



**EXEC/ADMIN COMMITTEE MEETING**

May 6, 2020; 10:30 a.m.

*Conference Call*

*Dial 1-888-296-6500 and enter Guest Code 966582*

**TENTATIVE AGENDA**

***\*Action Item***

- I.** Call to Order/Roll Call
- II.** Public Comment
- III.** Review of Credit Card Statements
- IV.** Approval of August 7, 2019/Admin Committee Meeting Minutes\*
- V.** Approval of 2019-21 School Readiness Plan Amendment #26\*
- VI.** Approval of the Revisions to the Early Learning Coalition of North Florida's Anti-Fraud Plan for 2020/21\*
- VII.** Retro Active Approval (Effective May 1, 2020) of the Infectious Disease Emergency Addendum to the ELCNF 2020-2021 COOP (Continuity of Operations Plan)\*
- VIII.** Review of Board Membership-Informational
- IX.** Committee Absenteeism Log – Informational
- X.** Committee Comment
- XI.** Next Meeting: Board – June 10, 2020; 10:30 a.m.  
Exec/Admin – August 5, 2020; 10:30 a.m. Conference Call
- XII.** Adjournment\*

# **I. Call to Order/Roll Call**

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# **II. Public Comment**

### **III. Review of Credit Card Statements**

- Statements are provided to **Board/Committee Members ONLY** for review and have been emailed at the time meeting packets were emailed.

**IV. Approval of August 7, 2019 Exec/Admin  
Committee Meeting Minutes\***

***\*ACTION ITEM***

**EXECUTIVE ADMINISTRATIVE COMMITTEE**

Conference Call Meeting  
August 7, 2019  
10:30a.m.

**ATTENDANCE**

**Committee Members Present:**

Renee Williams, Vice Chair  
Theresa Little, Treasurer  
Myrna Allen  
Teresa Matheny, ECS  
Michael Siragusa  
Nancy Pearson, Chair  
Joy Stanton, Secretary

**Committee Members Absent:**

**Others Present:**

**Coalition Staff Present:**

Dawn Bell, Chief Executive Officer  
Tajaro Dixon, Grants and Operations Manager  
Rhonda Cody, Office Manager

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**CALL TO ORDER/ROLL CALL**

The meeting was called to order at 10:30 a.m. by R. Cody and roll was called; quorum was present with 7 of 7 committee members in attendance.

**PUBLIC COMMENT**

No Comments.

**REVIEW OF CREDIT CARD STATEMENTS**

Employee Credit card statements were presented to the committee for the review of the months of March, April, May and June 2019. (Amex and Visa cards issued to D. Bell and R. Cody)  
There were no comments or questions.

**APPROVAL OF November 7, 2018 EXEC ADMIN MEETING MINUTES \***

1. T. Little motioned to approve the November 7, 2018 Exec Admin Meeting Minutes. J. Stanton seconded the motion. No discussion – motion passed unanimously.

**Executive/Admin Committee  
August 7, 2019**

**APPROVAL OF THE EPISCOPAL CHILDREN’S SERVICES 2019/2020 CONTRACT AMENDMENT #0001-19\***

Revisions:

- A. Items #3, 8 and 15 were to update the School Readiness budgeted amounts per the July 1, 2019 Notice of Award.
- B. Items #10, 11, 12, and 16 were to update the Voluntary Pre-Kindergarten and VPK Outreach and Awareness budgeted amounts per the July 1, 2019 Notices of Awards.
- C. Item #13 was to add the Coalition as “additionally insured”, as it was left off in error in the original contract.
- D. Item #8, under “Additional School Readiness-Related Programs and Funding” was to:
  - Remove “Performance Funding Project” as it is no longer in effect.
  - Remove the one “Early Learning Florida” contract that has expired.
  - Add references in the grant agreement regarding elements of HB1091, which replaced the Early Learning Pay for Performance contracts.
  - Update the “School Readiness Program Assessment” project section.
  - Add the “Preschool Development Grant Services” project section.
- E. The remaining items were due to revisions made to the 2019/2020 OEL Grant Agreement.

- 2. R. Williams motioned to approve the ECS 2019/2020 Contract Amendment #0001-19. T. Little seconded the motion. No discussion- motion passed unanimously. T. Matheny recused herself from voting, documentation attached.

**RETRO-ACTIVE APPROVAL OF THE VOLUNTARY PREKINDERGARTEN (VPK) OUTREACH AND AWARENESS AND MONITORING INITIATIVE GRANT AGREEMENT BETWEEN THE OFFICE OF EARLY LEARNING (OEL) AND THE EARLY LEARNING COALITION OF NORTH FLORIDA\***

Reason for Action:

RETRO ACTIVE Board Approval required of VPK OAMI Grant Agreement for FY 2019-20, effective **June 19, 2019**, which is the ELCNF CEO signature date.

- 3. T. Little motioned to retro-actively approve the Voluntary Prekindergarten (VPK) Outreach and Awareness and Monitoring Initiative Grant Agreement Between the Office of Early Learning (OEL) and the Early Learning Coalition of North Florida. M. Siragusa seconded the motion. No discussion, motion passed unanimously.

**Executive/Admin Committee  
August 7, 2019**

## **APPROVAL OF THE REVISIONS TO THE COALITION'S PERSONNEL POLICIES AND PROCEDURES MANUAL\***

### Revisions:

#### HR201 – Employment Categories

- changed “Regular Part-Time” category from “less than 25 hours per week” to “less than 40 hours per week”.
- added that “Regular Part-Time” employees are “generally” not entitled to any benefits other than those required by law.

#### HR305 – Sick Leave Benefits,

- replaced language regarding “Personal Reasons (Leave)” to clarify that it is based on the biweekly work schedule for both Regular full-time and Regular part-time employees.
- gave an example of the calculation of “personal leave” for “Regular part-time” employees.
- clarified language regarding eligibility for this type of leave.

4. R. Williams motioned to approve the revisions to the Coalition’s Personnel Policies and Procedures Manual. J. Stanton seconded the motion. No discussion, motion passed unanimously.

## **APPROVAL OF ACCOUNTING AND FINANCIAL POLICIES AND PROCEDURES REVISIONS\*-HANDOUT**

### Revisions due to updated, corrected, or clarified regulations:

#### *From Grants and Operations Manager:*

F304 – Charging of Costs to Federal Awards, OMB correction.

#### F306 – Travel and Business Expenses,

- added to “Employee and Director Business Travel” section, #3, “Note: “Airbnb” expenses are not allowable/reimbursable.” (This is per e-mail from Donna Budd, DMS.myflorida.com, dated 01/16/19 stating that Airbnb would not be reimbursable for state agencies.) (Also added to Personnel policy #HR404.)
- changed language regarding board member travel approval as a corrective action item for the OEL Fiscal Monitoring that began 01/28/18.

F405 – Leases, OMB correction.

F702 – Annual Audit, in section “How Often to Review the Selection of the Auditor”, changed from every three years to every four years. (Per 01/25/19 e-mail from OEL Supervisor FMSAS, Laura McKinley.)

**Executive/Admin Committee  
August 7, 2019**

5. R. Williams motioned to approve the Accounting and Financial Policies and Procedures revisions. T. Matheny seconded the motion. No discussion, motion passed unanimously.

## **APPROVAL OF REVISIONS TO THE COALITION'S PROCUREMENT OF COMMODITIES AND/OR CONTRACTUAL SERVICES POLICIES AND PROCEDURES MANUAL\*-HANDOUT**

### Revisions:

#### PR601 – Bidding Processes,

- corrected “Florida Administrative Weekly” to “Florida Administrative Register”
  - in number 4, added Florida Statute reference regarding renewal years, and then added OEL clarification regarding this. This is a correction from what was previously a total of 3 years per contract, to 4 years per contract before a new bid process is required.
5. M. Siragusa motioned to approve the revisions to the Coalition’s Procurement of Commodities and/or Contractual Services Policies and Procedures Manual. J. Stanton seconded the motion. No discussion, motion passed unanimously.

## **APPROVAL OF THE 2019-2020 ELCNF COOP\***

The COOP (Continuity Of Operation Plan) establishes policy and guidance to ensure the continued execution of the mission-essential functions continue should an emergency threaten or incapacitates operations and require the relocation of selected personnel and functions of the Coalition and/or its subcontractor(s).

The COOP is to be revised if needed and submitted to OEL by October 1<sup>st</sup> of every year. The revisions made to this year’s COOP are:

- Changes in names, titles and contact information.

Changes were made to reflect the processes that ECS has in place if they were to activate their COOP.

6. R. Williams motioned to approve the 2019-2020 ELCNF COOP. M. Siragusa seconded the motion. No discussion, motion passed unanimously.

## **REVIEW OF BOARD MEMBERSHIP- Informational** Informational; no comments.

**Executive/Admin Committee**  
**August 7, 2019**

**COMMITTEE ABSENTEEISM LOG- Informational**  
Informational; no comments.

**COMMITTEE COMMENT**  
No comment

**NEXT MEETING**

Board ANNUAL- September 11, 2019; 10:30am, Renaissance WGV Convention Center  
Executive Administrative Committee Meeting November 6, 2019; 10:30am Conference Call

**ADJOURNMENT\***

7. J. Stanton motioned to approve adjournment at 10:57am. T. Little seconded the motion. No discussion- motion passed unanimously.

**Minutes submitted by, Rhonda Cody, Office Manager August 28, 2019**

**Executive/Admin Committee**  
**August 7, 2019**

**V. Approval of 2019-21 School Readiness Plan  
Amendment #26\***

***\*ACTION ITEM***

## ACTION ITEM SUMMARY

<b>DESCRIPTION</b>	Approval of 2019-21 School Readiness Plan Amendment #26
<b>Reason for Recommended Action</b>	<p>The following three School Readiness Plan Attachments were revised:</p> <ul style="list-style-type: none"> <li>• Attachment I F and I J ECS (Episcopal Children’s Services) Procurement-Disbursements Pol and Proc 041620 (ECS Procurement and Disbursement policies were updated by staff to include all departments/programs of Episcopal Children’s Services.) <i>(A summary page of the changes is placed before the policy in the packet.)</i></li> <li>• Attachment I I ECS SRAD01 IT Pol and Proc 022020 – showing edits (The ECS “IT” policies were updated by staff to include all departments/programs of Episcopal Children’s Services)</li> <li>• Attachment II E ELC Sliding Fee Scale eff 070120</li> <li>• Attachment V A ELC 2021 Monitoring Plan Narrative 042220 – showing edits</li> <li>• Attachment V A ELC 2021 Monitoring Schedule 042220</li> </ul> <p><b><u>If this is not done, the following would occur:</u></b></p> <ul style="list-style-type: none"> <li>• The Coalition’s School Readiness Plan would not be properly updated/in compliance with OEL.</li> </ul>
<b>How the Action will be accomplished</b>	Board Approval, then OEL Approval.

## ECS Procurement Disbursement Policy Changes.

1. The entire disbursements section was added...now pages 40-56.
2. Deleted Appendix – ECS RFQ/Bid Process – Step by Step Guidance
3. Deleted Appendix – Conflict of Interest Questionnaire
4. Made multiple grammatical adjustments. Quotations > Quotes. Since > Because. Etc.
5. Per footnote 9...added a separations of duties grid for procurement and disbursements.
6. Per footnote 8...added language regarding a Contract/Purchasing Administrator and a Contract/Grant Manager
7. Per footnote 10...added a Summary Purchasing Limits table to include: purchase amount, required approvals, required solicitation, required documentation.
8. Added Compliance Section 287.057 F.S. – Procurement of commodities or contract services
9. Added “recovered materials” language
10. Updated Contracts Administration language to include gaps in: a) Formal contract documents; b) Day to day management documents; c) Formal monitoring process; d) other related contracts administration activities
11. Updated conflict of interest language
12. Updated Federal small purchase language
13. Updated “additional purchase order terms/disclosures
14. Updated “the Entity’s policies and procedures will comply with the following federal/state laws, regulations, statutes and rules. Made sure list was all inclusive.
15. Added written policy for “Allowability” into the procurement section. Was in Disbursements.
16. Added Liquidated Damages and Solicitation number to “minimum required purchase order policy disclosures
17. Added language for “minimum entity control process required for Purchase Orders
18. Changed references of Florida Rule 601 to 60L.
19. Reviewed capital approval limits> \$1,000 v \$5,000
20. Corrected statement that confirms ECS can procure from state contracts
21. Corrected/adjusted/added multiple statute and subsection reference.
22. Added Anti-Trafficking language to contract requirements.



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# EPISCOPAL CHILDREN'S SERVICES

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## Procurement and Disbursements Policies and Procedures



**Version 3**

Last Updated 4/16/2020

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## **Overview**

Episcopal Children's Services will practice ethical, responsible and reasonable procedures related to purchasing, agreements, contracts, and related forms of financial commitment.

### **Purpose of this Document**

This document establishes policy and furnishes the procedures to ensure that Episcopal Children's Services (ECS), through its procurement process, protects the funds it disburses, derives the maximum return of services from those funds, and complies with applicable state and federal laws, rules, and regulations governing contracts for services and commodities.

Further, this document is intended to facilitate the development and implementation of consistent purchasing and contract administration activities throughout all ECS properties.

This manual provides ECS procurement practitioners with guidelines pertaining to their authority and responsibilities for the solicitation, receipt, and evaluation of proposals, as well as the subsequent award and administration of the resulting purchase order contracts. It also identifies the roles and responsibilities of the other ECS groups regarding purchasing and contract administration activities.

### **Legislative Direction**

ECS operates with both state and federal funding. All purchases will be categorized by the ECS buyer as State Only Funding, Federal Only Funding or Federal and State Funding. If a proposed expenditure will use only Federal funds, then only Federal procurement legislation will apply. If a proposed expenditure will use only State of Florida funds, then only Florida procurement legislation will apply. If a proposed expenditure will use both State and Federal funds, then the most conservative governmental procurement legislation will be applied.

The following documents function as the primary guidelines for this policy manual:

Florida Statutes, Chapters 215 and 287. Florida Rules 60A, 60L and 69L. Chapter 2013-252 F.S.

OMB 2 CFR 200.302 through 2 CFR 200.326, 2 CFR 200.403.

### **Applicability**

These procedures are applicable to all ECS personnel engaged in purchasing and contract administration activities. Recognition is given to the variety of situations under which central and satellite site personnel must work and how each differs in organizational responsibility. This does not, however, alter Corporate and Property Site Management's responsibility for ensuring that corporate requirements are met and that sound business practices are followed.

All department heads or their designees shall have the authority to initiate purchases on behalf of their department, within the guidelines described here. Department directors shall inform the Disbursements Manager of all individuals that may initiate purchases or prepare purchase orders. The Disbursement's Manager shall maintain a current list of all authorized purchasers.

The Fiscal Department shall be responsible for processing purchase orders. The Chief Financial Officer (CFO) has authority over all purchases and contractual commitments and shall make the final determination on any proposed purchases where budgetary or other conditions may result in denial. The Chief Executive Officer (CEO) of ECS may choose at any time to grant or override purchase authorization for any product, commodity or service.

## **Oversight and Contract Administrator**

The CEO is ultimately responsible for the oversight of procurement services, including contract management. The CEO will ensure the procurement process operates within the requirements of all applicable state and federal regulations. The CEO will further ensure the ECS contract management system is compliant with the terms, conditions and specifications of its contracts and confirm adequate and timely follow-up of all its purchases and services. The retention and cataloging of all contracts will be managed by the office of the CEO.

The Procurement Director is responsible for the general administration of procurement services and contract administration. Upon the request of individual ECS departments, this position assists in the following activities: a) Carrying out the preparations for contracting; b) Soliciting and analyzing bids; c) Negotiating contracts and amendments; d) Monitoring the contractor's performance; e) Reviewing and approving the contractor's invoices for payment; e) Maintaining the procurement records and a comprehensive contract file.

The Procurement Director is responsible for preparing, distributing, and coordinating all updates to this manual. The Procurement Director shall routinely review and update the manual and activities. To ensure effective control, successful audits, and consistency of application, the Procurement Director will process and distribute necessary changes.

Distribution of the manual in whole or in part is limited to personnel involved in implementation of the contract administration policies and procedures contained herein. The manual may be found on ECS Sharepoint in the Fiscal documents section and is available to all with access to this module.

## **Purchase Orders and Authorization Levels**

ECS utilizes a purchase order system facilitated by Microix software. Only users with approved access may create purchase orders within Microix. A properly completed purchase order shall be required for each purchase decision except for travel advances and expense reimbursements. ECS uses Microix, an electronic purchase order system that assigns each PO a unique number and records that number in a log. The PO numbers assigned by Microix are consecutive. At the end of each accounting period, an aged outstanding purchase order report shall be prepared and distributed to each purchasing representative and the CFO or Director of Finance. The purchaser will follow up with ECS accounts payable and/or the contractor to identify why the transaction has not been finalized and take actions to ensure completion.

Whenever practicable, purchase orders (hard copy or electronic) will be sent to contractors. Receipt acknowledgements should be retained within the PO file when available.

A properly completed purchase order shall contain the following information, at a minimum:

1. Specifications or a statement of services required
2. Quantity, description, price, applicable payment terms, applicable discounts(s), date of performance.
3. Contractor name, address, point of contact and phone number
4. Source of funding (if applicable)
5. Delivery or performance schedules
6. Delivery, packing, and transportation requirements/arrangements
7. Special conditions (if applicable)
8. Catalog number, page number, etc. (if applicable)
9. Net price per unit, less discount, if any
10. Total amount of order
11. Solicitation number (if applicable)#
12. Liquidated damages

13. Authorized signature/ approvals
14. Date purchase order was prepared
15. A terms and conditions statement or website link to access the terms and conditions.

Additional purchase order terms/disclosures required regardless of the scoped goods/services.

1. Liquidated damages/financial consequences
2. Payment audit (records of costs will be available upon request)
3. Payment made after written “agency” acceptance
4. Payment timeframe – timely payments
5. Funding availability/annual appropriation
6. No lobbying
7. Public access/public records
8. Conduct of business – federal/state laws govern
9. Conflict of interest/related party activities
10. Confidentiality and safeguarding information
  - \* Other/additional terms may also apply based on scoped goods/services.
  - \* If credit card transactions occur all the standards noted here will still apply

Additional disclosures may also apply for higher dollar purchases

- a. Termination for cause – required for purchases in excess of \$10,000 (60A-1.016, F.A.C.).
- b. Remedies – required for purchases in excess of \$35,000 (2 CFR Part 200 Appendix II).

Minimum Entity control processes required for Purchase Orders (see 60A-1.016, F.A.C.)

1. Secure all unused purchase orders in a safe place and restrict access to these documents.
2. Maintain a file and accounting system for all consecutive purchase orders issued or voided.
3. Maintain a record of persons authorized to issue and sign each type of purchase order.
4. Monitor and review processes for the use of purchase orders and field purchase orders (those issued by an agency/office that is separate from the agency purchasing office (i.e., satellite offices).
5. Rationale for method of procurement.

**Non-recurring Purchase Order Procedures**

	Action
1	Prepare electronic Purchase Order (P.O.) through Microix using proper workflow according to contract to be expensed.
2	Fill out P.O. to include vendor name, date, quantity, amounts and project/element/account to be charged.
3	Obtain proper authorization (done automatically through Microix):
	a) Approved by Dept. Director for \$499.99 and below. b) Reviewed by COO if over \$499.99 c) If between \$1,000.00 and \$1,499.99, also reviewed by the CFO d) If above \$1,499.99, also reviewed by the CEO e) All PO’s reviewed by Budget Director
4	Once PO has document status of “Submitted to Accounts Payable (A/P)”, the purchase has been approved.

5	Order goods or services utilizing the P.O. A P.O. should be sent to the vendor whenever possible, and a receipt notification should be attached to the P.O. in Microix.
6	When order is received, check for accuracy on packing slip or invoice, initial, sign, date and forward to A/P.
7	If you decide not to utilize the P.O. notify Accounts Payable Manager immediately to void the PO.

**Recurring Purchase Order Procedures**

	Action
1	AP department receives invoice via mail or email. Confirms approval documentation.
2	AP specialist completes recurring PO in Microix (may be created by originator)
3	Obtain proper approval (done automatically through Microix): 1) All PO’s reviewed by the Budget Director 2) If from \$1,000 to \$1,499, also reviewed by the CFO 3) If above \$1,499, also reviewed by the CEO
4	Once PO has document status of “Submitted to Accounts Payable, the purchase has been approved.
5	Order goods or services utilizing the P.O. An electronic P.O. should be sent to the vendor whenever possible, and a receipt notification should be attached to the P.O. in Microix.
6	When order is received, check for accuracy on packing slip or invoice, initial, sign, date and forward to A/P.
7	If you decide not to utilize the P.O. notify Accounts Payable specialist immediately to void the PO.

Annual Leases or contracts with a value in excess of \$150,000 should be reviewed by outside legal counsel.

Note: Certain rental agreements do not submit invoices. Because these amounts remain constant over a period of time, a recurring PO will be the only documentation to support these charges. All contracts between ECS and outside parties must be reviewed and approved by the department head of the program, as well as the CEO. These policies shall also apply to renewals of existing contracts.

CEO Contract Limits

The CEO may execute all organization contracts based on the following limits:

- Approval by the Board of Trustees for new (nonrecurring) contracts with an annual amount greater than \$5 million.
- Contract amendments and extensions: Approved by the Board of Trustees for all contracts amendments and extensions with an annual increase or decrease in an amount greater than \$5 million.

Blanket Purchase Orders

Blanket purchase orders can be created for purchases to be made throughout the year from the same contractor when the total amount to be purchased can be reasonably estimated. The blanket purchase order number will be used each time an order is placed and needs to appear on each invoice. Blanket purchase orders are subject to the same authorization limits and solicitation as regular purchase orders.

1. Blanket purchase orders can be used when:

- Purchasing repetitive, specified services or items, or categories of items from the same contractor; which are purchased and paid in a predictable manner during a certain time period, usually one (1) year.
  - Ordering standard materials or maintenance supplies which require numerous shipments.
  - To enable the buyer to obtain more favorable pricing through volume commitments.
2. Blanket purchase orders generally cannot be used when:
- 1.No benefit will be derived over and above use of a regular purchase order.
  - 2.It creates an open line of credit with a contractor.
  - 3.Prices are unknown at ordering time, or subject to change later without notice.
  - 4.Quality of the contractor and/or goods or services are questionable.
  - 5.Control over ECS expenditures would be weakened significantly.
3. A uniform blanket purchase order format should be used and shall include the following information:
- The period to be covered by the blanket agreement (not exceed to one year)
  - A cancellation clause
  - The previous blanket purchase order number if this is a replacement blanket purchase order
  - Items and/or categories of items to be covered by the blanket purchase order
  - Maximum quantities, if any
  - Prices and pricing arrangements
  - Terms and billing arrangements
  - Personnel authorized to issue order releases
4. Pricing: Price, F.O.B. terms, commodities, and quantity should be established before the blanket purchase order is issued.

It shall be the responsibility of the department placing the order to monitor the prices and terms of its blanket purchase orders.

#### Acquisition Options

ECS will always consider the most economical approach to the acquisition of goods and services, including if a procurement contract is the best option for meeting a project requirement. Lease vs. Buy options will be considered where appropriate. The use of federal, state or local inter-governmental procurement agreements will be employed when practical. Used or government surplus materials will be considered for acquisition if available.

## **State of Florida Procurement Regulations**

### **Intent of Compliance (Section 287.057, F.S.) - Procurement of commodities or contract services**

ECS will:

- Promote fair and open competition without favoritism.
- Ensure that public funds are spent wisely via adequate documentation and effective monitoring mechanisms.
- Establish uniform procedures to ensure effective and ethical procurement of contractual services.
- Ensure improprieties are curbed and public confidence is maintained.

### **Procedures to Evaluate Allowability of Costs [2 CFR Part 200.302(7)]**

Written procedures for allowability of costs - required contents [2 CFR Part 200.302(7)]

1. Procedures or disclosures for prohibited costs – optional disclosures based on entity operations.
2. Procedures to evaluate allowability of costs – a disclosure requirement

Phase I Analysis – General considerations for allowable costs

1. Consider requirements from federal regulations and program requirements
  - a. Is the proposed cost allowable based on instructions from uniform grant guidance?
  - b. Is the proposed cost consistent with the federal cost principles?
2. Consider requirements from the federal awarding agency
  - c. Is the proposed cost allowable based on agency-specific regulations?
  - d. If the expense will be charged to an OEL grant, does the proposed cost allowable based on the related terms/conditions that govern the ECS's award or the grant agreement with OEL /ELC?
  - e. Is the proposed cost consistent with the grant project performance measures or benchmarks?
3. Consider requirements from applicable state guidance for state funded expenditures.(Applies to OEL funded grants)
  - f. Is the proposed cost consistent with authorized grant program activities as described in the USDHHS-approved CCDF State plan?
  - g. Is the proposed cost allowed by state expenditures guidance from state statutes, rules, regulations or guidance from DFS/DMS?
  - h. Does the proposed cost comply with related grant program terms/conditions issued by OEL for grant awards, contracts, purchase orders and other expenditure agreements?
4. Consider the period of performance
  - i. Is the proposed cost for the allowed period of availability as defined for the funding program?
5. Consider other oversight instructions
  - j. If federal or state-level prior approval is required for the proposed cost, was this process followed?

Phase II Analysis – Specific factors affecting allowable costs

Several additional factors should be considered and documented by staff for cost transactions. The answer for each question listed here must be "yes" in order for staff to continue with the transaction.

6. The proposed cost(s) is/are -
  - k. Necessary
  - l. Reasonable

- m. Allocable
- n. In conformance with federal law and grant terms and conditions
- o. Consistent with state and local policies
- p. Consistently treated
- q. In accordance with generally accepted accounting principles (GAAP) and other standards
  - i. Each non-federal entity that receives federal/state grant program funds must use accounting rules and procedures established by authoritative bodies or conventions that have evolved through custom and common usage.
- r. Not used as match on another federal award
- s. Net of applicable credits (2 CFR §200.406)
- t. Adequately documented

Priority of Compliance with Federal Guidance. If instances of inconsistency are noted between USDHHS program guidance (i.e., 2 CFR §300 and 45 CFR Parts 98 and 99) and the OMB uniform guidance (i.e., 2 CFR §200), the program-specific guidance instructions from USDHHS will govern and will supersede the standard instructions from 2 CFR §200 all circumstances.

Priority of Compliance with State Guidance Please note State of Florida's program-specific instructions from state statutes, rules, regulations or guidance from the Department of Management Services (DMS) or the Department of Financial Services (DFS) also apply to and govern Florida's early learning programs. If instances of inconsistency are noted between federal level program guidance and the state's guidance on expenditures, the state guidance from DFS and DMS will govern.

### **What to Consider When Procuring Any Item with Grant Funding**

The following must be considered when procuring any item with grant funding:

1. Policies used by ECS will apply to all ECS activities/purchases made. (2 CFR Part 200.403(c).
2. The procurement should be carried out using good purchasing practices with price, quality and other factors considered.
3. Comparisons from published catalogues or websites are allowable for written quotes.
4. Written documentation of verbal quotes is allowable when the name and address of the vendor is noted in the purchasing records.
5. Where applicable, an analysis must be made of lease and purchase alternatives to determine which would be the most economical and practical procurement.
6. Solicitations for goods and services must provide for the following:
  - a) A clear and accurate description of the technical requirements for the material, product, or service to be procured. For competitive procurements, such a description shall not contain features which unduly restrict competition.
  - b) Requirements which the bidder must fulfill and all other factors to be used in evaluating bids and proposals.
  - c) A description, wherever practical, of technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards.
  - d) The specific features of "brand name or equal" descriptions that bidders are required to meet when such features are included in the solicitation.

- e) The acceptance, to the extent practical and economically feasible, of products and services dimensioned in the metric system of measurement.
- f) Preference, to the extent practical and economically feasible, for products that conserve natural resources and protect the environment and are energy efficient.
- g) Preference, to the extent practical and economically feasible, for products that are American-made (per Department of Labor, Health and Human Services, and Education and related agencies Appropriations Act of 1995, and CCDF section 507, P.L. 103-333).

7. Positive efforts shall be made to utilize small business, minority-owned firms, and women's business enterprises, whenever possible. This includes a request to bidders to identify whether subcontractors are of this dimension. At least one quote should be requested from a certified minority vendor, if available, by checking this website: <https://vendorstrator.dms.myflorida.com/directory>. If no certified minority vendor quote is included, documentation must be provided explaining why.

8. Cost and price analysis must be made and documented on all procurements over \$35,000 and/or when a service or commodity is obtained without competition. The price/cost analysis must be completed prior to receiving bids or responses to proposals.

9. Any acquisition that will be capitalized for financial statement purposes requires prior approval for grant reporting purposes. For the equipment and other capital expenditures cost item, prior approval must be requested for all items that meet the lesser of the requestor's capitalization threshold or \$5,000. Acquisitions or creation of software applications that meet the capitalization requirements of generally accepted accounting principles also require prior approval." Other selected categories of spend must also be approved in advance by either the ELC of North Florida or the OEL. As these selected categories change frequently, it is incumbent upon the ECS Chief of Program and Administration to monitor applicable purchase orders for compliance.

10. ECS will comply with instructions for procurement of recovered materials. (2 CFR Part 200.322)

11. ECS will comply with applicable cost and price analysis requirements for procurement transactions. (2 CFR Part 200.323)

12. Per Florida Statute 1002.83 (12), state, federal and local matching funds provided to Early Learning Coalitions may not be used directly or indirectly to pay for meals, food, or beverages for coalition members, coalition employees or coalition subcontractors

### **Thresholds for Procurement Requirements**

1. Category 1 (Purchases with a value of \$2,500 and below) "Small Purchases" may include, but are not limited to, a minimum of one written quote or written record or a verbal quote.
2. Category 1 (Purchases from \$2,501 to \$15,000) require a minimum of two (2) written quotes or written records or two (2) telephone quotes.
3. Category 1 (Purchases from \$15,001 to \$20,000) require a minimum of three (3) written quotes or informal bids to be opened upon receipt. At least one quote should be requested from a CMBE, if available.
4. Category 2 (Purchases from \$20,001 up to \$35,000) require a minimum of three written quotes or informal bids to be opened upon receipt. At least one quote should be requested from a CMBE, if available.
5. Category 3 (Purchases from \$35,001 up to \$65,000) must use formal solicitations/competitive procurement except as exempted by state procurement laws. Advertisement of bid should be posted at least 10 calendar days before the date set for receipt of bids, proposals or replies. May be renewed for up to three optional/additional years; renewal clause must be in writing and must be included in the proposal files. For emergency purchases, the process may be bypassed with prior written approval by OEL before a contract or PO is executed.

Category 3 -Single/Sole sourced goods and services exemption. Statements of Work and Bid Terms must still be prepared and advertised. Must be electronically posted for a period of at least 10 business days prior to the award. Full documentation must be maintained. Electronic notice of intent to award as a sole source must be provided after the close of the bid posting. May be renewed for up to three optional/additional years; renewal clause must be in writing and must be included in the proposal files. For any purchase made without competition: individuals taking part in the development of selection criteria for evaluation, the evaluation process, and/or the award process must complete a written conflict of interest form to attest they are independent of and have no conflict of interest in the entities evaluated and selected.

