

CONTRACT AMENDMENT #3

SIGNATURE AND COVER PAGE

State Agency Colorado Department of Human Services Office of Early Childhood 1575 Sherman Street, 1 st Floor Denver, CO 80203	Original Contract Number 17 IHIA 89211
Contractor The Resource Exchange, Inc. 418 South Weber Street Colorado Springs, CO 80903	Amendment Contract Number 18 IHIA 104397
Current Contract Maximum Amount Initial Term State Fiscal Year 2017 \$4,113,172 Extension Terms State Fiscal Year 2018 \$3,985,495 Total for All State Fiscal Years \$8,098,667	Contract Performance Beginning Date July 11, 2016 Current Contract Expiration Date June 30, 2018

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.

<p style="text-align: center;">CONTRACTOR</p> <p style="text-align: center;">The Resource Exchange, Inc.</p> <div style="text-align: center;"> <div style="background-color: black; width: 100%; height: 15px; margin: 2px 0;"></div> <div style="background-color: black; width: 100%; height: 15px; margin: 2px 0;"></div> </div> <p>By: David Ervin, Executive Director/Chief Executive Officer</p> <p>Date: <u>10/24/2017</u></p>	<p style="text-align: center;">STATE OF COLORADO</p> <p style="text-align: center;">John W. Hickenlooper, Governor Reggie Bicha Executive Director</p> <div style="text-align: center;"> <div style="background-color: black; width: 100%; height: 15px; margin: 2px 0;"></div> </div> <p>By: Mary Anne Snyder, Director, Office of Early Childhood</p> <p>Date: <u>11/29/17</u></p>
<p>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.</p> <p style="margin-top: 20px;">STATE CONTROLLER Robert Jaros, CPA, MBA, JD</p> <div style="text-align: center;"> <div style="background-color: black; width: 100%; height: 15px; margin: 2px 0;"></div> </div> <p>By: _____ Clint Woodruff / Travis Yoder / Andrea Eurich</p> <p style="margin-top: 10px;">Amendment Effective Date: <u>December 19, 2017</u></p>	

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 or **September 1, 2017**, whichever is later and shall terminate on the termination of the Contract.

4. **PURPOSE**

Provide early intervention services to eligible infants, toddlers, and their families, which are provided in accordance with Section 27-10.5-701, C.R.S. and Rules and Regulations 12 CCR 2509-10, Sections 7.900-7.994, as currently exist or may hereafter be promulgated or amended, and federal regulations, 34 C.F.R., Part 303, Early Intervention Program for Infants and Toddlers with Disabilities. This amendment decreases funds for FY18 services due to the statutory violation ratification for services performed in FY17. This amendment updates Exhibits A, F and H.

5. **MODIFICATIONS**

The Contract and all prior amendments thereto (Original CMS 17 IHIA 89211; Amendment #1 CMS 17 IHIA 96854; Amendment #2 CMS 18 IHIA 100825), are modified as follows:

A. **Decrease Contract Maximum Amount by \$70,534 for services in FY18 and decrease the Total for All State Fiscal Years from \$8,169,201 to \$8,098,667.**

The "*Contract Price Not to Exceed*" and "*Maximum Amount Available per Fiscal Year*" table on the Original Contract page 1 is hereby deleted and replaced with the Current Contract Maximum Amount table shown on the Signature and Cover Page for this Amendment.

B. **Exhibit A - Statement of Work**

Exhibit A – Amendment #3, which is attached and incorporated by this Amendment, replaces Exhibit A of the Original Contract.

C. Exhibit F – Budget

Exhibit F – Amendment #3, which is attached and incorporated into this Amendment, shall replace Exhibit F – Amendment #2 of the Original Contract.

D. Exhibit H – Supplemental Provisions for Federal Awards

Exhibit H – Amendment #3, which is attached and incorporated into this Amendment, replaces Exhibit H 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.

**Fiscal Year (FY) 2017-18
STATEMENT OF WORK FOR EARLY INTERVENTION SERVICES**

The Colorado Department of Human Services (CDHS), Office of Early Childhood, Division of Community and Family Support (DCFS) is authorized, pursuant to 27-10.5-102(12) Colorado Revised Statutes (C.R.S.) (2014) and 27-10.5-703 C.R.S. (2014), to administer the statewide Early Intervention (EI) Colorado program and is designated as the lead agency for Part C of the Individuals with Disabilities Education Act (IDEA).

