AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

AgendaTitle:
Contract Amendment #2; CMS #15 IHA 70653; State of Colorado, Department of Human Services, Office of Early Childhood; 7/1/14

Action Requested: County Manager Signature

Parties to the Agreement: Gunnison County BOCC & State of CO Office of Early Childhood

Term Begins: July 1, 2014 **Term Ends:** 6/30/2015 **Grant Contract #:**

Summary:
This contract amendment is to add Exhibit F and Exhibit G to the original contract that was executed in fall 2012. This is the 3rd year of the 3 year grant cycle. The additional monies include rollover of $10,000 as well as new award of $15,000.

Fiscal Impact: $25,000

Submitted by: C worrall **Submitter's Email Address:** cworrall@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:

Will require a budget amendment for final year of grant revenue/expenses.

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 7/2/2014

County Attorney Review: (●) Required ( ) Not Required

Comments:

Reviewed by: GUNCOUNTY1\atrezise Discharge Date: 7/8/2014

Certificate of Insurance Required

Yes ( ) No (●)

County Manager Review:

Comments:

Reviewed by: GUNCOUNTY1\mbirnie Discharge Date: 7/9/2014

(●) Consent Agenda ( ) Regular Agenda ( ) Worksession Time Allotted:

Agenda Date: 7/15/2014 Follow Up Agenda Date:

Revised April 2013

CONTRACT AMENDMENT

Amendment # 2	Original Contract CMS or CLIN # 13 IHA 46657	Amendment CMS # 15 IHA 70653

1) PARTIES

This Amendment to the above-referenced Original Contract (hereinafter called the Contract) is entered into by and between Gunnison County (hereinafter called "Contractor"), and the STATE OF COLORADO (hereinafter called the "State") acting by and through the Department of Human Services, Office of Early Childhood, (hereinafter called the "OEC").

2) EFFECTIVE DATE AND ENFORCEABILITY

This Amendment shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the "Effective Date"). The State shall not be liable to pay or reimburse Contractor for any performance hereunder including, but not limited to, costs or expenses incurred, or be bound by any provision hereof prior to the Effective Date.

3) FACTUAL RECITALS

The Parties entered into the Contract for/to provide information, learning tools, and educational programs in order to help prepare children for school readiness.

4) CONSIDERATION-COLORADO SPECIAL PROVISIONS

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Amendment. The Parties agree to replacing the Colorado Special Provisions with the most recent version (if such have been updated since the Contract and any modification thereto were effective) as part consideration for this Amendment. If applicable, such Special Provisions are attached hereto and incorporated by reference herein as **N/A**

5) LIMITS OF EFFECT

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments thereto, if any, remain in full force and effect except as specifically modified herein.

6) MODIFICATIONS.

The Contract and all prior amendments thereto, if any, are modified as follows:

1. The following exhibits have been added to the Contract: Colorado Race to the Top Early Learning Challenge Grant Sub-Recipient Monitoring Plan (Exhibit F); Monthly Invoicing, Budget Narrative, Audit Requirements (Exhibit G).

7) START DATE

This Amendment shall take effect on the later of its Effective Date or July 1, 2014.

8) ORDER OF PRECEDENCE

Except for the Special Provisions, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The most recent version of the Special Provisions incorporated into the Contract or any amendment shall always control other provisions in the Contract or any amendments.

9) **AVAILABLE FUNDS**
Financial obligations of the state payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, or otherwise made available.

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

*** Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.**

CONTRACTOR **Gunnison County** By: Matthew Birnie Title: Gunnison County Manager _____ *Signature	STATE OF COLORADO **John W. Hickenlooper, GOVERNOR** Colorado Department of Human Services Reggie Bicha, Executive Director By:_____ By: Mary Anne Snyder, Director, Office of Early Childhood

ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By:_____

Date:_____

Effective Date: 1/6/09-Rev 8/25/09

EXHIBIT F

Colorado Department of Human Services,
Office of Early Childhood

Race to the Top Early Learning Challenge Grant Sub-recipient Monitoring Plan

December 12, 2013

2013-2016

OFFICE OF EARLY CHILDHOOD

Table of Contents

Introduction 2
Colorado's Sub-recipient Monitoring Plan 3
Planned Sub-recipient Awards 8
Special Conditions or Restrictions 9
Disputes and Remedies 10
Termination 11
Financial Management 12
Allowable Costs 14
Disallowed Costs 14
Right to Refuse Payment 15
Amendments 15
Programmatic changes 15
Sub-contracts 16
Equipment and Supplies 16
Rights in Data, Documents and Computer Software or Other Intellectual Property 17
APPENDIX I: Confirmation of Training 18
APPENDIX II: Executive Dashboard Report 19
APPENDIX III: Race to the Top Early Learning Challenge Grant Sub-recipient / Contractor Monthly Project Status Report 20
APPENDIX IV: Race to the Top Early Learning Challenge Grant Report of Sub-recipient / Contractor Performance 21

Introduction

The Colorado Department of Human Services (CDHS) is the lead agency responsible for planning and implementing the Race to the Top Early Learning Challenge Grant. Within the Colorado Department of Human Services, the Office of Early Childhood is specifically responsible for the day-to-day administration of the grant. Colorado is committed to the successful execution of the grant against the identified scope and performance metrics and is committed to ensuring strong accountability and fiduciary controls. Therefore the Office of Early Childhood has created this monitoring plan to provide a clear explanation and expectations for monitoring the receipt and use of all grant funds awarded from January 1st, 2013 through December 31st, 2016.

As outlined in the grant statement of work, Colorado is implementing the following projects listed in the table below and has identified if there are other state Departments involved in managing or receiving grant funds, including the grant monitor role for each project area.

Grant Project	Involved Department(s)	Grant Monitor
Project 1: Overall Grants Management	Colorado Department of Human Services	Grant Director
Project 2: Early Learning and Development Guidelines	Colorado Department of Human Services	Communications Project Manager
Project 3: Tiered Quality Rating Improvement System	Colorado Department of Human Services; Governor's Office of Information Technology	Child Care Quality Rating and Improvement Project Manager (CDHS)
Project 4: Building a Great Early Childhood Workforce	Colorado Department of Human Services; Colorado Department of Education; Governor's Office of Information Technology	Workforce Project Manager (CDE)
Project 5: Results Matter Expansion	Colorado Department of Education	Results Matter Project Manager
Project 6: Kindergarten Readiness/School Readiness	Colorado Department of Education	Kindergarten Readiness Project Manager

While several key portions of the grant are managed on a day-to-day basis by other agencies (specifically, the Colorado Department of Education), it is the Office of Early Childhood within Colorado Department of Human Services that maintains primary accountability for grant administration and adherence to the Division of Accounting and State Controller fiscal policies related to grant administration.

