

INDIANA DEPARTMENT OF CHILD SERVICES

Request for Proposal to Provide:

Older Youth Services

Response Due Date:

January 6, 2016

Program and Services
Indiana Department of Child Services
302 W. Washington St., Room E306
Indianapolis, Indiana 46204

SECTION ONE

1.0 GENERAL INFORMATION AND REQUESTED PRODUCTS/SERVICES

1.1 INTRODUCTION

The Department of Child Services (DCS), in accordance with its State IV-B Plan requires multiple child welfare services in all 18 regions and 92 counties. The regions and included counties are listed below. It is the intent of DCS to solicit responses to this Request for Proposals (RFP) in accordance with the statement of work, proposal preparation section, and specifications contained in this document. This RFP is being posted to the DCS website (<http://www.in.gov/dcs/3337.htm>) for downloading. Neither this RFP nor any response (proposal) submitted hereto are to be construed as a legal offer.

Region 1: Lake

Region 2: Jasper, LaPorte, Newton, Porter, Pulaski, Starke.

Region 3: Elkhart, Kosciusko, Marshall, St. Joseph.

Region 4: Adams, Allen, DeKalb, Huntington, LaGrange, Noble, Steuben, Wells, Whitley.

Region 5: Benton, Warren, Fountain, White, Tippecanoe, Carroll, Clinton

Region 6: Cass, Fulton, Howard, Miami, Wabash.

Region 7: Blackford, Delaware, Grant, Jay, Randolph.

Region 8: Clay, Parke, Sullivan, Vermillion, Vigo.

Region 9: Montgomery, Putnam, Hendricks, Boone, Morgan.

Region 10: Marion

Region 11: Hamilton, Tipton, Madison, Hancock.

Region 12: Fayette, Franklin, Henry, Rush, Union, Wayne.

Region 13: Brown, Greene, Lawrence, Monroe, Owen.

Region 14: Bartholomew, Jackson, Jennings, Johnson, Shelby.

Region 15: Dearborn, Decatur, Jefferson, Ripley, Ohio, Switzerland.

Region 16: Gibson, Knox, Pike, Posey, Vanderburgh, Warrick.

Region 17: Crawford, Daviess, Dubois, Martin, Orange, Perry, Spencer.

Region 18: Clark, Floyd, Harrison, Scott, Washington.

The Department of Child Services offers Successful Adulthood Services: services for youth that are designed to assist youth who will age out of foster care with the skills and abilities necessary or desirable to be self-reliant in accordance with State law. This service is known as Older Youth Services (OYS). The Older Youth Services program is comprised of Chafee Independent Living Services, Collaborative Care Services, and Chafee Voluntary Independent Living Services. The focal points of Older Youth (OY) services are to increase youth voice, offer the opportunity to practice interdependence as well as gaining the skills to build the youth's own social capital. The goals are to prepare youth to emerge into adulthood and move identified youth into a permanent housing setting that the youth can continue to live in once DCS closes the case. This program also includes allowing youth to voluntarily return to foster care on or after the youths 18th birthday. The focus of the RFP is to seek service providers to assist in this effort by providing Older Youth Services. The RFP is interested in creative programming designed for older youth that focuses on experimental learning in education, housing, employment, and skill building.

CHINS/Probation Placement		Agency Responsibilities			
		DCS FCM	Older Youth Service Provider	Budget	Other Contractor
Traditional Foster Care	Foster Home <ul style="list-style-type: none"> County Relative Unlicensed Court Approved Placement 	DCS case management Placement supervision Service referral and oversight	Older Youth Services (starting at age 16years)	Budget 1	Other services as referred
	Foster Home <ul style="list-style-type: none"> Licensed Child Placing Agency (LCPA) 	DCS case management Service referral and oversight	Older Youth Services (starting at six months before placement transition)	Budget 1	Other services as referred LCPA provides: <ul style="list-style-type: none"> Older Youth Services (starting at age 16) Placement supervision Case management to LCPA foster home
	Group Home	DCS case management Service referral and oversight	Older Youth Services (starting at six months before placement transition)	Budget 1	Other services as referred Group Home provides: <ul style="list-style-type: none"> Older Youth Services (starting at age 16) Placement supervision Internal case management
	Residential/Child Caring Institution (CCI)	DCS case management Service referral and oversight	Older Youth Services (starting at six months before placement transition)	Budget 1	Other services as referred CCI provides: <ul style="list-style-type: none"> Older Youth Services (starting at age 16) Placement supervision Internal case management
Collaborative Care CC Program Placement (youth age 17.5 or older with a CC agreement)		Agency Responsibilities			
		DCS 3CM	Older Youth Service Provider	Budget	Other Contractor
Traditional Foster Care	Foster Home <ul style="list-style-type: none"> County Relative Unlicensed Court Approved Placement 	DCS case management Placement supervision Service referral and oversight	Older Youth Services	Budget 2	Other services as referred
	Foster Home <ul style="list-style-type: none"> Licensed Child Placing Agency 	DCS case management Service referral and	Older Youth Services	Budget 2	Other services as referred LCPA provides:

	(LCPA)	oversight			<ul style="list-style-type: none"> • Placement supervision • Case management to LCPA foster home
	Group Home	DCS case management Service referral and oversight	Older Youth Services	Budget 2	Other services as referred Group Home provides: <ul style="list-style-type: none"> • Placement supervision • Internal case management
	Residential/Child Caring Institution (CCI)	DCS case management Service referral and oversight	Older Youth Services	Budget 2	Other services as referred CCI provides: <ul style="list-style-type: none"> • Older Youth Services (starting at age 16) • Placement supervision • Internal case management
Older Youth Placement	Host Home	DCS case management Placement supervision Service referral and oversight	Older Youth Services (only as referred)	Budget 2	Other services as referred Host Home Adult provides: <ul style="list-style-type: none"> • Older Youth Services (Teachable Moments) • Casey Life Skills Assessment (CLSA)
	Shared Apartment/Housing	DCS case management Service referral and oversight	Older Youth Services Placement supervision and fiscal responsibility	Budget 2	Other services as referred
Independent Living Arrangement	College Dorm	DCS case management Placement supervision Service referral and oversight	Older Youth Services (only as referred)	Budget 2	Other services as referred
	Own Apartment/Housing	DCS case management Service referral and oversight	Older Youth Services Placement supervision and fiscal responsibility	Budget 2	Other services as referred
	Staff Supported Housing	DCS case management Service referral and oversight	Staff Supported Housing provider will provide: <ul style="list-style-type: none"> • Older Youth Services • Placement supervision • Internal case management 	Budget 2	Other services as referred

	Agency Responsibilities			
	DCS IL Specialist or 3CM	Older Youth Service Provider	Budget	Other Contractor
Voluntary OY Services	VSA referral Service monitoring Approval of Chafee funding for Room and Board and Emancipation Goods and Services	Older Youth Services Connect youth to community services as needed	Budget 4	N/A

Youth in Traditional Foster Care Placements; Foster Homes supervised by DCS or Licensed Child Placing Agencies (LCPAs), Group Homes and Child Caring Institutions who are eligible will transfer to a 3CM at age 17.5 and will remain in these placements until the youth turns 18 and/or is ready to step down to a less restrictive placement. Youth do not become eligible to enter into a Collaborative Care Agreement until the age of 18.

*The term “case management” refers to the acts of service coordination, service monitoring and overseeing other ongoing activities related to a case which may include but is not limited to: communication with the older youth and service provider, crisis intervention and compiling and submitting required reports (i.e. DCS case management includes writing regular reports to the court; LCPA case management includes writing monthly reports to the referring agency).

**The term “placement supervision” refers to the acts of monitoring the older youth’s safety and stability in their placement.

***The term “Older Youth Services” refers to the act of providing specific activities outlined as outlined in the older youth services service standards. These activities should be youth specific and be designed in a manner that allows the older youth opportunities to further develop his/her interdependence.

****Budget 1: Chafee IL services ONLY

Older Youth Services as defined and provided to those youth in placements identified as Budget 1 in Chart 1.

Budget 2: Collaborative Care-services and placement supervision

Includes placement costs and supervision for youth for whom DCS has placement and care. Supervision for older youth includes preparing the youth to live interdependently by serving as a broker of services to connect youth to community service providers as defined in the service standards.

Budget 3: Staff Supported Housing

Includes placement cost and supervision, for youth for whom DCS has placement and care. Supervision for older youth includes preparing the youth for successful adulthood, living interdependently and apartment living by serving as a broker of services to connect youth to community service providers as defined in the services standards.

Budget 4: Chafee IL Services-Voluntary ONLY

Older Youth Services (including case management and limited financial assistance to support rent, utilities, and items to support independent living, i.e., Room & Board) as defined in the service standards and provided to those youth in placements identified as Budget 4 in Chart 1.

2 PURPOSE OF THE RFP

The main purpose of this RFP is to select:

1. **Older Youth Services:** vendors/providers that can satisfy the DCS need for the provision of Chafee Independent Living Services, Chafee Voluntary Independent Living Services *and* Collaborative Care Placement Supervision and Services to all 18 regions and the corresponding 92 local offices in the State. DCS will be seeking up to 10 providers to provide statewide coverage. The state will be divided into Service Areas as follows:

- Area 1: DCS regions 1 & 2,
- Area 2: DCS regions 3 & 4
- Area 3: DCS regions 5 & 6
- Area 4: DCS regions 8 & 9
- Area 5: DCS regions 10 & 11
- Area 6: DCS regions 7 & 12
- Area 7: DCS regions 13 & 14
- Area 8: DCS regions 16 & 17
- Area 9: DCS regions 15 & 18

Service providers may choose to apply to serve more than one area, but must be prepared to provide the full array of Older Youth Services to all youth in a single coverage area.

2. **Staff Supported Housing:** Staff Supported Housing Placement Supervision and Services. DCS is seeking service providers who are willing to provide physical placement, placement supervision and services as defined in the Older Youth Service Standards and Older Youth Service Protocol. Providers may propose to:
 - a. Add this component to the full service array covered in Older Youth Services, or
 - b. Propose for this component alone. The provider should be prepared to offer all services associated with the Older Youth Services Service Standard for those youth living in the staff supported housing setting.

