POLICY: The mission of the mental health and developmental services agencies of the Division is to serve the developmental and behavioral health needs of the individuals in the community 24 hours a day, seven days a week.

PURPOSE: To facilitate this mission, agencies of the Division will frequently need to enter into contracts with a variety of entities for provision of services or procurement of materials and/or support activities that enable the effective operation of the Division.

SCOPE: Division wide

PROCEDURES:

I. Principles and Guidelines

A. Principles: Contract monitors and managers are required to develop and manage contracts and agreements for the Division's various agencies based on the following principles:

1. All contracts and agreements entered into will be developed with sound practices for planning, construction and monitoring;

2. Ultimately serve the best interests of the consumer and their behavioral or developmental needs, and the interests of the agency in delivering these services to consumers;

3. Follow the established chain of contract development and approval, within the necessary timelines for submission; and

4. Contract packages and supporting documents will be prepared on the approved forms as determined by SAM Chapter 300, State Purchasing, the Department and the Division ASO IV, and will contain the necessary and prescribed language to ensure an uninterrupted approval flow.

B. Guideline: The following guidelines outline how Division and agency contract managers and monitors can better serve the contracting needs of their organizations.

1. Staff requirements: All agencies will designate an agency contract monitor and an agency contract monitor backup. Agencies will require that the designated contract monitors, managers and fiscal staff responsible for contract development, monitoring, and approval will attend the required Certification for State Contract Managers class given by State Purchasing and Insurance for State Contracts class given by Risk Management, to ensure uniformity of training and body of knowledge.

2. Preparation: Contracts will be developed and prepared utilizing the Contract Entry and Tracking System (CETS) established by the Budget and Purchasing Divisions. It is MHDS policy that all contracts shall be entered in the CETS system, with the exception of lease agreements which are managed by Building and Grounds.

3. Communication: Regular communication between agency contract monitor and agency ASO, and the Division contract manager and Division ASO shall occur to keep parties informed of contract related issues.

4. Monitoring: Agencies will ensure the following monitoring activities occur for all approved contracts:

    a. Ongoing vendor performance review and related CETS entry at termination;
    b. Ongoing receipt of current insurance certificates and related CETS entry of updates;
    c. Invoice and payment review, contract language; and
    d. Contract expenditure and budget authority reconciliation.

5. Reporting: Agencies will identify the following items during the regularly scheduled Agency Operation Statement Meetings:

    a. The need for new contracts;
    b. A list of active contracts and significant issues;
    c. Upcoming termination dates and action plans to avoid retroactive status; and
    d. RFP or bidding updates.

II. Required and Necessary Contract Package Elements: Components of successful contracts in accordance with state law, Purchasing, Budget and Risk Management regulations (NRS 277, 433; SAM 300 and 1500), and Department and Division guidelines, contracts submitted to the Central Office for review and processing shall contain the following elements:

A. Supporting Documents: There shall be one (1) original of each of the supporting documents to the front of the contract package, this includes:

1. Department cover sheet ("DHHS Pink Sheet");
2. Division transmittal sheet outlining the general purpose of the contract;
3. Division contract checklist verifying all required elements have been met;
4. Agency itemized calculation identifying how costs were derived ("Contract Cost Breakdown Sheet");
5. Copy of insurance certificates verifying the vendor has met the minimum insurance coverage requirements;
6. Copy of the approved Solicitation Waiver or Professional Service Exemption Letter (if applicable);
7. Retroactive Memorandum addressed to the Budget Office (if applicable); and
8. Additional correspondence or information as determined necessary.

B. Contract Package: there shall be five (5) copies of each contract package with all the necessary elements and original signatures for submission, this includes:

1. Contract summary sheet outlining details of the contract;
2. Formal contract document with original signatures;

3. Attachment AA (State or RFP or Scope of Work) showing the work and conditions under which the vendor will perform the contracted services;

4. Attachment BB (Insurance Schedule) identifying the minimum amounts of insurance coverage required;

5. Attachment CC (Confidentiality/Business Associate Addendum) showing that the vendor will abide by the necessary requirements to protect consumer health information that they may be exposed to or generate in the course of fulfilling their contracted duties and the privacy of those records in a HIPAA-compliant manner; and

6. Additional attachments as determined necessary. Attachment labels AA-CC may change depending on the importance of additional attachments.

III. Contract Approval Process

A. Approval: Ensure that timelines are worked within and there is sufficient time allowed for submission to meet deadlines established by the Department Director and the Budget Division for Board of Examiner (BOE) approval if necessary.

B. Workflow: the general workflow for approval of contracts is delineated as follows:

1. Contract is developed by requesting agency and package is reviewed and approved by contract monitor and agency ASO, and submitted to the Division Central Office for review by Division Contract Manager;

2. Division Contract Manager will review package to ensure all required elements are present and contain complete information;

3. Package is forwarded to Division ASO III for review, approval and correction if necessary;

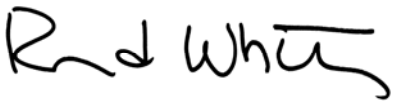
4. Package is forwarded to Division ASO IV, as the Administrator's designee, for review, approval and correction if necessary;

5. Package is forwarded to Attorney General's office for review by the Division's DAG;

6. If required, package is forwarded to Department Deputy Director (or designee) for additional review, approval and correction if necessary;

7. If required, package is forwarded to Budget Division for final review by Division's budget analyst and prepared for either clerk or full BOE-approval.

C. Each agency of the Division shall develop specific written procedures to implement the provisions of this policy, or shall incorporate this policy into its agency policy manual.



ADMINISTRATOR

EFFECTIVE DATE: 05/25/2012
DATE REVISED/REVIEWED: New
SUPERSEDES: New
DATE APPROVED BY MHDS ADMINISTRATOR: 05/25/2012
DATE APPROVED BY MHDS COMMISSION: 05/25/2012