



# Finance

June 30, 2015

**The Financial Oversight Committee oversees the long-term fiduciary health of the organization.** Finance provides oversight of the Hub's budget, oversees accurate and transparent representation, accounting and reporting of financial transactions and communicates financial information to the Governing Board.

## MONTH-END DETAILS

### **Revenue:**

Dept Ed--startup: one-time disbursement.

Dept Ed—coordination: *The delay in receipt of the monthly disbursement continues.* Our Hub was finally brought online in the statewide accounting system in early June.

Monthly coordination draws process summary: Kristi submits a monthly draw report to State, which is reviewed and approved by the State Hub manager. Upon approval, funds are released, allowing LBCC to actually request the funds. The State has 45 days from receipt of LBCC's request to actually disburse funds. Monthly draws for Coordination are based on budgeted figures.

Quarterly draws are on a reimbursement basis.

Portland State University—Oregon Consensus: funds available for Kristi's attendance at the Leadership Institute. The actual award was for \$4,000 (it was incorrectly entered in prior month).

Finance has requested a subtotals column be added to the Revenue(s) section of the summary, and a column be added to reflect YTD % to Budget. This edit should reflect with July-end financials.

**Expenditures:** Note from previous month: due to the timing of startup, this first year will be skewed from the % to budget pace normally expected.

Month of fiscal	% pace	Current mo-end
12	100%	53%

Hub Coordination: At fiscal year-end, we are \$119,054 "under budget" or at 46% expended. This variance is due to signing the contact with the State late in the fiscal year. Unspent Coordination funds may be carried over into the next fiscal year.

### Funding Streams:

We are allowed shift funding within the funding stream, but not between funding streams.

Family Support Services: the Indirect Cost applied to this grant (at 1%) has been corrected. Allowed a carryover until September-end (because of late start). This funding stream will renew. Carryover of unspent funds is allowed.

Great Start Funds: This funding stream will renew. Carryover of unspent funds is allowed.

- LBCC Parenting Education—will not spend out all of awarded funds



- Coastal Families Together—awarded funding knowing there would be an underage within this funding stream.

#### Family Support Services Grant:

- Benton County: Old Mill Center—requested extension of spending period; granted 9/30
- Lincoln County: School District-- requested extension of spending period; granted 9/30

Focused Child Care Network Grant: as reported last month, this grant received 18 month extension for spending period (due to late start), and will roll forward into the next budget.

Northwest Health Foundation: this funding is on a calendar year; unspent funds will carry over into the next fiscal year, and will be spent out by 12/31.

Portland State University—Oregon Consensus: see above description under Revenues

**Other Funds:** no update

<Notes> Once next round of funding (new budget) comes in, we'll have several new/different funding streams. A short description of the funding stream will be included.

## BUDGET / STRATEGIC PLAN

Due date for budget submission to State is still unknown. In the meantime, the Early Learning Division is in process of revising short-term indicators and other metrics. Review of our current strategic plan / work plan against these newly identified indicators may impact budgeting priorities.

Kristi and Anne will be attending a Hub Collaborative meeting in Medford on August 13th. Topics include deeper dive into this contracting process, each individual funding stream and the formulas used by the state (ELD) to determine each Hubs allocation, and insight into the way the State is changing short-term metrics, which will ultimately require an update to the strategic plan. Additional direction will be given on how to achieve the longer-term outcomes.

## POLICY

Procurement policy updated based on feedback from Finance. It has been reviewed and approved by LBCC. Kristi will add language formally stating the policy will be reviewed with the strategic plan.

***Finance requests the Governing Board review and adopt the policy as presented.***



# Early Learning Hub

*of Linn, Benton & Lincoln Counties*

## Procurement Policy & Procedures Manual

The purpose of the Early Learning Hub of Linn, Benton & Lincoln Counties ("EL Hub") Purchasing Policy and Procedures Manual is to document the EL Hub's policies and procedures related to its purchasing of and/or contracting for goods and services. These policies are in alignment with Linn-Benton Community College's ("LBCC") purchasing policies.