1.3 SUMMARY SCOPE OF WORK

Contractors chosen for Older Youth Services will be expected to provide Chafee Independent Living Services, Collaborative Care Services and Chafee Voluntary Independent Living Services, in a manner that is consistent with the Service Standards (Attachment A) and Protocol (Attachment B). These Service Standards include but are not limited to, length, quality and type of service, qualifications of staff, documentation requirements, as well as program reports and evaluation. The Older Youth Services Protocol includes but is not limited to best practice in understanding, engaging, planning, and supporting older foster youth.

This placement shall be a setting where multiple youth may live in a campus or apartment complex setting. This placement may also look like a group home setting. Youth should have opportunities to interact in the community, with limited supervision over time in order to build successful adulthood skills and strengthen their social network resulting in increased social capital. This setting will provide youth an opportunity to build their apartment living skills in a structured environment. The placement provider shall have staff on site for supervision at all

times. Youth must be able to reach the contact 24/7 in the event of an emergency. Each youth will receive daily supervision. However, this does not require 24/7 supervision. During this time the youth should receive experiential learning and guidance on successful adulthood skills as indicated in the youth's Transition Plan for Successful Adulthood. Daily instruction will also include resources and services to increase a youth's skills and ability to live successfully in an apartment setting. The amount of instruction will be determined by each youth's skill level and need.

1.4 QUESTION/INQUIRY PROCESS

All questions/inquiries regarding this RFP must be submitted in writing by the deadline of December 11, 2015. Questions/Inquiries may be submitted via email to OlderYouthQuestions@dcs.in.gov and must be received by The Department of Child Services by the time and date indicated above.

Following the question/inquiry due date, the Department of Child Services personnel will compile a list of the questions/inquiries submitted by Respondents. The responses will be posted to the Department of Child Services website according to the RFP timetable established in Section 1.14. Only answers posted on the Department of Child Services website (www.in.gov/dcs/) will be considered official and valid by the State. No Respondent shall rely upon, take any action, or make any decision based upon any verbal communication with any State employee.

If it becomes necessary to revise any part of this RFP, or if additional information is necessary for a clearer interpretation of provisions of this RFP prior to the due date for proposals, an addendum will be posted on the Department of Child Services website. If such addenda issuance is necessary, the Department of Child Services may extend the due date and time of proposals to accommodate such additional information requirements, if required.

1.5 PRE-PROPOSAL WEBINAR

A pre-proposal webinar will be held on **December 7, 2015 from 10:00am to 12:00 pm**. To register for the webinar send your name, agency name, phone contact information and email address to the Older Youth Services email at OlderYouthQuestions@dcs.in.gov.

1.6 DUE DATE FOR PROPOSALS

To be considered, proposals must be delivered to the address below, no later than 10:00am on **January 6, 2016. Bidders must submit 1 copy of the proposal in addition to an electronic submission via USB drive.**

Anisa L. Evans
Department of Child Services
ATTN: Older Youth Services Proposal
302 West Washington Street
Room E306-MS 47

Indianapolis, IN 46204-2739

Any proposal not submitted by the above date/time or does not include the copies and electronic proposal will not be considered. Any late proposals will be returned, unopened to the Respondent upon request. All proposals rejected due to not meeting the deadline and not claimed within 30 days of the proposal due date will be destroyed.

1.7 PROPOSAL CLARIFICATIONS AND DISCUSSIONS, AND CONTRACT DISCUSSIONS

The State reserves the right to request clarifications on proposals submitted to the State. The State also reserves the right to conduct proposal discussions, either oral or written, with Respondents. These discussions could include requests for additional information, requests for cost or technical proposal revision, etc. Additionally, in conducting discussions, the State may use information derived from proposals submitted by competing Respondents only if the identity of the Respondent providing the information is not disclosed to others. The State will provide equivalent information to all Respondents which have been chosen for discussions. Discussions, along with negotiations with responsible Respondents may be conducted for any appropriate purpose.

The Department of Child Services or its appointed representatives will initiate and facilitate all discussions. Any information gathered through oral discussions must be confirmed in writing.

1.8 REFERENCE SITE VISITS

Following an award, the State may require a site visit(s) to a Respondent's working support center to aid in the evaluation of the Respondent's provision of service.

1.9 TYPE AND TERM OF CONTRACT

The State intends to sign a contract with multiple Respondent(s) to fulfill the requirements in this RFP.

The term of the contract shall be for a period of 24 months, beginning **July 1, 2016, and ending June 30, 2018** The State may exercise the option to extend contracts for two years.

1.10 CONFIDENTIAL INFORMATION

Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (APRA), IC 5-14-3 et seq., and, after the contract award, the entire RFP file may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the APRA must place all confidential documents in a sealed envelope clearly marked "Confidential" and must indicate on the outside of that envelope that confidential materials are included. The Respondent must also specify the statutory exception of APRA that applies. The State reserves the right to make determinations of confidentiality. If the Respondent does not identify the statutory exception, DCS will not consider the submission confidential. If the State does not agree that the information designated is confidential under one of the disclosure exceptions to APRA, it may seek the opinion of the General Counsel for the Department of Child Services. Prices are not confidential information.

1.11 SECRETARY OF STATE REGISTRATION

If awarded a contract, the Respondent will be required to register with your legal name, and be in good standing, with the Secretary of State. This legal name must be used on all documents included in the proposal process. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. Information concerning registration with the Secretary of State may be obtained by contacting:

Secretary of State of Indiana
Corporation Division
402 West Washington Street, E018
Indianapolis, IN 46204
(317) 232-6576
www.in.gov/sos

Note: When you complete the application, your agency's legal name must match your registered name with the Secretary of State. If it does not and your agency is selected for a contract, the contract will be delayed until this is resolved.