6. Category 4 (Purchases from \$65,000 up to \$195,000) must be procured using formal solicitations/competitive procurement except as exempted by state procurement law. Review and approval may be required from ELC/OEL and the ECS Chief of Program and Administration will provide direction for each expenditure in this spend category. A team of three qualified ECS personnel will be appointed to evaluate proposals, submit responses and manage negotiations. The award may be renewed for up to three optional/additional years; renewal clause must be in writing and must be included in the proposal file. For emergency purchases, the process may be bypassed with prior written approval by OEL before a contract or PO is executed. Review by the ELC legal counsel may also be required, direction provided by ECS Chief of Program and Administration.

Category 4 -Single/Sole sourced goods and services exemption. Statements of Work and Bid Terms must still be prepared and advertised. Must be electronically posted for a period of at least 10 business days prior to the award. Full documentation must be maintained. Electronic notice of intent to award as a sole source must be provided after the close of the bid posting. May be renewed for up to three optional/additional years; renewal clause must be in writing and must be included in the proposal files. For any purchase made without competition: individuals taking part in the development of selection criteria for evaluation, the evaluation process, and/or the award process must complete a written conflict of interest form to attest they are independent of and have no conflict of interest in the entities evaluated and selected.

7. Category 5 (Purchases from \$195,001 up to \$325,000) must be procured using formal solicitations/competitive procurement except as exempted by state procurement law. Review and approval may be required from ELC/OEL and the ECS Chief of Program and Administration will provide direction for each expenditure in this spend category. A team of three qualified ECS personnel will be appointed to evaluate proposals, submit responses and manage negotiations. The award may be renewed for up to three optional/additional years; renewal clause must be in writing and must be included in the proposal file. For emergency purchases, the process may be bypassed with prior written approval by OEL before a contract or PO is executed. Review by the ELC legal counsel may also be required, direction provided by ECS Chief of Program and Administration.

Category 5 -Single/Sole sourced goods and services exemption. Statements of Work and Bid Terms must still be prepared and advertised. Must be electronically posted for a period of at least 10 business days prior to the award. Full documentation must be maintained. Electronic notice of intent to award as a sole source must be provided after the close of the bid posting. May be renewed for up to three optional/additional years; renewal clause must be in writing and must be included in the proposal files. For any purchase made without competition: individuals taking part in the development of selection criteria for evaluation, the evaluation process, and/or the award process must complete a written conflict of interest form to attest they are independent of and have no conflict of interest

\*\*\*For all spend categories, purchases may not be split into individual amounts to avoid an expenditure limit or a threshold requirement.

### **Procurement Process for Spend over \$35,000**

The following competitive solicitation processes are applicable to all commodity and contractual services when spend is in excess of \$35,000.

1. All competitive solicitations shall be made available simultaneously to all vendors and shall include:
  - a. Time and date for receipt of bids, proposals or replies
  - b. Time, date and location of public opening
  - c. All contractual terms and conditions
  - d. Criteria to be used in determining acceptability and relative merit of the bid/proposal
2. **Invitation to Bid: Solicitation Process – Option 1**
  - a. All Invitations to Bid must include a detailed description of the commodities or contractual services sought; and if ECS contemplates renewal of the contract, a statement to that effect.
  - b. Bids submitted in response to an invitation to bid in which EPS contemplates renewal of the contract must include the price for each year in which the contract may be renewed.
  - c. Evaluation of the bids must include consideration of the total cost for each year of the contract, including renew years.
  - d. The contract shall be awarded to the responsible and responsive vendor who submits the lowest bid.
  - e. An invitation to Bid should be used when the commodity or service solicited can be clearly specified and can essentially be provided in only one format. There are normally no differentiation opportunities for vendors outside of price, terms and delivery.
3. **Request for Proposal: Solicitation Process – Option 2**
  - a. RFP's shall be used when the commodities or services sought can be clearly defined, however the vendors may have multiple options for which the commodity or service can be provided.
  - b. Before issuing an RFP, ECS must determine and specify in writing the reasons that procurement by Invitation to Bid is not practicable.
  - c. RFP's must include a clear description of the commodity/service being sought; evaluation criteria; if the contract may be renewed.
  - d. Evaluation criteria must include at a minimum: price (for all years of the term), total cost and prior relative experience of the vendor.
  - e. The contract will be awarded by written notice to the responsible and responsive vendor whose proposal is most advantageous to ECS and the State of Florida. Documentation shall be maintained as to how the award decision was made.
  - f. The scope of work or the actual product/outcome can be generally defined;
  - g. The buyer seeks to balance price and quality to achieve the best value.
  - h. Awards may be either a fixed price or cost reimbursement basis.
  - i. There are believed to be more than two vendors who can submit satisfactory offer.
4. **Invitation to Negotiate: Solicitation Process – Option 3**
  - a. Before issuing an invitation to negotiate, a document must be created that defines the reasons why an ITB or an RFP were not practicable.
  - b. An Invitation to Negotiate can be used when trying to determine the best method for achieving a specific goal or solving a particular problem. This is best used when ECS is unclear as to the method required to meet a specific need and requests proposals from multiple vendors where they develop action plans to meet the need.
  - c. The ITN must describe the questions being explored, the facts being sought and specific goals or problems that are the subject of the solicitation.
  - d. The ITN must define the criteria that will be used by ECS to determine which proposal is best and what criteria will be used in final vendor selection.

- e. Once replies are received by ECS to the solicitation, ECS will evaluate all replies against the selection criteria and select the vendors best equipped to meet the need/solve the problem. ECS may then select one or more vendors to commence one to one negotiations. Once negotiations are complete, ECS will award the contract to the most responsible and responsive vendor that brings the most value to ECS and the State of Florida.
  - f. Ideal when purchasing non-standard or customized products/services or systems;
  - g. Responses may contain innovative solutions, which may otherwise not receive consideration;
  - h. Ideal when competitive negotiation is the best way to ensure price or services to match available contract funds or provide most efficient economical services.
  - i. Award can be based on solution or approach, qualifications and/or price.
  - j. Typically, there will be limited availability of competition.
  - k. Typically, there is "high" complexity to requirements and project/emphasis on technology.
5. Prior to the receipt of bids, proposals or replies, ECS may conduct a conference or written question and answer period for the purposes of assuring the vendor's full understanding of the solicitation requirements.
  6. The use of ITB's, RFP's and ITN's in which sealed bids/proposals/replies are typically received may not be circumvented unless one of the following occur:
    - a. The CEO of ECS determines in writing that an immediate danger to the public health, safety or welfare or other substantial loss to the state requires immediate action.
    - b. The purchase can be made from a state term contract. The commodity is available from only a single source.
  7. If ECS determines that only a single source is available, they shall post on their website for at least seven days, the description of the commodities or contractual services sought. The description must include a request that prospective vendors provide information regarding their ability to supply the commodities or contractual services described. If it is determined in writing by ECS, after reviewing any information received from prospective vendors that the commodities or contractual services are available only from a single source, ECS shall provide notice of its intended decision to enter a single-source purchase contract in the manner specified in s 120.57 (3).
  8. Single Source: If a purchase exceeds \$35,000 and the item is not purchased competitively, ECS must document its compliance with 287.017 F.S. which states the price paid must be fair and competitive. Further, documentation must include a statement explaining the reasons why the product or service is the only product or service that will meet the needs of ECS and why the vendor is the only vendor that can supply the product or service. Also, ECS employees involved in the vendor selection process must certify in writing that they have no conflicts of interest applicable to the entity which was awarded the contract. Finally, a cost analysis must be performed and documented.
  9. If less than two responsive bids are received to any solicitation method, ECS may negotiate on the best terms and conditions. ECS shall document the reasons that such action is in the best interest of ACH and the state of Florida in lieu of resoliciting competitive sealed bids, proposals or replies. All actions falling into this category must be reported quarterly to the granting agency.
  10. The RFP, ITB, or ITN shall be made available simultaneously to all vendors and will include a detailed description of the commodities or contractual services sought; the time and date for the receipt of proposals/bids/offers and of the public opening; and all contractual terms and conditions applicable to the procurement, including the criteria to be used in determining acceptability of the proposal/bid/offer.
  11. If ECS contemplates renewal of the contract, that fact shall be stated in the RFP, ITB, or ITN.
  12. The proposal/bid/offer shall include the price for each year for which the contract is renewed.
  13. Evaluation of proposals/bids/offers shall include consideration of the total cost for each year as submitted by the vendor. Criteria not set forth in the RFP, ITB, or ITN may not be used in determining acceptability of the proposal/bid/offer.

14. The contract shall be awarded with reasonable promptness by written notice to the responsible and responsive vendor that submits the highest scoring proposal, lowest responsive bid, or best offer to negotiate.
15. This proposal/bid/offer shall be determined in writing to meet the requirements and criteria set forth in the RFP, ITB, or ITN.
16. ECS reserves the right to reject any and all proposals/bids/offers, if deemed to be in its best interest.
17. ECS officers, employees, and/or agents are prohibited from soliciting or accept gratuities, favors, or anything of monetary value from sub-recipients or potential sub-recipients.
18. Every SERVICES agreement more than \$35,000 shall be evidenced by a written agreement embodying all provisions and conditions of the procurement. The agreement must be signed by the ECS CEO or designee and the contractor before services are rendered. The written agreement may include the following provisions:
  - l. All bills for fees must be submitted in detail sufficient for proper pre- and post-audit
  - m. The agreement may be cancelled if by ECS if the contractor refuses to permit public access to all documents.
  - n. A scope of work that clearly establishes all tasks the contractor is to perform
  - o. A breakdown of deliverables that are quantifiable, measurable and verifiable. These deliverables must be confirmed as complete before the contract manager authorizes payment of vendor invoices.
  - p. A definitive timeline for all facets of the project.
  - q. Defining if the contract is renewable and for what period
  - r. Performance penalties, if any
  - s. Property rights. Intellectual property rights. A PO may substitute for a written agreement if it comprehensively covers all critical terms and conditions

### **Regulated Exempted Services Procurement**

Per Subsection 287.057(3)(e), the following contractual services and commodities are not subject to the competitive-solicitation requirements of this section:

1. Artistic services. As used in this subsection, the term "artistic services" does not include advertising or typesetting. As used in this subparagraph, the term "advertising" means the making of a representation in any form in connection with a trade, business, craft, or profession in order to promote the supply of commodities or services by the person promoting the commodities or contractual services.
2. Academic program reviews if the fee for such services does not exceed \$50,000.
3. Lectures by individuals.
4. Legal services, including attorney, paralegal, expert witness, appraisal, or mediator services.
5. Health services involving examination, diagnosis, treatment, prevention, medical consultation, or administration. The term also includes, but is not limited to, substance abuse and mental health services involving examination, diagnosis, treatment, prevention, or medical consultation if such services are offered to eligible individuals participating in a specific program that qualifies multiple providers and uses a standard payment methodology. Reimbursement of administrative costs for providers of services purchased in this manner are also exempt. For purposes of this subparagraph, the term "providers" means health professionals and health facilities, or organizations that deliver or arrange for the delivery of health services.
6. Services provided to persons with mental or physical disabilities by not-for-profit corporations that have obtained exemptions under s. 501(c)(3) of the United States Internal Revenue Code or when such services are governed by Office of Management and Budget Circular A-122. However, in acquiring such services, the agency shall consider the ability of the vendor, past performance, willingness to meet time requirements, and price.
7. Medicaid services delivered to an eligible Medicaid recipient unless the agency is directed otherwise in law.

8. Family placement services.
9. Prevention services related to mental health, including drug abuse prevention programs, child abuse prevention programs, and shelters for runaways, operated by not-for-profit corporations. However, in acquiring such services, the agency shall consider the ability of the vendor, past performance, willingness to meet time requirements, and price.
10. Training and education services provided to injured employees pursuant to s. [440.491\(6\)](#).
11. Contracts entered into pursuant to s. [337.11](#).
12. Services or commodities provided by governmental entities.
13. In addition, per Subsection 287.057(3)(f), F.S., continuing education events or programs that are offered to the general public and for which fees have been collected that pay all expenses associated with the event or program are exempt from requirements for competitive solicitation.
13. Prescriptive assistive devices for the purpose of medical, developmental or vocational rehabilitation of clients are exempt from solicitation requirements and must be procured pursuant to an established fee schedule or by any other method that ensures the best price for the state, taking into consideration the needs of the client. Prescriptive assistive devices include, but are not limited to, prosthetics, orthotics, and wheelchairs.
14. Lectures by individuals.
15. Academic Program Reviews. If the fee for such services does not exceed \$50,000.

**Compliance with section 215.971, F.S. - Agreements**

Policies used by the entity will comply with disclosure requirements for all agreements funded by federal and/or state monies passed-through the State Treasury.

The following disclosures are required for Agreement documents:

1. All terms and conditions necessary to govern the relationship between the agency and the provider. These terms and conditions provide the legal basis for enforcing the agreement.
2. A specific and clearly defined scope of work that identifies all tasks the provider is to perform and should include specific instructions on how these tasks are to be accomplished if necessary.
3. Specific deliverables (quantifiable, measurable and directly related to the scope of work). Each task identified in the scope of work should be tied to a deliverable. Remember, deliverables are the events that trigger payment.
4. Specific language that makes all records available for inspection. Public access is allowed to all documents, papers, letters, or other materials related to the contract, unless records are exempt from Section 24(a) of Article 1 of the State Constitution and Subsection 119.07(1), F.S.
5. Specific remedies for noncompliance/nonperformance of required services. Remedies should be identified for each area of noncompliance/nonperformance.
6. Specific steps for pro-rating invoice amounts if minimum performance standards are not met. Remember, cost reimbursement and fixed price agreements should include minimum performance standards that ensure an adequate level of services are provided.
7. Sub-contracting/sub-granting terms, if applicable.
8. The timing, nature, and substance of all reports the provider is required to prepare.

9. A provision for the disposition of property purchased with state funds. If the agreement is for contractual services and the property has a useful life greater than one year and costs \$1,000 or more, it should be returned to the State upon agreement termination.
10. Payment terms (e.g., frequency of payments, method of payment and required documentation).

#### **Compliance with section 287.058, F.S. – Contract Documents**

Policies used by the entity will comply with minimum disclosure requirements for contracts and purchase order agreements in excess of the threshold amount provided in s. 287.017 for Category Two (\$35,000).

The following disclosures are required for contract documents:

1. Bills for fees, compensation or expenses will be submitted with enough details for proper pre-audits and post-audits thereof.
2. Bills for any travel expenses will be authorized, documented and reimbursed in accordance with Section 112.061, F.S.
3. Contractor to comply with contract delivery terms (criteria), related timelines and final completion date(s) as specified.
4. Renewal clause (if authorized by related procurement files) for a period that may not exceed 3 years or the term of the original contract, whichever is longer. Note: emergency or exceptional purchases cannot be renewed.
5. Intellectual property rights for pre-existing property (ownership usually remains with Contractor), for created/developed property (ownership by State of FL), or proceeds from sale/licensing activities (ownership determined as specified by applicable state statute).

#### **Compliance with Rule 60A-1.002, FAC – Purchase of commodities or contract services**

State rule(s) for purchasing describe how an entity may exercise its authority in procuring services. It describes the procurement process required for all types of contracts and presents the correct purchasing methods for all contractual services and commodities. Policies used by the entity will comply with applicable instructions from state purchasing rule(s).

#### **Contract Monitoring and Documenting Contractor Performance**

Section 287.057(14), Florida Statutes (F.S.), requires the Chief Financial Officer establish and disseminate uniform procedures to ensure that contractual services have been rendered in accordance with the contract terms.

The contract manager's file must contain all documentation that is required by this memorandum and the contract agreement. The contract file must also document the contract manager's activities to verify that the deliverables were received and were in compliance with criteria established in the agreement. The monitoring activities provided by the contract manager must be adequate to provide reasonable assurance that contract deliverables have been provided as required by the agreement.

If, due to a large number of agreements managed by contract managers, and the agency conducts periodic monitoring of agreements to validate a provider's performance, the agency must have a formal contract monitoring process which includes the following components:

- Risk Assessment
- Monitoring Plan
- Monitoring Procedures and Criteria

- Evidence to support conclusions reached during its monitoring process
- Corrective Action Plan (if required)
- Follow-up on Corrective Action (if required)

Contractual service invoices submitted by a provider to an agency for payment processing must clearly identify, at a minimum, the dates of services, a description of the specific contract deliverables provided during the invoice period and the quantity provided, and the payment amount specified in the agreement for the completion of the deliverable(s) provided. Cost reimbursement invoices must reflect the expenditures incurred by expenditure category. Required information may be submitted on the invoice or in a report format along with any other information required by the terms of the agreement. Written certification, from the contract manager, that services were performed in accordance with the contract terms must be provided to the Bureau of Auditing when submitting the request for payment.

For each agreement funded by federal or state financial assistance, the state agency or sub-recipient shall designate an employee to function as a grant manager. The grant manager shall be responsible for enforcing performance of the agreement's terms and conditions and shall serve as a liaison with the recipient or subrecipient. Specific duties of the Manager include:

1. Manage the receipt of goods/services
2. Monitor and evaluate provider performance and end user satisfaction
3. Serve as liaison with the provider/contractor
4. Maintain a contract management file pursuant to CFO Memo No. 06 (2011-12)
5. Provide written certification that goods were received / services were obtained per terms and conditions before making payment.
6. Prepare cost reconciliation files.
7. Prepare a final reconciliation report

A contract administrator will also be appointed. That position is responsible for:

1. Creating and maintaining a contract file,
2. Maintaining financial information on all contracts,
3. Serving as a liaison among the grant manager, the entity and the OEL.

**Authorization Limits, Process Requirements and Procurement Documentation**

Amount of Purchase	Required Approvals	Required Solicitation	Required Documentation
< \$2,500 Small Purchases	Dept. Director for \$499 and below Add COO for over \$499.99 Add CFO for over \$999.99 Add CEO if over 1,499.99. All PO's reviewed by Budget Director	Minimum of one (1) written quote or written record or verbal quote.	Written record of the quote. Purchase order. Receipt approved by Department Manager/Director
\$2,500 ≤ \$15,000 Category 1 Purchase	Dept. Director for \$499 and below Add COO for over \$499.99 Add CFO for over \$999.99 Add CEO if over 1,499.99. All PO's reviewed by Budget Director	Minimum of two (2) written quotes or documentation of two (2) telephone quotes.	Written record of the quotes. Decision criteria if lowest price not taken. Purchase order. Receipt approved by Department Manager/Director. Contract if appropriate.
\$15,001 ≤ \$20,000 Category 1 Purchase	Dept. Director for \$499 and below Add COO for over \$499.99 Add CFO for over \$999.99 Add CEO if over 1,499.99. All PO's reviewed by Budget Director	Minimum of three (3) written quotes.	Minimum of three (3) written quotes. Decision criteria if lowest price not taken. Purchase order. Receipt approved by Department Manager/Director. Contract if appropriate.
\$20,001 ≤ \$35,000 Category 2 Purchase	Dept. Director for \$499 and below Add COO for over \$499.99 Add CFO for over \$999.99 Add CEO if over 1,499.99. All PO's reviewed by Budget Director	Minimum of three (3) written quotes.	Minimum of three (3) written quotes. Decision Criteria if lowest price not taken. Purchase order. Receipt approved by Department Manager/Director. Contract if appropriate.
\$35,001 ≤ \$65,000 Category 3 Purchase	Dept. Director for \$499 and below Add COO for over \$499.99 Add CFO for over \$999.99 Add CEO if over 1,499.99. All PO's reviewed by Budget Director	Formal solicitation/competitive procurement except as exempted by state procurement laws.	Copy of solicitation and responses. Summary of results. Proposal scoring grids. Scoring/Decision participants. Purchase order. Receipt approved by Department Manager/Director. Contract if appropriate.
\$65,001 ≤ \$195,000 Category_4 Purchase	Dept. Director for \$499 and below Add COO for over \$499.99 Add CFO for over \$999.99 Add CEO if over 1,499.99. All PO's reviewed by Budget Director	Formal solicitation/competitive procurement except as exempted by state procurement laws.	Copy of solicitation and responses. Summary of results. Proposal scoring grids. Scoring/Decision participants. Purchase order. Receipt approved by Department Manager/Director. Contract if appropriate.
\$195,001 ≤ \$325,000 Category 5 Purchase	Dept. Director for \$499 and below Add COO for over \$499.99 Add CFO for over \$999.99 Add CEO if over 1,499.99. All PO's reviewed by Budget Director	Formal solicitation/competitive procurement except as exempted by state procurement laws.	Copy of solicitation and responses. Summary of results. Proposal scoring grids. Scoring/Decision participants. Purchase order. Receipt approved by Department Manager/Director. Contract if appropriate.
For purchases in excess of \$325,000: Consult the Chief of Programs and Administration as well as the ECS Procurement Director.			

**Minority Business Enterprises**

1. The Florida Legislature finds that there is evidence of a systematic pattern of past and continuing racial discrimination against minority business enterprises and a disparity in the availability and use of minority business enterprises in the state procurement system. It is determined to be a compelling state interest to rectify such discrimination and disparity. Based upon statistical data profiling this discrimination, the Legislature has enacted

race-conscious and gender-conscious remedial programs to ensure minority participation in the economic life of the state, in state contracts for the purchase of commodities and services, and in construction contracts. The state encourages the use of minority business enterprises and the entry of new and diversified minority business enterprises into the marketplace.

2. ECS may reserve any contract for competitive solicitation only among certified minority business enterprises. ECS shall review all contracts yearly to determine if any contracts are appropriate to reserve. A determination must be made by ECS there are enough capable, qualified certified minority business enterprises available to submit a bid and provide effective competition. ECS should determine ultimately this reservation is in the best interest of the state. ECS may reject all bids if the bids exceed reasonable price expectation that were set in advance of the sealed bids being opened. ECS shall consider price preferences of up to a weighted 10 percent to increase the participation of minority businesses.
3. If two equal responses to a solicitation or RFQ are received and one response is from a certified minority business enterprise, ECS shall enter into a contract with the CMBE.

**Price Cost Analysis**

2 CFR Part 200.323 requires ECS to perform a cost/price analysis in connection with every procurement action in excess of the federal Simplified Acquisition Threshold or \$35,000 for purchases made with funds from the State of Florida. The price and/or cost analysis must be completed before receiving bids or responses to proposals. Documentation of each price/cost analysis will be maintained in the procurement file.

Section 216.3475 Florida Statutes requires a person or entity which is awarded funding on a non-competitive basis, may not be paid more than the competitive market rate. Therefore, a cost/price analysis must be completed for all acquisition events which are single sourced or if there is no competition.

	Definition	Objective	Actions
<b>Price Analysis</b>	The process of examining and evaluating proposed price without evaluating its separate cost elements.	Verify that overall price is fair and reasonable.	*Compare current proposed prices  *Compare current price to previous price
<b>Cost Analysis</b>	The process of reviewing and evaluating separate cost elements.	Determine the allowability and reasonableness of proposed cost elements.	*Determine that proposed costs are allowable per federal and state laws, rules and regulations.  *Evaluate necessity for and reasonableness of proposed costs. Give particular attention to fringe benefits,

			<p>overhead and indirect cost rates, profit margin.</p> <p>*Compare to actual costs previously incurred for same services.</p>
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## U.S. Federal Government Procurement Regulations

OMB Guidance 200.318 through 200.326 and 200.403

### **Background**

The Office of Management and Budget’s [Uniform Guidance Procurement Standards](#) took effect on January 1st, 2017. ECS is required to follow one of five, acceptable methods of procurement each time a new purchase is made. Micro-Purchases are the smallest and easiest method to implement as they apply to any purchase with a total aggregate value of \$10,000 or less. These purchases are so small, no competitive quotes are required. It is up to ECS to determine if the price is reasonable. The standard also requires that purchases be distributed equally among qualified suppliers to the extent practical.

Small-Purchases are defined as simple and informal procurements for services, supplies, or other property that are above the micro-purchase amount but below the Simplified Acquisition Threshold of \$250,000. ECS is required to receive quotes from an *adequate* number of sources, with *adequate* being defined by ECS.

When a procurement exceeds \$250,000, there are three potential/approved procurement methods from which ECS may choose. The first is the Competitive Sealed Bid, which is the government’s preferred procurement method for construction and for goods/services where price will be the main consideration for selecting the winning bidder. The second is Competitive Proposals, which is the method typically used when there are critical factors to consider beyond just price. Competitive proposal procedures may also be used for qualifications-based procurement of architectural and engineering professional services. The last of the approved methods is the Noncompetitive Proposal. This method, also called a “no-bid” contract or sole-source procurement, applies in very specific situations that eliminates the need for competition in your solicitation process. Non-competitive proposals may be considered for spends above the micro purchase level.

### **Procurement Options**

#### **Micro-Purchases**

Under Title 48, Subpart 2.1 a micro-purchase is defined as “an acquisition of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold.” This threshold is periodically adjusted for inflation. The current micro-purchase threshold is \$10,000 with a few exceptions: If the purchase is for construction services subject to Federal wage rate requirements, the limit is \$2,000. For general contract labor purchases, the limit is \$2,500. For contingency operations and for defense of certain military or terrorist attacks, those limits are \$20,000 for purchases inside the US and \$30,000 for purchases outside the US.

#### Micro-Purchase Guidelines

The procedures regarding micro-purchases are documented in Subpart 13.2 of Title 48, Chapter 1. The following methods are acceptable for ECS when making purchases at or below the micro-purchase threshold: commercial credit

cards, standard purchase orders and unpriced purchase orders (which allow for the price to not be established at the time of issuing the order), petty cash, and third-party drafts.

Micro-purchases may be awarded without soliciting competitive quotes if the price is considered to be reasonable. The regulations state that the administrative cost of verifying price "reasonableness" may more than offset potential savings from detecting instances of overpricing. Verifying price "reasonableness" need only be taken if there is information to indicate that the price may not be reasonable or if the supply or service being purchased has no comparable pricing information readily available.

In situations where ECS does choose to receive competitive quotes for a micro-purchase and the award is made to a bidder who did not offer the lowest price, ECS must document the rationale for the decision, including identification of the concern(s) that lead to the decision.

To the extent practicable, micro-purchases will be distributed equitably among qualified suppliers.

When making purchases, "environmentally friendly" products should be considered.

### **Small Purchases**

Section [2 CFR 200.320](#) describes small purchases, which are those purchases with a dollar amount range from \$10,000 to \$250,000.

The upper limit for small purchase amounts is also known as the Simplified Acquisition Threshold (SAT). In [section 200.88](#) of UG, SAT is defined as *the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold.*

The primary difference between small purchases (aka Simplified Acquisitions) and purchases above the SAT are in the complexity and formality of processes and procedures. Small purchases don't require formal bids and proposals. Less formal price quotes, including oral quotes, are permissible.

### Small Purchase Rules and Guidelines

*Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotes must be obtained from an adequate number of qualified sources.*

All procurement methods, including small purchase procedure methods, must comply with the General Procurement Standards outlined in [2 CFR 200.318](#). These standards can be summarized as follows. Purchases must:

- comply with ECS's documented procedures in place
- be necessary
- be open competition (to the extent required by each method)
- comply with the ECS's conflict of interest policy
- must have proper documentation

Section 200.323 specifically excludes any procurement that falls below the Simplified Acquisition Threshold from the requirement to create formal cost or price analyses.

### Obtaining Quotes for Small Purchases

Quotes for services or commodities should come from a minimum of three qualified vendors. The price or rate quotes can be obtained in writing, orally, from a vendor price list on a website, or generated via an online search engine.

If the item being purchased has special requirements, the item can be purchased under sole source provisions outlined in section 200.320 (f). Special requirements include time constraints and/or specialty products.

### Documentation

Oral Solicitations - Records of oral price quotes shall be maintained in Microix and/or by the individual managing the quote. For one-time orders, the quotes will be placed into Microix by the ECS employee issuing the purchase order. The documentation will consist of showing the names of the suppliers contacted and the prices and other terms and conditions quoted by each. The notes will include a brief statement defining why the winning quote was selected and if a minority supplier was identified to participate in the procurement event. For quotes that will result in multiple purchase orders, the individual managing the quote will maintain the quote documentation in a hard copy file at their desk. These files will be maintained by winning bidder name. All files will be kept for a minimum of five (5) years.

Electronic and Written Solicitations - Records of electronic and written price quotes shall be maintained in Microix and/or by the individual managing the quote. For one-time orders, the quotes will be placed into Microix by the ECS employee issuing the purchase order. The documentation will consist of the actual written quotes showing the names of the suppliers contacted and the prices and other terms and conditions quoted by each. On the winning quote document, the ECS employee who obtained the quotes should include notes detailing why they chose the winning bidder and if a minority supplier was identified to participate in the event. For quotes that will result in multiple purchase orders, the individual managing the quote will maintain the quote documentation in a hard copy file at their desk. These files will be maintained by winning bidder name. All files will be kept for a minimum of 5 years. For special situations, additional statements should be included. For example, justification for sole source procurements.

### Requirements for small purchases [45 CFR Part 92.36(f); 45 CFR Part 75.439(b)(2); 45 CFR Part 75.302(b)(3)]

Verify files include all of the following items.

- Prior approval for equipment purchases in excess of the lesser of (1) \$5,000 or (2) the entity's approved capitalization threshold
- Documentation of small purchase transactions by one or more of the following items.
  - a. Sales receipt
  - b. Current catalogs
  - c. Formal quote
- Files indicate the entity obtained price or rate quotations from an adequate number of qualified sources.
  - a. Review documentation of written or telephone quotes
  - b. Determine if documentation is adequate and the number of quotes obtained is sufficient in accordance with entity policies and procedures

## Sealed Bids

Section [2 CFR 200.320 \(c\)\(1\)\(2\)](#) describes sealed bids. Among other requirements, sealed bids are used when purchases are over the Simplified Acquisition Threshold (which is currently \$250,000) and where price is the main consideration for selecting the winning bidder. Procurement by sealed bids, is also called *formal advertising* in section 2 CFR 200. Sealed bids are formal, well-defined fixed-price procurements (lump sum or unit price) which are publicly bid to multiple qualified bidders.

### Sealed Bid Guidelines

For a procurement event to qualify as a sealed bid the following conditions should be met:

A complete, adequate and realistic specification or purchase description is available. If a product or service can't be defined well enough to be procured through a fixed-price contract, then a sealed bid is not the procurement method to use; instead, procurement by competitive proposals would be best.

Two or more responsible bidders are willing and able to compete effectively for the business - If only one bidder is qualified to bid, then the procurement would have to be made using the noncompetitive proposal method.

The procurement event lends itself to a firm, fixed-price contract and the selection of the successful bidder can be made principally on cost. ECS procurement personnel will take the measures required to confirm the bidding companies are qualified and can be trusted to deliver a product or service which conforms to the defined requirements and quality for the proposed price. ECS will further ensure that the sealed bid adequately defines the requirements, so the bidding company can confidently deliver an accurate proposal.

### Sealed Bid Requirements

- The bids will be publicly advertised.
- Bids must be solicited from an adequate number of known suppliers. The suppliers should be given adequate time to respond to the bid.
- The invitation for bids, which will include all the specifications and any other needed documents and attachments, must clearly define the items or services for the bidder to properly respond.
- All bids will be opened at the time and place defined in the invitation for bids.
- A firm, fixed-price award will be made in writing to the lowest responsive and responsible bidder. Where specified in the bidding documents, factors such as discounts (except payment discounts), transportation/shipping costs and life-cycle costs must be considered in determining which bid is lowest. Payment discounts can only be considered if prior experience indicates these discounts are usually taken advantage of.
- Any and all bids may be rejected if there is a sound, documented reason.
- Per 2 CFR 200, [General Procurement Standards](#), ECS must take all necessary affirmative steps to assure minority, women-owned and labor surplus area companies are used when possible.