Grant management and progress against grant scope of work activities and

spending will be reported by the Office of Early Childhood to the Colorado Department of Human Services Executive Leadership Management Team on a monthly basis using an Executive Dashboard. This dashboard is compiled by the Grant Director with support from each Project Manager, referencing project status as reflected in the GRADS360 System. In addition, the Office of Early Childhood provides critical updates to grant progress and spending on a quarterly basis to the Early Childhood Leadership Commission, as outlined in the *Race to the Top – Early Learning Challenge Application for Initial Funding (CFDA Number: 84.412A)* submitted by the state of Colorado on October 26, 2012.

While key agency and state leadership are closely monitoring grant related activities, including spending, this plan identifies incremental practices specific to monitoring the performance of sub-recipients of the Grant.

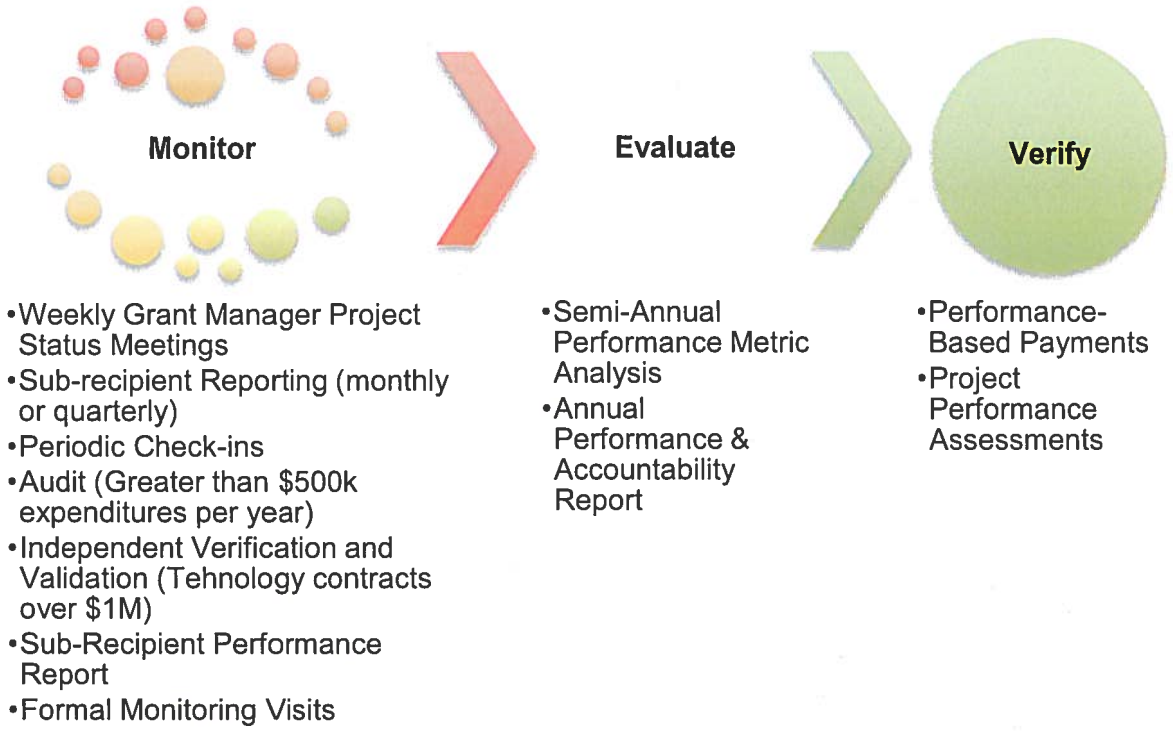
Colorado's Sub-recipient Monitoring Plan

Grant Project Managers are assigned responsibility to monitor and evaluate sub-recipient performance and compliance. Grant Project Managers receive training on the sub-recipient monitoring plan and the associated tools used to monitor and evaluate sub-recipient performance and compliance for contracts awarded within their respective grant area. These representatives are responsible for oversight of all contracts and/or purchase orders awarded within their respective grant area and use the process outlined here to ensure vendor performance meets expectations, or is noted appropriately for follow-up tracking and corrective action as required. As the agency with primary responsibility for grant administration, the Office of Early Childhood has complete oversight of Project Managers' contracts, spending and monitoring, and will act as the primary point of contact for providing documentation updates to the US Department Education.

Project Managers receive formal one hour training on the *Race to the Top Early Learning Challenge Grant Sub-recipient Monitoring Plan*, with an annual refresher training through the life of the grant. As the agency responsible for grant administration, the Office of Early Childhood provides this training to ensure each Project Manager is adhering to the informal and formal methods outlined below for sub-recipient monitoring. Project Managers will complete a *Confirmation of Training* (Appendix I) for each session, which is on file with the Office of Early Childhood.

To ensure understanding of sub-recipient monitoring, all awarded contracts include a copy of the *Race to the Top Early Learning Challenge Grant Sub-recipient Monitoring Plan* as an exhibit to the final contract. In addition, Project Managers are responsible for training sub-recipients on the *Race to the Top Early Learning Challenge Grant Sub-recipient Monitoring Plan* and expectations within one month of the contract award date. Sub-recipients sign a confirmation of training, which is on file with the Office of Early Childhood.

Recognizing effective sub-recipient monitoring occurs through formal and informal procedures, Colorado has put in place a multi-faceted plan that provides early warning opportunities before a concern becomes a problem. In addition to day to day monitoring, Colorado will complete semi-annual and annual reports outlining sub-recipient performance and actions, if necessary, to address performance. The plan addresses monitoring of activities ("Monitor"), evaluation of performance ("Evaluate") and verification of outcomes ("Verify").



Monitor. To ensure timely and complete delivery of goods and/or services, the Office of Early Childhood actively monitors each sub-recipient, and collects and confirms the results of the sub-recipient's work throughout the duration of the contract. The following are all considered to be critical aspects of this on-going monitoring. The Office of Early Childhood has specified that every sub-recipient is responsible for creating, implementing and managing a project plan that includes (at minimum): activities, tasks, milestones, deliverables, deadlines, and person(s) responsible. These plans will be provided to the Project Manager for inclusion as appropriate in the larger Race to the Top Early Learning Challenge Grant Project Plans.