Before contracts are moved through the signature process they must pass review by the Department of Workforce Development (DWD) and Department of Revenue (DOR). If an agency that is accepted for a contract by DCS has unpaid unemployment insurance or owes unpaid taxes to the State, the contract will be held until these issues are resolved. Any issues must be resolved with DWD/DOR. It is extremely important that all agencies are aware of this review to prevent delays in the timely execution of the contract.

1.12 COMPLIANCE CERTIFICATION

Responses to this RFP serve as a representation that the Respondent has no current or outstanding criminal, civil, or enforcement actions initiated by the State, and it agrees that it will immediately notify the State of any such actions. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State. The Respondent agrees that the State may confirm, at any time, that no such liabilities exist. If such liabilities are discovered, the State may bar the Respondent from contracting with the State, cancel existing contracts, withhold payments to set off such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the State and has submitted proof of such payment to the State. If, in an audit or review by the State, it is discovered that there is a non-compliance issue with either the Service Standard or the contract, the State may elect to impose a financial penalty.

1.13 AMERICANS WITH DISABILITIES ACT

The Respondent specifically agrees to comply with the provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq. and 47 U.S.C. 225).

1.14 SUMMARY OF MILESTONES

Key RFP Dates: Activity	Date
Issue of RFP	November 30, 2015
Webinar	December 7, 2015
Deadline to Submit Written Questions	December 11, 2015
Answers to Vendor Questions Posted on DCS Website	December 17, 2015
Submission of Proposals	January 6, 2016 by 10:00am
<p>The following timeline is only an illustration of the RFP process. The dates associated with each step are not to be considered binding. Due to the unpredictable nature of the evaluation period, these dates are commonly subject to change.</p>	
Proposal Evaluation	January 6, 2016 – February 29, 2016
Notification of Awards	April 1, 2016
Preparation of Contracts	April 1, 2016 – April 30, 2016
Contract Signature Process	May 1, 2016 – June 30, 2016
Contract Activation	July 1, 2016

SECTION TWO

Older Youth Services Program Proposal

2.0 PROPOSAL PREPARATION INSTRUCTIONS

2.1 GENERAL

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is described in this section. The proposal must be submitted with 1 copies and an electronic copy to the DCS central office.

Each Program Proposal must include:

1. **Provider Narrative:** The Provider Narrative template must be used (Attachment E). This portion of the proposal allows the applicant to provide detailed information about the overall agency.
2. **Service Narrative:** The Service Narrative templates must be used (Attachment F). There are two Service Narrative templates. One Service Narrative should be completed that addresses each topic area in the attachment. This portion of the proposal allows the applicant to provide specific information regarding the proposed service. Respondents should only provide a Service Narrative for the proposed service component.
3. **Budget:** The Budget template must be used, see Attachment D. Bidders must submit one budget as defined below per service area.

Budget 1: Chafee IL services ONLY

Older Youth Services as defined and provided to those youth in placements identified as Budget 1 in Chart 1.

Budget 2: Collaborative Care-services and placement supervision

Includes placement costs and supervision for youth for whom DCS has placement and care. Supervision for older youth includes preparing the youth to live interdependently by serving as a broker of services to connect youth to community service providers as defined in the service standards.

Budget 3: Staff Supported Housing

Includes placement cost and supervision, for youth for whom DCS has placement and care. Supervision for older youth includes preparing the youth for successful adulthood, living interdependently and apartment living by serving as a broker of services to connect youth to community service providers as defined in the services standards.

Budget 4: Chafee IL Services-Voluntary ONLY

Older Youth Services (including case management and limited financial assistance to support rent, utilities, and items to support independent living, i.e., Room & Board) as defined in the service standards and provided to those youth in placements identified as Budget 4 in Chart 1.

Note: Respondents will submit only one proposal for all Service Area's to be served.

The RFP submissions must include the following:

	Submitted Signed Hard Copy submitted by 10:00am
Attachment C – Application Signature Page	<input type="checkbox"/>
Attachment E – Provider Narrative	<input type="checkbox"/>
Attachment F – Service Narrative	<input type="checkbox"/>
Attachment D – Budget(s)	<input type="checkbox"/>

Prior to submitting the proposal, it is vital that the proposal be reviewed to ensure that all required information is included.

2.2 APPLICATION

The application and signature page (Attachment C); must utilize and include agency information, geographic area to be covered and proposed services. The application should be signed by a person authorized to commit the Respondent to its representations and who can certify that the information offered in the proposal meets all general conditions.

2.3 PROVIDER NARRATIVE AND SERVICE NARRATIVE

The Provider Narrative (Attachment E) and Service Narrative (Attachment F) must utilize the provided templates. The program proposal will include one Provider Narrative along with Service Narratives for each service under Older Youth Services; Chafee Independent Living Services, Collaborative Care Services, Chafee Voluntary Independent Living Services,. The Provider Narrative will include information specific to the agency as a whole. The Service Narratives will outline the specific services to be delivered.

