



Amendment of Solicitation

Date of Issuance: 6/23/17

Solicitation No. 3400001525

Requisition No. _____

Amendment No. 2

Hour and date specified for receipt of offers is changed: ☐ No ☒ Yes, to: July 12, 2017 3:00 PM CST

Pursuant to OAC 260:115-7-30(d), this document shall serve as official notice of amendment to the solicitation identified above. Such notice is being provided to all suppliers to which the original solicitation was sent.

Suppliers submitting bids or quotations shall acknowledge receipt of this solicitation amendment prior to the hour and date specified in the solicitation as follows:

- (1) Sign and return a copy of this amendment with the solicitation response being submitted; or,
- (2) If the supplier has already submitted a response, this acknowledgement must be signed and returned prior to the solicitation deadline. All amendment acknowledgements submitted separately shall have the solicitation number and bid opening date printed clearly on the front of the envelope.

ISSUED BY and RETURN TO:

U.S. Postal Delivery:

Oklahoma State Department of Health
1000 NE 10th St.

Procurement Service, Room 309
Oklahoma City, OK 73117 - 1299

or

Personal or Common Carrier Delivery:

Oklahoma State Department of Health
1000 NE 10th St.

Procurement Service, Room 309
Oklahoma City, OK 73117 - 1299

Ashley Hillemeier
Contracting Officer

405 - 271 - 4043
Phone Number

ashleyh@health.ok.gov
E-Mail Address

Description of Amendment:

a. This is to incorporate the following:

Questions received regarding the RFP and answers:

1. Are the forms fillable online?

Answer: Attachment A and Attachment T are fillable online. All others are not.

2. On B.16 on page 14, it is asking us to complete the FFATA form, but I do not see this form in this RFP.

Answer: The referenced form is page 2 of Attachment A (Sub-Recipient Contractor's Questionnaire).

3. H.9, Contractual, This clause refers to an Attachment U. There is no attachment U. May we have a copy of the Professional Service Evaluation document?

Answer: Attachment U is posted with this amendment.

4. Can responses be emailed or provided in hard copy?

Answer: Responses should be received by the OSDH in hard copy form. Responses can be mailed or delivered to the OSDH Central Office, 1000 NE 10th St., Oklahoma City, OK, Room 309. ATTN: Ashley Hillemeier.

5. We are assuming this is a typo, but throughout the RFP, you are indicating the contract time-frame SFY 2018 through SFY 2023. Just for clarification, can we assume this RFP is for services provided through the next five years, from SFY 2018 through SFY 2023?

Answer: The contract period and agreement period are defined in RFP section C.4. The initial contract period will be date of award through June 30, 2018 (SFY18). The contract allows 4 one-year renewal options (SFY19, SFY20, SFY21, SFY22). This is a typo. All references in the RFP to SFY23 are replaced with SFY22.

6. How many hard copies are to be submitted?

Answer: Four (4) hard copies are to be provided.

7. Electronic copy to be submitted to what email address?

Answer: Electronic/email submittals are not required.

8. Should the electronic copy be submitted on the same date as hard copy?

Answer: Electronic/email submittals are not required.

9. Now that a 2 month contract extension has been granted for the programs that had OCAP funds for the last contract cycle from 2012 to 2017, are we supposed to turn in a 12 month budget or a 10 month budget?

Answer: Contract extensions for current contractors are an independent and unrelated action to this RFP to assure continuity of client services without lapse as this RFP process is completed. Submit a 12-month budget as required by the RFP.

10. If it is a 10 month budget, how are you going to calculate the amount for the option to renew for up to four (4) additional one (1) year periods? Are you just going to add the amount to our 2-month budget? Keep in mind that the 2-month budget was based on our current budget and that the amount might be different for this new RFP.

Answer: The process for calculating funding for awards is described in RFP section C.5.

11. I did not see a copy of the OSDH Memorandum of legal Opinion mentioned on B.31 on the top of page 18. Can we have one?

Answer: The reference to OSDH Memorandum in that section is incorrect. It is replaced with OSDH Memorandum of Legal Opinion 12-029, dated June 29, 2012. A copy of the correct opinion is attached to this amendment.

