

CONTRACTING PROCESS OVERVIEW

It is the Division's responsibility to initiate the contracting process and to determine program needs and available funding. The following steps must be followed:

1. **DETERMINE THE PROCUREMENT PROCESS NEEDED**

- a. If the Contractor is a Government agency, then no procurement is necessary. You can begin the contracting process.
- b. If a competitive process is required, see Chapter II, "Procurement" in this Manual and Chapter III "Instructions for the Request for Proposal (RFP) Process".
- c. If the Contractor appears to be the only source for the service/commodity then:
 - 1) Contact all appropriate providers or vendors and determine if another provider can perform the service.
 - 2) If no other provider can provide the service, complete a sole source memo and have it pre-approved by DHS Purchasing in BCM if it is a client service. If it is not client related have the Purchasing Agent in State Purchasing pre-approve the sole source memo.

2. **DETERMINE WHICH TYPE OF CONTRACT MUST BE USED**

- a. DHS Service Contract: This contract type is used when the Department is contracting for client services. Examples of this type of service would include residential care, therapy, skills development, medical services, and day training.
- b. Vendor Contract/FI-84: This contract type is used for services at facilities the state owns, and for non-client services.
- c. Vendor Children's Trust Fund: This contract is used for services on all Children's Trust Fund Contracts.
- d. DHS Form For Pass Through Contract With Local Agency: This contract type is used when the Department contracts with an agency as a pass through agent.
- e. Utah Governmental Agency: This contract type is used when the department is contracting with a governmental agency but is not passing through the funds.

3. **BEGIN THE CONTRACTING PROCESS**

- a. Complete the E-Z form if the Service Contract or Vendor Contract/FI 84 form for vender services.
- b. Send the completed E-Z form or Vendor Contract by E-mail to the BCM Contracting Technician for BCM Contracting review.
- c. The Contract draft goes through the BCM Contracting review.
- d. When the Contract has passed all reviews the Contract is typed and returned to the Division for review and completion of the Final Review Check-off Sheet.
- e. The Contract is returned to BCM for any changes and is then completed and sent for signature.
- f. When all signatures have been obtained, copies of the completed Contract are distributed: 1) One copy remains in the BCM Contract File; 2) One copy is sent to the Contractor; and 3) One copy is sent to the Division.

4. **PROCESSING CONTRACTS**

- a. All contracts for DHS must be reviewed and processed by BCM. BCM coordinates with the Divisions to assist in ensuring that all contracts meet DHS contract standards, State Purchasing and Financial requirements, and protect DHS and DHS' clients.
- b. BCM will process contracts (meaning the completion of steps 2 through 6 below) within five working days, with the exception of contracts with errors or issues. BCM will process contracts in the order they are received. Any requests to "rush" a contract must be approved by the BCM Contract Processing Manager.
- c. Contracts are processed as quickly as possible. Each analyst and all support staff will give contracts priority over other work or projects and will pass contracts on within at least twenty-four (24) hours from the time received.

5. **GENERAL OVERVIEW OF CONTRACT PROCESS STEPS FOR DHS CONTRACTS ("contract" refers to any contract or amendment):**

- a. The Division is required to follow Procurement Rules to determine which Contractor(s) to contract with. The Division is responsible to negotiate

with the Contractor(s) to determine the service(s) to be provided and the amount of money that DHS will pay for the services. Once the procurement process and negotiations have been completed, the Division fills out a draft contract using the DHS EZ Form and emails the draft contract to the BCM Typist.

- b. All contracts must be emailed to BCM email (BCM@utah.gov). All documents that need to be attached to the EZ-Form or Vendor Contract must be in BCM on the same business day that the email is sent. If the attachments are not sent the same day, the email will be sent back to the Division and the Contract will not be processed until it is started again and the appropriate attachments are included. When BCM receives a draft contract that has all pertinent information, BCM prints a hard copy of the draft and enters it into the BCM Contract Log. The contracts will be printed, logged, and processed in the order they are received from the Divisions. A log number is assigned and used for tracking the contract. The log number is written on the front of the draft and is then passed onto the Contract Analyst.
- c. The BCM Process: If BCM reviews the draft contract and finds incorrect information, BCM will contact the Division. The Division has 5 working days to Contact BCM with the correct information or and update on their efforts to correct the problem. If the Division does not respond to BCM's notification within 5 days, processing of the Contract will be cancelled and the contract will be returned to the Division.
 - i. The Contract Analyst reviews the draft contract to ensure the contract meets all contracting requirements and standards The Contract Analyst reviews the following:
 - a). The Contractor information including IRS number, a W-9 with a date less than 1 (one) year old must be included with the contract;
 - b). Attachments to ensure they are included and correct;
 - c). Part I to ensure it is consistent with the rest of the contract;
 - d). Part II to make certain the program descriptions clearly outlines the expectations and standard required of the Contractor to supply the needed service(s);
 - e). Part III for measurable objectives of the Contractor's service(s);
 - f). Part IV for correct payment and billing information;
 - g). Part VI to ensure the budget adds up correctly and has correct dollar amounts; and
 - h). Part IX for correct signatures.

