregate, is limited to $500,000 with $100,000 for property damage. An excess judgment over these limits for which the County is found liable is paid from the County general contingency fund. Coverage does not extend to malicious or intentional actions not in good faith or to actions which are not within the scope of the employee's or volunteer's responsibilities or involving any activity not approved by the Department of Aging.

Baltimore County will provide legal counsel for volunteers who have become parties to civil suits arising out of the performance of duties exercised in good faith within the scope of their responsibilities.

In the event of an incident which may involve the possibility of a claim against liability insurance or a potential lawsuit, a full report of the incident must be filed with the Department of Aging Central Administration as soon as possible. An injured person has up to three years to file a claim, or to sue, from the date of the alleged incident. If claims are made or papers served, they must be forwarded immediately to the Department of Aging Administration.

If an incident occurs on a site not owned by the County and such incident is not caused by a County volunteer, the insurance of the site would take precedence. For insurance purposes it is imperative that participants and volunteers be clearly listed at the center as different procedures are applicable to each.

2. **Excess auto insurance** begins where the car owner's policy leaves off. The private insurance carrier of the volunteer is the primary insurer and only if the insurance is insufficient will the County coverage apply. County insurance does <u>not</u> take the place of the individual's own coverage. If an accident takes place and a volunteer, as driver, is

declared negligent, passengers in the car who were injured would have the option of bringing suit against the County and the driver. Each suit would stand on its own merits.

County volunteers driving County-owned vehicles on official business are fully covered by the County for insurance purposes. Any damage caused by the volunteer to the vehicle will be repaired and charged to the individual department's budget. If the car is damaged due to negligence while not on official business, it is repaired by the County and subrogated by the County against the driver. The money regained is placed in the General Fund.

In the case of any vehicular accident, the driver must make no statement to a third party claimant, such as "the County will pay" etc., but refer to the Office of Law after getting as much information as possible. Inform the claimant that the County Solicitor will be in touch with them. The Department of Aging Central Administration will receive all such information and will forward it to the appropriate offices.

3. **Workers' Compensation coverage** is available to all County volunteers. Baltimore County is NOT among the 11 Maryland counties excluding volunteers from Workers' Compensation coverage under State law. This coverage extends to medical treatment only. In order to assure County coverage, accidents should be reported to the Community Supervisor and the Claims Management Unit at 410-887-8400.

For an injury to be covered by Workers' Compensation, it must arise out of and in the course of the volunteer's duties and must satisfy the Maryland definition of an "accidental injury". The supervisor of the injured volunteer must immediately contact the Claims Management Unit regarding the preparation of an "Employer's First Report of Injury" form. When treated by a physician or hospital for injuries sustained on the job, the volunteer should have a copy of the bill sent directly to the Claims Management Unit who will make a decision regarding compensability and inform the volunteer.

NOV

BALTIMORE COUNTY, MARYLAND

CERTIFICATE OF INSURANCE

TO: Baltimore County
Department of Aging
Area Agency on Aging
Towson, Maryland 21204

RE: All Registered Volunteers

THIS IS TO CERTIFY that Baltimore County, Maryland, the Board of Library Trustees and Community College Trustees of Baltimore County, Maryland, and their respective employees are insured through the Self Insurance Fund established by Baltimore County Council Bill No. 61-86 and to the extent as required by law and more fully set forth in the Courts and Judicial Proceedings Article, Section 5-401 through 5-404, Annotated Code of Maryland, and entitled "Local" Government Tort Claims Act. Such coverage applies to liability for property damage and/or bodily injury to third parties caused by the actions of said employees in the performance of their employment.

The word "employee" shall include:

(a) All employees of Baltimore County, Maryland, the Board of Library Trustees of Baltimore County, Maryland, and Community College Trustees of Baltimore County, Maryland, whether elected or appointed, members of Boards and Commissions, and volunteer workers excluding volunteer fire companies, while acting within the scope of the performance of their duties on behalf of Baltimore County, Maryland, the Board of Library Trustees of Baltimore County, Maryland.

(b) Any person as defined in Section 1-2, Title 1 of the Baltimore County Code, 1988, (the "Code") for whom Baltimore County, Maryland, the Board of Library Trustees of Baltimore County, Maryland, or the Community College Trustees of Baltimore County, Maryland, may be obligated by written agreement to provide liability or property damage insurance pursuant to Section 15-191(2-C) of the Code.

Robert Behler

Robert Behler
Insurance Administrator
Authorized Signature

Issued: 11-7-96

of major firefighting, ambulance and rescue equipment; to finance land acquisition and construction costs, including architects' and engineers' fees, necessary for expansion, enlargement, repair, rehabilitation, alteration and construction of buildings and improvements, including the costs of constructing means of access and extending utility systems provided such costs are reasonably necessary for:

(1) The proper and effective operation of qualified volunteer fire, ambulance and rescue companies operating in the county; and

(2) Corporate undertakings of those companies such as (without limitation) training sessions, meetings, seminars, conferences, community educational programs, dinners, bazaars, fundraising events and other activities.

(Bill No. 161-94, §§ 1, 2, 12-8-94; Bill No. 49-96, § 9, 7-1-96)

Sec. 15-162. Grant program administration.