Proposals must identify and meet service components in the Service Standards and Protocol (See Attachment A for Service Standards and Attachment B for Protocol). Proposals must identify outcomes consistent with those identified in the Service Standards. Proposals must demonstrate the organizational and procedural structure that is necessary to deliver the services proposed in the Service Standards and Program Protocol.

2.5 BUDGET NARRATIVE AND BUDGET SUMMARY

A Budget and corresponding worksheets (Attachment D) are required for each service under Older Youth Services: Chafee Independent Living Services, Collaborative Care Services, and Chafee Voluntary Independent Living Services, and Staff Supported Housing (optional).

Older Youth Services - PAYMENT TERMS

Overview

Collaborative care contracts will be cost reimbursement contracts, generally not to exceed the contract amount. The contract amount for each provider and service component will be based on

the service component budget submitted by the provider and approved/accepted by DCS after its review for reasonableness and allowability (See Allowable and Unallowable Costs section below).

Each provider will submit monthly expense summaries in the format of the Pro Forma Budget template (see Attachment D) attached to the monthly invoice for each service component. DCS will reimburse each provider on a monthly basis for all allowable and reasonable expenses submitted by the provider. Actual monthly costs and expenses submitted to DCS for reimbursement must conform to the cost structure of the pro forma budget approved by DCS.

DCS will continue to reimburse actual allowable and reasonable costs for each service component until DCS's year-to-date payments equal the contract amount for that service component. Contracts will be amended and payments will be made beyond the original contract amount only if the number of service days provided by the provider for a given service component exceeds the number of service days assumed in the Pro Forma Budget for that service component and has been authorized and approved in advance by DCS.

Budget Instructions

Detailed budget instructions have been provided on the Pro Forma Budget Worksheet, Pro Forma Budget Summary, and Explanation of Pro Forma Budget Worksheet in Attachment B.

The provider agrees to follow generally accepted accounting procedures and practices which sufficiently and properly reflect all costs incurred by the provider in providing services for payment pursuant to this contract. The provider shall manage and account for all funds received under this contract in accordance with applicable cost principles specified in one of the following federal regulations: OMB Circular A-122 if the provider is a non-profit organization; or 48 CFR Subpart 31.2 if the provider is a for-profit or other business or commercial organization.

Allowable and Unallowable Costs

The U.S Department of Health and Human Services' Child Welfare Policy Manual directs that costs must be allowable under 45 CFR Part 92 (Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments). 45 CFR Part 92 states that grant funds may be used only for the allowable costs of the grantees, **sub-grantees** and cost-type contractors. For each kind of organization, there is a set of Federal principles for determining allowable costs. Allowable costs will be determined in accordance with the cost principles applicable to the organization incurring the cost. For state, local, and Indian tribal governments, 45 CFR Part 92 instructs that OMB Circular A-87 should be followed. For private nonprofit organizations (other than institutions of higher education and hospitals), OMB Circular A-122 should be followed. For for-profit organizations (other than hospitals), 48 CFR Part 31 should be followed.

The U.S. Department of Health and Human Services has also stated in its Child Welfare Policy Manual that "costs must be reasonable, that is, no more than the customary costs for performing similar functions in similar institutions".

To be allowable under a Federal award, cost must meet the following general criteria as outlined in Federal OMB Circular A-122 (Cost Principles for Nonprofit Organizations):

- a. Be reasonable for the performance of the award and be allocable thereto under the principles of OMB Circular A-122.
- b. Conform to any limitations or exclusions set forth in the principles of OMB Circular A-122 or in the award as to types or amount of cost items.
- c. Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the organization.
- d. Be accorded consistent treatment.
- e. Be accorded with generally accepted accounting principles (GAAP).
- f. Not be included as a cost or used to meet cost sharing or matching requirements of any other federally financed program in either the current or a prior period.
- g. Be adequately documented.

Federal OMB Circular A-122 establishes principles for determining costs of grants, contracts, and other agreements with nonprofit organizations.

According OMB Circular A-122, a cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs. The question of reasonableness of specific costs must be scrutinized with particular care in connection with organizations or separate divisions thereof which receive the preponderance of their support from awards made by Federal agencies. In determining the reasonableness of a given cost, OMB Circular A-122 states that consideration shall be given to:

- a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or the performance of the award.
- b. The restraints or requirements imposed by such factors as generally accepted sound business practices, arms length bargaining, Federal and State laws and regulations, and terms and conditions of the award.
- c. Whether the individuals concerned acted with prudence, considering their responsibilities to the organization, its members, employees, and clients, the public at large, and the Federal government,
- d. Significant deviations from the established practices of the organization which may unjustifiably increase the award costs.

Federal OMB Circular A-87 establishes principles and standards for determining costs of Federal awards carried out through grants, cost reimbursement contracts, and other agreements with State and local governments and federally recognized Indian tribal governments. By utilizing a cost reimbursement methodology for establishing payment rates, DCS must adhere to these principles to ensure that Federal matching funds are appropriately claimed.

According to OMB Circular A-87, to be allowable under Federal awards, costs must meet the following criteria:

- a. Be necessary and reasonable for proper and efficient performance and administration of Federal awards.
- b. Be allocable to Federal awards under the provisions of this circular.
- c. Be authorized or not prohibited under State or local laws or regulations.