The Community Centered Boards (CCBs) have been designated by the CDHS as Certified EI Service Brokers (hereafter referred to as “Contractor”) as defined under Section 27-10.5-702 (3) (2014), C.R.S. The EI Colorado program is administered by the CDHS, OEC, DCFS, hereafter referred to as DCFS, through contracts with CCBs. Contractors deliver community-based EI services to infants and toddlers, birth through two (2) years of age, who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability. Contractors are responsible for intake, eligibility determination, Individualized Family Service Plan (IFSP) development, arrangement for services, the delivery of services, monitoring and other functions.

The EI Colorado program provides eligible infants and toddlers, and their families, with services and supports to enhance child development in the areas of cognition, speech, communication, physical development, motor development, vision, hearing, social or emotional development, and self-help skills. EI services are funded through state funds, private insurance dollars, federal Part C funds and other funds.

The contract sets forth the requirements to be met by the Contractor for satisfactory contract performance, and specifies those remedies that may be invoked in the event that the Contractor does not comply with the terms of the contract.

In accordance with applicable statutes and rules, the Contractor has been designated as a CCB and as a Certified EI Service Broker serving Park, Teller and El Paso Counties. Projected number of clients to be served in fiscal year 2018 is 936.

I. STATEMENT OF WORK

The Contractor shall administer and purchase or provide a program for children determined to be eligible for EI services, as defined in the state and federal statutes, regulations and procedures. EI services shall be purchased or provided by the Contractor, as a designated Certified EI Service Broker defined under Section 27-10.5-702 (3) (2014), C.R.S., pursuant to the following statutes, regulations and procedures as they currently exist or may hereafter be promulgated or amended, which are, by this reference, incorporated and made a part of this contract as set forth herein:

- A. Certified Early Intervention Service Broker duties, Section 27-10.5-708, C.R.S. (2014);
- B. Community Centered Board designation, Section 27-10.5-705, C.R.S. (2014);
- C. Early Intervention Program, 12 2509-10 Colorado Code of Regulations (CCR) Section 7.900, et. seq., CDHS Rules and Regulations;

Exhibit A – Amendment #3

- D. Title 1, Part C of the IDEA of 2004, 20 United States Code (U.S.C.) 1431 through 1445;
- E. Code of Federal Regulations (C.F.R.), Title 34, Volume 2, Part 303 Early Intervention Program for Infants and Toddlers with Disabilities; and,
- F. Early Intervention Colorado State Plan (2016).

II. PAYMENT/PRICE AND TERM

- A. In consideration for the services provided by the Contractor under the terms of this contract, the State shall disburse or reimburse funds to the Contractor as follows:
 - 1. The DCFS shall provide to the Contractor an allocation worksheet showing the projected enrollment, funding sources, and the maximum amount of State General Fund and Federal Part C funds available for the Contractor for service coordination, direct services, operations and indirect and shall notify the Contractor of allocation changes, as needed. Reimbursements are considered earned when a deliverable is met, a service is performed, or a cost is incurred.
 - 2. The DCFS shall pay to the Contractor the amount due for State General Fund and Part C funded services. The maximum amount of State General Fund and Part C funds, or any changes to the maximum amounts, may be increased or decreased by the DCFS during the term of this agreement based on the criteria defined in this contract.
 - 3. Payment pursuant to this contract shall be made as earned, in whole or in part, from available State General Fund and Federal Part C funds in an amount not to exceed the amount listed in **Exhibit F** for the purchase of services under the EI program. It is further understood and agreed that the maximum amount available for FY 2017-18 for the purchase of services under the EI program contract is the amount listed in **Exhibit F** of State General Fund and Federal Part C funds. All direct funds, service coordination and operations funds will be subject to a de minimis 10% indirect, paid monthly, and based on that month's invoice, not to exceed the amounts listed in **Exhibit F**. The liability of the DCFS, at any time, for such payment shall be limited to the unexpended amount remaining of such funds. All funds shall be expended in the categories as allocated and defined in the allocation worksheet.
 - 4. The State General Fund and Part C funds for EI operations and service coordination shall be disbursed at one-twelfth (1/12) of the allocation per month. State General Fund, Part C funds, and EI Services Trust for operations and service coordination are considered earned once disbursed.
 - 5. The DCFS shall pay to the contractor the fee for service amounts due for services with State General Fund, federal Part C funds and EI Services Trust for each child who received direct services in the EI program within 45 days of presentation of a claim in the format prescribed by the DCFS and in accordance with the method of payment hereinafter stated.

