AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: Acknowledgment of County Manager Electronic Signat

Action Requested: County Manager Signature

Parties to the Agreement: Colorado Dept Human Services - OEC

Term Begins: upon signature **Term Ends:** 6/30/2021 **Grant Contract #:**

Summary:

CDHS Office of Early Childhood contract with HHS on behalf of ECC needs to be amended with more funding added.

Fiscal Impact:

Submitted by: Margaret Wacker **Submitter's Email Address:** mwacker@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
Ok. kw

Reviewed by: GUNCOUNTY1\kweak Discharge Date: 12/1/2020

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

Comments:
ok db 11/13/20

Reveiwed by: Discharge Date: 11/30/2020 Certificate of Insurance Required Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 12/1/2020

(●) Consent Agenda ( ) Regular Agenda ( ) Worksession Time Allotted: 0

Agenda Date: 12/8/2020

Revised April 2015

INTERGOVERNMENTAL CONTRACT AMENDMENT #1

SIGNATURE AND COVER PAGE

State Agency Colorado Department of Human Services Office of Early Childhood Division of Early Care and Learning 1575 Sherman Street, 1st Floor Denver, CO 80203	**Original Contract Number** 21 IHIA 159833
Contractor Gunnison County 220 North Spruce Street Gunnison, CO 81230	**Amendment Contract Number** 21 IHIA 164850
Current Contract Maximum Amount Initial Term State Fiscal Year 2021 $63,450* *Three General Accounting Encumbrances (GAE) have been appropriated and added to this contract for: • Quality Improvement (QI) – the maximum amount payable for QI-GAE is subject to appropriated funds, not to exceed $5,506,000 • Expanding Quality in Infant Toddler Care (EQIT) – the maximum amount payable for EQIT-GAE is subject to appropriated funds, not to exceed $511,134 • Micro Grant (MG) – the maximum amount payable for MG-GAE is subject to appropriated funds, not to exceed $424,096 The QI-GAE, EQIT-GAE, and MG-GAE shall be split among other Early Childhood Council (ECC) vendors. See Exhibit F, Section 13. General Accounting Encumbrance (GAE).	**Contract Performance Beginning Date** July 1, 2020
Extension Terms N/A Total for All State Fiscal Years $63,450*	**Current Contract Expiration Date** June 30, 2021

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

CONTRACTOR	**STATE OF COLORADO**
Gunnison County	Jared Polis, Governor Colorado Department of Human Services Michelle Barnes, Executive Director
_____ By: Matthew Birnie, County Manager	_____ By: Lisa Castiglia, Chief Finance Officer/Director, Division of Operations, Office of Early Childhood
Date: _____	Date: _____

In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By:_____
Andrea Eurich / Janet Miks / Toni Williamson

Amendment Effective Date:_____

1. PARTIES

This Amendment (the "Amendment") to the Original Contract shown on the Signature and Cover Page for this Amendment (the "Contract") is entered into by and between the Contractor, and the State.

2. TERMINOLOGY

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

3. AMENDMENT EFFECTIVE DATE AND TERM

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date, and shall have no obligation to pay Contractor for any Work performed or expense incurred under this Amendment either before or after of the Amendment term shown in **§3.B** of this Amendment.

B. Amendment Term

The Parties' respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment and shall terminate on the termination of the Contract.

4. PURPOSE

Gunnison County shall be the fiscal agent for Gunnison Hinsdale Early Childhood Council. Statutorily Early Childhood Councils (ECC) support the effective delivery of early childhood services in the areas of early care and education, family support, mental health, and health. ECCs increase and sustain the quality, accessibility, capacity, and affordability of early childhood services for children and their parents. ECCs provide local level supports for licensed programs required to participate in Colorado Shines by offering technical assistance and quality improvement supports to programs pursuing higher quality levels. This amendment increases funds for SFY21, increases funds for the QI-GAE, EQIT-GAE and MG-GAE, and amends Exhibits B, C, F and G.

5. MODIFICATIONS

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

A. **Increase the Contract Amount for SFY21 by $3,450 from $60,000* to $63,450*.**

The Contract Maximum Amount table on the Contract's Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown on the Signature and Cover Page for this Amendment.

B. **Exhibit B – Budget**

Exhibit B – Amendment #1, which is attached and incorporated by this Amendment, shall replace Exhibit B of the Original Contract.

C. **Exhibit C – Colorado Shines Business Rules**

Exhibit C – Amendment #1, which is attached and incorporated by this Amendment, shall replace Exhibit C of the Original Contract.

D. **Exhibit F – Additional Provisions.**

Exhibit F – Amendment #1, which is attached and incorporated by this Amendment, shall replace Exhibit F of the Original Contract.

E. **Exhibit G – Supplemental Provisions for Federal Awards**

Exhibit G – Amendment #1, which is attached and incorporated by this Amendment, shall replace Exhibit G of the Original Contract.

6. LIMITS OF EFFECT AND ORDER OF PRECEDENCE

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments or other modifications to the Contract, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Contract, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract or any prior modification to the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Contract to the extent that this Amendment specifically modifies those Special Provisions.