Weekly Grant Manager Project Status Meeting: Project Managers meet on a weekly basis to provide updates and discuss cross collaboration opportunities to support systems building. Project Managers use the online GRADS360 System to ensure the project plans and budgets are consistently up to date and accurate. Project Managers confirm to the Grant

Director by the 20th of each month that the GRADS360 System is up to date and reflective of grant activity and spending for that month and will summarize this activity in a monthly status report to the Grant Director. The Grant Director will use the information to produce an executive dashboard (Appendix II), which will be presented to the Colorado Department of Human Services Executive Leadership Management Team. The Executive Dashboard will include updates on grant work activity, contract status, and grant spending / planned spending.

Sub-recipient Reporting: The Office of Early Childhood requires monthly or quarterly reports be submitted for each sub-recipient using the Sub-recipient / Contractor Project Status Report based on their project plan for each sub-recipient based on their project plan (see Appendix III). While each report is unique to the body of work, these reports inform the measurement of progress against the performance metrics for each sub-recipient. The Project Manager is responsible for making daily updates to the project plans to ensure progress is accurately reflected in the GRADS360 System. Status reports (Appendix III) shall be provided to the Project Manager by the sub-recipient on a monthly or quarterly basis to document total progress made against the project plan.

Periodic Check-ins: Project Managers set up periodic in person and phone check-ins with sub-recipients. The purpose of these check-ins is to gain needed clarification for information submitted in the *Sub-recipient / Contractor Project Status Report*, review status, troubleshoot problems / issues, and strategize for upcoming milestones and deliverables. Designated Project Managers are responsible for conducting in-person and phone meetings with sub-recipients. The Project Manager shall follow remedial corrective actions should s/he find the sub-recipient has substantially failed to satisfy the scope of work found in the contract. Substantial failure to satisfy the scope of work shall be defined to mean substantially insufficient, incorrect or improper activities or inaction by the part of the contractor. The Project Manager will notify the sub-recipient through certified mail regarding the concern.

Audit. Sub-recipients shall maintain a complete file of all records, documents, communications, and other materials that pertain to the operation of the program/project or the delivery of services under the contract. Such files shall be sufficient to properly reflect all direct and indirect costs of labor, materials, equipment, supplies and services, and other costs of whatever nature for which a contract payment was made. These records shall be maintained according to generally accepted accounting principles and shall be easily searchable from other records. Sub-recipients that expend more than $500,000 in a year shall have audits conducted in accordance with OMB Circular A-133.

Independent Verification and Validation (IV&V): For any contracts over $1,000,000 that involve technology system implementation, an independent and qualified IV&V contractor will provide monitoring and evaluation for the state.

Sub-Recipient Performance Report. Minimally on the 6-month anniversary of each sub-recipient contract, and every six months thereafter, the sub-recipient must complete a *Race to the Top Early Learning Challenge Grant Report of Sub-recipient Performance* (Appendix IV) on outcomes to date and performance against contract measures. The report may be required to be submitted more frequently in cases where a contractor has been notified of a remedial corrective action plan. This report is reviewed by the Project Manager, with the sub-recipient, and then shared with the Grant Director within two weeks of completing the review. General performance of the sub-recipient and required remedial corrective action is noted. The Project Manager shall follow remedial corrective actions should s/he find the sub-recipient has substantially failed to satisfy the scope of work found in the contract. Substantial failure to satisfy the scope of work shall be defined to mean substantially insufficient, incorrect or improper activities or inaction by the part of the contractor. The Project Manager will notify the sub-recipient through certified mail regarding the concern.

If remedial corrective action is required, formal monitoring visits shall be scheduled to ensure action is taken. The Office of Early Childhood recognizes special conditions may exist from the onset of a sub-recipient contract and may require additional or unique monitoring / reporting / management. These special conditions are noted in the ***Special Conditions Section***.

Formal Monitoring Visits. A sub-recipient may be selected for a formal monitoring visit based on a special condition or as a result of a remedial corrective action plan. The Grant Director, in coordination with the Project Manager, schedules formal monitoring visits to ensure activities are occurring according to the signed contract and project plan. These visits are to assure compliance with the state or federal government's terms and/or to evaluate the sub-recipient's or contractor's performance. A contractor shall permit the State, any other governmental agency authorized by law, or an authorized designee therof, in its sole discretion to monitor all activities conducted by the contractor pursuant to the terms of the contract[1]. Monitoring may consist of internal evaluation procedures, reexamination of program data, special analysis, on-site verification, formal audit examinations, or any other procedures as deemed reasonable and relevant. All such monitoring shall be performed in a manner that will not unduly interfere with contract work. Any amounts the State paid improperly shall be immediately returned to the State or may be recovered in accordance with

[1] See EDGAR 80.40 (a) and 80.40(b); 80.40 (d)

other remedies.

Evaluate. The Grant Director and the Project Managers are responsible for active analysis of the data across the grant. The weekly evaluation of performance metrics identifies issues across project teams and ensures a higher level of program management beyond monitoring and tracking project plans.

Performance Metric Analysis: The Grant Director and the Project Managers perform evaluation of key performance metrics. This data includes, but is not limited to:

1. **Project Plan Variance.** Measuring project velocity to ensure the timelines are being met and that all projects are on track.
2. **Interdependency Tracking.** Ensuring all inter-related projects and activities are aligned. This includes identification of activities that are at risk and creating mitigation strategies.
3. **Issue and Risk Mitigation.** Understanding of how effectively identified issues and risks are resolved and mitigated.
4. **Deliverable Quality Review.** Assessing the quality of deliverables and milestones across the project.
5. **Local Funding Impact.** Understanding through surveys and other vehicles the effectiveness and impact of financial incentives to local entities.
6. **Audit and IV&V Findings.** Review of independent audit and IV&V findings and strategies to mitigate identified risks and issues.

Annual Performance and Accountability Report. In February of each year ('14, '15 and '16), the Office of Early Childhood will produce a Performance and Accountability Report for the Colorado Department of Human Services Executive Leadership Management Team, Early Childhood Leadership Commission and US Departments of Education and Health and Human Services which addresses three key areas for grant activity: 1) Progress against grant related activities including critical changes in grant plans from the original scope of work; 2) Spending against the grant budget including what amount has been encumbered through contracts and how the actual spending may differ from the original grant plan; 3) Challenges and delays in implementation.

Verify. Colorado leverages formal methods to ensure the optimal delivery of goods and/or services.

Performance- Based Payments: In order to ensure the delivery of goods and/or services as expected and required for the successful execution of the Race to the Top Early Learning Challenge Grant, each sub-recipient contract will provide for payment to be delivered upon receipt of goods and/or services delivered. Receipt of goods and/or services will be

confirmed by the Office of Early Childhood with input from supporting agencies engaged in that particular contract and project plan execution. Receipt and subsequent payment may occur in phases depending on the nature of the work and contract with each sub-recipient.