Exhibit A – Amendment #3

6. Other increases or decreases in the level of contractual funding during the term of this contract may be made under the following circumstances:
 - a. If necessary to fully utilize Colorado State appropriations and/or appropriated or non-appropriated federal grant awards;
 - b. Supplemental appropriations funding changes resulting in an increase or decrease in the amounts originally budgeted and available for the purposes of this program;
 - c. Closure of programs and/or termination of related contracts;
 - d. Delay or difficulty in implementing programs or services due to causes of nature beyond the control of the contractor;
 - e. Noncompliance with state or federal regulations or assurances that result in a plan of correction with fiscal sanctions; or,
 - f. Other special circumstances, as deemed necessary.

7. Claims shall be submitted in accordance with the rates and amounts determined by the DCFS and claims may be amended during the term of the contract.

Reimbursement is limited to the total amount of State General Fund and Part C funds allocated to the Contractor in **Exhibit F**. When the Contractor's maximum allocation of State General Fund and Part C funds have been disbursed or reimbursed to the Contractor, no additional funds are guaranteed to be provided hereunder. The Contractor shall:

- a. Ensure that funds are used only for early intervention services that an infant or toddler with a disability needs but is not currently entitled to receive or have payment made from any other Federal, State, local, or private source;
- b. Ensure that no EI Services Trust or Part C funds are used for the provision of EI services for children who do not meet the eligibility criteria under 7.920, excluding 7.920 (I);
- c. Ensure that, for a child who meets the eligibility criteria under 7.920(I), only State General Fund may be used for the provision of EI services;
- d. Adhere to DCFS accounting procedures and establish any necessary cost accounting systems to properly record and allocate separately the revenue and expenses for State General Fund, Part C funds, Medicaid funds, private health insurance funds, local CCB funds and other funds used for the provision or purchase of EI services in order to ensure that Part C funds shall not be commingled with, nor supplant, any other funds received by the Contractor.
- e. The Contractor shall track expenditures for each funding source by line item for service coordination, direct services, operations and indirect and any other expense line item identified by the DCFS

Exhibit A – Amendment #3

8. In the instance where the Contractor projects that the direct service allocation is not sufficient to cover early intervention services for every eligible child they may submit a request for Payor of Last Resort funds as outlined in the Fiscal Management and Accountability Procedures. The Department will review and approve funding requests necessary to fulfill the assurance under 34 CFR §303.101(a) that appropriate early intervention services, as defined in 34 CFR §303.13, are available to all infants and toddlers with disabilities in the State and their families, including:
 - a. Indian infants and toddlers with disabilities and their families residing on a reservation geographically located in the State;
 - b. Infants and toddlers with disabilities who are homeless children and their families; and
 - c. Infants and toddlers with disabilities who are wards of the State.
9. The Contractor shall ensure that any provider of a Medicaid allowable service, either contracted or employed, is an enrolled Medicaid provider. The DCFS will work with the Contractor to identify a timeline to fully implement this requirement.
10. In the instance where the Contractor projects that the service coordination allocation is not sufficient to meet the requirements under 34 CFR §303.34, they may submit a request for Payor of Last Resort funds as outlined in the Fiscal Management and Accountability Procedures. The Department will review and approve funding requests as necessary. The Contractor shall demonstrate due diligence in accessing all available service coordination funding through Medicaid Targeted Case Management and the Early Intervention Services Trust.
11. On or before the last calendar day of each month, the Contractor shall submit a state-approved claim for reimbursement of State General Fund and/or Part C funds for direct services rendered in the previous month. Each monthly claim for reimbursement and a final statement to be rendered on or before July 31, 2018, shall reflect an adjustment for missed or duplicate claims from a previous month or the reimbursement for services by Medicaid or private health insurance plans.
12. All checks or warrants endorsed by the Contractor and presented for payment shall constitute payment in full, except when endorsed under good faith protest pursuant to Section 4-1-308, C.R.S.
13. In the event that overpayments are made by the DCFS due to the Contractor's omission, error, fraud or defalcation, funds shall be repaid in a manner deemed to be reasonable by the state or federal government.
14. In the event that available funding for the services purchased by the DCFS through this contract is reduced and that reduction results in the inability of the Contractor to comply with this or the regulations of the DCFS regarding the provision of services, the Contractor shall submit a request to renegotiate this contract or for a waiver of the rules governing the provision of these services in accordance with the following criteria:

Exhibit A – Amendment #3

- i. A waiver of the relevant state and federal rules and procedures may be granted only upon a finding that the waiver would not adversely affect the health, safety, welfare or rights and privileges of an infant or toddler and their family enrolled in EI services and upon further finding that a valid programmatic reason exists or a demonstrated financial hardship on the Contractor such that the provision of necessary services would be endangered;
 - ii. The DCFS shall not waive any requirement that would jeopardize the receipt of federal Part C funds for the provision of EI services, nor shall the DCFS approve waivers of rules and procedures that would in any way materially affect the rights and privileges of individuals with developmental disabilities as provided by the Colorado Revised Statutes and other applicable state and federal laws and regulations;
 - iii. No waiver granted by the DCFS shall in any way constitute a waiver of the obligations of the Contractor under rules and regulations of other departments and agencies of the state of Colorado or the federal government; and,
 - iv. The Contractor seeking a waiver of any of the rules and regulations contained herein bears the burden of proof in demonstrating that the waiver sought is in conformity with these provisions.
15. If a waiver is granted and substantially affects the scope of services to be provided under this contract, the contract shall be amended to incorporate the approved waiver. If the amended contract is not signed within 30 days of being submitted to the Contractor, this contract shall terminate upon the expiration of the 30 days. If the request to renegotiate the contract or to waive the rules governing the provision of services is denied, the Contractor may initiate the process to cancel this contract in accordance with the provisions of this contract specified in **Exhibit A, Section II. C.** of this contract.
- B. The DCFS reserves the right to make adjustments during the contract period, a post-period adjustment to disbursements following the end of the contract period or an adjustment to the following fiscal year contract if the Contractor does not fulfill the statement of work identified in **Exhibit A, Section I.** of this contract.
 - C. The Contractor shall have the right to terminate this contract by giving the DCFS 30-day notice.
 - D. If notice is so given, this contract shall terminate on the expiration of the 30 days and the liability of the parties hereunder for further performance of the terms of this agreement shall thereupon cease, but the parties shall not be released from the duty to perform their obligations up to the date of termination.
 1. In the event of the termination or non-renewal of this contract, all records, funds and equipment purchased with state or federal funding for each infant or toddler receiving services shall be transferred with that child to a newly assigned Contractor for the child in a manner consistent with instructions provided by the

Exhibit A – Amendment #3

DCFS. Any records not so transferred shall, at the written option of the DCFS, either be transferred to the DCFS or retained by the Contractor until released by the DCFS. All bonding shall remain in effect until such written release is made by the DCFS.

2. The Contractor shall make a final accounting and shall return to the State all moneys paid in excess of the amount due hereunder within 30 days of the termination. In the event that full payment due the Contractor hereunder for services performed has not been made by the DCFS, the Contractor shall receive payment of any remaining amounts due, to the extent of available funds as described herein, within 30 days of the date of termination hereof.

III. MISCELLANEOUS PROVISIONS

- A. Maintenance of Records: The Contractor shall maintain a complete file of all records, documents, communications and other written materials which pertain to the operation of programs or the delivery of services under this contract and shall maintain such records for a period of six (6) years after the date of termination of this contract or final payment hereunder, whichever is later, or for such further periods as may be necessary to resolve any matters which may be pending. All such records, documents, communications and other materials shall be the property of the DCFS, and shall be maintained by the Contractor in a central location and the Contractor shall be custodian on behalf of the DCFS.
- B. Privacy and Data Security of Electronic Records: The Contractor shall ensure that it has adopted a sound data security program that includes administrative, technical and physical safeguards to guarantee the privacy protections under the Family Education Rights and Privacy Act (FERPA) of 1974, 20 U.S.C. 1232g and its regulations under 34 C.F.R. Part 99, and to the extent applicable, the Health Insurance Portability and Accountability Act (HIPAA) of 1996, 42 U.S.C. 1320d-1320d-8 and its regulations in 45 C.F.R. Parts 160, 162 and 164, as included in **Exhibit C**. This includes appropriate procedures to protect a child's and family's personally identifiable information on file and data in transmission and prevent FERPA violations by employees and sub-contractors.
- C. Reporting and Notification: The Contractor shall:
 1. Ensure that the System for Award Management (SAM) record is active and current;
 2. Ensure the Dun and Bradstreet (D.U.N.S.) number is accurate;
 3. Notify the DCFS in writing no later than 30 calendar days from the date of the execution of the EI program contract with the D.U.N.S. number and confirmation that the SAM record is active and current;
 4. Notify the DCFS within 30 calendar days of any future change in the agency name or address; and,