COLORADO
Office of Early Childhood
Department of Human Services

Colorado Department of Human Services
Office of Early Childhood
BUDGET WITH JUSTIFICATION FORM

Contractor Name	Gunnison County
Budget Period	July 1, 2020 - June 30, 2021
Project Name	Early Childhood Council Early Childhood Systems Building (ECSB) Colorado Shines Quality Improvement (CSQI)

Program Contact Name and Title **Phone** **Email**	Margaret Wacker, Co-Coordinator of the Early Childhood Council 970.641.7913 mwacker@gunnisoncounty.org
Fiscal Contact Name and Title **Phone** **Email**	Jody Wise, Senior Accountant 970.641.7679 jwise@gunnisoncounty.org

Expenditure Categories

Personnel Services - Salaried Employees — **FY 2021**

Position Title/ Employee Name	Description of Work and Fringe Benefits include: SSEC, MCARE, Dental, Vision, and Health Insurance and Retirement	Gross or Annual Salary	Fringe	Total Percent of Time on Project	Cost Based on Percent of Time for (ECSB)	Cost Based on Percent of Time for (CSQI)	Total Amount Requested from CDHS
Co-Coordinator / Margaret Wacker	Manages the budgets and contracts, oversees quality improvement activities, leads planning processes, and assists in writing grants.	$73,278	$32,926	23%	$ 10,620	$ 13,807	$ 24,427
Co-Coordinator / Lana Athey	Coordinates council meetings, council member outreach, leads planning processes, completes quarterly reports, writes grants, and provides some quality improvement navigating.	$59,030	$12,210	34%	$ 12,111	$ 12,111	$ 24,222
Outreach Assistant	Outreach to and support home child care providers and Family Friend and Neighbor Care providers.	$40,997	$22,277	5%	$ 3,164	$ -	$ 3,164
Quality Improvement Coach	Outreaches to childcare providers, provides direct coaching and training for childcare providers and some quality improvement navigating.	$57,491	$4,597	10%	$ -	$ 6,209	$ 6,209
				Total Personnel Services (including fringe benefits)	**$ 25,895**	**$ 32,127**	**$ 58,022**

Contractors/Consultants (payments to third parties or entities) — **FY 2021**

Name	Description of Item	ECSB	CSQI	Total Amount Requested from CDHS
	No costs shall be reimbursed by CDHS for this category.	$ -	$ -	$ -
	Total Contractors/Consultants	**$ -**	**$ -**	**$ -**

Travel — **FY 2021**

Item	Description of Item	ECSB	CSQI	Total Amount Requested from CDHS
Travel to Denver for ECCLA meetings, the Rocky Mountain Early Childhood Conference, and to council meetings and coaching	ECSB: 3 trips to Denver for ECCLA and/or RMECC, 400 miles x .575 = $230 x 3 = $690, plus lodging for 6 nights at $100/night = $600 and 7 days of per diem @ $66= $462. 1 trip to Lake City for ECC/CPP meetings 110 miles x .575 = $63.25. 1 trips to CB for ECC meetings @ 56 miles x ..575 = $32.20. CSQI: 328 miles x .575	$ 1,847	$ 189	$ 2,036
	Total Travel	**$ 1,847**	**$ 189**	**$ 2,036**

Supplies & Operating Expenses — **FY 2021**

Item	Description of Item	ECSB	CSQI	Total Amount Requested from CDHS
Computer Cost/IT charge	ECSB: 33% of 2 laptops @ $3,000 per year; CSQI: 17% of 2 laptops @ $3,000 per year and virtual platform	$ 1,000	$ 600	$ 1,600
Advertising/Education	Newspaper advertisement x 2 @ $60 per ad/ Social Media Boosts 2 @ $50 each	$ 220	$ -	$ 220
Office Supplies	Printing, pens, folders, paper	$ 150	$ -	$ 150
Meeting/Event costs	Food costs, 2 parenting/Family Friend and Neighbor/ Spanish Speakers meetings @ $200/meeting and $100 for 6 ECC meeting snacks	$ 500	$ -	$ 500
Partial Stipends to help meet licensing requirements	Partial stipends for licensed child care providers or those applying for a childcare license to meet licensing requirements.	$ 388	$ -	$ 388
Annual Conference	Venue Rental	$ -	$ 534	$ 534
	Total Supplies & Operating Expenses	**$ 2,258**	**$ 1,134**	**$ 3,392**

Training and Technical Assistance — **FY 2021**

Item	Description of Item	ECSB	CSQI	Total Amount Requested from CDHS
	No costs shall be reimbursed by CDHS for this category.	$ -	$ -	$ -
	Total Training and Technical Assistance	**$ -**	**$ -**	**$ -**
	TOTAL DIRECT COSTS	**$ 30,000**	**$ 33,450**	**$ 63,450**
	MODIFIED TOTAL DIRECT COSTS (MTDC) Uniform Guidance § 200.68 - MTDC means all direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $25,000 of each subaward. MTDC excludes equipment, capital expenditures, charges for patient care, rental costs, tuition remission, scholarships and fellowships, participant support costs and the portion of each subaward in excess of $25,000.	**$ 30,000**	**$ 33,450**	**$ 63,450**