12. Should we calculate the budget based on the average cost per family? (For SY2017 it was \$3,750, correct?).

Answer: See RFP Section C.5. The amount per family is provided as a guide.

13. I just want to clarify that the minimum contract to be considered is \$160,000 and the maximum amount per contract is \$450,000? Of course depending on the availability of funds.

Answer: That is correct.

14. Is there a minimum or maximum amount that can be used for In-kind donations?

Answer: See RFP Section C.6. The statute requires at a minimum a 10% in-kind or cash donation. "The Office shall develop and publish requests for proposals for grants or contracts for child abuse prevention programs and services which shall require no less than a ten percent (10%) cash or in-kind match by an agency or organization receiving a grant or contract and which are designed to meet identified priority needs."

15. What is the page limit for responses? Do the OMES forms (and any other required forms) count against any page limit? Are there guidelines regarding required font size and/or line spacing?

Answer: There is no defined page limit or requirements regarding font size and/or line spacing.

16. A.2.4 states "... In addition to a hard copy submittal, the bidder will also be required to submit an electronic copy. Electronic responses must be submitted in the identical format contained in the solicitation (for example Microsoft Word, Microsoft Excel, but not Adobe PDF)." However, the solicitation itself is in Adobe PDF format. Please elaborate and/or clarify.

Answer: Electronic responses are not required.

17. What media should be used for the electronic copy? CD/DVD, flash drive, etc.? How should the electronic copy be labeled?

Answer: Electronic responses are not required.

18. How many hard copies are we required to submit?

Answer: See question # 6.

19. The RFP talks about submitting a copy electronically, are we to also submit electronically and if so are we to email or use a flash drive or something else?

Answer: Electronic responses are not required.

20. Is the budget to be written for 12 months?

Answer: See question # 9.

21. When talking about equipment in the RFP it has a threshold of \$500 in one place and \$5000 in another, can you please clarify this?

Answer: The reference to \$500.00 is part of the definition of OSDH Equipment, which may be loaned to the Contractor. The reference to \$5,000.00 is part of the general definition of equipment for cost-reimbursement purposes.

22. In the narrative do you want us to use the headings and numbers, such as, E.2.1 etc. or just the Heading, Requested Funding Level and Proposed Level of Services?

Answer: Use of the headings with the section number is preferred. Please provide a response to each question in the RFP as it is posed by section number.

23. Where will we be able to find the answers to the questions that are submitted and will this be an attachment to the RFP?

Answer: Questions and answers are posted as an amendment to the RFP.

24. Under C.8.3.5, It says, "The contractor shall use the designated OSDH in capturing all required data and maintaining a paperless documentation system." In the highlighted area is there a word or two missing?

Answer: Maybe between "OSDH" and "in"? If so, what are those words?

Answer: The missing word is "program database": The contractor shall use the designated OSDH program database in capturing all required data and maintaining a paperless documentation system."

25. E.2.2.1. This clause states that "requested funding per year (must be the same amount each year). In regards to the two-month extension of the FY17 contract for current contractors, will the amount we ask for in the two-month extension be deducted from the award we receive from the FY18 RFP award if we receive an award?

Answer: Yes.

26. Basically the questions is, should we ask for 12 months of funding and the 2 months of extended funding will automatically be deducted or should we ask for 10 months of funding in SFY18 and 12 months for the four

extension years?

Answer: See question #9 & question #10. Section H of the RFP only asks bidders to submit a budget for SFY18.

27. H2, Proposed Budget, under the statement, "The following additional information is being provided for preparation of the proposed budget:" the items under this statement are numbered A.1.1, A.1.2 and A.1.3. Do these items reference back to Section A.1 Definitions of Section A, General Provisions or are they simply misnumbered? Please clarify if the information provided is for guidance and should be numbered H.2.1, H.2.2 and H.2.3.

Answer: That is correct.

28. Is the RFP for FY 2018 supposed to be based on a 12 month or 10 month budget based on the 2 month extension we are submitting for the FY 2017 contract?

Answer: See question #9.