Exhibit A – Amendment #3

5. By July 1, 2017, provide to the DCFS the staff information required in **Exhibit E**, and inform the DCFS throughout the year if these contacts change.
- D. **Remedies:** In addition to other contract non-performance remedies hereunder, it is understood that the following remedies may be invoked by the State in the event that the terms of this contract are not complied with by the Contractor.
1. If the Contractor is deemed to be out of compliance at any time related to compliance with the IDEA, 20 U.S.C Sections 1401-1444, 34 C.F.R. Section 303 and/or 12 CCR 2509-10 Section 7.900-994, then corrections or, if appropriate, a plan of correction shall be required. Written notification shall specify if corrections are to be made immediately or if a plan of correction shall be developed and the deadline for correction specified.
 2. If corrections related to noncompliance are not made by the timeline specified in the plan of correction, the DCFS reserves the right to use any appropriate remedy.
 3. In situations where persistent deficiencies exist, the DCFS shall impose corrective actions that may include:
 - a. Requiring training and/or technical assistance activities of the staff;
 - b. Withholding, denying or recouping payment for services for which noncompliance is documented;
 - c. Issuing written special conditions that shall be met if the contract is to continue; or
 - d. Cancellation, termination for cause or non-renewal of the contract.
 4. If fiscal sanctions are imposed, a specific amount of funds, in addition to recouping payment for service for which noncompliance is documented, shall be withheld from the monthly Operations payments based on the percentages listed below:

a. Within the first 30 days after deadline	15%
b. More than 30 days after deadline	25%
c. More than sixty (60) days after deadline	50%
d. More than ninety (90) days after deadline	75%

Upon the Contractor making the necessary corrections or achieving full compliance in the plan of correction, the DCFS shall make retroactive payment of Operations to the Contractor of funds withheld except as noted in Paragraph 5 below.
 5. If by June 1st of the current contract period, or within one hundred twenty (120) days after the deadline, the Contractor is still not in full compliance with a plan of correction, all funds withheld as of that date shall become a permanent reduction to this contract. This remedy shall not preclude the DCFS from taking any other appropriate remedy consistent with the terms of this contract.

Exhibit A – Amendment #3

6. After written notification of a fiscal sanction by the DCFS that results in the withholding of funds or permanent reduction to the contract made under this provision, except in the case of withholding of over payments, the Contractor may appeal to the Executive Director of the CDHS. In the case of an appeal that is being reviewed by the CDHS, the corrective action shall be suspended pending the outcome of that appeal.
7. The following remedies may be invoked in the event that the Contractor does not comply with the terms of this contract:
 - a. Remedies for the Contractor's breach of provisions of this contract regarding the Contractor's responsibilities for providing service coordination, direct services, or management of the local EI program as enumerated in **Exhibit A, Section I. and II.** of this contract shall include reimbursement by the Contractor to a subcontractor or other provider for losses incurred which were caused by the Contractor's breach; and,
 - b. The Contractor shall ensure continued delivery of EI services to the individual child and family while the Contractor's breach is rectified.
- E. Certification Against Lobbying: In addition to the requirements of Part III, A-D, by signing this contract the Contractor certifies that all Part C funds received under this contract shall be used only for expenditures related to the provision of EI services in accordance with IDEA 20 U.S.C. Section 1438(1). Additionally, the Contractor hereby further certifies, agrees and declares that, in accordance with 34 C.F.R. Appendix A to Part 82 (1)-(3) that:
 1. No federal appropriated funds have been paid or will be paid by, or on behalf of, the undersigned to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with the awarding of any federally-funded contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
 2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federally-funded contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 3. The Contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers, including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements, and that all sub-recipients shall certify and disclose accordingly.

Exhibit A – Amendment #3

4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352 of Title 31 U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

F. Option Letter Provisions

1. Option to Extended the Term:
 - a. The State may require continued performance for a period of 1 year at the same rates and same terms specified in **Exhibit F** based upon the rates established in the Contract. If the State exercises this option, it will provide written notice to Contractor at least 30 days prior to the end of the current contract term in a form substantially equivalent to **Exhibit G**. If exercised, the provisions of the Option Letter shall become part of and be incorporated into the original contract. The total duration of this Contract, including the exercise of any options under this clause, shall not exceed 5 years.
2. Option to Increase or Decrease Quantities and Total Price
 - a. The State may increase or decrease the amount of funding for service levels described in **Exhibit F** based upon the rates established in the Contract. If the State exercises this option, it will provide written notice to the Contractor at least 15 days prior to the end of the current contract term in a form substantially equivalent to **Exhibit G**. Performance of early intervention services shall continue at the same rates and terms. If exercised, the provisions of the Option Letter shall become part of and be incorporated into the original contract.