All public contracting in the State of Oregon is governed by Oregon Revised Statutes Chapter 279, which states in part that it is the policy of the State of Oregon to encourage public contracting competition that supports openness and impartiality to the maximum extent possible.

The EL Hub funds programs and services for children ages birth to six, and their families to ensure that every child in Linn, Benton & Lincoln Counties will enter school ready to learn.

The EL Hub's funding decisions are primarily guided by its Strategic Plan. The Strategic Plan is a three year plan that the EL Hub reviews annually. The Strategic Plan sets forth the EL Hub's goals for its strategic funding investments. A key component of the Strategic Plan is the Early Learning Division's Hub Metrics, which provides the indicators that will be measured and priority strategies that will demonstrate achievement of the Success Metrics in the EL Hub's Strategic Plan.

## **1. Procurement of Goods**

These policies are to provide for the fair and equitable treatment of all persons involved in public purchasing by LBCC on behalf of the EL Hub, to maximize the purchasing value of public, and to provide safeguards for maintaining a procurement system of quality and integrity. Purchases for goods and services for the operations of the Hub are authorized by the Coordinator and/or the Governing Board. The competitive procurement process shall be used to acquire goods and services based upon the following dollar thresholds.

### **A. Bidding and Other Requirements**

Unless otherwise exempted, acquisitions are based on the following solicitation methods:

### **B. Any purchase:**

Purchases under \$5,000 may be completed by the individual departments selecting the vendor and placing an order without being required to obtain additional competitive quotes.

Purchases of \$5,000 and over require a Linn-Benton Community College purchase order, with a few exceptions. Exceptions outlined in LBCC Administrative Rule Number: 5035-04.

### **C. Informal Bids and Quotes**

Whenever feasible, competitive quotes are encouraged at all levels of purchasing. However, purchases of \$5,000 and over require competitive quotes.

The informal selection process allows the EL Hub staff to obtain a written price and scope of work via fax, e-mail, or other writing by at least three (3) vendors. The EL Hub shall select the vendor that best fits the EL Hub's needs, using price, quality and the ability to provide deliverables within the Hub's timeframe as the primary factors. If the EL Hub is unable to obtain at least three (3) written quotations, the EL Hub shall document this fact and provide as much available information regarding why it could not obtain this number. The EL Hub reserves the right to use a formal procurement process for purchases \$5,000.00 or less, especially if there is uncertainty about the types of goods the Hub is seeking to obtain. The Coordinator shall have authority to execute contracts obtained by informal selection procedures without Governing Board approval. All executed contracts are a matter of public record and will be included as a part of the monthly financial statement reviewed by the Governing Board and its Fiscal Oversight Committee.

#### **D. Formal Bids**

With limited exceptions purchases and public works projects \$100,000 and over require a formal sealed bid procedure and will be processed by the purchasing department. For public works projects of \$50,000 and above prevailing wage rates must be paid. Prevailing Wage Rates - BOLI, with limited exceptions, will be processed by the purchasing department. Formal solicitations are normally advertised in the Monday editions of the Albany Democrat Herald, the Corvallis Gazette-Times and/or the Wednesday Lebanon Express. Additional advertising may be published in the Daily Journal of Commerce.

## **2. Procurement of Services**

The EL Hub will use a Formal Procurement Process for all procurement of services.

### **A. Formal Procurement Process**

For formal procurements, the EL Hub will use Request for Application as best determined by the Governing Board and/or staff. All contracts entered into as a result of a formalized procurement process, which are greater than \$5,000.00, shall be approved by the Governing Board before they are executed by the EL Hub Coordinator. The Governing Board's approval of the annual budget satisfies this requirement.

- i. The Request for Application or RFA is a formal announcement by the EL Hub of an opportunity to apply for funds with specific strategies and parameters in order to achieve the EL Hub's strategic goals and outcomes. An RFA contains specific requirements regarding the application and evaluation processes, and how such funds shall be used. Proposals in response to an RFA are subject to negotiation after they have been submitted to the EL Hub.