Project Performance Assessments: An annual performance review will be conducted starting Year 2 and will be measuring the overall effectiveness of the investments from the grant as well as the overall effectiveness of delivery of the grant. This will be conducted by an independent auditor.

Planned Sub-recipient Awards

Grant Project	Planned Sub-recipient
Project 1: Overall Grants Management	• Organizational Change Management (Contract) • Communications and Marketing (Contract) • Performance Auditor Contract • Local Early Childhood Councils Local Funding • Strengthening Families Contract • Healthy Child Care Colorado Contract
Project 2: Early Learning and Development Guidelines	• Communications Contractor(s) • Materials Production Contractor(s)
Project 3: Tiered Quality Rating Improvement System (TQRIS)	• TQRIS Project Management Contract • TQRIS Implementation Design Contract(s) • TQRIS Expert Review Contract(s) • TQRIS Next Generation System (Contract) • TQRIS Financial Incentives (Local Funding) • Universal Application Implementation Contract(s) • Early Childhood Shared Services Model Contract(s) • TQRIS Evaluation Design Contract • TQRIS Evaluation Contract • Training and Coaching Contract(s) • Data Integration Contract • Data Reporting Contract
Project 4: Building a Great Early Childhood Workforce	• Professional Development and Information System Contract • Workforce Evaluation Contract • Competencies Framework

Grant Project	Planned Sub-recipient
	Development Contract • Communications Plan Contract • Professional Development Model Contract • Coaching Network Contract • Workforce Incentives Local Funding / Contract(s)
Project 5: Results Matter Expansion	• IT Systems Architecture Contract • Training Contract(s)
Project 6: Kindergarten Readiness/School Readiness	• IT Systems Architecture Contract • Training Contract(s)

Special Conditions or Restrictions

The following special conditions or restrictions may require the Office of Early Childhood grant/contract monitor and sub-recipient to revise monitoring and reporting to address unique situations in a manner consistent with sub-recipient monitoring by the State of Colorado, and the agreed upon contractual terms of the sub-recipient grant / contract.

1. A grantee or sub grantee may be considered high risk if an awarding agency determines that a grantee or sub grantee:
    a. Has a history of unsatisfactory performance, or
    b. Is not financially stable, or
    c. Has a management system which does not meet the management standards set forth in this part, or
    d. Has not conformed to terms and conditions of previous awards, or
    e. Is otherwise not responsible; and if the awarding agency determines that an award will be made, special conditions and/or restrictions shall correspond to the high risk condition and shall be included in the award.

2. Special conditions or restrictions may include:
    a. A remedial corrective action plan;
    b. Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given funding period;
    c. Requiring additional, more detailed financial reports;
    d. Additional project monitoring;
    e. Requiring the grantee or sub grantee to obtain technical or management assistance; or
    f. Establishing additional prior approvals.

3. The Office of Early Childhood shall notify the sub-recipient as early as possible, in writing, of:
    a. The nature of the special conditions/restrictions;
    b. The reason(s) for imposing them;
    c. The corrective actions which must be taken within a specified timeframe before they will be removed and the time allowed for completing the corrective actions; and
    d. The successful resolution of the remedial corrective action plan.

Disputes and Remedies

Disputes concerning the performance of a sub-recipient or contractor, which cannot be resolved by the designated representatives, shall be referred in writing to the to a senior departmental management staff designated by the department and a senior manager designated by the contractor for resolution. Failing resolution at that level, disputes shall be presented in writing to the Executive Director and the Contractor's chief executive officer for resolution. This process is not intended to supersede any other process for the resolution of controversies provided by law.

Acceptance of resolution is dependent upon completion of all applicable inspection procedures. Without limitation, the State has the right to:

1. Withhold payment until performance is cured,

2. Require the vendor to take necessary action to ensure that the future performance conforms to contract requirements,

3. Request removal of a Contractor's agent from contract work,

4. Equitably reduce the payment due the vendor to reflect the reduced value of the services performed,

5. Recover payment for work that due to the Contractor cannot be performed or would be of no value to the State,

6. Modify or recover payments (from payments under the contract or other contracts between the State and the vendor as a debt due to the State) to correct an error due to omission, error, fraud and/or defalcation,

7. Terminate the contract.

These remedies in no way limit the remedies available to the State in the termination provisions of a contract, or remedies otherwise available at law.

Termination

1. **Termination for Default:** The State may terminate the contract for cause. If the State terminates the contract for cause, it will first give ten (10) days prior written notice to the sub-recipient, statin the reasons for the cancellation, procedures to correct problems, if any, and the date the contract will be terminated in the event problems have not been corrected. In the event the contract is terminated for cause, the State will only reimburse the sub-recipient for accepted work or deliverables received up to the date of termination. In the event the contract is terminated for cause, final payment to the sub-recipient may be withheld at the discretion of the State until completion of final audit. Notwithstanding the above, the sub-recipient may be liable to the State for the State's damages. If it is determined that the sub-recipient was not in default then such termination shall be treated as a termination for convenience as described within the contract.

2. **Termination for Convenience:** The State shall have the right to terminate this contract by giving the sub-recipient at least twenty (20) days prior written notice. If notice is so given, the contract shall terminate on the expiration of the specified time period, and the liability of the parties hereunder for further performance of the terms of this contract shall thereupon cease, but the parties shall not be released from the duty to perform their obligations up to the date of termination.

3. **Immediate – Termination:** The contract is subject to immediate termination by the State in the event that the State determines that the health, safety, or welfare of persons receiving services may be in jeopardy. Additionally, the State may immediately terminate this contract upon verifying that the sub-recipient engaged in or is about to participate in fraudulent or other illegal acts.

4. **Termination for Financial Exigency:** The State shall have the right to terminate the contract for financial exigency by giving the sub-recipient at least thirty (30) days prior written notice. For the purposes of this provision, a financial exigency shall be a determination made by the Colorado legislature or its Joint Budget Committee that the financial circumstance s of the State are such that it is the best interest of the State to terminate the contract. If notice of such termination is so given, this

contract shall terminate on the expiration of the time period specified in the notice, and the liability of the parties for further performance of the terms of the contract shall not be released from the duty to perform their obligations up to the date of termination.

