

ORANGE COUNTY DEPARTMENT OF SOCIAL SERVICES
CONTRACTUAL BUDGET AGREEMENTS
AND CLAIMING INSTRUCTIONS

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Budget and Claiming Instructions

Summary: The Department of Social Services uses a standardized method for contractors when they submit their annual budgets and monthly claims. Our budget forms are included in this instruction workbook (to complete forms, see attached Excel Package, updated 1-7-15) to highlight the importance of insuring a consistent use of the budget forms. As previously noted, Budgets will not be processed unless they are submitted on the DSS provided forms. Administrative Overhead will not be permitted unless the Administrative Overhead forms are fully completed, including salaries for executive officers.

If an organization has an approved Federal Administrative Overhead Rate, that percentage may be applied without completing the form as long as the approved rate is submitted. This rate may not exceed 15% (for Budget & Billing purposes), which is the DSS maximum reimbursement rate. For vendors that have and choose to use a Federal Approved Rate, the acceptance letter from the Federal Government must be included with the budget submission.

The DSS conducts annual financial and programmatic audits. The **Cost Allocation Plan** for the vendor must be submitted with the annual budget forms. Without the Cost Allocation Plan, when the DSS conducts an annual audit, cost sharing between staff and programs may not be accepted as there will be no basis for reviewing the cost sharing.

All of the forms, instructions, and workbooks noted above can be found on the Department of Social Services Website at: [Vendor Budget Information | Orange County, NY \(orangecountygov.com\)](http://www.orangetown.gov/vendor-budget-information). To access the forms, click the link to the Vendor Budget Information (see arrows center of page). At this time, we ask All Vendors to refrain from using their old forms, and to replace them with our current version.

In the Excel Document, after the budget forms, the DSS has included your monthly claim forms for your review and use. As noted above, these forms are available as an excel file and are on the DSS website. Should you have trouble accessing the files, please contact us & we would be glad to email you the updated versions. The DSS Claim forms must be used in order to have your monthly expenses reimbursed. Some of the forms included may not be applicable for use on all contracts.

At a minimum, the “Non-Personnel” and “Personnel Forms” must be included for reimbursement. Based on the reimbursement method for your contract, additional forms may be required.

Our claiming forms include two “Performance Based” forms, one which is titled the “**Vendor Monthly Cover Sheet, for Preventive Paperwork Compliance**”. This form should be used by those vendors who have specific documentation requirements that must be adhered to monthly (i.e. Preventive Programs, where 5% of your contract is tied to this requirement, please see the form for further details). The second form, titled “**Contract Ending, Performance Based Cover Sheet**”, should be submitted at the end of the contract year when the 5% of your contract, which is dependent on your annual performance measures must be accounted for. An annual report, validating the achievements of each performance measure should also be submitted with the final claim for reimbursement. Please see the attached Sample Schedule B for further clarification.

Schedule B

Summary: The Department of Social Services develops contracts with a specific Scope of Services, which details the activities of the contracted services. Schedule B details the Annual Budget as well as the reimbursement methodology applied for each contract. Its Sections are described below:

1) Section 1 of the Schedule B is the Annual Budget. As an example, Schedule B outlines how the performance measures will be written into each contract for services, using a contract with an annual cost of \$500,000.

2) The Orange County Department of Social Services has agreed to reimburse YY Human Services Organization, for approved program expenses through a **cost reimbursement methodology**. This will include **monthly claims for only those costs incurred by the vendor for the provision of services specific to their contracted scope of services. Supporting documentation of incurred costs / expenses must be submitted with Vendor Monthly Claims.**

3) The following performance targets have been identified and applied to the Schedule B, Fees and Expenses. YY Human Services Organization must provide documentation that each performance target has been achieved on an annual basis (quarterly reports may also be required at the discretion of the DSS). The DSS will verify the performance target and allow reimbursement for each target as met, at the end of the contract period. YY Human Services Organization is permitted to seek reimbursement from the DSS for each performance target achieved, based upon the percentage associated with the performance target. If YY Human Services Organization fails to achieve a performance target, the DSS will reduce the final monthly claim by the percentage allowed for that performance target based on the actual annual expenditures or the contracted amount. The costs associated with the performance targets for this contract cannot exceed 5% of the lesser of the actual annual program expenditures or the total contracted amount. In our example, the following Schedule B includes YY's five chosen targets:

a) 98% of all families will have a face to face contact in accordance with the program's individual Request for Proposal (RFP). Contacts must be made by the Caseworker/Case Supervisor/Therapist. (if not achieved: -1% of the lesser of the actual program expenditures or the total contracted amount annually).

b) 98% of all families will receive a minimum of casework contacts as prescribed by State Regulation (if not achieved: -1% of the lesser of the actual program expenditures or the total contracted amount annually).

c) 90% of children served by program will be maintained in the custody of their parent/guardian or parent/guardian designee (if not achieved: -1% of the lesser of the actual program expenditures or the total contracted amount annually).

d) Program will work diligently to reduce criminal activity as evidenced by at least 85% of all youth remaining free of new arrests during their enrollment in the program (if not achieved: -1% of the lesser of the actual program expenditures or the total contracted amount annually).

e) 90% of all children enrolled in the program will participate in a community pro-social activity at least 3 times per week, for the duration of program services (if not achieved: -1% of the lesser of the actual program expenditures or the total contracted amount annually).