29. Bid Submission A.2, Part A.2.4. We are unclear as to how to format the submission Electronic Form (CD, Thumb Drive?). Also, it states that in the electronic format "Microsoft Word, Microsoft Excel, but not Adobe PDF." Can you be specific because OMES forms are only available to us in PDF format. Is that referring to the Narrative? Will we need to submit one hard copy and one electronic?

Answer: See question #7.

30. On page 20, you mentioned that the funding amount of contracts to be awarded under this RFP is contingent upon appropriation of funds by the state legislature for SY 2018. Do you already know that amount now?

Answer: Not at this time.

31. When using incentive items as an exchange of the participants completing the Group Connection Feedback Survey, can we use the retail value of the incentive? For example, a new book that costs \$15?

Answer: The organization would seek reimbursement of the cost of the incentive items. In the example provided, if the organization paid \$15 for the book, the organization would seek reimbursement for \$15. If the organization only expended \$10, then the organization would only seek reimbursement of \$10.

32. If our program wants to place special focus on activities that addresses the OSDH "flagship issues" mentioned on page 22 (C.8.3.11) of reducing Oklahoma's rate of obesity, tobacco use and increasing indicators associated with children's health and behavioral health, can incentives be used as match? For example, if we work with a local organization to obtain free gym memberships for families to increase physical activity and promoting family wellness, can we use the membership fees or the maximum amount for incentives as match?

Answer: Any shared costs or matching funds and all contributions, including cash and third-party in-kind contributions, must be accepted as match when such contributions meet **all** of the following criteria:

- 1) Are verifiable from the organization's records.
- 2) Are not included as contributions for any other State or Federal award.
- 3) Are necessary and reasonable for accomplishment of project or program objectives.
- 4) Are allowable under 2 CFR Part 200 Subpart E – Cost Principles
- 5) Are not otherwise paid for by the State or Federal government under another award, except where specifically authorized by Federal statute
- 6) Are provided for in the approved budget
- 7) Conform to other provisions of the contract and 2 CFR Part 200.

If the gym memberships meet all of the above criteria and are approved by the OSDH program area, the allowable match cost would be the amount in which a normal person would pay.

33. E.2.8 on page 28 differs from E.2.8.6 on the same page in that the former mentions including administrative

support staff, while the latter does not do so. According to the PAT Affiliate Plan the administrative support staff is required for the PAT model. Should we include the administrative support staff in the personnel category?

Answer: If salary is being paid, it should be budgeted in the personnel category.

34. Our Agency does not have an Indirect Cost Rate, but we use an allocation plan. The Program Manager/Administrator cannot be included in the allocation plan because her salary will be distributed to all 23 programs. It would not be fair to charge the other 20 programs that she does not work with. In the past, her time has been added in the personnel category according to her actual time spent in the OCAP program. Can we continue including her salary in the personnel category? If this is not acceptable, can our agency create an allocation plan solely for the prevention programs that she works for?

Answer: Salary should be included in the personnel category. The organization could prepare an allocation solely for this position in order to properly allocate costs to each program benefitted.

35. In past RFPs, you have included an attachment with the PAT minimum service numbers required according to the proposed amount of funding and the number of PEs. That table gave us an idea of the minimum number of families to be served and the minimum number of home visits to be completed per month. Can you provide us with a table for guidance?

Answer: See RFP Section C.5: "All proposals must acknowledge that a parent educator will carry a minimum caseload of 20 – 25 clients and complete 40 – 50 home visits per month, depending on the experience of the parent educator and her/his years of service."

36. The financial guidelines state on page 8 that "supplies which may be purchased through local match fund sources only are" and lists Welcome baby gifts such as toys, etc . Our agency has hand-sewn baby quilts donated to us on an ongoing basis and has diapers donated to us through a non-profit organization. We give these items to all new families as Welcome baby gifts. Are these allowed to be considered match funds as stated in the guidelines?

Answer: If these items are considered allowable costs to the program if purchased, the value (if purchased) of the donated items could be used to satisfy the required match. Documentation of the determination of the value will need to be maintained by the organization to support the matching cost.