- d. Conform to any limitations or exclusions as set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to the types or amounts of cost items.
- e. Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the government unit.
- f. Be accorded consistent treatment.
- g. Except as otherwise provided in the Circular, be determined in accordance with generally accepted accounting principles.
- h. Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award.
- i. Be net of all applicable credits (e.g. purchase discounts, rebates and allowances, insurance recoveries, other Federal funding).
- j. Be adequately documented.

OMB Circular A-87 defines a reasonable cost as, if in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. In determining reasonableness of a given cost, OMB Circular A-87 states that consideration should be given to:

- a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the government unit or the performance of the award.
- b. The restraints or requirements imposed by such factors as generally accepted sound business practices, arms length bargaining, Federal and State laws and regulations, and terms and conditions of the award.
- c. Market prices for comparable goods or services.
- d. Whether the individuals concerned acted with prudence, considering their responsibilities to the government unit, its members, employees, and clients, the public at large, and the Federal government.
- e. Significant deviations from the established practices of the organization which may unjustifiably increase the award costs.

According to the Code of Federal Regulations, 48 CFR Part 31, Section 201-2, a cost is allowable only when the cost complies with all of the following requirements:

- a. Reasonableness.
- b. Allocability.
- c. Standards promulgated by the CAS Board, if applicable, otherwise, generally accepted accounting principles and practices appropriate to the circumstances.
- d. Terms of the contract.
- e. Any limitations set forth in this subpart.

When contractor or provider accounting practices are inconsistent with this section of the code, costs resulting from such inconsistent practices in excess of the amount that would have resulted from using practices consistent with this subpart are unallowable.

A contractor or provider is responsible for accounting for costs appropriately and for maintaining records, including supporting documentation, adequate to demonstrate that costs claimed have been incurred, are allocable to the contract, and comply with applicable cost principles in this

subpart and agency supplements. The contracting officer may disallow all or part of a claimed cost that is inadequately supported.

According to 48 CFR Part 31 Section 201-3 a cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person in the conduct of competitive business. Reasonableness of specific costs must be examined with particular care in connection with firms or their separate divisions that may not be subject to effective competitive restraints. No presumption of reasonableness shall be attached to the incurrence of costs by a contractor. If an initial review of the facts results in a challenge of a specific cost by the contracting officer or the contracting officer's representative, the burden of proof shall be upon the contractor to establish that such cost is reasonable.

48 CFR Part 31 Section 201-3 further states that what is reasonable depends upon a variety of considerations and circumstances, including:

- a. Whether it is the type of cost generally recognized as ordinary and necessary for the conduct of the contractor's business or the contract performance;
- b. Generally accepted sound business practices, arm's length bargaining, and Federal and State laws and regulations;
- c. The contractor's responsibilities to the Government, other customers, the owners of the business, employees, and the public at large; and
- d. Any significant deviations from the contractor's established practices.

Consistent with Federal guidelines, DCS will not pay any provider for certain unallowable expenses and costs. The unallowable costs and expenses will not be considered by the Department. Unallowable costs and expenses must be paid with funds secured from a funding source other than the department. Following the specific language of OMB Circular A-122 and consistent with OMB Circular A-87, the following costs are unallowable:

- a. Fines and penalties resulting from violations of, or failure of the organization to comply with Federal, State, or local laws and regulations, except when incurred as a result of compliance with specific provisions a contract with the department or instructions in writing from the department.
- b. Investment management counsel and staff and similar expenses incurred solely to enhance income from investments.
- c. Costs associated with the following lobbying activities:
 - a. Attempts to influence the outcomes of any Federal, State, or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or similar activity;
 - b. Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee, or other organization established for the purpose of influencing the outcomes of elections;
 - c. Any attempt to influence the introduction of Federal or State legislation or the enactment or modification of any pending Federal or State legislation through communication with any member or employee of the Congress or State legislature or with any government official or employee in connection with a decision to sign or veto enrolled legislation;

- d. Any attempt to influence the introduction of Federal or State legislation or the enactment or modification of any pending Federal or State legislation by preparing, distributing or using publicity or propaganda, or by urging members of the general public or any segment thereof to contribute to or participate in any mass demonstration, march, rally, fundraising drive, lobbying campaign, or letter writing or telephone campaign; and
- e. Legislative liaison activities, including attendance at legislative sessions or committee hearings, gathering information regarding legislation, and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in unallowable lobbying.

Excluded from the disallowances outlined above are 1) providing a technical or factual presentation of information on a topic directly related to the performance of a grant, contract, or other agreement through hearing testimony, statements or letters to the Congress or State legislature, or subdivision thereof in response to a documented request by the recipient member, legislative body, or subdivision thereof; 2) any lobbying to influence State legislation in order to directly reduce the cost, or to avoid material impairment of the organization's authority to perform the grant, contract, or other agreement; and 3) any activity specifically authorized by statute to be undertaken with funds from the grant, contract, or other agreement.