In the event that the State terminates the contract under the Termination for Convenience or Termination for Financial Exigency provisions, the Contractor is entitled to submit a termination claim within ten (10) days of the effective date of termination. The termination claim shall address and the State shall consider paying the following costs:

1. The contract price for performance of work, which is accepted by the State, up to the effective date of termination.

2. Reasonable and necessary costs incurred in preparing to perform the terminated portion of the contract.

3. Reasonable profit on the completed by undelivered work up to the date of termination.

4. The costs of settling claims arising out of the termination of subcontracts or orders, not to exceed 30 days pay for each subcontractor.

5. Reasonable accounting, legal, clerical, and other costs arising out of the termination settlement.

In no event shall reimbursement under this clause exceed the contract amount reduced by amounts previously paid by the State to the sub-recipient or contractor.

Financial Management

1. A State must expand and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. Fiscal control and accounting procedures of the State, as well as its sub grantees and cost-type contractors, must be sufficient to:
    a. Permit preparation of reports required by this part and the statutes authorizing the grant, and
    b. Permit the tracing of funds to a level of expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

2. The financial management systems of sub-recipients shall meet the following standards:

a. **Financial reporting**. Accurate, current, and complete disclosure of the financial results of financially assisted activities shall be made in accordance with the financial reporting requirements of the grant or sub grant as outlined in the contract.
b. **Accounting records.** Sub-recipients shall maintain records, which adequately identify the source and application of funds provided for financially assisted activities, for three years[2] after the end of the grant (December 31, 2016). These records must contain information pertaining to the sub-recipient awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.
c. **Internal control.** Effective control and accountability shall be maintained for all sub-recipient grant fund purchased real and personal property, and other assets. Sub-recipients shall adequately safeguard all such property and must assure that it is used solely for authorized purposes.
d. **Budget control.** Actual expenditures or outlays shall be compared with budgeted amounts for each sub-recipient. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the contract agreement. If unit cost data are required, estimates based on available documentation will be accepted whenever possible.
e. **Allowable cost.** Applicable cost principles[3], agency program regulations, and the terms of sub-recipient agreements shall be followed in determining the reasonableness, allowability, and allocability of costs.
f. **Source documentation.** Accounting records shall be supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and sub recipient award documents, etc.

3. The Office of Early Childhood may review the adequacy of the financial management system of any applicant for financial assistance as part of a pre-award review or at any time subsequent to award.

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[2] See Retention and Access Requirements for Records (EDGAR 80.42(b)) - http://www.p12.nysed.gov/sss/EDGAR-Parts-76-80-81.pdf
[3] See Cost Principles for Educational Institutions (OMB Circular A-21) - http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a21.pdf

4. **Internal controls.** The institution's financial management system shall ensure that no one person has complete control over all aspects of a financial transaction.

Allowable Costs

There is a limitation on use of funds. Grant funds may be used only for:

1. The allowable costs of the grantees, sub-grantees and cost-type contractors, including allowable costs in the form of payments to fixed-price contractors;
2. Reasonable fees or profit to cost-type contractors but not any fee or profit (or other increment above allowable costs) to the grantee or sub-grantee; and
3. For each kind of organization, there is a set of federal principles for determining allowable costs. For the costs of a State, local, or Indian tribal government, the Secretary applies the cost principles in OMB Circular A-87, as amended on June 9, 1987[4].

For the costs of a...	Use the principles in...
State, local or Indian tribal government	OMB Circular A-87[5]
Private nonprofit organization other than an (1) institution of higher education, (2) hospital, or (3) organization named in OMB Circular A-122 as not subject to that circular	OMB Circular A-122[6]
Educational institutions	OMB Circular A-21[7]
For-profit organization other than a hospital and an organization named in OMB Circular A-122 as not subject to that circular	48 CFR part 31[8]. Contract Cost Principles and Procedures, or uniform cost accounting standards that comply with cost principles acceptable to the Federal agency.

Disallowed Costs

Contractors shall not use Grant funds to pay for snacks, food or beverage without prior approval from the Office of Early Childhood.

[4] http://www.gpo.gov/fdsys/pkg/CFR-2011-title34-vol1/pdf/CFR-2011-title34-vol1-sec80-23.pdf
[5] http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a87.pdf
[6] http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a122.pdf
[7] http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a21.pdf
[8] http://www.gpo.gov/fdsys/pkg/CFR-2011-title48-vol1/pdf/CFR-2011-title48-vol1-part31.pdf

Right to Refuse Payment

While the Office of Early Childhood works with sub-recipients to support the successful completion of the contract deliverables, the Office is prepared to take necessary actions if deliverables, milestones are not met and/or the submitted expenses are disallowed. All sub-recipient contracts are performance-based and the Office of Early Childhood retains the right to refuse payments to a sub-recipient if requirements are not met.

Amendments

Grantees and sub-grantees are permitted to shift up to ten percent of the direct cost budget between line items, not to exceed the total contract amount, to meet unanticipated requirements and may make limited program changes to the approved project. However, unless waived by the Office of Early Childhood, all other changes in budgets shall require the prior written approval of the Office.

Except as stated in other regulations or an award document, grantees or sub-grantees shall obtain the prior approval of the awarding agency whenever any of the following changes are anticipated:

1. Any revision, which would result in the need for additional funding.

2. Unless waived by the Office of Early Childhood, cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed amounts set by the Office.

3. Transfer of funds allotted for training allowances (i.e., from direct payments to trainees to other expense categories).

Programmatic changes

A sub-recipient shall obtain the prior approval of the awarding agency whenever any of the following actions are anticipated:

1. Any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval).

2. Need to extend the period of availability of funds.

3. Changes in key persons in cases where specified in an application or a grant award. In research projects, a change in the project director or principal investigator shall always require approval unless waived by the awarding agency.

Sub-contracts

Sub-recipients shall notify the Project Manager in writing prior to sub-contracting any porting of the grant to another entity. If the sub-recipient sub-contracts any portion of the grant award to another entity, for example, if the sub-recipient received an award for oversight of a specific project, with whom are they contracting to actually perform the duties of the project). This can, and should, include any agreements with Minority Business Enterprises.

1. Ensure that every sub-contract includes a provision for compliance with all requirements set forth by the Project Manager;

2. Ensure that every sub-contract includes any clauses required by the Project Manager and their implementing regulations; and

3. Ensure that sub-contractors are aware of requirements imposed upon them by the Project Manager statutes and regulations.

Sub-recipients are responsible for managing the day-to-day operations of grant-supported activities and monitor grant and sub-grant supported activities to assure compliance with the *Colorado Race to the Top Early Learning Challenge Grant Sub-recipient Monitoring Plan*.

