

	County of Sacramento Mental Health Division Adult Mental Health Services	Policy No.	02-03
		Issued Date	11-16-07
		Revision Date	10-08-09
AREA: Contract Administration	TITLE: Contract Development		
Approved by:	Approved By:		
Marcia Jo, MPA, JD Program Manager	Sandy Damiano, PhD Chief		

I. POLICY

Adult Mental Health Services contracts and amendments are developed in accordance with specific County guidelines. Contract development includes new contracts, amendments, or contract renewals.

II. PROCEDURE

A. Pre-Development

1. Determine service need, focal population, fund source allocation and fit within the system of care.
2. A competitive selection process is completed as indicated.

B. Contract Development / Negotiations

Adult Administration staff use a contract development worksheet and tracking log to track the progression of contract development steps including the initial assignment, fund source allocation, scope, staffing and budget changes.

1. Program Manager begins work on the contract development file by using available data from source documents such as Board letters, contracts (fund source allocation), and clearly defining required parameters. This may be completed by the administrative team.
2. Contract Coordinator completes a Contract Request Form (CRF) after consultation with the Contract Monitor and submits it to the Department Contracts Unit.
3. Contract Coordinator submits the following information (for new contracts and renewals) to the Department Contracts Unit before the contract is prepared:
 - a. 71-J Evaluation Form with supporting documentation
 - b. HIPAA Business Associate Decision Tree
 - c. Contract Renewal Packet, as indicated:

From Contractor:

- Completed Contractor Information Letter
- Letter/information regarding five or more employees
- Insurance Certificate(s)
- Copy of W-4 (For Personal Service Contracts if withholding applies)
- I-9 (For Personal Service Contracts)
- Tax or Insurance waiver requests (if applicable)
- Board of Director's Resolution / Signature Authority
- Letter of request for an advance (if applicable, consistent with Adult MH P&P 02-01 Contract Advance)
- Good Neighbor Policy Site Information / Statement of Compliance
- Other Division / Funding Specific Documents
- Contractor ID Form for Child Support
- Auditors Payee Data Record (w-9)
- Certification Regarding Debarment and Suspension
- Assurance of Cultural Competence Compliance
- Equipment Purchase-Lease Purchase Detail
- Insurance Certificate – verified copies must be submitted and remain current 30 days post execution.

4. Contract Monitor, with consultation from the designated Program Manager, develops a draft scope of service, staffing and budget.
 - a. These should be aligned with relevant policies and procedures.
 - b. Schedule negotiation meetings and review processes within the designated time frames.
5. Contract Monitor and adult administration team members engage in contract negotiation meetings with the identified contractor. Monitor and Contractor work from the scope, staffing detail and budget drafts to ensure that changes are articulated in a clear manner.
6. If the contract is designated as a 71-J contract, the Monitor and Program Manager follow procedures that are outlined in P&P 02-09 71-J Contracts Procedures.
7. Once the scope of service, staffing detail and budget are in final draft form, the Federal Financial Participation (FFP) and unit rates are calculated by the Contract Coordinator in conjunction with the Contract ASO II. These are reviewed with the Program Manager.
8. The Program Manager and/or Monitor reviews and discusses the FFP and unit rates with the Contractor and final adjustments are made if indicated.

C. Validation / Final Processing

1. The final scope, staffing detail, budget including FFP and unit rates are reviewed by the designated Program Manager, Contract Coordinator and Chief.
2. If changes are made in the step above, the Program Manager will review the final changes in the context of the contract with the Contractor.

3. If the staffing detail or budget has changed from item B.6., the Contract Coordinator will revise and complete the 71-J analysis.
4. Contract Coordinator submits the final scope, staffing and budget to the Department Contracts Unit for processing.

D. Board Letter (as indicated)

Contract Coordinator:

1. Develops a draft Board Letter for contract / budget authority as indicated. This includes the development of an Appropriation Adjustment Request (AAR) by the Budget ASO II. This process may occur on a parallel time frame.
2. Solicits team feedback with final review by the Chief then submits the Board Letter to the designated Department contact for processing.
3. Tracks the Board Letter status and ensures the final document is circulated to the Budget ASO II, Program Manager, Chief, and applicable copy is filed.
4. Completes a final CRF validating the fund source allocation with the budget allocation for the specified fiscal year(s) and then routes for internal processing.

E. Contract Execution

1. After final review and signature, the Contract Coordinator routes staff summary and executed contracts to the Department Contracts Unit.
2. Contracts Unit distributes the executed contracts (to Fiscal, Auditor, Contractor and Adult Administration).
3. Executed contract is placed in a contract file by clerical.

F. Post Execution

Contract ASO II:

1. Once contract is executed, enters or confirms Avatar data including unit rates or changes in Guarantor(s).
2. Enters contract information on the Contract Expenditure Worksheet for monthly tracking.

Budget ASO II:

1. Enters contract information into the internal Division budget spreadsheet.

Form References:

N/A

IV. REFERENCES	Related Policies & Procedures	State/Federal Codes/Other References
	<ul style="list-style-type: none"> ▪ Adult MH P&P 01-03 Access to Services ▪ Adult MH P&P 02-02 Contract Files ▪ Adult MH P&P 02-05 Quarterly Reports ▪ Adult MH P&P 02-07 Staffing Ratios & Definitions ▪ Adult MH P&P 02-08 Contract Definitions ▪ Adult MH P&P 02-09 71-J Contracts Procedures 	N/A
V. CONTACTS	Name	E-mail
	Stephen Davidson, MSW, CPRP Contract Coordinator	
VI. SCOPE	<input checked="" type="checkbox"/> Mental Health Staff <input type="checkbox"/> Mental Health Treatment Center <input type="checkbox"/> Specific grant/specialty resource	<input checked="" type="checkbox"/> Adult Contract Providers <input type="checkbox"/> Children's Contract Providers