## Competitive Proposals

Procurement by competitive proposals is a method used when the total dollar amount of the purchase is over the Simplified Acquisition Threshold of \$250,000 and price is not the primary consideration. For this method of procurement, there is a formal solicitation of competitive proposals with more than one source submitting an offer and either a fixed price or cost-reimbursement type contract being awarded.

### Competitive Proposals Guidelines

This method is generally used when conditions are not appropriate for sealed bids. Not appropriate may be defined as lacking a complete, adequate, and realistic specification or purchase description and/or price is not the primary factor for selecting a winning bidder.

There are several types of fixed-price and cost-reimbursable type contracts that the ECS can consider when awarding a competitive proposal. However, ECS must avoid a CPPC, which is a "cost plus Percentage of Costs" contract. In this type, a seller charges its costs plus a percentage of those costs. This type of contract incentivizes the seller to increase costs and is generally the most disadvantageous from the buyer's prospective which is why the government won't allow them under Uniform Guidance.

### Competitive Proposal Requirements

- RFPs must be made publicly available.
- The RFPs must identify all evaluation factors along with their relative importance in the selection process.
- ECS will have a documented method for how they will conduct technical evaluations of the proposals received and for the selection of recipients.
- Contracts must be awarded to a responsible firm whose proposal best meets the pre-determined evaluation factors.
- Proposals must be considered from at least two qualified sources.
- ECS may use the competitive proposals method to choose architectural/engineering (A/E) services where competitors' qualifications are evaluated, and the most qualified firm is selected, subject to negotiation of fair and reasonable compensation. The procurement of A/E services is the only type of procurement where price doesn't have to be a selection factor at all. Competitive proposals without price being a factor cannot be used to procure other types of services, but A/E firms may be a potential source to perform the proposed effort.
- ECS must take all necessary affirmative steps to assure minority, women-owned and labor surplus area companies are used when possible.
- All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards defined in section 2 CFR 200. To ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements.
- ECS must maintain records sufficient to detail the history of procurement. These records will include but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.
- ECS must conduct a cost or price analysis as this procurement event exceeds the spend threshold of \$250,000.

### **Additional Information for Solicitation of Quotes from Contractors**

Solicitations for goods and services (requests for proposals (RFPs)) should provide for all of the following:

1. A clear and accurate description of the technical requirements for the material, product, or service to be procured. Descriptions shall not contain features which unduly restrict competition. (*2 CFR Part 200.319(c)(1)*)

2. Requirements which the bidder/offeror must fulfill and all other factors to be used in evaluating bids or proposals. (See EVALUATION OF ALTERNATIVE CONTRACTORS below for required criteria.) *(2 CFR Part 200.319(c)(2))*
3. Technical requirements in terms of functions to be performed or performance required, including the range of acceptable characteristics or minimum acceptable standards. *(2 CFR Part 200.319(c)(1))*
4. The specific features of "brand name or equal" descriptions that bidders are required to meet when appropriate. *(2 CFR Part 200.319(c)(1))*
5. A description of the format, if any, in which proposals must be submitted, including the name of the person to whom proposals should be sent.
6. The date by which proposals are due.
7. Required delivery or performance dates/schedules.
8. Clear indications of the quantity(ies) requested and unit(s) of measure.

#### **Extension of Due Dates and Receipt of Late Proposals**

Solicitations should provide for sufficient time to permit the preparation and submission of offers before the specified due date. However, an extension may be granted if a prospective offeror so requests. The extension should only be granted for extenuating circumstances and cannot be offered for the sealed bid process.

Contractor proposals are considered late if received after the due date and time specified in the solicitation. Late proposals shall be so marked on the outside of the envelope and retained, unopened, in the procurement folder. Contractors that submit late proposals shall be sent a letter notifying them that their proposal was late and could not be considered for award.

#### **Procurement File Requirements for RFQ's**

1. Public notice
2. Copy of RFQ including technical requirements, statement of work and cost requirements
3. Evaluation criteria
4. Proposal's submitted
5. Evaluation of proposals
6. Contract negotiations (if applicable)
7. Award of contract to lowest bidder who met the technical requirements/specifications

#### **Evaluation of Alternative Contractors**

Proposers shall be evaluated on a weighted scale that considers some or all the following criteria as appropriate for the purchase:

1. Adequacy of the proposed methodology
2. Skill and experience of key personnel
3. Demonstrated experience
4. Other technical specifications designated by the department requesting proposals

5. Compliance with administrative requirements of the request for proposal (format, due date, etc.)
6. Proposer's financial stability
7. Proposer's demonstrated commitment to the nonprofit sector
8. Results of communications with references supplied by proposer
9. Ability/commitment to meeting time deadlines
10. Cost
11. Minority, small business, women-owned business status of proposer, or labor surplus area
12. Other criteria (to be specified by the department requesting proposal)

Not all the preceding criteria may apply in each purchasing scenario. However, the department responsible for the purchase shall establish the relative importance of the appropriate criteria prior to requesting proposals and shall evaluate each proposal based on the criteria and weighting that have been determined.

After a contractor has been selected and approved by the procurement team, presentations will be made to the appropriate ECS executives, soliciting their input and getting their final approval to complete the agreement.

#### **Non-Competitive Proposals**

Non-competitive proposal sourcing may be used only when one or more of the following circumstances apply:

1. The item is available only from a single source
2. The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation
3. The Federal awarding agency or pass-through entity expressly authorizes non-competitive proposals in response to a written request from the non-Federal entity
4. After solicitation of a number of sources, competition is determined to be inadequate.

#### **Requirements for a non-competitive proposal**

1. Applies to all spends greater than \$3,500.
2. Provide a standard template for a written justification. The justification should include information such as: a description of the unique features that prohibit competition; documented research conducted to verify the vendor as the only known source; a description of the marketplace to include distributors, dealers, resellers, etc.; known compatibility issues; and/or timing issues.
3. The governing agency should be contacted to advise them of ECS's intention to execute a non-competitive proposal event.
4. Maintain all records of vendor solicitation, proposal, contract award and justification for single source decision.

#### **Affirmative Consideration of Minority, Small Business, Women-Owned Businesses, and Labor Surplus Area Firms**

*(2 CFR Part 200.321)*

Positive efforts shall be made by ECS to utilize small businesses, minority-owned firms, certified minority business enterprises (CMBE), veteran-owned businesses, women's business enterprises, and labor surplus area firms whenever possible.

ECS defines minority-owned, women-owned and veteran owned business as any enterprise with ownership representing at least 51% of the subject class. ECS accepts the Small Business Administration's definition of a small business where employee count ranges from 100 to 1,500 and/or annual revenue ranges from \$2.5 - \$21.0 million depending on industry.

The following steps shall be taken whenever possible:

1. ECS shall ensure that small business, minority-owned firms, women's business enterprises, and labor surplus area firms are used to the fullest extent practicable. *(2 CFR Part 200.321)*
2. ECS shall make information on forthcoming opportunities available and arrange time frames for purchases and contracts to encourage and facilitate participation by small business, minority-owned firms, women's business enterprises, and labor surplus area firms. *(2 CFR Part 200.321(b)(4))*
3. ECS shall consider in the contract process whether firms competing for larger contracts tend to subcontract with small businesses, minority-owned firms, women's business enterprises, and labor surplus area firms. *(2 CFR Part 200.321(b)(6))*
4. ECS shall encourage contracting with consortiums of small businesses, minority-owned firms, women's business enterprises, and labor surplus area firms when a contract is too large for one of these firms to handle individually. *(2 CFR Part 200.321(b)(3))*
5. ECS shall use services and assistance, as appropriate, of such organizations as the Small Business Administration and the Department of Commerce's Minority Business Development Agency. *(2 CFR Part 200.321(b)(5))*

### **Availability of Procurement Records**

*(2 CFR Part 200.324(b))*

ECS shall, on request, make available for the federal or state awarding agency, pre-award review and procurement documents, such as requests for proposals, when any of the following conditions apply:

- The process does not comply with the procurement standards in 2 CFR Part 200. *(2 CFR Part 200.324(b)(1))*
- The procurement is expected to exceed the federally-defined simplified acquisition threshold (\$250,000) and is to be awarded without competition or only one bid is received. *(2 CFR Part 200.324(b)(2))*
- The procurement exceeds the simplified acquisition threshold and specifies a "name brand" product. *(2 CFR Part 200.324(b)(3))*
- The proposed award exceeds the federally-defined simplified acquisition threshold and is to be awarded to other than the apparent low bidder under a sealed-bid procurement. *(2 CFR Part 200.324(b)(4))*
- A proposed contract modification changes the scope of a contract or increases the contract amount by more than the amount of the federally-defined simplified acquisition threshold. *(2 CFR Part 200.324(b)(5))*

## Provisions Included in All Contracts

(2 CFR Part 200 Appendix II)

Where applicable, ECS includes the following provisions in all contracts charged to federal and state awards with contractors and sub-grants to grantees:

1. Contracts for more than the simplified acquisition threshold currently set at \$250,000, must address administrative, contractual, or legal remedies in instances where contractors **violate or breach contract terms**, and provide for such sanctions and penalties as appropriate.
2. All contracts in excess of \$10,000 must address **termination for cause and for convenience** by the non-federal entity including the manner by which it will be effected and the basis for settlement.
3. **Equal Employment Opportunity:** All contracts that meet the definition of federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
4. **Davis-Bacon Act, as amended (40 U.S.C. 3141-3148):** When required by federal program legislation, all prime construction contracts in excess of \$2,000 awarded by ECS and its subrecipients must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144 and 3146-3148) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction").
5. The contracts must also include a provision for compliance with the **Copeland "Anti-Kickback" Act (40 U.S.C. 3145)**, as supplemented by Department of Labor regulations (29 CFR part 3). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled.
6. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).** Where applicable, all contracts awarded by the non-federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include provisions concerning overtime pay and working conditions in compliance with [40 U.S.C. 3702](#) and 3704, as supplemented by Department of Labor regulations ([29 CFR Part 5](#)).
7. **Rights to Inventions Made Under a Contract or Agreement:** If the federal award meets the definition of "funding agreement" under 37 CFR 401.2(a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organization and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the award agency.
8. **Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended:** Contracts and sub-grants of amounts in excess of \$150,000 must contain a provision that requires the non-federal award to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act, as amended (33 U.S.C. 1251-13287). Violations must be reported to the federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

9. **Debarment and Suspension (E.O.s 12549 and 12689):** A contract award must not be made to the parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with E.O.'s 12549 and 12689, "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than E.O. 12549. ***A list of excluded parties can be found at [www.sam.gov](http://www.sam.gov).***
10. **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352):** Contractors that apply or bid for an award exceeding \$100,000 must file the required certification that it will not and has not used federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any federal contract, grant, or any other award covered by 31 U.S.C. 1352.
11. **Recovered Materials (2 CFR 200.317):** Contractors, where applicable, will comply with section 6002 of the Solid Waste Disposal Act.
12. **American Made:** Contractors shall to the greatest extent practicable, provide ECS with American made equipment.
13. **Trafficking Victims Protection Act of 2000:** Contractors supplying goods and services to ECS will fully comply with the Trafficking Victims Protection Act of 2000.

#### **Right to Audit Clause**

ECS requires a "Right to Audit" clause in all contracts between ECS and contractors that either:

1. Take any form of temporary possession of assets directed for ECS, or
2. Process data that will be used in any financial function of ECS.

This Right to Audit clause shall permit access to, and review of, all documentation and processes relating to the contractor's operations that apply to ECS, as well as all documents maintained or processed on behalf of ECS, for a period of three years. The clause shall state that such audit procedures may be performed by ECS employees or any outside auditor or contractor designated by ECS.

#### **Code of Conduct in Purchasing (2 CFR Part 200.318 (c)(1))**

- It is the policy of Episcopal Children's Services, Inc. (ECS) that all employees will observe and comply with all applicable U.S. federal, state, and local laws, rules and regulations while conducting its business. ECS is committed to conducting all its activities in accordance with the highest standards of integrity, ethics, and objectivity. In all actions and relationships which may affect ECS or where any employee represents or negotiates on behalf of ECS, employees must not misuse the authority or influence of their positions. Staff must always be mindful that they represent the Board of Trustees and share a professional trust with other staff and the general membership. ECS will disclose in writing, all violations of federal law involving fraud, bribery or gratuity violations potentially affecting the federal award. [2CFR Part 200.112].
- Officers, board members, employees, and agents shall not solicit gratuities, favors, or anything of monetary value from vendors or parties to sub-agreements.
- ECS staff, officers, board members and agents will discourage and decline individual gifts or gratuities (of any value), if the gifts or gratuities were offered with the intent to influence the purchase of supplies, commodities,

equipment, and/or services. ECS team members shall notify their immediate supervisor if they are offered such incentives.

- ECS staff, officers, board members and agents may accept unsolicited gifts with a nominal value of \$25 or less, with the approval of their department vice president or the corporate CEO. Unsolicited gifts with a value of greater than \$25 may not be accepted under any circumstance and violation of this policy will be reviewed by the ECS VP of Human Resources and could result in disciplinary action up to and including termination. If an employee receives, without solicitation, a gift with a value in excess of \$25, they shall: inform their supervisor immediately; communicate their refusal of the gift in writing to the sender; ask the sender for instructions for disposal/return of the gift.
- No officer, board member, employee, or agent shall participate in the selection or administration of a contractor if a real or apparent conflict of interest would be involved. Such a conflict would arise if an officer, board member, employee or agent, or any member of his or her immediate family, his or her spouse or partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the contractor selected.
- For grants or contracts originating with the State of Florida, Office of Early Learning or the Early Learning Coalition, ECS will comply with Section 112.3143 (1)(b) and Section 1002.84(20), F.S. requiring OEL notification and approval of 2/3 vote of the board for contracts with board members or employees and prior approval of OEL, if the contract is \$25,000 or greater. As with all other conflicts of interests, the interested or related party must complete the necessary conflict of interest disclosure form. Such contracts involving state funds may not be executed without the approval of the Office of Early Learning. Such contracts, as well as documentation demonstrating adherence to this section by the coalition, must be approved by a two-thirds vote of the ECS and ELC Boards, a quorum having been established; all conflicts of interest must be disclosed before the vote; and any member who may benefit from the contract, or whose relative may benefit from the contract, must abstain from the vote. A contract under \$25,000 between ECS and an ECS employee or between a relative, as defined in s. [112.3143](#)(1)(c), of a board member or of an employee of the ECS is not required to have the prior approval of the office but must be approved by a two-thirds vote of the ECS board, a quorum having been established, and must be reported to the office within 30 days after approval. If a contract cannot be approved by the office, a review of the decision to disapprove the contract may be requested by ECS and the early learning coalition or other parties to the disapproved contract.
- ECS staff, officers, board members and agents shall disclose in writing any potential conflicts of interest in accordance with 2CFR Part 200.112. (*The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.*)
- Training focused on Code of Conduct should be provided annually for staff and governing board members.
- The full ECS Conflict of Interest Policy is found in the ECS Employee Handbook.
- For additional information and clarification:
  1. See the Florida Commission on Ethics *Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees*.
  2. See the Florida Commission on Ethics *Overview of Laws relating to Gifts*.
  3. See the Florida Commission on Ethics *Overview of Laws relating to Honoraria*.
  4. See OEL's Uniform Guidance 2 CFR Part 200, Policy updates for Conflicts of Interest

- ECS will disclose in writing all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. (2 CFR Part 200.113)

## **Competition** (2 CFR Part 200.319)

To promote open and full competition, purchasers will:

- Be alert to any internal potential conflicts of interest.
- Be alert to any noncompetitive practices among contractors that may restrict, eliminate, or restrain trade.
- Not permit contractors who develop specifications, requirements, or proposals to bid on such procurements.
- Award contracts to bidders whose product or service is most advantageous in terms of price, quality, and other factors.
- Issue solicitations that clearly set forth all requirements to be evaluated.
- Reserve the right to reject all bids when it is in the Organization's best interest.
- Not give preference to state or local geographical areas unless such preference is mandated by federal statute. (200.319(b))
- "Name brand or equivalent" description may be used to define the performance or requirements. (200.319(c)(1))

## **Nondiscrimination Policy**

All contractors who are the recipients of ECS funds or who propose to perform any work or furnish any goods under agreements with ECS, shall agree to these important principles:

1. Contractors will not discriminate against any employee or applicant for employment because of race, religion, color, sexual orientation, or national origin, except where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the contractors.
2. Contractors agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. Notices, advertisements, and solicitations placed in accordance with federal law, rule, or regulation shall be deemed sufficient for meeting the intent of this section.

## **Contracts Administration/Management**

Once a contract has been executed it enters the last phase of the contract management system. During this phase of contract management, day to day activities are managed by the assigned contract manager. Overall performance results are documented, and monitoring tasks are also performed. Adequate documentation of goods/services procured, goods/services received, payments made and compliance with federal and state grant program rules is required. The file forms/processes listed here represent minimum contracts administration/management documentation requirements for Entity contract agreements.

- A. Formal contract documents [45 CFR § 75.327(a); 45 CFR § 75.329; and 45 CFR § 92.36 and s. 287.057(15), F.S.]
- 1) Original executed (signed) contract/grant
  - 2) Contractor name
  - 3) Contract amount
  - 4) Subcontracts, memorandums of agreement, if applicable
  - 5) Amendments
  - 6) Renewals
  - 7) Bonds
  - 8) Insurance
  - 9) Funding source(s)
  - 10) Contract relationship [Ch. 69I-5.006, FAC and 45 CFR Part 75.351]
  - 11) Provider's justification of need for advance, if applicable
  - 12) Scoped reporting requirements (evaluation reports, performance measures, etc.)
- B. Day-to-day management documents [s. 287.057(15), F.S. ; DFS FCCM Manual; OA-1, FAC; 45 CFR Part 75.327(a); 45 CFR Part 75.329]
- 1) Performance documentation
  - 2) Correspondence
  - 3) Payment documentation
  - 4) Deliverables
  - 5) Subcontractor approvals
  - 6) Status of reporting requirements
  - 7) Contract monitoring
    - a) SR/VPK provider contracts – *see separate sections of SR Plan for more information, not addressed here*
    - b) Vendors/contractors
    - c) Subrecipients
- C. Formal monitoring process [CFOM No. 06 (2011-12), Contract Monitoring and Documenting Contract Performance]
- 1) Risk Assessment
  - 2) Monitoring Plan
  - 3) Monitoring Procedures and Criteria
  - 4) Evidence to support conclusions reached during its monitoring process
  - 5) Corrective Action Plan (if required)
  - 6) Follow-up on Corrective Action (if required)
- D. Other related contracts administration activities
- 1) Subrecipient contracts and subawards
    - a) Risk assessments – planning and monitoring phases
    - b) Additional disclosures and special conditions
  - 2) Contracts Closeout
  - 3) Problems with Vendor/Contractor Performance
  - 4) Contract Termination

- 5) Prior approval documentation requirements
- 6) Conflict of Interest disclosures (if applicable)
  - a) Coalition governing board members
  - b) Coalition employees
  - c) Relative(s) of either group as defined in statute
  - d) Organizational conflicts

## **General Procurement Procedures**

The following are ECS's procurement policies applying to all phases of the business.

1. ECS shall avoid purchasing items that are not necessary, nor duplicative for the performance of the activities required by a federal award. *(2 CFR Part 200.318(d))*
2. Where appropriate, an analysis shall be made of lease and purchase alternatives to determine which would be the most economical and practical *(2 CFR Part 200.318(d))*. The analysis shall be conducted by the controller or his designee and should only be made when both lease and purchase alternatives are available to the program.
3. Purchasers are encouraged to enter into state and local inter-governmental or inter-entity agreements where appropriate for procurement of use of common or shared goods and services. *(2 CFR Part 200.318(e))*
4. Purchasers are encouraged to use Federal excess and surplus property in lieu of purchasing new equipment whenever such use is feasible and reduces project costs. *(2 CFR Part 200.318(f)) Directions for finding and obtaining surplus property found at <http://www.gsa.gov/portal/content/104591>*
5. Documentation of the cost and price analysis associated with each procurement decision in excess of the simplified acquisition threshold (\$250,000) shall be retained in the procurement files pertaining to each federal award. *(2 CFR Part 200.323)*
6. All pre-qualified lists of persons, firms or products which are used in acquiring goods and services must be current and include enough qualified sources to ensure maximum open and full competition. *(2 CFR Part 200.319(d))*
7. ECS shall make all procurement files available for inspection upon request by a federal awarding agency, the state awarding agency, the Inspector General, the Auditor General, the Office of Early Learning and the ELC of North Florida or other funders. *(2CFR 200.336)*
8. ECS will maintain records sufficient to detail the history of procurement. These records are dependent on specific state and federal requirements based on spend thresholds and will be defined later in this document.
9. All procurement files must be maintained for five (5) years from the date of the last reimbursement request for that fiscal year or until the resolution of any audit findings or any litigation related to the contract, whichever occurs last. ECS shall comply with the records retention requirements in Florida. The General Records Schedule GS1-SL for State and Local Government Agencies is located at <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>.

10. Records retention schedules apply to records regardless of their physical format. Therefore, records created or maintained in electronic format must be retained in accordance with the minimum retention requirements, whether the electronic records are the record copy or duplicates.
11. Wherever practicable records should be collected, transmitted and/or stored in open and machine-readable formats.
12. Federal and state awarding agencies have the right to access any documents pertinent to federal/state awards.
13. ECS shall not utilize the cost-plus-a-percentage-of-costs method of contracting. *(2 CFR Part 200.323(d)). When applicable or required, negotiate profit as a separate element of price.*
14. Costs or prices are limited to allowable costs based on federal and state cost principles.
15. For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, ECS may define a bonding policy, provided that the Federal awarding agency has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows *(2 CFR Part 200.325)*:

## **Bond Requirements**

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the HHS awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the HHS awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

- A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.
- A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.
- A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.
- Where bonds are required in the situations described herein, the bonds shall be obtained from companies holding certificates of authority as acceptable sureties pursuant to 31 CFR part 223

## **Approved Contractor Lists**

ECS encourages all departments to develop lists of approved contractors that can be used throughout the year on a category by category basis. The process to identify an approved contractor is as follows.

1. Define the category. Develop a list of similar, commonly-purchased items that can be acquired from a single contractor. Examples are office supplies, diapers and classroom supplies.

2. Identify contractors capable of supporting each identified category. These contractors could be manufacturers, distributors, brokers, contractors or sub-contractors. Approved contractor lists should have a minimum of two contractors. For the purposes of developing a list, five to eight (5-8) is an ideal number from which to start.
3. Solicit pricing estimates/bids from all contractors. Review and compare total cost of ownership from all bid responses. Evaluate shipping costs, reviews, history with ECS, lead times, terms and conditions.
4. Where practical, have verbal discussions with representatives from each of the lowest price bidders.
5. Select a final grouping of contractors to comprise the Approved Contractor List. They should be within 10% of each other in price with similar terms and conditions. They should have left a positive impression during the verbal interview.
6. Make a reasonable effort to identify minority, veteran and women owned business for contractor list consideration. Also attempt to identify and include contractors from labor surplus areas.

This process should be repeated at least annually, with each approved list also updated each year. Contractors may be added throughout the year.

*Note: 2 CFR Part 200.319(d) states: "The non-Federal entity must ensure that all prequalified lists of persons, firms or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period."*

#### Pre-Qualified Contractors

- *Qualified Contractors means ECS has determined that these contractors can meet their needs for micro-purchases.*
- *Pre-qualified Contractors are identified through a competitive process and used for purchases in excess of the micro-purchase limit.*

## **Records Retention**

Financial records, supporting documents, statistical records, and all other records pertinent to a Federal or State awards must be retained for a period of five years from the date of submission of the final expenditure report. For Federal awards that are renewed quarterly or annually, however, records must be maintained from the date of the submission of the quarterly or annual financial report, respectively. The only exceptions are the following:

1. If any litigation, claim, or audit is begun before the expiration of the five-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
2. The five-year retention period may be extended by notice from the Federal granting agency or any other agency having oversight authority.
3. Records for real property and equipment acquired with Federal funds must be retained for five years after final disposition of that property or equipment.
4. The five-year retention requirement does not apply when records are transferred to or maintained by the Federal awarding agency or pass-through entity.

The following apply to indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable:

1. If the proposal, plan, or other computation is required to be submitted to the Federal government (or to the pass-through entity) to form the basis for negotiation of the rate, then the five-year retention period for its supporting records starts from the date of such submission.
2. If the proposal, plan, or other computation is not required to be submitted to the Federal government (or to the pass-through entity) for negotiation purposes, then the five-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

Records shall be maintained in open and machine-readable formats, rather than in proprietary formats or on paper.

## **Vendor Record Maintenance**

### **Responsibility**

The procurement director is responsible for creating new vendor profiles within Microix as well as editing existing profiles. The corporate controller and CFO provide back-up support to the procurement director for this function.

### **Disbarment of New Contractor**

The Procurement Director will confirm that all new contractors are not on the governmental disbarred list. The check may be performed by the Accounting Manager or the new vendor set-up requestor. It is also recommended that the new vendor set-up requestor perform a limited public record search and shall contact the contractor to validate its existence. The website to use for this action is: <https://www.sam.gov/portal/SAM/##11>.

### **Contractor Files and Required Documentation**

The Fiscal Department shall create a contractor file for each new contractor or re-activated contractor from whom ECS purchases goods or services.

Contractor information shall be maintained and updated within Microix. Minimum documentation includes:

1. Name, address, phone number and email address.
2. Completed and signed Form W-9. Contractors being reactivated are required to complete a new Form W-9 to verify current name, address, and tax ID number.
3. Preferred method of payment. If electronic, then account number, routing number and a voided check are required.
4. Contractors with a post office (PO) box shall provide a physical location address for the master file. The PO Box number may be used for postal purposes. The contractor name and physical address will be verified by [performing an online search, mailing of contractor forms that are required to be returned.

The following procedures should be performed prior to creating or re-activating all contractor files to help ensure that each contractor only has one master file:

1. Search for existence of the tax ID number in the master file
2. Search for name variations and name standardization (entity resolution) (e.g. Doe, John; J Doe; John Doe)
3. Search for matching or similar addresses

4. Perform an online search of the contractor and the physical address to determine validity
5. Search for matches against the employee master file
6. Creation of a new vendor request form (see following)

<b>Vendor Request Form</b>	
<b>Is the request for a new vendor (yes or no)</b>	
<b>Is this request for a change to a current vendor (yes or no)</b>	
<b>If the request is a change request, describe what you would like to change.</b>	
<b>Vendor Name:</b>	
<b>Vendor ID (to be completed by the Fiscal Department if <u>new</u>)</b>	
<b>Vendor Physical Address:</b>	
<b>Street, Line One</b>	
<b>Street Line Two</b>	
<b>City</b>	
<b>State</b>	
<b>Zip Code</b>	
<b>Vendor Remit-To Address (if different from physical address):</b>	
<b>Street, Line One</b>	
<b>Street Line Two</b>	
<b>City</b>	
<b>State</b>	
<b>Zip Code</b>	
<b>Vendor Phone Number (if known)</b>	
<b>Vendor Email (if known)</b>	
<b>Does Vendor prefer payment by Check or Electronic Transfer?</b>	
<b>Check (Yes or No)</b>	
<b>Electronic Bank Transfer (Yes or No)</b>	
<b>If Electronic, what is the bank account number?</b>	
<b>If Electronic, what is the routing number?</b>	
<b>If Electronic, provide vendor email contact info for receivables if available:</b>	
<b>Does the vendor have ownership (51% or greater) that can be classified as <u>any</u> of the following: Minority (non-Caucasian) – Registered as an MBE (minority business enterprise) with the state of Florida <b>OR</b> Minority (non-Caucasian) – Not registered as an MBE with the state of Florida <b>OR</b> Female <b>OR</b> Veteran <b>OR</b> Dis-abled veteran. (Yes or No)</b>	
<b>If yes to the above question, which category(s) apply?</b>	
<b>FOR A NEW VENDOR REQUEST, YOU MUST INCLUDE A W-9 WITH THIS DOCUMENT</b>	
<b>FOR A <u>NEW</u> VENDOR REQUEST ONLY, YOU MUST CONFIRM THE VENDOR IS NOT ON THE FEDERAL EXCLUDED PARTIES LIST. TO DO SO, VISIT <a href="http://WWW.SAM.GOV">WWW.SAM.GOV</a>. CLICK ON "SEARCH RECORDS". ENTER THE VENDOR NAME IN "QUICK SEARCH". PRINT OUT THE RESULTS AND ATTACH TO THIS DOCUMENT.</b>	
<b>What goods or services will this vendor provide to ECS?</b>	
<b>Requested by:</b>	<b>Name:</b>
	<b>Date:</b>
<b>Approved by:</b>	<b>Name:</b>
	<b>Date:</b>

## **Contractor Master File Maintenance**

ECS will monitor and update the contractor master file on an ongoing basis.

The Disbursement's Manager will review the master file for:

1. Duplicate contractors. Contractors with the same or similar tax ID number, name, address, email, contact, and other information. Duplicate contractors will be [merged, inactivated].
2. Contractors without activity in the past 24 months will be inactivated. Inactivated contractors must go through the contractor creation process before being re-activated.

## **Procurement Grievance Procedures**

For expenditures greater than \$250,000, any bidder may file a grievance with ECS following a competitive bidding process. Once a selection is made, bidders will be notified in writing of the results. The written communication mailed to bidders will also inform them that they may have a right to appeal the decision. Grievances are limited to violations of federal laws or regulations, or failure of ECS to follow its own procurement policies. All grievances should be sent to:

Episcopal Children's Services

Attention: Procurement Director

8443 Baymeadows Road, Ste 1

Jacksonville, Florida 32256

## **Receipt and Acceptance of Goods**

A designated ECS employee shall inspect all goods received. Upon receipt of any item from a contractor, the following actions shall be taken:

1. Review bill of lading/packing slip for correct delivery point.
2. Verify the quantity of boxes/containers with the bill of lading.
3. Examine boxes/containers for exterior damage and note on the bill of lading any discrepancies (missing or damaged boxes/containers, etc.).
4. Remove the packing slip from each box/container.
5. Compare the description and quantity of goods per the purchase order to the packing slip.
6. Examine goods for physical damage.

7. The packing slip/order confirmation/invoice will be used as receipt confirmation. The designated ECS employee will sign and date the appropriate document confirming actual count received, scan the document and enter the document into Microix.

This inspection must be performed in a timely manner to facilitate prompt return of goods and/or communication with contractors.

To the extent possible, the person(s) assigned responsibility for receiving and accepting goods should be separate from the person(s) responsible for purchasing and bill-paying.

