

February 28, 2017



Memorandum

To: Mark Johnson
From: Donna Brown
Subject: Intent to Contract
Requisition No. RQ 20160009
(Required for Service Contracts Greater Than \$5,000)

Important Information: Approval of this Memorandum of Intent to Contract is required prior to initiating the contract process. It does not constitute a contract, nor does it imply that a contract will be approved. In that regard, please note that no contractor work can begin until a contract has been approved and signed by both parties. Signed contracts will be returned to the listed DPI Contract Contact Person by the DPI Purchasing and Contracts Section.

Instructions: The questions/information in this memorandum must be completed, and the appropriate approvals obtained prior to initiating a Request for Proposal (RFP) or any contract paperwork, including amendments. All appropriate requested questions and information must be answered and completed, or the form will be returned. If approved, the original memorandum will be forwarded to the Purchase and Contracts Section, and a copy will be returned to the division. If not approved, the original memorandum will be returned to the division.

1. Please complete the following information (If you will use competitive bidding, please insert a short name for the RFP or other bid instrument in the place for Contractor Name; for example: RFP for Parking Services, and do not complete the contract amount or contract dates.)

Contractor Name: Cherry Bekaert CPAs and Advisors
Contract Amount (if this request amends the amount, please enter the amended amount): \$81,025
Contract Dates: April 1, 2017 – June 30, 2017
DPI Contract Contact Person and Telephone Number:
Donna Brown 807-3957

2. Is this a contract amendment? If so, please explain fully why you are amending it. No.

(Note: If the amendment is for a date extension only, do not answer questions #3 through #12)

No.

3. Why are you initiating a contract? What services will you require?

The proposed contract will include compliance monitoring of 42 sub-grantees for the 21st Century Community Learning Centers program. Contract staff will conduct on-site reviews utilizing the 21st CCLC Fiscal Review template to determine program compliance with the following:

- Fiscal Procedures
- Indirect Costs
- Payroll
- Budget
- Equipment
- Transactions
- Insurance and Bonds
- Other General Federal Requirements

Contract staff will conduct the reviews, provide feedback to sub-grantees at the conclusion of the review, provide written feedback to the Federal Program Monitoring and Support Division Director, and provide a summary of recommendations to the Division Director upon completion of all on-site reviews.

4. How does the contract add value to the teaching/learning process?
The 21st CCLC program provides before and after-school, weekend, and summer school academic enrichment opportunities for children attending low-income schools to help them meet local and state academic standards in subjects such as reading, mathematics, and science. The contract work will ensure that federal grant funds are used to implement high quality programs for students in consideration of all fiduciary responsibilities required for services provided with federal funds.
5. Is the service unique and not repetitive with agency activity or other contracts? Please state why this service cannot be performed within the resources of the agency.
Currently, the time and expertise needed to monitor and support this number of 21st CCLC programs across the state is not available. However, Federal Program Monitoring personnel will be updated regularly regarding results of the monitoring contract work so that they may assist in providing support to 21st CCLC programs in the future.
6. What is the impact, if you do not contract for these services?
21st CCLC monitoring is a central component in the approved North Carolina Consolidated State Application for federal grant funds. The application requires the SEA to monitor implementation of the selected 21st CCLC

programs on an annual basis. In the absence of contract staff, the SEA will not be able to sufficiently resource the monitoring that is needed to ensure program compliance.

7. If this contract is being paid with grant money, does the grant require the contracted services? Please describe the grant references to these contracted services, and give a synopsis of the grant.
This contract will be paid from leadership funds available through the 21st CCLC grant authorized under Title IV, Part B of the Elementary and Secondary Education Act (ESEA). Specifically, the statutory requirements direct 21st CCLC funds to be used in some part to support 21st CCLC program monitoring.
8. Will you use competitive bidding (e.g., RFP?) If yes, skip the remaining questions # 9 through # 12.
No. Cherry Bekaert was selected from the list of CPA firms included in the Convenience Contract because this firm has the largest number of staff and numerous office locations. Due to the large scope of the work, sufficient numbers of staff are needed to perform the compliance reviews and will require travel to site locations for 21st CCLC programs across the state.
9. Are you using an IT Supplemental Staffing Convenience Contract or other type of convenience contract? If yes, please skip question # 10 and complete questions # 11 and # 12.
No.
10. Do you plan to request sole sourcing for this contract? If yes, please complete and attach the required sole source justification memorandum. Sole sourcing is warranted whenever only one acceptable source can be found; sole sourcing should never be the first consideration. (**Important:** The approval of the DPI Section Chief for Purchasing and Contracts, and approval by the Division of Purchasing and Contracts or ITS Procurement Services is required for sole sourced contracts.)
No.
11. Have you contracted with this vendor previously for related services? If yes, please list all contracts with this vendor during the last twelve months.
Yes – RQ19380010
12. How did you calculate the cost (e.g., what is the cost per hour and number of hours?) If the cost per hour is above the DPI maximum for that type of service per the New Service Contract Policies, please attach the required written permission granted by the Deputy Superintendent.
Cost is based on the scheduled hourly rate for the CPA firm for a projected total number of on-site hours and total number of hours required for travel to the destination as determined by the location of 21st CCLC programs in the

selected sample. In addition, travel costs will be reimbursed to contractors at the current State per diem rate.

13. Is this contract for information technology services?
No.

14. If this is a personal service contract request, is the vendor/contractor a retiree?
_____ Yes No

If answer is yes, is individual a member of:

_____ TSERS (Teachers & State Employees Retirement System)

_____ Other (Please Explain) _____

Budget Code: 0801-532199-1330³³²⁵⁶⁶³⁰~~3256630~~

Signed: R. Bruce B. Page Date: 3/1/17
Budget Representative

Approved: Yes No _____

Signed: [Signature] Date: 3/15/17
Supt./Deputy Supt./Appropriate CFO/CAO/CIO

For Technology Contracts Only:

Approved: Yes _____ No _____

Signed: _____ Date: _____
Chief Information Officer