Contractor Alert Reporting Database Manual

May 29, 2014

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I.   INTRODUCTION

On April 27, 2010, the Board of Supervisors directed the Chief Executive Office (CEO), Auditor-Controller (A-C), County Counsel (Counsel), and the Director of the Internal Services Department (ISD) to establish a work group to develop a mechanism to alert departments of poorly performing contractors. As a result, the County developed the Contractor Alert Reporting Database (CARD), which uses the County's existing enterprise-based eCAPS System to track poorly performing contractors.

Departments are responsible for monitoring their contractors and are required to use CARD to track and report on poorly performing contractors. When departments identify poorly performing contractors they must:

- Provide contractors with due process by notifying contractors that they may be placed in CARD, indicating the reason(s) for the placement prior to placing them in CARD, and giving the contractor ten business days to respond to the notice (see section IV below).

- Place contractors that meet the placement criteria in CARD and include adequate documentation to justify/support the placement (see sections III and IV below).

- Notify other County departments when contractors are placed in CARD (see section V below).

- Work with contractors to resolve the issue(s) that resulted in placing them in CARD, providing technical assistance to help prevent future non-compliance, and monitor to ensure the corrective action results in permanent change.

- Update contractor records in CARD (see section VI below).

- Use CARD during each applicable contract solicitation (see section VII below).

- Take appropriate steps when one of their existing contractors is placed in CARD by another County department (see section V below).

- Notify the A-C's Countywide Contract Monitoring Division (CCMD) at card@auditor.lacounty.gov when a contractor in CARD is debarred.

For assistance with CARD, departments may contact the A-C's CCMD at card@auditor.lacounty.gov or (213) 253-0300.

II.   CRITERIA FOR PLACING A CONTRACTOR IN CARD

The requirements for placing a contractor in CARD are applicable to all County contracts, unless otherwise prohibited. Departments should consider the materiality of the issues with the contractor, such as the dollar amount owed to the County, the

pattern and number of occurrences, and impact to the County and public before placing a contractor in CARD. Only contractors with a <u>significant</u> issue(s) should be placed in CARD. Before placing a contractor in CARD, departments must also ensure that they provide contractor with due process by providing the contractor notice and time to respond as discussed in section IV below. Departments must respect the legal rights of contractors and provide an opportunity for contractors to correct the issue(s).

Contractors must meet one or more of the following criteria to be placed in CARD:

1. The Contractor owes the County for overpayments and/or questioned costs and has not entered into a repayment agreement or agreed to pay the County back, or has been referred to the Treasurer and Tax Collector for collection.

2. The contractor has not taken appropriate and timely steps to correct significant documented instances of contract non-compliance. This can also include instances where the contractor corrected their non-compliance but demonstrated a pattern of repeated non-compliance, or corrected their non-compliance but the non-compliance was extraordinarily significant and demonstrated disregard for complying with a material contract requirement.

3. The contractor and/or their principal owners are currently debarred by other governmental entities.

4. The contractor has experienced financial, administrative, programmatic or legal issues that affect their ability to comply with the County contract requirements. Examples of these issues include, but are not limited to the following:

   - Bankruptcy
   - Loss of licenses
   - Failure to pay property or payroll taxes
   - Financial viability concerns
   - Lack of qualified staff
   - Amount of disallowed or undocumented costs
   - Lack of required insurance
   - Assessment of any fines and/or penalties by public entities

5. The County has imposed contractual remedies against the contractor for non-compliance with the County contract requirements. The contractor's non-compliance may result in the contractor also meeting criteria #2 above. Examples of contract remedies include, but are not limited to, the following:

   - Termination for default
   - Assessing liquidated damages
   - Adjusting the contractor's funding
   - Not renewing a contract due to performance issues

III. SUPPORTING DOCUMENTATION FOR CARD PLACEMENT

After identifying a poorly performing contractor, departments must maintain documentation to support placing the contractor in CARD, and demonstrate sufficient due process was provided to the contractor. Examples (not a complete list) of supporting documentation include:

- Departmental contract monitoring/discrepancy reports
- Annual performance reviews
- Auditor-Controller reports
- Debarment records
- Contractor's audited financial statements
- Communication from the contractor stating their unwillingness to comply with requirements
- Communications from the department documenting collection or other efforts to resolve outstanding issues
- Bankruptcy filings
- Cancellation of required licenses, insurance, etc.