Indirect Costs [not to exceed 10% unless Negotiated Federal Indirect Cost rate or Negotiated State Indirect Cost rate is attached]				**FY 2021**
Item	**Description of Item**	**ECSB**	**CSQI**	**Total Amount Requested from CDHS**
	No costs shall be reimbursed by CDHS for this category.	$ -	$ -	$ -
	Total Indirect	**$ -**	**$ -**	**$ -**
	TOTAL EARLY CHILDHOOD SYSTEMS BUILDING (ECSB)	**$ 30,000**		
	TOTAL COLORADO SHINES QUIALITY IMPROVEMENT (CSQI)		**$ 33,450**	
	TOTAL AMOUNT REQUESTED FROM CDHS			**$ 63,450**
	PERCENTAGE OF BUDGET BY PROJECT			**FY 2021**
		ECSB	**CSQI**	**Total Percentage**
	PERCENTAGE OF BUDGET BY PROJECT	47%	53%	**100%**

***Figures are rounded using basic accounting standards. (0.00-0.49 = 0; 0.50-0.99 = 1.0)**

Colorado Shines Business Rules

Colorado Shines Quality Rating and Improvement System

The Colorado Shines Quality Rating and Improvement System is the primary measure of the effectiveness of quality improvement activities. The Colorado Shines framework includes five standard areas that research has shown are related to program quality: Workforce and Professional Development; Family Partnerships; Leadership, Management and Administration; Learning Environment; and Child Health. In addition to accumulating the total number of points required for each Level 3-5 rating, programs must meet minimum levels of quality as measured by the appropriate Early Childhood Environment Rating Scale (ERS). Colorado Shines quality standards apply to all licensed child care centers, family child care homes, and district and charter-based preschool programs serving children prior to kindergarten entry. This rating system is a block and point system with Levels 1 and 2 based on meeting standards outlined in each block and Levels 3 through 5 based on an accumulation of points. Programs that meet current early care and education program-licensing criteria will receive a Level 1 quality rating. Level 1 demonstrates that a program is meeting licensing standards and holds a permanent license. If a program chooses not to pursue higher quality levels within Colorado Shines, then it will remain at a Level 1. Programs may choose to pursue higher quality levels 2 through 5..

Quality Incentives and Program Supports

The Colorado Shines quality improvement incentives and program supports are based on license type (center/preschool/home) and number of classrooms. The Office of Early Childhood, Colorado Department of Human Services, sets funding amounts for quality improvement incentive awards. Actual funding amounts vary and may change based on the more prescriptive manner as outlined in the Early Childhood Council Strategic Plan, School-Readiness Plan and Quality Improvement Program Memorandum of Understanding (QI MOU) that is executed with each participating child care program. Quality improvement resources are based on available funding and may be prioritized to support the Office of Early Childhood strategic priorities.

Quality improvement incentives offered at Levels 1 and 2 include funding to support the readiness assessment, which determines a program’s ability to meet the Level 3 through 5 quality indicators as well as the program's quality improvement planning.

Allowable Use of Quality Improvement Supports and Incentive Funding

All licensed program quality improvement supports and quality incentive funding must be linked to goals noted within the child care program Colorado Shines Quality Improvement Plan (QIP). Programs can choose to access coaching, professional development, temporary teacher funds, and early learning materials.

1. **Coaching** - Colorado Shines offers a coaching model that supports all five quality standards. Coaching includes intensive support offered by subject matter experts to enhance particular aspects of quality. This support can occur in person or remotely, for example via phone, email, or video conference. This model incorporates practice-based coaching which focuses on planning and goal setting, focused observation, reflection and sharing teaching practices. Coaches are required to hold a coaching credential to coach within this framework. Coaching rates include direct classroom coaching and

indirect coaching activities (preparing, following up, logging coaching, travel, coach professional development).

2. **Professional Development and Temporary Teacher Funds** - Participating programs may utilize quality improvement funding to compensate for professional development activities for their staff. Allowable activities include qualifying Early Childhood Education college coursework, conferences, training, and substitute teacher reimbursement for professional development purposes.
3. **Early Learning Materials** - Classroom materials, such as non-consumable materials for the child care learning environment.
4. **Tiered Reimbursement** - Detail for the Tiered Reimbursement Plan shall be reflected in the Early Childhood Council(s) school-readiness plan in cases where tiered reimbursement will be included as a quality incentive strategy for licensed program grant awards. Colorado Shines Quality Improvement funding may only be used to augment existing provider rates for programs being supported at a Colorado Shines high quality (Levels 3-5).

Funds to support **Minor improvements** in programs that serve infants and toddlers may be available through an application to and approval from the Office of Early Childhood, Colorado Department of Human Services. State approval depends on available funding and strength of the request. Eligible programs must hold a Colorado Shines Level 2 or higher, have an active Colorado Child Care Assistance Program (CCCAP) fiscal agreement and meet requirements for CSQI-Targeted funds as outlined below.

Quality Incentive Funding Formula and Business Rules

Quality improvement incentives are monetary awards within Colorado Shines which are generally intended to help support the costs of improving program quality and/or maintaining program quality. Quality improvement incentives are related to a program's Colorado Shines QIP, are conditioned on the achievement and advancement of quality levels in Colorado Shines, and are intentionally focused on the statewide priorities and goals. Awards are structured to encourage programs to engage in Colorado Shines, serve children with high needs, and improve program quality.

Early Childhood Councils deploy the local delivery supports for the Colorado Shines Quality Rating and Improvement System supporting early learning programs to increase or maintain quality through the implementation of quality improvement activities. This includes program level support from Quality Improvement Navigators and Coaches.

