

FLORIDA WORKS

Policies and Procedures

Florida Works
408 W. University Avenue, Suite 501
Gainesville, FL 32601
Tel: 352-955-6509 / Fax: 352-955-6511

SOP Number:	Subject: Contract and Budget Amendment Policy
Date of Issuance: September 2007	Revision Date:
Effective Date: September 24, 2007	Board Chair Signature: <i>Ken McGurn</i>

PURPOSE

To establish local criteria for the processes and procedures to request any contract or budget amendments to a contract with FloridaWorks.

BACKGROUND

When a service provider, contractor, and/or subcontractor ("Provider") enters into a contract with the FloridaWorks Board ("Board"), an annual operating budget, work statement and performance objectives must be approved by the Board as part of the contract development process. It has been the practice of the Board that for there to be any changes in the Provider's approved budget, work statement or performance objectives, the Board must approve of or be notified of the proposed change (dependent upon the change being requested, as outlined below) in order for the change become effective and binding.

POLICY:

This policy establishes the there shall be a standard set of procedures whereby the Board shall be continuously informed of any proposed changes or adjustments to budgets, statements of work, and/or performance objectives established in contract/contracts negotiated by the Board & or its agents for the delivery of goods and/or services. There shall be methods whereby an amendment to a negotiated contract/contract may be effected as described in this policy.

1. All contracts developed by this Board shall contain a provision permitting Providers to adjust any line item within their approved budgets by an amount not to exceed 15% of the benefiting line item, and not to exceed 15% cumulatively if other amendments have been made to the same line item. Such a line item transfer may be engaged provided the adjustment does not change the total amount of funds available under terms of the contract.

Such a budget change will require that the Provider request prior approval from the Administrative Entity and receive from the Administrative Entity written approval of the changes prior to its implementation. The Board or its subcommittee(s) will be notified of this change at its next scheduled meeting.

2. A Provider may seek a budget amendment to accommodate line item transfers of more than 15% of the line item by submitting a formal written request with justification and rationale to the Board's Administrative Entity. The Service Provider will also submit an amended Cost Allocation Plan if this request causes the existing Plan to no longer be congruent with the proposed amended budget or a statement that the plan will not be affected if it is not. Such a budget adjustment will undergo appropriate cost/price analysis by AE staff as well as an analysis of the elements of change to determine if a contract amendment as specified below in option 3 is warranted. Provided that the amendment neither alters the total funds available nor the scope of services, the Administrative Entity will submit the request and background documentation to the Board's Finance Committee for approval or rejection. Upon approval, the budget amendment will be signed by the chair of the finance committee and forwarded to the Provider, the board's finance department and the Provider's contract file. If ratified by the Finance Committee, at the earliest convenient time, the Executive Committee or the Board will be fully apprised of the change(s).

3. A contract amendment may be sought in order to adjust the total funds available within the contact, or to adjust the scope of services, or to clarify changes to performance objectives. In such instances the requested change(s) shall be submitted to the Board's Administrative Entity with appropriate justification and/or rationale. If relevant, the Service Provider will submit an amended Cost Allocation Plan or a statement that the plan will not be affected. The Administrative Entity will perform an analysis of the elements of change and report the results of its analysis to the Board or its designated sub-committee(s) within 60 days of the requested amendment. The Board's AE will prepare an amendment to the Provider's contract that replaces and reflects the proposed changes. The amendment will be ratified by the Executive Committee or the Full Board. If ratified by the Executive Committee, at the earliest convenient time, the Board will be fully apprised of the change(s). After signatures for the contract amendment are obtained it will be forwarded to the service provider, the board's finance department and the Providers contract file.

A contractor may request a budget amendment at the end of the contract period in order to make adjustments to year end expenditures.

AUTHORITY:

FloridaWorks Board

ACTION:

A copy of this policy shall be kept on file at the Board's administrative offices, and copies provided to all service providers for reference and application.