The supporting documentation must be uploaded into CARD using the instructions beginning on page 7.

IV. PLACING A CONTRACTOR IN CARD

Departments must develop internal approval procedures before placing a contractor in CARD, and must provide due process by sending written notification to a contractor before placing the contractor in CARD. At minimum, the department's Administrative Deputy or a designee should approve a CARD placement. To simplify the approval and notification process, departments are required to:

- Complete a standardized CARD Placement Notification Letter (see Exhibit I), including an approval signature from the Administrative Deputy/designee.

- Send the signed CARD Placement Notification Letter to the contractor before CARD placement via certified US mail and email.

- If the issue is unresolved after the **ten business days**, place the contractor in CARD according to the instructions below. This includes uploading the supporting documentation justifying CARD placement (including the signed notification that was sent to the contractor). Departments may delay the CARD placement to allow the contractor additional time to resolve any issues.

Instructions for placing a contractor in CARD:

A. Accessing the CARD table in eCAPS:

1. Enter "CARD" in the eCAPS "Jump to" feature.
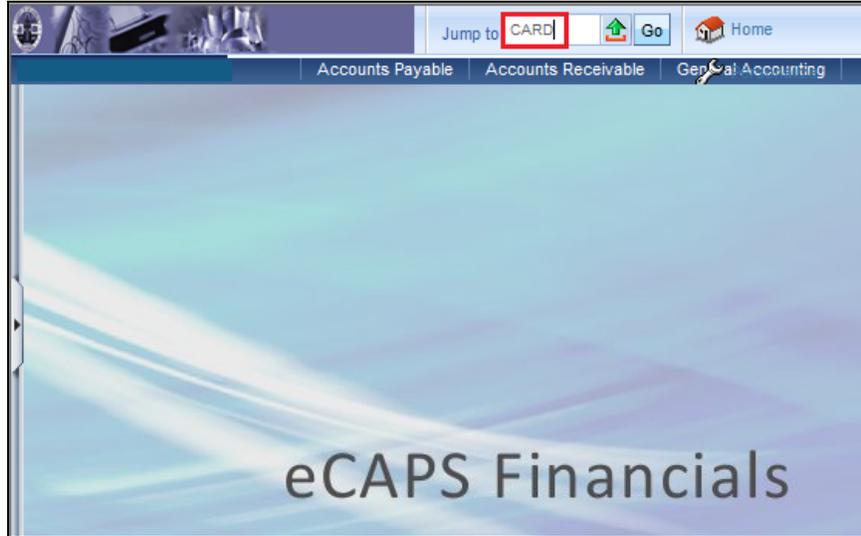
2. The following Search box will load.

B. Searching for contractors in CARD:

1. Type in the Vendor Customer number and press Enter.

2. The following page will load and list all of the contractor's CARD records. If there are no records, the contractor is not in CARD. Check the contractor's CARD entries, if any, for the applicable Department, Reporting Code, and Sub Reporting Code fields. Proceed to section C below to add a new record for a contractor or to section E beginning on page 12 to update an existing CARD record.

C. Adding a new CARD record:

1. Go to the CARD table, close the search box and click on "Insert."

2. Enter the Department, Reporting Code, Sub Reporting Code, and Vendor Customer. Also, click the check boxes for the relevant Issues, enter the Issue Date(s), and enter the contact information for the person who should be contacted regarding the CARD record. A comments box is provided but should rarely be used and only to provide additional information supported by appropriate documentation (see the note on page 14 about the comments box). Click Save.

Note: A contractor must be entered into the eCAPS CNTRX table before they can be placed into CARD. Departments generally enter contractors into CNTRX to establish the contractor in eCAPS. However, in some cases (e.g., master agreements) contractors may not be entered into CNTRX, requiring the department to enter the contractor into the CNTRX table to facilitate the CARD placement.

3. After saving, the highlighted areas will be automatically populated.

D. Uploading supporting documentation:

1. To upload the CARD Placement Notification Letter and other correspondence with the contractor (e.g., emails discussing contract compliance), go to the contractor's Issues Page, select the relevant CARD record, and click on the Attachments link. Please note that departmental monitoring reports, contract discrepancy reports (CDR), or other audit reports should be uploaded to the Audits Page (instructions begin at step 8 below), not the Issues Page.