## **Contract Administration**

1. All original contract documents (Not PO's) will be maintained in a locked file at ECS Central and managed by the Chief Executive Administrative Assistant.
2. Contracts will also be kept on ECS SharePoint for reference usage by approved ECS employees.
3. All Purchase Orders will be automatically maintained in Microix.
4. Authorization of work:
  - a. No work shall be authorized until the contract for the work has been approved and fully executed.
  - b. No change in the work shall be authorized until an amendment to the contract for the work has been approved and fully executed.
  - c. No amendment of a contract for work shall be executed until it has been approved and authorized as required in the Authorizations and Purchasing Limits table and, where required by the terms of the grant award or budget, approval by the funding source.
5. Conformance of work:
  - a. For each grant award, based on applicable laws, regulations and grant provisions, the contract originator, shall to the best of their ability, confirm that the contractor:
    - i. Is in conformance with the terms, conditions, and specifications of the contract, and
    - ii. Provides timely follow-up of all purchases to assure such conformance and adequate documentation.
6. The appropriate and designated ECS employee will authorize payment of invoices to contracts after final approval of work products.
7. All contracts will be signed by the CEO or their designee.
8. Contract back up information will be kept with their respect Purchase Orders. These documents may include: lease/purchase analysis, insurance, bonds, renewals, notice of federal interest, vendor approval forms, bids, price comparisons.
9. Contracts should contain, where appropriate, the following information: origination date, contractor name/address, contract amount, amendments, terms and conditions, pricing, length of term, termination clauses, renewal options, federal compliance information, signature page, indemnification clauses, scope of work, force majeure, quality expectations, shipping requirements, delivery information, payment terms, rejection and return clause.

## **Davis Bacon Act**

### **Overview**

The Davis-Bacon and Related Acts, apply to contractors and subcontractors performing on federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Davis-Bacon Act and Related Act contractors and subcontractors must pay their laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area. The Davis-Bacon Act directs the Department of Labor to determine such locally prevailing wage rates. The Davis-Bacon Act applies to contractors and subcontractors performing work on federal or District of Columbia contracts. The Davis-Bacon Act prevailing wage provisions apply to the "Related Acts," under which federal agencies assist construction projects through grants, loans, loan guarantees, and insurance.

For prime contracts in excess of \$100,000, contractors and subcontractors must also, under the provisions of the Contract Work Hours and Safety Standards Act, as amended, pay laborers and mechanics, including guards and watchmen, at least one and one-half times their regular rate of pay for all hours worked over 40 in a workweek. The overtime provisions of the Fair Labor Standards Act may also apply to DBA-covered contracts.

### **Davis Bacon Act Guidance**

ECS must obtain the wage determinations for the locality in which the activity will take place prior to issuing requests for bids, proposals, quotes or other methods for soliciting contracts (solicitation) for activities subject to Davis Bacon. These wage determinations shall be incorporated into solicitations and any subsequent contracts. Prime contracts must contain a provision requiring that subcontractors follow the wage determination incorporated into the prime contract.

### **Who is Covered**

The Davis-Bacon and related Acts (DBRA) generally apply to contractors and subcontractors performing on federal and federally assisted contracts in excess of \$2,000 for construction, alteration, or repair (including painting and decorating). Laborers and mechanics performing on the site of the work of DBRA-covered contracts are entitled to receive prevailing wage rates for such work.

### **Basic Provisions/Requirements**

The Davis-Bacon and related Acts (DBRA) require that contractors and subcontractors performing on covered contracts pay laborers and mechanics employed on the project jobsite not less than the prevailing wage rates (including fringe benefits) listed in the contract's Davis-Bacon wage determination for corresponding classes of laborers and mechanics. The rates listed are based on wages and fringe benefits WHD found to be prevailing for laborers and mechanics employed on similar projects in the area. Davis-Bacon labor standards clauses and the applicable wage determination(s) must be included in covered contracts.

Apprentices may be employed at less than the predetermined rates if they are individually registered in and employed pursuant to an apprenticeship program registered with the Department of Labor or with a state apprenticeship agency recognized by the Department. Trainees individually registered may be employed at less than predetermined rates if they are participating in a trainee program certified by the Department.

Contractors and subcontractors on DBRA projects are required to pay laborers and mechanics weekly and to submit weekly certified payroll records to the contracting agency. DBRA contractors and subcontractors are also subject to rules concerning allowable payroll deductions.

Contractors and subcontractors on Davis-Bacon Act prime contracts in excess of \$250,000, or related Act contracts in excess of \$100,000, are also required, pursuant to the Contract Work Hours and Safety Standards Act, to pay laborers and mechanics one and one-half times their basic rates of pay for all hours over 40 worked on a covered contract in a workweek.

## **Employee Rights**

The Davis-Bacon and Related Acts provide laborers and mechanics on covered contracts the right to receive at least the locally prevailing wages (including fringe benefits), as determined by the Department of Labor, for the type of work performed. The [Wage and Hour Division](#) and respective federal contracting agencies accept complaints of alleged Davis-Bacon violations.

## **Recordkeeping, Reporting, Notices and Posters**

### Notices and Posters

Every employer performing work covered by the labor standards of the DBRA must post the WH-1321 ["Employee Rights Under the Davis-Bacon Act" poster](#) at the site of the work in a prominent and accessible place where it may be easily seen by workers. The applicable wage determination must be similarly posted.

### Recordkeeping

Under the Davis-Bacon and related Acts, covered contractors must maintain payroll and basic records for all covered laborers and mechanics during the course of the work and for a period of three years thereafter. Records to be maintained include:

- Name, address, and social security number of each worker
- Each worker's work classifications
- Hourly rates of pay, including rates of contributions or costs anticipated for fringe benefits or their cash equivalents
- Daily and weekly numbers of hours worked
- Deductions made
- Actual wages paid
- Detailed information regarding bona fide fringe benefit plans and programs, including records that show that the plan or program has been communicated in writing to the laborers and mechanics affected
- If applicable, detailed information regarding approved apprenticeship or trainee programs

Some of the records required to be kept under the law are also required under the Fair Labor Standards Act. See Wage and Hour Division [Fact sheet #21: Recordkeeping Requirements under the Fair Labor Standards Act \(FLSA\)](#) .

## **Reporting**

Each covered contractor and subcontractor must, on a weekly basis, provide the contracting agency a copy of all payrolls providing the information listed above under "Recordkeeping" for the preceding weekly payroll period, except that that full social security numbers and home addresses shall not be included on weekly transmittals, and instead the payrolls only need to include an individually identifying number for each worker (e.g., the last four digits of the worker's social security number). Each payroll submitted must be accompanied by a "Statement of Compliance" using page 2 of [Form WH-347 Payroll \(For Contractors Optional Use\)](#), or any form with identical wording, certifying compliance with applicable requirements. The statement is to be signed by the contractor or subcontractor, or by an authorized officer or employee of the contractor or subcontractor who supervises the payment of wages and delivered to a representative of

the federal or state agency in charge. This must be submitted within seven days after the regular pay date for the pay period

From time to time, contractors may also be asked to submit, via survey, wage data from construction projects on which they have employed laborers and mechanics for use by WHD in determining the locally prevailing wage rates that will apply to Davis-Bacon and related Acts-covered projects in the future. The submission of wage data is encouraged, but voluntary. When new surveys are conducted to enable WHD to reflect the locally prevailing wages, contractors and others may use the [WD-10 Form, Report of Construction Contractor's Wage Rates](#).

### **Penalties/Sanctions**

Contractors or subcontractors found to have disregarded their obligations to employees under the Davis-Bacon Act, or found to be "in aggravated or willful violation" of any of the related Acts, may be subject to debarment from future contracts for up to three years. In addition, contract payments may be withheld in sufficient amounts to satisfy liabilities for unpaid wages and for liquidated damages that result from overtime violations of the Contract Work Hours and Safety Standards Act (CWHSSA). Breach of the required contract clauses under the Davis-Bacon and related Acts and CWHSSA may also be grounds for termination of the contract.

Contractors and subcontractors may challenge the Wage and Hour Division's determinations of violations and debarment before an Administrative Law Judge. Contractors and subcontractors may appeal decisions by Administrative Law Judges to the Department's Administrative Review Board (ARB). ARB determinations on violations may be appealed to and are enforceable through the federal courts.

Falsification of the required certified payroll records or any kickback of wages may subject a contractor or subcontractor to civil or criminal prosecution, the penalty for which may be fines and/or imprisonment.

### **Wage Determination Website**

<https://www.wdol.gov/>

### **ECS Requirements**

- e. Run a wage determination for the project
- f. Provide a written copy to all bidders
- g. Attach a copy of the wage determination to the PO
- h. Attach a copy of the weekly wage reports from the contractor to the PO

Sample Vendor Labor Reporting Document

<https://www.dol.gov/whd/forms/wh347.pdf>

## **Disbursements**

### **ACCOUNTS PAYABLE MANAGEMENT**

#### **Overview**

ECS strives to maintain efficient business practices and good cost control. A well-managed accounts payable function can assist in accomplishing this goal from the purchasing decision through payment and bank account reconciliation. The following are general policies for accounts payable:

- Assets or expenses and the related liability are recorded by an individual who is not responsible for ordering and receiving.
- The amounts recorded are based on the contractor invoice for the related goods or services.
- The contractor invoice should be supported by an approved purchase order where required by ECS policy and should be reviewed and approved by a Department Director (Head Start Director, Director or member of Senior Management team in charge of a grant or department) with knowledge of the grant and purchase prior to being processed for payment.
- Invoices and related general ledger account distribution codes are reviewed prior to posting to the subsidiary system.

The primary objective for accounts payable and cash disbursements is to ensure that:

- Disbursements are properly authorized.
- Invoices are processed in a timely manner.
- Contractor credit terms and operating cash are managed for maximum benefits.
- Since ECS has an electronic requisition system, ECS's procedures will include data entry or other responsibilities such as on-line approval of purchase orders

#### **Policy References/Statements:**

ECS will comply with the following references/statements related to federal/state laws, regulations, statutes and rules.

- Chapter 60A – General Regulations
- Section 215.422, F.S. – Payments, warrants and invoices; processing time limits; dispute resolution; agency or judicial branch compliance
- Section 287.058, F.S. – Contract document
- Rule 60A-1.002, FAC – Purchase of commodities or contract services
- Chapter 69I – Division of Auditing and Accounting
- Compliance with Rule 69I-24, F.A.C. – Payment of Vouchers by State Warrant
- Compliance with Rule 69I-40, F.A.C. – Bureau of Auditing invoice requirements
- DFS Reference Guide for State Expenditures
  - CHIEF FINANCIAL OFFICER Memo No. 01 (2012-13), Contract Summary Form
  - CHIEF FINANCIAL OFFICER Memo No. 02 (2012-13), Contract and Grant Reviews and Related Payment Processing Requirements
  - CHIEF FINANCIAL OFFICER Memo No. 03 (2014-15), Compliance Requirements for Agreements
  - CHIEF FINANCIAL OFFICER Memo No. 06 (2011-12), Contract Monitoring and Documenting Contractor Performance PUR 1000 and 1001
- DFS State Travel Manual
- CFO Memo No. 06 (2016-17), *Guidance for Travel restrictions imposed by Ch. 2016-62, FL Law*
- CFO Memo No. 02 (2014-15), *State of Florida Purchasing Card Program Convenience Fees/Surcharges*
- OEL Program Guidance Files
  - Program Guidance 440.10 – Office of Early Learning Match Reporting Guidance
  - Program Guidance 240.01 – Cash Management Procedures
  - Program Guidance 240.04 – School Readiness Funds Management
  - Program Guidance 240.05 – Guidance on Prior Approval Procedures
  - Program Guidance 240.06 – Reimbursement Request Requirements for ENTITIES
  - Program Guidance 250.01 – Other Cost Accumulators (OCAs) Guidance.

- OEL annual grant agreement Exhibit I for specified prohibited costs
- 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
  - 2 CFR 200.302, *Financial management systems*
  - 2 CFR 200.302(7), *Financial management systems* – allowability of costs
  - 2 CFR 200.303, Internal controls
  - 2 CFR 200, Subpart E – Cost Principles
- Written procedures for allowability of costs - required contents [2 CFR Part 200.302(7)]
  1. Procedures or disclosures for prohibited costs – optional disclosures based on entity operations.
  2. Procedures to evaluate allowability of costs – a disclosure requirement.

The Entity's policies will ensure appropriate and adequate invoice processing occurs.

### **Appropriate and adequate invoice processing policy disclosures [69I-40.002(3), F.A.C.]**

1. Contractual service invoices submitted by a vendor/contractor/service provider for payment processing must clearly identify, at a minimum,
  - a. The dates of services, a description of the specific contract deliverables provided during the invoice period and the quantity provided, and the payment amount specified in the agreement for the completion of the deliverable(s) provided.
2. Cost reimbursement invoices must reflect the expenditures incurred by expenditure category.
3. Required information may be submitted on the invoice or in a report format along with any other information required by the terms of the agreement.
4. Written certification, from the contract/grant manager, that services were performed in accordance with the contract terms must be obtained and kept in entity files. [s. 287.057(14), F.S.]

### **Recording of Accounts Payable**

- All valid accounts payable transactions, properly supported with the required documentation, shall be recorded as accounts payable in a timely manner.
- Accounts payable are processed on a daily basis. Information is entered into the system from approved invoices with appropriate documentation attached.
- Since ECS accepts electronic invoices, each invoice will be checked against contractor payment files to ensure an invoice is only paid once.
- No payments will be made from contractor statements.

### **Accounts Payable Cutoff**

For purposes of the preparation of the ECS's monthly financial statements, all contractor invoices that are received, approved, and supported with proper documentation by the fifth day of the following month shall be recorded as accounts payable as of the end of the immediately preceding month if the invoice pertains to goods or services delivered by month-end.

## Preparation of a Voucher Package

Prior to any accounts payable being submitted for payment, a package called a "voucher package" shall be assembled. Each voucher package shall contain the following documents:

1. Contractor invoice (or employee expense report)
2. Packing slip (where appropriate)
3. Receiving report (or other indication of receipt of merchandise and authorization of acceptance)
4. Purchase order as required by procurement policies
5. Any other supporting documentation deemed appropriate
6. Any of these documents may be submitted to the payables department electronically when available.

## Invoice processing policy disclosures [69I-40.002(3), F.A.C.]

5. Contractual service invoices submitted by a vendor/contractor/service provider for payment processing must clearly identify, at a minimum,
  - a. The dates of services, a description of the specific contract deliverables provided during the invoice period and the quantity provided, and the payment amount specified in the agreement for the completion of the deliverable(s) provided.
6. Cost reimbursement invoices must reflect the expenditures incurred by expenditure category.
7. Required information may be submitted on the invoice or in a report format along with any other information required by the terms of the agreement.
8. Written certification, from the contract/grant manager, that services were performed before making payment in accordance with the contract terms must be obtained and kept in entity files. [s. 287.057(14), F.S.]

## Invoice processing controls [69I-24.003, F.A.C.; CHIEF FINANCIAL OFFICER/DIRECTOR OF FINANCEM No. 06 (2011-12)]

1. ECS will receive deliverables and provide written certification of such before payments are made.
  - a. Approval and inspection of goods or services shall take no longer than 5 working days unless the bid specifications purchase order or contract specifies otherwise. [s. 215.422(1), F.S.]
  - b. Terms conditions must be specified and must accompany the request for payment to evidence delivery of goods/services.
  - c. ECS payables staff must ensure that deliverables were received on time and as intended (i.e., met performance measures) before release of payment is approved/processed. This can be met with the written certification from the assigned contract manager or person receiving the goods or service on the invoice or another written form.
2. ECS will ensure invoices have adequate documentation and are processed on a timely basis.
  - a. Documents for goods/services received are date stamped.
  - b. Review invoice for accuracy and completeness of the following details. [69I-40.002, (3), F.A.C.]
    - 1) Description of the item(s).
    - 2) Number of units.
    - 3) Cost per unit.
    - 4) Service dates coincide with invoice period.
    - 5) Minimum level of services has been provided.
    - 6) Amount invoiced coincides with the terms/conditions.
  - c. Verify any required supporting documentation has been submitted.

- d. Review documentation to gain reasonable assurance that commodities/contractual services have been satisfactorily provided within the terms of the contract/agreement.
  - e. Complete any additional processes required by ECS policy.
  - f. Certify the ECS's receipt of goods/services.
  - g. Invoices shall be paid according to state rules for Prompt Payment Compliance.
    - 1) Section 215.422(3)(b), F.S., requires interest to be paid to the vendor if payment is not issued within 40 days after receipt of the invoice and receipt, inspection, and approval of the goods and services.
    - 2) DFS does not require agencies to pay interest penalty invoices of less than \$1.00 unless the vendor asserts his right to the interest penalty payment either orally or in writing.
3. Enforce terms and conditions [s. 287.057(14)(b), F.S.; DFS-related contract manager guidance]
- a. ECS staff assigned contract/grant management duties are required to work with the contractor/vendor to ensure that goods/services are received as intended and contract/agreement terms are enforced.
  - b. Use performance bonds when appropriate.
  - c. Verify financial consequences are addressed.
  - d. Verify terms for liquidated damages are included (when applicable) to compensate the ECS for any losses realized.
4. For disputes about receipt of goods/services [s. 215.422(8), F.S., Payments...disputes]
- a. ECS will have written procedures and instructions for staff.
    - 1) Invoice may be prorated, reduced or withheld according to the financial consequences established in contract/agreement.
    - 2) Partial or prorated payments must be made based on the deliverables that can be validated and supported by adequate documentation.
  - b. If no financial consequences are included in contract/agreement OR documentation can't be provided, the payment should be withheld until the issue is resolved or a settlement is reached.
  - c. Inform staff of settlement agreement process.
    - 1) Used when the amount owed to a provider/contractor is in dispute.
    - 2) A lengthy, cumbersome and potentially expensive process the Coalition will not be able to complete alone; legal counsel will be required.
    - 3) Required for many situations including
      - a) To settle a lawsuit, damages or legal fees;
      - b) Absence of an executed agreement;
      - c) Agreement was executed after services were rendered;
      - d) Additional services not included in the agreement were provided;
      - e) Services were rendered after the agreement expired.

### **Processing of Voucher Packages**

The following procedures shall be applied to each voucher package by the Accounts Payable Accountant/Staff:

1. Check the mathematical accuracy of the contractor invoice.
2. Compare the nature, quantity, and prices of all items ordered per the contractor invoice to the purchase order, packing slip, and receiving report.
3. Document the general ledger distribution, using the ECS's current chart of accounts.
4. Obtain the review and approval of the Department Director /Senior Executive (or designee) associated with the goods or services purchased.

Approvals by Department Directors indicate their acknowledgment of satisfactory receipt of the goods or services invoiced, agreement with all terms appearing on the contractor invoice, agreement with general ledger account coding, and agreement to pay vendor in full. Approvals shall be documented with initials or signatures of the approving individual, and date of approval.

### **Payment Discounts**

To the extent practical, ECS takes advantage of all prompt payment discounts offered by contractor. When such discounts are available and all required documentation in support of payment is available, payments will be scheduled so as to take full advantage of the discounts.

## **Employee Expense Reports**

### **Travel Advances**

Funds will be advanced for upcoming travel only upon receipt of a completed and properly approved request for travel advance. Travel advances are to be used only for the purpose intended. Travel expenses are to be made in accordance with the ECS's travel policies as explained in this section.

Employees receiving travel advances are required to sign for the advance signifying their acknowledgment of, and agreement with, these policies. Employees receiving travel advances must submit an expense report within 5 business days of returning from travel. No further travel advances will be issued to any employee who has an outstanding balance or reports due to ECS from previous business trips.

### **Employee and Director Business Travel**

At the conclusion of an ECS business trip, an employee or member of the Board of Directors who has incurred business-related expenses should complete an expense report in accordance with the following policies:

1. Documentation must justify that participation of the traveler is necessary for the Federal award and costs are reasonable and consistent with ECS's travel policy. (*2 CFR Part 200.474(b)(1) and (2)*)
2. Identify each separately incurred business expense (i.e., do not group all expenses associated with one trip together).
3. With the exception of tips, tolls, reimbursed mileage, and per diems, all business expenses must be supported with invoices/receipts.
4. ECS will reimburse employees at per diem rates established the State of Florida. Therefore, meal receipts are not required except for business entertainment which is addressed in Point 9 below.
  - a. If the conference or meeting which the traveler attends provides a meal, the value of that meal will be deducted from that day's per diem.
5. Contractor receipts/invoices must be submitted for all lodging and any expenditure other than meals.

6. Staff should use discretion when booking hotel rooms for any ECS travel and stay within in contractual or legal limits for reimbursement by the appropriate contract. Hotel costs in excess of the limit must be preapproved by the CEO or the CHIEF FINANCIAL OFFICER/DIRECTOR OF FINANCE
7. For airfare, airline-issued receipts and the return trip boarding pass should be obtained. If a traveler fails to obtain a receipt, other evidence must be submitted indicating that a trip was taken and the amount paid (for example, a combination of an itinerary, a credit card receipt, and return trip boarding pass(es)).
8. Mileage may be reimbursed at the standard State of Florida rates currently in effect.
9. General ledger account coding must be identified for all expenditures.
10. For all meals and other business expenditures, the following must be clearly identified:
  - a. Names, titles, organization, and business relationships of all persons
  - b. The business purpose of the meal or other business event (topics discussed, etc.)
  - c. Meal receipts should be the actual, detailed receipt, not the credit card receipt. The credit card receipt may not provide enough detail.
11. All expense reports must be signed and dated by the employee.
12. All expense reports must be approved by the employee's supervisor
13. Only one expense report form should be prepared for each trip.
14. Travel costs of the CEO are reviewed and approved by the BOT. The CEO reviews and approves the travel expenses of his/her direct reports.
15. Instances of misuse by staff will be managed with disciplinary action prescribed by the executive team in conjunction with HR. Each instance will be handled on a case by case basis and documented in the employee's personnel file.

An employee will not be reimbursed for expense reports not meeting the preceding criteria. If the expense report results in a balance due to ECS (as a result of receiving a travel advance greater than actual business expenditures), the employee must attach a check or sign a statement indicating authorization to settle the balance due through a payroll deduction. If the expense report results in a balance due to the employee, the employee will be reimbursed through the next expense reimbursement payment run.

No further travel advances will be issued to any employee who has an outstanding balance due to ECS from previous business trips. If intentional misuse of travel advances or reimbursements is noted, the employee will be subject to disciplinary actions found in the ECS Employee Handbook. Reimbursements for travel expenses, business meals, or other approved costs will be made only upon the receipt of a properly approved and completed expense reimbursement form (see further policies under "Travel and Business Entertainment"). All receipts must be attached, and a brief description of the business purpose of trip or meeting must be noted on the form. Expense reports will be processed for payment within 20 business days of month end. Expenses older than two months will not be reimbursed, without department head approval.

Expense reports must be signed and dated by the employee's supervisor. The supervisor's signature indicates that they have reviewed the request to ensure that it meets guidelines and that adequate supporting record and any required

signatures/statements from the traveler are included. The supervisor should also review to ensure that the most economical and efficient method for travel is used for each event. If the supervisor is not available another member of the management team may sign off if they are in a position to have knowledge of the employee's travel. ECS will be transitioning to an electronic mileage/travel expense reimbursement system that will pay expenses through the payroll system.

Minimum required travel policy disclosures [2 CFR Part 200.302, financial management systems; 200.303, internal controls; DFS Reference Guide, DFS State Travel Manual; s. 112.061, F.S. Per Diem and travel expenses of public officers, employees, and authorized persons; and CHIEF FINANCIAL OFFICER/DIRECTOR OF FINANCE Memo No. 06 (2016-17)

- a. The board of directors will review and accept the travel costs of the CEO.
- b. Should the management become aware of misuse of travel funds by staff or members of the management team, such misuse will be documented in the personnel files of the staff member and of any resulting disciplinary actions (if applicable).

### **Reconciliation of A/P Subsidiary Ledger to General Ledger**

At the end of each monthly accounting period, the total amount due to contractors per the accounts payable subsidiary ledger shall be reconciled to the total per the accounts payable general ledger account (control account). All differences are investigated, and adjustments are made as necessary. The reconciliation and the results of the investigation of differences are reviewed and approved by the CFO/Director of Finance.

Also on a monthly basis, the Account Payables shall perform the following procedures:

1. Check all statements received for unprocessed invoices.
2. Check the purchase order file for open purchase orders more than 30 days old and follow up.

Vendors wishing to be paid by ACH must submit a request form including the routing number and account number and may submit a voided check to the AP accountant if available. The routing number and account number are entered into the accounting software by the Director of Procurement or Director of Budget.

All ACH payments to vendors are made by uploading an ACH file created in the accounting software and uploaded to the bank. The files are created by the accounts payable accountant and uploaded by either the Fiscal Controller or the Chief Financial Officer/Director Of Finance. All uploads are confirmed by the bank both in the total amount of the uploaded transactions and the number of vendors paid in the uploaded file. These confirmations are used to confirm the reports amounts in the AP accounts email after each upload.

### **Management of Accounts Payable Contractor Master File**

Upon the receipt of an invoice from a new contractor that is not already in ECS' Accounts Payable Contractor Master File, the Accounts Payable staff shall mail (or email) a Form W-9 and a request for completion of the Form W-9, including the vendor's full address and federal employer identification number.

Contractor files shall include all of the following data regardless of annual spend:

- Contractor's legal name and any DBA name(s)
- Street address (payments may be mailed to a P.O. Box, but a street address must be in the file)
- Federal employer identification number
- Telephone number
- Fax number
- Contact name

Payments shall not be made to any contractor whose file does not comply with the preceding requirements.

On an annual basis, contractors that have not been utilized over the preceding 24-month period shall be purged (or made inactive) from the master contractor file. In addition, on an annual basis an internal audit shall be performed of the master contractor file and payments made to each contractor. This analysis, to be performed by the CFO or Director of Finance or their designee shall consist of the following procedures, at a minimum:

1. Cross-checking of contractors with matching street or P.O. Box addresses
2. Review of payment histories for signs of repeat invoice numbers or other indications of duplicate payments

Any unexplained deviations or irregularities noted in connection with the preceding internal audit procedures shall be reported to the chair of the ECS's Audit Committee.

### **Office of Foreign Assets Control (OFAC) Database Searches**

It is the policy of ECS to perform a search of the Office of Foreign Assets Control (OFAC) for any non-U.S.-based contractor or payee upon setting that payee up in the accounts payable system and periodically on at least an annual basis thereafter. The OFAC search shall be initiated by the Accounts Payable using the ECS selected vendor(s) and the results shall be presented to the Director of Finance for review, approval, and proper disposition, depending on the outcome of the search.

### **Verification of New Contractor**

Account Payables will perform additional procedures to validate the legitimacy of new contractors that shall be paid one-time or cumulative payments in excess of \$25,000. For such contractors, the Account Payables shall perform a limited public records search and shall contact the contractor to validate its existence.

**Delegation of Authority:** All Board authority delegated to staff is delegated through the Chief Executive Officer, so that all authority and accountability of staff as far as the Board is concerned is considered to be the authority and accountability of the Chief Executive Officer. ECS' Accounting and Financial Policies establish the limit of authority of the Chief Executive Officer regarding financial transactions. The Board designates authority to the CEO's administrative assistant to review and approve the Chief Executive Officer's timesheets, leave requests, work related travel expenses, and other routine operational requests on a monthly basis. These documents are made available for Board review at each regular Board meeting.

### **Prior Approval of Travel by the Board of Directors**

Annually the ECS Board approves travel costs for out of state travel for staff working with and charged to the ELC of North Florida contract including room, mileage, airfare, rental cars, conference costs, and other costs as are reasonable

and necessary in the course of performing the duties in an amount based on the planned travel for the year. Some examples of necessary travel are CLASS training, NAEYCE National Conference, Child Care Aware National Conference and other trainings held out of state that are necessary for the performance of duties.

The ECS Board also approves up funds for travel for ECS's CEO for in state or out of state travel including reimbursement for local mileage and for in state and out of state conferences or trainings as is necessary in the performance of his/her duties in amounts based on planned travel for meetings, conferences and other trainings as is reasonable and necessary in the course of the performance of his/her duties as CEO.

### **Reasonableness of Travel Costs**

ECS shall reimburse travelers only for those business-related costs that are reasonably incurred. Accordingly, the following guidelines shall apply:

1. Payment for suites and other upgraded rooms at hotels shall not be allowed unless required by a medical condition. Travelers should stay in standard rooms. Travelers may if they wish but will not be required to share rooms. If sharing a suite is less expensive than separate rooms for each traveler, this will be allowed but it is up to the individual travelers to agree to the policy.
2. Ask hotels for any available discounts – nonprofit, government, or corporate rates.
3. When utilizing rental cars, travelers should rent midsize or smaller vehicles unless safety considerations require a larger vehicle. Rental of a vehicle larger than midsize must be approved by a supervisor. Share rental cars whenever possible.
4. Business-related long-distance telephone calls while away on business travel are permitted but should be kept to a minimum. Expense reports should explain long-distance charges.
5. Whenever possible, travelers should utilize long-distance calling cards when placing calls while away on travel. Avoid using the hotel's long-distance service whenever possible. (Note: see the next section of cell phone policies.)
6. Reasonable tips for baggage handling shall be reimbursed. No receipts are required.
7. If required by the funding source, foreign travel charged to federal grants must be approved in writing by the funding source prior to travel.

### **Special Rules Pertaining to Air Travel**

The following additional rules apply to air travel:

1. Air travel should be at coach class or the lowest commercial discount fare at the time the ticket is purchased except when this fare would:
  - a. Require circuitous routing,
  - b. Require travel during unreasonable hours,
  - c. Excessively prolong travel,
  - d. Result in additional costs that would offset the transportation savings, or

- e. Offer accommodations not reasonably adequate for the traveler's medical needs.
2. First class air travel shall not be reimbursed unless there is a medical reason which must be documented and approved by a supervisor.
3. Memberships in airline flight clubs are not reimbursable.
4. Cost of flight insurance is not reimbursable.
5. At least two quotes from a travel agency and/or an airline website should be obtained and attached to the expense report.
6. Cost of upgrade certificates is not reimbursable.
7. The cost of baggage fees required by airlines to either check or carry-on luggage is allowable and reimbursable.
8. Cost of canceling and rebooking flights is not reimbursable, unless it can be documented that it was necessary or required for legitimate business reasons (such as changed meeting dates, etc.).
9. Travelers must identify and pay for all personal flights, even if such flights are incorporated into a flight schedule that serves business purposes (i.e., ECS will not reimburse for the personal legs of a trip).
10. Frequent flyer miles will accrue to the traveler, not the ECS.

### **Spouse/Partner Travel**

ECS does not reimburse any employee or board member for separate travel costs (air fare, etc.) associated with his or her spouse or partner. The cost of a shared hotel room need not be allocated between employee/director and spouse/partner for purposes of this policy.

## **CELL PHONES**

### **Issuance of Corporate Cell Phones**

ECS recognizes that certain job functions require that an employee be accessible when away from the office or during times outside scheduled working hours. For this reason, ECS will provide cell phones to select employees as a working condition fringe benefit. Supervisors of employees who travel frequently on ECS business may request a corporate cell phone for specific employees by contacting the Department Head who will request the phone from the Information Technology department. Job descriptions and personnel manuals will document the business reasons for providing employees with cell phones.

Corporate cell phone holders will be required to sign a statement acknowledging that the cell phone shall be used for legitimate ECS-related business purposes, shall not be used while driving. The cell phone holder also agrees to take reasonable precautions to protect the cell phone from loss or theft by storing it in a secure location.