All grants or other transfers made by the county to the association shall be administered by the association according to accepted principles of sound accounting and fiscal management.
(Bill No. 161-94, §§ 1, 2, 12-8-94)

Sec. 15-163. Prohibited use of grant program funds.

Grant program funds shall not be used for operational expenses of the companies.
(Bill No. 161-94, §§ 1, 2, 12-8-94)

Sec. 15-164. Dissolution of the grant program.

If the capital grant program is dissolved by the county council because the volunteer go out of existence or the county and the association determine that the grant program is no longer required, the moneys on hand and all moneys due and owing at the time shall revert to the county.
(Bill No. 161-94, §§ 1, 2, 12-8-94)

Secs. 15-165—15-190. Reserved.

ARTICLE VI. SELF INSURANCE FUND

Sec. 15-191. Fund established.

There is hereby established a fund to be known as the self insurance fund to:

(1) Provide compensation to employees of the county under the provisions of and as required by Ann. Code of Md. art. 101. The word "employees" shall be as defined in Ann. Code of Md. art. 101, and shall include all employees of the board of education, the board of library trustees, volunteer workers, and members of boards and commissions, while acting within the scope of their duties.

(2) Pay on behalf of the county and the board of library trustees any sum which the county and the trustees may become legally obligated to pay for liability claims, including but not limited to personal injury and/or property damage, and also to pay on behalf of employees of the county and the board of library trustees any sum which said employees may become legally obligated to pay for liability claims, including but not limited to personal injury and/or property damage arising out of the performance of duties by said employees in the course of their employment and as required by law and more fully set forth in the Ann. Code of Md., Courts and Judicial Procedures article, §§ 5-401—5-404 entitled "Local Government Tort Claims Act." The word "employees," as used in this subsection, shall include:

a. All elected and appointed officials of the county, including but not limited to the county executive, members of the county council, and the sheriff of the county.

b. All employees of the county and the trustees, whether elected or appointed, members of boards and commissions, and volunteer workers, excluding members of volunteer fire companies, while acting within the scope of their employment on behalf of the county and/or the trustees.

c. Any person as defined in section 1-2 of this Code for whom the county or the trustees may be obligated by written agreement to provide liability insurance.

(3) The board of community college trustees for the county and the board of education of the county may elect to join the self insurance fund described in subsections (1) and (2) of this section, in which case the term "employee" shall include employees of said boards and the trustees, members and officers thereof while acting within the scope of their duties or employment.

(Code 1978, § 2-131)

Sec. 15-192. Managing the fund.

The director of budget and finance shall be responsible for the management of the fund, which shall include the receipt of annual appropriations by the county, investments, disbursements against approved claims as certified by the office of law, and the selection of the actuary.

(Code 1978, § 2-134; Bill No. 49-96, § 9, 7-1-96)

Sec. 15-193. Financing the fund.

Annually the county shall appropriate and pay to the fund an amount which is projected to completely fund, on a present-value basis, all liabilities expected to occur on or after July 1, 1986, through the upcoming fiscal year. The county, in addition, shall annually appropriate funds to pay at least a portion of the outstanding unpaid liability, as determined by the actuarial analysis of January, 1986. At such time as the outstanding unpaid liability has been funded, the appropriation procedure will be based on funding one hundred (100) percent of the outstanding liability (on a present value basis) of the fund for all year, including the projected upcoming fiscal year. The amount of the reserve required shall be based on analysis of the county's past claims experience and probable future claims, including the timing of payments, and shall be determined by the director of budget and finance in consultation with appropriate county agencies and advisers.

(Code 1978, § 2-133; Bill No. 141-93, 1993, § 1; Bill No. 69-95, § 6, 7-1-95; Bill No. 49-96, § 9, 7-1-96)

Sec. 15-194. Retentions.

The county shall periodically establish self insurance retentions based on the county's past and probable future claims experience and the availability and pricing of excess insurance. The establishment of self insurance retentions shall be determined by the director of budget and finance in consultation with appropriate county agencies and advisers.

(Code 1978, § 2-132; Bill No. 141-93, 1993, § 1; Bill No. 69-95, § 6, 7-1-95; Bill No. 49-96, § 9, 7-1-96)

Sec. 15-195. Claims; excess coverage.

(a) The office of law shall be responsible for processing and investigating all claims filed and shall be responsible for the review, settlement and/or trial of all claims filed and for approval for payment of such claims, including any award in contested claims.

(b) The county may provide the necessary funds for and the director of budget and finance shall be responsible for acquiring appropriate excess insurance coverage when in the director's discretion such insurance is available at a reasonable rate and cost to the county.

(Code 1978, § 2-135; Bill No. 141-93, 1993, § 1; Bill No. 69-95, § 6, 7-1-95; Bill No. 49-96, § 9, 7-1-96)

Secs. 15-196—15-220. Reserved.

ARTICLE VII. SPECIAL REVENUE FUNDS AND ACCOUNTS*

Sec. 15-221. Gifts and grants special revenue fund.

(a) There is hereby established a special fund to be known as "gifts and grants special revenue fund" and the procedure for administering same pursuant to the authority contained in section 721 of the Charter.

(b) Monetary gifts and grants accepted by the county council pursuant to section 306 of the

*Cross reference—Voluntary participation in education costs deposit account, § 12-4.