



Contract Payments, Advances, Rollover, and Budget Revision Policies

Contract payments will be made quarterly to the contractor upon receipt of required quarterly reports. Unless otherwise stipulated in the contract, contractors will receive 25% of the grant funds at the end of each quarter. A “Contract Payment Schedule” will be provided as an exhibit to each contract.

Contract Payments, Advances, and Rollover Policy

This Policy is effective immediately for all funded programs of First 5 Yolo, with the exception of the Community Mini-grant program and the Child Care Mini-grant program.

- Any agency requesting an advance in the first year of their contract with the Commission will be granted one in the amount of 20% of the annual contract amount.
- Agencies will receive a 1st, 2nd, and 3rd quarter payment of 20%.
- The end of year (4th quarter) payment will be adjusted to cost.
- In the analysis of the 3rd quarter evaluation and financial reports, significant under or over spending will be addressed with the contractor and payments will be adjusted.
- Multi-year contracts are eligible for a one-time roll-over only in the first contract year. Unspent funds from Year 1 shall be equally divided into the remaining contract years. Unspent funds in any subsequent year will not roll over, but will return to the Commission’s uncommitted fund balance. Contracts shall not be extended beyond the original multi-year agreement. Contractors desiring to roll funds from Year 1 into subsequent years must formally request a rollover which is subject to approval by the Commission.
- Single year contracts are expected to expend all funds within a 12 month period. If there are extenuating circumstances, the contractor may apply for a 6 month time extension to the contract. Contractors desiring to extend their contract for up to 6 months must formally request an extension which is subject to approval by the Commission. .
- All funds not spent by contractors by the end of a 6 month extension period will return to the Commission’s uncommitted funds balance.
- Contractors can request an advance in subsequent years of multiple year contracts through an application process.
- Financial audits and/or financial statements will be requested with RFPs and proposals for all grants greater than \$15,000. The financial position of each applicant will be reviewed by the financial director or manager and a report made to the review panel and Commission.

Contract Budgets

All contractors must submit a program budget for the term of the contract in 5 major categories that apply. The categories are Personnel, Operating Expenses, Program Expenses, Capital Purchases, and/or Subcontracts. **Personnel** detail should be listed by position/name of employee, salary, FTE, and total salary allocated to program. Benefits are limited to 25% or actual whichever is lower. **Operating Expenses** may be any reasonable items needed in support of the contract activities such as rent, phone, office supplies, travel, or copying. **Program expenses** are specific program related expenses including supplies, curriculum, materials, and/or any items needed to perform the activities in the Scope of Work. **Capital purchases** are furniture and equipment costing more than \$5000. **Subcontracts** are listed in total where subcontracts are required. Overhead may be listed up to 10% of the total of personnel and benefits.

Budget Revision

Changes to the contract budget are sometimes needed if the program's expenses originally projected are not meeting the needs of the program. A budget revision is required if the contractor wishes to move funds between major categories in an amount greater than 10% of any category. The categories may be Personnel, Operating Expenses, Program Expenses, Capital Purchases, and/or Subcontracts. Revisions may be submitted any time before March 25th of the contract year, however, they should be requested as soon as the contractor is aware of the need. The request for a budget revision must be prepared on the "Budget Revision Form" provided by First 5 Yolo on the Collaboration Central site at <https://first5yolo.spcentral.net>. Retroactive adjustments to previously reported expenditures are not allowed. Budget revisions can only affect expenditures made after the revision is approved.

Contractors are allowed one budget revision per year unless extenuating circumstances arise. Contractors must contact the First 5 Yolo Executive Director for approval to proceed with a second budget revision.



Low Performing Contractor Policy & Procedures

Definition:

A low performing contractor is defined by:

- any agency that scores less than 65 out of 100 possible points on an Administrative Site Visit Evaluation Form. (ASVEF)
- any agency that is delinquent in submission of quarterly reports by more than 5 business days without prior approval by F5Y contract monitor

Policy:

Contractors will be notified of their ASVEF score within 2 weeks of the site visit. Notification will take place via a letter and enclosed signed copy of the ASVEF. Low performing contractors will be required to submit a corrective action plan within 2 weeks of notification of low score. Executive Director may withhold payment from low performing contractors until satisfactory progress is made on the corrective action plan.

Contractors who have not submitted all forms required for reporting to their contract monitor by the established deadline may be considered “low performing”. Executive Director may withhold payment from low performing contractors until all forms are submitted and are complete and accurate.