4.) The maximum amount of reimbursement through this contract cannot exceed **\$500,000;** **and the reimbursement will not exceed the Actual Program Expenditures.** Performance payments should be claimed at the completion of the contract on the "Contract Ending, Performance Based Cover Sheet". The YY Human Services Organization will be required to submit an annual report detailing and validating their achievement or lack of achievement of each performance measure noted above. The annual report must be submitted with the final claim for reimbursement and must be validated as accurate by the Department of Social Services prior to the Final Monthly Payment being made for this contract.

Instructions for Annual Budget Summary (Form 1)

A. PERSONNEL SERVICES

In-Direct Funds - All program personnel costs for staff that are not involved in Direct Service to youth, individuals and/or families must be clearly identified as "In-Direct" personnel costs. This must include administrative positions that have no direct service contact with consumers, clerical, administrative support services, fiscal/accounting positions, human resources, personnel costs for information technology services, etc. . . .

Direct Service Funds - All program personnel costs for Vendor staff that will provide direct service to children, individuals and / or families. These positions must have a direct role in the service (s) offered by the program.

In-Kind / Non-Requested - Budgeted funds that are not being requested from OCDSS but may be used to fund the program throughout the course of the year. These funds may include; donations, fund raising, state or federal grants, foundation assistance, consumer fees, uncharged rental-space, service agreements with contract agents that do not require direct funding.

B. NON-PERSONNEL SERVICES

Contractual/Consultant Services - This category includes costs for institutions, individuals, or organization's external to the agency. All subcontracts or consultant arrangements, including vendor, consultant and purchase of service agreements to provide any services outlined in or associated with the project, must be by written agreement.

Subcontract or consultant agreements for \$2,500 or more must have written approval by OCDSS. Payment for subcontract costs is contingent upon OCDSS approval. Any series of subcontracts with one organization or individual whose total exceeds \$2,500 is subject to prior approval by the OCDSS. Explain the need and/or purpose for the contractual/consultant services. Use of consultants must be fully explained and justified. Identify the services that the consultants will provide and explain why they must be used.

Building Rental - Explain the dollars allocated for office space and utility costs associated with the program. Please include in the budget narrative the amount of space required for program staff. The provision of dollars for office space must be requested on square footage basis.

Gas, Fuel, Heat, Electric - All utilities associated with the office space charged to the program under contract must be charged based upon the same square footage basis determined for the allocation of building rental.

Staff Travel - The Orange County Department of Social Services bases travel reimbursements on the latest approved policies and rates set forth by the NYS Office of the State Comptroller.

- Budgeting for travel costs may be based on the following: transportation - for air travel, train, private vehicle, agency vehicle, bus, and taxi, base costs on projected expenses.
- '• Approved mileage rates are updated on the Office of the State Comptroller web page: (<http://osc.state.ny.us/agencies/travel/mileage.htm>).
- Parking fees and tolls - budget for projected expenses.

Information Technology - Costs included in this line item are items associated with the purchase, service and supplies associated with an agencies computer system. Costs such as: hardware, software, "Connections" equipment, document imaging and maintenance / service of such equipment. Staff costs associated with Information Technology cannot be assigned to this line item.

Equipment Expenses - Equipment is defined as tangible personal property having a useful life of more than two years and an acquisition cost of \$250 or more per unit. Purchases cannot be broken up into allotments of less than \$250 to avoid being classified as equipment. Equipment needed to meet the contractual objectives may be either purchased or rented whichever is more economical. All agencies must provide a written description regarding the reason for equipment expenditures, which must be fully supported by the proposed scope of services provided through the contract.

This line item may include costs associated with the purchase, lease and /or rental of the following equipment: duplicating machines, fax machines, telephone systems, voice mail systems, accounting machines and other non-computer related technology.

Communication Expenses - Expenses associated with this line item are limited to the following: monthly telephone charges, line charges, service charges, pagers and / or cell phone usage.

Meal Allowances - This line item is associated with expenses occurred for out-of-county travel, overnight training and/or union related negotiations. All agencies must provide a written description regarding the reason for meal allowance expenditures, which must be fully supported by the proposed scope of services provided through the contract.

Advertising - Expenses associated with this line are limited to costs associated with advertising for personnel related positions for the specific contract. Other advertising expenses and / or public relations expenses that support the public understanding of an agency's services, serve to promote the agency in any manner or are designed for referral / consumer enrollment are strictly prohibited. Costs associated with the above-mentioned activities may be charged in the administrative overhead portion of the contractual agreement, but these costs must be identified within the narrative for the AOH portion.

Supplies - Expenses associated with this line item are limited to office supplies with durable goods purchased to support the contractual outcomes of the program. Office supplies are limited to the purchase of durable items, non-equipment related. For example: toner cartridges not included in equipment rental expenses, paper, pencils, paper clips, etc.

