

Office of Community Development

How To Get the Money Out

Contracts, CEAs, and Amendments

OCD CDBG-DR Training Seminar

November 29, 2018

Presented by Bonita Brown/Tisha London

CEAs vs. Contracts

CEAs (Grantee)

- Determine Need and Authority for Expenditure
- Explore the grantee capabilities and expertise
- No legal time limit on the duration of agreement
- Obtain written approval from the proper OCD manager for the expenditure and timeframe for expenditure
- Requires use of a non-interest bearing account to receive funds from OCD

Contracts (Contractor)

- Determine Need and Authority for Expenditure
- Explore the contractor capabilities and expertise
- Maximum duration of a 3-year term and up to \$49,999 can be expended each 12-month period
- Solicit quotes from contractors to ensure the price is reasonable
- Obtain written approval from the proper OCD manager for the expenditure and timeframe for expenditure

Information Needed for Drafting of CEAs

- Legal Name of Grantee
- Name, Title, Address, Phone, Fax, and Email of the contact person for the agreement
- Federal Tax Identification Number and DUNS Number
- Beginning and Ending Dates (end date cannot be between June 1 and August 31 because of state's fiscal year end processing issues)
- Goals/Objectives
- Scope of Work (should be no more than one (1) page, preferably 1/2 page or less)
- Budget totaling to the maximum amount of the agreement (budget must be at least two (2) lines plus the total)
- Source of Funding (i.e., action plan/action plan amendment and budget code)
- Written approval from the proper OCD manager for the expenditure and timeframe for expenditure

Information Needed for Drafting of Contracts

- Legal Name of Contractor
- Beginning and Ending Dates (end date cannot be between June 1 and August 31 because of state's fiscal year end processing issues)
- Name, Title, Address, Phone, Fax, and Email of the Contact Person
- Federal Tax Identification Number, State Tax Identification Number, and DUNS Number
- Scope of Work (should be no more than one (1) page, preferably 1/2 page or less)
- Pricing Information (i.e., Cost Reimbursement, Hourly Rate, Fee Schedule, etc.)
- Source of Funding (i.e., action plan/action plan amendment and budget code)
- Deliverables and Due Dates
- Written approval from the proper OCD manager for the expenditure and timeframe for expenditure

Documents to be Completed by Grantee/Contractor

- 2-3 hard copies of the CEA or contract signed with original signatures
- W-9
- Authorized Signature Form (Invoices) – This form must be signed by each person named on the form as well as by the person approving the form at the bottom.
- Request for Vendor Information Form
- Board resolution or other legal document authorizing the person who signed the CEA or contract less than with an effective date less than two (2) years old
- Financial Management Questionnaire (CEAs Only)
- HUD 2880 (CEAs only)
- EFT Form to set up bank account to receive funding – This form is to be signed by the bank and the grantee/contractor.
- Voided check belonging to the bank account referenced on the EFT Form.
- Certification from the grantee's bank or the grantee's finance department that the EFT account is non-interest bearing (CEAs only)
- Proof of coverage for all insurance required in the agreement (Use an ACORD insurance form if possible.)
- LaGov number or register as a vendor with the State, <http://www.doa.la.gov/Pages/osp/vendorcenter/vendorregn.aspx>

Amendments

- Proof of current insurance coverage as required by the original contract
- 2-3 original amendments signed by the grantee/contractor.
- Note: Completely signed (by grantee/contractor and by OCD/DOA) amendments must be received by the Office of State Procurement no later than the last day of the contract. This requires that the OCD contract personnel receive notice of the need for an amendment 60 or more calendar days prior to the end date of the contract, in order to ensure that the amendment can be approved.

Amendments

- If notice of the need for an amendment is not received in time, the contract/CEA will expire and the only method to continue services/activities is to write a new agreement after all expenses have been paid on the prior agreement.
- **SUGGESTION:** When your CEA/contract is approved, put a reminder on your Outlook calendar about 4 months before the end date, reminding you to check and see if the agreement needs to be extended.

Approval Processing

- Once all signatures and supporting documents have been obtained and submitted to Contracts, the agreement will be sent to obtain the appropriate OCD/Division of Administration signatures.
- Then the agreements will be entered into the state's automated accounting system (LaGov) and sent to the Office of State Procurement (OSP) for approval.
- Timeframe for accomplishing the steps above is 4-8 weeks, on average.
- Check for the status and end dates for all CEAs, contracts and amendments at G:DRU Finance: Contracts: Other-Contract Related: Bonnie's spreadsheet.

Contact Information for Contracts

- Bonita Brown

Bonita.Brown@la.gov

225.342.0856 (office); 938.2418 (cell)

- Tisha Lee London

Tisha.London2@la.gov

225.219.8791 (office)