



Policy Title: Contract Review		
Department: Contracts		
Date Issued: 02/07/2012	Revised Date: 05/14/2021 Review Date: 05/14/2021	
CEO Approval: 	Effective Date: 10/15/2021	

POLICY:

It is the policy of Central Florida Cares Health System, Inc. (CFCHS) that all contracts, contract amendments, and contract renewals go through an inter-departmental review process to ensure all departments are given an opportunity to address key elements. This will allow for a comprehensive document that will address the needs of the system of care network, individuals served, and Subcontractors.

RELATED POLICIES: None

PURPOSE:

This policy provides for an interdepartmental review and approval process of new contracts, revisions, and renewals.

PROCEDURES:

- a. Review
 - a. The Contract Manager (CM) will assign an appropriate contract number in the following format: XXXNN where XXX is an acronym of the vendor’s name and NN is the year in which the contract expires.
 - b. The routing of the contract review occurs electronically. Beginning with the CM complete and save to the contract file the CFCHS routing form to the contract document and logging the routing of the contract on the *Contract and Amendment Log*. The Routing Form will document the review and approval of the initiator and the CFO. When applicable, the Initiator and/or CFO can request review and approval from the CEO, COO, or other delegates. Each designated reviewer is to conduct their individual review within three business days of receipt.
 - c. Initiator Review: The Contract Manager sign-off certifies the following:
 - i. The need for the services under the terms of the contract;
 - ii. Statement of Work is clearly written and that expected results are quantifiable, measurable, and clearly defined in the contract;
 - iii. Contract negotiation, cost/price analysis, and justification of need for advances have been performed and that supporting documentation is in the Contract Manager’s file;
 - iv. Contract is in compliance with applicable program specific state, federal, DCF and/or other funding source requirements;
 - v. Contracts containing federal funding of \$25,000 or more have a Certification Regarding Debarment and Suspension Form (CF 1125) signed by the Subcontractor or that an acceptable written explanation has been attached to the unsigned form by the Subcontractor;

- vi. Contracts containing federal funding in excess of \$100,000 have a Certification Regarding Lobbying Form (CF 1123) completed by the Subcontractor and is an attachment to the contract; where required, a completed Disclosure of Lobbying Activities Form (Standard Form LLL) is on file with the Contract Manager;
 - vii. Each person who participated in the procurement process has completed the Conflict of Interest Questionnaire Form (CF 1124), which is either included with the contract or is on file with the Contract Manager; and
 - viii. Verification of the Subcontractor's qualifications including but not limited licenses, accreditation, certifications, etc.
- d. Financial Review: The CFO sign-off and approval attests:
- i. The presence of budget authority to expend moneys for the services specified in the contract;
 - ii. The correct accounting codes are used including Other Cost Accumulator (OCA);
 - iii. The appropriate payment provisions are included.
- b. Contract Execution
- a. Once approved by all requested reviewers, the contract is loaded into the contract management software (currently ConcordNow) for signature by both parties.
 - b. Subcontractors: The signer of the contract for the Subcontractor must have the authority to commit the organization to the terms of the contract. Recent written proof of that authority should be maintained in the contract file.
 - c. Managing Entity: Contracts must be signed in accordance with the most recent Delegations of Authority.
 - d. Once a contract has been executed, the dollar amount may not be increased unless there is a corresponding increase in the scope of work, except in the instance of price-level increases or lapse increases as described in this policy.
- c. Contract Revisions
- a. Contract revisions may be one of two types:
 - i. **Pen and Ink Changes** - Minor changes (e.g., misspelled words, transposed numbers, word omissions, etc.) may be accomplished by pen and ink changes to the contract document. NOTE: Pen and ink changes require making the same changes on each copy of the contract and must be initialed and dated by the contract signers. This process can happen in an electronic format.
 - ii. **Revisions Requiring a Written Amendment** - Substantial changes (e.g., new clauses, budget modifications, etc.) must be processed by preparing a separate document (amendment). The Contract Amendment format will be in sufficient detail to identify purpose of change and what elements of the original contract are being modified.
 - b. All revisions to a contract must be clearly specify in the contract document through either a pen and ink change or a formal written amendment. Oral agreements to changes are not valid.
- d. Written Amendments
- a. Amendments must be processed through the contract review and approval process as described above.
 - b. Amendments retain the same contract number as the original contract.
 - c. Contract amendments must be signed by the original contract signers (position/title).

- d. No amendment may be retroactive, with the exception of price-level increases or lapse increases described in this policy. All amendments must be executed on or before the effective date of the amendment.
 - e. A contract that has expired may not be amended under any circumstances.
- e. Extensions
- a. A contract may be amended to extend the contract for a period not to exceed six months. There shall be only one extension of a contract.
 - b. Prior to executing an amendment to extend the contract, the Contract Manager must document that the Subcontractor's performance under the contract has been satisfactory, unless the extension is to allow time to implement a corrective action plan.
 - c. The Contract Manager must document in the contract file the circumstances surrounding the need for the extension.
 - d. A contract that has expired may not be extended under any circumstance.
- f. Price-Level Increases
- a. Price-level increases are defined as additional funds for specific programs or projects which are requested in the Legislative Budget Request, identified in the original contract as forthcoming pending legislative appropriations, and later identified in the operating budget for use to increase the amount of money a subcontractor receives for services being rendered.
 - b. Price-level increase amendments may be effective retroactive to the effective date of the price-level increases or the effective date of the contract, whichever is later.
 - c. Contracts must clearly indicate the manner of implementation of price-level increases before this method of increasing current funds may be used.
- g. Lapse Increases
- a. In the event that CFCHS has funds remaining after paying a Subcontractor their total contract amount, and the Subcontractor has delivered additional units of service in accordance with the terms and conditions of the contract for which the Subcontractor has not been paid, CFCHS may, in its sole discretion pay the Subcontractor for some or all of the additional units of service delivered and entered into the CFCHS data system.
 - b. Contracts do not require an amendment to the total contract amount in the event of lapse increases.
- h. Contract Renewals
- a. If renewal language is present in the original contract or solicitation, and after documenting the Subcontractor's performance evaluation, the Contract Manager may renew the original contract under the same terms, conditions, and price as the original contract by executing a renewal form/letter.
 - b. A clause permitting contract renewal may not be amended into any contract competitively procured unless the solicitation provides for renewal or the original contract provides for such a clause upon the occurrence of a contingency that has actually occurred.
 - c. Contract renewals must be executed before or on the expiration date of the original contract. Contracts cannot be renewed once they expire.
 - d. Renewal Numbering System:
 - i. The single page renewal form/letter will not change the currently used method of assigning contract numbers; however, a new contract number is assigned.
 - ii. The preferred method of numbering a contract renewal provides the renewal a new contract number (different from the original contract number) for easier identification.

- i. Contract Termination
 - a. Contracts may be terminated by either party without cause upon no less than thirty (30) calendar days' notice in writing to the other party unless a sooner time is mutually agreed upon in writing.
 - b. In the event funds for payment pursuant to this contract become unavailable, CFCHS may terminate the contract upon no less than twenty-four (24) hours' notice in writing to the Subcontractor.
 - c. In the event the Subcontractor fails to fully comply with the terms and conditions of the contract, CFCHS may terminate the contract upon no less than twenty-four (24) hours' notice in writing to the Subcontractor. The determination of cause, breach or non-performance of contract shall be made by the CFCHS' Board of Directors. After Subcontractor's failure to fully cure such noncompliance within the time specified in a written notice of noncompliance issued by CFCHS specifying the nature of the noncompliance and the actions required to terminate the contract.