**B. Public Notice**

It is the EL Hub's policy to provide notice to the public of all formal procurement opportunities. Such notices shall be posted publicly to ensure competition. Public notice will be on the EL Hub Website and published no less than ten (10) days prior to the procurement time and due date. In lieu of public notice, the Hub may opt to create and maintain a vendor list for specific professional services.

**C. Time and Due Date**

The amount of time proposers may prepare their responses to formal procurement opportunities shall be determined by the EL Hub but, if practicable, shall be no less than ten (10) calendar days after release of RFA and shall provide sufficient time for proposers to prepare and submit their proposals. The EL Hub reserves the right to amend the proposal due date. Such changes shall be issued in writing in the form of an addendum to all prospective proposers who received the original request documents or posted on the website.

**D. Addendum of Procurement Opportunities**

The EL Hub reserves the right to amend any RFA. The EL Hub shall make a reasonable effort to provide all vendors who received an RFA with written notice of such action. Any oral interpretations of contract specifications by any governing board member or the EL Hub staff to the vendor regarding terms or conditions shall not be binding on the EL Hub.

**E. Mistakes in Proposals Prior to Opening of Proposals**

Mistakes in proposals detected prior to opening may be corrected by the proposer by withdrawing the original and submitting a corrected proposal to the EL Hub before the due date. If there is insufficient time prior to the due date and time to withdraw the original and submit a corrected proposal, the proposer or an authorized representative may correct the mistake on the face of the original proposal, provided that such revision occurs prior to the due date and time. A corrected proposal must be time-stamped upon re-submission. The EL Hub will not accept corrections to proposals after the proposal time and due date.

**F. RFA Acceptance, Review, and Selection**

Proposals shall be accepted without alteration or correction, except as authorized in this policy, and shall be evaluated based upon the requirements set forth in the RFA, which may include certain criteria to determine acceptability such as inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Those criteria that will affect the proposal's price and be considered in evaluation for award, shall be objectively measurable, such as discounts, transportation costs and total or life cycle costs.

The EL Hub shall assign a staff person to facilitate the creation of a selection committee and/or process to review the proposals. The contract file shall contain a written explanation of the selection decision.

The Coordinator, or his or her designee, shall make a final recommendation to

the Governing Board based on the results of the committee. The Coordinator, or his or her designee, shall notify all proposers of his or her recommendation no less than ten (10) days before the Governing Board finally approves the award. Final approval of the award shall be made by the Governing Board.

All contracts shall be based strictly upon the face value of the proposals received. The EL Hub shall not factor in to its procurement selection any hidden rebates, discounts, and other price considerations not described in the proposals.

A grant award letter shall be issued to the selected vendor, specifying the amount awarded and indicating that funds will be released upon compliance of a signed contract establishing the terms and conditions of all parties. Non-selected vendors shall receive written notice of the Governing Board's action.

**G. Notice of Cancellation or Rejection of Proposals**

The EL Hub may, at its discretion, cancel or reject any or all proposals. In the event of such a cancellation or rejection, all proposers shall be notified in writing as soon as possible and the reason(s) shall be documented in the procurement file.

**H. Determination of Non-Responsiveness**

Failure of a proposer to promptly supply information requested by the EL Hub may be grounds for the EL Hub to determine that the proposer is non-responsive, in which case the proposal may be rejected.

**I. Disclosure of Results**

After the award by the EL Hub, all proposals received by the EL Hub shall be open to public inspection at the offices of the EL Hub during normal business hours. The EL Hub assumes no responsibility for the confidentiality of information provided in the proposals.

**J. Protests**

Upon notice by the EL Hub of an award, any proposer may file a written protest regarding a potential procurement by the EL Hub. The protest shall be filed with the Coordinator no later than forty-eight (48) hours before the day of the meeting at which the Governing Board is scheduled to award the subject contract. The protest shall be in writing addressed to the Coordinator and contain the exact basis for the protest, and proof that the protester is a viable and responsible provider of the services sought and filed with the Coordinator. The protest should provide evidence that the award violated the EL Hub's procurement procedures. Mere disagreement with the EL Hub or Coordinator's decision shall not be the basis for a successful protest.

