**Section 357.100 Contract Approval**

Federal and State regulations authorize the Illinois Department of Children and Family Services to purchase service and care for eligible children and families from purchase of service providers. Purchase of service providers shall meet the following prerequisites before a contract is approved:

a) When licensure is required to provide the service, the purchase of service provider has obtained the necessary license or permit from the appropriate licensing authority to provide the specified services throughout the contract period.

b) Except for individual foster care provider contracts and day care provider contracts, the purchase of service provider has submitted a detailed program plan that specifies and contains the following:

1) the type and extent of services that will be provided. The number of individual and/or family clients that may be served, and the number of hours or the number of days for which services are provided may be used to define the extent of services;

2) the number and types of staff available to provide the specified services;

3) the clientele for whom the services were designed;

4) the provisions for recordkeeping and reporting as required by Department rules or the purchase of service contract;

5) that the resources are sufficient to provide the service. "Resources" include the following:

A) facilities that are large enough to safely accommodate the clientele, which contain sufficient equipment and furniture to provide the services offered and that satisfy all public health and safety regulations and Department licensing requirements;

B) staff who possess accepted professional standards of education and experience for their assignments; and

C) administrative personnel with appropriate educational backgrounds and experience for their positions;

6) a clause titled "billable service" that:

A) clearly defines the billable unit of services such as: hour, day, week or month;

B) stipulates whether the provider will bill for client "no shows," travel, telephone conversations, canceled appointments, staffing and group sessions.

c) The purchase of service provider has a plan to assure that minimal staffing levels, as may be required by child care facility licensing standards, and as specified in the contract, are maintained.

d) The purchase of service provider shall submit documentation that the total Department reimbursement for administration costs, including personnel and other fixed and variable costs for administration do not exceed 20% of the cost of other reimbursable items.

e) The purchase of service provider has submitted evidence of financial stability.

f) The new purchase of service provider has submitted evidence of financial stability for the contract period including either letters of credit, statements of backing, or audited financial statements.

g) The purchase of service provider has submitted a budget of anticipated expenditures based on the negotiated rate or the negotiated contract maximum, if a budget is required by the contract.

h) The current purchase of service provider has submitted the required financial reporting documents in accordance with Section 357.120.

(Source: Amended at 29 Ill. Reg. 8706, effective June 8, 2005)