

POLICY 401

SERVICE PROVIDER GRANTS AND CONTRACTS

The Agency enters into contracts with community service provider agencies and organizations for the purpose of developing and implementing a comprehensive and coordinated community based system of services for older persons as provided for in the Agency's approved Area Plan. The Agency is ultimately responsible to the Ohio Department of Aging (ODA) for insuring that all Older Americans Act (OAA) and ODA funds are utilized in the appropriate manner for activities and services authorized under an Area Plan.

DEFINITIONS

"Purchase of Service Contract" means a contractual agreement in which a service provider is paid for services based upon a pre-determined price per unit of service delivered. The price paid per unit encompasses all elements associated with the production of the unit of service.

"Cost Reimbursement" means grants and contracts in which a provider is paid for services delivered based upon allowable costs related to actual expenditures incurred by providers to deliver a service, regardless of the number of services provided.

"Unit of Service" means a unit of service as defined in the Agency Service Taxonomy contained in Policy 304 of this manual.

PROCEDURE A SERVICE PROVIDER AGREEMENTS

1. Except as authorized by the Agency's Board of Directors, all service provider agreements must take the form of purchase of service contracts in which providers are paid for only those services actually delivered.

PROCEDURE B CONTRACT AND GRANT PROCESS

1. The Agency will award grants or contracts through a competitive award process. The Agency will make reasonable efforts to notify potential providers within the Planning and Service Area (PSA) of the request for proposals (RFP). For the purposes of this policy, "reasonable effort" includes publication in newspapers and any other appropriate mechanism for notification identified by the Agency that is designed to create broad public awareness of the grant or contract. The public notice shall identify at a minimum the:
 - a. services to be funded;

POLICY 401

SERVICE PROVIDER GRANTS AND CONTRACTS

- b. source and purpose of funding for the proposed service (e.g., Title III-B, Title III-C2, Title III-E, SCS);
 - c. geographic area to receive services under the proposed grant or contract;
 - d. client group to be served; and
 - e. name and telephone number for a contact person at the Agency.
 2. The Agency shall, through such public notice of a RFP, make special effort to attract minority organizations to make application.
 3. The Agency shall allow applicants a reasonable period to respond to the RFP.
 4. The Agency shall include, at minimum, a
 - a. timetable denoting significant dates in the RFP process (e.g., due date of proposal, expected date of award, etc.);
 - b. list of factors which the bidder must fulfill in order for its proposal to be considered a responsive proposal;
 - c. clear and accurate description of the technical requirements, including service specifications and service delivery category definitions for the good or service being solicited;
 - d. clear and accurate listing of either all the elements of the bid price as defined by the Agency or, in the alternative a requirement that the bidder or specify the elements of the price;
 - e. listing of equipment, if any, which the Agency intends to procure separately utilizing funds from the amounts it has set aside in an approved area plan; and
 - f. list of review criteria which will be utilized by the Agency to evaluate each RFP.
 5. An RFP shall request the applicant to provide, at a minimum:
 - a. an overview of how the applicant will meet the need for the proposed service;

POLICY 401

SERVICE PROVIDER GRANTS AND CONTRACTS

- b. a detailed description of the services to be provided and the method of delivery, including a description of the clients to be served; the methods of acquiring clients (e.g., referral, outreach); and compliance with the service specifications and taxonomy;
- c. how the service provider intends to satisfy the service needs of low-income minority individuals in the area served by the service provider;
- d. the projected units of service to be delivered and the numbers and characteristics of clients to be served;
- e. the price per unit and disclosure of the elements that are included in the price. Elements not included in the price must be disclosed; and
- f. a budget that details:
 - i. unit costs and projected contract expenditures by service category and line item;
 - ii. projected contract revenues (e.g., local match, program income, United States Department of Agriculture [USDA]); and,
 - iii. revenues and expenditures, related to the proposed services, from other sources.

PROCEDURE C SERVICE PROVIDER SUBCONTRACTS

- 1. No service provider may enter into a subcontract without the prior knowledge, review and approval of the Agency.
- 2. Pursuant to ODA Policy 208.00 DELEGATION OF AUTHORITY, the Agency may not delegate to another agency the authority to award or administer Older American Act or ODA funds.
- 3. The Agency will review the service provider's request to subcontract, and grant or deny an approval regarding the need to subcontract, based upon the following criteria:
 - a. by subcontracting, the service would be afforded a more effective and efficient service delivery; and

POLICY 401

SERVICE PROVIDER GRANTS AND CONTRACTS

- b. sufficient rationale exists to support the service provider subcontracting with an entity, rather than the AAA directly contracting with that same entity.

PROCEDURE D MULTI-YEAR GRANTS AND CONTRACTS

1. The Agency may enter into multi-year grants and contracts with service providers. Funds may only be obligated for the period for which a "Notification of Grant Award" (NGA) has been received from ODA.
2. The maximum period between competitions for a particular grant or contract is three years.
3. The Agency will ensure to the extent possible that multi-year granting or contracting provides a greater advantage than annual competition.
4. The multi-year grant or contract will contain:
 - a. a clause assuring renewal based on satisfactory performance;
 - b. provisions for early termination or modification of the grant or contract should unforeseen events occur (e.g., unsatisfactory performance, reduced funding, changed market conditions, mandated program requirements).

PROCEDURE E WAIVER

1. Waivers from this policy will be considered for special circumstances, e.g. demonstration proposals, pilot projects, research demonstration proposals, services provided under a taxonomy waiver, and one-time services.
2. If requesting a waiver to allow the use of an alternative method of contracting for any service(s), Service Providers must apply in writing to the Agency's Planning and Program Development Department.
3. The Agency's evaluation of the waiver request will be based upon the Service Provider's ability to demonstrate that the cost reimbursement method of contracting is of greater benefit to the service delivery activity than the purchase of service method of contracting.

POLICY 401

SERVICE PROVIDER GRANTS AND CONTRACTS

PROCEDURE G REALLOCATION OF UNEARNED FUNDS

1. If, during the contract period, the Agency determines that a Service Provider is not earning a proportionate share of the funds specified in the contract between the Service Provider and the Agency, the Agency may reallocate funds that it estimates a Service Provider will not earn to other Service Providers.