Contract Management Policy & Procedure

1. Purpose: This operating procedure establishes policy and furnishes the procedures to ensure that the Coalition, through its contracting process, protects the funds it disburses, derives the maximum return of services from those funds, and is in compliance with applicable state and federal laws, rules, and regulations governing contracts for services.

2. Program Manager: The Program Manager is the Coalition's employee responsible for enforcing the performance of contract terms and conditions (s. 287.057(13), F.S.). The Program Manager and the Executive Director or his/her designee are the primary points of contact through which all contracting information flows between the Coalition and the contractor. All actions related to the contract will be initiated by or coordinated with the Program Manager and the Executive Director or his/her designee. The files maintained by the Program Manager are the official files of record and must be maintained for a minimum of five (5) years following termination of the contract.

3. Coalition Ethics:
   3.1 Employees are prohibited by Chapter 112, Part III, F.S., from soliciting or accepting anything of value that would cause them to be influenced in the discharge of their responsibilities.
   3.2 Examples of ethics violations include, but are not limited to the following:
      a. Deliberately failing to disclose a conflict of interest in the course of one's duties.
      b. Engaging in or carrying on a business enterprise with a client or person doing business with the Coalition.
      c. Accepting or requesting gifts or gratuities from contractors, providers, or clients in violation of the Public Employees' Code of Ethics.
   3.3 Employees are prohibited from revealing client names or other confidential information from the Coalition or contractors records to unauthorized persons. Examples include releasing HIV/AIDS client names or reporter information from the Florida Protective Services System.
   3.4 Employees are expected to conduct themselves in a manner that favorably reflects upon the Coalition, and themselves.
4. Program Manager Responsibilities: The Program Manager's responsibilities include:
   a. Carrying out the preparations for contracting.
   b. Negotiating the contract, and recommending to the Executive Director.
   c. Securing a signed Certification Regarding Debarment and Suspension form (Appendix A) from the contractor for any contract containing federal funding of $25,000 or more. **NOTE:** The contractor agrees by signing this certification that he/she will require each subcontractor of his/her contract, whose payment will equal or exceed $25,000 in federal moneys, to also sign a copy of this certification. Subcontractors’ certifications must be kept at the contractor's business location.
   d. Securing from the contractor for any contract containing federal funding in excess of $100,000, a signed Certification Regarding Lobbying Form (Appendix B) and, if required, a Disclosure of Lobbying Activities form regarding lobbying under federal grants and contracts, prior to contract execution.
   e. Conducting diligent oversight of contractor performance.
   f. Along with Executive Director and Fiscal Manager, processing, inspecting, reviewing and approving contractor's invoices for payment.
   g. Reviewing the contractor's documentation of contract-related expenditures.
   h. Maintaining the files of record pertaining to his/her contract(s).

5. Invoice Processing, Inspection, Review, and Approval: The Executive Director or his/her designee must receive invoices or requests for payment directly from the contractor and review the invoices prior to submission for payment.

5.1 Cost Reimbursement Contracts: In a cost reimbursement contract, the contractor is reimbursed for actual cost incurred during the contract period. The Executive Director or his/her designee reviews invoices or vouchers submitted to the Coalition for any irregularities. The Executive Director or his/her designee should be assured that:
   a. Revisions have been properly made to the operating budget (for example, transfer of funds from salaried employees to other budget items).
   b. Expenditures were:
      o Made in accordance with the approved line item budget.
      o Incurred or encumbered during the contract period.
   c. Adequate documentation shows that:
      • Professional service fees are based on time spent and allowable expenditures agreed upon.
      • Receipts are available for any purchases made from outside vendors or where expenses are incurred (e.g., office supplies, printing, long distance calls.)
      • Records are available for names of recipients where service was provided.
   d. Upon receipt of each invoice, the Executive Director or his/her designee must determine the following:
      1. Were invoiced goods and services satisfactorily provided according to the terms and conditions of the contract?
2. Is the invoice or request for payment in the proper format, mathematically correct, and does it contain the necessary information as required?
3. Is back-up documentation included?
4. Does back-up documentation support invoice or request for payment?
5. Are expenditures allowable according to the contract budget and/or other contract terms?

