PURPOSE | GENERAL | DEVELOPMENT OF CONTRACTED SERVICES | CONFLICT OF INTEREST | CONTRACTS POLICY MANUAL | MANUAL OF POLICIES AND PROCEDURES | ATTACHMENT I

ORANGE COUNTY SOCIAL SERVICES AGENCY ADMINISTRATIVE POLICIES AND PROCEDURES MANUAL

Contracted Services	Number: F 20
	Page of 1
	Date: 12-26-02
	Contracted Services

PURPOSE

To identify elements of Contracts and Memorandums of Understanding (MOU) and provide guidelines for establishing and maintaining agreements with public and private organizations to meet the service needs of SSA clients by following procedures set forth in the Contract Policy Manual and the California Department of Social Services (CDSS) Manual of Policies and Procedures.

2. GENERAL

A "Contract" is any agreement which contains certain essential terms and conditions. The essential contract elements are: (1) parties, (2) consent, (3) lawful object, and (4) consideration. Combining these elements defines the specific responsibilities of SSA and the Contractor.

The primary goal of SSA in contracting for services is to purchase the highest quality of cost effective service(s) from non-profit and/or for-profit organizations with expertise that matches the identified client need and program objectives.

A Memorandum of Understanding (MOU) is usually a less formal written document establishing an agreement between two or more parties regarding a specific topic. An informal agreement with another County Agency is usually referred to as an "MOU," whether or not it is financial in nature. These are also sometimes referred to as a Memorandum of Procedure (MOP) or a Memorandum of Agreement (MOA). Agreements with non-county Departments or Agencies are usually referred to as "MOUs" if they are non-financial and "contracts" if they are financial in nature.

3. DEVELOPMENT OF CONTRACTED SERVICES

The Contracts Services Division and the appropriate Program Division(s), are responsible for the development of budgeted contracted services. To ensure that all potential proponents are treated equally and provided with the same information and opportunity to respond to a Request for Proposals (RFP), it is important that no information regarding future contracted services be provided to outside organizations including current contractors and community organizations. Any requests for information should be referred to Contracts staff. In the event that input is required from community organizations in the assessment stage, care must be taken to ensure that potential contractors do not have undue influence in establishing the material to be included in the RFP.

Together, the Contract Services and Program staff will follow the applicable County, State, and/or Federal

regulations to develop a contract as referenced below:

- A. Identification of service need
- B. Confirmation of available funding
- C. Identification of appropriate Procurement Method:
- D. Contract Monitoring:
- E. Renewal:
 - ∘ 1. Sole source: A sole source contract may be awarded for a commodity or service to the only known capable supplier, based on the unique nature of the requirement, the supplier, or market conditions. The decision to enter into a contract on a sole source basis may be subject to federal and state regulations, if federal and/or state funds are involved, as well as county procurement policies and procedures. Federal Health and Human Services Agency (HHS), CDSS, and County of Orange regulations permit sole source contracting when certain conditions are met.2. Competitive bid process - Request for Proposals A Request for Proposals (RFP) is a term commonly used to refer both to a procurement process and to the document used to obtain proposals from prospective contractors. The RFP process is used to obtain commodities or human services through a document setting forth the goals, objectives, limitations, and standards which will affect performance under the contract. While the Contract Services Division generally takes the lead in the development of the RFP, a coordinated effort is necessary to ensure the RFP clearly identifies the required commodity or services and other information necessary to ensure proposals submitted meet the commodity or service need. A project schedule must be developed at the beginning of the RFP process that includes proposed dates for all required RFP activities (see ATTACHMENT I - RFP Project Schedule.)An evaluation committee, normally comprised of three to five evaluators, is formed to evaluate the submitted proposals. In order to ensure that there is the required expertise necessary to rate the proposals, the committee must include knowledgeable management staff representing the divisions/programs requesting the service. It is the responsibility of the division directors to identify and assign such management staff. Depending on the service and other identified special factors, representatives of the community, other Orange County agencies; other counties and/or state agencies may be invited to participate on the evaluation committee panel. The Contract Administrator will be assigned as the Committee Facilitator. In order for the evaluation committee process to meet the RFP time frame and to obtain the committee goals, it is important that SSA Management staff establish this assignment as a high priority so that all members of the committee attend the scheduled committee meetings. The Evaluation Committee Facilitator prepares an Executive Summary that includes the RFP background, the names of the proponents, a description of the evaluation process, and the evaluation results. The Executive Summary is routed to Executive Management staff for approval and then presented at the Board of Supervisors Executive Assistant meeting before proceeding with notice of recommended contract award letters. The award recommendation may also be presented to the Board of Supervisors for approval. Letters are to be mailed to the proponents by SSA/Contracts notifying each of the recommended award. Written protests regarding the recommended award must be received within five business days. The Contract Services Manager should respond in writing to any protest(s) within ten calendar days. The proponent may protest the Contact Services Manager's response by submitting an appeal to the County Purchasing Agent/Procurement Appeals Board within five business days. After the protest period has ended, the contract is negotiated with the proponent(s) recommended for award. The contract is to be based on the services described in the RFP, and the proponent(s) description of services and proposed budget in their proposal. A draft contract is prepared by the Contract Administrator and reviewed by the Contract Services Manager and then reviewed internally by all appropriate SSA staff before being sent to the contractor for review and negotiation. When the contract has been finalized and approved both internally and by the contractor, it is sent to County Counsel for review and approval as to form. The contract must be submitted to the Board of Supervisors for approval following procedure Number F4 "Preparing and Processing Board Agenda Item Transmittal (AIT) Forms" in the Orange County Social Services Agency Administrative Policies and Procedures Manual.
 - a. Proposals Evaluation
 - b. Award Recommendation
 - c. Contract Award and Protest Process

