Contracts Refresher Training

October 2016

rev 11/18/16 (UNC health rates)

Training Goals

- Communicate updates and changes to NC DHHS and DPH contracting policies and procedures

- Review challenges seen in the contracts process

- Facilitate a Q&A session for Contract Administrators

- Identify ongoing contracts training needs

Updates and Changes

Pre-Grant and Pre-Funding Meetings

- <u>Grant Application Procedure</u> was updated 5/24/16
- Pre-Grant Application Meeting
    - Held with a representative from each ALCS Business Unit
        - Budget / Contracts / HR / IT / Purchasing
    - Discuss planning for Procurements, Contracts, Agreement Addenda, etc. that result from the funding
    - DPH Grants Management Policy is located on the <u>DPH Employee Toolkit</u>:

        Tools → Policies and Procedures → Grants Management
- Best Practice: Hold for each new source of funding (Fed/State)

IT Governance

- Information Technology Governance Board (ITGB)
  - Meets on the third (3rd) Thursday of the month
  - Agenda items must be submitted 1st week of month
- Project Management Office (PMO and EPMO)
  - Some IT initiatives are designated as "projects"
  - Require a PMP certified IT Project Manager
  - Managed in Touchdown, the State's PM tool

If you are in the planning phases of an IT project, contact the Director of DPH Information Services immediately to discuss parameters.

DPH IT Director's IT Governance Presentation Summary:

- Identify IT initiative (project) as soon as possible
- Utilize and submit the document needed
  - ITGB Documents…DPH IT review and Division signatures for submission
  - Exception Process— if needed — separate each document for each submission. DPH IT review and Division signatures for submission
  - Purchasing Instrument Preparation if required
  - Notification of OSBM as it applies & follow process (Budget Office)
- Execute with proper instruments based on purchase/contract guidelines and note that an approved Contract or RFQ might be required to process and Exception.
  - RFP
  - Contract
  - RFQ
  - e-procurement
  - Project Management Processes

Information Technology Governance Board

https://www2.ncdhhs.gov/dirm/techlibrary/index.htm#itgb

Session Law--Department of Information Technology

http://www.ncga.state.nc.us/EnactedLegislation/SessionLaws/HTML/2015-2016/SL2015-241.html

Starts at Part VII

State Budget Manual--Information Technology Budget Policies and Procedures

https://ncosbm.s3.amazonaws.com/s3fs-public/documents/files/BudgetManual.pdf

Starts on Page 84

IT Project Management Overview

https://it.nc.gov/services/service-directory/project-management/project-approval-oversight-epmo/qms-processes-and-forms

IT Exception Forms and Procurement Forms

http://it.nc.gov/forms

NC Grants

- Effective August 1, 2016, Grantees will no longer upload reports to the NCGrants system
- Grantees should email their required annual reports to NCGrantsReporting@dhhs.nc.gov per DPH Guidance 9/1/16
- Same reports will be used
- Affects FA contracts with NONgovernmental agencies (n/a to UNC, DSS, county schools, etc.)
- Contact Curt Martin with questions

Suspension of Funding List

- Still managed and published weekly by OSBM
- http://www.osbm.nc.gov/management/grants
  - Click in menu to the right → 2016 – 17 SOFL Memos
  - Click "Spreadsheet" for the current week
- Contracts will continue to alert programs when a current contractor is on the list
- Loss of transparency regarding cause/remedy

Audit Determination

- All POS contracts procured through a Waiver of Competition – including UNC – must now go through OPCS external review

- Closely review the Audit Determination - form now on Contracts Forms website

- See Contracts 101 Training for detailed FA/POS info and help guides

- Indirect Cost should NOT factor into decision

- If unsure, talk through with Contracts

UNC Master Agreement

- 2015 Agreement allows for 10% indirect cost on all State-funded and Purchase of Service contracts.

- New benefits rate agreement between UNC and NC DHHS is pending.

UNC POS IT Contracts

- Purchase of Service contracts in which any UNC System school is performing IT (information technology) work must now be handled through a different process.

- Contact the DPH Contracts Manager immediately for process direction.

- A contract should be started in OW but it is not necessary to enter the Contractor Budget.

- The final contract will be developed OUTSIDE of Open Window.