**K. Delegation of Contracting Authority**

Subject to any EL Hub procurement policy, the Governing Board may take

action to delegate its contracting authority to any standing or *ad hoc* committee of the Governing Board, or the Coordinator.

#### **L. Exceptions to a Competitive Selection Process**

All services shall be procured by a formal competitive selection process unless the Governing Board or Coordinator determines that one of the circumstances described below is satisfied. The EL Hub shall document in writing the justification for using such an exception.

- i. Sole Source Procurement:** The EL Hub may procure materials or services that are available from only one source. In order for the EL Hub to justify a sole source procurement, one or more of the following factors must be present:
  1. The vendor capabilities and experiences are so unique (including the vendor's possession of patents or trademarked materials) that no other vendor may comparably meet the Hub's needs;
  2. Only one product is available to reasonably meet the Hub's needs; and
  3. Only one vendor has the ability to provide goods or services to the EL Hub within the EL Hub's required time frame.
- ii. Emergency:** Emergency awards or purchases may be made by the Coordinator when the materials or services so purchased are necessary for the preservation of life or property. Such emergency purchases shall be submitted to the Governing Board for ratification at its next meeting.
- iii. State or County Vendors:** The EL Hub may use a vendor under a leveraged purchase agreement without a competitive selection process if the leveraged purchase agreement itself was procured via a competitive selection and the vendor accepts the same terms as those contained in the leveraged purchase agreement.
- iv. Funder Identified Sub-contractor:** The EL Hub may contract with certain service providers without a competitive selection process if the source of funds identifies the provider in the funding award to the EL Hub. The Governing Board will be informed of such circumstances at its next meeting.
- v. Intent to Partner (ITP):** The EL Hub may select certain service providers by engaging in community-based planning efforts in which stakeholders come together for the purpose of identifying specific needs and the providers best able to meet those needs. If this method of selecting sole-source providers is used, the dates and times of these meetings should be advertised well in advance and all potential providers must be invited to participate. Funds should not be awarded during these meetings.



LBL Early Learning Hub  
Financial Update as of 6/30/15

	Budget	Current Month	YTD	Balance	% Rcvd
<b>Revenues</b>					
<b>State Resources</b>					
Dept of Education - ELD - Startup	\$ 50,000	\$ -	\$ 25,000	\$ 25,000	50%
Dept of Education - ELD - Coordination	\$ 179,505	\$ -	\$ -	\$ 179,505	0%
Dept of Education - Family Support Services	\$ 12,233	\$ -	\$ -	\$ 12,233	0%
Dept of Education - Great Start Funds	\$ 6,513	\$ -	\$ -	\$ 6,513	0%
Dept of Education - ELD Family Support Services Grant	\$ 63,318	\$ -	\$ -	\$ 63,318	0%
Dept of Education - Focused Child Care Network Grant	\$ 19,994.70	\$ -	\$ -	\$ 19,994.70	0%
<b>Grant Resources</b>					
Northwest Health Foundation	\$ 30,000	\$ -	\$ 30,000	\$ -	100%
Portland State University - Oregon Consensus	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	100%
<b>Total Revenues</b>	<b>\$ 365,564.70</b>	<b>\$ 4,000</b>	<b>\$ 59,000</b>	<b>\$ 306,564.70</b>	<b>16%</b>