2. Click on Upload.

3. Click on Browse.

4. Select the file to be uploaded and click Open.

5. Enter a Description of the file and click Upload.
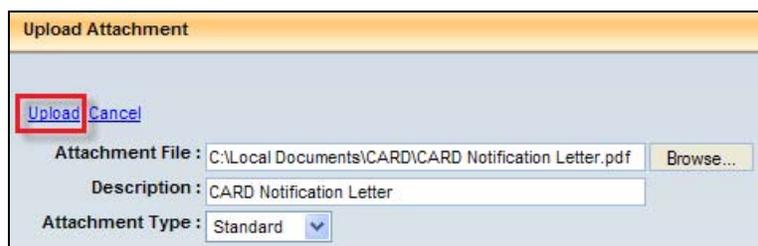
6. Repeat steps 2 thru 5 to upload additional supporting documents to the Issues Page.

7. Click Return to go back to the Issues Page.

8. To upload departmental monitoring reports, CDR, or other audit reports, go to the Audits Page and click on Insert to add an audit record.

9. Enter the Audit Name, Organization, Date, URL (optional), and the Contact Information for the audit record. A comments box is provided but should rarely be used and only to provide additional information supported by appropriate documentation (see the note on page 14 about the comments box). Click Save.

10. Click on the Attachments link to upload attachments to the audit record.

11. Click on Upload.

12. Click on Browse.

13. Select the departmental monitoring report, CDR, or other audit report file to be uploaded and click Open.
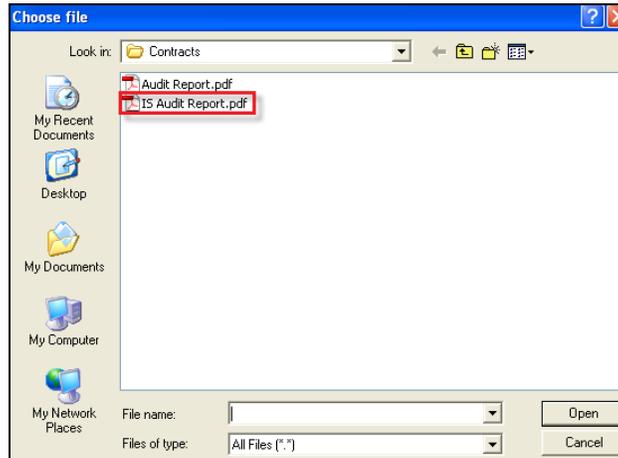
14. Enter a Description of the file and click Upload.

15. Repeat steps 11 thru 14 to upload any additional files relevant to the audit record (i.e., communications with the contractor, corrective action plans, follow-up reports, etc.).

16. Click Return to go back to the Audits Page.

17. Repeat steps 8 thru 16 to insert another audit record and upload another monitoring report, CDR, or other audit report.

Note: To prevent inappropriate duplicate CARD entries, departments should only create one CARD record for each contract (eCAPS Reporting Code) that a contractor has with the County, and should not create a CARD record for each Sub Reporting Code related to the contract.

If a contractor that is already in CARD also meets one or more of the CARD placement criteria for another contract, a department may generally initiate the CARD notification and placement procedures for the other contract. However, for CARD criteria numbers 3 or 4, departments should <u>not</u> initiate CARD procedures for the exact same performance issue(s) that caused the contractor to be placed in CARD. <u>Example #1:</u> If Department A placed a contractor in CARD for filing bankruptcy and Department B also contracts with the contractor, Department B should not place them in CARD again for filing bankruptcy. <u>Example #2:</u> If Department A placed a contractor in CARD for not maintaining required insurance and Department B discovers that the contractor is failing to pay payroll taxes for their contract, Department B should initiate CARD placement for that compliance issue, since it is a different issue.

E. <u>Updating an existing CARD record:</u>

1. Update the CARD record's Issues Page by adding additional Issues, revising the contact information, uploading additional documents, or by entering comments and then click Save.

2. Update the CARD record's Audits Page by inserting a new audit record or updating an existing audit record by uploading additional documents, revising the Audit Name, Date, Organization or contact information or by entering comments. Click Save.

F. Interpreting potential error messages:

1. LAC30: Contract is not valid. The Department Code, Reporting Code, Sub Reporting Code, and Vendor must be on the Contract Extension Table.

