



County of San Diego

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TO: Behavioral Health Services Contracted Service Providers

FROM: Adria Cavanaugh, Chief, Agency Operations
Behavioral Health Services

CONTRACT DOCUMENTATION REQUIREMENTS

In preparation for the Fiscal Year (FY) 2023-24 year-end process and upcoming FY 2024-25, the following documents may require submission from contractors to comply with Behavioral Health Services (BHS) contract terms and conditions.

1. FY 2023-24 CONTRACT YEAR-END ACTIVITIES

1.1. Administrative Adjustment Request (AAR) – Required for Cost Reimbursement Contracts only

All AARs for FY 2023-24 were due to the Contracting Officer's Representative (COR) by the previously communicated date of **April 30, 2024**. Attached are the updated AAR Guidelines and the AAR template, if needed. Note that a full budget was also required to be submitted on April 30, 2024. Electronic submission is acceptable.

NOTE: COR approval is required before adjustments are implemented. Late AAR submissions could result in AAR denial or potential disallowance.

1.2. Inventory Report

The County of San Diego (County) Health and Human Services Agency (HHSA) requires contractors to submit an inventory report at least annually, no later than thirty (30) calendar days into each new contract year. The inventory report must list all capital assets and minor equipment that have been purchased in whole or in part with County contract funds since contract start date, including property acquired through lease purchase agreements.

1.2.1. Inventory Definitions

- **Capital Assets and Equipment:** Nonexpendable property with a useful life of more than one year, and an acquisition cost of \$5,000 or more per unit.
- **Minor Equipment:** Tangible property with a useful life of one year and/or an acquisition cost between \$500 to \$4,999.

1.2.2. Inventory Guidelines

- **Cost Reimbursement (CR) payment type:** All capital assets and minor equipment charged to the contract shall be listed on the inventory report.
- **Hybrid and Fixed Price (FP) payment type:** Contracts with budget line items purchased through County funds or one-time funding for equipment are expected to follow the same inventory procedures as CR contracts for those items ONLY.
- The inventory report must list:
 - County contract information.
 - All equipment that holds Personal Identifiable Information (PII) such as cellphones and laptops, and items subject to misuse or theft regardless of value and contract type.
 - All property purchased with County contract funds beginning from the contract start date (regardless of contract payment type).
 - If a contract does not include start-up funds or acquired inventory with County contract funds, a signed inventory form marked “N/A – NO INVENTORY or START-UP FUNDS” must be submitted.

Contractors may use the attached revised BHS Inventory Report Form or their own inventory report template which must include the required elements as stated in the BHS Inventory Guidelines. All reports must indicate the date of report completion.

Email copies of the FY 2024-25 Inventory Report(s) to your assigned COR no later than thirty (30) days after the end of contract term. For example, if the contract term is through June 30, 2024, the report is due by July 30, 2024.

For additional guidelines, refer to the Substance Use Disorder Operations Handbook (SUDPOH). Section O and Organizational Provider Operations Handbook (OPOH) Section J.

Contracts transitioned from CR to FP via contract action in calendar year 2023 or 2024: Please refer to the attached BHS Information Notice, “Updates to Contractor Inventory Process” dated May 10, 2024, for instructions.

2. FY 2024-25 NEW FISCAL YEAR ACTIVITIES

2.1. **Cost Allocation Plan (CAP) – Required for Cost Reimbursement Contracts only**

A CAP is a written methodology to document how the organization’s shared costs are charged to various contracts and/or programs. CAPs do not apply to contracts with a fixed price payment type. CAPs apply to all cost reimbursement contracts; however, the following are exempt from submitting a CAP:

- Contractors that only provide one service/program.
- Contractors that only receive one type of funding.
- Contractors that directly charge their full cost only to one benefitting program.

An organization-wide CAP for FY 2024-25 is due with the FY 2024-25 budget. Email both the CAP and FY 2024-25 budget to your assigned COR and cc: BHS.Claims@sdcounty.ca.gov. Requests for exemption that fall within any of the three exempted categories listed above should be emailed to BHS.Claims@sdcounty.ca.gov along with a written justification.

The below are required for **ALL** contracts:

2.2. Contractor Electronic Signatures and Signature Authorization Form (SAF)

Contractors have the option to sign documents with either a wet or electronic signature. These documents include, but are not limited to budgets, administrative and budget adjustments, change of payment address, requests for reimbursement, and exclusion/debarment certification. This process does not include contract documents that are managed by the Department of Purchasing and Contracting (DPC) (e.g., contract templates, amendments). Please refer to attached Electronic Signatures for Contracts - Fact Sheet for guidelines.

If signing electronically, technical requirements for acceptable electronic signatures can be found by clicking [here](#). Please ensure that all signatories are listed on the Contractor Signature Authorization Form (SAF). The SAF identifies the persons (signatories) employed by the organization who have the authority to sign contracts and various other documents on behalf of the organization. The SAF is also utilized to verify signature(s) on contractor claims for payment or reimbursement.

BHS requires its contractors to review the SAF annually at a minimum and submit an updated SAF when there is a change in authorized signatories. If there are no changes and the last SAF was submitted within the past year, please send an email to your respective COR and cc: BHSCST.HHSA@sdcounty.ca.gov and indicate "No change to Signature Authorization Form."