Equipment and Supplies

1. Property records shall be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

3. A control system shall be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

4. Adequate maintenance procedures must be developed to keep the property in good condition.

5. If the grantee or sub grantee is authorized or required to sell the property, proper sales procedures shall be established to ensure the highest possible return.

If there is a residual inventory of unused supplies exceeding $5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are not needed for any other Office of Early Childhood sponsored programs or projects, the grantee or sub-grantee shall compensate the awarding agency for its share.

Rights in Data, Documents and Computer Software or Other Intellectual Property[9]

The Office of Early Childhood reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for the Office purposes:

1. The copyright in any work developed under a sub-grant, contract or purchase order; and

2. Any rights of copyright to which a sub-recipient or contractor purchases ownership with grant support.

[9] Authority: 20 U.S.C. 3474; OMB Circular A-102 (http://www.p12.nysed.gov/sss/EDGAR-Parts-76-80-81.pdf)

APPENDIX I: Confirmation of Training

Race to the Top Early Learning Challenge Grant
Sub-recipient Monitoring Plan
Confirmation of Training

The State of Colorado Department of Human Services, Office of Early Childhood has developed an the *Race to the Top Early Learning Challenge Grant Sub-recipient Monitoring Plan* to support the implementation required by the Grant and any contracts administered under this grant. The *Race to the Top Early Learning Challenge Grant Monitoring Plan* identifies practices, processes and policies designed to ensure adherence to the fiscal management requirements of the Early Learning Challenge Grant. Adherence to the *Race to the Top Early Learning Challenge Grant Monitoring Plan* is required by any sub-recipients and will be monitored by the Grant Project Manager from either the Colorado Department of Human Services or Colorado Department of Education depending on the contract with regular reporting to the Office of Early Childhood and the US Department of Education.

Signing this document confirms you have been trained on Colorado's *Race to the Top Early Learning Challenge Grant Sub-recipient Monitoring Plan*. A copy of this signed confirmation will be kept on file at the Office of Early Childhood. Any questions regarding sub-recipient monitoring shall be directed to the Grant Project Manager responsible for the contract, and / or the Early Learning Challenge Grant Director at the Office of Early Childhood.

_____ _____
SIGNATURE DATE

_____
NAME (PRINTED)

_____
TITLE / ORGANIZATION

APPENDIX II: Executive Dashboard Report

RACE TO THE TOP EARLY LEARNING CHALLENGE GRANT

ACCOMPLISHMENTS

- Design work completed on the Early Learning and Development Guidelines
- Learning Management System RFP complete – in clearance with goal of posting by mid-July
- Key grant positions filled (Communications, Business Analyst, Results Matter Expansion Project Lead, Learning Management System Project Lead)
- Tiered Quality Rating Improvement System (TQRIS) Design 90% complete
- Cross project team leads officially engaged and working collaboratively to implement project management software / budget tracking / communications planning with the goal of identifying cross-project dependencies, mitigating risk and creating efficiencies in planning & execution
- Completed needsassessment and developed rolled up budget for $15 million dollar RTT-ELC Grant Supplemental Funding which will be included as an attachment to the assurance letter

KEY ACTIVITIES / UPCOMING DEADLINES

Activity	Due Date
Sub-Recipient Monitoring Plan	6/28
Supplemental Funds Assurance Letter	7/8
Evaluation Summit to take best practices as groundwork for RFP	mid-July
Complete TQRIS Design	7/15
Complete hiring process for Grant personnel	7/31
Supplemental funding detailed scope of work to US Department of Education	8/31
TQRIS Implementation Plan	8/31

CRITICAL ISSUES

- Universal Application technical requirements under revision to address concerns from CMS/HCPF re: Medicaid policy; new SOW targeted for January
- Finalizing governance structure for grant – identifying Executive Steering Committee and Advisory Board members and roles
- RTT-ELC Grant Interagency Agreement between the Departments of Education and Human Services to be signed by CDHS by 7/1/2013
- Supplemental funding scope of work to be developed within the next 60 days

COMMUNICATIONS

- Early Learning Professionals Faculty Institute, June 26-27 – ½ day dedicated to RTT-ELC Grant with specific focus on Early Learning Development Guidelines Competencies which will be embedded in higher education curriculum for the Early Childhood Educator bachelor degree
- Listening Tours scheduled for late July / early August – 9 stops – to discuss RTT with specific focus on TQRIS and Workforce Registry
- Office of Early Childhood Website launch targeted for 7/31, which embeds RCC-ELC Grant information

RACE TO THE TOP EARLY LEARNING CHALLENGE GRANT

Contracts

- TQRIS Project Management & Implementation Plan (Rebound) - $90K encumbered
- Licensing Organizational Design & Business Process (enVision) - $50K encumbered, $25 expended
- QRIS Design (Oldham) - $25K encumbered
- National Expert Retainers - $22.5K encumbered

Posted with Procurement

- Cost Model - Sole Source with APA ($85K encumbered)

In Queue

- Early Childhood Professional Development System ($750K – 2yrs)
- Senior Outreach Coordinator – ($60K – 1yr)

Pending (July - September)

- Early Learning Developmental Guidelines Communication Deployment Plan and Material Development – ($125K – 1yr)
- Senior Outreach Coordinator – ($60K – 1yr)

Pending (October - December)

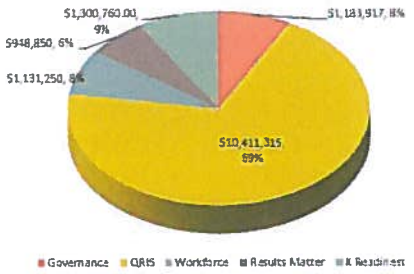
- QRIS Ratings Contractor ($2.6M + $2.25M – 4yr)
- Training / Tech Assistance for Strengthening Colorado Families ($200K - 4yrs)
- Healthy Childcare Colorado Contract Support ($175K - 4yrs)
- Inter-rater reliability tools ($150K – 1yr)
- Shared Services Evaluation ($500K – 4yrs)
- Non-licensed Org Support ($200K – 4yrs)
- Workforce Communication Plan ($200K – 1yr)
- Coaching Consortium ($500K – 4yrs)
- Results Matter Training ($100K – 4yrs)
- Kindergarten Readiness Training ($45K – 4yrs)