2. LAC34: Issue/Resolved Date must be entered when Issue/Resolved checkbox is checked.

3. LAC35: Issue/Resolved Date cannot be entered unless Issue/Resolved checkbox is checked.

4. LAC38: Resolved Date cannot come before Issue Date.

5. LAC39: CARD entries should have at least one issue.

6. LAC40: Department/Reporting Code/Sub Reporting Code/Vendor Customer field is required. These fields must be entered.

7. LAC42: Contact Name and Contact Phone must be entered if any Issues are checked.

8. LAC43: Audit Name is required when Audit Information is entered.

9. A unique index was violated. Either a duplicate record was inserted, or a unique attribute was modified.

Note: A comments box is provided on the Issues and Audits Pages if departments need to explain a rare circumstance (e.g., a resolved issue becoming a current issue again). The comments box should rarely be used and only to provide additional information supported by appropriate documentation. Departments should not make negative commentary or state opinions about a contractor in the comments box.

V. COUNTYWIDE NOTIFICATION AND DEPARTMENT FOLLOW-UP

Countywide Notification

After a department places a contractor in CARD, the department must notify the Board of Supervisors' offices and other County departments. Specifically, the department must send email notification of the CARD placement with an attached copy of the signed CARD Placement Notification Letter to the following:

- The Board of Supervisors' budget deputies.
- The department's respective cluster's Board deputies.
- The Countywide Contracting Network via their email cardnotify@isd.lacounty.gov (the notification will be forwarded to members of the network by ISD staff).
- Contract managers of other County departments that have active contracts with the contractor placed in CARD. The department should notify these contract managers about other departments that use the contractor to facilitate communication between all of the impacted departments. A list of contract managers can be found at http://purchasingcontracts.co.la.ca.us/contract_mgr_directory-p.pdf. The following are instructions for using eCAPS to search for departments that have active contracts with a contractor listed in CARD:

1. Enter "CNTRX" in the eCAPS "Jump to" feature.

14
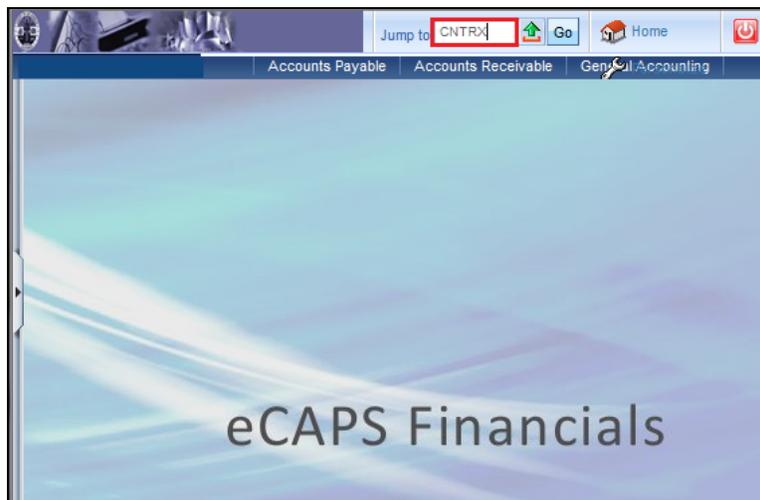
2. Enter the Vendor Customer number in the Search box and press Enter.

3. Click through the records for each reporting code. Make a note of the department associated with each entry where the Active flag is checked and send notifications to those departments as indicated above.

Department Follow-up

Departments are responsible for taking appropriate steps when their existing contractor is placed in CARD by another County department. Contract managers should receive a separate notice when another department places a contractor in CARD. In addition, all contract managers should follow-up on CARD placement notifications they receive from the Countywide Contracting Network to determine whether or not their department also contracts with the agency that was placed in CARD. This can be done using the eCAPS search method above.