37. Under C.8.3.4, For those with existing OCAP contracts who converted from HFA to PAT last year, is it correct for budgeting purposes that we have already paid the first year affiliation fee of \$3,850 and now we only have to budget annually for the second year and beyond annual affiliation fee of \$1,650?

Answer: PAT sets the affiliation fees. At this time, the fee for the first year an organization becomes a PAT affiliate is \$3,850.00. Organizations who became affiliates last year or previously would pay the annual affiliation fee, currently \$1,650.00. PAT fees are due each year on the anniversary date of the first year payment to maintain affiliate status

38. Under C.8.3.5, It says, "The contractor shall use the designated OSDH in capturing all required data and maintaining a paperless documentation system." This statement is in conflict with PAT requirements when it comes to filing "personal visit plans". PAT requires that the personal visit plans be filed in a paper form. Which policy supersedes the other?

Answer: When referring to "required data" this is inclusive of the evaluation forms that are developed by OSDH. The Planning Guides do not contain any data, they are simply documents that assist the Parent Educator when planning for a visit. These forms are fillable, and can be found on the PAT website in a PDF version. To address the apparent discrepancy, C.8.3.5 is replaced with:

C.8.3.5: The contractor shall use the designated OSDH Database to capture all information that is used for evaluation purposes and documentation of the home visit. Other forms that are in a paper format and required shall be kept in the client's file of record in a locked area.

39. C.8.3.13. If a current contractor is awarded a grant from this RFP can we just resubmit the background checks

we conducted on Parent Educators/staff when we hired them or do we need to get new background checks?

Answer: The requirement for background checks applies only to staff who have not previously been approved to work with PAT families.

40. H2. Proposed Budget, There is reference to a sample budget being provided in Attachment T to assist in preparation of the Contract Budget Form. There is not a sample budget included in Attachment T, only the blank form. May we have a sample budget as indicated?

Answer: The statement "A sample budget (Attachment T) is provided to assist in preparation of the form." is deleted.

41. In the scenario where if a responder to the RFP is a current contractor and proposing to increase the number of families they serve/number of home visits by increasing the number of Parent Educators they employ (which would then increase the amount of the proposal), will the contract be prorated to the 10-month period or will be expected to meet those proposed numbers in a 12-month period for number of families served and number of visits made.

Answer: Should a current Contractor request more funding than they currently have and wish to expand the size of staff working within the PAT Program, the number of families to serve should be increased to be in line with the number of employed staff. Performance expectations for the contract will be based upon the actual period of the contract.

42. In C.5. when it is stated that, "the historical average cost per family in SFY17 for this program was \$3,750," will you please provide a breakdown of what that number includes? Such as, does it include overhead, match, direct services, etc.?

Answer: It includes all costs, excluding match. Please note that bidders are not required to provide a budget that would equate with a cost per family per year of \$3,750.00. The amount is provided as a guideline.

b. All other terms and conditions remain unchanged.

Supplier Company Name (**PRINT**)

Date

Authorized Representative Name (**PRINT**) Title

Authorized Representative Signature



Supplier Performance Evaluation

Complete this form in evaluating the level of performance of an awarded supplier when doing business with the State of Oklahoma. Please verify all information to ensure accuracy, as all necessary details must be furnished to ensure proper monitoring of supplier performance to achieve an informed and equitable evaluation of services provided. Performance evaluations become a permanent record of the supplier and to serve as a reference for a contractor's performance.

References related to performance evaluations are: Title 74 O.S. § 85.7.(C); 74 O.S. § 85.39.(C), 74 O.S. § 85.41.(B), and OAC 260:115-1-2, OAC 260:115-7-32.(g), OAC 260:115-9-1.(h)

AGENCY INFORMATION

Name: _____ Agency number: _____
 Address: _____ City/State/Zip: _____
 Contact Person: _____ Email Address: _____

SUPPLIER INFORMATION

Name: _____ PeopleSoft ID number: _____
 Address: _____ City/State/Zip: _____
 Contact Person: _____ Email Address: _____

ORDER INFORMATION

Acquisition Type: Service(s) ☐ Product(s) ☐

This evaluation covers the acquisition period from: Month / Day / Year to Month / Day / Year

Acquisition process: ☐ Fixed Rate ☐ Sole Source ☐ Agency Bid ☐ OMES Bid ☐ Interagency
☐ GSA ☐ Statewide

Statewide Contract #: _____ Item number: _____

Delivery Date of Last Shipment: _____ Purchase Order # _____

LEVEL OF SERVICE (If "No" please explain in the comments section.)