Budget Realignments

- For all contracts that begin on or after <u>6/1/17</u>: Budget Realignments must be done in OW
- Special Amendment in Open Window
- Expedited amendment approval process
- Requires amendment to be signed by:
  - Authorized Contractor Official
  - Authorized DPH Contract Administrator
  - DPH Contracts Manager
- Volunteers for a "pilot" work group should contact DPH Contract Manager

Contractor Budgets

- Salary Cap for Social Security as of 1/1/17:
  $127,200   (up from $118,500)

- State Employee Health Insurance Max:
  $5,659

- New UNC Fringe Rates forthcoming
  $5,659 applies to "SPA" UNC staff

Contracts Forms Website

- Open Window Budget Worksheet and "How To"
- 101 Training and Budget Workshop
- Audit and IT forms now freestanding for reference
- "Omnicircular and Indirect Cost" heading
  - Indirect Cost Decision Trees
  - Indirect Cost Worksheet
- RFA Template
- UNC 2015 Master Agreement and IDC chart
- Coming soon:
  - Calendar of training events

Contracts Unit

- "IN" boxes located between C-4 & C-5
- 2 Contracts Team Leader positions still vacant
- Contracts Coordinator Alice Jarman sending "executed" emails

Challenges

Contracts Unit

Federal Omnicircular

- Determining Indirect Cost
- Accurate Federal Award (NOA) info
- Challenges with AA Supplements

Timeliness of Contracts

- External Contracts MUST be submitted <u>at least</u> 90 days prior to start date
  - FA Contracts over $200,000
  - Sole Source POS contracts
  - Contracts requiring IT approval
  - Contracts requiring Public Affairs or HR Approval
- If contract requires multiple externals reviews, should submit <u>sooner</u>.
- Internal contracts MUST be submitted at least 60 days prior to start date

RFAs

- Discuss RFA timeline with Contracts Team Leader

- 30 days "on the street" not counting State holidays

- Timeline should be reasonable and allow for an appropriate amount of time for RFA review, Q&A, and application review

- If Local Health Departments are applying, timeline must end with an award notification date prior to "Magic Friday" (1st Friday in December)

CERs

- Must have original, authorized signatures
- Must be submitted by 10th/mo even when $0
- Cannot be pre-dated
- Must have correct and current Contract & PO#s
- Must have correct codes and amounts to be applied per PO line → UP-TO-DATE template
- Contractor Amount column should NOT be used unless contract has tracked in-kind match
- Must be submitted timely

N.C. Department of Health and Human Services
Division of Public Health

CONTRACTS
~~need Jady CER~~
SEP 1 4 2016

Section/Branch

Contract Expenditure Report

August 2016

~~Month of Expenditure~~

CONTRACTS
SEP 1 9 2016

33777

Contract ID #:
2004133777

NCAS #:
$759.00

Contractor

Total Expenditure

Project Director

Purpose

Contractor match is REQUIRED by this contract:		X	
(Place an "X" in the appropriate box.)	YES	NO	
Item Description	Item Number	Contractor Amount	DHHS Amount
Baseline Examination		$759.00	$759.00
To be replaced. *CER dated 8-3-16.* *Exam due on 8-29-16.*			
Subtotal		$759.00	$759.00

THIS SECTION FOR DPH USE ONLY:
Company 2501
Account   Center
532170019   1264-2680-6R)
                            EX

As chief executive officer or designee of the contracting organization, I hereby certify that the units billed to DHHS on this public payment voucher have been delivered in accordance with the conditions of the contract, and that to the best of my knowledge and belief we have complied with all laws, regulations and contractual provisions that are conditions of payment under this contract.

As chief executive officer or designee of the recipient organization, I hereby certify that the cost or units billed for reimbursement on the above Request for Reimbursement were incurred and delivered according to the provisions of the assistance agreement. I further certify that any required matching expenditures have been incurred, and that to the best of my knowledge and belief we have complied with all laws, regulations and contractual provisions that are conditions of payment under this contract.

_____   _____   1-Aug-16
Authorized Contractor Printed Name & Title   Signature   Date

Mail to: Appropriate Division Contract Administrator

_____   _____
DHHS-DPH Contract Administrator Signature & Date   DHHS-DPH Branch Head Signature & Date

_____   _____
DHHS-DPH Contract Administrator Printed Name   DHHS-DPH Branch Head Printed Name
(DHHS 2451 Revised 9/3/09) (DPH Revised 10/10/09)   Page 1 of 1

Challenges & Training Needs

Program

Q&A

Open Floor