- i). The Contract Analyst coordinates with the Division to correct any errors and address any issues. The draft contract is then passed onto the Purchasing Analyst.
- ii. The Purchasing Analyst reviews Parts II, III and IX to make sure the services required of the contractor are consistent with the services outlined in the procurement process. The Purchasing Analyst ensures that all Procurement Rules and Regulations are followed. The Analyst works with the Division to correct any problems and then passes the draft contract to the Financial Analyst. **Note:** the Financial Analyst does not review vendor contracts or amendments. The Purchasing Analysts send these directly to Step 6.
- iii. The Financial Analyst reviews to the draft contract for the following including but not limited to:
 - a). Budget forms and rates are correct;
 - b). The contractor has meet all fiscal reporting requirements.
 - c). Related party and conflict of interest information.
 - d). The Financial Analyst coordinates with the Division to correct any problems and issues. The draft contract is then passed back to the BCM Typist.
- d. The BCM Typist types the official contract from the corrected draft. The contract is then given to the Division to proof read.
- e. The Division proof reads the contract, marks any needed changes and returns the contract to the BCM Typist.
- f. The BCM Typists makes any corrections needed and then gives the contract to the Contract Analyst.
- g. The Contract Analyst reviews the contract to ensure that everything is correct before signatures are obtained. The Contract Analyst works with the Typist to make any needed corrections. The contract is then given to the BCM Front Desk.
- h. The BCM Front Desk makes copies of the contract. One copy of the contract is kept in the BCM files. Three copies are then given to the Purchasing Analyst to start the Signature Process. **Note:** If the State Purchasing Office handled the procurement process, the contract is given to the Division for signatures (See Step 12)
- i. The Division obtains the Contractor's signature and all Division signatures. The contract is then returned to BCM Front Desk.

- j. The Purchasing Analyst signs all three copies of the contract and then gives it to the Division.
- k. If needed, BCM sends the contract to the State Capital for State Finance and/or State Purchasing signatures. State Finance and/or State Purchasing sign the contract, assign a contract number and returns it to BCM.
- l. BCM front desk gives the contract to the Contract Analyst for a final review. The Contract Analyst reviews the contract and if needed, assigns a contract number. The Contract Analyst ensures hand written changes are not made on the completed copies of the contract. The Analyst then enters all DHS Service Contracts into USSDS. **Note:** All Vendor contracts and amendments are entered into FINET at the State Capitol.
- m. Two copies of the contract are given to the Division, one to be mailed to the Contractor and one for the Division's files. BCM's original is given to the BCM Front Desk.
- n. BCM Front Desk files the final copy of the contract.

BCM RFP /CONTRACT TIMELINE

Day 1	1 week Day 7	2 weeks Day 22	4 weeks Day 52	4 weeks Day 82
RFP to Purchasing	RFP Published	RFP Closed	Contract Draft to BCM	Contract Begins

This time frame is for RFP’s that need no modifications. The Division should give ample time to complete the RFP process. The Contract must be in place before services can be provided. The Division can extend the time between the RFP publishing date and the date that the RFP closes. This time line is a best case scenario.

Day 1
 RFP to Procurement
 It is due to Purchasing on the Tuesday prior to the Monday publishing date.

Day 7
 The RFP is published. It is open for 10 working days.

Day 22
 The RFP is closed and bids referred to the agency.
 RFP scored and awarded
 Contract Negotiation begins

Day 52
 Contract draft to BCM – All drafts must include all attachments pertinent to the contract including: W-9 (less than a year old), Conflict of Interest Forms and approved Sole Source letter, if needed.

Day 82
 Contract Begins.

- Disclaimer: Missing/incorrect information will delay the process.
- Justification letter is required for all contracts/letters of agreement/amendments arriving to BCM more than 90 days past the starting date of the contract.

Example:

Day 1	1 week Day 7	2 weeks Day 22	4 weeks Day 52	4 weeks Day 82
March 21 RFP to Purchasing	March 27 RFP Published	April 11 RFP Closed	May 15 Contract Draft to BCM	June 15 Contract Begins