All quality improvement incentive funding is accessible through a General Accounting Encumbrance (GAE), which is a payment structure whereby each participating Early Childhood Council contract will include the full amount of the GAE as a "not to exceed" statement and can draw down from the GAE with proper approval. Prioritization for funding is driven by State Department priorities and demand.

Business Processes for the Distribution and Tracking of the Incentives

Early Childhood Councils serve as Quality Improvement Incentive Administrators for Colorado Shines. This is consistent across quality improvement programs funded through the Office of Early Childhood, Colorado Department of Human Services.

The Colorado Shines technology system is integrated with the Professional Development Information System, ecConnect System, and other authoritative data sources to minimize self-report data and provide a coordinated end-user experience to child care programs. Quality Improvement Incentive Administrators will use the ecConnect System to administer the child care quality improvement applications, approve and allocate quality improvement incentive funds, close-out, and renew quality improvement programs. Internal controls and approval workflows have been built into the system to support compliance and the use of best practices for grant expenditure documentation and timesheet management. This allows for enhanced grant management oversight and analysis.

Colorado Shines Quality Improvement (CSQI-Targeted) Program Eligibility

In order to be eligible and participate in the Colorado Shines quality improvement (CSQI-Targeted) program, each early care and learning program must meet eligibility requirements as outlined below. Each licensed program is eligible for one grant award per state fiscal year, pending available funding.

1. Hold a current, permanent child care license (Colorado Shines Level 1) and be in compliance with Head Start/Early Head Start regulations (where applicable).
2. Enroll Children prior to kindergarten entry.
3. Maintain a Colorado Child Care Assistance Program (CCCAP) fiscal agreement AND indicate acceptance of CCCAP on the Colorado Shines program profile.
4. Complete a quality improvement plan within the Colorado Shines technology system
5. Submit an application for quality improvement funds within the Quality Improvement tab of the Colorado Shines technology system.
6. Update their status in the Colorado Child Care portal

Colorado Shines Quality Improvement (CSQI-Expanded) Program Eligibility

In order to be eligible and participate in the Colorado Shines quality improvement (CSQI) program, each early care and learning program must meet eligibility requirements as outlined below. Each licensed program is eligible for one grant award per state fiscal year, pending available funding.

1. Hold a current, permanent child care license (Colorado Shines Level 1) and be in compliance with Head Start/Early Head Start regulations (where applicable).
2. Enroll Children prior to kindergarten entry.
3. Serve children/families that meet the definition of high needs as outlined in the School Readiness Quality Improvement Plan (SRQIP) Rule.
4. Complete a quality improvement plan within the Colorado Shines technology system
5. Submit an application for quality improvement funds within the Quality Improvement tab of the Colorado Shines technology system.
6. Update status in the Colorado Child Care portal

Applications for available funding will follow the State Fiscal Year (SFY) as identified in Early Childhood Council contracts with the Colorado Department of Human Services.

Early Learning Program Improvement in Rating to Maintain Eligibility

Programs participating in the Colorado Shines quality improvement program must demonstrate specific and measurable gains in order to remain eligible. It is expected that programs at Level 1 will reach Level 2 and submit for a Colorado Shines Level 3-5 rating assessment within 24 months of signing a Memorandum of Understanding (MOU) with the Early Childhood Council. Level 2 programs must submit for a Colorado Shines rating assessment within 18 months of signing a Colorado Shines Quality Improvement MOU with the Early Childhood Council. It is the responsibility of the program and the Early Childhood Council to monitor and submit for a Colorado Shines rating assessment timely. All programs are subject to the following expectations, based on their Colorado Shines level:

- Early childhood education programs that complete a Colorado Shines Level 3-5 rating assessment and earn a Level 2 must re-rate within an 18 month time period.
- Early childhood education programs that complete a Colorado Shines Level 3-5 rating assessment and earn a Level 3 must meet one of the following criteria in the subsequent onsite rating to maintain eligibility for funding:
    - Increase their average environment rating scale score; or,
    - Increase their total quality points earned; or,
    - Earn a Colorado Shines Level 4 or 5
- Early childhood education programs that earn a Colorado Shines Level 4 or 5 must maintain a Level 4 or 5

Early childhood education programs that do not maintain a Colorado Shines Level 3, 4, or 5 during a rating cycle must re-rate within 18 months.

Other Program Eligibility as defined by State Priorities

In the event other State priorities are identified, additional eligibility requirements for licensed programs may be defined for quality improvement supports and incentives.

ADDITIONAL PROVISIONS

1. SERVICE PROVISIONS

The Contractor shall provide the services according to the plans submitted in the "Statement of Work", attached and incorporated herein by this reference as **EXHIBIT A**. In all cases, the descriptions, plans, timetables, tasks, duties, and responsibilities of the Contractor as described in the Statement of Work, shall be adhered to in the performance of the requirements of this contract. In the event of a conflict, the terms and conditions of this contract shall control over the Statement of Work. Any significant changes to the Statement of Work (SOW) require an amendment to the contract.

2. GOALS AND OBJECTIVES

The Contractor shall be responsible for the achievement of any goals and objectives as specified within the Statement of Work (**EXHIBIT A**) of this contract unless written notice of any modifications are furnished by the State to the Contractor allowing adequate time for compliance during the term of this contract.