For departments that don't have an active contract with the contractor, no action is required. Contract managers for departments that have an active contract with the

contractor must review the details of the CARD entry to determine if the contractor's poor performance has any potential impact on the services provided in their contract. If additional information is needed, departments should contact the person listed in the CARD entry as the departmental contact person to request the information. Instructions for accessing the CARD entry details are below:

1. Enter "CARD" in the eCAPS "Jump to" feature.
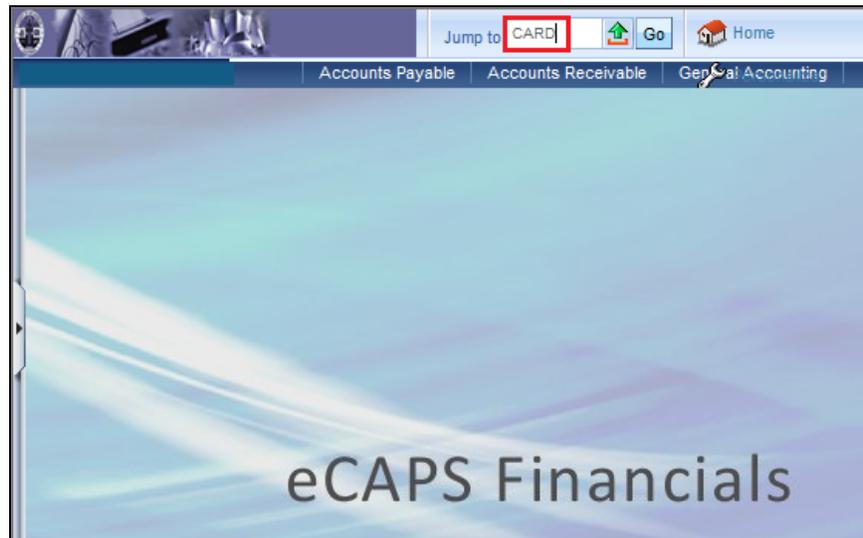
2. After the Search box (below) opens, type in the Vendor Customer number to view the contractor's CARD record(s) or press Enter to manually search all of the CARD records for the contractor's CARD record(s).
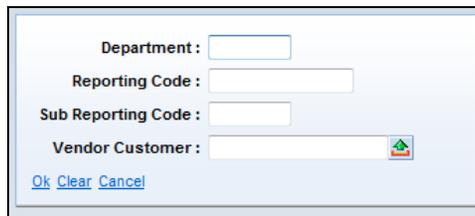
3. The relevant CARD criteria and the contact information for the department that entered the contractor in CARD are identified in the Issues Information section. To review the details of the CARD entry, click on Attachments.

4. Click Download to open and review the supporting documentation for the CARD entry. To go back to the previous page, click Return.

If additional information is needed, call and/or email the CARD entry contact person or the department's contract manager using the contact list at http://purchasingcontracts.co.la.ca.us/contract_mgr_directory-p.pdf. After completing their review, contract managers should document their conclusion. If there is an impact on their services, the contract manager must investigate (and document) whether their department:

- Is already aware of similar identified issues and whether corrective action has been initiated. If not, the department must determine the extent and impact on contract compliance.
- Needs to enhance their monitoring activities in relation to the poor performance.
- Should provide any technical assistance to avoid performance issues for their contract.

Departments should take appropriate steps to address any issues noted during their investigation (i.e., increasing monitoring efforts, imposing contract remedies, etc.) and notify any other impacted departments of any actions taken. If, during this process, a department determines that the contractor also meets one or more of the CARD placement criteria for their contract, the department may initiate the CARD notification and placement procedures for their contract unless the placement is for the exact same performance issue (see Note on page 12).

VI. RESOLVING CARD ISSUES

In addition to providing contractors with due process before they are placed in CARD, departments must also allow contractors an opportunity to resolve any of the issues indicated in the contractors' CARD records, except for issues that cannot be resolved (e.g., contract termination).

The CARD Placement Notification Letter that is sent to contractors before they are placed in CARD provides contractors with departmental contact information to resolve outstanding CARD issues. If a contractor expresses interest in resolving any issues, departments should work with the contractor and indicate the steps necessary to resolve the issues. Any letter or email a contractor sends to the department that placed them in CARD should be replied to timely. For contractors placed in CARD for being debarred by other governmental entities, departments must update CARD to indicate that the issue is resolved once the debarment period of the other government entity expires.

Once a contractor has taken the steps necessary to resolve one or more of their CARD issues, the department should follow the steps below to update the contractor's CARD records. After updating CARD, the department must notify the contractor that their CARD record is updated. In doing so, departments must not state that the contractor is/was removed from CARD, since the contractor will remain in CARD with the issue(s) updated to indicate a "resolved" status.