Please note, list major items only in the narrative portion. A major item can be described as any item with a cost that may exceed \$100 per item.

Flexible Funds - Expenses associated in this area are limited to the direct purchase of goods and services **for consumers** receiving the services associated with the program. All expenses in this line item above \$75 must have the permission of OCDSS.

The use of flexible funds is not permitted for every agency contracted with OCDSS. These funds are generally reserved for child welfare services geared towards preventing out of home placement for high-risk children.

Insurance (Non-Health) - The Risk Management Division of the Orange County Government has specific insurance requirements that must be met prior to proceeding with any contractual agreement. The specific insurance requirements are attached to this document. Contracted agencies are permitted to build the cost of insurance (non-health) into their non-personnel portion of a budget request.

Other Expenses - Include items that are not applicable under any other category. Other Expenses include items that are directly related to the services to be provided; however, are not specifically included in the aforementioned categories. These items may include postage, shipping, delivery and messenger services, insurance, reprint permissions, reproduction, audiovisual and print production costs, materials development costs, books, journals, periodicals, library services, audio-visual services, program refreshments and client travel.

All expenses placed in this line must be agency specific and listed as a line item. All agencies should make every effort to have expenses in those line items provided by OCDSS.

Expenses associated with this category should be program specific and associated with a non-traditional method of service delivery. For example: client travel for family group conferencing, meals for family group conferencing, expenses associated with balanced and restorative practices or other non-traditional expenses.

ANNUAL BUDGET SUMMARY

Vendor Name:	Type Your Company Name Here
Program Name:	Type Program Name Here

< Once typed here, on "Annual Budget Summary-Form 1" Program Name: Type Program Name Here < these 2 lines should propagate to all the other sheets.

EXPENSE CATEGORY	IN-DIRECT DSS FUNDS	DIRECT SERVICE DSS FUNDS	SUB TOTAL DSS REQUESTED FUNDS	IN-KIND / NON REQUESTED FUNDS	TOTAL ANNUAL COSTS
A. PERSONNEL SERVICES					
Personnel			0.00		0.00
Fringe Benefits	0.00	0.00	0.00	0.00	0.00
Total (Personnel)	0.00	0.00	0.00	0.00	0.00
B. NON-PERSONNEL SERVICES					
Contractual /Consultant			0.00		0.00
Building Rental			0.00		0.00
Gas, Fuel, Heat, Electric			0.00		0.00
Staff Travel			0.00		0.00
Information Technology			0.00		0.00
Equipment Expenses			0.00		0.00
Communication Expenses			0.00		0.00
Meal Allowances			0.00		0.00
Advertising			0.00		0.00
Supplies			0.00		0.00
Flexible Funds			0.00		0.00
Insurance (Non-Health)			0.00		0.00
Other Expenses (specify)			0.00		0.00
Other Expenses (specify)			0.00		0.00
Total (Non-Personnel)	0.00	0.00	0.00	0.00	0.00
C. Administrative Overhead			0.00		0.00
D. Project Total	0.00	0.00	0.00	0.00	0.00

Instructions for Program Personnel Costs (Form 2)

A. Program Personnel Costs

List all staff positions, the percentage of time they will spend on the program and base (annual) salary. Indicate total fringe cost for all personnel. Transfer the budget figures from (Personnel Costs Form 2) to the (Annual Budget Summary Form 1). Make sure the budgeted amounts on both forms are identical.

The base salary should reflect the employee's actual annual salary. The annual salary should be consistent across all projects that the employee's time is charged to. An individual's percentage of time on a program (or programs) cannot be more than 100%. If the proposed program is currently operational, provide information on the percentage of salary raises expected as well as a justification for providing said raises: e.g., faculty/union negotiated, COLA, merit, performance, etc. . . . in the budget narrative.

If you anticipate cost of living or merit raises during the contract year, include the increases in the base annual salary charged to the project, and note the effective date of the raise(s). Salaries charged to the program are generally calculated as a percentage of annual salary (total cost of salary = annual salary X % of time on program).

Agency personnel expenses should be presented in two distinct title categories: (1) In-Direct / Administrative (2) Direct Service. Specific staff titles listed in each category should be determined by using the method previously mentioned regarding direct contact with children, individuals and/or families.

In-Kind Donations / Non-Requested OCDSS funds that will be attributed to staff salaries should be reflected in the "In-Kind / Non-Requested Funds" category.

B. Fringe Benefit Percentages / Costs

Show the fringe benefit amount(s) and the positions to which the amount(s) apply. Provide a complete listing of the benefits included for the automatic calculation of the fringe benefit rate. Should different employees have different benefits, please explain in the Budget Narrative.