While corporate-issued cell phones are intended for ECS-related business use, ECS recognizes that occasional personal use may occur. ECS employees should make every effort to keep personal use of company cell phones to a minimum. Because such employer-provided cell phones are considered to be a working condition fringe benefit, the ECS employees' use of the cell phone for personal reasons may be treated as excludable from the employees' income as a de minimis fringe benefit. That is, the value of personal use of an ECS-owned cell phone will not be taxable income to the employee.

### **Cell Phone Use**

Employees of ECS are prohibited from using a corporate-owned cell phone or similar device, hands-on or hands-free, while driving, whether the business conducted is personal or ECS-related. This prohibition includes receiving or placing calls, text messaging, accessing the Internet, receiving or responding to email, checking for or listening to voice messages, or any other uses.

Similarly, employees of ECS are prohibited from using their personal cell phone or similar device for any purpose, hands-on or hands-free, while driving either a company vehicle or a personal vehicle while on company business.

### **Cell Phone Plans**

The ECS IT Department will negotiate a master cell phone contract with a single contractor. All corporate-owned cell phones are to be acquired through the preapproved contractor. Exceptions to this policy may be made due to cell phone area coverage. Any exceptions must be approved by the employee's supervisor.

Cell phone plan terms will initially be set based on the employee's anticipated needs and the negotiated price per line/plan with the single contractor. For instance, currently ECS has unlimited plan for all lines that result in the lowest price overall even though a particular employee may use very few minutes.

ECS will monitor usage and recommend adjustments to terms as needed to ensure that the ECS overall is on the most efficient plan based on the needs of ECS overall depending on the negotiated companywide plan. Initial cell phone plan terms and any subsequent changes in terms will be approved in advance by the Department Director.

Upon receiving the cell phone, the employee is required to sign a statement of receipt and acceptance of responsibility for corporate cell phones.

Cell phone holders shall report the loss or theft of a corporate cell phone immediately by notifying their supervisor and the Manager of IT.

### **Revocation of Corporate Cell Phones**

Failure to comply with any of these policies associated with the use of ECS's corporate cell phones shall be subject to possible revocation of corporate cell phone privileges.

## **CASH DISBURSEMENTS (CHECK-WRITING) POLICIES**

***Note: ECS' purchasing and check-writing policies and procedures demonstrate sound internal controls designed to prevent or detect disbursements frauds attempted by outside parties or employees. Segregation of duties is a key element of fraud prevention and detection. In that regard, as much as possible, the following characteristics should be demonstrated through the ECS's policies:***

- 1. Authorization of purchases performed by individuals who do not have check-writing and recording abilities.***
- 2. Receipt of supplies and other assets ordered from contractors by someone other than the individual who has final approval to pay the contractor.***
- 3. Check signing by individuals who do not have the ability to record disbursements in the journal or general ledger.***
- 4. Bank reconciliations performed by individuals who do not prepare, sign, or record purchases or disbursements.***

### **Disbursement Control Systems**

ECS's policies and procedures will comply with the following federal/state laws, regulations, statutes and rules.

- 60A-1.016 F.A.C., Contract and Purchase Order Requirements.
- DFS Reference Guide for State Expenditures
- DFS State Travel Manual
- CHIEF FINANCIAL OFFICER/DIRECTOR OF FINANCE Memo No. 06 (2016-17), *Guidance for Travel restrictions imposed by Ch. 2016-62, FL Law*
- CHIEF FINANCIAL OFFICER/DIRECTOR OF FINANCE Memo No. 02 (2014-15), *State of Florida Purchasing Card Program Convenience Fees/Surcharges*
- OEL annual grant agreement Exhibit I for specified prohibited costs
- 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
  - 2 CFR 200.302, *Financial management systems*
  - 2 CFR 200.302(7), *Financial management systems* – allowability of costs
  - 2 CFR 200.303, Internal controls
  - 2 CFR 200, Subpart E – Cost Principles
- OEL Program Guidance files
  - Program Guidance 440.10 – Office of Early Learning Match Reporting Guidance
  - Program Guidance 240.01 – Cash Management Procedures
  - Program Guidance 240.04 – School Readiness Funds Management
  - Program Guidance 240.05 – Guidance on Prior Approval Procedures
  - Program Guidance 240.06 – Reimbursement Request Requirements for ELCs
  - Program Guidance 250.01 – Other Cost Accumulators (OCAs) Guidance

## Check Preparation

ECS prints contractor checks and expense reimbursement checks on a [weekly] basis. Checks shall be prepared by persons independent of those who initiate or approve expenditures, as well as those who are authorized check signers.

All contractor and expense reimbursement checks shall be produced in accordance with the following guidelines:

1. Expenditures must be supported in conformity with purchasing, accounts payable, and travel and business entertainment policies described in this manual.
2. Timing of disbursements should generally be to take advantage of all early-payment discounts.
3. Generally, all contractors shall be paid within 30 days of submitting a proper invoice upon delivery of the requested goods or services.
4. Total cash requirements associated with each check run are monitored in conjunction with available cash balance in bank prior to the release of any checks.
5. All supporting documentation is attached to the corresponding check prior to forwarding the entire package to an authorized check signer.
6. Checks shall be utilized in numerical order and unused checks are stored in a locked safe in the accounting department.
7. Checks shall never be made payable to "bearer" or "cash."
8. Checks shall never be signed prior to being prepared.
9. Upon the preparation of a check, contractor invoices and other supporting documentation shall immediately be canceled in order to prevent subsequent reuse.

## Check Signing

Checks of less than \$1000 require two signatures and utilize the accounting software package for these signatures. Checks of > \$1000 but < \$5,000 utilize the accounting software package for one signature and require one live signature. Checks over \$1,000 require two live signatures. All check signatories must be approved by the CEO. No checks shall be signed prior to the check being completed in its entirety (no signing of blank checks).

Checks shall be signed by an individual other than the one who approved the transaction for payment.

Check signers should examine all original supporting documentation to ensure that each item has been properly reviewed prior to signing a check. Checks should not be signed if supporting documentation appears to be missing or there are any questions about a disbursement.

Equipment used to sign checks (plates, stamps, CD, etc.) will be kept in a locked drawer (safe). Access to the equipment shall be restricted to the CEO and his or her designee. An authorized check signer will review check run and supporting documentation, and initial approval.

***The use of electronic funds transfer (EFT) to pay contractors is becoming more common and saves ECS both human and financial resources. To ensure effective internal controls, an authorized check signer will review the listing of checks paid by EFT, and sign and date the report.***

### **Mailing of Checks**

After signature, checks are returned to the Accounts Payable Clerk. The clerk then mails checks immediately. Checks shall not be mailed by or returned to the individuals or departments that authorized the expenditures.

### **Voided Checks and Stop Payments**

Checks may be voided due to processing errors by making proper notations in the check register and defacing the check by clearly marking it as "VOID." All voided checks shall be retained to aid in preparation of bank reconciliations.

Stop payment orders may be made for checks lost in the mail or other valid reasons. Stop payments are processed by telephone instruction and written authorization to the bank by accounting personnel with this authority. A journal entry is made to record the stop payment and any related bank fees.

### **Recordkeeping Associated with Independent Contractors**

ECS shall obtain a completed Form W-9 or equivalent substitute documentation from all contractors to whom payments are made (see "Accounts Payable Management" policies). A record shall be maintained of all contractors to whom a Form 1099 is required to be issued at year-end. Payments to such contractors shall be accumulated over the course of a calendar year.

### **Control Grid – Purchasing and Disbursements**

ECS strives to maintain adequate segregation of duties in its purchasing and disbursements functions. The following table illustrates how responsibilities have been assigned. In this table personnel are identified as follows:

- A. Department Directors/Senior Management Team Member
- B. Department Managers/Authorized Staff Member
- C. Director of Finance/CHIEF FINANCIAL OFFICER/DIRECTOR OF FINANCE
- D. Senior Accountant/Controller
- E. Accounts Payable

<b>Control Grid - Purchasing and Disbursements</b>								
CEO- A								
CFO-B								
VP's/Department Directors/Managers-C								
Director Finance-D								
Budget Director-E								
Disbursements Manager-F								
Admin/Accounting Clerk-G								
Procurement Manager/Director-H								
<b>Duty</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	<b>G</b>	<b>H</b>
Inputs data into vendor master file		x			x			x
Obtains Form W-9 from new contractors			x					x
Initiates purchases	x	x	x			x		x
Authorizes purchases	x	x	x					
Prepares purchase order/requisition			x				x	x
Prepares request for proposal								x
Administers collection of proposals								x
Evaluates proposals	x	x	x					x
Selects contractor			x					
Receives contractor invoice						x	x	
Approves contractor invoice			x					
Assigns general ledger coding			x					
Inputs invoice into A/P system						x	x	
Selects A/P to be paid						x	x	
Runs A/P checks						x	x	
Reviews checks	x	x	x					
Signs checks	x	x	x					
Mails checks							x	
Maintains custody of unused checks				x		x		
Reconciles A/P to general ledger							x	
Performs bank reconciliation							x	
Reviews bank reconciliations		x		x				

## **CREDIT CARDS/PURCHASING CARDS/Vouchers**

### **Issuance of Corporate Credit Cards or Purchasing Cards**

ECS recognizes that there will be occasions when employees need to use a corporate credit card for travel and online purchases. Only members of the Senior Management team will be issued credit cards. Periodically and with changes in the Senior Management team, the Chief Financial Officer/Director Of Finance will review the list of all cardholders and make changes as needed. Each cardholder is responsible for the charges to his or her card. Prior to a cardholder receiving a credit card, the Chief Financial Officer/Director Of Finance will ensure that they receive and the cardholder will sign a copy of the following

Users of ECS credit cards will observe the following:

- The card shall be used exclusively for legitimate ECS-related business purposes.
- The cardholder will avoid splitting purchase or service costs over multiple transactions to circumvent the single transaction limit.
- The cardholder agrees to take reasonable precautions to protect the card from loss or theft by storing it in a secure location and understands the actions to take in case of theft or loss.
- The cardholder will follow all required procurement policies and procedures.
- The cardholder understands and agrees to disciplinary procedures for misuse of the card.
- Cardholders may not make card purchases in excess of the level of their approval unless supervisor approval has been obtained and documented by a purchase order.

## **Sales Tax**

Card users should remind contractors at the time of purchase that according to the tax laws in Florida, ECS is exempt from sales tax. Cardholders should keep a copy of ECS's sales tax exemption form with them to present to the vendor at the time of purchase. If a cardholder is charged sales tax for a card purchase that should be tax exempt, the cardholder should contact the contractor directly to request a credit for the amount of the sales tax.

## **Card User Responsibilities**

Card users will turn in receipts with appropriate account coding to Accounts Payable when they use their credit card. A purchase order is still required when using a credit card. All purchasing policies that apply to purchases using other forms of payment must still be used when paying with a credit card. If the Fiscal Department is missing a receipt when the monthly statement is reconciled, Account Payables will confer with the Department Head to determine who used the card to get the receipt.

Any fraudulent or other unauthorized charges shall be immediately pointed out to the Disbursements Manager for further investigation with the card provider.

ECS will document in personnel files any instances of card misuse by staff and issue notice of personnel actions taken/required (if applicable).

Personal use of corporate credit cards is strictly prohibited. Any personal use will subject the employee to the ECS's disciplinary actions discussed earlier in the Personnel Manual.

Cardholders shall report the loss or theft of a corporate credit card immediately by notifying the credit card company 24 hours a day, seven days a week as well as the Disbursements Manager.

The CEO or Director of Finance will review credit card statements and reconciliations monthly. Any questionable charges will be investigated and resolved.

Credit card purchases including those made by the management team will be reviewed and accepted by the Board of Directors and the policy council based on a knowledge of the internal controls put in place by ECS staff through a review of credit card statements. Purchases charged to state contracts will be approved by the finance committee.

**Additional requirements for credit cards [DFS CHIEF FINANCIAL OFFICER/DIRECTOR OF FINANCE Memo No. 02 (2014-15)] and (2CFR Part 200.302)**

- A. State statute prohibits sellers and lessors from charging convenience fees and surcharges for the use of credit cards.
- B. Such costs are unallowable and should not be submitted for reimbursement.
- C. Florida law also provides that any person who violates this provision is guilty of a second-degree misdemeanor.
- D. If this activity occurs additional contractor notifications may be required.
- E. Minimum required credit card policy disclosures/processes
  - a. Management has a process to issue purchase/credit cards and to periodically review list of users to ensure the cards are issued to appropriate staff members.
  - b. Management has a process to ensure card users receive notice of usage guidelines. Includes safeguarding of issued cards, card holder duties, tips to avoid identity theft, and prohibited purchases/activities.
  - c. Purchasing cards are not used to circumvent compliance with normal requisitioning transactions.
  - d. Staff prepares reconciliations and maintains adequate supporting records for disbursements and employee reimbursements made by credit card.
  - e. Management periodically reviews purchase activities and employee reimbursements made by credit cards to ensure these purchases are allowable and are not being split to stay below established spending thresholds.
  - f. An independent review and approval process is in place (potentially including a governing board member/audit committee) for purchases made by members of the management team.
  - g. Management has a process to document instances of card misuse by staff and issue notice of personnel actions taken/required (if applicable).
- F. Minimum recommended credit card policy elements/staff instructions.
  - a. Entity processes to safeguard purchase card/credit cards when not in use.
  - b. Prohibited transactions are identified for staff.
  - c. Authorized spending levels/delegation of authority.
  - d. Due dates for supporting documentation.
  - e. Supporting documentation requirements [source: *DFS Reference Guide for State Expenditures*]

## **Vouchers**

ECS uses a purchase order system and does not use a voucher system.

## **Appendix Documents - 1**

### **ECS Contractual Requirements: General**

1. During the performance of this contract, the contractor agrees as follows:

(a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin.

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(c) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(d) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(e) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(f) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(g) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(h) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

*Provided, however,* that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

2. In compliance with Code of Federal Regulations, 29CFR1910.1200 if this purchase order involves the shipping of any item designates as a toxic substance such shipment must be accompanied by a Material Safety Data Sheet (MSDS). A toxic substance is designated as any chemical substance or mixture in gaseous, liquid, or solid state, which can cause harm to the human body.

3. The contractor certifies the Company's Directors and/or Principal Officers are not employed and/or affiliated with Episcopal Children's Services, unless a current Report of Specified interest form has been approved.

4. Equal Employment Opportunity – This contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) Executive Order 11246 of September 24, 1965, and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities

and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

5. Rights to Inventions Made Under a Contract or Agreement –If the purchase order includes the performance of experimental, developmental, or research work, Vendor shall provide for the rights of the Federal Government and ECS in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

6. Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended – If the Purchase Order amount exceeds \$100,000, Vendor shall comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

7. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352) – If the Purchase Order amount is for \$100,000 or more, Vendor (and, if required, any sub-contractors) shall file the certifications required by this law and related regulations, certifying that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Vendor (and, if required, any sub-contractors) shall disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award.

8. Debarment and Suspension (E.O.s 12549 and 12689) – Vendor represents and warrants that neither it (nor any other person or entity affiliated with Vendor and for whom the standing under these laws is imputed to Vendor) is listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Non-Procurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. If the purchase order amount exceeds \$2000, the Vendor shall provide ECS with the required certification regarding its exclusion status and that of its principal employees.

9. Records Access (Contracts in excess of \$2,000). ECS, the Federal awarding agency, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Vendor which are directly pertinent to a specific program for the purpose of making audits, examinations, excerpts and transcriptions.

10. Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c) – (Applies to purchase orders in excess of \$2000 for construction or repair). Vendor shall comply with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that Vendor is prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled.

11. Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7) (ARRA Section 1606). Vendor covenants and agrees that all laborers and mechanics employed by Vendor and its subcontractors on this project will be paid in compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, Vendor is required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a

wage determination made by the Secretary of Labor. In addition, Vendor is required to pay wages not less than once a week.

12. Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333) – (Applies to purchase orders in excess of \$2000 for construction projects and purchase orders in excess of \$2500 for other contracts that involve the employment of mechanics or laborers). Vendor shall comply with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 102 of the Act, Vendor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than 1 ½ times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

13. Recovered Materials (2 CFR 200.317): Contractors, where applicable, will comply with section 6002 of the Solid Waste Disposal Act.

14. American Made: Contractors shall to the greatest extent practicable, provide ECS with American made equipment.

15. Trafficking Victims Protection Act of 2000: Contractors supplying goods and services to ECS will fully comply with the Trafficking Victims Protection Act of 2000.

## **Procurement Appendix Document 2**

### **Episcopal Children's Services: Payment and PO Terms and Conditions**

#### **Episcopal Children's Services: PO/Contract Terms and Conditions**

**Last Update: 4/9/2020**

- 1. Acceptance.** Contractor's acceptance of this contract shall constitute Contractor's agreement to the terms and conditions set forth within the entirety of this contract. Notwithstanding the Episcopal Children's Services (stated as ECS throughout the remainder of this document) act of accepting and paying for any goods, no other terms contained in any bid, estimate, acknowledgment, confirmation or invoice given by Contractor shall in any way modify or supersede any of the terms of this contract or otherwise be binding on ECS unless accepted by a written instrument signed by an authorized representative of ECS.
- 2. Stipulations.** The Contractor agrees to provide commodities or contractual services ECS within the manner and at the location specified in the contract and any attachments to the contract. Additionally, the terms of the contract supersede the terms of all prior agreements with respect to this purchase. Unless otherwise specified, the contract begins on the date of issuance. Contractual services or commodities to be provided by the Contractor shall be completed on or before the date specified by ECS and ECS shall always be entitled, upon request, to be advised as to the status of work being done by the Contractor.
- 3. Performance.** If ECS determines that the performance of the Contractor is unsatisfactory, ECS will notify the Contractor of the deficiency to be corrected. The Contractor shall provide ECS with a corrective action plan describing how the Contractor will address all issues of contract non-compliance. A correction(s) will be made within a time-frame specified by ECS. Ultimately, if the Contractor fails to meet and comply with the deliverables established in this contract, ECS will prorate any payments pending and/or request a refund of payment in a proportionate amount equal to the goods/services not received. ECS, at its sole discretion, may offer the Contractor an extension for any listed task, timeline or deliverable during which the indicated financial consequences shall not apply. Any payment made in reliance on the Contractor's evidence of performance, which is subsequently determined to be erroneous, will be immediately due to the ECS as an overpayment.
- 4. Purchase Order.** ECS requires that a contractor have a purchase order, or a purchase order number issued by a representative of the ECS team before shipping any merchandise. The purchase order number must be shown on all invoices.
- 5. Payment Terms.** Invoices on properly accepted goods or services will generally be paid within 30 days of receipt of the invoice or of the goods/services, whichever happens last. "Properly accepted" means receipt, inspection, and approval of the goods or services. In the case of a bona fide dispute, payment will be authorized only for the amount not disputed. Payment for goods delivered does not constitute acceptance those goods. ECS reserves the right to inspect and test such goods and to reject, and return to Contractor, at Contractor's expense, goods (a) delivered in excess of the quantity defined on the contract, (b) which do not conform to specifications, (c) which in any way violate any federal, state or local law, or (d) which are in any way defective. Defective or rejected goods shall not be replaced except upon the receipt by the contractor of written instructions from ECS. If ECS receives goods with a defect or nonconformity which are not apparent upon examination, ECS

reserves the right to require replacement, as well as payment of damages upon discovery of the defect or non-conformity. Nothing contained in the contract shall relieve in any way the Contractor from the obligation of testing, inspection and quality control. The Contractor shall submit the final invoice for payment to ECS no more than 45 days after the contract ends or is terminated. If the Contractor fails to do so, unless waived in writing by ECS, all rights to payment are forfeited and ECS will not honor any requests submitted after the above 45-day time period. Any payment due under the terms of this contract may be withheld until all reports due from the Contractor and any necessary adjustment(s) thereto have been approved by ECS. ECS shall not be obligated to pay for costs incurred related to the contract prior to its effective date or after the ending date specified. Records of costs incurred under terms of the contract shall be maintained and made available to ECS upon request during the period of the contract, and for a period of five years thereafter. Records of costs incurred shall include the Contractor's general accounting records, together with supporting documents and records of the Contractor and all subcontractors performing work, and all other records of the Contractor and subcontractors considered necessary by ECS for audit. The Contractor shall return to ECS any overpayments disbursed to the Contractor or by ECS due to unearned funds or funds disallowed pursuant to the terms of the contract. In the event the Contractor, ECS or an independent auditor discover an overpayment was received, the Contractor shall repay said overpayment within forty calendar days or be subject to interest charges on the unpaid balance.

**6. Invoice Receipt Date.** For the purposes of determining the receipt of invoice date, ECS is deemed to receive an invoice on the date on which a correct and accurate invoice is first received at 8443 Baymeadows Road, Ste 1, Jacksonville, FL 32256. Invoices received from contractors that have failed to supply ECS with a complete and accurate W-9 or other form that provides all necessary data to determine 1099 status, will be deemed insufficient for payment until such information is received.

**7. Indemnification.** To the extent permitted by Florida and Federal law, the Contractor agrees to indemnify, defend, and hold ECS, its officers, employees and agents harmless from all fines, claims, assessments, suits, judgments, or damages, consequential or otherwise, including court costs and attorney's fees, arising out of any acts, actions, breaches, neglect or omissions of the Contractor, its employees, agents, subcontractors, assignees or delegates related to the contract.

**8. Payment of Contractor's Suppliers.** In connection with this contract, the Contractor guarantees the payment of all just claims for materials, supplies, tools, or labor and other just claims against the Contractor or any employee, agent, subcontractor, assignee or delegate.

**9. Insurance.** All contractor insurance policies shall be with insurers qualified and doing business in Florida. The contractor shall furnish ECS with proof of insurance coverage upon request. During the life of the contract, the Contractor shall obtain and keep in force, Errors and Omissions Insurance. Errors and Omission Insurance coverage shall not limit any liabilities or any other obligations that the Contractor has under the contract. The Contractor shall maintain adequate liability insurance coverage on a comprehensive basis and hold such liability insurance at all times during the existence of the Contract and any subsequent renewals and extensions. By execution of the contract, the Contractor accepts full responsibility for identifying and determining the type(s) and extent of liability insurance necessary to provide reasonable financial protections for the Contractor and ECS as served under the contract. During the contract term, the Contractor, at its sole expense, shall provide workers' compensation insurance to all employees engaged in work related to the contract and in accordance with all federal and state statutes. Minimum employer's liability limits shall be \$100,000 per accident, \$100,000 per person, and \$500,000 policy aggregate.

**10. Bonding.** Unless otherwise prohibited by law, ECS may require the Contractor to furnish, without additional cost to ECS, a performance bond or irrevocable letter of credit or other form of security for the satisfactory performance of work hereunder.

**11. Jurisdiction.** The laws of the State of Florida shall govern the contract. The Parties submit to the jurisdiction of the courts of the State of Florida exclusively for any legal action or dispute related to the contract. Further, the Contractor hereby waives all privileges and rights relating to the venue it may have under any other statute, rule or case law, including, but not limited to those based on convenience. The Contractor hereby submits to the venue in the county chosen by the ECS. If there is any conflict in the provisions set forth in applicable federal and state laws, the conflict will be resolved in the following priority (highest to lowest).

- 1) Federal law and regulations, 2) Florida laws and rules, 3) Special conditions/additional requirements, 4) contract/Scope of work.

**12. Lobbying.** No funds from the contract may be used for lobbying the state Legislature, the judicial branch or any state Agency. Acceptance of these contract terms indicates the Contractor is aware of and currently complies with the described lobbying activity restrictions. The Contractor shall require all subcontracts to include this certification language, which is a material representation of fact upon which the parties placed reliance when they made or entered into this transaction.

**13. Debarment and Suspension.** If this contract relies on federal funds, the Contractor shall agree and certify that neither it, nor its principals, is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. Contractor also agrees it shall not knowingly enter into any lower tier contract or other covered transaction with a person who is similarly debarred or suspended from participating in the contract's scoped transaction. The Contractor represents and warrants that neither it nor any other entity affiliated with the Contractor is listed on the GSA's List of Parties Excluded from Federal Procurement or Non-Procurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension." If the contract amount exceeds \$2000, the Contractor shall provide ECS with the required certification regarding its exclusion status and that of its principal employees. Further, in accordance with sections 287.133 and 287.134, F.S., an entity or affiliate who is on the Convicted Contractor List or the Discriminatory Contractor List may not perform work as a contractor, supplier, subcontractor, or consultant under the contract with any Agency.

**14. Facilitation Payments.** The Contractor shall not, in connection with this or any other agreement with ECS, directly or indirectly (1) offer, give, or agree to give anything of value to anyone as consideration for any ECS employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty, or (2) offer, give, or agree to give to anyone anything of value for the benefit of, or at the direction or request of, any ECS officer or employee

**15. Inventions.** If a discovery or invention arises or is developed in connection with the use of federal/state funds, ECS will refer it to OEL and the Florida Department of State to determine whether patent protection will be sought in the name of the state of Florida. Any and all patent rights accruing in connection with the performance of the contract are hereby reserved to the state of Florida. The Contractor shall refer any such discovery to ECS.

**16. Termination.** Through a written notice to the contractor and per federal government publication 2 CFR Ch. II, Appendix II to Part 200, ECS may terminate for convenience any contract/agreement/purchase with a value equal to, or greater than \$10,000. The Contractor shall not furnish any services after it receives notice of the termination, except as necessary to complete the continued portion, if any, of the contract. The Contractor shall not be entitled to recover any cancellation charges or lost profit. After receipt of a notice of termination, and except as otherwise specified by the ECS, the Contractor shall: a) Stop work under the contract on the date of and to the extent specified in the notice; b) Complete performance of the work not terminated by ECS; c) Take such action as may be necessary, or as ECS may specify, to protect and preserve any property related to the contract which is in the possession of the Contractor and in which ECS has or may acquire an interest; d) Transfer, assign, and make available to ECS all property and materials belonging to ECS, upon the effective date of termination of the contract. No extra compensation will be paid to the Contractor for its services in connection with such transfer or assignment; e) Meet all the public records law requirements specified under the Public Records sections of these terms and conditions.

Applying to purchases over \$10,000 and pursuant to 2 CFR Part 200 Appendix II, item (B), in the event of termination of the Contract by ECS for cause or breach of listed terms and conditions, the Contractor shall be liable for the ECS's expenses for additional managerial and administrative services required to complete or obtain the services or items from another contractor.

**17. Sub-contracting.** The Contractor shall not subcontract any work under the contract without the prior written consent of ECS. The Contractor is fully responsible for satisfactory completion of all subcontracted work. The Contractor shall not sell, assign or transfer any of its rights, duties or obligations under the contract without the prior written consent of ECS. In the event of any assignment, the Contractor remains secondarily liable for performance of the contract, unless ECS expressly waives such secondary liability. ECS may assign the contract with prior written notice to the Contractor. The Contractor and its employees, agents, representatives, and subcontractors are not employees or agents of ECS. ECS shall not be bound by any acts or conduct of the Contractor or its employees, agents, representatives, or subcontractors. The Contractor agrees to include this provision in its subcontracts under this contract.

**18. Modifications.** This contract may only be modified by a change purchase order agreed to by both ECS and the Contractor. Should a court determine any provision of the contract is invalid, the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the provision held to be invalid.

**19. On-time delivery.** Time is of the essence of this contract, and if delivery of goods is not completed by the time promised, ECS reserves the right, without liability and in addition to other rights and remedies, to terminate this contract by notice effective when received by Contractor as to goods not yet shipped. If ECS terminates the contract for this reason, ECS reserves the option to purchase substitute items from an alternate supplier.

**20. Shipping.** The following shipping provisions shall apply to all POs unless otherwise indicated in the contract documents. All purchases are F.O.B. destination, transportation charges prepaid. Each shipment must be shipped to the address indicated on the face of the contract and marked to the attention of the individual identified, if any. Each shipment must be labeled plainly with the contract number. A complete packing list must accompany each shipment. This shall also apply to any third party who ships items on behalf of a Contractor. No extra charges shall be applied for boxing, crating, packing, or insurance. The following delivery schedule shall apply: 9:00 AM – 4:00 PM eastern time, Monday through Friday, excluding legal holidays. ECS assumes no liability for merchandise shipped to other than the specified destination. Items received in excess of quantities specified may, at Agency's option, be returned at the Contractor's expense. Substitutions are not permitted.

**21. Minority Businesses.** ECS is an equal opportunity institution and encourages the use of Certified Minority Businesses (CMBE) and Small Businesses / Small Disadvantaged Businesses in the provision of all goods and services. CMBEs will have a fair and equal opportunity to compete for dollars spent by ECS. CMBE-related information shall be sent to the ECS Procurement Manager, 8443 Baymeadows Rd., Jacksonville, FL 32256.

**22. Toxic Substances.** If this contract involves the shipping of any item designated as a toxic substance, such shipment must be accompanied by a Material Safety Data Sheet (MSDS).

**23. Conflict of Interest.** The contractor certifies the Company's Directors and/or Principal Officers are not employed and/or affiliated with ECS, unless a current *Report of Specified Interest Form* has been approved.

**24. Specifications.** All goods and services must conform to specifications furnished by Contractor and approved by ECS or furnished by ECS. Contractor warrants that all goods have been tested for their safety and will be of merchantable quality and in compliance with federal, state and local health/safety laws, rules and regulations applicable to such goods. Contractor warrants that all goods will be of good material and workmanship and free from defect.

**25. Pricing.** This contract will not be filled at prices higher than specified on this document. Contractor agrees that any price decrease in effect at time of shipment will apply to this contract. Contractor warrants that the prices for the goods sold to ECS hereunder are not less favorable than those extended to any other customer for the same or similar goods during the term of this contract. If the Contractor reduces its prices for such goods during the term of this contract, the contractor agrees to reduce the prices hereof correspondingly. Contractor warrants that prices shown on this contract shall be complete, and no additional charges of any type shall be added without ECS's express written consent. Such additional charges include, but are not limited to, shipping, packaging, labeling, custom duties, taxes, storage, insurance, boxing and crating. Any cash discount periods will be calculated from receipt of invoice or receipt of acceptable goods, whichever occurs later, and not from the date of invoice. On invoices returned for correction, the cash discount period will be calculated from receipt of the corrected invoice.

**26. Changes.** ECS shall have the right at any time to make changes in drawings, designs, specifications, materials, packaging,

time and place of delivery and method of transportation. If any changes cause an increase or decrease in the cost or the time required for performance of this contract, an equitable adjustment shall be made, and this contract shall be modified in writing accordingly. Contractor agrees to accept any such changes subject to this paragraph.

**27. Force Majeure.** Neither party shall be liable to the other for the consequences of any force majeure providing. However, if Contractor at any time becomes unable duly and timely to perform this contract for a period of 10 days or more, ECS shall be entitled to terminate this contract for cause.

**28. Entire Agreement.** This contract, and any documents referred to on the face hereof, constitute the entire agreement of the parties.

**29. Background Checks.** ECS may require the Contractor and its employees, agents, representative and subcontractors to provide fingerprints and be subject to such background checks as directed by ECS. The cost of the background check(s) shall be borne by the Contractor. ECS may require the Contractor to exclude selected Contractor's employees, agents, representatives or subcontractors based on the background check results.