- | | | |
|---|------------------------------|-----------------------------|
| 1. Did the deliverable meet the specifications? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Was the deliverable on time? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Was the deliverable on budget? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. Was the contractor responsive to your needs? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. Were there any issues after the fact? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. Would you use the contractor again? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |


Comments:


Desired resolution and include any additional supporting data :


Submission of this form and questions shall be sent to: CP.Feedback@omes.ok.gov

MEMORANDUM OF LEGAL OPINION

TO: Ginger James, RN
Occupational Health Nurse Manager
Human Resources

THROUGH: Don D. Maisch 
General Counsel

Patricia K. Cantrell 
Deputy General Counsel

FROM: Marcia Johns 
Paralegal

RE: NLDB No. 12-029
Employee Wellness Program/T-Shirt Incentive

DATE: June 29, 2012

Questions

1. Does any state law or merit rule prohibit the OSDH from purchasing t-shirts or other incentive items or gifts with the intention of giving them to OSDH employees?
2. If allowed, does any state law or merit rule restrict the amount of money that can be spent per employee for such incentives or gifts from the agency to its employees?

DiscussionQuestion No. 1:

This question has been previously addressed by the Office of General Counsel ("OGC") in memoranda for other program areas.

In April of 2008, an OGC opinion was written to answer the question "Can program areas of the OSDH use incentives and/or promotional items given to individuals to include those individuals to participate and/or complete a program or part of a program." In this situation, a particular program area wanted to use VISA gift cards as incentives to increase participation in specific programs and services. While it is not clear whether the participants in the program, i.e. the intended recipients of the VISA gift cards, were employees, the short answer to this question was:

“The use of incentives and promotional items that are used by programs in exchange for participation in program activities are not considered a ‘gift’ and therefore do not violate the constitutional proscription of ‘gifting’ state assets as set out in Article 10 Section 15 of the Oklahoma Constitution.”

That same 2008 opinion went on to state:

“A program area may use incentives and/or promotional items to accomplish the goals of the program area. The program area should be able to articulate how the use of the specific incentive and/or promotional item will benefit the program area and without the specific incentive and/or promotional item what will be the detriment. In other words, the recipient must give some type of ‘consideration’ in exchange for the incentive. Consideration takes away from the transaction its donative character.”

In conjunction with the April, 2008 opinion, a policy was drafted by OGC in November of 2008 addressing the issues of “incentive payment(s) and promotional items”, a copy of which is attached. However, it is unclear whether this policy was ever approved and/or implemented by OSDH.

In January of 2011, the Emergency Preparedness and Response Service (“EPRS”) requested an OGC opinion, in part, on whether it could purchase, with state funds, promotional and/or incentive items to induce individuals to participate and/or complete a program (i.e. lanyards, pens, etc. to assist in building recruitment). In response, they were referred to the 2008 opinion described above.

Question No. 2:

In the Oklahoma Statutes, Title 74 “State Government”, Chapter 62, App., Title 257 “Ethics Commission”, Chapter 20, Standard 257:20-1-3 “Accountability” states:

“(a) All state officers and **all state employees:**

(1) shall support, obey, and defend the Constitution and laws of the State of Oklahoma; and

(2) **shall not knowingly receive, directly or indirectly, any money or other valuable thing, for the performance or nonperformance of any act or duty pertaining to his or her office, other than the compensation allowed by law.”** (emphasis added)

Standard 257:20-1-9 “Restraints on Solicitation or Acceptance of Anything of Value” of that same title, in subparagraph (c)(1) states:

“(c) Calendar year limits on things of value.