- d. Contract Development Board of Supervisors approval
- Once a contract has been executed and copies distributed, the document will serve as the guide for all necessary administrative activities. Program and Contract Services staff will work closely together to provide technical assistance to the contractor, to ensure contract compliance, to develop a monitoring plan and, if necessary, a corrective action plan(s).
- Provisions for renewals/multi-year terms must be specified in the original Request For Proposals document. Generally, proposals should be solicited at least every three years as CDSS regulations currently limit the contract term to no more than three years. However, counties may request CDSS approval to include in the RFP the option of a contract term of five years on a case-by-case basis.

4. CONFLICT OF INTEREST

Every effort is made to ensure that no prohibited conflict of interest exists as defined in State of California Government Code Section 1090 et seq., or other applicable law. In addition, effort must be made to avoid the appearance of a conflict of interest as specified in the Orange County Contract Policy Manual and the Orange County Social Services Agency Policy Manual.

All SSA employees who may have the potential to influence decisions relating to contracts must file a Conflict of Interest statement in accordance with the State Fair Political Practices. Proposal Evaluation Committee members must sign a statement which discloses the nature of any connection with any organization which submits a proposal. The contract administrator must obtain an opinion from County Counsel if it appears that a conflict of interest could develop. Generally, no contract will be awarded to any contractor who has participated in the development of the RFP. Conflict of Interest for County employees is addressed in County Policy Manual Section 2.11 "Ethics in Public Contracting – County Employees."

5. CONTRACTS POLICY MANUAL

The funding source establishes the underlying guidelines to be used in developing each contract or MOU. Additionally all contracts and MOUs must be in compliance with the County of Orange Contract Policy Manual (CPM). If a conflict exists between funding source guidelines and the CPM, a waiver must be obtained from either the funding source or the Board of Supervisors (BOS.) Unless otherwise prohibited by statute, rule, ordinance or other law, any procedure in the CPM may be changed by majority vote of the BOS. The CPM can be accessed through the County of Orange Intranet/CEO Purchasing site: tech.ocgov.com/Purchase/Policy/CPM/ContractPolicyManual.pdf

The CPM contains the following sections:

	Section
Types of Contracts	3.
Commodities	3.1
Fixed Assets	3.2
Service Contracts	3.3
Consultant Service Contracts	3.4
Human Services Contracts	3.5
Architect-Engineer Service Contracts	3.6
Public Works Contracts	3.7

6. MANUAL OF POLICIES AND PROCEDURES

The State of California Department of Social Services (CDSS) Manual of Policies and Procedures is an operational tool that, in part, contains the following:

The Website address for the CDSS Manual of Policies and Procedures is: www.dss.cahwnet.gov/getinfo/pdf/opsman4.pdf

CDSS Management and Office Procedures Sections 23-600 through 23-650 set forth the procedures for "Purchase of Service" applicable to the County of Orange as follows:

• Regulations adopted by CDSS for the governance of its agents, licensees, and/or beneficiaries; • Regulations adopted by other State Departments affecting CDSS programs; • Statutes from appropriate Government Codes which govern CDSS programs; • Court decisions; and • Operational standards by which CDSS staff will evaluate performance within CDSS programs.

	Section
Purchase of Service	23-600
Purchase of Service from a Public or Private Agency	23-601
Code of Conduct	23-602
Contract Provisions	23-604
Formal Advertising: Invitations for Bids and Requests for Proposals	23-610
Submission of Bids or Proposals	23-611
Receipt and Evaluation of Bids	23-612
Receipt and Evaluation of Proposals	23-613
Canceling the Procurement Process After Opening	23-614
Rejection of Bids or Proposals	23-615
Information Regarding Responsibility of Contractors	23-616
Award of Contract	23-620
Contract Periods	23-621
Renewal Procedures	23-622
Protests	23-624
Public Hearing	23-625
SDSSReview	23-630
Evaluation of Contracts	23-640
Procurement by Negotiation	23-650

ATTACHMENT I

RFP Project Schedule