5.2 Invoice Approval: The Executive Director or his/her designee’s signature on an invoice or request for payment attests that the goods or services have been satisfactorily provided, and the expenditures are allowable and in compliance with the terms of the contract. Adequate review and inspection time should depend on the complexity of the deliverables. If the invoice or request for payment is approved, the Executive Director or his/her designee shall forward the invoice to the Senior Staff Assistant for payment processing. If the invoice or request for payment is disapproved, the Executive Director or his/her designee will return it to the contractor with an explanation and corrective actions to be taken.

6. Reporting Reviews:
6.1 Performance Measures and Standards: The contractor is responsible for collecting and reporting accurate data in order to demonstrate compliance with performance standards established by the Coalition and performance targets agreed to in the contract.
   a. The Program Manager is responsible for collecting and reporting the data from the contractor to the Executive Director or his/her designee.
   b. The Program Manager is responsible for validating the data collection and reporting methods used by the contractor. Validation ensures data integrity, assuring the contractor and the Coalition of an accurate assessment of program outputs and outcomes. To help maintain data quality, the Program Manager will review reports to verify:
      1. The contractor and the Coalition agree on the definition of terms used in performance standard reporting.
         • Does the contractor have clear definitions in its policies and procedures or other appropriate documentation? Do these match what is in the contract?
         • Is a data system in place to collect the information necessary to calculate progress in achieving performance success? This can be automated or in hard copy.
      2. The contractor’s reporting procedures are reliable.
         • Is a standard procedure in place for collecting, recording and reporting data?
         • Does the data make sense? For example, a program for children under 10 should not include any participants born before 1990.
         • Does the staff collecting and recording the data receive instruction and is it updated on a regular schedule? Data collectors and recorders must be using the same methods in order to assure reliability.
      3. The contractor’s data collection is organized and quantifiable.
         • Are the data collected as a routine part of the contractor’s work activity? Do the data originate from client records, personnel reports, reports, expense or payment...
records, assessment and treatment records or any documentation that relates to the client or services provided to that client?

- When data are missing, does the contractor have a satisfactory explanation or method for treating missing data?

4. Reported data have been accurately collected and recorded.

- Are the data collected from accurate sources? Examine records, reports or documents from which data are collected. These sources should correspond with the data recorded for purposes of fulfilling the performance standards.

7. Contract Monitoring: This section provides a guide for conducting contract monitoring for the Early Learning Coalition of Pasco and Hernando Counties contracts. The contract monitoring encompasses administrative and programmatic standards expected to be met by the Coalition’s contractors according to the Coalition’s standard contract, its attachments, Florida Statutes (F.S.), Florida Administrative Code (F.A.C.), federal regulations and Coalition policy.

7.1 Contract Monitoring Definition: Contract monitoring is the acquisition, review, and reporting of information about the Coalition’s contractor’s compliance with the contract’s terms and conditions, both administrative and programmatic. In order to maximize the Coalition’s limited resources and minimize disruption to the contractor, contract monitoring will integrate administrative and programmatic elements to the greatest extent possible.

7.2 Contract Monitoring Tool: The Program Manager is responsible for developing the contract monitor tool based on the contract terms and conditions. The tool must be approved by the Executive Director or his/her designee.

7.3 Contract Monitoring Frequency: Every contract issued by the Coalition will be monitored on-site at least once a year.

7.4 Annual Contract Monitoring Schedule:

a. The Program Manager will develop an annual contract monitoring schedule.
   1. Contract monitoring schedules should be planned to assure the coordination of programmatic and administrative contract monitoring for each contractor. The contract monitor schedule will be approved by the Executive Director or his/her designee.

b. The Program Manager and or the Executive Director or his/her designee may conduct unscheduled site visits to the contractor if the Program Manager or Executive Director or his/her designee has reason to believe problems exist or such a visit is warranted.

7.5 Preparation Activities: The Program Manager is responsible for planning the contract monitoring activities with each contractor before examining records or visiting contractor sites. The Program Manager is responsible for:

a. Preparing the Contract Monitor Tools and determining the testing percentages. Testing percentages will be approved by the Executive Director or his/her designee.

b. Preparing a letter of monitor notification) 21 days in advance of the scheduled on-site monitor to the contractor.