Current Grant Budget

Project Area	Budgeted	Actual	Balance
Governance - CDHS			
Grant Funds	$6,242,694	$49,000	$6,193,694
Early Childhood Standards and Guidelines - CDHS			
Grant Funds	$516,000	0	$516,000
Tiered Quality Rating and Improvement System (TQRIS) -CDHS			
Grant Funds	$12,525,996	$187,500	$12,338,496
Developing a Great Early Childhood Education Workforce – CDE*			
Grant Funds	$5,128,098	$82,485	$5,045,613
Results Matter Expansion – CDE*			
Grant Funds	$2,507,726	$129,526	$2,378,200
Kindergarten Readiness- CDE*			
Grant Funds	$2,987,402	$129,686	$2,857,716
TOTAL	$29,907,916	$578,197	$29,329,719

*CDE expenditures based on funds encumbered in April – June 2013 IA project budgets

Proposed Supplemental Funding Amounts By Project Area



APPENDIX III: Race to the Top Early Learning Challenge Grant Sub-recipient / Contractor Monthly Project Status Report

Vendor Name:
PO or Contract #:
For week:
Team Lead:

Activities completed this month:

Activities planned for next month:

Key Meetings/Events

Activity	Date

Major Milestones and Progress

Milestone	Progress / Status (Due Date)

Issues and Risks

Issue / Risk	Mitigation Strategies / Actions

Budgetary Tracking

Budget Total	Expenditures to Date	Balance

APPENDIX IV: Race to the Top Early Learning Challenge Grant Report of Sub-recipient / Contractor Performance

This form is to be completed by the Project Manager responsible for the sub-recipient contract / purchase order. The completed report will be submitted to the Office of Early Childhood, with copies provided to the sub-recipient. General performance of the sub-recipient will be noted and required corrective action will also be noted. If corrective action is required, additional monitoring visits may be scheduled to ensure action is taken.

Sub-Recipient: _____ **Date of Report:** _____

RTT-ELC Project: _____ **RTT-ELC Project Manager:** _____

Contract Amount: _____ **Local Funding:** Yes ◯ No ◯

IV&V Eligible: Yes ◯ No ◯

I. Special Conditions

1.1	Is the sub-recipient under special conditions?	Yes ◯ No ◯
1.11	Has the special conditions determination been reviewed?	Yes ◯ No ◯
1.12	Has the plan of action been reviewed?	Yes ◯ No ◯
1.12a	Steps are being taken and progress documented so the special conditions requirements are being satisfied.	Yes ◯ No ◯

Comments:

II. Adherence to RTT-ELC Sub-Recipient Monitoring Guidelines

2.1	Monthly or Quarterly Status Reports are generated for Project Manager to review on a timely and consistent basis.	Yes ◯ No ◯
2.2	A project plan is maintained by sub-recipient that accurately accounts for key milestones, project velocity, interdependencies and critical tasks.	Yes ◯ No ◯
2.3	Check-Ins are occurring as agreed upon between Project Manager and sub-recipient to track progress, identify issues and mitigate risks.	Yes ◯ No ◯
2.4	Deliverables are on time and judged to be quality work by the Project Manager, consistent with expectations identified in the contract / agreement dictating the use of funds by the sub-recipient.	Yes ◯ No ◯
2.5	Issues are identified with plenty of lead time and risks are mitigated through thoughtful, collaborative work between sub-recipient, Project Manager and associated parties as identified in the contract / agreement dictating the use of funds by the sub-recipient.	Yes ◯ No ◯
2.6	Independent Verification and Validation has been established and is occurring according to the plan established in the contract / agreement dictating the use of funds by the sub-recipient.	Yes ◯ No ◯ N/A ◯

Comments:

III. Financial Management

3.1	Records are being maintained which adequately identify application of funds provided by Race to the Top Early Learning Challenge Grant / Local Funding. These records contain information pertaining to grant or sub grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.	Yes ◯ No ◯
3.2	Effective control and accountability is being maintained for all cash, real and personal property, and other assets. Sub-recipient is adequately safeguarding all such property and assures that it is used solely for authorized purposes.	Yes ◯ No ◯
3.3	Actual expenditures or outlays are compared with budgeted amounts. Financial information must be related to performance or productivity data, including the development of unit cost information whenever appropriate or specifically required in the agreement.	Yes ◯ No ◯
3.4	Accounting records are supported by such source documentation as cancelled checks, paid bills, payrolls, time and attendance records, contract and sub grant award documents, etc.	Yes ◯ No ◯
3.5	Sub-recipient has developed a financial management system that ensures no one person has complete control over all aspects of a financial transaction.	Yes ◯ No ◯
3.6	Sub-recipient is using applicable cost principles, agency program regulations, and the terms of the contract / agreement to determine the reasonableness, allowability, and allocability of costs.	Yes ◯ No ◯
Comments:		

IV. Summary & Action Steps

Based on findings from previous sections, as well as general performance and work quality, the following is a summary of the Project Manager's evaluation of the sub-recipient's performance against their contract or agreement, and the *Colorado Race to the Top Early Learning Challenge Grant Sub-recipient Monitoring Guidelines.* Information within this section may also include assessment of progress against the Project Manager's expectations and timelines to resolve any corrective action findings.

Comments:

Additional Provisions

Monthly Invoicing, Budget Narrative, Audit Requirements

This contract is a "Cost Reimbursement" contract-- allowable and reasonable costs incurred by the Early Childhood Council are reimbursed in accordance with the terms of the Contract, OMB Circulars A-122, A-87, A-21, A-133 and State Fiscal Rules (if received state funds).

OMB A-122 "Cost Principles for Non-Profit Organizations"

OMB A-87 "Cost Principles for State, Local, and Indian Tribal Governments"

OMB A-21 "Cost Principles for Educational Institutions"

OMB A-133 "Audits of State, Local Governments, and Non-Profit Organizations"

The Colorado Department of Human Services (CDHS), Office of Early Childhood (OEC) staff will monitor this contract for the proper expenditure of funds and to assure that expenditures are reasonable, necessary and allowable for the OEC programs.

The Early Childhood Council understands and agrees that an approved budget amendment is required for any budget category change that exceeds 10% of the overall budget. This budget amendment requirement shall be submitted to OEC in written form for OEC approval, prior to invoicing with any changes. A budget amendment will be required if the Early Childhood Council wishes to invoice for expenditures that were not included in the approved contract budget.

The Early Childhood Council understands that a Single Audit is required by the Office of Management and Budget (OMB), Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" if an entity expends federal awards of $500,000 or more annually. The amount of federal awards your agency received from all sources should be combined each year to determine whether a Single Audit is necessary. If a single audit is required please send a copy to the CDHS, Audit Division.