ANNUAL BUDGET SUMMARY - PROGRAM PERSONNEL COSTS

Vendor Name:	Type Your Company Name Here
Program Name:	Type Program Name Here

TITLE	BASE SALARY	PERCENT OF TIME ON PROJECT CHARGED TO OCDSS	REQUESTED FUNDS FROM OCDSS	IN-KIND / NON REQUESTED FUNDS (% of time on Project (NOT Charged to DSS) x Base Salary) (must insert specific %)	TOTAL SALARY CHARGED TO PROGRAM (BASE SALARY X % OF TIME ON PROGRAM)
IN-DIRECT PERSONNEL			0.00		0.00
			0.00		0.00
			0.00		0.00
			0.00		0.00
DIRECT PERSONNEL			0.00		0.00
			0.00		0.00
			0.00		0.00
			0.00		0.00
			0.00		0.00
			0.00	-	<u>0.00</u>
SalarySub-Total			0.00	0.00	0.00
B. Fringe Cost			0.00	0.00	0.00
C. Total			0.00	0.00	0.00

Explanation of Fringe Benefit Calculations: Benefits are calculated at _____% of gross salaries:

Fringe Categories	Percentage of gross salaries:	Funds Requested	In-Kind / Non-Requested Funds
FICA / Comp / Unemployment / Disability (All Federal and State Taxes).	#DIV/0!		
Health Insurance	#DIV/0!		
Dental Coverage	#DIV/0!		
Vision Coverage	#DIV/0!		
Other (specify)	#DIV/0!		
Other (specify)	#DIV/0!		
Total Funds Requested	#DIV/0!	0.00	0.00

Instructions for Administrative Overhead Projected Expense Worksheet (Form 3)

Administrative Overhead Projected Expense Worksheet: All Vendors applying for funds through the Department of Social Services are required to list all projected expenses that were used to generate the requested administrative overhead rate. The **Maximum Administrative Overhead rate for Vendors receiving funds through OCDSS is 15% of the total contracted costs.** All Vendors must clearly identify how the percentage requested has been calculated and must match the calculated rate when billing.

The Administrative Overhead Expense Worksheet is divided into two portions. The first portion requests a list of administrative personnel whose salaries are simply allocated amongst the organizations various programs, based on the selected cost allocation methodology. Examples may include fiscal staff, a payroll clerk, Chief Executive Officer, Vice President, etc. . . .

The base salary of the position must be reported as an accurate projection for the period. The percentage can then be calculated as a projected expense. A Vendor requesting reimbursement for costs associated with personnel must provide the total base salary and percentage of time for the project. All personnel cost in AOH must be reported and calculated based upon the cost allocation method used for other personnel. The cost allocation methodology used by the Vendor should be reflected on the attached cost allocation attestation.

The second portion of the worksheet requests Non-Personnel expenses. These may include, but are not limited to legal costs, insurance costs, building rental, communication expenses, etc. . . . This portion of the worksheet lists projected "Requested DSS Funds", "In-Kind", and the "Total Annual Costs". Vendors should make every effort to budget the projected In-Kind costs associated with the project.

All Vendors are required to total all the projected expenses at the bottom of the worksheet and followed by the AOH percentage. The projected expenses must equal the AOH percentage requested. Since the costs associated with administrative functions can vary based on numerous factors, the cost is formulated and reported on the budget form only. When claiming, the Administrative Overhead will be automatically calculated based on the amounts entered for the actual monthly expenditures.

ANNUAL BUDGET SUMMARY - Administrative Overhead

Projected Expense Worksheet

Vendor Name:	Type Your Company Name Here				
Program Name:	Type Program Name Here				
EXPENSES	BASE SALARY	PERCENT OF TIME ON PROJECT	REQUESTED FUNDS FROM OCDSS	IN-KIND / NON REQUESTED FUNDS	TOTAL SALARY CHARGED TO PROGRAM (BASE SALARY X % OF TIME ON PROGRAM)
PERSONNEL			0.00	0.00	0.00
Director			0.00	0.00	0.00
			0.00	0.00	0.00
			0.00	0.00	0.00
			0.00	0.00	0.00
			0.00	0.00	0.00
			0.00	0.00	0.00
			<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
SUBTOTAL PERSONNEL			0.00	0.00	0.00
FRINGE BENEFITS @		0.00%	0.00	0.00	0.00
GRAND TOTAL ADMIN PERSONNEL			0.00	0.00	0.00
NON-PERSONNEL			REQUESTED DSS FUNDS	IN-KIND / NON REQUESTED FUNDS	TOTAL ANNUAL COSTS
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
					0.00
TOTAL REQUESTED			0.00	0.00	0.00
ADMINISTRATIVE OVERHEAD PERCENTAGE OF TOTAL PROJECT COSTS			#DIV/0!		

Instructions for Budget Narrative (Form 4)

Summary: The budget narrative form provides each Vendor with an opportunity to explain in brief detail the expenses associated with each line of the Annual Budget Summary. The form provided lists each budget area and provides space for a description of the rationale used to develop the annual projected expenses.

Allowable / Non-Allowable Use of Funds - For Children's Services, preventive and foster care contracts, the following description of allowable and non-allowable funds must be considered when completing the proposed budget.