Procedures - ASVEF:

1. Staff will conduct an Administrative site visit with each grantee on an annual basis to evaluate fiscal and programmatic procedures.
2. At the site visit, staff will request information specifically outlined in the ASVEF (see attached).
3. Information is obtained, reviewed, and/or sent to staff in response to the ASVEF.
4. Following the site visit, Staff will complete the ASVEF and mail a copy of the form by certified mail, along with a cover letter detailing any implications for the agency resulting from their ASVEF score, to the agency Executive Director within 2 weeks of the site visit.
5. In the letter, staff may request additional information be sent to the Commission, based on findings from the site visit.
6. If the additional information to verify services provided (accounting practices, audience served, etc.) is not provided to the Commission within 30 days of the initial request, a second letter will be sent by certified mail.
7. The follow-up request letter will include the site visit findings, the requested information, the date that the request was due, and the agency’s failure to submit the requested information.
8. If requested in writing, agency directors will be provided an additional 30 days to submit any/all information deemed necessary by the Commission.
9. Should the Commission not receive the requested information by 2 weeks after the follow-up letter is sent, the matter will be brought to the attention of the full Commission at a public meeting.
10. Review and discussion of the agency’s failure to provide necessary documentation of program accountability may impact future funding for that agency by the Commission.

11. If the Commission does not receive the requested documentation by the time that the next scheduled payment is due to the agency, that payment will be held until such time that documentation is provided and meets with the satisfaction of the Commission.
12. Language will be added to the Commission's current contract template to include aspects of this policy so that it may be enforced. This language will include:
 - a. Commission has the right to conduct a site visit (at least annually) to determine compliance with contract goals/objectives
 - b. Executive Director has the right to withhold quarterly payment pending the receipt of
 - i. Submission of quarterly reports
 - ii. Submission of a corrective action plan within 30 days, if required by the Commission
 - c. Executive Director has the right to withhold quarterly payments in the following circumstances:
 - i. Failure to make satisfactory progress on Scope of Work objectives
 - ii. Failure to make satisfactory progress on a Corrective Action Plan, if required by the Commission
 - iii. Failure to allow Commission staff to conduct a site visit of agency or program

Procedures – Delinquent Reporting:

1. Contractors will receive schedule of reporting dates and required forms at new grantee orientation held annually.
 2. Quarterly reports are due by close of business on the following dates:
 - a. Quarter 1- October 31st
 - b. Quarter 2- January 31st
 - c. Quarter 3- April 30th
 - d. Quarter 4- July 15th
- Note: If due dates fall on a Saturday or Sunday, reports are due the following Monday.*
3. If contractor is delinquent in submitting quarterly reports by the deadline or if any forms are inaccurate, incomplete or omitted, the report will be documented as late.
 4. Quarterly reports that are more than 5 business days late will result in Low Performing Grantee status. A notice of low performing status will be communicated in writing to the agency and all outstanding report components must be submitted no later than 30 days of original due date.
 5. If all reporting components are not submitted within 30 days of original due date, the agency will forfeit payment of that quarter's expenditures.
 6. Staff will reserve the right to make exceptions to Item #5 based on special and/or unusual circumstances that are beyond the agency's control which are supported by written communication and a confirmation of circumstances by First 5 Yolo.
 7. The Commission's Program and Policy Committee receives a quarterly update of all contracted agencies which includes a list of those who are in the low performing category.



Quality Assurance: Program Records, Inspection & Site

A. Contractor shall maintain adequate client records on each individual client, including face-to-face service plans, records of client interviews, case notes, and records of services provided by the various professional and paraprofessional personnel, in sufficient detail to permit an evaluation of services. Such records must comply with all appropriate Federal, State and Commission record maintenance requirements. Commission has the right to obtain list of clients and demographic information on clients and families served by this Agreement or any subcontracts entered into by Contractor.

B. Contractor shall permit, at any reasonable time, personnel designated by the Executive Director to enter the Contractor's premises for the purpose of making periodic inspections to evaluate the effectiveness of the services rendered pursuant to this Agreement. Any other provision of this Agreement notwithstanding, at reasonable times during normal business hours, the Commission, Executive Director, or their appropriate audit agency or designee, shall have the right to inspect or otherwise evaluate the cost, quality, appropriateness and timeliness of services performed, to audit and inspect any books and records of the Contractor that pertain to services performed, and to determine the amount payable under this Agreement, as set forth in the Site Visit and Performance Evaluation Policy and Procedures, attached hereto as Exhibit H. The Contractor shall also furnish the Commission and Executive Director with such additional information as they may reasonably request to evaluate the fiscal and program effectiveness of the services being rendered.

C. The Commission has the right to conduct a site visit to determine compliance with the goals and objectives of this Agreement. The Contractor has 15 days to respond to a request for a corrective action plan, and may request an additional 15 days if necessary. The Executive Director has the right to withhold one or more quarterly payments pending submission of a corrective action plan. If required by the Commission, the Executive Director has the right to permanently withhold one or more quarterly payments in the following circumstances:

1. Failure to make satisfactory progress on Scope of Work objectives;
2. Failure to make satisfactory progress on a corrective action plan, if required by the Commission; or
3. Failure to allow Commission staff to conduct a site visit of agency or program.