

State of Utah

Department of Workforce Services
Office of Child Care



Request for Grant Applications (RFGA) Fiscal Year 2017

Quality Improvement Preschool Project

Funding Available for Licensed Child Care Programs
Serving Children Ages 3 and 4

Pre-bidders Meetings: November 16, 2016 at 10:00 a.m. or 1:00 p.m.
(see page 5 for more details)

Proposals Due: December 5, 2016, at 5:00 p.m.

Contract Period: January 1, 2017 – December 31, 2017

QI PRESCHOOL PROJECT

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QI Preschool Project

Purpose

The Department of Workforce Services (DWS), Office of Child Care (OCC), is soliciting proposals from licensed child care programs serving low-income children that desire to improve the quality of preschool services offered within their existing programs. The purpose of this grant is to increase the availability of high-quality preschool programs throughout the state, ensuring that more low-income children receive high-quality preschool experiences that increase school readiness and improve academic performance. The DWS, OCC will provide intensive support to build the infrastructure needed to become a high-quality preschool program. This support is intended to lay the foundation for participating programs to design environments that support development, foster relationships between children and teachers that facilitate learning, and support a child's development of cognitive, physical, language, social and emotional skills. The end goal is to assist programs in making systemic, long term changes that will impact many groups of preschool age children beyond the grant period.

Background

In 2014, the Utah Legislature adopted the School Readiness Initiative Act and established the requirements for a high-quality preschool. UT CODE §53A-1b-105. As a result, school readiness has become an important topic in Utah as parents, school teachers, early childhood professionals and legislators evaluate the best approach for preparing children for academic success, beginning in kindergarten. When a child enters the school system unprepared, they are more likely to fall behind and are at risk for low performance in academics, as well as struggling with social and emotional skills. Children living in low-income families often have more risk factors in their lives that prevent them from entering school ready to learn. Quality child care can be a major contributor to a child's readiness for school. Well trained early childhood teachers can facilitate the development of a child's healthy development by establishing routines, modeling social behavior, and creating and maintaining supportive, reliable relationships. It is in this context that effective preschool teachers implement learning activities for pre-math, pre-literacy, early science, technology and other academic content areas. In addition to pre-academic cognitive skills, children need to develop the ability to filter distractions, prioritize tasks, set and achieve goals, control impulses and get along with other people. The most effective programs support the whole child: physically, socially, emotionally and cognitively, and provide opportunities for rich language development. Growth- promoting environments help children practice necessary skills that will prepare them for successful school experiences, and will help them into adulthood as they enter the workforce.

Current Grant Opportunity

The current DWS, OCC grant opportunity is open to licensed child care centers across Utah that provide full-day, year-round services to low-income children ages 3 and 4. Programs must present evidence that some elements of high-quality are already present in the program. Each program application must demonstrate that the program currently:

1. Utilizes a system to carry out a preschool program on a daily basis with 3-and 4-year olds;

2. Is familiar with Utah's School Readiness Standards: Early Childhood Core Standards (http://ccpdi.usu.edu/files/uploads/Utahs_School_Readiness_Standards.pdf) and utilizes them to help plan preschool activities;
3. Employs preschool staff that have completed some training specific to teaching preschoolers outside of the center (a minimum of 30 hours of training must be demonstrated), with ongoing professional development opportunities available to staff;
4. Provides a balance of teacher and child directed activities throughout the day;
5. Offers opportunities for family communication and engagement activities; and
6. Evaluates development of children and utilizes the results to plan learning activities.