- d. Organized fundraising, including financial campaigns, endowment drives, solicitation of gifts and bequests, and similar expenses incurred solely to raise capital or obtain contributions.
- e. Donations and contributions including cash, property, and services made by the organization, regardless of the recipient.
- f. Donated goods or services received by the organization, except when donated services utilized in the performance of a direct cost activity are material in amount.
- g. Bad debts including losses arising from uncollectible accounts and other claims, related collection costs, and related legal costs.
- h. Compensation and special benefits, including fringe benefits, to owners in excess of amounts reasonable for the services rendered. Compensation will be considered reasonable and allowable to the extent that it is comparable to that paid for similar work in the labor markets in which the organization competes for the kind of employees involved. OMB Circular A-87 states that compensation surveys providing data representative of the labor market involved will be an acceptable basis for evaluating reasonableness.
- i. Entertainment including amusement, diversion, and social activities and any costs directly associated with such costs (such as tickets to shows or sports events, meals, lodging, rentals, transportation, and gratuities), except those reasonable expenditures specifically for the benefit of youth placed by DCS with the provider.
- j. Alcoholic beverages.
- k. Litigation expenses and fees if the proceeding (A) relates to a violation of, or failure to comply with, a Federal, State, local, or foreign statute or regulation by the organization (including its agents and employees and (B) results in a conviction in a criminal proceeding, a determination of liability in a civil or administrative proceeding involving an allegation of fraud or similar misconduct, the imposition of a monetary penalty in

any civil or administrative proceeding, termination of the contract with the department by reason of a violation or failure to comply with a law or regulation, or a disposition by consent or compromise if the action could have resulted in any of the proceeding dispositions.

- l. Mortgage and loan principal payments. Principal payments represent the return of capital component of a mortgage or loan payment. Depreciation, also a return of capital, is an allowable cost. To allow both depreciation and principal payments would result in double counting the return of capital. Interest expense, the return on capital component of a mortgage or loan payment, is an allowable cost.
- m. Contingency reserves or similar provisions made for events the occurrence of which cannot be foretold with certainty as to time, intensity, or with an assurance of their happening. However, this disallowance excludes self-insurance reserves, pension funds, and normal severance pay.
- n. Advertising and public relations except those which are solely for the recruitment of personnel, the procurement of goods or services necessary to support the program, and other specific purposes necessary to meet the requirements of the department.
- o. Housing of non-clients, Taxes from which exemptions are available to the provider directly, or which are available to the provider based on an exemption afforded by the federal government when the awarding agency makes available the necessary exemption certificates.
- p. Federal income taxes.
- q. Profit margin for any nonprofit entity. Profit margin represents the return on shareholders' equity. Unlike for profit entities, nonprofit entities do not have shareholders or capital at risk, hence it is not reasonable or appropriate to allow a profit margin. The rules do not prohibit nonprofit entities from earning a profit margin in any given year. They simply do not provide for a guaranteed profit margin to be built into the nonprofit's cost structure and payment rates. Any needed operating reserves should be collected through fundraising activities. Donations, contributions, and other private grants are not considered to be credits to be netted against a providers costs when determining net costs to be reimbursed through the payment rates.
- r. Non straight line depreciation except where clear evidence indicates that the expected consumption of the asset will be significantly greater or lesser in the early portions of its useful life than in later portions of its useful life.

The following costs and expenses will be considered by the Department to be unallowable costs and will not be considered:

- a. Salaries: Amounts exceeding the maximum allowable amount as determined by DCS.
- b. Fringe benefits (including payroll taxes): Amounts exceeding the maximum allowable fringe benefit rate (including payroll taxes) as determined by the department.
- c. Case management caseload ratios: Costs associated with case management staff in significant excess of reasonable caseload ratios as determined by the department.
- d. Total administrative costs: Administrative costs (including direct and indirect administrative costs) in excess of the maximum allowable total administrative expense rate as determined by the department.

These contracts do not include behavioral health services.

Audits

The provider acknowledges that it may be required to submit to an audit of funds paid through a contract awarded from this RFP. Any such audit shall be conducted in accordance with IC 5-11-1 et seq., and audit guidelines specified by the State.

DCS considers the awarded provider(s) to be a “vendor,” for purposes of the awarded contract from this RFP. However, if required pursuant to the applicable provisions of the Office of Management and Budget Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations), following the expiration of the awarded contract from this RFP, the provider shall arrange for a financial and compliance audit of funds provided by the State pursuant to the awarded contract from this RFP. Such audit is to be conducted by an independent public or certified public accountant (or as applicable, the Indiana State Board of Accounts), and performed in accordance with the Indiana State Board of Accounts publication entitled "Uniform Compliance Guidelines for Examination of Entities Receiving Financial Assistance from Governmental Sources," and applicable provisions of the Office of Management and Budget Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations). The provider is responsible for ensuring that the audit and any management letters are completed and forwarded to the State in accordance with the terms of this Contract. Audits conducted pursuant to this Section must be submitted no later than nine (9) months following the close of the provider's fiscal year. The provider agrees to provide the Indiana State Board of Accounts and the State an original of all financial and compliance audits. The audit shall be an audit of the actual entity, or distinct portion thereof that is the provider, and not of a parent, member, or subsidiary corporation of the provider, except to the extent such an expanded audit may be determined by the Indiana State Board of Accounts or the State to be in the best interests of the State. The audit shall include a statement from the Auditor that the Auditor has reviewed this Contract and that the provider is not out of compliance with the financial aspects of the awarded contract from this RFP. The provider shall permit all examinations and shall generate and maintain all documentation necessary to comply with all relevant audit requirements.