TANF funds are applied to some degree to a majority of OCDSS contracts. If TANF funding is being applied to the program, these may be used only for non-medical services and nonrecurrent short-term benefits. All monies awarded through the development of a contract with OCDSS that are using TANF funds are limited to "non-assistance" funds. Funds may not be used for anything that is designed to meet a family's ongoing basic needs, including cash assistance, vouchers or similar benefits. In addition to services, non-recurrent, short-term benefits that are designed to address a specific crisis situation or episode of need are allowable. Short-term benefits, which might otherwise be considered "assistance", are considered "non-assistance" if they are not intended to meet recurring needs and do not extend beyond four months.

If the program is going to serve families or individuals that meet the TANF eligibility requirements, all agencies will be required to allocate / claim costs through a client specific method. Additionally, **All Children Services contracts must be completed using the Child / Client Specific claim forms.** This method and forms are provided in the claiming section of this document. Vendors not required to complete claims in this manner will be notified by OCDSS.

It is safe to assume that if, the Vendor in question is not providing the following direct services: preventive, foster care, independent living, welfare to work, housing, case management, PINS, JDs and or other child protective programs, the Vendor will not be required to submit a client specific claim. All Vendors will be required to use the same claiming forms attached, while only selected Vendors will not be required to submit child specific claiming information.

Non-Allowable Costs - The following are items that cannot be included as OCDSS funded costs within the project budget:

- Capital expenditures such as acquisition, construction or structural renovation of facilities.
- Advertising costs, except for recruitment of project personnel.
- Entertainment costs, including social activities, marketing and / or public relations.
- Interest costs, including costs incurred to borrow funds.

- Costs of organized fund raising.
- Costs for dues, attendance at conferences or meetings of professional organizations, unless attendance is necessary in connection with the project.
- Costs for preparation of continuation agreements and other proposal development costs.
- Recurrent family transportation or childcare.
- Tuition stipends.
- Medical services.

PERSONNEL SERVICES

In-Direct Funds for Staff - Vendors with funds attributed to this line item are required to list all “In-Direct” staff associated with the program, provide a brief description of their duties as they relate to the program and ensure that a description of how their time allocation was determined. For example, a time study may be conducted quarterly to assess and determine the portion of the staff member’s base salary to the program. A description of how this percentage was formulated must be included in the narrative. OCDSS may request ongoing documentation at any time of the method used to determine the allocation percentage.

Direct Service Funds for Staff - Vendors must submit a list of every position funded through the proposed budget, provide a brief but clear description of their duties and role within the Vendor. Any staff member receiving a portion of funds must be identified and included in the description.

In Kind / Non- Requested Funds - Vendors with funds attributed to the program in this line item are asked to explain in detail how such funds are generated. Examples may include donations, fund raising, state or federal grants, foundation assistance, consumer fees, uncharged rental space, service agreements with contract agents that do not require direct funding, etc. . . . Please indicate in this narrative if these funds are projected or insured as part of the annual budget summary.

Fringe Benefits - Vendors offering health benefits must provide the name of their insurance carrier, a description of the health insurance offered (medical, dental, vision) and the amount of Vendor funds allocated to health insurance. Additionally, all Vendors should include a description of the employee’s financial share of the benefits offered by the Vendor as well as a description of how the fringe benefits will be reduced to accommodate those employees who do not elect to accept Vendor health benefits. Vendors that offer a cash-buy-out may include the costs of the buyout as a component of the fringe costs.

NON-PERSONNEL SERVICES

Contractual / Consultant - Provide the number of consultant days and the expected outcomes of the proposed consultant services. Also, state if consultant travel, meals and lodging costs are included in the daily rate.

Provide a specific narrative for the following issues:

- Justify any rates over \$150/day.
- Attach a service agreement and a copy of the proposed contract with any consultant for which funds are requested.

Building Rental - Provide the total square footage occupied by program staff, address of office location and plans to relocate if the allocated office space is due to change during the contract year.

Gas, Fuel, Heat, Electric - If utilities are not included as a portion of the rental agreement for office space, briefly describe the charges that may be associated with this line item. Please identify the type of utility expenses that will be charged to the line.

Staff Travel - Explain which staff will be traveling and the destination, purpose and frequency of travel. List the mode of transportation for local/day travel (e.g., agency vehicle, or personal auto); include purpose, destinations, number of staff, mileage rates if applicable, and total cost.

For extended travel, list the following for each trip:

- Destination
- Length of stay
- Purpose
- Number of travelers
- Mode of transportation and unit price
- Anticipated local costs (cab fare, car rental, subways, parking, etc.)
- Lodging and Meals - budget for projected expenses.
- Conference attendance costs must be justified.
- Reminder: Consultant's travel should be included in the Contractual/Consultant category, not under Staff travel.

Information Technology - Expenses requested in this line item must be limited to the development and / or maintenance of information systems used to support Vendor efforts. Examples could include computer hardware and software, "Connections" related equipment and or imaging. The above mentioned are limited examples, but all Vendors requesting funds under this line item must clearly identify how the expenses incurred will support the goals and objectives for the proposed program.

