



Agenda Action Form Overview

The Board is being asked to approve a contract amendment to the pre-K expansion management contract between Durham County and Child Care Services Association, Inc. (CCSA). That contract was entered into in July 2018 so that CCSA could manage the expansion of high quality “Durham Pre-K” in Durham, and this amendment would empower to process provider payments directly.

Background/Justification

As soon as CCSA was selected to manage pre-K expansion in Durham we have been having conversations regarding how providers who opt into this program were to be paid. Since CCSA now acts as the County’s agent with pre-K, and since they already have accountability and payments systems in place with most pre-K providers in Durham, it was the unanimous decision of CCSA, County Finance, the County Manager’s Office, and the County Attorney’s Office that this process would work best with CCSA at the helm. They can most accurately and efficiently determine which providers are due which monthly amounts based on services provided. County Finance and CCSA have agreed upon a monthly process for CCSA to certify the amount needed and for that amount to be transferred to them in time for them to process payments to providers. For both the original contract and the contract amendment, Durham County retains the right to audit and inspect any financial records pertaining to County-financed pre-K.

Policy Impact

There is no policy impact relating to this decision

Procurement Background

This contract amendment did not go through a bidding process because they were additional services inextricable from the services covered in the initial contract.

Fiscal Impact

The amount to be added to CCSA’s contract for the purpose of provider payments is already budgeted. The contract amendment will contain be not-to-exceed amounts (in the current and following fiscal years) matching the maximum, budgeted amount for provider payments. We still anticipate actual expenditures will be lower, and again, monthly transfers to CCSA will be based on actual provider services provided.

Recommendation

Staff’s clear and unanimous recommendation is that the Board approve this contract amendment and allow CCSA to handle provider payments along with all other aspects of Durham pre-K expansion.