**30. Data Breach.** The Contractor shall immediately notify ECS's Procurement Manager in writing of any Security Incident, Breach or Breach of Security in which personal and/or confidential information of ECS and/or its employees has been obtained by unauthorized sources. Contractor's notification shall be made in writing to ECS within 24 hours of the Contractor learning of the security incident or breach. Contractor's notification shall identify: a) the nature of the unauthorized use or disclosure; b) the confidential information used or disclosed; c) who made the unauthorized use or received the unauthorized disclosure; d) what Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; e) and what corrective action Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. Contractor shall provide such other information, including a full written report, as reasonably requested by ECS. If ECS, at its sole discretion, determines that the Contractor has failed to comply with any confidentiality provision of this contract, or determines that prompt and satisfactory corrective action has not occurred, ECS has the unilateral right to suspend the contract until it is satisfied that corrective action has been taken or ECS may terminate the contract. If the contract is terminated, Contractor must immediately surrender to the ECS all confidential information and copies thereof obtained under the Contract and any other information relevant to the Contract. The Contractor understands and agrees that all reasonable fees and costs necessary for ECS to remedy any breach of confidentiality due to the conduct of the Contractor, its employees, subcontractors, agents, or affiliates, or any individual within the control of the Contractor, shall be the responsibility of the Contractor. The Contractor shall cooperate in the defense and settlement of such claims. The obligations of this section shall survive the expiration or termination of the contract.

**31. Confidentiality.** The Contractor understands and agrees to safeguard the confidentiality of the information which is the subject of this contract. All information included in the contract is deemed by ACH to be confidential, without exclusion. If unauthorized disclosure of the information occurs, or the confidentiality of the information are compromised in any way, the Contractor may be subject to both criminal and civil penalties. The Contractor shall not disclose public records that are exempt or confidential/exempt from public records disclosure requirements except as authorized by federal and state laws. The Contractor, its employees, subcontractors, agents, or any other individuals to whom the Contractor exposes confidential information obtained under the contract shall not store, or allow to be stored, any confidential information on any portable storage media or peripheral device with the capacity to hold information without encryption software installed. Failure to strictly comply with this provision shall constitute a breach of the contract. Upon termination of the contract for any reason, Contractor agrees to either return to the ECS or, if return is not feasible, to destroy all confidential information in whatever form or medium the Contractor received from or created on behalf of ECS to include without limitation all backup tapes. This provision shall also apply to all confidential information in the possession of subcontractors or agents of the Contractor. In such case, Contractor shall retain no copies of such information, including any compilations derived from and allowing identification of confidential information. Contractor shall complete such return or destruction as promptly as possible, but not more than forty-five calendar days after the effective date of the conclusion of the contract. Within the forty-five days, Contractor shall certify on oath in writing to the ECS that such return or destruction has been completed. If Contractor believes that the return or destruction of confidential information is not feasible, Contractor shall provide in writing within forty-five (45) days, the conditions that make return or destruction infeasible. Upon mutual agreement of the Parties that the return or destruction is not feasible, Contractor shall continue the protections provided for in this contract as long as Contractor maintains the confidential information.

**32. Document Review.** The Contractor and any subcontractor used to provide the scoped goods/services will comply with their duty to cooperate in good faith with any reasonable requests from ECS or State officials to discuss, review, inspect or audit Contractor performance and compliance under this contract. Upon request, the Contractor shall grant access to all records pertaining to the contract to ECS, OEL, OEL's Inspector General, OEL's General Counsel, the Office of Program Policy and Government Accountability, and Florida's Chief Financial Officer. The Contractor shall provide any type of information deemed relevant to the Contractor's integrity or responsibility. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate to the contract. The Contractor shall retain such records for five (5) years after the expiration date of the contract. The Contractor agrees to reimburse the State for the reasonable costs of investigation incurred by the Inspector General or other authorized State official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and which result in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to, salaries of investigators, including overtime, travel and lodging expenses, and expert witness and documentary fees. The vendor acknowledges that expenditures by ECS in payment of dues or membership contributions as they pertain to the public agency from which or on whose behalf the payments are made, shall be public records pursuant to s. 119.01(3) F.S. If public funds are expended by ECS in payment of dues or membership contributions for any person, corporation, foundation, trust, association, group, or other organization, all the financial, business, and membership records of that person, corporation, foundation, trust, association, group, or other organization which pertain to the public agency are

public records and subject to the provisions of s. [119.07](#).

**33. Taxes.** Contractor is aware of and currently complies with requirements for full and timely payment of any federal taxes.

**34. Child Abuse.** Any employee of the Contractor shall immediately report any knowledge or suspicion that a child is abused, abandoned, or neglected by any person responsible for that child's welfare. Contact the Florida Abuse Hotline (1-800-96ABUSE).

**35. Security.** The Contractor must employ adequate security measures to protect ECS's information, applications, data, resources, and services.

**36. Fraud.** The Contractor shall report to ECS's Procurement Manager within twenty-four chronological hours, all suspected or Known instances of Contractor's operational fraud or criminal activities relating to the contract.

**37. U.S. Based Work Product.** The Contractor and its subcontractors and agents are prohibited from performing any of the contract services outside the United States, or sending, transmitting or accessing any School Readiness Program or Voluntary Prekindergarten Education Program or other program-related data pursuant to this contract outside of the United States unless approved by ECS in writing. The Parties agree that a violation of this provision will: a) Entitle ECS to immediately terminate the contract for cause upon email notice to the Contractor; b) Result in immediate and irreparable harm to ECS, entitling ECS to immediate injunctive relief. Entitle ECS to recover damages for the breach. These damages will include all reasonable costs incurred by the ECS for investigations, forensic investigations, data recoveries, notifications and remediation.

**38. Contractor Legal Issues.** The Contractor shall notify ECS of legal actions taken against it or potential actions, such as lawsuits, related to goods/services provided through this contract that may affect the Contractor's ability to deliver the contractual goods/services, or adversely impact ECS.

**39. Recycle.** The Contractor is required (to the maximum extent possible) to procure products or materials with recycled content when the FL Department of Management Services determines such products/materials are available.

**40. Media.** ECS does not endorse any Contractor, commodity or service. The Contractor shall not provide any information to any media representative or any other external party regarding the contract or any services delivered under the contract without prior written approval from the ECS. The Contractor shall also notify ECS of any inquiries received from any media outlet or representative. The notice shall be made to the ECS Procurement Manager within 1 hour by phone (904-674-6248) and in writing within 24 hours (8443 Baymeadows Rd, Ste 1, Jacksonville, FL 32256. The Contractor shall not use ECS's logo without the written approval of ECS. A sponsorship statement is required when issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with federal money. The Contractor is prohibited from using contract information, sales values, sales volumes, the names of ECS's stakeholders or customers within sales brochures or other promotions, including press releases, unless prior written approval is obtained from the ECS.

**41. Legal Revisions.** The Parties agree to negotiate changes to the contract if Federal or State revisions of any applicable laws or regulations make changes in the contract necessary.

**42. Subpoena.** The Contractor shall notify ECS if any data related to the contract is subpoenaed or used, copied or removed from the Contractor's possession by any individual not authorized by ECS to use, copy or remove such data. The Contractor shall provide notice to ECS verbally within twenty-four chronological hours and in writing within seventy-two chronological hours. The Contractor shall cooperate with ECS in taking all steps which ECS deems advisable to prevent misuse, regain possession of, and/or otherwise protect ECS's and the data subject's privacy.

**43. Travel.** Travel expenses are reimbursed only if expressly authorized by the terms of the contract. Only travel performed in connection with approved contract activities are eligible for reimbursement. ECS requires travel reimbursements be submitted within thirty calendar days of the travel event.

**44. Unauthorized Aliens.** The Contractor agrees that unauthorized aliens shall not be employed by the contractor. ECS shall consider the employment of unauthorized aliens a violation of the Immigration and Nationality Act. Such violation shall be cause for unilateral cancellation of the contract by ECS.

**45. Delays.** The delay or failure by the ECS to exercise or enforce any of its rights under the contract shall not constitute waiver of such rights.

**46. Whistleblower.** The Contractor and its subcontractors shall not retaliate against an employee for reporting violations of law, rule or regulation that creates and presents a substantial and specific danger to the public's health, safety, or welfare. Furthermore, agencies or independent contractors shall not retaliate against any person who discloses information to an appropriate agency alleging improper use of governmental office, gross waste of funds, or any other abuse or gross neglect of duty on the part of any agency, public officer or employee. The Contractor and any subcontractor(s) shall inform its employees that they and other persons may file a complaint with the Office of Chief Inspector General, the Office of Early Learning's Inspector General, the Florida Commission on Human Relations or the Whistleblower's Hotline number at 1-800-543-5353.

**47. Additional Regulation.** Where applicable to this contract, all Contractors will abide by, and be in compliance with, the following federal and/or state statutes and regulations:

- A. Department of Commerce at 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements."
- B. Federal Food Drug and Cosmetic Act including the Food Additives Amendment of 1958.
- C. Federal Insecticide, Fungicide, and Rodenticide Act.
- D. Electronic and Information Technology Accessibility standards provided in [Rule 60-8.002](#), F.A.C.; 282.603, F.S.; and 2 CFR 200.335, *Methods for collection, transmission and storage of information*.
- E. Byrd Anti-Lobbying Amendment 31 U.S.C. 1352, as amended by the Lobbying Disclosure Act of 1995.
- F. Certification of Minority Business Enterprises, Florida Statute 287.0943
- G. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387)
- H. Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708)
- I. Copeland Anti-Kickback Act (18 U.S.C. 874 and 40 U.S.C. 276c)

- J. Davis-Bacon Act (40 U.S.C. 276a, et. seq.), as supplemented by USDOL regulations (29 CFR Part5)
- K. Drug-Free Workplace compliant with 41 USC 81.
- L. Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor. 41 CFR Part60.
- M. In accordance with Executive contract 11-116, the Contractor agrees to utilize the U.S. Agency of Homeland Security's E-Verify system.
- N. "Buy American Act" (P.L. 103-333, the USDOL, USDHHS, USDOE and Related Agencies Appropriations Act of 1995, section 507).
- O. Title XX of Public Law 103-227, the Pro-Kids Act of 1994 (as amended by the Pro Children Act of 2001, 42 U.S.C. 60.
- P. Florida Statute 287.135: Prohibition Against Contracting with Scrutinized Companies.



## SRAD01 Information Technology Policy

### SUMMARY

This manual includes practices, policies and procedures approved by Episcopal Children’s Services. Standards, policies and procedures contained in this document supersede any and all previous ECS IT Policies and Procedures Manual versions. Policies, rules, and procedures contained herein should be followed in a manner consistent with federal and State of Florida statutes and regulations. This policy implements Office’s Information Systems Security Program, establishing responsibilities and operating policies ensuring an adequate level of information security for all information collected, created, processed, transmitted, stored or disseminated on Office information systems. All Office employees, contract employees, vendors and others who do official business with Office are expected to comply with the provisions of this policy.

### REFERENCES:

- A. Chapter 282, Florida Statutes; Communications and Data Processing.
- B. Chapter 501.171, Florida Statutes, “Security of Confidential Personal Information”
- C.B. Section 815, Florida Statutes
- D.G. Rule 71A-1, Florida Administrative Code
- E.D. OEL Program Guidance 101.02, Records Confidentiality
- F.E. OEL Program Guidance 300.01 OEL IT Policy Manual

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### Definitions:

**Breach of Security** - unauthorized access of data containing personal information. Good faith access of personal information by an employee or agent of the ELC does not constitute a breach of security, provided that the information is not used for a purpose unrelated to the contract or subject to further unauthorized use.

**Confidential:** As used in this guidance, the term “confidential” refers to entire record systems, specific records or individually identifiable data that by law are not subject to public disclosure under Article I, Section 24 of the Florida Constitution and Chapter 119, Florida Statutes (F.S.) When applicable, confidentiality covers all documents, papers, computer files, letters and all other notations of records or data that are designed by law

as confidential. Further, the term confidential also covers the verbal conveyance of data or information that is confidential.

These confidential records may include but not be limited to, social security numbers, parent and child information, payments, childcare providers, household demographics and resource and referrals, which are private and confidential and may not be disclosed to others.

**Personally Identifiable Information (PII):** PII means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. Some information that is considered to be PII is available in public sources such as telephone books, Web sites, and university listings. This type of information is considered Public PII and includes for example, first and last name, address, work telephone number, and general educational credentials.

The definition of PII is not anchored to any single category of information of technology. Rather, **it requires a case-by-case assessment** of the specific risk that an individual can be identified. Non-PII can become PII whenever additional information is made publicly available, in any medium and from any source, that, when combined with other available information, could be used to identify an individual. [2 CFR Part 200.79]

**Protected Personally Identifiable Information (Protected PII or PPII):** Protected PII means an individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal medical and financial record and education transcripts. This definition does not include PII that is required by law to be disclosed.

**Security Incident** - Any activity that is a threat to the availability, integrity, or confidentiality of the Office's information resources, or any action that is in violation of this policy or it's implementing administrative orders.

To ensure client confidentiality, accurate financial records and the integrity of our data, all ECS staff will adhere to the following policy:

### Confidentiality / Non-disclosure

#### CCRR Staff

All CCRR staff will sign and date confidentiality – non-disclosure statement (aka Data Access FPSR-IM-LD03-04 and the Security Agreement Form or other form approved by OEL) at the beginning of their employment or within 7 days of the first day an employee has access to confidential and/or data systems and annually after that. This is also a requirement set forth by the ELC Grant Agreement - Records Confidentiality Compliance.

#### All other staff

All non-ccrr staff will sign and date an ECS confidentiality – non-disclosure statement at the beginning of their employment or within 7 days of the first day an employee has access to confidential and/or data systems and annually after that when signing the annual employee handbook.

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1. No staff shall disclose their username, password or other information needed to access the Systems to any party including supervisors, and I.T Staff, nor shall they give any other individual access to this information.

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2. If any staff member should become aware that any other individual, other than an authorized employee, may have obtained or has obtained access to their username, password or other information need to access the Systems, they shall immediately notify their supervisor and the IT Management team at it.reporting@ecs4kids.org

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3. CCRR staff shall not share with anyone any other information regarding access to the Systems unless they are specifically authorized by the Coalition and or Florida’s Office of Early Learning. Additionally, all staff shall not disclose access or information regarding company systems without the written approval of ECS.

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4. Staff shall not access or request access to any social security numbers or other confidential information unless such access is necessary for the performance of their official duties. Unauthorized attempts may result in disciplinary actions up to and including termination.

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5. Staff shall not disclose any individual record data to any parties who are not authorized to receive such data, except in the form of reports containing only aggregate statistical information compiled in such a manner that it cannot be used to identify the individual(s) involved and only with the consent of a department manager and/or director.

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6. Staff shall retain the confidential data only for that period of time necessary to perform their duties. Thereafter, ECS staff shall either arrange for the retention of such information consistent with both the Federal and State record retention requirements or delete or destroy such data.
7. Before a staff person requests personally identifiable information (PII) from a client, they must state that all information provided will remain confidential.
8. Staff shall either been trained in the proper use and handling of confidential data or have received written standards and instructions in the handling of confidential data from ECS, the Coalition and/or the Office of Early Learning before being responsible for the handling of such information. ECS will comply with all the confidential safeguards contained in such training, written standards, or instructions, including but not limited to, the following: a) protecting the confidentiality of their username and password; b) securing computer equipment, disk, and offices in which confidential data may be kept; and c) following procedures for the timely destruction or deletion of confidential data.
9. Violation any of the confidentiality provisions set forth in the written standards, training, and/or instructions, their user privileges will be immediately suspended or terminated. Additionally, applicable state law may provide that any individual who discloses confidential information in violation of any provision of that section may be subject to a fine and/or period of imprisonment and dismissal from employment. All staff will be instructed that if they violate the provisions of the law, they may receive one or more of these penalties. If any staff suspects a security incident may have occurred, they shall immediately notify their supervisor and/or the System Administrator/Security officer, documenting all relevant information, and must fully cooperate and assist with resolution of the incident as requested.
10. Staff will not use non-secure fax or non-secure e-mail to send to others confidential information, including a parent or child's full name, social security number or address.
11. Staff must encrypt emails or documents, that contain confidential information as outlined in Electronic Transmission Section before sending to others.

12. No confidential data should ever be discussed over a mobile phone because of the ease of intercepting such communications.
13. ECS's IT department will maintain audit trails to provide accountability for all accesses to confidential and exempt information and software.
14. ECS's IT department will maintain audit trails for all changes to automated security or access such as removal of access privileges, computer accounts and authentication tokens.
15. ECS staff are required to return any office information resources including property and data once it is no longer required for the performance of their job duties or upon termination of employment.
16. If staff should have any questions concerning the handling or disclosure of confidential information, they should immediately ask their supervisor and be guided by his/her response.

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#### Protocol for End of Employment:

When an employee leaves employment at ECS the following steps will be taken to maintain information technology and physical security and to ensure that all employee records are maintained in a timely manner.

1. Whenever possible the employee will meet with a representative from Human Resources at the end of employment with ECS for an exit interview. At this interview the Human Resources representative will collect ECS property in the employee's possession including keys to buildings and filing cabinets where appropriate.
2. If it is not possible for the employee to meet with Human Resources, the employee will meet with their supervisor and the property will be collected by the supervisor.
3. The supervisor will then immediately call Human Resources to let them know that the meeting has taken place.
4. The employee will complete and sign the Employee Separation Checklist attesting to that all equipment and access has been surrendered to ECS.
5. Upon receiving notice of the termination of employment or at the conclusion of the exit interview, Human Resources will send an e-mail to the internal ECS e-mail group called, "Staffing Updates" to inform them that the employee is no longer with ECS. The group "Staffing Updates" includes members of Information Technology, Administrative Staff, Payroll and the Human Resources Department.
6. The Information Technology Department will remove the former employee's access to all servers upon receipt of the e-mail.
7. The Administrative Staff assigned to this task will disable the employee's security code that allows entrance into the ECS Headquarters.

- In any cases of unfriendly terminations, the supervisor or a representative from HR will accompany the employee to their work area and observe them while the employee gathers their personal belongings. The supervisor or HR staff will then escort the employee out of the building.

Data Integrity – CCRR Staff

- ECS has developed a quality assurance tool comprehensively assesses the performance level of each Family Services Specialist. Each month files assigned to each Family Service Specialist are monitored and information contained in the ~~physical~~ file is ~~compared to the information entered into our data base~~ reviewed.
- This identifies areas where additional training may be required including use of EFS Mod. The Family Services Coordinator is then responsible for providing one on one training as needed to ensure that families and providers receive quality services.
- Reimbursement files are monitored on a regular basis with the Director Provider Services ~~Manager~~ reviewing and addressing the findings. Staff trainings are based on these findings.
- Additionally, topics related to IT security and the proper usage of EFS, ~~SPE/UWLEFS Mod~~ are often discussed in our monthly staff meetings.

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Data Integrity – All Staff

- ECS requires staff to take an IT Department assigned quarterly training for topics relevant to IT Security, Data Handling, and Social Engineering. Teaching staff are provided training videos with similar information quarterly within individual center meetings.
- Each department has identified a staff member to be their system administrator in order to ensure staff have access only to the files and documents relevant to the completion of their duties.
- ECS information technology management staff attend selective department meetings to cover areas of training, concern, or improvement.

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Reporting Breaches in Security or Security Incidents:

For areas involving CCRR records:

In the event of a breach of security involving School Readiness or VPK records, the ELC of North Florida will be informed immediately upon discovery of the breach and the ELC of North Florida will inform OEL of the breach within 24 hours of its discovery. When reporting the following items must be included:

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- The nature of the unauthorized use or disclosure.
- The confidential information used or disclosed.

3. Who made the unauthorized use or received the unauthorized disclosure.
4. What the ECS has done or shall do to mitigate any harmful impact of the unauthorized use or disclosure.
5. What corrective action ECS has taken or shall take to prevent similar future unauthorized use or disclosure incidents.

**For all others:**

In the event of a breach of security not involving School Readiness or VPK records, staff shall immediately do the following:

1. Notify their supervisor, department director, and IT at [it.reporting@ecs4kids.org](mailto:it.reporting@ecs4kids.org). The notice should include the following:
  - a. All Information regarding the breach.
  - b. Actions taken prior to and after the breach
  - c. Any other relevant information.
2. Unplug or disconnect their device from the network. If they are unable to unplug from the network, turn all their devices off and do not access any company resources or accounts until the Information Technology department has approved the user.

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**Communications Use Policy:**

This policy addresses all facets of communications. It is intended to protect the property of Episcopal Children’s Services, Inc., which includes, but is not limited to, hardware, software, and data/information. Every piece of communication hardware has an intended user(s), and no person should operate any communication tool not intended for his or her use. All forms of communication are the sole property of Episcopal Children’s Services, Inc., as work product, and are not to be thought of as private or confidential. Episcopal Children’s Services, Inc. reserves the right to monitor all forms of communication for the Agency. For clarification of any portion of this policy, please contact the Network Administrator or Human Resources Department.

**Agency Telephones:**

Episcopal Children’s Services, Inc. telephone lines and voice mail are installed for the purpose of conducting business. To keep the lines as free as possible, restrict personal calls to an absolute minimum. Friends and family should not call the Episcopal Children’s Services, Inc. office unless absolutely necessary. Employees may direct dial on personal long-distance telephone calls only if a personal calling credit card is used. No call received by, or made from, an Agency phone is considered private or confidential and Episcopal Children’s Services, Inc. reserves the right to monitor all facets of telephone activity including voicemail.

**Agency Cellular Phones:**

Episcopal Children's Services, Inc. may provide cellular phones to certain employees for the purposes of business use. Calls, texts, and emails made from or received by any employees' phone are not to exceed the necessary time to conduct business. Friends and family of the employee should only call or text the Agency cellular phone in an emergency. If a phone/accessory is lost or stolen, it must be reported immediately to it.reporting@ecs4kids.org whom report it to the provider. The use of any cellular phone by any person other than the intended user is strictly prohibited. It is the responsibility of each user to understand and be informed of the rate plan and monitor minutes used. Cellular bills will be monitored on a regular basis and users will be notified of changes made. Charges incurred through non-work related ECS cellular phone usage may be the responsibility of the employee.

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No call, text, email, notification, or any other data received by, or made from, an ECS cellular phone is considered private or confidential and Episcopal Children's Services, Inc. reserves the right to monitor all facets of ECS cellular phone activity including voicemail.

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#### Agency Computer Use:

Episcopal Children's Services, Inc. provides computers to certain employees for business use. No computer activity is considered private or confidential and Episcopal Children's Services, Inc. reserves the right to monitor all facets of computer activity. Employees should be aware of the following:

- a) Each computer has designated users. Only designated users may sign onto their specific workstation in the Agency. Only the IT department may authorize staff to access other users' devices. Request must be made in a helpdesk ticket with an explanation
- b) Monitors are to be positioned away from public view. If necessary install privacy screen filters or other physical barriers to public viewing.
- c) The deletion of any file, e-mail, folder, or data from the Network is strictly prohibited without the approval of Episcopal Children's Services, Inc. and or the Network Administrator.
- d) No user shall, under any circumstance, attempt to disassemble or repair any piece of hardware owned by Episcopal Children's Services, Inc. Nor should any user shall attempt to have someone attempt to fix the device without the approval of the ECS IT department. All suspected hardware issues should be reported immediately by submitting a helpdesk ticket.
- e) No user shall, under any circumstance, install, uninstall or download any program(s) to the computer assigned to them. All issues regarding software should be reported immediately to the helpdesk using a ticket.

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- f) No user shall, under any circumstance, use any cloud services, web browser extensions, third party services for company data or company use without the written permission of Senior Information Technology staff. Requests for services should be submitted by using the helpdesk system.
- g) Speakers and other audio equipment used during business hours are intended for personal use only. Any music, sound, etc. should be kept at a reasonable level acceptable to surrounding coworkers. Music may be played from CD, or streamed from the internet if using legitimate websites. Music must be work appropriate and not contain any demeaning, vulgar, racist, or violent language. ECS reserves the right to restrict or limit access to music websites at any time.
- h) Only authorized passwords are permitted. The use of automatic logon at any workstation is strictly prohibited.
- i) Passwords used for accessing the ECS network must contain at least eight characters and must contain a combination of letters, numbers, and special characters.
- j) Passwords used for accessing the ECS network will be updated every 60 days.
- k) Passwords cannot be changed back to previously used passwords until 6 changes later.
- l) Friends, family and coworkers are strictly prohibited from using any computer not designated for their use. Consequences for neglect of the above policy will fall solely on the user of the workstation in question.
- m) Passwords shall not be stored in written form (e.g. sticky notes) except if secured in locked area approved by the department director and/or IT management staff.
- n) Passwords should not:
- Be a dictionary word in any language
  - Contain any proper noun or the name of any person, pet, child, or fictional character.
  - Contain any associate serial number, Social Security Number, birth date, telephone number, or any information that could be readily guessed by the creator of the password.
  - Contain any simple pattern of letters or numbers, such as "xyz123".
  - Share more than three (3) sequential characters in common with a previous password (i.e., do not simply increment the number on the same password, such as fido1, fido2, etc.)
  - Be set as a null string or blank password.
  - Be too difficult to remember and must be able to be typed quickly.
- o) Episcopal Children's Services reserves the right to assert and retains ownership rights to any works created, developed, or originating

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from company devices, assets, and/or technology regardless of timing and location at any time unless the use of grant funds gives these rights to the funder.

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Agency E-mail:

Episcopal Children's Services, Inc. provides an e-mail system for employees' business use and encourages the use of electronic information as an essential business tool for efficient communication. However, anything written or sent by an employee may be obtained under subpoena and used in a court of law against the organization, our clients/partners or the employee. Therefore, employees are responsible for the appropriate business use of the e-mail system and, as such, this policy should be read in conjunction with other policies including, but not limited to, those regarding confidentiality, non-solicitation and harassment. Employees should be aware of the following:

- a) The Agency's e-mail system is the sole property of Episcopal Children's Services, Inc. and is provided solely for business use.
- b) Episcopal Children's Services, Inc. has the right to review e-mail messages at its sole discretion. Therefore, e-mail messages are not to be considered private, despite any contrary designation either by the sender or the recipient. Employees should have no expectation of privacy in their e-mail messages.
- c) In order to review or gain access to another staff members emails, the requestor must obtain permission from the CEO and submit a helpdesk ticket after receiving permission from the CEO. All requests will be verified with the CEO prior to processing the request by the IT department.
- d) The use of the e-mail's delete function does not completely destroy the targeted e-mail message and such message may be stored in the system and retrievable at a later date by the Agency.
- e) Employees are not permitted under any circumstance to share network passwords, provide e-mail access to any unauthorized persons, or gain access to another employee's e-mail without authorization.
- f) Harassing, discriminatory, offensive, hostile, suggestive, defamatory or otherwise inappropriate language or content is strictly prohibited.
- g) Employees are specifically warned that attachments to e-mail messages, such as pictures and other graphics files are also subject to this e-mail policy.
- h) All e-mails are subject to screening through anti-virus protection software and users are prohibited from changing the settings of their individual workstations' anti-virus program(s). Spam, chain mail, and junk mail shall be deleted without forwarding.
- i) The inclusion of any graphic, background image, etc. to any e-mail message intended to be aesthetically pleasing is strictly prohibited for

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bandwidth and storage reasons. Company branding, and design should be adhered to ensure consistent messaging and look.

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- j) The community distribution lists titled 'ECS Everyone' and 'Central Staff' – as well as any others added after the creation of this policy – are intended only for business e-mails and only concerning the majority of members contained in said distribution lists. Staff are strongly discouraged from replying all to groups emails unless necessary.

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Please submit a helpdesk ticket for further details or a list of members.

- k) The forwarding of e-mails is intended as a business information tool. Forwarding unsolicited or personal e-mails is strictly prohibited. Staff are prohibited from forwarding all of their emails to a personal account or creating rules to forward emails to outside systems.

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- l) E-mail use is intended only for the user(s) of the machine accessing the network. Consequences for friends, family and co-workers accessing e-mail against the above policy will fall solely on the user of the workstation.
- m) The deletion of any file, e-mail, folder, or data from the Network is strictly prohibited without the approval of Episcopal Children's Services, Inc. and the Network Administrator.

#### Electronic Transmission

ECS must safeguard private and confidential data such as names, addresses, social security numbers, and employer numbers. Unencrypted transfer of private and confidential by email or mobile devices is prohibited. It is strongly encouraged to transfer documents via ECS's internal or Office of Early Learning SharePoint site. Secure transfer of documentation with community partners and agencies is mandatory.

Examples of secure transfer of confidential data are limited to the following:

1. Encryption of a file with an encryption program
2. Encryption of electronic mail (Email) utilizing encryption procedures
3. Fax to secure machines in a secure location
4. Agency use of a Security Firewall
5. Use abbreviated name ie: An%Smi% (not full names or social security numbers).

#### Agency Internet Use:

Episcopal Children's Services, Inc. provides Internet access to certain employees. Only employees provided with Internet access may browse the Internet on Agency computers. Internet communications are subject to the same requirements and restrictions that apply to e-mail messages as set forth in the organizations e-mail policy. Employees using Internet access should be aware of the following:

- a) Episcopal Children's Services, Inc. reserves the right to monitor Internet usage at its sole discretion. Therefore, Internet usage is not to be considered private, despite any contrary designation.
- b) Internet access should be utilized for business purposes only.
- c) Employees may not establish internal or external connections that could allow unauthorized persons to gain access to the Episcopal Children's Services, Inc. computer systems.
- d) No files may be posted to the Internet without proper authorization. The posting of information that does not reflect the standards and policies of the Agency is strictly prohibited. Accessing, downloading, storing or forwarding pornography or other offensive material will subject the user to discipline up to, and including, termination. Confidential or proprietary information may only be posted to the Internet with the approval of Episcopal Children's Services, Inc. and the Network Administrator. The posting of material that is subject to copyright protection may be posted only with permission of the copyright holder.
- e) No files may be downloaded unless specifically approved in advance by Episcopal Children's Services, Inc. and the Network Administrator.
- f) No software may be installed, uninstalled or downloaded from Episcopal Children's Services, Inc. computers without permission from the Network Administrator.
- g) No user shall, under any circumstance, use any cloud services, web browser extensions, third party services for company data or company use without the written permission of Senior Information Technology staff. Requests for services should be submitted by using the helpdesk system.
- h) Websites and Internet services such as Media streaming, file sharing and instant messaging are prohibited to reserve bandwidth space for business use. Videos streaming services may be utilized if strictly business related. File Sharing services may be utilized only if authorized by the IT Director.
- i) Internet use is intended only for the user(s) of the machine accessing the Internet. Consequences for friends, family and co-workers accessing the Internet against the above policy will fall solely on the user of the workstation.
- j) Unacceptable use of the Internet by employees includes, but is not limited to:
  - a. Sending or posting comments about coworkers or supervisors or the employer that are vulgar, obscene, threatening, intimidating, harassing, or a violation of the employer's workplace policies against discrimination, harassment, or hostility on account of age, race, religion, sex, ethnicity, nationality, disability, or other protected class, status, or characteristics.

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- b. Passing off personal views as representing those of the organization.