3. COPY OF SUBCONTRACT

The Contractor shall provide to the State a copy of any executed subcontract between the Contractor and any provider of services to fulfill any requirements of this contract. Subcontracts shall be emailed to the Contract Representative upon execution.

4. PAYMENT

In consideration of the provision of services and reporting and subject to all payment and price provisions and further subject to verification by the State of full and satisfactory compliance with the terms of this contract, the State shall pay to the Contractor an amount not to exceed the amount specified in the Budget (**EXHIBIT B**), of this contract.

A. The Contractor shall submit requests for payment to CDHS_OEC_Invoicing@state.co.us no less than monthly on forms prescribed and provided by the State.

B. Payment shall be made on a cost reimbursement basis for services rendered.

C. IT IS UNDERSTOOD ANY COSTS THAT EXCEED THE CONTRACTED AMOUNT SHALL NOT BE PAID BY CDHS. If Contractor has a legitimate need for additional funds, the Contractor shall request additional funds from the CDHS 60 days prior to projected depletion of contracted funds. CDHS shall review each request and notify Contractor in writing of approval or denial. Approval of additional funds shall require an official modification to the Contract by Amendment or Option Letter.

D. Timely Invoicing - Invoices shall be submitted no later than 45 days following the last day of the month.

End of State Fiscal Year invoices are on a compressed timeframe. Invoices for all services provided prior to June 30th shall be invoiced by July 6th. Contractors who are unable to provide the invoice by July 6th shall notify the state of the amount to be booked as accounts payable by July 13th by sending an email to CDHS_OEC_Invoicing@state.co.us. Final invoices for services prior to June 30th shall be submitted by September 14th. Invoices received after September 14th may not be paid.

E. The Contractor shall maintain source documentation to support all payment requested pursuant to this contract. All source documentation shall be provided to the State by the Contractor upon request.

F. It is understood that the State reserves the right to offset funds pursuant to this contract based on the discovery of overpayment or improper use of funds by the Contractor. Overpayment or improper use of

funds is interpreted to apply to specific terms of prior year contracts, and includes without limitation requirements of the Generally Accepted Accounting Principles (GAAP) issued by the American Institute of Certified Public Accountants, and applicable sections of the Colorado Revised Statutes.

5. PARTICIPATION

The Contractor representative(s) is required to participate in any Office of Early Childhood sponsored meetings related to this contract.

6. SUPPLANTING

Payments made to the Contractor under this contract will supplement and not supplant other state, local or federal expenditures for services associated with this contract.

7. BUDGET CHANGES

Contractor may request in writing adjustments to the direct costs in the current year budget **(EXHIBIT B)** not to exceed 10% of the total budget. Requests shall be made in the form of a written budget revision request to the appropriate program staff. Written approval for the budget revision shall be required prior to any changes to the budget related to the budget revision request. The total dollar amount of the contract budget cannot be changed as a result of the budget revision request. Budget adjustment requests over 10%, adding new expense lines, and/or changes to the total dollar amount of the budget require a formal amendment. No adjustments to the Indirect Costs portion of the budget are allowable without a formal amendment.

Contractor may request in writing up to a 5% increase to the "Gross or Annual Salary" of an individual employee if a position currently listed in the contract becomes vacant and the new incoming employee will be hired at a higher or lower salary. No increase within the salary range is authorized without prior written approval from CDHS. Adding additional staff requires an amendment to the contract. Vacancy savings cannot be used to change salary amounts for existing personnel without an amendment. Any change to personnel requires prior written approval from CDHS staff. This process will never change the Contract Maximum Amount. Contractor must use available unused funds from either vacancy savings or another category within the contract. The revision request may not at any time compromise the integrity of the funded program as determined by CDHS program staff.

8. TRAVEL

A. Mileage shall not exceed the Federal mileage rate per https://www.gsa.gov/travel-resources.

B. Per Diem shall not exceed Federal GSA per diem rates for the area of travel per https://www.gsa.gov/travel-resources.

C. Hotel rates cannot exceed any rate established for conference attendance.

D. Usage of airfare or Out of State Travel requires pre-approval from CDHS.

10. SUBRECIPIENT

Contractors determined to be a Sub-recipient of federal funds shall complete the sub-recipient performance report and assessment survey at: http://eepurl.com/ccRiDP upon contract execution. Failure to complete the performance report and assessment survey shall delay payment to the Contractor.

11. CRITICAL INCIDENT REPORTING

Within 48 hours of the occurrence of a critical incident involving any child or family and/or an on duty agency staff member of any family support program staff funded through the Office of Early Childhood (OEC), the agency must report in writing the details of the critical incident to the OEC Program Manager for the involved family support program. Critical incidents may include, but are not limited to, awareness of an egregious incident of abuse and/or neglect, near fatality, or fatality of any child currently enrolled in a family support program; involuntary termination of a program staff's employment; criminal allegations involving program staff and related to his/her employment; negative media attention about the family support program; any major injury or threat to the security of an agency staff member while on duty and visiting an enrolled child or family.

12. MANDATED REPORTING

A. All program staff are required by law to report suspected child abuse and neglect. Mandatory reporters must report suspected child abuse and neglect to the local county child welfare agency, the local law enforcement agency, or by calling the child abuse reporting hotline system at 1-844-CO-4KIDS (1-844-264-5437).