The following are instructions for updating a contractor's CARD record for an issue that has been resolved:

1. Go to the appropriate Issues Page, check the related Resolved box, and enter the Resolved Date. Click Save.

2. Upload documentation demonstrating that each Issue was resolved (see instructions for uploading documents above).

If a resolved issue becomes a current issue again, departments should go to the Issue Page, unclick "resolved", delete the resolved date, update the issue date to indicate the date of the current issue, and update the contact information (if necessary). Departments must also upload additional supporting documentation for the current issue and type a brief note in the comments box about the resolved issue becoming a current issue again. However, <u>departments must not remove the historical supporting documentation</u>.

VII. USING CARD DURING THE SOLICITATION PROCESS

Solicitation Language

To ensure proposers are aware of the CARD review, departments must include the following standard language in their solicitation documents, where a bidder's performance history is reviewed as part of the evaluation process:

X.X.X Proposer's Qualifications (__%)

1. *Proposer will be evaluated on their experience and capacity as a corporation or other entity to perform the required services based on information provided in Section X.X of the proposal.*

2. *Proposer will be evaluated on the verification of references provided in Section X.X of the proposal. In addition to the references provided, a review will include the County's Contract Database and Contractor Alert Reporting Database, if applicable, reflecting past performance history on County or other contracts. This review may result in point deductions up to 100% of the total points awarded in this evaluation category. Additionally, a review of terminated contracts will be conducted which may result in point deductions.*

3. *A review will be conducted to determine the significance of any litigation or judgments pending against the Proposer as provided in Section X.X of the proposal.*

Contract Language

Departments must also include the following standard language in contracts and amendments:

The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise a contract term extension option.

Evaluation Procedures

For County contract solicitations where a bidder's performance history is scored as part of the evaluation process, departments must include a CARD review in their evaluation procedures. The CARD review must include (1) searching CARD to determine if proposers have been placed in CARD and (2) contacting proposers' non-County references to identify any issues that may exist that are similar to the CARD criteria. Bidders that have been placed in CARD or provided non-County references who indicate and provide documentation that the bidder has issues similar to the CARD criteria will receive deductions from the points awarded in their performance history evaluation.

The following are instructions for completing the CARD review:

1. Searching CARD for proposers – Whether or not bidders include a County department as a reference in their proposals, departments must search CARD to determine if a County department has placed the proposers in CARD. Departments should identify any business names the bidders may use and determine if they are in CARD by reviewing the eCAPS Cognos report titled "CARD Contractor List" (see the

eCAPS Cognos Reports section beginning on page 22) or by searching CARD for each individual proposer (see instructions on page 4).

a. If the proposer is not in CARD, departments can skip the remaining steps for searching CARD, and begin contacting the bidder's non-County references (see instructions below) to determine if any CARD-related issues exist.

b. If the proposer is in CARD, departments must review all of the bidder's CARD records and:

   i. Determine the proposer's total number of active (unresolved) CARD issues. In addition, determine the total number of resolved CARD issues within the last five years. If there are no active issues and less than three resolved issues within the last five years, departments can skip the remaining steps for searching CARD and begin contacting the bidder's non-County references (see instructions below).

   ii. To confirm that any CARD issues are still active, call and/or email the County contact person for any active CARD issues. Since the maximum deduction to the performance history evaluation score is reached when a proposer has two confirmed active CARD issues, there is no need to confirm the status of additional active CARD issues once two active issues have been confirmed.

2. Contacting non-County references – A bidder may include a non-County reference in their proposal. Departments must:

a. Obtain/complete (via US mail, email or telephone) a Non-County Services Evaluation Checklist – CARD (see Exhibit II) for the non-County references to ensure all proposers are evaluated consistently based on the CARD criteria.

b. Review all of the responses from the proposer's references and ensure that any CARD-related issues are supported with adequate documentation. Determine the bidder's total number of active CARD-related issues that are adequately documented and the total number of resolved CARD-related issues within the last five years that are adequately documented.

3. Add the proposer's total number of active CARD issues and active CARD-related issues from non-County references. In addition, add the total number of resolved CARD issues within the last five years and resolved CARD-related issues from non-County references within the last five years. If there are no active issues and less than three resolved issues within the last five years, no points are deducted. Otherwise, deduct points from the bidder's performance history evaluation score based on one of the following criteria (select the largest deduction possible):

a. If there are at least two confirmed active issues, deduct 100% of the total points awarded for the performance history evaluation section.

b. If there is one confirmed active issue, deduct 75% of the total points awarded for the performance history evaluation section.

c. If all of the issue(s) are resolved, deduct 25% of the total points awarded for the performance history section if the contractor has three or more issues that were resolved within the last five years.