#### Levels of Access in EFS Mod CCRR Staff

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Only staff members who have signed the confidentiality / non-disclosure statements will be given access to EFS ~~or the UWL/SPE Mod or other~~ databases containing confidential information. Levels of access will be limited to those essential for the performance of job duties. Levels of access will be revised or terminated as needed, such as when an employee is terminated or access needs change due to a change in job duties. Only the program administrator will have access to all EFS Mod functions. No other staff person will have the ability to both process provider payments and create or update eligibility files.

#### Security Training & Awareness

New hire orientation & the employee handbook will address all security measures appropriate to the job. Additionally, training will continue on an ongoing basis as needed, through staff meetings, memos, and other means appropriate. Based on OEL Protocol 5.02.III.C.4, training will specifically include the following:

1. Training during Orientation on ECS IT policy
2. Acceptable use of IT resources and procedures:
3. E-mail use
4. Workstation security
5. EFS – ELC/ECS procedures
6. Quarterly IT assigned courses related to it security, social engineering, and data security.

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#### Access Control

Access to information resources shall be limited to those that need them to perform their job duties. Any ECS password chosen by staff to be used to access the ECS network must be different from all other passwords that staff may use for any other purpose. Based on OEL Protocol 5.02.III.C.11, Access Control specifically includes the following:

1. Network access has been restricted based on a need to know basis and user logons.
2. A user's ability to access resources above and beyond their job capacity is restricted.
3. Accounts are only maintained for eligible employees.
4. 15 minute inactivity timeouts are implemented.

#### Employee Issue Reporting - Helpdesk

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ECS maintains a helpdesk website for staff to report any problems or issues with equipment or company assets. Employees are required to submit tickets as issues arise except in cases of emergencies.

For emergencies staff shall email their supervisor and [it.reporting@ecs4kids.org](mailto:it.reporting@ecs4kids.org). Please exercise discretion when classifying problems as emergencies.

For non-emergencies staff should do the following:

1. Browse to the helpdesk website at <https://helpdesk.ecs4kids.org>
2. Click submit ticket and choose the relevant category
3. Fill out the relevant fields and submit your ticket
4. You will be contacted by the relevant group to resolve your ticket

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### Monitoring Adequacy of System Hardware, Performance and Capacity Related Issues.

ECS will monitor the adequacy of system hardware, performance and capacity related issues by:

1. Use of ECS Help Desk for all staff to report any hardware, performance and capacity issues to the IT department. The relevant department will respond and resolve any issues reported to them based on the seriousness of the issue. Most issues will be resolved within one week and many will be resolved that same day.
2. Staff are required to report to their supervisor immediately should they note any damage to equipment. The supervisor will immediately report the damage to the IT department via the Help Desk.
3. The Use of an asset monitoring software which monitors networked devices for issues pertaining to limited ram, storage space, software installations, printer issues (i.e low toner, paper jams) and then notifies IT staff of any potential issues for these devices via email.

### Physical Safeguards of Confidential Information Resources

ECS complies with the [OEL IT Security Policy 5.05.01.17](#), Physical and Environmental Security. The following are precautions that ECS currently has in place to ensure the physical protection of confidential information resources.

- The network server room is automatically locked at all times unless an IT staff person is physically in the server room. The IT staff is charged with possession of the key fob to the server room.
- Smoke detectors are in the server room and throughout the building.
- The server room's temperature is monitored and should never exceed 68 72 degrees. Should the temperature exceed this temperature a warning alarm system is in place to notify the IT department.
- ECS possesses a back-up power supply that would be used to keep the servers running in the event of a power failure for a limited time.

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### **Identification & Authentication**

Access to information systems shall only be granted to identified & authenticated users. Based on OEL Protocol 5.02.III.C.12, Identification and Authentication specifically includes the following:

1. Individual user accounts are created for staff, temporary workers and any other authorized personal. File and folder access is granted based on the aforementioned OEL Protocols 5.02.III.C.11 and 12. Intruder lockout features are used.
2. Lockout features are set to mitigate brute-force based attacks.

### **Personnel Security**

Access to confidential or classified information is limited to only those persons who have had level II background screenings completed as deemed appropriate. Based on OEL Protocol 5.02.III.C.16, Personnel Security specifically includes the following:

1. All staff before employment will complete a drug test and background investigations.
2. Individual user accounts are created for staff, temporary workers and any other authorized personal.
3. A security agreement is completed for each individual login ID for access to EFS/ELC network.
4. A user's ability to access resources above and beyond their job capacity is restricted.
5. Staff upon employment receive ELC's Employee Handbook
6. An exit employment meeting is conducted with HR management to ensure all equipment is returned before their employment end date.
7. All user accounts are removed or inactivated from ECS network immediately upon ending employment.
8. If an employee is terminated unexpectedly then all equipment is collected and user accounts are removed or inactivated from EFS/ELC network immediately.
9. Staff upon employment and annually complete the Data Access FPSR-IM-LD03-04 and the Security Agreement Form.
10. Staff upon employment receives the Communication Use Policy.

### **Mobile Computing - Security**

Mobile devices including, but not limited to laptops, PDA's, smart phones, tablets and external hard drives/flash drives, shall not contain confidential data unless the device is fully encrypted and password protected to the standards of ECS's password policy. Any mobile data storage must be approved for use by the Network Administrator before storing any confidential data. If a personal phone or other wireless device which is used to access ECS email becomes stolen or lost, the IT Manager shall be notified immediately so that a remote wipe

may occur. Based on OEL Protocol 5.02.III.C.22, Mobile Computing specifically includes the following:

1. Mobile computing devices are strictly controlled by the ECS.
2. Such devices are limited in use and are only serving in the capacity of an access agent to the primary network.
3. In the event of the loss or theft of a laptop, no information would be present on the device.
4. In the event of a loss or theft of a user's mobile device, administration will perform a "remote wipe" of the device clearing it of any information and disabling its functionality.
5. ECS requires the installation of Microsoft Company Intune Portal on all devices seeking access to company resources. This app ensures ECS ability to protect and remove company data at any time to any synced device.

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### Mobile Computing - Administration

Inventory sheets will be maintained for all ECS mobile devices that identify the location and person in possession of mobile devices. If a device leaves the organization for repair or maintenance the log the location of the device will be tracked. See Employee Handbook and Communications Use Policy.

### Remote Access

Security controls are implemented to mitigate the increased risks posed by allowing remote access to the ECS Network. Security controls include user authentication through secure VPN connection, guarded by a firewall and Windows authentication, as well as user rights limitations for shared files and folders as deemed necessary per user. Anti-spyware and -virus software is used as protection from Trojans and other software that may attempt to steal information. Access log are reviewed twice a month to look for any brute force attacks on the VPN. The reviews are documented, along with the recording of any suspicious activity and subsequent investigations. Based on OEL Protocol 5.02.III.C25, Remote Access specifically includes the following:

1. Remote access is provided to a limited number of staff. This access is granted via a VPN connection to the Central office. Authentication and access is handled through the domain controller's Active Directory.
2. Access to the ECS internal network is also secured by SonicWALL NSA firewall at the perimeter of the network. This firewall performs multiple network and security functions including a deep packet inspection, IPSec, intrusion prevention and Web content filtering. The firewall is maintained and configured by expert security contractors at Huff Technologies.
3. The network is further protected from spam and viruses by third party filtering by security services enabled on our firewalls and endpoint security software. All suspected e-mail is quarantined and the user is notified of items in their quarantine daily at noon. These services provide comprehensive protection against a wide range of email threats using a

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combination of proven spam filters, leading anti-virus engines, fraud protection, content filtering, and email attack protection. If a message is deemed legitimate, the end user can release the e-mail from quarantine. Any attachments that are listed as suspect are removed.

4. In addition, the coalition is protected against email information loss and business disruption during planned or unplanned outages by access to a Web-based email console.

### **Database Security**

Information remains consistent, complete & accurate through the continual implementation of & compliance with all contract requirements, policies, and procedures set forth by OEL, ELCs, Head Start, and other grants.

Based on OEL Protocol 5.02.III.C.30, Database Security specifically includes the following:

1. Database access is granted to users via the application level only.
2. Changes at the database level are permitted by the database administrator only.
3. Application controls are used to ensure proper access to information within applications based on the responsibility of the staff member.

### **Media Management**

All media is handled, stored & disposed of properly in compliance with all contract requirements, policies, and procedures set forth by OEL, ELCs, Head Start, and other grants in order to protect confidential data. Media removed from service shall be erased (NSA 7 pass algorithm) and destroyed by the Network Administrator. Based on OEL Protocol 5.02.III.C.31, Media Management specifically includes the following:

1. Paper copies are stored in lockable file cabinets with restricted access.
2. Archived files are stored at ACCESS in secure facility.
3. It is ECS's policy to shred any unneeded documents containing secure information.
4. Digital copies are stored on disk systems only. Removable media is not permitted as a storage device for coalition data. This reduces the risk of unauthorized disclosure and damage.
5. All digital data is stored on the server in a secured, climate controlled area.

### **Password Management**

ECS protects access to its information sources by ensuring that all passwords used for authentication are properly assigned & protected. Passwords are changed immediately if property is lost or stolen. Based on OEL Protocols 5.02.III.C.16 and 32, Password Management specifically includes the following:

1. Account passwords are stored in a non-reversible encrypted database with complexity requirements enforced.
2. Passwords used for accessing the ECS network must contain at least eight characters and must contain a combination of letters, numbers, and special characters.
3. Passwords will be reset at least every 60 days.
4. Passwords cannot be reused for at least six (6) changes.

### Server Back-ups

All servers are backed-up hourly. These incremental backups are transferred via secure, encrypted connection to off-site data storage. Monthly backups are kept for minimum of 5 years.

### Data Recovery

We will work with all available resources including software vendors and consultants if needed to restore data should it be lost and back-up unavailable for whatever the reason. Additional information on Data Recovery can be found in the ECS Coop Plan, which meets all requirements set forth in OEL Protocol 5.02.III.C.10.

### Antivirus

This protocol applies to all servers and workstations, as well as any computers used for remote access. Every server or computer that contains OEL data or conducts any form of OEL business will run antivirus software that is updated on a regular basis. All OEL, and ECS data, will be protected by antivirus software which scans documents, attachments, emails, and internet sites. Email systems will automatically scan attachments and downloads before they are opened. All laptops and workstations, including those used for telecommuting (working from home) will have current antivirus software loaded.

- a) All portable media (e.g., flash drives, CDs, storage devices) are scanned for viruses before use on computers.
- b) ECS shall purchase/install antivirus software on all workstations, including laptops used for telecommuting.
- c) Staff must
  - Never install software on computers without permission from the IT Manager.
  - Never download files from unknown or suspicious sources.
  - Delete spam, chain, and other junk email without forwarding.
  - Never unload or disable antivirus software for any reason without specific instruction from the Information Systems Security Officer/ IT Manager.
  - Never utilize any unauthorized cloud services, browser extensions, or third party services without permission from the ECS IT department.

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Examples of what not to use include: adding chrome extensions such as coupon tools when shopping or utilizing google drive to share files outside the company unless authorized.

**Additional Security Policies and Procedures related to security** may be found in the ECS Employee Handbook, the Fiscal Policies & Procedures Manual, and the ECS COOP Plan. Each department of ECS is responsible for implementing additional security policies & procedures that fit their needs.

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Florida's Office of Early Learning  
 SLIDING FEE SCHEDULE

DAILY FEE		----- Annual Gross Income - Number of persons in Family -----															
Full-Time	Part-Time	FPL as indicated unless exceeds	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
0.80	0.40	85% SMI	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		50%FPL	6,380	8,620	10,860	13,100	15,340	17,580	19,820	22,060	24,300	26,540	28,780	31,020	33,260	35,500	37,740
1.60	0.80		6,381	8,621	10,861	13,101	15,341	17,581	19,821	22,061	24,301	26,541	28,781	31,021	33,261	35,501	37,741
		75%FPL	9,570	12,930	16,290	19,650	23,010	26,370	29,730	33,090	36,450	39,810	43,170	46,530	49,890	53,250	56,610
2.40	1.20		9,571	12,931	16,291	19,651	23,011	26,371	29,731	33,091	36,451	39,811	43,171	46,531	49,891	53,251	56,611
		FPL	12,759	17,239	21,719	26,199	30,679	35,159	39,639	44,119	48,599	53,079	57,559	62,039	66,519	70,999	75,479
3.20	1.60		12,760	17,240	21,720	26,200	30,680	35,160	39,640	44,120	48,600	53,080	57,560	62,040	66,520	71,000	75,480
			14,887	20,114	25,341	30,568	35,794	41,021	46,248	51,475	56,702	61,928	67,155	72,382	77,609	82,836	88,063
4.00	2.00		14,888	20,115	25,342	30,569	35,795	41,022	46,249	51,476	56,703	61,929	67,156	72,383	77,610	82,837	88,064
		85% SMI															99,568
			17,014	22,988	28,961	34,935	40,909	46,882	52,856	58,830	64,803	70,777	76,751	82,724	88,698	94,671	100,645
4.80	2.40		17,015	22,989	28,962	34,936	40,910	46,883	52,857	58,831	64,804	70,778	76,752	82,725	88,699	94,672	100,646
		85% SMI													95,810	97,689	
		150%FPL	19,140	25,860	32,580	39,300	46,020	52,740	59,460	66,180	72,900	79,620	86,340	93,060	99,780	106,500	113,220
5.60	2.80		19,141	25,861	32,581	39,301	46,021	52,741	59,461	66,181	72,901	79,621	86,341	93,061	99,781	106,501	113,221
		85% SMI												93,932			
			19,884	26,865	33,846	40,827	47,809	54,790	61,771	68,752	75,733	82,715	89,696	96,677	103,658	110,639	117,620
6.40	3.20		19,885	26,866	33,847	40,828	47,810	54,791	61,772	68,753	75,734	82,716	89,697	96,678	103,659	110,640	117,621
		85% SMI											92,053				
			20,628	27,870	35,113	42,355	49,597	56,840	64,082	71,324	78,567	85,809	93,051	100,294	107,536	114,779	122,021
7.20	3.60		20,629	27,871	35,114	42,356	49,598	56,841	64,083	71,325	78,568	85,810	93,052	100,295	107,537	114,780	122,022
			21,372	28,875	36,379	43,882	51,386	58,889	66,393	73,897	81,400	88,904	96,407	103,911	111,414	118,918	126,421
8.00	4.00		21,373	28,876	36,380	43,883	51,387	58,890	66,394	73,898	81,401	88,905	96,408	103,912	111,415	118,919	126,422
		85% SMI										90,175					
			22,116	29,880	37,645	45,410	53,175	60,939	68,704	76,469	84,234	91,998	99,763	107,528	115,292	123,057	130,822
8.80	4.40		22,117	29,881	37,646	45,411	53,176	60,940	68,705	76,470	84,235	91,999	99,764	107,529	115,293	123,058	130,823
			22,860	30,885	38,911	46,937	54,963	62,989	71,015	79,041	87,067	95,093	103,119	111,145	119,171	127,197	135,222
9.60	4.80		22,861	30,886	38,912	46,938	54,964	62,990	71,016	79,042	87,068	95,094	103,120	111,146	119,172	127,198	135,223
		85% SMI									88,296						
		185%FPL	23,606	31,894	40,182	48,470	56,758	65,046	73,334	81,622	89,910	98,198	106,486	114,774	123,062	131,350	139,638
10.40	5.20		23,607	31,895	40,183	48,471	56,759	65,047	73,335	81,623	89,911	98,199	106,487	114,775	123,063	131,351	139,639
			24,563	33,187	41,811	50,435	59,059	67,683	76,307	84,931	93,555	102,179	110,803	119,427	128,051	136,675	145,299
11.20	5.60		24,564	33,188	41,812	50,436	59,060	67,684	76,308	84,932	93,556	102,180	110,804	119,428	128,052	136,676	145,300
		85% SMI								86,417							
		200%FPL	25,520	34,480	43,440	52,400	61,360	70,320	79,280	88,240	97,200	106,160	115,120	124,080	133,040	142,000	150,960
12.00	6.00		25,521	34,481	43,441	52,401	61,361	70,321	79,281	88,241	97,201	106,161	115,121	124,081	133,041	142,001	150,961
		85% SMI							84,539								
			27,434	37,066	46,698	56,330	65,962	75,594	85,226	94,858	104,490	114,122	123,754	133,386	143,018	152,650	162,282
12.80	6.40		27,435	37,067	46,699	56,331	65,963	75,595	85,227	94,859	104,491	114,123	123,755	133,387	143,019	152,651	162,283
			29,348	39,652	49,956	60,260	70,564	80,868	91,172	101,476	111,780	122,084	132,388	142,692	152,996	163,300	173,604
13.60	6.80		29,349	39,653	49,957	60,261	70,565	80,869	91,173	101,477	111,781	122,085	132,389	142,693	152,997	163,301	173,605
		85% SMI	32,563	42,582	52,602	62,621	72,641	82,660									

Parents receiving hourly care pay up to the part time fee.  
 Note: 10% Parent Fee was calculated using 260 days.  
 Refer to 6M-4.400, F.A.C.

Income 85% State Median Income: Upper threshold for eligibility

2020 LIHEAP Poverty Level (FPL) effective January 17, 2020  
 IM 2019-02 State Median Income Estimates

Please answer the following questions:

- (1) If there is a sibling discount what is the percentage? 50%
- (2) If any family pays more than 10% of their gross income for child care, please complete and attach the justification form that explains how the fees will not limit parent access to services. N/A

**Early Learning Coalition of North Florida**  
Monitoring Plan (contract/fiscal year ~~2019/2020~~ 2020/2021)  
 for Primary Service Provider Contractor,  
 Episcopal Children’s Services

**Purpose**

To review key areas of the fiscal and programmatic areas of the contracted services for delivery of the School Readiness (SR) and Voluntary Prekindergarten (VPK) grant awards, as the primary service provider/sub-recipient contractor. Processes and results are monitored for compliance, integrity, efficiency, and possible improvements in services.

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 including following universal administrative, financial, and programmatic terms and conditions mandated by federal and state law, rules and regulations and Coalition policy, and the Contractor’s administrative systems are adequate to manage all contracted funds.

**Risk Assessment**

Before planning the extent of necessary monitoring, the Coalition performs a risk assessment to determine the extent/depth of monitoring needed for each contractor.

The following table represents Episcopal Children’s Services assessment scoring and results for ~~2019/2020~~ 2020/2021:

<b>Risk Assessment Criteria</b>			
<b>Risk Factors</b>	<b>Level of Risk</b>		
	<b>High</b>	<b>Medium</b>	<b>Low</b>
1. Performance History			X
2. Financial Stability			X
3. Management Systems			X
4. Previous Findings			X
5. Compliance with contract requirements			X
6. Program Complexity	X		
7. Percentage of funds passed through	X		
8. Award size	X		
9. Experience with sub-recipient			X
10. Personnel or system changes			X
Totals	3	0	7
Weighted Scores	<b>(3x) = 9</b>	<b>(2x) = 0</b>	<b>(1x) = 7</b>
<b>Total weighted score 16 /10 categories = 1.6 (medium risk)</b>			

## Description of Monitoring

The Early Learning Coalition of North Florida has scheduled the ~~2019/2020~~ 2020/2021 monitoring to ensure all four quarters will be monitored in a timely manner.

The fourth quarter monitoring is scheduled to ensure time for any corrective billing by the 13<sup>th</sup> invoice.

As indicated in the risk assessment, the Coalition will perform “medium” level on-site monitoring for ~~2019/2020~~ 2020/2021, and the key areas to be monitored are:

### Full-scale Quarterly (due to on-going minimum requirements)

1. Administrative and programmatic policies/procedures, job descriptions, and organizational chart review and updates
2. Data security system updates
3. Fiscal review of non-direct costs (SR and VPK) (including staffing allocations, cost allocation, prior approvals)
4. SR enrollment and eligibility (client ~~files~~ records)
5. SR attendance review/payment validation
6. VPK enrollment and eligibility (client ~~files~~ records)
7. VPK attendance review/payment validation
8. VPK provider requirements (provider ~~files~~ records)

### Coalition School Readiness Plan Compliance

The monitoring schedule (separate document) indicates which elements to be monitored during which quarters. From the ELC of North Florida SR Plan effective July 1, 2015 (and OEL certified for 2017-2019 and 2019-2021):

1. III. A. CCR&R and School Age Care
2. II. B. School Readiness Application and Waiting List Procedures
3. III. C. Inclusive Early Learning Programs
4. II. G. Program Assessment

### Additional Monitoring

1. Annual Data and Data Security Systems Review
2. Fiscal Overview\* to include in depth review of Internal Controls Questionnaire (new questions only), Policies and Procedures, Board minutes, and 4<sup>th</sup> Quarter Fiscal Contract Monitoring Tool review for year-end, etc.) *\*The entire ICQ is reviewed at time of submittal and the Cost Allocation Plan is reviewed at time of submitted revisions/amendments.*
3. ~~Contract Certifications/Assurances Verifications~~
4. ~~Personnel Files/Background Screenings~~
5. ~~Staff Development and Training~~

### Additional Fiscal Monitoring

In addition to the above-mentioned monitoring, the Coalition will perform an analysis of ECS's single audit. The analysis will be in the form of a memo report issued to the Coalition board. Should there be any findings, the Coalition will issue a management decision on all audit findings within six months after receipt of ECS's audit report. The Coalition will ensure and verify that ECS takes appropriate and timely action. Will NOT be full-scale monitored [due to recent satisfactory reviews]

1. SR Provider Services
2. Provider Assessments
3. Quality Contracts
4. SPE (Single Point of Entry)
5. UWL (Unified Waiting List)
6. (Child) Pre/Post Assessments
7. Inclusion
8. Quality Performance Report
9. Child Care Provider Monitoring
10. Infant/ Toddler
11. Developmental Screenings
12. CCR&R and School Age Care
13. Contract Certifications/Assurances Verifications
14. Personnel Files/Background Screenings
15. Staff Development and Training

Please see attached schedule for all planning dates and additional information.

## Monitoring Tools

The Coalition will continue utilizing the contract monitoring tool that was first established in 2007/2008, edited to be current with the 2019/2020 2020/2021 contract. From this tool, applicable criteria will be extracted for each monitoring.

The rating scale will be scored from a review of a compilation of requested documents, additional monitoring tool results, observations, interviews, and other applicable resources. The additional monitoring tools may be modified as a result of further research or discussions during the scheduled pre-monitoring meetings, or from OEL updates, trainings, or guidance.

The tools supplied now will be further refined and updated closer to the actual monitoring, and will be supplied to ECS staff prior to each quarters' pre-monitoring meeting.

Whenever possible, the Coalition will utilize tools designed by the Office of Early Learning, and follow similar sampling and reporting processes. Sample sizes for OEL's Eligibility Monitoring Tool will be determined, on an annual basis, from OEL's Fact Book for the Coalition's previous year's activity, plus any other updated guidance. **If**

OEL does not have a Fact Book available, the Coalition will use the previous year's OEL annual report data to determine unduplicated totals for sample sizes.

Please see attached tools for more information.

### **Expectations from Monitoring**

From each monitoring, the Coalition will address any compliance issues or observations that should be addressed by the Contractor. In addition, the Coalition include any best practices which acknowledges something done by the contractor that is 'above and beyond' the requirements of the Coalition, and that significantly aids staff in a particular process.

Throughout the monitoring process, the Coalition and Contractor will collaborate to perform any research needed and to create solutions for situations that may arise.

Three business days One week after the last on-site day of each monitoring, the Coalition staff will meet by phone with the Contractor staff for an exit interview. Prior to the conference call, the Coalition will draft a memo to e-mail so that all participants have a written copy. In addition, all monitoring tools (in draft form) will be uploaded to OEL's Share Point for the Contractor at the end of each monitoring, so that the Contractor can begin preliminary follow-up.

With One week after the exit report, and in one-week increments, and as scheduling permits, the following actions will occur:

1. Coalition draft report and draft tools
2. Contractor response to draft report (and revised tools, if needed)
3. Final Coalition report with final tools
4. Contractor response and proposed corrective action plans (if applicable)
5. Coalition acceptance/rejection letter (of corrective action plans) with terms and timelines (if applicable)

From this, the Contractor will have one month to complete any outstanding corrective actions (including the resolution of any questioned costs). The Coalition recognizes that this may not always be possible and will consider other timelines, depending on the corrective action needed.

The receipt of all outstanding corrective action items will be tracked by the Coalition. Once all items are received and the Coalition is satisfied, or if no corrective action items were needed, a monitoring close-out letter will be issued to the Contractor.

### **In Closing**

It is the Coalition's intent to verify compliance with all Coalition and applicable governmental regulatory codes, laws, rules and policies, as well as to improve on all practices related to the program delivery system, as provided by Episcopal Children's Services. It is also the Coalition's goal to continue to build upon the professional cooperation and shared vision of the Coalition and ECS.

Created ~~March 25, 2019~~ April 22, 2020

Tajaro Dixon,  
Grants and Operations Manager

**Early Learning Coalition of North Florida**  
**Sub-recipient Contract Monitoring Schedule**  
**2020/2021**  
 (Created 04/22/20)

Quarter	Schedule Pre-Monitoring Meeting and begin monitoring docs:  (have all mon. docs done & sent to Contractor and ELC fiscal staff 2-3 days before the set pre-mon. meeting)	Pre-Monitoring Conference Call Meeting  Target Dates (at least 2 weeks before notification letter, and before sampling)	Request to run OEL SSIS Reports and upload to Share Point sent to ECS (for program sampling)  (give at least one week's notice)	Program Sampling – begin by:  (at least 2 weeks before notification letter due) (calculations, request/run OEL SSIS reports, sample, create spreadsheet)	Notification Package– Due date  (8 weeks Prior to On-site) (with Request for Documents, schedule, tools, and sample spreadsheets uploaded to SharePoint – <u>with full names.</u> (Once approved, pre-fill tools, run DCF reports, etc.)	ELC Finance Mgr. to send ECS fiscal samples  (4 weeks before on-site, combining quarters. OR 4 weeks after the end of the quarter- if NOT on-site for upcoming monitoring)	<b>ON-SITE (ECS) Monitoring Dates</b>  (3 <sup>rd</sup> and 4 <sup>th</sup> week of the 2 <sup>nd</sup> month following the end of the quarter.)	Exit Report and Conference Call  (2:00 pm 1 week following the monitoring) (Send report and upload tools no later than 11:00 am)	Draft Report Due  (1 week following exit)	Contractor Response to Draft Report (including supporting documents)  (1 week after draft report)	Final Report Due  (1 week after contractor response to draft)	Contractor Response to Final Report and CAP Due  (1 week from final report)	Coalition CAP Acceptance / Denial letter (with terms)  (1 week from response)	Receipt of all CAP items – deadline  (4 weeks from acceptance letter)	Close-out Letter  (within 1 week of CAP items received)
1Q (July – Sept 2020)	Beg. of May 2020	07/13/20-07/24/20	07/27/20	08/03/20 (have to do before 19/20 4Q mon)	09/11/20	10/28/20	11/06/20 - 11/20/20  (11/11/20 is a holiday)	12/04/20 (holidays)	12/11/20	12/18/20	01/04/21 (holidays)	01/11/21	01/19/21 (holiday)	03/03/21 (monitoring)	03/10/21
2Q (Oct – Dec 2020)	Beg. of Aug. 2020	09/28/20-10/09/20	10/16/20	10/23/20 (have to do before 20/21 1Q mon)	12/16/20 (holidays)	01/19/21	02/16/21 – 03/01/21  (02/15/21 is a holiday)  (ELC Finance staff combining 1 <sup>st</sup> and 2 <sup>nd</sup> quarter monitoring)	03/08/21	03/15/21	03/22/21	03/29/21	04/06/21 (holiday)	04/13/21	05/11/21	05/14/21
3Q (Jan – Mar 2021)	Beg. of Nov. 2020	01/11/21-01/22/21	01/25/21	02/01/21 (have to do before 20/21 2Q mon)	03/22/21	04/28/21	05/17/21 – 05/28/21	06/07/21 (holiday)	06/14/21	06/21/21	06/28/21	07/06/21 (holiday)	07/13/21	08/10/21	08/13/21
4Q (Apr-June 2022)	Beg. of Feb. 2021	04/12/21-04/23/21	04/26/21	05/03/21 (have to do before 20/21 3Q mon)	06/21/21	07/13/21	08/16/21 – 08/27/21  (ELC Finance staff combining 3 <sup>rd</sup> and 4 <sup>th</sup> quarter monitoring) (ECS 13 <sup>th</sup> invoice due to ELC 08/19/21)	09/03/21	09/13/21 (holiday)	09/21/21	09/27/21	10/04/21	10/11/21	11/08/21	11/16/21 (holiday)

**Note #1.** Areas of review and dates are subject to change. **Note #2.** Dates with "(holiday)" indicate that the deadline was moved because of a holiday.