CDHS Audit Division, 4126 S. Knox Ct. Denver Colorado 80236 or cheryl.wilmer@state.co.us

The Early Childhood Council agrees to properly document compensation for personal services expenditures in accordance the Federal Cost Circular that applies to the agency. For example, for nonprofit agencies, the distribution of salaries and wages to awards must be supported by personal activity reports, the reports must reflect after the fact determination of the actual activity for each employee, and be maintained for all staff members whose compensation is charged in whole or in part directly to the OEC program (Page 3: Sample Personnel Activity Record).

The Early Childhood Council shall submit monthly invoices to the state in a format specified and approved by the State. The Early Child Council shall maintain supporting documentation for all expenditures, included in the monthly invoice. Documentation may be requested by OEC staff beginning with the first invoice submitted after contract-approval. Financial statements and records must be available for audit purposes. Early Childhood Councils are required to keep copies of the supporting documentation on file to support monthly invoices.

Documentation must consist of actual invoices that include the pro-rata share of how the expenditures were allocated across the Early Childhood Council funding sources (if the expenditure benefits more than one program). (Page 4: Suggested Basis of Cost Distribution).The invoices must also contain a detailed description of the goods or services purchased and be properly authorized.

The Early Childhood Council shall maintain records that appropriately document expenditures charged to the grant, including, but not necessarily limited to:

EXPENDITURE	DOCUMENTATION
Personnel costs	Timesheets and Personnel Activity Reports (can be combined if they include all the required information)
Fringe benefits	Payroll records or other documentation of the cost of actual benefits
Travel	Mileage logs, hotel, meal, airline receipts, etc.
Meetings (if allowable see terms of the contract and OMB Cost Circulars)	Vendor invoices, list of attendees and associated organization, meeting agenda and explanation of how the meeting fulfills the objectives of the contract/grant
Supplies and non-capitalized equipment	Invoices from vendors
Rent	Monthly rental invoices (note: generally Federal funds may be expended on depreciation and interest; however they may not be used for mortgage payments).
Communications	Vendor invoices
Conferences and training	Registration receipts, confirmation of registration, payment for all attendees, and a training agenda

Greater Metro Independent Living Center

Participant Name	John Q. Coordinator
Period (From MM/DD/YYYY to MM/DDD/YYYY)	07/22/2013 - 08/02/2013

Month	July 22 - August 3								Grant - ILC/OIB/SS					Subtotal
Day	22-Jul	23-Jul	24-Jul	25-Jul	26-Jul	27-Jul	28-Jul	29-Jul	30-Jul	31-Jul	1-Aug	2-Aug	3-Aug	
Hours Spent on Creating Plans - ILC	2.0			1.0	8.0					2.0		3.0		16.0
Hours Spent on Advertising - ILC		1.0	2.0					4.0			4.0			11.0
Hours Spent on Visiting Clients -ILC														0.0
Total ILC	2.0	1.0	2.0	1.0	8.0	0.0	0.0	4.0	0.0	2.0	4.0	3.0	0.0	27.0
Hours Spent on Creating Plans - OIB				1.0										1.0
Hours Spent on Advertising - OIB	5.0	5.0							5.0	3.0				18.0
Hours Spent on Visiting Clients - OIB												2.0		2.0
Total OIB	5.0	5.0	0.0	1.0	0.0	0.0	0.0	0.0	5.0	3.0	0.0	2.0	0.0	21.0
Hours Spent on Creating Plans - SS		1.0		3.0					2.0					6.0
Hours Spent on Advertising - SS	1.0		3.0	3.0							4.0			11.0
Hours Spent on Visiting Clients - SS		1.0	2.0						1.0			3.0		7.0
Total SS	1.0	2.0	5.0	6.0	0.0	0.0	0.0	0.0	3.0	0.0	4.0	3.0	0.0	24.0
SUB-TOTAL WORK HOURS (Day)	8.0	8.0	7.0	8.0	8.0	0.0	0.0	4.0	8.0	5.0	8.0	8.0	0.0	72.0
Leave - Sick			1.0					4.0		3.0				8.0
Leave - Vacation													8.0	8.0
SUB-TOTAL LEAVE	0.0	0.0	1.0	0.0	0.0	0.0	0.0	4.0	0.0	3.0	0.0	0.0	8.0	16.0
TOTAL HOURS	8.0	8.0	8.0	8.0	8.0	0.0	0.0	8.0	8.0	8.0	8.0	8.0	8.0	88.0

Percent of Direct Program Work Time = (Total Program Hrs/Subtotal Work Hours)
ILC - 27/72 = 37.5%
OIB - 21/72 = 29.2%
SS - 24/72 = 33.3%

John Q. Coordinator's Salary - $2,000.00

ILC - $2,000.00*.375 = $750
OIB - $2,000.00*.292 = $584
SS - $2,000.00*.333 = $666

This is what we would expect see billed to each program area.

I hereby certify that the hours reported above were spent on the specified projects in accordance with the terms of the award, that they are true and accurate and that payment for the time worked has not been paid by nor will be billed to another project

Employee Signature John Q. Coordinator Date 8/5/13

I hereby certify that the hours reported by the participant identified above are true and accurate to the best of my knowledge and belief and are in accordance with the terms of the award.

Supervisor Signature Thomas A. Manager Date 8/6/13

Source: **Implementation Guide For OMB A-87**

4.6.2 Suggested Bases for Cost Distribution

Listed below are suggested bases for distributing joint costs of central-type services to local government departments or agencies and to projects and programs utilizing these services. The bases are suggestions only, and should not be used if they are not suitable for the particular services involved. Any method of distribution can be used which will produce an equitable distribution of cost. In selecting one method over another, consideration should be given to the additional effort required to achieve a greater degree of accuracy.

Type of Service	*Suggested Bases for Allocation*
Accounting	Number of transactions processed
Auditing	Direct audit hours
Budgeting	Direct hours of identifiable services of employees of central budget
Buildings lease management	Number of leases
Data processing	System usage
Disbursing service	Number of checks or warrants issued
Employees retirement system administration	Number of employees contributing
Insurance management service	Dollar value of insurance premiums
Legal services	Direct hours
Mail and messenger service	Number of documents handled or employees served
Motor pool costs, including automotive management	Miles driven and/or days used
Office machines and equipment maintenance repairs	Direct hours
Office space use and related costs (heat, light, janitorial services, etc.)	Square feet of space occupied
Organization and management services	Direct hours; Square feet
Payroll services	Number of employees
Personnel administration	Number of employees
Printing and reproduction	Direct hours, job basis, pages printed, etc.
Procurement service	Number of transactions processed
Local telephone	Number of telephone instruments
Health services	Number of employees
Fidelity bonding program	Employees subject to bond or penalty amounts