

EP - 910 CONTRACTING

Change #2-2010

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910.01 INTRODUCTION

The following material is program policy for purchase of service contracts with the Low Income Energy Assistance (LIEAP) Program and Crisis Intervention Program (CIP). The county department of social services may provide the service directly or purchase it from another provider (i.e., public or private agencies or individuals).

It is not always necessary to contract with a community resource in order to purchase a service. A legal contract instrument, such as a vendor agreement from an agency or individual not part of the county department of social services staff.

910.02 GENERAL POLICIES AND DEFINITIONS

A. County departments of social services may choose to purchase services rather than provide them directly for the following reasons:

- Purchasing may be more cost effective.
- Service may require specific expertise not available within the agency.
- Staff do not provide particular service.
- Agency needs to supplement services provided directly by agency staff.

B. General Contract Requirements

1. Federal and state laws, regulations, and policy dictate that certain terms/ conditions must be a part of all service contracts/agreements.
2. Services contracted under LIEAP/CIP are subject to standard cost principles as found in the Division of Social Services fiscal manual.

910.03 TYPES OF AGREEMENTS

A. Vendor Agreement

1. A vendor agreement may be used as the contracting instrument only with private agencies (for-profit or non-profit) or an individual.
2. Whenever you choose to make a voucher or vendor payment or issue a two-party check, there must be an agreement with the vendor. In some instances, the payment will be to a landlord, which makes him an energy supplier. Therefore, a vendor agreement is required.

The purpose of such an agreement is to ensure that vendors do not treat recipients adversely. Always use the DSS-8163. Retain the original. Give a copy to the vendor.

If the DSS-8163 is returned and the vendor has changed any wording, the DSS-8163 is void. You must negotiate a new DSS-8163.

3. If a vendor agreement is open-ended, it is not necessary to renegotiate it each year. To ensure that applicants receive benefits without delay, you should negotiate vendor agreements at the time that you become aware of a new vendor.

B. Purchase Contract

1. The Purchase Contract may be used when the contract provider is a public agency, private agency, or individual. The provider is to be reimbursed on the basis of an approved budget, which includes all costs of delivering LIEAP/CIP services. Questions about whether a particular cost is allowable should be addressed to the Fiscal Management Representative or Division of Social Services Budget and Planning Office.
2. The provider agency is responsible for negotiating any subcontract and is responsible for the performance of any subcontractor. Each subcontractor is subject to the same terms and conditions as the primary contractor.

C. Monitoring

Monitoring will be conducted in accordance with the policies set forth by Fiscal Management Representative or Division of Social Services, Budget and Planning Office.

910. 04 SUBCONTRACTING THE APPLICATION-TAKING PROCESS

A. Determination Of Local Agencies

Application-taking activities may be subcontracted to another local agency. Federal law requires, to the extent that it is necessary to designate local administrative agencies in order to carry out the purposes of the program, that special consideration be given to any local public or private non-profit agency. This agency must have received funds under any low-income energy assistance or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law before enactment of Title XXVI (the 1982 Low Income Energy Assistance Program). Community action agencies who handled the Low Income Energy Assistance Program in 1980 are examples of such agencies.

B. County Department's Responsibilities

1. The county director or his designee is responsible for training the contracting agency's staff.
2. The county director or his designee is responsible for maintaining fiscal responsibility for the program.
3. The county director or his designee is not allowed to disclose information in case records of any WFFA, food stamp, MA, Energy, or Service applicant/recipient (a/r) to other agencies.
4. The county director or his designee is responsible for verification of income and for review and approval of energy forms.
5. The State Office mails all forms, instructions, payment schedules, etc., to county departments. The county director or his designee is responsible for coordinating with the contracting agency.

C. Contract Provisions

All contracts for application taking must contain certain provisions or conditions which are outlined below.

1. Violating Or Breaching the Contract

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Contracts must contain provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms and provide for such sanctions and penalties as may be appropriate.

2. Terminating the Contract

All contracts must contain suitable provisions for termination by the county, including the manner of termination and the basis for settlement. In addition, such contracts must describe conditions under which the contract may be terminated for default, as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor or the county.

3. Non-Discrimination

All contracts awarded by the county and their contractors or subagencies must contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (29 CFR Part 60).

4. Audits and Reviews

All negotiated contracts awarded by the county must include a provision to the effect that the county, state, or federal government, or any of their duly authorized representatives will have access to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

Counties must require contractors to maintain all required records for three years after the county makes final payments or all other pending matters are closed, whichever is later.

5. Contract Approval

Before entering into a contract with another agency, consult with the county attorney to determine whether county law permits such contracting.

Before finalizing a contractual agreement, submit a copy of the proposed contract indicating approval of the county attorney to Economic and Family Services. Final approval rests with the State Office.