B. All program staff are required to take the online mandatory reporter training on the CDHS Child Welfare Training System: https://www.coloradocwts.com/mandated-reporter-training.

13. GENERAL ACCOUNTING ENCUMBRANCE (GAE)

There are three types of GAE that shall be utilized for this Contract: Quality Improvement (QI), Expanding Quality in Infant and Toddler Care (EQIT); and Micro Grant (MG). All Early Childhood Councils shall have access to all GAE types. All expenditures against the GAEs require pre-approval from the Program.

A. QUALITY IMPROVEMENT GENERAL ACCOUNTING ENCUMBRANCE (QI-GAE)

1. Payment for Quality Improvement (QI) to all contractors will be made as incurred, in whole or in part, from the total available funds to be utilized for Quality Improvement that includes: coaching activities and coach training, professional development of staff, purchases of program specific materials, temporary teaching funds, and capital expenditures. It is understood each contractor shall obtain prior written approval from CDHS prior to incurring any costs related to QI funds. It is further understood and agreed that the maximum amount of funds available statewide for the current fiscal year will be divided between all of the Early Childhood Council contracts. The State shall not be liable for any costs incurred without obtaining prior approval for the expenditure of QI funds.

    a) Please refer to Page 1 for the amount available under the GAE for the current fiscal year.

2. Payment to Contractor is made from available funds encumbered and shared across multiple contractors. The State may increase or decrease the total funds encumbered at its sole discretion and without formal notice to Contractor. No minimum payment is guaranteed to Contractor. The liability of the State for such payments is limited to the encumbered amount remaining of such funds.

3. Invoices shall be submitted separately for pre-approved QI expenditures.

a) The Contractor shall submit requests for payment to CDHS_OEC_Invoicing@state.co.us.

B. EXPANDING QUALITY IN INFANT TODDLER CARE GENERAL ACCOUNTING ENCUMBRANCE (EQIT-GAE)

1. Payment for Expanding Quality in Infant Toddler Care (EQIT) to all contractors will be made as incurred, in whole or in part, from the total available funds shall be utilized to support the following quality improvement efforts: deployment of the EQ Infant Toddler Specialist Network to provide evidence-based, infant toddler specific professional development, e.g. the Expanding Quality for Infant and Toddler (EQIT) 48-hour course, EQ Relate coaching for individuals completing the EQIT course, and support for the related costs of professional development for current and new infant toddler specialists. to be utilized for EQIT as outlined in **Exhibits A** – Statement of Work and **Exhibit D** – Overview of Expanding Quality in Infant Toddler Care Initiative Business Rules. It is understood each contractor shall obtain prior written approval from CDHS prior to incurring any costs related to EQIT funds. It is further understood and agreed that the maximum amount of funds available state wide for the current fiscal year will be divided between all of the Early Childhood Council contracts. The State shall not be liable for any costs incurred without obtaining prior approval for the expenditure of EQIT funds.

   a) Please refer to Page 1 for the amount available under the GAE for the current fiscal year.

   b) Payment to Contractor is made from available funds encumbered and shared across multiple contractors. The State may increase or decrease the total funds encumbered at its sole discretion and without formal notice to Contractor. No minimum payment is guaranteed to Contractor. The liability of the State for such payments is limited to the encumbered amount remaining of such funds.

   c) Invoices shall be submitted separately for pre-approved EQIT expenditures.

   d) The Contractor shall submit requests for payment to CDHS_OEC_Invoicing@state.co.us.

2. UP TO RATES (direct and indirect).
   The indirect rate should not be bundled within the direct rate of an EQIT activity (course, coaching, data and reporting, etc.). In cases where a Council or fiscal agent charges an indirect rate, these charges should be reflected within the invoice and calculated based on actual expenses. The corrected rates include:

   a) $4,200 per EQIT Course;
   b) $300 per EQIT Course to support data and reporting; and
   c) $27 per hour for EQ RELATE Coaching.

   Because this is a cost reimbursement contract, charges for these activities should be based on actual costs, but in no case should charges exceed the amounts noted for each activity.

3. **PROGRAM INCOME**
   In cases where an Early Childhood Council is charging fees to EQIT participants, this funding is considered program income. The program income must be documented and the agency must demonstrate how it is spent relative to the program.

C. MICRO GRANT GENERAL ACCOUNTING ENCUMBRANCE (MG-GAE)

1. Payment for Micro grants to all contractors shall be made as incurred, in whole or in part, from the total available funds shall be used to support startup costs for licensed child care programs. It is understood each contractor shall obtain prior written approval from CDHS prior to incurring any costs related to Micro grant funds. It is further understood and agreed that the maximum amount of funds available statewide for the current fiscal year will be divided between all of the Early Childhood Council contracts. The State shall not be liable for any costs incurred without obtaining prior approval for the expenditure of Micro grant funds.

    a) Please refer to Page 1 for the amount available under the GAE for the current fiscal year.

2. Payment to Contractor is made from available funds encumbered and shared across multiple contractors. The State may increase or decrease the total funds encumbered at its sole discretion and without formal notice to Contractor. No minimum payment is guaranteed to Contractor. The liability of the State for such payments is limited to the encumbered amount remaining of such funds.