(1) State offices and state employees. No state officer, state employee or an immediate family member of such state officer or state employee shall, directly or indirectly, ask, demand, exact, solicit, seek, **accept, assign, receive or agree to receive things of value in a calendar year which, in the aggregate, are valued at more than one hundred dollars (\$100)**” (emphasis added)

followed in subparagraph (d) with:

“.... Subsection (c) shall not apply to public members when things of value are received but are not given as a result of the public member’s status as a public member”. (emphasis added)

Conclusion

Question No. 1: Does any state law or merit rule prohibit the OSDH from purchasing t-shirts or other incentive items or gifts with the intention of giving them to OSDH employees?

Answer: No.

Question No. 2: If allowed, does any state law or merit rule restrict the amount of money that can be spent per employee for such incentives or gifts from the agency to its employees?

Answer: No.

A program area may use incentives and/or promotional items to accomplish their goals, to be paid for with state funds, as long as the recipients perform some act or type of “consideration” in exchange for the incentive and/or promotional item outside of their normal job description. Obviously, proper discretion should be used as to the monetary value of such incentives and/or promotional items.



Oklahoma State
Department of Health
Creating a State of Health

Office of General Counsel
Phone: 271-6017 Facsimile: 271-1268

MEMORANDUM OF LEGAL OPINION

TO: Lisa Martin
Chief of Procurement

THROUGH: Nick Slaymaker
General Counsel

FROM: Tom L. Cross
Deputy General Counsel

CC: James M. Crutcher, MD, MPH
Secretary of Health and Commissioner of Health

Steve Ronck, MPH, Deputy Commissioner
Community Health Services

Sheila Vick
Procurement

RE: Incentives and Promotional Items used by Programs, NLDB #08-035

DATE: April 18, 2008

Question Presented

Can program areas of the Oklahoma State Department of Health use incentives and/or promotional items given to individuals to induce those individuals to participate and/or complete a program or part of a program?

Short Answer

The use of incentives and promotional items that are used by Programs in exchange for participation in program activities are not considered a "gift" and therefore do not violate the constitutional proscription of "gifting" state assets as set out in Article 10 Section 15 of the Oklahoma Constitution.

Discussion

The program area has asked about the legality of using VISA gift cards as incentives to

increase participation in specific programs and services. The program area's experience is these incentives are necessary to insure sufficient data is collected to validate the conclusions that are drawn from the data. Each participant is given a \$10 VISA gift card when that participant completes a specific part of the program, i.e. completion of a survey, keeping an appointment or completing a follow-up examination.

The \$10 value of the gift card is based on a Memorandum issued by the Office of General Counsel for the Oklahoma State Department of Health dated October 9, 2000. This Memorandum has its origin in a letter from Tom Jaworsky, State Purchasing Director, Department of Central Services, dated October 2, 2000. In this letter Mr. Jaworsky stated the position of Central Purchasing is the Central Purchasing Act does not prohibit the acquisition of promotional items with a nominal value. Mr. Jaworsky set a \$10 value for promotional items. The Oklahoma Constitution does not contain an exception for "nominal" gifts.

The Oklahoma Constitution contains a proscription against the State from gifting assets of the state to "any company, association or corporation¹." The Oklahoma Supreme Court has defined the term "gift" as used in Article X Section 15 as "all appropriations for which there is no authority or enforceable claim on which rests alone some material equitable obligation which in the mind of a generous or even just individual dealing with his own money might induce him to recognize as worthy of his reward²." "Where specific constitutional prohibitions against gifts of public money exist, public money cannot be lawfully appropriated to meet an obligation, however just and equitable, unless it is of such a character that it could be enforced in a court of law³." The Court has further defined a "gift" as a "voluntary transfer of his property by one to another without any consideration or compensation therefore. The donor must intend gratuitously to pass the title to the donee⁴."

A program area may use incentives and/or promotional items to accomplish the goals of the program area. The program area should be able to articulate how the use of the specific incentive and/or promotional item will benefit the program area and without the specific incentive and/or promotional item what will be the detriment. In other words, the recipient must give some type of "consideration" in exchange for the incentive. Consideration takes away from the transaction its donative character⁵."