Equipment - Any budget requests for equipment purchase with OCDSS funds must be fully explained and justified by program need. If equipment purchases are approved, documentation of three (3) telephone bids is required for all items of \$501 to \$5,000. Items of \$5,001 or more require three (3) written bids.

Justify all equipment purchases. Itemize any equipment to be purchased or rented by type and cost. Explain the program function and need for all items. Be as specific as possible. Clearly describe the equipment and itemize its cost. If the item is to be used by more than one program, the cost must be pro-rated.

Communication - List the number of phone lines used by program staff, the estimated charges per line and service fees associated with each line. If funds are requested for pagers and/or cell phones, describe why such equipment will be needed to achieve program objectives. Expenses associated with communication equipment cannot be charged to this line item (these must be included in Equipment).

Meal Allowances - This line item is associated with expenses occurred for out-of-county travel, overnight training and/or union related negotiations. All Vendors must provide a written description regarding the reason for meal allowance expenditures, which must be fully supported by the proposed scope of services provided through the contract.

Advertising - Expenses associated with this line item must be directly related to advertising expenses incurred for staff recruitment only. As mentioned above, expenditures for public relations, marketing and/or fund-raising activities cannot be claimed under this line item. The narrative should include the typical costs associated with advertising, the medium of preference for each agency and a brief description of potential advertising. Programs under contract for a period of time greater than one year should lower advertising costs on an annual basis as staff are hired and retained.

Supplies - List major supply items (\$100 or more). Justify these costs in terms of number of staff and programmatic functions that require supply lines. Describe items to be purchased, including the cost per item and the number of items, if available. Provide details showing how estimated costs were developed.

Flexible Funds - As stated above, the use of flexible funds is limited by OCDSS. These funds are found in contracts that provide services to children and families at high-risk of residential placement.

List any flexible funds under this category. Describe the Vendor policy on provision of wraparound funding, including budgeted amount per family/participant, eligibility criteria, and program tracking system to monitor distribution of funds. If flexible funds are requested, provide justification for their use and how these funds will support the services provided. This narrative must also describe how approval will be sought from OCDSS for expenditures that exceed \$75 per child / family.

Insurance (Non-Health) - All Vendors must report the name of the insurance carrier for the Vendor and describe the coverage in brief detail. A full description of Insurance requirements can be found near the end of this document. Please be sure to include all insurance certificates when requesting funds from OCDSS.

Other Expenses - As mentioned above, all Vendors should make every effort to have non-personnel related expenditures in approved / provided OCDSS line items.

Include items that are not applicable under any other category. Other includes items that are directly related to the services to be provided, but that are not specifically included in the aforementioned categories. These items may include postage, shipping, delivery and messenger services, insurance, reprint permissions, reproduction, photocopying and printing costs, audiovisual and print production costs, books, journals, periodicals, computer time, library services, audio-visual services, data entry services, facility rental, off-site rental, program refreshments and client travel.

Information on these costs, including how the estimates were calculated (e.g., cost per hour, cost per page, cost per square foot, etc.) should be provided in the budget narrative.

Administrative Overhead - **OCDSS will only reimburse the federally approved rate up to a maximum of 15% of the proposed contract.** The budget narrative must provide a clear explanation of how the agency allocates its proposed overhead rate. This must include: a narrative break down of the projected expenses reported on the Administrative Overhead Projected Expense Worksheet, including executive staffing, fixed costs, insurance expenses and any other cost used to generate the overhead percentage. Non-personnel administrative expenses, such as legal services or office rental and utility expenditures for administrative space, must be allocated based upon the Vendors cost allocation methodology. All costs associated with personnel expenses are required to be consistent with the Vendors cost allocation methodology as reported on the allocation attestation.

If the Vendor has an established federal overhead rate, a copy of the federal agreement must be submitted as part of the proposal. If the Vendor is using the OCDSS maximum rate of 15% rate, all projected expenses must be reported. Additionally, Vendors should maintain accurate records of expenses as audits focused on Administrative Overhead by the Division of Program Integrity are likely.

ANNUAL BUDGET SUMMARY - BUDGET NARRATIVE

Vendor Name:	Type Your Company Name Here
Program Name:	Type Program Name Here

All projected expenses must be clearly explained in the format provided below. Contracted Vendors will be required to submit a budget modification request for any expenditures which exceed specific budget line items. And it should be clearly understood that claimed expenses above the contracted annual total cannot be paid by OCDSS.