	Budget	Current Month	YTD	Balance	% Used
<b>Expenditures</b>					
<b>Hub Coordination/Start Up</b>					
Salaries & Benefits	\$ 115,041	\$ 13,246.65	\$ 82,527.64	\$ 32,513.36	72%
Materials & Services	\$ 18,915	\$ 1,614.73	\$ 10,238.37	\$ 8,676.63	54%
Indirect	\$ 18,360	\$ 1,514.63	\$ 8,436.46	\$ 9,923.54	46%
Programming	\$ 36,287	\$ -	\$ 607.20	\$ 33,642.80	2%
SubGrants	\$ 40,903	\$ 3,473.33	\$ 3,653.33	\$ 34,297.67	9%
Total ELD Coordination/Start Up	\$ 229,506	\$ 19,849.34	\$ 105,463.00	\$ 119,054.00	46%
<b>Family Support Services</b>					
Family Tree Relief Nursery	\$ 5,872	\$ 3,274.00	\$ 5,872.00	\$ -	100%
Old Mill Center - Relief Nursery	\$ 5,872	\$ 3,138.20	\$ 4,258.85	\$ 1,613.15	73%
Indirect	\$ 489	\$ 267.00	\$ 421.84	\$ 67.16	86%
Total Family Support Services	\$ 12,233	\$ 6,679.20	\$ 10,552.69	\$ 1,680.31	86%
<b>Great Start Funds</b>					
LBCC Parenting Education	\$ 3,032	\$ 1,776.24	\$ 1,776.24	\$ 1,255.76	59%
Coastal Families Together	\$ 2,762	\$ 3,243.62	\$ 3,243.62	\$ (481.62)	117%
Contracts with Parenting Hubs	\$ 473	\$ -	\$ -	\$ 473.00	0%
Indirect	\$ 245	\$ 197.28	\$ 197.28	\$ 48.72	80%
Total Great Start Funds	\$ 6,513	\$ 5,217.14	\$ 5,217.14	\$ 1,295.86	80%
<b>Family Support Services Grant</b>					
Benton County - Old Mill Center	\$ 13,345	\$ 1,494.83	\$ 4,759.04	\$ 8,585.96	36%
Lincoln County School District	\$ 36,000	\$ 33,739.91	\$ 33,739.91	\$ 2,260.09	94%
Linn County - Family Tree Relief Nursery	\$ 13,345	\$ 7,943.64	\$ 13,342.64	\$ 3.36	100%
LBCC Indirect	\$ 627	\$ 518.42	\$ 605.05	\$ 21.95	96%
Total Family Support Services Grant	\$ 63,318	\$ 43,696.80	\$ 52,446.64	\$ 10,871.36	83%
<b>Focused Child Care Network Grant</b>					
LBCC Family Connections	\$ 18,177	\$ 8,379.10	\$ 8,379.10	\$ 9,797.90	46%
LBCC Indirect	\$ 1,818	\$ 837.91	\$ 837.91	\$ 980.09	46%
Total Focused Child Care Network Grant	\$ 19,995	\$ 9,217.01	\$ 9,217.01	\$ 10,777.99	46%
<b>Northwest Health Foundation</b>					
Materials & Supplies	\$ 1,772.73	\$ 250.00	\$ 282.00	\$ 1,490.73	16%
Travel Expense	\$ 4,000.00	\$ 326.70	\$ 1,394.82	\$ 2,605.18	35%
Contracted Services	\$ 20,000.00	\$ 3,732.00	\$ 4,463.25	\$ 15,536.75	22%
Meeting Expenses	\$ 1,500.00	\$ 713.44	\$ 1,153.04	\$ 346.96	77%
Indirect	\$ 2,727.27	\$ 502.21	\$ 729.32	\$ 1,997.96	27%
Total Northwest Health Foundation	\$ 30,000	\$ 5,524.35	\$ 8,022.43	\$ 21,977.58	27%
<b>Portland State University - Oregon Consensus</b>					
Travel	\$ 4,000	\$ 683.36	\$ 931.16	\$ 3,068.84	77%
<b>Total Expenditures</b>	<b>\$ 345,570</b>	<b>\$ 81,650.19</b>	<b>\$ 182,633.06</b>	<b>\$ 157,947.94</b>	<b>53%</b>

**Revenues**  
**Other Resources (funds not located at LBCC)**

	Budget	Current Month	YTD	Balance	% Used
<b>Expenditures</b>					
<b>IHN-CCO (funds not located at LBCC)</b>					
Identity Project	\$ 100,000	\$ -	\$ 21,250.00	\$ 78,750.00	21%
Healthcare Alignment	\$ 200,000	\$ -	\$ -	\$ 200,000.00	0%
Total IHN-CCO	\$ 300,000	\$ -	\$ 21,250.00	\$ 278,750.00	7%