Financial Strength Indicator

DCS believes that Respondents to this RFP should be of sound financial strength. DCS is requesting that each Respondent show evidence of the Respondent’s financial strength. A Respondent’s financial strength will be calculated as shown below:

Based on Average Days of Working Capital Available in Cash and Cash Equivalents:

$$\frac{\text{Cash and Cash Equivalents}}{\text{Average Daily Working Capital}} = \text{Number of Days Working Capital}$$

Where:

Cash and Cash Equivalents equals: the most recently completed quarter-end sum of 1) cash; 2) marketable securities; and 3) available lines of credit for the operating agency.
Average Daily Working Capital equals: total direct and indirect expenses for entire operating agency for most recently completed four quarter period divided by 365.

Bidder must calculate their Days of Working Capital and provide:

- a) Total operating agency income statement for most recently completed four quarter period.
- b) Most recently completed quarter end balance sheet.
- c) Summary of terms and conditions of any line of credit agreement to which the operating agency is a party and available balance as of date of submission of RFP response.
- d) Most recent audited financial statements.

Supplemental Support

DCS believes that bidders to this RFP should be rewarded for their ability to provide supplemental support for their program.

Bidder will describe the degree to which existing funding for the programs being submitted within this RFP are supplemented through external sources. These sources could include but are not limited to:

- Foundation Grants
- Government Grants (local, county, other state agencies, and/or federal)
- Donations and Contributions
- Corporate Sponsorships
- In-kind Donations
- Donated Services
- Special Event Revenue (net of expenses)
- Volunteers
- Other Community Resources

Bidder will provide a description of the supplemental supports and any documentation that provides the source and amount of any supplemental funding.

SECTION THREE

PROPOSAL EVALUATION

3.1 PROPOSAL EVALUATION PROCEDURE

The State will select a group of personnel to act as a proposal evaluation team. Subgroups of this team, consisting of one or more team members, will be responsible for evaluating proposals with regard to compliance with RFP requirements. All evaluation personnel will use the evaluation criteria stated in Section 3.2. The Department of Child Services designee will, in the exercise of sole discretion, determine which proposals offer the best means of servicing the interests of the State. Recommendation by the Scoring Team will be considered when determining which proposals will be accepted for contracts.

The procedure for evaluating the proposals against the evaluation criteria will be as follows:

1. Each proposal will be evaluated for adherence to requirements on a pass/fail basis. Proposals that are incomplete or otherwise do not conform to proposal submission requirements may be eliminated from consideration.
2. Each proposal will be evaluated on the basis of the categories included in Section 3.2. A point score has been established for each category.
3. Based on the results of this evaluation, the qualifying proposal determined to be the most advantageous to the State, taking into account all of the evaluation factors, may be selected by the Department of Child Services for further action, such as contract negotiations. If, however, the Department of Child Services decides that no proposal is sufficiently advantageous to the State, the State may take whatever further action is deemed necessary to fulfill its needs. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the Respondent, the Department of Child Services may begin contract preparation with the next qualified Respondent or determine that no such alternate proposal exists. The State may also choose multiple Respondents to provide services.

3.2 EVALUATION CRITERIA

Proposals will be evaluated based upon the proven ability of the Respondent to satisfy the requirements of the RFP in a cost-effective manner. Each respondent's proposal will be evaluated in two steps.

Step 1:

The first evaluation step will be two pass/fail criteria. The pass/fail criteria are as follows 1) Adherence to Mandatory Requirements (followed instructions and standard format) that must include the capacity to provide 24 hour contact, a detailed Emergency Plan with considerations regarding: evictions, acute trauma, etc. and staffing qualifications and 2) Application pages signed in blue ink. If a respondent does not pass either of these criteria the response can be removed from the second step of evaluation and consideration of the proposal for award.

Step 2:

The second evaluation step will be the assignment of a point score based on the following evaluation criteria:

Total Points	Category
20pts	Budget Section
30pts	Provider Narrative
50pts	Service Narrative

The points associated with each category are indicated following the category name (total maximum points = 100).

If any one or more of the listed criteria on which the responses to this RFP will be evaluated are found to be inconsistent or incompatible with applicable federal laws, regulations or policies, the specific criterion or criteria will be disregarded and the responses will be evaluated and scored without taking into account such criterion or criteria.

The Department of Child Services designee will, in the exercise of sole discretion, determine which proposal(s) offers the best means of servicing the interests of the State. The exercise of this discretion will be final. DCS reserves the right to contract with multiple Respondents for the same service within the same region.

SECTION FOUR

OTHER INFORMATION

4.1 MONTHLY REPORTS

Reports are to be submitted electronically via the specified DCS website (<https://myweb.in.gov/DCS/NYTD/ProviderLogin.aspx>) by the 10th of the month.

All reports must be prepared according to the Service Standards.

SECTION FIVE

ATTACHMENTS

A	Service Standards	
B	Protocol	Service as practice guidance for provider who serve older foster youth.
C	Application	One per proposal
D	Budget Worksheets	One budget per service area
E	Provider Narrative	One per proposal
F	Service Narrative	One per proposal
G	Principles of Child Welfare Services	For your information. A signed Application certifies agreement to adhere to the Principles of Child Welfare Services.
H	Assurances	For your information. A signed Application certifies the Assurances
I	Sample Contract	Sample only
J	Exhibit 1	Certification of Completion of Required Criminal and Background Checks
K	Federal Selected Disallowed Expenses	For your information. Expenses that are not allowed.