FY 2024 Contracting Processes
Key Information

Contents

Overview

- Each contract is supported by a BHSB Contract Team, comprised of four members, each with an assigned role. The Contract Team is responsible for collaborating to develop, monitor and audit contracts. The assigned roles are:
    - Contract Administrator Lead
    - Program Lead
    - Grants Accountant Lead
    - Quality Coordinator Lead
- The Letter of Award (which is discussed in more detail in the Contracting Process section) identifies BHSB staff assigned to each of the Contract Team roles for that specific contract.
- Please distribute contracts and reporting requirements to the appropriate staff in your organization.

- Forms related to contracting can be found on [BHSB's website](#). (To navigate from BHSB's Home page, click on the *For Providers* tab then select *Forms for Providers*.)
- BHSB added a budget module to the Contract Management System (CMS) several years ago. Budgets are now submitted to BHSB and reviewed/approved within the software.

Contracting Process

Functions

BHSB issues grants to sub-vendors through legally binding contractual terms. Contract Administrator Leads are responsible for ensuring that BHSB contract documents are fully executed accurately and within a timely manner.

- Key functions of the Contract Administrator Lead:
  - Manages and administers contracts that are executed with sub-vendors.
  - Monitors sub-vendors' contractual compliance.
  - Reviews terms and conditions of contracts with sub-vendors.
  - Prepares and issues Letters of Award, contracts, contract amendments and other legal documents as needed.
  - Coordinates execution of contract documents.
  - Manages and verifies that contract information is accurate in BHSB's Contract Management System (CMS).

Contracting process

1. **Letter of Award (LOA)**

   The contract execution process is initiated with the release of the LOA to the sub-vendor. The LOA includes contract amount, funding source, contract term, contract number and the name of the project that is being funded.

   - The LOA requires submission of the following documents within 2 weeks:
     - W-9
     - specified insurance documentation
     - [MD Department of Assessments and Taxation](#), Letter of Good Standing
     - Pre-Award Risk Assessment

- o CMS Registration Form
- If applicable, the LOA will also require the following documents within 2 weeks:
  - o budget
  - o Maryland Department of Health program certificate
  - o accreditation certification
  - o BHSB ACH Authorization Form

2. Budget

The steps to approve a budget submission are:

a) Sub-vendor submits the budget via CMS.

b) Budget is reviewed by the Program Lead, Grants Accountant Lead, and Director of Grants Accounting. Changes are requested through CMS.

c) Once the budget is approved, the sub-vendor is notified via a CMS notification email.

3. Contract Documents

Contract documents are prepared after the budget is approved. There are four (4) different contract types:

- Actual Expenditure Cost Reimbursement
- Advanced Expenditure Cost Reimbursement
- Fee-for-Service (FFS)
- Consultant

The steps to execute the contract are:

a) The contract documents are sent to the sub-vendor's identified contract signatory for review and signature through the Adobe Electronic Signature (e-signature) application.

b) The contract is sent to BHSB's President and CEO for review and signature through the same e-signature application.

c) Once both signatures are received, the contract is considered fully executed.

d) BHSB and the identified contract signatory will receive a fully executed copy of the contract for their records via email.

Program Lead

- The Program Lead role encompasses programmatic staff from several BHSB departments, including Programs, Policy & Communications, and Operations.

- This role provides programmatic oversight of funding agreements and sub-vendor contracts.

- Key functions of the Program Lead:

  o Collaborates with program staff of the funding agency annually to develop and revise as needed funding agreement conditions of award.

  o Develops the scope of work that incorporates funder conditions and other BHSB-specific deliverables into the sub-vendor contract. Deliverables will reflect performance in meeting the goals of the contract.

    ▪ There are two types of deliverables:

      - Standard deliverables that apply to many BHSB contracts

      - Custom deliverables that apply to specific contracts.

    ▪ Sub-vendors should thoroughly review the scope of work and deliverables as soon as the documentation is provided by BHSB and contact the assigned Program Lead with any questions or concerns immediately upon review.

  o Collaborates with other Contract Team members to develop the contract.

  o Reviews sub-vendor budgets for compliance with staffing pattern, scope of work, and funding agreement and provides programmatic approval of budgets.

  o Reviews and approves selected invoices in accordance with Attachment A of the contract.

  o Monitors performance of sub-vendors during the contract term through review of program reports and other mechanisms.

    ▪ Program report due dates are listed in CMS. Sub-vendors should review reports prior to the first reporting period due date and consult with Program Lead with any questions.

    ▪ Program reports should be completed and submitted in CMS by the due date. Sub-vendors should ensure all questions are answered completely and accurately and, if applicable,

upload required documents to CMS to submit along with your report.