FUNDING CATEGORY	DESCRIPTION
In-Kind / Non Requested Funds	
PERSONNEL	DESCRIPTION
In-Direct Funds for Staff	
Direct Service Funds for Staff	
PERSONNEL	DESCRIPTION
Fringe Benefits	
NON-PERSONNEL	DESCRIPTION
Contractual / Consultant	
Building Rental	
Gas, Fuel, Heat, Electric	
Staff Travel	

Information Technology	
Equipment Expenses	
Communication Expenses	
Meal Allowances	
Advertising	
Supplies	
Flexible Funding	
Insurance (Non-Health)	
Other (specify)	
Administrative Overhead	

DESCRIPTIONS OF COST ALLOCATION METHODOLOGIES

1. Conventional time distribution: Recording of time spent on task onto time sheets.
2. Random sampling: Using a randomly selected statistically valid sample of the data to help solve a problem on the whole data.
3. Client Counts: Counting of clients/recipients/enrollees by category.
4. Transaction counts: Counting transactions/tasks performed.
5. Random time sampling: Estimating the amount of time spent during a period by employees on their different work activities, programs, projects or services. This technique involves the selection of moments in time during the work period and recording the specific task being performed. From these recordings made over a reasonable amount of time, the percentage of all tallies recorded for activity can be computed.
6. Systematic work sampling: Technique of obtaining observations at evenly spaced or "systemic" intervals, rather than random intervals.
7. Stratified work sampling: Drawing of a sample from two or more homogeneous groups or subgroups of the total universe under study.
8. Worker self-recorded work sampling: Employees record observations / transactions (i.e., tally on a preprinted sheet) at a given signal, such as a bell or flicking light. Intervals should be relatively few in number (i.e., 10 per day) and recordings should be made instantly. Tally sheets should be handed in immediately after each interval to ensure compliance and enhance objectivity.
9. Work measurement-time log system: This method records in detail the amount of time involved in performing each activity. Codes are developed that relate to the activity.
10. Space/square footage assigned to staff.
11. Standardized equipment assigned to staff (i.e., phones, PCs, number of instruments).
12. Other: If your organization/entity is using any other method for cost allocation, please provide a description of the methodology you are using for your cost allocation plan.

Audits - All Vendors under contract with OCDSS should expect to be audited on an annual basis. OCDSS has the right to audit a contracted Vendor at any time during or after the contract period. Whenever the Division of Program Integrity, Division of Children Services, or the agencies Fiscal Department requests audit related information - the Vendor will have ten business days to produce the relevant documentation. Vendors are also required to provide copies of audits prepared in accordance with federal requirements.

Any Vendor for which funds are withheld due to an audit conducted by this Department will have the right to appeal any decisions made in regard to withheld funds.

INSURANCE REQUIREMENTS

For all of the Services set forth herein, and as hereinafter amended, Contractor shall maintain, or cause to be maintained, in full force and effect during the term of this Agreement, at its expense, Worker's Compensation insurance, liability insurance covering personal injury and property damage, and other insurance, with stated minimum coverage, all as listed below. Such policies are to be in the broadest form available on usual commercial terms and shall be written by insurers of recognized financial standing satisfactory to the COUNTY who has been fully informed as to the nature of the Services to be performed.

Except for Worker's Compensation and professional liability, the COUNTY shall be an additional insured on all such policies with the understanding that any obligations imposed upon the insured

(including, without limitation, the liability to pay premiums) shall be the sole obligations of Contractor and not those of the COUNTY. Notwithstanding anything to the contrary in this Agreement, Contractor irrevocably waives all claims against the COUNTY for all losses, damages, claims or expenses resulting from risks commercially insurable under the insurance described in this Article 20. The provisions of insurance by consultant shall not in any way limit Contractor's liability under this Agreement.

<u>Type of Coverage</u>	<u>Limits of Coverage</u>
Worker's Compensation	Statutory
Employer's Liability or similar insurance	\$1,000,000 each occurrence
Automobile Liability	\$1,000,000 aggregate
Bodily Injury, Property Damage	\$1,000,000 each occurrence
Comprehensive general Liability, including broad form contractual liability, bodily injury, and property damage	\$1,000,000 each occurrence \$1,000,000 aggregate
Professional Liability	\$1,000,000 aggregate
(If commercially available for your profession)	\$1,000,000 each claim

Contractor shall attach to this Agreement - Certificates of Insurance evidencing the Contractor's compliance with these requirements.

Each policy of insurance shall contain clauses to the effect that (i) Such insurance shall be primary without right of contribution of any other insurance carried by or on behalf of the COUNTY with respect to its interests, (ii) It shall not be canceled, including without limitation, for non-payment of premium, or materially amended without fifteen (15) days prior written

notice to the COUNTY, directed to the COUNTY'S Risk Management Division and the Department Head, and the COUNTY shall have the option to pay any necessary premiums to keep such insurance in effect, and charge the cost back to Contractor.

To the extent it is commercially available, each policy of insurance shall be provided on an "occurrence" basis. If any insurance is not so commercially available on an "occurrence" basis it shall be provided on a "claims made" basis, and all such "claims made" policies shall provide that:

- A. Policy retroactive dates coincide with or precede the Contractor's start of the performance of the Services (including subsequent policies purchased as renewals or replacements);
- B. Contractor will maintain similar insurance for at least six (6) years following final acceptance of the Services;
- C. If the insurance is terminated for any reason, Contractor agrees to purchase an unlimited extended reporting provision to report claims arising from the Services performed for the COUNTY; and
- D. Immediate notice shall be given to the COUNTY through the Department Head and the COUNTY'S Risk Management Division, of circumstances or incidents that might give rise to future claims with respect to the Services performed under this Agreement.

