

II.	FISCAL SECTION
200	Contract Compliance

! **State Share requirements for Continuing Contracts:** State share is not applicable for the federal fiscal year (FFY) 2012 budget year of October 1, 2011 to September 30, 2012. Instead, a new type of contribution, “soft in-kind,” will be used to complement federal share funds

State Share requirements for Renewing Contracts: State share is not applicable for the FFY 2012 budget year of October 1, 2011 to September 30, 2012. Instead, a new type of contribution, “soft in-kind,” will be used to complement federal share funds

Budget Adjustment Request (BAR) requirements for FFY 2012 Renewing Contracts will not have administrative relief; this means that no line item transfers and/or BARs will be allowed without executing a formal amendment.

The Network for a Healthy California (*Network*) will provide further guidance regarding in-kind guidelines for the upcoming FFY 2013 as information becomes available.

201 General Information

The contractor is responsible and accountable for meeting all contractual requirements in their fully executed *Network* contract. This includes timely and accurate submission of the following; including but not limited to:

1. Annual Progress Reports (APR)
2. Semi-Annual Activity Reports (SAAR)
3. Education and Administrative Reporting System (EARS) online reporting
4. Federal invoices
5. Federal supplemental invoices;
6. Completion of all Scope of Work (SOW) deliverables
7. Source documentation for all expenditures (upon request)
8. Subcontractor Agreement
9. Memorandum of Understanding (MOU)
10. Annual Audit Reports
11. Timely responses to *Network* inquiries for information

The *Network* assigned Contract Manager (CM) and Program Manager (PM) will monitor each contract for responsiveness, to the above listed contract requirements. The contractors are required to notify their assigned *Network* CM or PM, if potential problems arise.

The fiscal, program, and administrative requirements of a *Network* funded contract must comply with the United States Department of Agriculture (USDA) Supplemental Nutrition Assistance Program Education (SNAP-Ed) and the *Network* guidelines. All SNAP-Ed activities and materials must be reasonable in cost and scope, necessary, and targeted to SNAP-Ed eligible persons.

202 Probationary Status

Contractors are expected to meet and stay within the boundaries of contractual compliance when managing their approved contracts, please refer to STD 213 number (4) of the *Network* contract. If a contractor does not adhere to the parameters and remedial efforts are ineffective, corrective action will be taken to improve the contractor's performance. For example, a contract may be placed on probationary status if the contractor demonstrates a pattern of non-compliance.

Following is a list of corrective actions, including but not limited to:

1. Withholding invoice payments.
2. Requesting refund of prior payment(s).
3. Reducing a contract term.
4. Not renewing a contract.
5. Contract budget reduction, the funds released may be used to fund growth for other contractors that have a record of good performance and accurately forecast their budgets; and
6. Contract termination.

These requirements shown above are incorporated by reference in Exhibit E, entitled Additional Provision.

203 Contract Funding Cycle

Contracts between the *Network* and the Local Incentive Awardee (LIA)/*Network* Local Projects are established according to agency type. Contract timelines will be in conjunction with the federal fiscal year (October 1 through September 30). Contracts are considered effective once they are approved by the USDA, signed by CDPH, and the California Department of General Services (DGS). Contracts over \$75,000 require DGS approval.

If there are delays in the procurement process due to budgeting errors, or the need for multiple revisions, a contract may not begin on October 1, of the budget year. In this case, the local agency's contract start date will be the date that the contract is signed and approved by DGS and/or CDPH.

A delay in the USDA approval of the *Network's* SNAP-Ed, and/or in the event that Congress does not approve the United States federal budget in time could also delay the October 1 start date.

Services performed and costs incurred by local agencies, before the contract is effective or fully executed will not be eligible for federal share reimbursement. Contractors will not be reimbursed for services performed and/or any other costs incurred before they receive an executed contract or the effective date of the contract.

NOTE: The contract funding cycle end date will be September 30 of each year.