

**OLIVE VIEW-UCLA MEDICAL CENTER  
POLICY & PROCEDURE**

**NUMBER: 107  
VERSION: 2**

**SUBJECT/TITLE: CONTRACT PROGRAMS**

**PURPOSE:** To state Olive View-UCLA Medical Center's policies regarding contracting for services.

**POLICY:**

Olive View-UCLA Medical Center (OVMC) will provide medical or support services through the use of contract services when those services are not available through the resources of the County. Clinical service contracts are initiated as the result of medical staff requests for the service. The medical staff shall be included in the acquisition and execution of clinical contract services. The management of all contracts is the responsibility of the Clinical or Support Departments in terms of clinical and operational performance. Essential contract program components include:

- Contract solicitation: Development, evaluation, negotiation and approval of Request for Proposals (RFP), Request for Statement of Qualifications (RFSQ), Request for Quotations (RFQ), Request for Information (RFI), and Invitation for Bids (IFB).
- Contract management: Ongoing management of active contracts.
- Contract monitoring: Completion and verification of annual monitoring of contracts reports are due by the deadline date of September 30<sup>th</sup>.

**RESPONSIBILITIES:**

- The Clinical or Support Department shall appoint a Contract Monitor and assign this person the responsibility to interface with the vendor for the ongoing oversight of clinical and operational management of the contract and the required annual documented monitoring of the contract. The Contract Monitor may be requested to participate in contract solicitations when applicable. The Contract Monitor shall maintain a current copy of the contract, amendments, as well as, a copy of the contract monitoring report in his/her files.
- The Centralized Contract Monitoring Division (CCMD) provides oversight of all Facilities Contract Monitoring. The Contract Liaison ensures that all Contract Monitors receive initial training and if further training is needed, the Contract Liaison or appointed staff member will provide the additional training.

***ONLY THE LOS ANGELES COUNTY BOARD OF SUPERVISORS HAS AUTHORITY TO APPROVE AND SIGN A CONTRACT.*** No Medical Center employee may commit the County to a contract.

**PROCEDURE:**

**BOARD CONTRACTS**

**A. Development of Board Contracts**

1. OVMC staff initiates proposal for a specific contract/agreement (for contracts above \$100,000) and submits the proposal to the OVMC Chief Executive Officer for approval to proceed with contract development.
2. OVMC staff cooperates with DHS Contracts and Grants Division to develop one or more of the following: Request for Proposal (RFP), Request for Statement of Qualifications (RFSQ), Request

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for Quotations (RFQ), Request for Information (RFI), and/or Invitation for Bids (IFB). OVMC staff must ensure that the contract solicitation requests accurately reflect the facility's requirements.

3. DHS Contracts and Grants Division is responsible for issuing contract solicitation requests, coordinating evaluation of vendor requests/bids, and negotiating contract proposals for Board of Supervisor approval.
4. OVMC's Chief Executive Officer must approve all proposed contracts originated –by the facility prior to submitting to DHS Contracts and Grants Division for Board approval.

### **B. Ongoing Management of Active Contracts**

The Contract Monitor is responsible for ongoing contract management, including development and implementation of strategies to ensure that contracted services are provided in accordance with the contract terms and conditions. Such strategies include, but are not limited to, the following:

1. Developing and maintaining work schedules.
2. Validating hours worked.
3. Ensuring quality controls and performance measures are monitored.
4. Submitting approved invoices to Expenditure Management for payment.
5. Completing a formal annual contract monitoring process using a monitoring instrument approved by the facility's Contract Liaison.

### **C. Annual Contract Monitoring**

#### Responsibilities and Frequency

1. The Contract Monitor, in consultation with the Contract Liaison, must monitor Board-approved contracts annually.  
Note: The DHS Centralized Contract Monitoring Division (CCMD) must fiscally monitor Proposition A and Cafeteria agreements for compliance with the Living Wage Ordinance. CCMD will also provide oversight to the County facilities of the service and fiscal contract monitoring.
2. The Contracts and Grants Division is responsible to provide oversight of the Administrative Contract Monitoring.

#### Contract Monitoring Process

1. The Contract Monitor must complete a formal contract monitoring process to systematically document contractor and OVMC performance in three (3) areas: administrative, service, and invoice processing reviews.
2. Typically, the DHS Centralized Contract Monitoring Division (CCMD) develops the contract-specific contract monitoring instruments to be used. If CCMD has not developed a monitoring instrument for a specific contract, the Contract Administration staff shall develop a monitoring instrument.
3. The contract monitoring process ensures the following:
  - Contractor provides all contracted services.
  - Improved program performance.
  - Identify potential problems.
  - Financial documentation is accurate.
  - County is protected from potential liability due to contractor negligence.

## **PURCHASE ORDER CONTRACTS**

### **A. Development of Purchase Order Contracts**

1. Requests to initiate contracts must be submitted to the OVMC's Chief Executive Officer, or

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his/her designee, for administrative approval. Such requests must provide written justification sufficient to merit approval.

2. OVMC's Purchasing Agent:
  - May approve and process purchase order contracts for sundry goods or services up to \$5,000.
  - Must submit initial or ongoing purchase order contract requests for goods/services between \$5,001-\$99,999 to the County's Internal Services Division Purchase for approval and processing.
3. The Board of Supervisors must approve purchase order contracts exceeding \$99,999.

**B. Contract Monitoring**

No formal monitoring process is required for Purchase Order Contracts.

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| References:  |                                 |
| Approved by: OVEC-2017 June                                      | Date: 08/17/2017                |
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