Attached is a PDF version of the SAF to be completed by contractors and signed with either a wet or electronic signature(s). Please follow the attached instructions for completing the SAF and submit the SAF via email to your assigned contract COR(s) and cc: BHSCST.HHSA@sdcounty.ca.gov within thirty (30) days of the start of the contract term.

2.3. Subcontractor/Consultant Agreement(s)

All BHS Subcontractor/Consultant Agreement(s) must be pre-approved, regardless of dollar amount and payment type. The following is the pre-approval process:

2.3.1. Written pre-approval from the COR is required for Subcontractor/Consultant agreements as stipulated in Contract Article 1.4.4 County Approval.

2.3.2. A written pre-approval must contain the following four components for each subcontract and/or consultant agreement:

1. Name of the organization or individual.
2. Brief scope or description of what services/products the subcontractor(s) and/or consultant(s) will provide relevant to the main contract.
3. Agreement amount.
4. Agreement term.

Contractor must obtain pre-approval by completing the four components in the BHS Subcontract Budget Tab of the annual BHS Budget spreadsheet, filling in check boxes, signing, and submitting it to the assigned COR for review. All columns must be completed;

see examples below for situations where “to be determined” (TBD) will and will not be accepted for pre-approval. Once the BHS Subcontractor/Consultant Pre-Approval Form has been reviewed, the COR will sign and return it to the Contractor indicating pre-approval.

For Fixed Price contracts, contractors are only required to submit the BHS Subcontractor/Consultant Pre-Approval Form.

Example 1: Contractor will subcontract with *Medical 4 All Inc.* to provide psychiatric services to patients from September 1, 2024 – June 30, 2025, at \$200.00 per hour for 40 hours per month. Annual total = \$80,000. The name of the psychiatrist is not yet known and is listed as TBD.

- In this example, this information meets the requirement for pre-approval because the agency that is responsible for providing the services – *Medical 4 All Inc.* – is identified and the Individual psychiatrist delivering services is the only TBD.

Example 2: Contractor will subcontract with a psychiatrist to provide psychiatric services to patients. The name of the psychiatrist is not yet known, and neither is the pay rate. The agreement period will be November 1, 2024 – June 30, 2025. TBD is listed in the Individual column and in the Budget columns.

- In this example, this information does not meet the requirement for pre-approval because the subcontract will be with an individual and the complete information is not known.
- Once all the information is known, the contractor must fill out the Subcontract Budget Tab template with all the required information, sign, scan, and send to the COR for pre-approval. Once approved, the COR will return the form indicating approval.

2.3.3. Contractor must provide COR with copies of **all** subcontracts and/or consultant agreements relating to the contract, regardless of dollar amount and payment type (Cost Reimbursement, Fixed Price, Pay for Performance, etc.). Contractor shall complete the attached BHS Subcontractor/Consultant Agreement Contractor Checklist and submit the form together with copies of fully executed agreement(s) to the COR within thirty (30) days after the effective date of the agreement. For example, for an agreement with an effective date of July 1, 2024, all agreements are due no later than July 31, 2024.

2.4. **Attestation**

To ensure compliance with state and federal mandates, BHS is required to confirm that providers are informed and in compliance with funding source requirements. The attached BHS Attestation includes some of the most common requirements that are included in the County Contract Agreement, OPOH, and/or SUDPOH.

By signing the BHS Attestation, providers attest that their organization complies with all applicable federal, state, county, and local laws, rules, and regulations. Furthermore, they affirm they are following all County contract requirements including, but not limited to, those highlighted in the BHS Attestation. Specific program requirements can be found in the County Contract Agreement and/or by contacting the assigned COR. Please note that the BHS Attestation does not preclude the assigned COR from monitoring compliance during annual site visits.

Email copies of the BHS Attestation to the COR no later than thirty (30) days after the end of the contract term. For example, if the contract term ends June 30, 2024, the report is due on July 30, 2024.

If you have any questions or need assistance, please contact your Contracting Officer's Representative (COR) and/or Contract Analyst.

Thank you for your assistance.

ADRIA CAVANAUGH, Chief, Agency Operations
Behavioral Health Services

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Attachments:

- 1. 2024-03-08 – BHS Information Notice_BHS Administrative Adjustment Request (AAR) Policy Changes and Updates
 - 1a. Administrative Adjustment Request (AAR) Template
- 2. BHS Inventory Report Form
 - 2a. BHS Inventory Guidelines for County Contracts
 - 2b. BHS Inventory Report Form – EXAMPLE
 - 2c. 2024-05-10 – BHS Info Notice - Updates to Contractor Inventory Process
- 3. BHS Contracts Signature Authorization Form (SAF) FY 24-25 with Instructions
 - 3a. Electronic Signatures for Contracts - Fact Sheet
- 4. BHS Budget Template – Cost Reimbursement FY 24-25
 - 4a. BHS Subcontractor/Consultant Pre-Approval Form
 - 4b. BHS Subcontractor/Consultant Agreement Contractor Checklist
- 5. BHS Attestation Form FY 24-25