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

Contractor Name	The Resource Exchange, Inc.
Budget Period	FY 17-18 (July 2017 - June 2018)
Project Name	Early Intervention

Program Contact Name, Title, Phone and Email	David Ervin, CEO dervin@tre.org, 719-380-1100
Fiscal Contact Name, Title, Phone and Email	Keith Schumacher, CFO kschumacher@tre.org 719-380-1100

Expenditure Categories	
State General Funds Service Coordination	FY 2018
Description of Work	Funding Amount
Paid as fixed price at rate of 1/12 per month. Provide Service Coordination activities including working with families from initial referral through evaluation; to ensure the IFSP is completed; help navigate the system for early intervention services for the duration of the open case file; specific details for service coordination can be found in Exhibits A and B.	\$551,485
State General Fund - Direct Services	FY 2018
Description of Work	Funding Amount
Paid as fee for service. The Early Intervention Program shall design services to meet the developmental needs of an eligible infant or toddler and the needs of his or her family related to functional outcomes to enhance the child's development in the domains of adaptive development, cognitive development, communication development, physical development (including vision and hearing), and, social emotional development. Direct Services include, not limited to, speech therapist, occupational therapist, mental health consultation, other disciplines that work directly with the client as defined in Exhibits A and B.	\$2,263,954
State General Fund - Operations	FY 2018
Description of Work	Funding Amount
Paid as fixed price at rate of 1/12 per month for infrastructure, administration and other services as defined in Exhibits A & B.	\$183,400
State General Fund - Indirect (10%)	FY 2018
Description of Work	Funding Amount
Indirect costs calculated at 10% of total direct costs.	\$299,884
Federal Part C Funds - Direct Services	FY 2018
Description of Work	Funding Amount
Paid as fee for service. The Early Intervention Program shall design services to meet the developmental needs of an eligible infant or toddler and the needs of his or her family related to functional outcomes to enhance the child's development in the domains of adaptive development, cognitive development, communication development, physical development (including vision and hearing), and, social emotional development. Direct Services include, not limited to, speech therapist, occupational therapist, mental health consultation, other disciplines that work directly with the client as defined in Exhibits A and B.	\$314,246
Federal Part C Funds - Operations	FY 2018
Description of Work	Funding Amount
Paid as fixed price at rate of 1/12 per month for infrastructure, administration and other services as defined in Exhibits A & B.	\$97,357
Federal Part C Funds - Service Coordination	FY 2018
Description of Work	Funding Amount
Paid as fixed price at rate of 1/12 per month. Provide Service Coordination activities including working with families from initial referral through evaluation; to ensure the IFSP is completed; help navigate the system for early intervention services for the duration of the open case file; specific details for service coordination can be found in Exhibits A and B.	\$212,735
Federal Part C Funds- Indirect (10%)	FY 2018
Description of Work	Funding Amount
Indirect costs calculated at 10% of total direct costs.	\$62,434
TOTAL	\$3,985,495

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

EXHIBIT H - Amendment #3 - 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: **The Resource Exchange, Inc.;**
- ii. Subrecipient DUNS number: **116269028;**
- iii. The Federal Award Identification Number (FAIN) is **H181A170097;**
- iv. The Federal award date is **July 1, 2017;**
- v. The subaward period of performance start date is **July 1, 2017** and end date is **June 30, 2018;**
- 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
FY18	\$686,772	\$686,772	\$686,772

- vii. Federal award project description: **84.181A Infants and Toddlers with Disabilities;**
 - viii. The name of the Federal awarding agency is **United States Department of Education;** 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 **Mary Martin, Director, Division for Community and Family Support, 1575 Sherman Street, 1st Floor, Denver, CO 80203; maryw.martin@state.co.us, 303-866-5023;**
 - ix. The Catalog of Federal Domestic Assistance (CFDA) number is **84.181A,** name is **Special Education - Grants for Infants and Families with Disabilities,** and dollar amount is **\$7,309,914;**
 - 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 and Exhibit A - Statement of Work for Early Intervention Services.**
- 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 and Exhibit A - Statement of Work for Early Intervention Services.**
- 4) Subrecipient’s approved indirect cost rate is **the de minimis rate of 10 %.**
- 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 and Exhibit A - Statement of Work for Early Intervention Services.**
- 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