

2018

# CONTRACT POLICY MANUAL



### **§3.4-112      Contract Pricing**

- (1) Human services contracts shall determine cost pricing as it deems to be the best interest of the County. Generally human services contracts will utilize the Cost Reimbursement method under which allowable and reasonable costs incurred by the contractor in performance of the contract and reimbursed in accordance of the terms of the contract.
- (2) Human services contracts may also be written with one of the following preferred basis for reimbursement:
  - a) Fee for Service;
  - b) Actual Cost; or,
  - c) Negotiated Rates

### **§3.4-113      Adjustments to Contract Amount**

- (1) Decreases: The department head or designee may decrease the amount of a contract without obtaining approval from the Board of Supervisors.
- (2) Increases: With respect to non-Board awarded service contracts, contract increases may not exceed 10% of the original contract amount or \$10,000, whichever is less, unless authorized/approved by the County Procurement Officer on the form(s) approved and provided by the County Procurement Office. The department head or designee may also increase the value of a non-Board awarded service contract under the following circumstances:
  - a) The need for service could not be accurately projected and the percentage of increase does not justify rebidding.
  - b) An emergency exists which does not permit rebidding.
  - c) Special economic factors justify a contract increase.
- (3) For Board awarded contracts, no increase exceeding the contingency amount will be permitted without approval by the Board of Supervisors.

### **§3.4-114      Contingency Amounts**

- (1) When requesting approval for award of a human service contract from the Board of Supervisors, a contingency amount may also be requested. Justification for this contingency will be presented to the Board of Supervisors in the Agenda Staff Report (ASR) in accordance with the following:
  - a) The total amount requested shall not exceed a total of 10 percent (10%) of the original amount for the first year of the contract.
  - b) This amount, if approved by the Board, may be used over the entire term of the contract.
  - c) Contingencies shall only be used to cover services already provided in the scope of work as set forth in the contract.
  - d) The use of the contingency amount is subject to approval requirements established by the County Procurement Officer.