

2021 Budget Packet / Contracting Training

- The budget packet process is what we use to set rates for the next year. We will be sending out packets via email by **August 23rd**. These will be due back to us by **September 6th**.
- In 2009, starting with 2010 rates, we began creating 3-year contracts on a rotating schedule alphabetically by vendor name. This allowed an automatic CPI-U Increase, between 0% and 3%, in years 2 & 3 of the contracts and then negotiation of a base rate again in year 4.
- Due to RFP's, new services and changes to existing services, some vendors now receive 2 budget packets, Phase 1 and Phase 2 of the budget packet process.
- Phase 1 is the negotiation of the base rate for services in year 1 and 4 and so forth. This includes a spreadsheet where you can agree to the prior year's rate by signing it or you can fill out the enclosed budget request form, breaking out all of the expenses needed to get to your rate. The budget packet is based on the State's Allowable Cost Policy Manual. The goal in the end is to have the option to re-negotiate the rates every 3 years. If you feel the increases in the past haven't been enough to cover your increased expenses, this is an important time to look at the rate and set a quality base rate.
- Phase 2 is where the vendor receives a spreadsheet for services in years 2 & 3 showing the CPI-U increase and they sign the spreadsheet to agree to the increase. The final CPI-U will be known on August 17th, but looking at prior months, it has been above 3%, which would indicate a 3% increase for 2022. If a vendor feels they need to re-negotiate a rate before the 3 years is up, and they are not a part of a Preferred Provider Solicitation network, they would just need to let Paul know and he can send them the budget request form to fill out. The budget request form can also be found on our website. Once that is submitted, the supervisors and managers will review that request and may contact you to discuss and negotiate before putting a final rate in the contract.
- Both phases also include other things in the budget packet, such as the Room and Board Costs Sheets, if applicable.
- Vendors will not receive budget packets for services where rates are non-negotiable, such as when we pay retail price and/or rates that are set by the State, including some CLTSW rates. CCS Residential rates are also not a part of this process, since they are set by using actual cost. Finally, vendors will not receive budget packets for services that are expected to go out for Request For Proposal or Preferred Provider Solicitation Process before the end of the year. (Most CCS services this year, Corporate Guardian, Aging Meals, B-3, Ophelia's House, CARE Center, etc.)
- The spreadsheet indicates the units of service projected by our managers and supervisors to be used for the next year. This is an estimate that is arrived at by looking at what was purchased in the last year and what the changes in programs for the next year will be. These estimates will be used to figure your total contract amount, so please let us know if you feel these unit estimates are not accurate.
- It is possible to get an extension to the September deadline by emailing Paul, but we do need a majority of contracts entered in and approved by our system by mid-November.
- Contracts are sent to email addresses given to us on the Vendor Data Sheets. Once the contract is approved internally, it will be sent via email. It is due back to us 45 days after receipt.
- If we have not received your contract back within 30 days, you will be sent an automatic reminder letting you know that it is due in 15 days. After 45 days, an automatic reminder will be sent letting you know that it is past due.