7.6 Preliminary Reviews: The Program Manager reviews documentation and reports already in the possession of the Coalition (contract file) or those that are easily obtainable. Reviews to be accomplished before the entrance conference with the contractor include, but are not limited to:

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a. A review of the Program Manager’s files for all current contracts with the contractor. 
   This review includes required assurances and certifications, which are part of the contract award.

b. Insurance. The Program Manager should verify that (i) the contractor’s insurance policies have not 
   been allowed to lapse since contract award and (ii) the Coalition is not billed for coverage not 
   required by the contract or not permitted in a cost reimbursement contract.

c. Lobbying Prohibition. All contracts containing federal funding in excess of $100,000 requires 
   certification that no federal funds be spent for lobbying. If other contractor funds are spent for 
   lobbying, the payments should be disclosed on Standard Form-LLL (SF-LLL). These requirements 
   must be passed through to subcontractors or other sub-recipients by the Coalition’s contactor. The 
   Program Manager may choose to review contractor expenditure records to assure that all lobbying 
   payments have been reported on SF-LLL. Subcontracts should include language that assures 
   imposition of the lobbying requirements.

d. A review of the contractor's current audit and other reports as required by Ch. 10.550 and 10.650, 
   Rules of the Auditor General, including associated management letters.
   1. The Program Manager and/or Fiscal Manager should make note of any previous 
      findings or recommendations; the contractor should have made progress in or 
      corrected prior deficiencies. The Program Manager may find it prudent to review 
      audits and attestations from earlier years to obtain information about continuing 
      problems or unresolved findings.
   2. Audits required under OMB Circular A-133 include a report on the contractor's 
      internal control system. The Program Manager and/or the Fiscal Manager may 
      rely on the audit report as verification that the books and records of the 
      contractor were maintained in accordance with generally accepted accounting 
      principles and that the contractor’s system of internal controls is adequate to 
      support reliance on the existing business records.

e. Effective Use of Funds: For purposes of assuring that programmatic financial integrity is 
   maintained, the Program Manager and/or Fiscal Manager will review the accuracy of contract 
   payments as they relate to programmatic requirements and service quality. Specific items for 
   contract monitoring include the following:
   1. Compliance with previous year’s findings and recommendations as noted in the 
      contract monitoring report or a follow-up letter from the contractor stating a 
      corrective action plan.
   2. Correction or clearance of all identified deficiencies noted in the previous year’s 
      administrative contract monitoring report.
   3. Payroll tax returns and payroll register for administration and program personnel 
      (U.S. Form 941, Federal Quarterly Payroll Return and Unemployment 
      Compensation Tax) with payment documentation, I-9 Forms; and W-4 Forms.
   4. Interim financial statements, including the latest financial statements available to 
      the contractor’s board of directors.
   5. The chart of accounts.
   6. A current operating budget and expenditure report.
   7. Records of all sources of income (i.e., each fund that contributes to the provision 
      of services and in-kind contribution/match documentation).
8. Records and minutes of board and finance committee meetings.
9. The methodology for service allocation by programs and cost centers along with proper documentation of each service. The Program Manager and/or Fiscal Manager reviews service unit records, logs, reports, and client files utilized for billing in order to verify billing and service delivery accuracy.
10. The Program Manager and/or Fiscal Manager in reviewing the financial records, must be able to trace financial transactions from individual purchase order(s), voucher(s), receiving reports or invoices, journals, general ledger and the income statement to ensure proper interpretation and processing within the contractor organization.

f. Return of Funds: If the Fiscal Manager and/or executive director determines unallowable expenditures were charged to the contract, or the contractor has otherwise been overpaid, the Fiscal Manager/executive director in cooperation with the contractor develop a plan to reimburse the Coalition.

g. Match Requirements: Contractors receiving contributions from governmental entities or units of special purpose to support treatment or contracted services are required to provide information about those matching. The governmental funding entity or match contributor is required to comply with any deadlines and procurement procedures established by s. 402.73(5), F.S., and the Coalition. Fiscal Manager verifies match requirements with any non-cash benefits to a specific program. The Fiscal Manager reviews provider documentation to assure that:
   1. Cash and In-Kind match documentation is in accordance with funding source requirements.
   2. The year-to-date summary of the contract match requirements identifies any discrepancies to identify any variance of actual match from projected match.