3. Invoices shall be submitted separately for pre-approved Micro Grant expenditures.

    a) The Contractor shall submit requests for payment to CDHS_OEC_Invoicing@state.co.us.

EXHIBIT **G - Amendment #1** - Supplemental Provisions for Federal Awards

For the purposes of this Exhibit only, Contractor is also identified as "Subrecipient." This Contract has been funded, in whole or in part, with an award of Federal funds. In the event of a conflict between the provisions of these Supplemental Provisions for Federal Awards, the Special Provisions, the Contract or any attachments or exhibits incorporated into and made a part of the Contract, the Supplemental Provisions for Federal Awards shall control. In the event of a conflict between the Supplemental Provisions for Federal Awards and the FFATA Supplemental Provisions (if any), the FFATA Supplemental Provisions shall control.

1) Federal Award Identification
   i. Subrecipient: **Gunnison County**;
   ii. Subrecipient DUNS number: **133115220**;
   iii. The Federal Award Identification Number (FAIN) is **CCDF - 2001COCCDF; PDG - 90TP0054**;
   iv. The Federal award date is **CCDF - 07/08/2020 / PDG - 12/27/2019**;
   v. The subaward period of performance start date is **CCDF - 10/01/2019; PDG-12/31/2019** and end date is **CCDF - 09/30/2022; PDG - 12/30/2022**;
   vi. Federal Funds:

Contract or Fiscal Year	Amount of Federal funds obligated by this Contract	Total amount of Federal funds obligated to the Subrecipient	Total amount of the Federal Award committed to Subrecipient by CDHS
FY21	**CCDF - $41,256***	**CCDF - $41,256*** ***An appropriation for Quality Improvement (QI); Expanding Quality in Infant Toddler Care (EQIT); and Micro Grant (MG) General Accounting Encumbrance (GAE) is subject to appropriated funds not to exceed $4,238,153 (QI GAE = CCDF - $3,324,057 and PDG - $20,000; EQIT GAE = CCDF - $470,000; and MG GAE = PDG - $424,096) GAE funds shall be split among other Early Childhood Council (ECC) vendors. See Exhibit F, Section 13.**	**CCDF - $41,256***

   vii. Federal award project description: **Child Care and Development Block Grant (CCDF); Colorado Preschool Development Grant (PDG)**;
   viii. The name of the Federal awarding agency is **CCDF - Administration for Children & Families; PDG - Department of Health and Human Services, Administration for Children and Families**; the name of the pass-through entity is the State of Colorado, Department of Human Services (CDHS); and the contact information for the awarding official is **Erin Mewhinney, Division of Early Care and Learning Director, 1575 Sherman Street, 1st Floor, Denver, CO 80203, erin.mewhinney@state.co.us, 303-866-5008**;

ix. The Catalog of Federal Domestic Assistance (CFDA) number is **CCDF - 93.575; PDG - 93.434**, name is **CCDF - Child Care and Development Block Grant Act of 1990; PDG - ESSA Preschool Development Grants Birth through Five**, and dollar amount is **CCDF - $63,714,317; PDG - $14,523,560**;

x. This award **is not** for research & development;

xi. The indirect cost rate for the Federal award (including if the de minimis rate is charged per 2 CFR §200.414 Indirect (F&A) costs) is pre-determined based upon the State of Colorado and CDHS cost allocation plan.

2) All requirements imposed by CDHS on Subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the Federal award, are stated in **the General Provisions, Exhibit A - Statement of Work, Exhibit C - Overview of Colorado Shines Business Rules, Exhibit D - Overview of EQIT Initiative Business Rules; and Exhibit F - Additional Provisions**.

3) Any additional requirements that CDHS imposes on Subrecipient in order for CDHS to meet its own responsibility to the Federal awarding agency, including identification of any required financial and performance reports, are stated in **the General Provisions, Exhibit A - Statement of Work, Exhibit C - Overview of Colorado Shines Business Rules, Exhibit D - Overview of EQIT Initiative Business Rules; and Exhibit F - Additional Provisions**.

4) Subrecipient's approved indirect cost rate is **a CDHS negotiated rate of 0 %**.

5) Subrecipient must permit CDHS and auditors to have access to Subrecipient's records and financial statements as necessary for CDHS to meet the requirements of 2 CFR §200.331 Requirements for pass-through entities, §§ 200.300 Statutory and National Policy Requirements through §200.309 Period of performance, and Subpart F—Audit Requirements of this Part.

6) The appropriate terms and conditions concerning closeout of the subaward are listed in Section 16 of this Exhibit and **the General Provisions, Exhibit A - Statement of Work, Exhibit C - Overview of Colorado Shines Business Rules, Exhibit D - Overview of EQIT Initiative Business Rules; and Exhibit F - Additional Provisions**.

7) **Performance and Final Status.** Subrecipient shall submit all financial, performance, and other reports to CDHS no later than **30** calendar days after the period of performance end date or sooner termination of this Contract containing an evaluation and review of Subrecipient's performance and the final status of Subrecipient's obligations hereunder.