A department must provide justification in their Board letter if the recommended contractor has an active CARD issue.

Note: In the event that a bidder provides a County reference that placed the proposer in CARD or a non-County reference that identified CARD-related issues, Departments may not deduct any points in other performance history evaluation components for the issue(s) that resulted in a CARD-related deduction. As a result, departments should require proposers to provide alternate references and the department should evaluate the bidder using an alternate reference to prevent the proposer from losing evaluation points twice for the same issue(s).

Impact of Mergers/Acquisitions

Board policy 5.053 provides guidelines for evaluating vendors bidding on County contracts and vendors who are currently under contract with the County that are involved in a merger or acquisition.

When a vendor discloses a merger/acquisition in their bid during a County contract solicitation, departments must complete a CARD review [see CARD Manual section VI for the CARD review process] during the bid evaluation for both the vendor and the entity that it plans to merge with or be acquired by. During the CARD review, departments must determine the potential point deduction for each entity, and then deduct points from the bid based on the entity with the more significant deduction.

When a department receives a request from a current contractor to assign their contract to a new entity due to a planned merger/acquisition, Board policy 5.053 requires that the department complete a thorough review of the impact of the merger/acquisition. This review should include an investigation into whether either vendor/entity has been placed in CARD. Departments should determine whether to assign the contract to the new entity based on the thorough review required by Board policy, not solely based on a determination that either vendor/entity was placed in CARD.

VIII. ECAPS COGNOS REPORTS

Two scheduled reports are available to departments in eCAPS.   The first report named "CARD Contractor List" is a cumulative report of all contractors that have been placed into CARD. The second report named "CARD Contractors with Active Issues" is similar to the first report but only includes contractors that have one or more unresolved issues in CARD. To access the reports:

1. Login to eCAPS, expand the "Reports" option, and click "Financials."

2. If the IBM Cognos front screen opens, click "IBM Cognos content."

3. Select Countywide Reports and click the link for the CARD reports.

4. Click the "Scheduled" link.
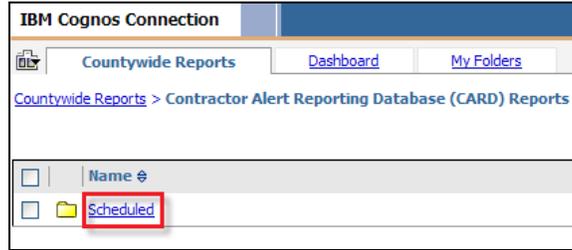
5. Click the "Daily" link (the "Monthly" reports are for archive purposes only).
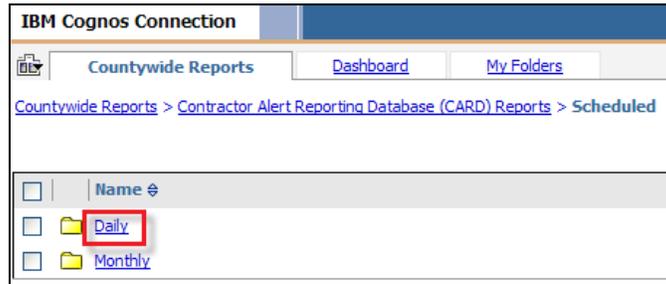
6. Click the "CARD Contractor List" link for a comprehensive list of every contractor in CARD. If your computer has a pop-up blocker installed, you may need to hold down the "CTRL" button on your keyboard as you click the link and then continue holding it until the report spreadsheet loads.
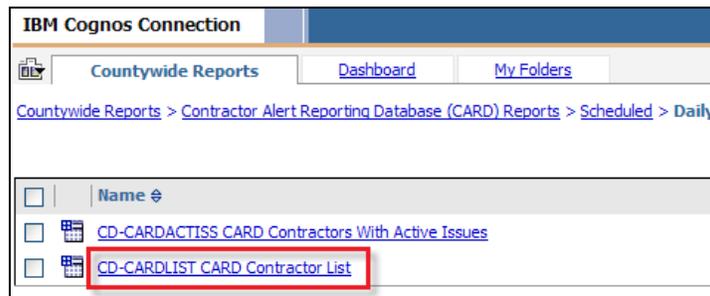
To only view contractors with active issues in CARD, click the appropriate link during step 6.