7.7 Implementation of On-Site Contract Monitor: Administrative and programmatic contract monitoring provides the Coalition with the information necessary to assess the fiscal and programmatic accountability of its contractors. This section outlines the expectations for and activities of the Program Manager in the implementation stage.

a. General Conduct of Contract Monitoring
   1. The Program Manager/Fiscal Manager is responsible for being familiar with the operations and facilities of each contractor.
   2. Location. Administrative and programmatic contract monitoring may occur at different places. For example, administrative contract monitoring may occur at the organization's headquarters. Programmatic contract monitoring will most likely occur at the organization's service facility.
   3. Handling Confidential Information. All materials that belong to the contract monitors, including copies of contractor records and notes made by the Program Manager and/or Fiscal Manager must be safeguarded at all times.
      i. While at a contract monitoring site, the Program Manager and/or Fiscal manager should keep his/her confidential papers either locked in a case or carry the papers with them.
      ii. No original provider records will be taken off site of the provider facility.
iii. Copies should be made of all contractor records that are needed to verify contractor compliance with the terms and conditions of the contract; contractor is required to make copies of any record on request.

iv. All contractor records should be returned to the contractor at the end of the day.

v. All Program Manager and/or Fiscal Manager work papers should be carried off the contractor's site and kept in a secure location at the end of each working day.

4. Contractor Alteration of Records. If the Program Manager and/or Fiscal Manager has reason to believe that client records or data have been altered or falsified, they will:

i. Document the circumstances and inconsistencies as fully as practicable without alerting the contractor to the Program Manager’s and/or Fiscal Manager’s suspicions.

ii. Include copies of the suspect documents whenever possible. Contractors should not prohibit copying of documents as this may, in itself, constitute a breach of contract.

iii. Copy any document reflecting contractor non-compliance or inconsistency with a previously submitted report or invoice as soon after its discovery as possible to preclude unavailability or later tampering with the document by the contractor.

iv. Report all situations in which there is reason to believe client records or data have been altered or falsified immediately to the Executive Director or the Coalition Board.

a. If, while visiting a contractor site, the Program Manager/Fiscal Manager observes activity which is a threat to the safety or life of any individual, the Manager is obligated to report this immediately to the Florida Abuse Hotline (1-800-962-2873 or TDD 1-800-453-5145), local law enforcement officers (911), emergency medical services, the facility management, the County Advisory Committees, or the Coalition Board. In cases of suspected abuse, the Manager is required to call the Florida Abuse Hotline. In other cases, the Manager must use his/her best judgment in choosing whom to call first.

b. Methods Used To Monitor Contracts. The quality and adequacy of services delivered by each contractor will be reviewed using three methods: records review, interview, and observation.

1. Records Review: In some cases, programmatic contract monitoring and administrative contract monitoring call for review of the same records.

2. Interviews: Interviews will be conducted on site whenever possible and in a location that allows for privacy. All respondents in each category will be asked the same set of questions in order to assure comparability of responses and to reduce bias. Separate interview questions should be developed for each group of staff, board members, clients and their families or guardians.
The Coalition, not the contractor, selects those to be interviewed.

3 Observation. Certain observable contract terms and conditions, such as secure locks or adequate heating and air conditioning, can only be adequately monitored at the site. These terms and conditions are specific to the attachments for each program.

c. Verifying Service Delivery. The Program Manager will use the Coalition’s approved tailored monitor tool for each contract. Each programmatic contract monitoring tool must:
   1. Follow the contract terms and conditions.
   2. Allow for explanations and supporting documentation, especially where the contractor has been rated either unacceptable or conditionally acceptable.