**Early Learning Coalition of North Florida**  
**Sub-recipient Contract Monitoring Schedule**  
2020/2021  
(Created 04/22/20)

Qtr	Contract/Subject Areas to be Monitored	On-Site Monitoring Dates
1	<ul style="list-style-type: none"> <li>- Overall: All administrative and programmatic policies/procedures, job descriptions, org chart, etc. review/updates, and data security system updates</li> <li>- Fiscal: None this quarter (<i>will be combined with 2<sup>nd</sup> quarter monitoring</i>)</li> <li>- SR &amp; VPK: Attendance/Payment Validation (1/4 year's sample - <b>or the actual number of VPK child (and payment validations) available for summer programs – then sample numbers would be adjusted for the following 2<sup>nd</sup> – 4<sup>th</sup> Quarters to make up any shortfall</b>)</li> <li>- SR: Eligibility and Enrollment (client records) (1/4 year's sample)</li> <li>- VPK: Eligibility and Enrollment (child records) (1/4 year's sample*)</li> <li>- VPK: Provider Services (provider records)(1/4 year's sample)</li> <li>- Coalition SR Plan Compliance: None this quarter</li> <li>- OEL Scorecard: None this quarter</li> <li>- Additional: <b>Annual Data and Data Security Systems Review</b></li> </ul>	<p><b>11/06/20 - 11/20/20</b></p> <p>(11/11/20 is a holiday)</p>
1-2	<ul style="list-style-type: none"> <li>- Overall: All administrative and programmatic policies/procedures, job descriptions, org chart, etc. review/updates, and data security system updates</li> <li>- Fiscal: 1<sup>st</sup> and 2<sup>nd</sup> Qtr samples (non-direct costs, including staffing allocation)</li> <li>- SR &amp; VPK: Attendance/Payment Validation (1/4 year's sample)</li> <li>- VPK: Eligibility and Enrollment (child records) (1/4 year's sample)</li> <li>- SR: Eligibility and Enrollment (client records) (1/4 year's sample)</li> <li>- VPK: Provider Services (provider records)(1/4 year's sample)</li> <li>- Coalition SR Plan Compliance: <b>II. B. School Readiness Application and Waiting List Procedures</b></li> <li>- OEL Scorecards: None this quarter</li> <li>- Additional: None this quarter</li> </ul>	<p><b>02/16/21 – 03/01/21</b></p> <p>(02/15/21 is a holiday)</p>
1-3	<ul style="list-style-type: none"> <li>- Overall: All administrative and programmatic policies/procedures, job descriptions, org chart, etc. review/updates, and data security system updates</li> <li>- Fiscal: None this quarter (<i>will be combined with 4<sup>th</sup> quarter monitoring</i>)</li> <li>- SR &amp; VPK: Attendance/Payment Validation (1/4 year's sample)</li> <li>- VPK: Eligibility and Enrollment (child records) (1/4 year's sample)</li> <li>- SR: Eligibility and Enrollment (client records) (1/4 year's sample)</li> <li>- VPK: Provider Services (provider records)(1/4 year's sample)</li> <li>- Coalition SR Plan Compliance: <b>III. C. Inclusion</b></li> <li>- OEL Scorecard: None this quarter</li> <li>- Additional: None this quarter</li> </ul>	<p><b>05/17/21 – 05/28/21</b></p>
1-4	<ul style="list-style-type: none"> <li>- Overall: All administrative and programmatic policies/procedures, job descriptions, org chart, etc. review/updates, and data security system updates</li> <li>- Fiscal: 3<sup>rd</sup> and 4<sup>th</sup> Qtr samples (non-direct costs, including staffing allocation) <b>AND Fiscal Overview – see below.</b></li> <li>- SR &amp; VPK: Attendance/Payment Validation (1/4 year's sample)</li> <li>- VPK: Eligibility and Enrollment (child records) (1/4 year's sample)</li> <li>- SR: Eligibility and Enrollment (client records) – (1/4 year's sample)</li> <li>- VPK: Provider Services (provider records)(1/4 year's sample)</li> <li>- Coalition SR Plan Compliance: <b>II. G. Program Assessment</b></li> <li>- OEL Scorecard: None this quarter</li> <li>- Additional: <b>*Fiscal Overview</b> (including in depth review of current year Internal Controls Questionnaire (new questions only), Policies and Procedures, Board minutes, and 4<sup>th</sup> Quarter Fiscal Contract Monitoring Tool review for year-end, etc.) <i>*The entire ICQ is reviewed at time of submittal and the Cost Allocation Plan is reviewed at time of submitted revisions/amendments.</i></li> </ul>	<p><b>08/16/21 – 08/27/21</b></p>

**VI. Approval of the Revisions to the Early Learning  
Coalition of North Florida's Anti-Fraud Plan for  
2020/21\***

***\*ACTION ITEM***

## ACTION ITEM SUMMARY

<b>DESCRIPTION</b>	Approval of the Revisions to the Early Learning Coalition of North Florida’s Anti-Fraud Plan for 2020/2021
<b>Reason for Recommended Action</b>	<p>The OEL deadline for all annual revisions is June 30, 2020.</p> <p><b>Revisions:</b></p> <ol style="list-style-type: none"> <li>1. Updated the fiscal year of the Plan, revision date, and Coalition approval date.</li> <li>2. Updated the job title for who is responsible for implementing the coalition’s anti-fraud activities from “Project Compliance Specialist” to “Program Support Coordinator” on pages 2, 6, 7, and 8.</li> <li>3. Other job titles were updated on pages 2, 4, and 5 (due recent ECS restructuring).</li> <li>4. Names of specific forms updated on page 2.</li> <li>5. Electronic delivery of information updated on page 4.</li> <li>6. Contact information for the Program Support Coordinator updated on page 8.</li> </ol> <p>If this is not done, the following would occur:</p> <ul style="list-style-type: none"> <li>• OEL would not have the most accurate and current Coalition Anti-Fraud Plan for 2020/2021, and the Coalition would be out of compliance.</li> </ul>
<b>How the Action will be accomplished</b>	Board Approval and OEL/Inspector General submittal/approval.



## Anti-Fraud Plan ~~2019-~~ ~~2020~~2020-2021

Revised: ~~03/27/19~~03/12/2020

Board approved: ~~06/12/19~~05/06/20

### Plan Statement

The Anti-Fraud Plan addresses the detection and prevention of overpayments, abuse, and fraud relating to the provision of and payment for the School Readiness program and Voluntary Prekindergarten program services. The Plan addresses parents or legal guardians of children enrolled in the School Readiness or VPK programs. *Note that provider fraud is a violation of the terms of the contract and addressed in the state wide contracts rules. The due process procedures for providers are provided for in the contract between the ELC and the provider, pursuant to Rule 6M-4.610. F.A.C.*

The Anti-Fraud Plan serves to support organizational processes and staff in prevention of fraud, build on employee knowledge and awareness of fraud prevention and describe the coalition's procedures for detecting and investigating possible acts of fraud, abuse of services and related overpayment. Due process procedures for suspending or terminating a recipient's eligibility for School Readiness or VPK programs and the recipient's right to appeal the decision are included in the Plan.

The Plan will be submitted to the Office of Early Learning (OEL) Office of Inspector General (OIG) by requested date annually.

### Plan Definitions

**Recipient** - The parent or legal guardian whose child was determined eligible for School Readiness or Voluntary Prekindergarten Education Program benefits.

**Fraud** - An intentional deception, omission, or misrepresentation made by a person with knowledge that the deception, omission, or misrepresentation may result in unauthorized benefit to that person or another person, or any aiding and abetting of the commission of such an act. The term includes any act that constitutes fraud under applicable federal or state law.

**Suspension** - When services are temporarily no longer provided, however the parents do not have to go to the waiting list when their suspension is finished.

**Termination** - When services are ended, and the recipient would have to return to the waiting list when their termination is expired.



## Reference Addendum ELC of North Florida's Organizational Chart

The ~~Project Compliance Specialist~~Program Support Coordinator with Episcopal Children's Services (ELC of North Florida's Primary Service Provider) is responsible for implementing the coalition's anti-fraud activities.

The C.E.O. is responsible for reviewing an initial appeal request by recipient for decision to uphold or modify the suspension or termination.

The following positions are responsible for the daily activities related to prevention, detection, investigation, and reporting of possible overpayment resulting from potential fraud or abuse:

- ~~Director of Family and Provider Services~~Senior Director of Programs
- Family Services Coordinators
- Family Services Specialists
- Training Director
- Grants and Operations Manager
- Early Literacy Coordinator
- Finance Manager
- ~~Reimbursements Manager~~Director of Provider Services
- Reimbursements Coordinator
- Reimbursement Specialists
- Education Specialists
- Manager of School Readiness Education
- Director of School Readiness Education
- ~~VPK Manager~~Manager of Family Services
- ~~VPK Coordinator~~Contract Coordinator
- ~~VPK Specialists~~Contract Specialists
- ~~Project Compliance Specialist~~Provider Contract Monitoring Specialist
- Program Support Coordinator

## Plan Procedures

**ELC Procedures Review** –The ELC of North Florida and Episcopal Children's Services will annually review job descriptions and internal processes to confirm appropriate separation of duties is in place, and review internal controls to reduce risk.

**ELC Staff Education/Awareness/Training** – Training will be targeted both at policy level and operational level.

- All ELC and ECS staff will receive Annual Awareness Review of *their Employee Handbook* covering topics including ~~Code of Conduct and Ethics~~Employee Conduct and Work Rules, Whistleblower Policy, Criminal Destruction of Records and Files Policy, ~~Workplace Conduct~~, and Conflict of Interest and Business Ethics which requires employees to report any actual or potential conflict of interest between the employee/employee's family and the ELC or ECS.

- All staff will sign the General Handbook Acknowledgement Statement Anti-Fraud Plan Disclaimer Statement & Acknowledgement Form after receiving the annual training indicating that they have received a copy of the ELC or ECS Employee Handbook.

- All staff will sign the Code of Ethics ~~and Conduct~~ Statement ~~annually~~ upon hire.
  - Additionally all staff will be reminded of specific Internal Control policies and practices in place to prevent fraud. On a regular and routine basis, it is the responsibility of all management staff to ensure that all internal control practices, appropriate fiscal procedures and separation of duties are being followed.
-

- A mandatory fraud prevention staff training annually and new staff training within thirty (30) calendar days of hire using OEL fraud prevention related training documents for daily coalition/ECS work activities. Topics to be covered include Client Applications and Forms, School Readiness Income Worksheet, Client Rights and Responsibilities, Authorization for release of information and other related documents related to fraud prevention
  - Client responsibility to report changes within ten (10) calendar days of change and coalition/ECS responsibility to implement reported change, including acting on unreported changes, once discovered
  - Quality interviewing techniques during intake, redetermination, and when reporting changes
  - What to look for in an altered or falsified document
  - Eligibility staff are required to identify, verify and resolve case inconsistencies when inconsistencies occur

### **SR and VPK Parent Education and Awareness**

- Display fraud awareness posters in interview rooms at ECS
- Include a fraud awareness statement in SR parent packets posted on the ECS website with ECS phone number and/or email to report any suspected fraud
- Family Services Specialists will review responsibilities of parent in detail at interview, including importance of reporting changes in their circumstances with in ten (10) calendar days.

### **SR and VPK Provider Education and Awareness**

- Encourage child care providers to report potential fraud to ELC or ECS staff through provider communication venues including email or portal communications, and appropriate provider group meetings
- Periodic reminders to providers about procedures in place to prevent fraud in addition to regular practices of monitoring that occur with providers that also keep providers aware of ELC's/ECS's intention to prevent and/or detect fraudulent practices

### **Providers, Parents, employees, and Public Access to Reporting of Potential Fraud**

- ~~Fraud Awareness statement must be included in intake packet, including how to report potential fraud~~
- Email and/or newsletter reminders to providers of what to look for and how to report potential fraud
- Employee fraud prevention training as well as a periodic reminder of internal controls
- Annual staff training includes Whistleblower procedures to report potential fraud
- Statement on website with hotline phone number to report potential fraud for parents, providers, and general public.

### **ELC Detection and Investigation of Acts of Fraud, Abuse or Overpayment**

- Monthly unscheduled reviews of work products and follow up on questionable circumstances by the Family Services Coordinators, ~~Director of Family and Provider Services~~ Manager of Family Services, and the Training Manager.
- Monthly review, research, and follow up of data quality reports generated from Office of Early Learning by ~~Director of Family and Provider Services~~ Manager of Family Services, the Training Manager and designated ELC/ECS staff

- Documented verification of child care referrals from other organizations through contact with referring agencies.
- Job descriptions of ELC/ECS staff include fraud prevention task
- Daily alertness of Eligibility staff to inconsistencies through regular operational processes with parents and reporting suspected fraud or abuse to supervisor.
- Follow up on potential fraud reported to ELC/ECS for investigation and to verify or question when inconsistencies occur by Family Services staff.
- Once inconsistencies are identified through any of the above means, contact parent or legal guardian and obtain verification from parent or legal guardian to resolve inconsistencies, which could include but not limited to income, residential documentation, or household composition, and determine if situation is resolved or warrants next steps of due process provisions for termination or suspension of School Readiness or Voluntary Prekindergarten benefits. – Project Compliance Specialist Program Support Coordinator
- For those where investigation concludes that the recipient has committed fraud in the receipt of School Readiness or Voluntary Prekindergarten services, calculate associated overpaid benefits amount and follow the *Due Process provisions for termination or suspension of School Readiness or Voluntary Prekindergarten benefits*. Reimbursement Specialist and Eligibility Specialist Program Support Coordinator and Director of Provider Services or other designated staff.

### **Due Process Provisions for Termination or Suspension of School Readiness or Voluntary Prekindergarten Benefits**

The ELC/ECS will provide written advance notice of the intended action to suspend or terminate benefits to the recipient to be affected and it must clearly advise of the allegations, the basis of the allegations the intended action and the date the action is to be imposed. The coalition/ECS shall send the written advance notice at least fourteen (14) calendar days before the intended action. The written advance notice will be translated in the recipient's native language if the coalition's/ECS's other communications with the recipient have been translated. The written advance notice shall include following:

1. The procedure for the recipient to follow to attempt to appeal the decision.
2. A statement, in bold print, that the failure to file a timely appeal waives the right to an appeal.
3. Notice of the potential for repayment of improper benefits if the conclusion of fraud is upheld, including any benefits received after the receipt of the written advance notice.
4. The procedure for the recipient to obtain a copy of his or her file.
5. The amount of overpayment to be recovered, if applicable.
6. The length of time for which the recipient's benefits are suspended or the date of the termination of benefits, if applicable. The following general guide for penalties will be applied, however, considerations will also include the length of time proportionate to the alleged offense committed, consistent with suspensions or terminations issued to other recipients who allegedly committed comparable offenses, and may also consider prior offenses, as appropriate.

### **Penalties Guideline**

- First determination of fraud, eligibility is suspended for the longer of six months or restitution or repayment of overpaid benefits.
- Second determination, eligibility is terminated the longer of one year or restitution or repayment of overpaid benefits.



- Third and subsequent determinations, eligibility is terminated the longer of five years or restitution or repayment of overpaid benefits.

The recipient has a right to challenge within fourteen (14) calendar days; if the challenge is before benefits are terminated or suspended, then benefits remain in place for duration of initial challenge. However, if the decision is upheld, any services received during that timeframe will be included with the overpayment amount.

***A suspension or termination shall not be applied against recipients with a valid at-risk referral.***

## **Recipient Right to Challenge Decision**

### **Pre appeal Resolution Procedure**

If recipient believes that the conclusion of fraud was made in error, the recipient should first seek to resolve the matter by contacting the coalition/ECS and providing the necessary documentation to resolve the issue. The Program Support Coordinator~~Project Compliance Specialist~~ will consider all statements, review all documents and may request any additional evidence or information if it is necessary and relevant to the review. Within fourteen (14) calendar days of receiving the parent's request for review, the recipient will be notified in writing of the determination and given a new date when services will end (intended action date) should the finding of fraud stand. Otherwise the parent will be informed within this same timeframe that upon review there is no finding of fraud and therefore no penalty will be assessed. The C.E.O. of the coalition shall not be involved in the pre-appeal resolution of the issue.

If the recipient believes that the issue was not resolved during the pre-appeal resolution procedure, the appeal procedure is outlined in *Florida Rule 6M-9-400 Early Learning Coalition Anti-Fraud Plan, subsection (e) and (f) as follows:*

### **Appeal Resolution Procedure:**

If the recipient believes that the issue was not resolved by the coalition/ECS, the recipient may file a formal written appeal for review by the C.E.O. of the Coalition, using the following procedure:

1. Submit a written appeal to the C.E.O. or other executive staff person as designated by the coalition board. The appeal must fully describe the nature of the error the recipient believes has been made and shall contain any documentation which supports the recipient's claim.
2. The appeal shall be postmarked or emailed before the date of the intended action noted above. The recipient who fails to file a timely appeal waives the right of appeal.
3. If the recipient files a timely appeal, he or she will not be suspended or terminated from the program until the written decision of the C.E.O. or the original date of the intended action, whichever is later.
4. The C.E.O. of the coalition or other executive staff person designated by the coalition board must respond to the recipient, in writing, within thirty (30) calendar days of receiving the appeal with a decision as to whether the suspension or termination will be upheld or modified.
5. The recipient who wishes to appeal the decision of the C.E.O. of the coalition or other executive staff person designated by the coalition board may request further review by an

appeals committee in accordance with subsection (e) of this rule. The request for further \_\_\_\_\_

review by an appeals committee must be submitted to the coalition in writing within ten (10) calendar days of the date of the C.E.O. or other executive staff person designated by the coalition board's written response to the recipient's formal written appeal.

The recipient shall be given the opportunity to defend his or her position in an orderly proceeding of the appeals committee. When the meeting of the appeals committee is scheduled, the recipient shall be notified of the date of the appeals committee, informed that it is a public meeting, and informed that any information presented may be used by other state agencies.

1. The appeals committee shall be selected by the Chairman of the Board of the coalition and a chair of the appeals committee shall be named.
2. The appeals committee shall be convened within forty-five (45) calendar days of receipt of the recipient's request for an appeal.
3. The recipient shall be provided up to thirty (30) minutes to present their position and any information they wish the appeals committee to consider.
4. The coalition staff, excluding the Executive Director or other executive staff person designated by the coalition board shall be available to provide any information requested by the committee.
5. The appeals committee will consider all statements, review all documents and may request any additional evidence or information from the parties if an appeals committee member believes it is necessary and relevant to the decision making. The required final determination letter will be tolled for the length of time given to provide the additional information.
6. The appeals committee shall select or appoint a member of the coalition, excluding the C.E.O. the coalition or other executive staff person designated by the coalition board to memorialize the events of the appeals committee proceeding and the final determination including the basis for the decision.
7. The appellant shall be notified in writing of the appeals committee's determination within ten (10) calendar days of the date of the meeting.
8. The determination of the appeals committee shall be final.

### **Benefit Recovery**

- For a voluntary overpayment repayment, the ELC/ECS will follow the ELC overpayment repayment process, including review for approval of a payment plan with the recipient, if requested
- For criminal prosecution with restitution, the ELC/ECS will follow the ruling from the court regarding restitution plan

### **Monthly Reporting Process to OEL**

The ~~Project Compliance Specialist~~ Program Support Coordinator will submit an electronic report monthly reporting the parents and providers terminated from services as a result of fraud, per Rule 6M-9.400 subsection (b).

### **Process for Mandatory Reporting Fraud and Abuse through the OEL Fraud Referral System**

The ~~Project Compliance Specialist~~ Program Support Coordinator is the coalitions designated administrator for the Office of

Early Learning's *Fraud Referral System*. Contact information: \_\_\_\_\_

[Sarah March Kenya Register:](#)

Early Learning Coalition of North Florida/ Episcopal Children's Services

[sarah.march@ecs4kids.org](mailto:sarah.march@ecs4kids.org)

[kenya.register@ecs4kids.org](mailto:kenya.register@ecs4kids.org)

[g 904-726-1500](tel:904-726-1500) ext.

[2062246](tel:904-726-1500)

At the point when potential fraud has been communicated to the recipient, the [Project Compliance Specialist Program Support Coordinator](#) makes a mandatory referral for potential fraud or abuse investigation using Office of Early Learning *Fraud Referral System*. The referral includes the recipient information, amount of overpayment, discovery date and a brief summary of the allegations, and notification of any evidencing documents available that substantiate the allegations. At this time, the [Project Compliance Specialist Program Support Coordinator](#) also notifies the Office of Early Learning's Inspector General's office that a fraud referral has been submitted.

Note the coalition's fraud investigation and appeals procedures outlined in this plan will complement the OEL referral process to Department of Financial Services through the *Fraud Referral System*. If the recipient appeals the decision through the coalition appeals process, the [Project Compliance Specialist Program Support Coordinator](#) will update the referral information in the *Fraud Referral System* as appeal decisions are made throughout the appeal process.

**Related Policies:**

Grievance Policy



**VII. Retro Active Approval (Effective May 1, 2020) of  
the Infectious Disease Emergency Addendum to the  
ELCNF 2020-2021 COOP (Continuity of Operations  
Plan)\***

***\*ACTION ITEM***

## ACTION ITEM SUMMARY

<b>DESCRIPTION</b>	Retro Active Approval (Effective May 1, 2020) of the Infectious Disease Emergency Addendum to the ELCNF 2020-2021 COOP (Continuity of Operations Plan)
<b>Reason for Recommended Action</b>	The purpose of the Infectious Disease Emergency Addendum Plan is to offer additional guidance to the existing ELCNF COOP in the case of outbreaks of diseases caused by infectious agents, biological toxins or responding to other infectious disease emergencies. The ELCNF will follow all protocol as directed by the State of Florida.
<b>How the Action will be accomplished</b>	Approval of the Infectious Disease Emergency Addendum to the ELCNF 2020-2021 COOP and then it will be submitted to OEL.

## INTRODUCTION

### BACKGROUND

Infectious disease emergencies are circumstances caused by biological agents, including organisms such as bacteria, viruses or toxins with the potential for significant illness or death in the population. Infectious disease emergencies may include naturally occurring outbreaks (e.g., measles, mumps, meningococcal disease), emerging infectious diseases (e.g., COVID-19, SARS, avian influenza), and bioterrorism. The circumstances of infectious disease emergencies may vary by multiple factors, including type of biological agent, scale of exposure, mode of transmission and intentionality (bioterrorism), and many others. Public health measures to contain such outbreaks are especially important for diseases with high morbidity or mortality and limited medical prophylaxis and/or treatment. The ELCNF will follow all protocol as directed by the State of Florida.

### PURPOSE

The purpose of the Infectious Disease Emergency Addendum Plan is to offer additional guidance to the existing COOP plan in the case of outbreaks of diseases caused by infectious agents, biological toxins, or responding to other infectious disease emergencies as defined above.

Activities that may be implemented during an Infectious Disease Emergency include:

- Coordination with other city, regional, state and federal agencies and other organizations responding to a large public health emergency. The employees of the Early Learning Coalition are to be considered interchangeable during emergencies and should be willing to serve in other agency roles to ensure operational needs during these emergencies as well as following the emergency during a rebuild.
- Development and dissemination of information and guidance for our employees to ensure proper protocols with the community we serve.
- Public health disease containment measures such as infection control, isolation and quarantine, or restriction and clearance.
- Coordination of internal work processes and management of alternate work when necessary.

### SCOPE

An infectious disease emergency occurs when urgent and possibly extensive public health and medical interventions are needed to respond to and contain an infectious disease outbreak or biological threat that has the potential for significant morbidity and mortality in the Northeast Florida area.

The communicable disease control and prevention efforts will include routinely receiving reports of cases of infectious disease and will update staff as a result of these reports and the State of Florida's plan for containment measures. This plan is intended to be used for any infectious disease emergency that requires a response that may require changing normal ELCNF business operations in order to maintain the health and safety of our employees, the clients we serve, and the public at large.

## TRAVEL

In light of the foregoing, the ELCNF would also like to ask employees to self-identify whether they or a family member have traveled to impacted regions where the current threat has been indicated. (i.e., areas with extensive person-to-person transmission of the illness).

For those employees identified as having potential exposure, the ELCNF may direct you to work from home if the C.D.C. recommends an incubation period.

Employees who do not want to provide information about travel or potential exposure may also be asked to work from home or not work until it has been determined that the employee is safe to return to work. The ELCNF will follow all guidelines as indicated by the CDC, State and local Health officials.

## CLOSURE OF ELCNF WORK LOCATIONS

In the need to prevent illness, when recommended by State of Florida or Federal officials, the closure of ELCNF locations may become necessary.

In this case, all employees will need to be prepared to work remotely to ensure the continuity of our operations. This will be completed in the following manner:

- Employees previously approved to work from home may continue to do so immediately. Check in calls and/or electronic correspondence with his or her supervisor for accountability will be conducted and work to be performed will be documented.
- Employees not yet approved to work from home but whose positions allow for work from home may do so with daily supervisory check in's and a detailed list of approved duties completed and submitted to their immediate supervisor.
  - Employees should check their home internet connectivity ability by logging into <https://www.speedtest.net/> and send a screenshot of the connect ability results to Compass MSP at [help@compassmsp.com](mailto:help@compassmsp.com) or call Compass at 904-777-0087 to gauge the ability to be successful with your work load or receive assistance.
  - Employees at the main office location in St. Augustine can check their voicemail by dialing the main number (904) 342-2267 and press # your extension. For our employees working in the two remote offices, please leave a greeting on your office phone that you are not in the office but will be checking your voicemails daily and will respond to those calls as soon as it is conveniently possible. You should also provide the main St. Augustine Office number on your greeting as well to allow for an alternate option for the caller.
- All other employees whose positions normally do not allow for work from home; where possible and based on ELCNF agency needs, may be assigned alternative duties which can be completed from home. These positions will also be required to participate in check in's and be willing to work with alternative duties during the emergency closure period or use available paid leave to cover the period of time the ELCNF is closed. These employees should also check their connectivity and follow the guidelines regarding their phones outlined above.

## WHEN ILLNESS STRIKES

- Follow guidelines posted by the Centers for Disease Control and Prevention (CDC).
- Employees are encouraged to utilize Florida Blue Teladoc services, unless their symptoms are severe. [www.teladoc.com](http://www.teladoc.com) or 1-800-835-2362
- Use wellness CDC based programs to instruct all ELCNF employees about hygiene and disease prevention.
- Tell employees to stay home if they have a fever and cough and to seek care for severe respiratory distress. All employees who are sick during emergency closures, or who report in as sick, during these times, should not work.
- Once offices re-open, all employees who are sick or show symptoms of illness should remain home until fever is gone for a minimum of 24 hours and be evaluated by a physician before returning to work.
- If employees need to be off work for a long time for issues related to an infectious disease, these issues will be handled on a case-by-case basis by Executive Director Dawn Bell and or the Office Manager.

## Identifying Coronavirus Symptoms

Common coronaviruses typically cause mild to moderate upper-respiratory tract illnesses, and those affected exhibit cold-like symptoms. The most common symptoms include:

- Headache
- Cough
- Fever
- Sore throat
- Runny nose

Some cases of coronavirus can be more severe, and individuals experience more serious lower respiratory tract illnesses like bronchitis and pneumonia. For the elderly, infants and those with weakened immune systems, a coronavirus can be deadly. Therefore, it is important to report all flu and cold like symptoms and stay home to prevent spread.

## **VIII. Review of Board Membership**

### **INFORMATIONAL**

**May 6, 2020  
Exec/Admin Committee Meeting  
Early Learning Coalition of North Florida, Inc.**

**BOARD MEMBERSHIP SUMMARY**  
As of December 4, 2019

<b>Position</b>	<b>Name</b>	<b>Term Start Date</b>	<b>Term End Date</b>
<b>BAKER</b>			
<b>Total Private Sector</b>	<b>0</b>		
<b>BRADFORD</b>			
<b>Total Private Sector</b>	<b>0</b>		
<b>CLAY</b>			
Governor Appointee <b>Private Sector</b>	Ron Coleman	November 22, 2013	April 30, 2016
Governor Appointee <b>Private Sector</b>	*Brian H. Graham	May 14, 2015	April 30, 2019
<b>Private Sector</b>			
<b>Total Private Sector</b>	<b>2</b>		
<b>NASSAU</b>			
District Superintendent of Schools or Designee	*Kristi Simpkins	December 2013	December 2021
<b>Total Private Sector</b>	<b>0</b>		
<b>PUTNAM</b>			
Representative of Programs for Children with Disabilities under the Federal Individuals with Disabilities Education Act	Marsha Hill	March 2018	March 2022
County Health Department Director or Designee	Mary Garcia	December 2017	December 2021
<b>ST. JOHNS</b>			
Member Appointed by Bd. of County Commissioners or the Governing Board of a Municipality	James Johns	March 2020	March 2024
Head Start Director	Brian McElhone	July 2017	July 2021
Governor Appointee <b>Private Sector</b> CHAIR	Nancy Pearson, <i>Chair</i>	November 22, 2013	April 30, 2021
<b>Private Sector</b>	Mike Siragusa	September 2018	September 2022
<b>Private Sector</b>	Michelle Jonihakis	December 2018	December 2022
<b>Private Sector</b>	Kyle Gammon	September 2019	September 2023
<b>Total Private Sector</b>	<b>4</b>		
<b>MULTI COUNTIES</b>			
DCF Regional Administrator or Designee	Charles Puckett	December 2018	December 2022
Regional Workforce Board Executive Director or Designee	*Renee Williams, (Baker, Clay, Nassau, Putnam, St. Johns)	September 2014	September 2022
President of a Florida College System or Designee	* Dr. Myrna Allen, <i>Treasurer</i>	September 2014	September 2022

	(Clay, Putnam, St. Johns)		
Representative of Private For-Profit Child Care Providers	Patricia Tauch (Clay County)	January 2019	January 2023
Representative of Faith Based Child Care Providers	Theresa Little, (Putnam, St. Johns)	December 7, 2016	December 7, 2020
Central Agency Administrator	Teresa Matheny (All Counties)	September 21, 2016	NA
<b>Private Sector</b>	Aubrie Simpson Gotham, <i>Secretary</i> (St. Johns)	December 2018	December 2022
<b>Private Sector</b>	Joy Stanton, <i>Vice Chair</i> (St. Johns)	March 2020	March 2024
<b>Total Private Sector</b>	<b>2</b>		
<b>Combined Total Private Sector</b> ( <i>Must comprise MORE THAN 1/3 of total Board Membership</i> ):	<b>8</b>		
<b>TOTAL MEMBERSHIP</b>	<b>19</b>		

*Second 4 year term*

- **Ron Coleman-** Governor appointee for the private sector has filed paperwork with the Governor’s office for approval of a second term. I received word that Ron is approved, just waiting on documentation.
- **Nancy Pearson-** Governor appointee for the private sector has filed her paperwork with the Governor’s office for approval of a second term and has been approved. Nancy’s new term is from August 30, 2018 to April 30, 2021.
- **Dr. Myrna Allen-** Term date is September 2018; she has served one term and has been reappointed as the Designee by President Joe Pickens of St. Johns River State College to serve a second term. The Board approved Dr. Allen’s second term on the September 19, 2018 meeting. Dr. Allen’s second term expires September 2022. (President of a Florida College system designee)
- **Renee Williams-** Term date is September 2018; she has served one term and has been reappointed for a second term as the Designee by President Bruce Ferguson of the Regional Workforce Board. The Board approved R. Williams second term on the September 19, 2018 meeting. R. Williams second term expires September 2022. (Regional Workforce Board Executive Director or Designee)
- **Joy Stanton-**Term date is March 16,2020. The Board approved J. Stanton’s second term on the March 11, 2020 meeting. J. Stanton’s second term expires March 2024.
- **Mandatory Seats:** All mandatory seats have been filled.

- **Combined Total Private Sector** (*Must be comprised of MORE THAN 1/3 of total Board Membership*): 1/3 of 19 42%. We currently have 8 private sector members.
- **Total Membership:** 15 to 30 members. We currently have 19 board members.

## **IX. Committee Absenteeism Log**

### **INFORMATIONAL**

**May 6, 2020  
Exec/Admin Committee Meeting  
Early Learning Coalition of North Florida, Inc.**

**By-Laws**

**STRATIVE COMMITTEE**

**SENTEEISM LOG**

*Section 3.2.7 - Unexcused absences from two (2) consecutive meetings within a twelve month period by a representative or appointed member is equivalent to resignation from the Coalition.*

*Section 3.2.8 - Mandated members with three (3) consecutive unexcused absences from meetings or six (6) unexcused absences from meetings with in a twelve month period without due cause may be notified by the Chair that their*

X = Attended

	Member Name	5/2/2018 Meeting	No Mtg. Jun-18	No Mtg. Jul-18	8/1/2018 Meeting	No Mtg. Sep-18	No Mtg. Oct-18	11/7/2018 Meeting	No Mtg. Dec-18	No Mtg. Jan-19	2/6/2019- Meeting Cancelled	5/1/2019 Meeting Cancelled	8/7/2019 Meeting
1	Delcomyn, V.	X			X			X					No longer a member
2	Siragusa, M.	Not a member			Not a member			X					X
3	Pearson, N.	X			X			Excused					X
4	Williams, R.	X			X			X					X
5	Matheny, T.	X			X			X					X
6	Stanton, J.	X			X			Excused					X
7	Allen, M.	Excused			X			X					X
8	McElhone, B.	X			Excused			No longer a member		Not a member yet			No longer a member
9	Simpson-Gotham, A.	Not a member			Not a member			Not a member					Not a member
10	Little, T.	X			Excused			X					X

## **X. Committee Comment**

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### **XI. Next Meetings:**

- **Board Meeting–**  
June 10, 2020; 10:30 a.m. Renaissance Resort at  
World Golf Village Convention center
  - **Exec/Admin –** August 5, 2020; 10:30 a.m.  
Conference Call
- 

### **XII. Adjournment\***

***\*ACTION ITEM***