Exhibit I

CARD PLACEMENT NOTIFICATION LETTER SAMPLE

DEPARTMENT LETTERHEAD

DATE

TO: *CONTRACTOR*

FROM: *DEPARTMENT REPRESENTATIVE*
          DEPARTMENT NAME

SUBJECT: **CONTRACTOR ALERT REPORTING DATABASE PLACEMENT NOTIFICATION**

This letter serves as notification that unless *CONTRACTOR* resolves an outstanding contract issue by *DATE* , *CONTRACTOR* will be placed on the County of Los Angeles' Contractor Alert Reporting Database (CARD).   CARD placement is a result of *CONTRACTOR* meeting one or more of five CARD criteria.   The CARD criteria applicable to *CONTRACTOR* is/are checked below:

☐ Contractor owes the County for overpayments and/or questioned costs and has not entered into a repayment agreement or agreed to pay the County back, or has been referred to the Treasurer and Tax Collector for collection.

☐ Contractor has not taken appropriate and timely steps to correct significant documented instances of contract non-compliance in a timely manner. This can also include instances where the contractor corrected their non-compliance but demonstrated a pattern of repeated non-compliance, or corrected their non-compliance but the non-compliance was extraordinarily significant and demonstrated disregard for complying with a material contract requirement.

☐ Contractor and/or principal owners are currently debarred by other governmental entities.

☐ Contractor has experienced financial, administrative, programmatic or legal issues that affect their ability to comply with the County contract requirements.

☐ County has imposed contractual remedies against the contractor for non-compliance with the County contract requirements.

CARD will be used when evaluating the performance history of a contractor participating in a County contract solicitation. Therefore, placement in CARD may negatively affect *CONTRACTOR's* score during future contract solicitation evaluations. Our prior efforts and requests for *CONTRACTOR* to resolve the issue(s) above have been unsuccessful. To avoid CARD placement, *CONTRACTOR* <u>must</u> resolve the above issue(s) by *DATE.* If you have any questions, please contact:

NAME(S)
ADDRESS
PHONE
EMAIL

_____
ADMINISTRATIVE DEPUTY/DESIGNEE SIGNATURE

Exhibit II

ANALYST NAME _____

SOLICITATION # _____

NON-COUNTY SERVICES EVALUATION CHECKLIST – CARD

Firm Name:	
Services Provided:	
Contracting Agency:	
Agency Contact and Title:	Telephone/Email:
Evaluation Period From:	To:

CARD CRITERIA	ACTIVE ISSUE	ISSUE RESOLVED IN THE LAST 5 YEARS
1. The Contractor owes your agency/company for overpayments and/or questioned costs and has not entered into a repayment agreement or agreed to pay you back, or has been referred to collection.	Yes☐ No☐	Yes☐ N/A☐
2. The contractor has not taken appropriate and timely steps to correct significant documented instances of contract non-compliance. This can also include instances where the contractor corrected their non-compliance but demonstrated a pattern of repeated non-compliance, or corrected their non-compliance but the non-compliance was extraordinarily significant and demonstrated disregard for complying with a material contract requirement.	Yes☐ No☐	Yes☐ N/A☐
3. The contractor and/or their principal owners are currently debarred by other governmental entities.	Yes☐ No☐	Yes☐ N/A☐
4. The contractor has experienced financial, administrative, programmatic or legal issues that affect their ability to comply with your contract requirements. Examples of these issues include, but are not limited to, the following: • Bankruptcy • Loss of licenses • Failure to pay property or payroll taxes • Financial Viability concerns • Lack of qualified staff • Amount of disallowed or undocumented costs • Lack of required insurance • Poor program services • Assessment of any fines and/or penalties by public entities	Yes☐ No☐	Yes☐ N/A☐
5. Your agency/company has imposed contractual remedies against the contractor for non-compliance with your contract requirements. Examples of these contract remedies include, but are not limited to the following: • Termination for default • Assessing liquidated damages • Adjusting the contractor's funding	Yes☐ No☐	Yes☐ N/A☐

PLEASE PROVIDE SUPPORTING DOCUMENTATION FOR ANY CRITERIA MARKED "YES"