d. Entrance Conference at the Contractor Site. The Program Manager and/or Fiscal Manager conducts an entrance conference with the contractor’s official representatives that should include the chief executive officer, financial officer, program director, and one or more board members. The contractor is informed of the purpose, scope and schedule of the site contract monitoring visit.
   1. The Manager reviews activities, developments and concerns that have arisen since any previous contract monitoring.
   2. Special provisions of the current contract and changes in staff, clientele, state laws and rules or program are discussed.
   3. Where applicable, a tour of the facility is conducted.
   4. The Manager requests needed records for review. The Manager has full access to contractor records regarding the contract (chapter 119, F.S.; 45 CFR, Part 92.36(l)(10)). The Manager should be provided an area where he/she can work in relative privacy.
   5. Based on the sampling procedure, the Manager will request only those records or interviews that can be accomplished within each day’s work.
   6. Interviews can be set up in advance if the individuals are not readily available at the site.

e. Administrative Contract Monitoring Requirements. Administrative contract monitoring is intended to guide the contractor and the Coalition in ensuring that the contract terms and conditions are being met, the contractor is complying with the contract terms, and the contractor’s administrative systems are adequate to manage the contracted funds. The Program Manager and/or executive director will monitor all criteria listed in the tool. Where appropriate, supporting documentation will be attached to the audit report.

f. Sponsorship: Evidence of compliance with sponsorship requirements (s. 286.25 FS). Travel: If applicable, the contractor has written travel policies in compliance with s. 112.061, F.S., which require, at a minimum:
   ii. Basis for reimbursement is state per diem or actual expenses for lodging and meal allowances for overnight travel.
iii. Documentation supporting travel expenditures.
iv. Supervisory approval of travel reimbursement.
v. Persons (e.g., volunteers, interns, etc.) who travel at the program’s expense are identified.
vi. Travel reimbursements are submitted on the State of Florida Voucher for Reimbursement of Travel Expenses (Form C676) or an equivalent form approved by the State Comptroller.
vii. For any conference travel, the contractor has submitted the State of Florida Authorization to Incur Travel Expense (Form C-676C) with a copy of the program or agenda, prior to the travel date.

1. Non Expendable Property: Chapter 60A-1.1017, F.A.C., requires documentation for service contracts in which a contractor purchases or receives tangible personal property valued at one thousand dollars ($1000) or more that will subsequently be transferred to the ownership of the state. The Manager and/or executive director reviews contractor compliance with general procedures for reimbursement of actual expenditures for expendable property, which must be included in the approved budget. For fixed price contracts, the documentation requirements are optional.

2. Contracts Receiving Federal Funds. Contracts receiving federal funds must be monitored for compliance with federal requirements. The Manager and/or executive director review the contractor’s files for any indication of violation citations, lawsuits filed against the contractor, grievances, or any human resource actions involving clients, employees or subcontractors. The following contractual terms should be monitored periodically. If the Manager and/or executive director has any reason to believe that any have been violated, that provision should receive special attention during the contract monitoring.
   ii. Section 508 of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.).
   iii. Executive Order 11738, which bans contracting with facilities that have been convicted for violations of federal air or water pollution laws.
   iv. 40 CFR, Part 15, Environmental Protection Agency Regulations
v. Section 274A(e) of the Immigration and Naturalization Act.
vi. Executive Order 11246, Equal Employment Opportunity, as amended by Executive Order 11375.


3. Audits Records and Record Retention: The contractor is required to retain for five (5) years all client records, financial records, supporting documents, statistical records and any other documents, including electronic storage media that pertain to each contract. Where an audit has been initiated or where the contract is involved in ongoing litigation, the records must be retained until these are resolved. The Manager verifies the provider has these retention requirements in its policies and procedures.

4. Assignments and Sub-Contracts: The contract’s Attachment I must specify whether, and under what conditions, the contractor is permitted to use subcontractors. The Program Manager and/or executive director is responsible for ensuring that:
   i. Subcontracting has been approved by the Coalition prior to the subcontract’s effective date.
   ii. The audit and record keeping requirements cited in the standard contract are being maintained by the contractor on activities performed by the subcontractor.

5. Independent Capacity: The Program Manager and/or executive director will verify:
   i. The contractor has not represented itself as an officer or employee of the Coalition
   ii. U.S. Form 990 (Organization Exempt from Tax) or Form 990-T (Business Organization Exempt from Income Tax), if applicable, timely filed.

6. Patent, Copy Rights: Any discovery, invention, or published material produced during a contract period or connected in any way with the contractor will be referred to the Coalition for a determination of patent protection registration with the Florida Department of State. Contract contractor reviews contractor’s
records for patents, copyrights or royalty documentation that are associated with the contract.