BUDGET MODIFICATONS

From time to time as the year goes along, and your program is operational, you may uncover the need to make a possible Budget Modification. You may find that expenses have grown in one area, and that you believe you will have funds remaining in another line item, all while working toward fulfilling the scope of service of the contract. When you notice this, you need to be in discussion with your DSS Program Monitor. While working together you need to determine if a Budget Modification is in the best interest of all concerned. Should the Program Monitor support a Budget Modification, an e-mail explaining the need for and the numbers to be modified should be directed to Irene E. Kurlander, Deputy Commissioner, and Todd Craner, Fiscal Director. Please understand that this should be done during the year, and you should not be waiting until the final month of the contract to request this change.

Instructions for Vendor Claiming Form

Page 1:

Personnel Instructions - All claims for personnel reimbursement must be requested within the two categories: (1) In-Direct (2) Direct Funds. The allowable expenditures and reimbursement for each category of personnel is mentioned below.

Please make sure that all positions for which the Vendor is seeking reimbursement for are included in the Annual Budget. Additionally, please ensure that every position for which reimbursement has been claimed is listed separately under the appropriate category with the name of person noted next to the job title.

Example:

Expense Category	In-Direct Expenses	Direct Service Expenses	Total Monthly Expenses	Contract to Date Expenses
Personnel: (Indirect)				
Vice President (John Jones)	850		850	850
Quality Assurance Asst. (Sally Bench)	550		550	550
Personnel: (Direct)				
Program Director (Liz Hand)		3,700	3,700	3,700
Case Manager (John Keep)		3,100	3,100	3,100

In-Direct Funds - All personnel costs for staff that are not involved in Direct Service to youth, individuals and/or families must be clearly identified as “In-Direct” personnel costs. This must include administrative positions that have no direct service contact with consumers, clerical, administrative support services, fiscal/accounting positions, human resources, personnel costs for information technology services, etc. . . .

Direct Service Funds - All personnel costs for Vendor staff that will provide direct service to children, individuals and / or families. These positions must have a direct role in the service (s) offered by the program.

Fringe Benefits - All fringe benefit costs must be listed in the appropriate category. The actual expenses should be based upon the current percentage of salary and reported as a total for each personnel category, then transferred to the monthly expense and subsequently to the contract to date expense.

Example:

Fringe Benefits	%	In-Direct Expenses	Direct Service Expenses	Total Monthly Expenses	Contract to Date Expenses
FICA / Comp / Unemp / Disability (All Fed and State Taxes)	14%	196	952	1,148	1,148
Health, Dental, Vision	5%	70	340	410	410
Retirement	2%	28	136	164	164
Other (specify)					
Other (specify)					

Total (Personnel and Fringe) - Provide a total for each budget category at the bottom of the page. Please make sure the monthly and contract to date expense totals are provided.

Vendor Certification - A “Vendor Certification” signed by the claiming Vendors, must accompany all claims made from the Orange County Department of Social Services. Vendors are requested to sign this form (on page 1), which replaced the carbonized voucher some Vendors previously used to request funds from OCDSS.

Page 2:

Non-Personnel Instructions - Expense Category: all Vendors must place expenditures for non-personnel related expenses within the standardized categories included on the budget and claiming forms. Vendors with expenses in a category not listed must have the “Other” category for which expenses are being claimed - submitted and approved as part of their annual budget.

Provide the current month’s expenditures, and the contract to date expenses incurred. Contracted Vendors will be required to submit a budget modification request for any expenditures which exceed specific budget line items. And it **should be clearly understood that claimed expenses above the contracted annual total cannot be paid by OCDSS.**

Instructions for Client Specific Claiming Form

Client Specific Instructions - All Vendors receiving funds for preventive, foster care, independent living, welfare to work, housing, case management, PINS, JDs, Raise the Age, and / or other child protective programs must provide OCDSS with a breakdown of the cost per client served during the current month. Other contracts may also be required to provide a client specific claim at the direction of OCDSS.

This portion of the claiming form is an essential component of our claiming process and must be calculated by using actual costs per consumer or dividing the total monthly claim by the number of children / families served.

Vendors must receive the funding category from the Orange County Department of Social Services, as OCDSS is the only agency that is certified to make the funding category determination. All Vendors should receive updates of their clients, as well as their funding categories, from their Program Monitor at OCDSS.

Please note, that all referrals made to contract Vendors should have the funding category noted on the referral form. If the funding category is not clearly identified, the Vendor should immediately contact their local Program Monitor to ensure that the funding category is identified.

The following example shows a client specific claim:

Name of Child	Title XX Under 200%	Dual Eligible TANF & EAF Title XX Under 200%	Title XX	Foster Home	Raise the Age	Unknown Funding Source	Monthly Total
John Smith	1,200						1,200
Joe Clarke					1,100		1,100
Sam Red			1,350				1,350
Sally Blue		750					750
Sue Purple				1,200			1,200
Howie Red	1,000						1,000
							0
Total	2,200	750	1,350	1,200	1,100	0	6,600
Current Month: Total Number Children Served			6				