IMPORTANT NOTES:

- **Sub-vendors should contact the Program Lead in advance of reporting deadlines to discuss any questions and concerns related to the program report or general expectations of contract performance.**

- **Sub-vendors are required to immediately inform their Program Lead via email of any staff changes associated with the contract and report this change as part of the CMS report standard deliverables.**

o Provides resources and technical assistance to assist in addressing any challenges in implementing the work that are identified by the sub-vendor or during audits.

o Serves as point of contact for sub-vendors to provide information, resources, and system of care updates.

o Initiates the contract amendment process as needed to reflect changes to scope of service, deliverables, and/or funding during the contract term.

Grants Accounting

- Key functions of the Grants Accountant Lead:

  o Ensures compliance with the fiscal requirements of funding agreements.

  o Reviews, approves, and tracks sub-vendor budget applications, expenditure reports, and year-end fiscal reports.

  o Coordinates with BHSB Accounts Payable to process sub-vendor payments based on fiscal reports and any supporting documentation.

  o Submits fiscal budget documentation, requests for payment, reports on expenditures throughout the contract term, and closes out fiscal documentation according to the requirements of funding agreement.

- **Budgets**

  o Budget instructions are posted on:

    ▪ BHSB's website. (To navigate from BHSB's Home page,

click on the *For Providers* tab then select *Forms for Providers*.)

- [CMS Support website](#) (This site is accessed from the CMS application by clicking on the [Support] button located on the top-right corner of each page in the application. It can also be found on the sign-in page of the CMS application.)

- Budgets are submitted to BHSB via CMS.
  - Budget documentation is requested through the Letter of Award (LOA) and must be submitted via CMS by the date designated in the letter.
  - During the fiscal year, if changes need to be made to the budget, but not to the award amount, a **budget modification** request will need to be completed and submitted. Budget modifications can be requested anytime throughout the year after a fully executed contract is received, up to the deadline of March 15th. A reminder notification is sent out approximately three weeks prior to the deadline by the Grants Accounting team.
    - Before submission of the budget modification, reach out to the Program Lead (identified on the LOA) to discuss the proposed changes.
    - Reach out to the Grants Accountant Lead (identified on the LOA) for modification instructions and documentation.

- **Fiscal reports –** A fiscal report is an expenditures report that is electronically entered into CMS.
  - The frequency of the fiscal report varies by the contract type and is established in the Contract Terms.
  - Refer to CMS for due dates.
  - Fiscal reports must report on actual expenditures (i.e., no estimates) for the specific reporting period as delineated in the Contract Terms.
  - Fiscal report's report dates cannot be outside of the contract term, be duplicated or overlap.
  - Fiscal reports must be submitted for each period of the contract even if there were no expenditures incurred, in which case fiscal reports need to be completed and submitted with zero amounts and a comment added as to the reason for no expenditures reported.

- o There is a tutorial that covers a range of reporting processes, including instructions for filling out a fiscal report. It is accessed from the CMS application by clicking on the [Support] button located on the top-right corner of each page in the application. It can also be found on the sign-in page of the CMS application.

- o Depending on the contract type and specific funding requirements, supportive documentation may be required to be uploaded to CMS and submitted with the fiscal report.

- o Any concerns that may occur during the year regarding submission of fiscal reports must be directed to the Grants Accountant Lead (identified on the LOA).

- **Year-end fiscal reports** and Annual Form 440 reports are due 30 days after the end of the contract term or the BHSB fiscal year, whichever is earliest. A reminder notification inclusive of forms and instructions is sent out shortly after the end of the fiscal year by the Grants Accounting team.

- **Payments** are processed net 30 after all documentation has been submitted correctly.

  - o BHSB generates checks on the 1st and 15th of every month. If the 1st and 15th are on a holiday or weekend, generation of checks will be on the next business day.

  - o BHSB offers direct deposit/ACH for ease of receiving funds. Funding for direct deposit/ACH vendors is deposited within 72 hours of BHSB check generation.

  - o For Fee-For-Service and Actual Expenditures Cost Reimbursement contracts, a fiscal report with supporting documentation, as applicable, will be required to process payments.

  - o For Advance Basis Cost Reimbursement contracts, BHSB will advance monthly payments at the beginning of each month within the contract term and will require quarterly fiscal reporting. Payments after the first quarter will be deferred if fiscal reporting is not received when due. In addition, subsequent quarterly payments will be reduced if warranted by an analysis of the expenses reported and advances already paid. All payments are subject to BHSB cash management practices, and funding will be advanced only upon availability of funds from the funder. Advance payments

will be generated by BHSB after a contract has been fully executed, or in cases when the award is issued with significant delays past July, after these two conditions are met:

1. the issuance of the LOA <u>and</u>

2. receipt of a complete and accurate budget application from the sub-vendor.