7. Client Risk Prevention: The Program Manager and/or executive director will verify any knowledge or reasonable suspicion of abuse, neglect, or exploitation of a child, aged person, or disabled adult has been reported to the Florida Abuse Hotline.

8. Staffing Levels: The Program Manager and/or executive director will review the following documents:
   i. Roster of all contractor employees engaged in the Coalition’s programs, including position titles and departments.
   ii. Correctly completed and timely submitted annual evaluations of all employees paid under the contract being monitored.
   iii. Current organizational chart.

9. Service Locations: The Program Manager will verify services are provided at the locations and times specified and facility requirements have been met. If the contractor changed location of offices, the Coalition’s executive director was notified 30 days prior to relocation.

   g. Programmatic Contract Monitoring Requirements. The Program Manager and/or the Fiscal Manager is responsible for (a) verifying that the contractor is delivering services according to the contract’s terms and conditions. The Attachment I is a work statement that details service delivery expected from the contractor. The Program Manager, using the approved contract monitoring tool, should verify that the contractor is complying with (at a minimum) the following terms where applicable:

   1. The contractor is delivering the authorized services.
   2. The contractor is complying with the pertinent statutes and regulations.
   3. The contractor is serving the defined target population.
   4. The clients being served are eligible.
   5. The specific services as defined in the Attachment I are being provided and limitations are being observed.
   6. The contractor is monitoring its subcontractor(s), if any, including submission of contract monitoring reports to the Coalition.
   7. The contractor is delivering the service units on a schedule that indicates it will be able to fulfill the terms of the contract on time.
   8. Required reports are accurate, complete and submitted on time.
   9. Facility requirements relating to environmental, public health, and fire inspections are being followed.
   10. Equipment acquired under the contract is inventoried on a regular basis and the inventory is made available to the Coalition.
11. Client records are up-to-date and complete given the contract monitoring date. Specific provisions and restrictions on client data are being followed.

12. Data on performance measures (outcomes and outputs) are being collected, recorded and stored so as to give the Coalition confidence that they are correctly reported.

13. The contractor is complying with provider-unique activities, including coordination with other entities.

14. Where applicable, special provisions are being followed.

h. Exit Interview

1. The Program Manager and/or Fiscal Manager will conduct an exit interview with the contractor’s primary point of contact in order to report on general results of the contract monitoring. The Program Manager and/or Fiscal Manager will discuss likely findings with the contractor during the exit interview. The Program Manager can use this meeting to ask questions or request explanations of preliminary findings.

2. Before the exit interview is conducted, the Program Manager and/or Fiscal Manager will meet with the Executive Director and develop preliminary results or conclusions based on available information, and recommend monitor report for approval to the Coalition Board.

3. The exit interview allows the contractor an opportunity to explain or provide documentation to clear up minor or easily correctable errors.

9-8 Reporting and Corrective Action

a. If the Program Manager and/or Fiscal Manager finds irregularities in any stage of the contract monitoring that require immediate attention or action, degrade service to the Coalition’s clients, or indicate questionable financial and managerial practices, he or she will report these to the Executive Director or his/her designee who decides what remedying action will be taken.

b. The Program Manager and/or Fiscal Manager will transmit the results of the contract monitoring, its findings and recommendations, and any other relevant information by preparing and submitting a written report. The report documents the contractor’s ability to deliver quality services to the Coalition’s clients and the extent to which the contractor has been fiscally responsible in accounting for public funds. This section outlines the procedures for reports as well as providing specific information about corrective action plans.

c. Reporting:

1. The Program Manager’s draft report will utilize the documents generated during the monitoring process:
   i. Completed contract monitoring tools.
   ii. Work sheets.
   iii. Exhibits relevant to the report

2. The Program Manager prepares a draft report that includes all findings – positive, neutral and negative – based upon the reviews that have been conducted. The report will contain administrative and programmatic
findings regarding the contractor's performance of contract provisions and a summary with recommendations to the Executive Director or his/her designee for corrective action. The report may also contain suggestions that do not require formal corrective actions. The Executive Director or his/her designee presents the reports to the Coalition board. The final written report is due to the contractor within thirty (30) working days from the completion of the exit interview.

d. Corrective Action
If substantial problems are identified during the review, the Manager will report to the Executive Director or his/her designee with a recommendation for a corrective action plan. If the recommendation is approved, the Manager is responsible for notifying the contractor within seven working days, where appropriate, to develop a corrective action plan.

