<div align="center">**EXHIBIT C**</div>

POLICY TITLE: Enrollment Authorization and Wait List

PURPOSE: To define the responsibility for authorizing and monitoring enrollments based upon the availability of funds.

POLICY: No child shall be authorized for enrollment without approval by the Local Program Administrator (LPA) and verification of fund availability. Each enrollee premium will be encumbered for a 12 month period.

PROCEDURE:
Each participating county agency shall be responsible for designating an LPA to administer and authorize enrollment. This agent shall establish an accounting system to track available funding and verify available funding before certifying an application as eligible for enrollment. Should enrollment requests appear to exceed the amount of available funding, the enrollment shall be placed in a pending status/wait list and processed according to local agency criteria and regional administrative protocols. Each authorizing county agency shall be fully fiscally responsible for the premiums of all children approved by them for enrollment.

I. Establish Amount of Available Funding
Each local authoring agency shall allocate the annual approved funding and establish enrollment targets which result in maximum enrollments of children according to available funding. This information will be provided to the LPA along with an accounting tracking system. (Sample tracking sheet attached).

II. Monitor Enrollments
When enrollments reach 90 per cent of the target, the LPA will review outreach, enrollment and retention plans to ensure annual targets are met, but not exceeded and that wait list protocols are initiated. LPA will provide notice to Regional Executive Director of determination (wait list or continued enrollment).

III. Establishment of Waiting Lists
Once the 90 per cent target is reached, potential members will be entered into the computer system under an eligibility pending enrollment file. CAA's will contact parents to inform them that their child will be placed on a waiting list until additional funding is secured. The following information will be recorded on the waiting list: date of birth, current age, whether sibling of currently enrolled child living in same household, or sibling of currently enrolled child living in shared living arrangement, if financial hardship situation.

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IV. Establish a Local Agency Schedule and Process for Reviewing Wait Lists

Pending enrollments will be tracked and reported out in the regional IT system. Reports will be available on a daily basis. Each participating county agency shall designate a committee to review, monitor and authorize movement from the waiting list to active enrollment. The LPA shall be responsible for monitoring the wait list and processing the authorizations via the HKHF IT system.

V. Regional Monitoring

The Regional Executive Director shall review monthly waiting list reports and shall monitor the expense allocation to ensure that grant funding is being expensed appropriately. She shall report any concerns or recommendations to the HKHF Governing Board regarding use of regional funding and wait lists.