8) Matching Funds

If a box below is checked, the accompanying provision applies.

i. ☑ Subrecipient is not required to provide matching funds.

ii. ☐ Subrecipient shall provide matching funds as stated in **N/A**. Subrecipient shall have raised the full amount of matching funds prior to the Effective Date and shall report to CDHS regarding the status of such funds upon request. Subrecipient's obligation to pay all or any part of any matching funds, whether direct or contingent, only extends to funds duly and lawfully appropriated for the purposes of this Contract by the authorized representatives of the Subrecipient and paid into the Subrecipient's treasury or bank account. Subrecipient represents to CDHS that the amount designated as matching funds has been legally appropriated for the purposes of this Contract by its authorized representatives and paid into its treasury or bank account. Subrecipient does not by this Contract irrevocably pledge present cash reserves for payments in future fiscal years, and this Contract is not intended to create a multiple-fiscal year debt of the Subrecipient. Subrecipient shall not pay or be liable for any claimed interest, late charges, fees, taxes or penalties of any nature, except as required by Subrecipient's laws or policies.

9) **Record Retention Period.** The record retention period previously stated in this Contract is replaced with the record retention period prescribed in 2 CFR §200.333.

10) **Single Audit Requirements.** If Subrecipient expends $750,000 or more in Federal Awards during Subrecipient's fiscal year, Subrecipient shall procure or arrange for a single or program-specific audit conducted for that year in accordance with the provisions of Subpart F-Audit Requirements of the Uniform Guidance, issued pursuant to the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507). 2 CFR §200.501.

i. Election. Subrecipient shall have a single audit conducted in accordance with Uniform Guidance §200.514 (Scope of audit), except when it elects to have a program-specific audit conducted in accordance with §200.507 (Program-specific audits). Subrecipient may elect to have a program-specific audit if Subrecipient expends Federal Awards under only one Federal program (excluding research and development) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of CDHS. A program-specific audit may not be elected for research and development unless all of the Federal Awards expended were received from CDHS and CDHS approves in advance a program-specific audit.

ii. Exemption. If Subrecipient expends less than $750,000 in Federal Awards during its fiscal year, Subrecipient shall be exempt from Federal audit requirements for that year, except as noted in 2 CFR §200.503 (Relation to other audit requirements), but records shall be available for review or audit by appropriate officials of the Federal agency, the State, and the Government Accountability Office.

iii. Subrecipient Compliance Responsibility. Subrecipient shall procure or otherwise arrange for the audit required by Part F of the Uniform Guidance and ensure it is properly performed and submitted when due in accordance with the Uniform Guidance. Subrecipient shall prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with Uniform Guidance §200.510 (Financial statements) and provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by 2 CFR Part F-Audit Requirements.

11) **Contract Provisions**. Subrecipient shall comply with and shall include all of the following applicable provisions in all subcontracts entered into by it pursuant to this Contract:

i. Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 shall include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

"During the performance of this contract, the contractor agrees as follows:

a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

d) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

e) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

f) In the event of the contractor's non-compliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

g) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

ii. 4.2 Davis-Bacon Act. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or Subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

iii. Rights to Inventions Made Under a Contract or Agreement. If the Federal Award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and Subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," Subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small

Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

iv. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended. Contracts and subgrants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

v. Debarment and Suspension (Executive Orders 12549 and 12689). A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

vi. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). Contractors that apply or bid for an award exceeding $100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C.1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

12) **Compliance.** Subrecipient shall comply with all applicable provisions of The Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), including but not limited to these Supplemental Provisions for Federal Awards. Any revisions to such provisions automatically shall become a part of these Supplemental Provisions, without the necessity of either party executing any further instrument. CDHS may provide written notification to Subrecipient of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.

13) **Procurement Procedures.** Subrecipient shall use its own documented procurement procedures which reflect applicable State, local, and Tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in the Uniform Guidance, including without limitation, §§200.318 through 200.326 thereof.

14) **Certifications.** Unless prohibited by Federal statutes or regulations, CDHS may require Subrecipient to submit certifications and representations required by Federal statutes or regulations on an annual basis (2 CFR §200.208). Submission may be required more frequently if Subrecipient fails to meet a requirement of the Federal award. Subrecipient shall certify in writing to CDHS at the end of the Contract that the project or activity was completed or the level of effort was expended. 2 CFR §200.201(b)(3). If the required level of activity or effort was not carried out, the amount of the Contract must be adjusted.

15) **Event of Default.** Failure to comply with the Uniform Guidance or these Supplemental Provisions for Federal Awards shall constitute an event of default under the Contract pursuant to 2 CFR §200.339 and CDHS may terminate the Contract in accordance with the termination provisions in the Contract.

16) **Close Out.** Subrecipient shall close out this Contract within 90 days after the End Date. Contract close out entails submission to CDHS by Subrecipient of all documentation defined as a deliverable in this Contract, and Subrecipient's final reimbursement request. CDHS shall withhold 5% of the allowable costs until all final project documentation has been submitted and accepted by State as substantially complete. If the project has not been closed by the Federal awarding agency within 1 year and 90 days after the End Date due to Subrecipient's failure to submit

required documentation that CDHS has requested from Subrecipient, then Subrecipient may be prohibited from applying for new Federal awards through the State until such documentation has been submitted and accepted.

17) **Erroneous Payments.** The closeout of a Federal award does not affect the right of the Federal awarding agency or CDHS to disallow costs and recover funds on the basis of a later audit or other review. Any cost disallowance recovery is to be made within the record retention period.

EXHIBIT END