1. The Manager is responsible for obtaining the corrective action plan from the contractor. The Manager's direction to the contractor will be to submit a plan within 30 calendar days from the time of Coalition notification and to address each deficiency identified, including steps and time frames anticipated for each corrective action.

2. The Program Manager notifies the contractor whether or not the corrective action plan has been approved. If disapproved, reasons for Coalition disapproval should be listed. The Program Manager will send the Executive Director or his/her designee a copy of the contractor's corrective action plan and the Program Manager's recommendation to approve or disapprove.

3. The Program Manager notifies the Executive Director or his/her designee when the contractor has successfully completed its corrective actions.

e. Breach of contract: Breach of contract is a legal term of art that describes a condition that results from a failure of a party to a contract to abide by the material terms or conditions of a contract such that one party loses the value of its bargain with the other party. A breach may be indicated by one or more findings contained in the contract monitoring report and any other material reports that a contractor is not complying with the terms and conditions of the contract. The Program Manager will notify the Executive Director or his/her designee if he/she has reason to believe that a breach of contract has occurred.

f. Termination for Failure to Achieve Performance Standards Policy: In the event the contract is terminated as the result of the contractor failing to achieve one or more performance standards set forth in the contract, the contractor will be prohibited from receiving any new contracts or subcontracts for the same services for at least 24 months from the date of termination. This termination provision in no way limits the termination provisions found in the Coalition’s Standard Contract.
Exhibit A

CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS
PRIMARY COVERED TRANSACTIONS

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 29 CFR Part 98, Section 98.510, Participants Responsibilities. The regulations were published as Part VII of the May 26, 1988 Federal Register (pages 19160 – 19211).

(BEFORE SIGNING CERTIFICATION, READ ATTACHED INSTRUCTIONS WHICH ARE AN INTEGRAL PART OF THE CERTIFICATION)

A. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency.

2. Have not within a three (3) year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State, or local) transaction or Contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property.

3. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph 1.b. of this certification.

4. Have not within a three (3) year period preceding this application/proposal had one or more public transactions (Federal, State, local) terminated for cause or default.

B. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant will attach an explanation to this proposal.

Name and Title of Authorized Representative, Name of Contractor

Signature ___________________________ Date ___________________________

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INSTRUCTIONS

1. By signing and submitting this Contract, the prospective primary participant is providing the certification as set out herein.

2. The inability of a person to provide the required certification will not necessarily result in denial of participation in this covered transaction. The prospective participant will submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the WDB determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation will disqualify such person from participation in this Contract.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the AWI determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available, AWI may terminate this Contract for cause or default.

4. The prospective primary participant will provide immediate written notice to the AWI if at any time the respective primary participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntary excluded, as used in this clause, have the meanings set out in the Definitions and Coverage Sections of rules implementing Executive Order 12549. You may contact the AWI for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this Contract that, should the proposed covered transaction be entered into, it will not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible or voluntarily excluded from participation in this covered transaction unless authorized by the AWI.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions, provided by the AWI without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible or voluntarily excluded from the covered transaction unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded From Procurement or Non-procurement Programs.

9. Nothing contained in the foregoing will be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

Except for transactions authorized under paragraph six of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible or voluntarily excluded from participation in this transaction in addition to other remedies available to the Federal Government, the AWI may terminate this Contract for cause or default.
Appendix B

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or an employee of any agency, a member of congress, an officer or employee of congress, or an employee or member of congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned will complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying”, in accordance with its instructions.

3) The undersigned will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all* sub-recipients will certify and disclose accordingly.

This certification is material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification will be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Name and Title of Authorized Representative, Name of Contractor

Signature  Date

*NOTE: - In these instances, “All” in the Final Rule is expected to be clarified to show that it applies to covered Contract/Grant transactions over $100,000 (per OMB).