The recipient of the incentive must be required to complete a specific task or exchange something of value in exchange for the incentive prior to the incentive being delivered. OSDH is prohibited from paying for services or products prior to those services or products being delivered⁶. The amount of the incentive should be

¹ Oklahoma Constitution Article 10 Section 15

² *Hawks v Bland*, 1932 OK 101, 9 P.2d 720, 156 Okla. 48 (1932); *Veterans of Foreign Wars v Childers*, 197 Okla. 331, 171 P.2d 618, 1946 OK 211

³ *Veterans of Foreign Wars v Childers*, *Id.*

⁴ *In the Matter of the Petition of University Hospitals Authority, an agency of the State of Oklahoma and University Hospitals Trust, a public trust*, 953 P.2d 314, 1997 OK 162

⁵ *Id.*

⁶ 74 O.S. §85.44B

reasonable in value to the specific task or exchange of information that is being exchanged. While the courts have decided that the use of incentives is legal, there is a policy issue that should be established to ensure the incentives used are reasonable.

Conclusion:

Program Areas of the OSDH may use gift cards or other items as incentives and/or promotional items to induce participation in specific programs or activities. The Program Area should articulate the specific benefit of using the incentive and if the incentive was not used the detriment suffered. Recipients of the incentive must be required to complete a specific task or exchange something of value for the incentive prior to receiving the incentive. OSDH should establish policy guidelines that will direct program areas what is an acceptable incentive program and when can that program be used.

OKLAHOMA STATE DEPARTMENT OF HEALTH
ADMINISTRATIVE PROCEDURES MANUAL

TITLE: Incentive Payment & Promotional Items

RESPONSIBLE
SERVICE: Administrative Services

Number: 3-00
Effective: December 2008
New

APPROVED: James M. Crutcher, M.D., M.P.H.
Commissioner of Health and
State Health Officer

- OBJECTIVE:
1. To reduce the barriers of participation and increase public awareness in OSDH sponsored program activities.
 2. To ensure that all payments of cash equivalent items used as incentives for the completion of surveys, participation in focus groups, other forms of human research activities, evidence based services, or quality improvement projects are properly disbursed, accounted for, and reported.
 3. To provide incentives or non-monetary promotional items to increase public awareness and participation of OSDH services.
 4. To ensure procedures for survey techniques, acceptance and acknowledgement of financial incentives by the recipients are clear.
 5. To ensure the purchase of incentive or promotional items with federal funds is specifically approved by the federal award, and
 6. To ensure the incentive items are provided in exchange for something of value from the recipient and the amount of the incentive are reasonable in value to the service or item being exchanged.

This policy does not include incentives provided by an outside partner or a third party.

PROCEDURE: Definitions

Financial Incentive: The use of gift certificates, debit cards, coupons, vouchers and stipends as incentives for the completion of surveys, participation in focus groups, other forms of human research activities, evidence based services, or quality improvement projects.

Reward Incentive: The used of tangible rewards to motivate a participant or group to behave in a certain way that increases the return on investment of program areas or county health departments services objective goals.

Donated Incentives: Items received from the community and various organizations, such as local movie theaters, grocery stores, food outlets, retail stores, from profit organizations, and community, fraternal or

services organizations. These items may be used to satisfy program areas and county health departments services function goals.

Institution Review Board (IRB): A OSDH committee whose primary responsibility is to protect the rights and welfare of human research participants.

Use of Incentive Payments

Incentive payments are contingent upon funding availability and based upon a variety of initiatives expressed in this policy.

The use and amount of incentive payments is based on the return on investment. Any incentive in excess of the \$10.00 limit must have the appropriate Deputy Commissioner's approval.