Accountability Compliance Audits and Critical Incidents

- BHSB will notify the primary contract contact of the need to schedule an audit to measure the sub-vendor's contractual performance at some point during the year following the close of the contract term.

- The Quality Coordinator Lead conducts the Accountability Compliance Audit (ACA).

- The length of time for an ACA will vary depending on several factors. To promote a customer service approach, the specific length of time required for the audit will be delineated when scheduling the audit. In general, a desk audit that is conducted via video/telecommunication can typically run between 30 minutes to 2 hours, while an onsite audit at the sub-vendor's facility can be between 5-6 hours.

- Sub-vendors will be asked to submit targeted information (for example, personnel community connections, etc.) five business days prior to the scheduled audit. On the day of the audit, the sub-vendor will need to provide the Quality Coordinator Lead with access to the entire treatment record (or files) as well as the documents listed in the executed Contract Terms and the associated Attachment A.

- Following the audit (during the exit interview) and prior to sending an *Audit Disposition Letter*, the Quality Coordinator Lead will summarize preliminary audit findings, provide an overview of the findings, discuss next steps, and answer any additional questions regarding the audit.

- The *Audit Disposition Letter* will provide an overall summary of preliminary findings reflecting the status as *compliant* or *non-compliant*. This status is based on the quality of documentation, execution of policies, and the extent to which requirements outlined on the Attachment A of the contract were met. The letter will reflect key findings and any recommendations regarding technical assistance and/or a *Performance Improvement Plan (PIP)*, if applicable. BHSB's goal is to support efforts to improve and strengthen quality assurance and internal control processes.

- Sub-vendors are required to report Critical Incidents to BHSB

according to the following guidance:

- o BHSB follows the Maryland Department of Health, Behavioral Health Administration policy that requires that all licensed programs report all Critical Incidents within five (5) calendar days following the program's knowledge of the incident.

- o Relevant forms can be downloaded from [BHSB's website](#). (To navigate from BHSB's Home page, click on the *For Providers* tab then select *Forms for Providers*.)

- o Critical Incidents are submitted by completing the [*Critical Incident Form*](#) and emailing it to critical.incident@bhsbaltimore.org.

Contract Management System (CMS)

- All fiscal and programmatic reports are submitted to BHSB via the [Contract Management System (CMS)](#), which is an online application.

- Budgets are submitted, reviewed, and approved in CMS.

- File attachments that are uploaded to CMS are encrypted and secure. If contractually required, Protected Health Information (PHI) may be submitted to BHSB on the attached file. **PHI should not be entered into CMS fields**.

<u>Assigned Users</u>

- The Letter of Award (LOA) requests that sub-vendors complete the *FY 2024 Contract Management System (CMS) Registration Form* to identify CMS Users for the following roles:

  - o **Contract Signatory** – Individual who has authority to execute the contract on behalf of the Sub-vendor

  - o **Primary Contract Contact -** Individual who receives formal contractual communications from BHSB related to this contract

  - o **Primary Fiscal Contact** – Individual who receives communications from BHSB related to fiscal functions and performance of this contract

  - o **Primary Program Contact** – Individual who receives communications from BHSB related to programmatic functions and performance of this contract

  - o **Administrator** – Individual who can assign or terminate user roles in CMS

  - o **Fiscal Report User** – Individual who submits fiscal reports

- **Program Report User** – Individual who submits program reports

- When setting up the FY 24 contract, BHSB assigns CMS users based on the *FY 2024 Contract Management System (CMS) Registration Form*. Thereafter, the assigned Administrator(s) maintains CMS Users throughout the contract year.

- It is important that access to CMS be immediately terminated when an employee or subcontractor terminates or changes roles within the organization. This task can be completed by:
    - the sub-vendor's assigned Administrator(s)
    - the BHSB Contract Administrator Lead assigned to the contract can also complete this task.

- Users also have the option to request CMS support via the CMS website https://bhsb.onlinereporting.org//index.php by clicking on the `Support` button located on the top-right corner of each page in the application. It can also be found on the sign-in page of the CMS application.

CMS support

- CMS is supported by the Operations Team.

- Support is accessed by clicking on the `CMS Support` button located on the top-right corner of each page in the application. It can also be found on the sign-in page of the CMS application.

- Clicking on the `CMS Support` opens up a help resources page.
    - Users can submit a request for assistance by clicking on the `Submit a Request` button at the top of the screen.
    - Users can also access resources by clicking on Get Help.

    Knowledge Base

    This button opens up the Knowledge Base page, which has written and video instructions to complete specific functions in CMS.

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