Some examples of the appropriate use of incentive payments includes, but are not limited to:

1. Child Care, Elder Care, or Care for Special Needs Individuals: Contractual agreements with appropriate facilities may be available to reduce out of pocket costs for seeking health department services.
2. Transportation Costs: Gas Cards, bus tokens or taxi coupons that do not exceed \$10.00 to offset transportation costs for services may reduce out of pocket cost. Contractual agreements may be developed to provide for services.
3. Survey and/or Evidence Based Service Participation: Providing incentive to an individual participating in a survey, evidence based service or focus group to compensate the individuals for their time and contribution. Participant is aware of incentive and the incentive is provided at the completion of survey or focus group or after the completion of a set number of classes of the participatory action.
4. Quality Improvement Programs: Supplies may be given to an agency when they participate in a Quality Improvement Program. Some examples: the Cancer Registry software package or portal for online use so program service may obtain essential data, the Center of Health Care Information could provide software or used equipment to facilitate reporting of death, births, or hospitalizations.

Process

The program areas and/or county health departments shall provide the following incentive payment information:

1. Identify activity to provide incentive, the benefit of providing the incentive, and the detriment created without providing the incentive item.

2. Identify source of funding. If the program is federally funded, determine if the federal award is specifically approved for the purchase of incentives.
3. Determine the processing procedures including accountability and monitoring procedures of purchases and distribution of incentives items.
4. Determine cost of each incentive item in dollar amount. The amount of the incentive items must be reasonable in value to the service or items being exchanged.
5. Obtain approval for purchases and distribution. The Service Chief and Deputy Commissioner must approve purchases of individual incentives over \$10.00. County health department administrators must approve purchases of incentive items with local funding.
6. Submit P/Card request or bid proposal requisition for approval of incentive item purchases to Procurement Service.

Request for Incentive Payments

1. The Program areas or county health departments shall prepare a written justification for the use and purchase of incentive items to include:
 - A description of the service or survey
 - The target populations including ages, and
 - The desired outcomes the program areas or county health departments' wishes to accomplish through the distribution. Include justification of benefits expected as well as the detriment to the agency if not implemented.
2. The use of federal funds by programs areas must provide the following requirements: justification, grant period, CFDA number, and section of the grant award approving the use of incentives. Additionally, certain grant programs may require the name of the funding source listed (i.e., grant name on the back of a T-shirt) and document of justification.
3. The applicable procedures for receipt and distribution should be based on the participant involvement in the program service or the returned of investment in exchange. The incentive payment amount must be reasonable in value to the service or the item exchanged. (See *On-Site Log* example for survey documentation of cash incentives). If a child or youth is the participant, the program areas should discuss the procedure used for obtaining parental approval or parental participation.
4. The justification shall include the dollar amount to be distributed, a distribution plan and accountability processes.
5. The program areas and county health departments shall document the approval of incentives items by the Institute Review Board (IRB) for human research projects.
6. The program areas and county health departments shall establish

1
2 inventory procedures to account for the incentive items purchases.
3 Include documentation of receipt of incentive items; inventory on hand,
4 distribution procedures specifying when, how, and to whom items were
5 dispersed;

- 6 • Program areas must collaborate with Procurement Service to
7 ensure products are purchased in accordance with state and
8 federal purchasing laws and submit prior to purchasing incentive
9 items.
- 10 • Program areas are accountable for all incentives purchased and
11 must collaborate with Accounting Services to sustain inventory
12 control to uphold joint responsibility in handling monetary
13 rewards.
- 14 • The Deputy Commissioner shall provide written notification to
15 Accounting Service of their appointed designee to authorize
16 activation approval of monetary awards and examination of
17 internal audits.

- 18
19
20 7. Following the written signature approval by the Deputy Commissioner
21 or their designee for the purchase of incentive or promotional items, the
22 program areas and county health departments shall forward the
23 justification and requisition to Procurement Service for review and
24 approval. P/Cards may be used for the purchase of incentives and
25 promotional items and must have prior approval by Procurement
26 Service.

OKLAHOMA STATE DEPARTMENT OF HEALTH
ON-SITE LOG

Survey Title: _____

Survey Date: _____

Participant's name and address:

Name: _____

Address: _____

City: _____ State: _____ Zip code: _____

Phone number: () _____

To be completed by initiating Program Service:

I certify that the attached survey form has been completed and approve payment \$ _____.

Signature: _____ Print Name: _____

| Account Code | Fund/Project | Service | Program |
|--------------|--------------|---------|---------|
| _____ | _____ | _____ | _____ |

Identification Number: _____