Expected Outcomes

By the end of the grant period it is expected that programs will achieve the following:

1. Use a developmentally appropriate researched based curriculum that aligns with all developmental domains, in accordance with the School Readiness Act and as specified in Utah's School Readiness Standards.
2. Effectively utilize Utah's School Readiness Standards Ages Three to Five.
3. Provide a balance of teaching strategies that include intentional and individualized teaching as well as learning opportunities for children in small groups, large groups, and through planned, enriching play activities.
4. Material and Equipment will be accessible in each preschool classroom to meet a level 5.0 on the Early Childhood Environmental Rating Scale-3.
5. Lead teachers shall have an Associate Degree or higher or a Child Development Associate Certificate by the end of the second year.
6. The Ages and Stages Questionnaire (ASQ) developmental screening tool shall be utilized by preschool teachers as well as additional methods for observing and recording behavior and progress of individual children.
7. Family engagement activities shall provide a variety of opportunities for parents to learn about school readiness and methods for supporting their children's healthy development, including preparing them for kindergarten.
8. Programs shall utilize data collected from teacher observations and screening tools to assist in planning for the group and individual needs of children.
9. Post-grant goal ECERS-3 score of 4.0 overall, as required to enter into other grants.

PRE-PROPOSAL MEETING

November 16, 2016

10:00 a.m. or 1:00 p.m. (choose one)

Attendance at the Informational meeting is not required to apply for this grant, viewing the recording of the meeting can be a substitute for attending. This is an opportunity for potential applicants to review the RFGA and ask questions. Many applicants find these meetings to be helpful in preparing their grant application. All questions that are discussed in the meeting will be posted online at: <http://jobs.utah.gov/edo/rfp.html> for reference after the meeting.

IN PERSON

Please bring a copy of the RFGA to reference

November 16, 2016

RSVP for **10:00 a.m.** or **1:00 p.m.** by calling Vickie Becker at (801)526-4354

Location: 1385 South State Street, Salt Lake City, Room 157-A
Parking is available onsite.

ONLINE OR BY PHONE

Please have a copy of the RFGA to reference

November 16, 2016

Register for one of the following meetings:

Please register for Quality Improvement Preschool Grant Pre-Proposal Meeting on Nov 16, 2016 **10:00 AM** MST at:

<https://attendee.gotowebinar.com/register/2947346849789413636>

Please register for Quality Improvement Preschool Grant Pre-Proposal Meeting on Nov 16, 2016 **1:00 PM** MST at:

<https://attendee.gotowebinar.com/register/4271586559654980612>

After registering, you will receive a confirmation email containing information about joining the webinar.

GRANT OVERVIEW

PROGRAM REQUIREMENTS

See attachment A, Performance Requirements, for detailed requirements.

PERIOD OF PERFORMANCE AND MONITORING

- ❖ Contracts will be extended for a one-year period, from January 1, 2017 through December 31, 2017. There will be an option to renew the contract for an additional 24 months from January 1, 2018 to December 31, 2019 for programs that show significant progress and complete all reporting requirements in year one.
- ❖ As part of the grant process, an observation using the Early Childhood Environment Rating Scale-3 (ECERS-3) will be completed in each preschool classroom. The ECERS-3 is a nationally recognized, research based assessment tool. The observation will help administration and the Early Childhood Specialist (ECS) to focus grant funds where they are most needed, and to help grantees identify their greatest opportunities. Centers will receive feedback including a written report of classroom strengths and recommendations after the first observation is completed. Another observation will be completed in each room near the end of the grant cycle to assess the effectiveness of the grant program.
- ❖ DWS, OCC and its contractors shall monitor performance and provide coaching and training on best practices to enhance quality for each funded preschool program.
- ❖ Each program shall benefit from the support of an Early Childhood Specialist (ECS) who will work with programs throughout the grant period to identify needs, set and meet goals, and provide coaching and technical assistance.
- ❖ The DWS, OCC Program Specialist shall monitor all contracts to assure grant requirements are being met. Monitoring activities include auditing purchases and receipts, tracking training, reviewing all invoices and reporting documents, and performing site visits.
- ❖ DWS, OCC may terminate the contract at any time based on lack of funding or grantee's performance.

ELIGIBILITY AND AWARD DETAILS

ELIGIBILITY REQUIREMENTS

Programs must meet the following eligibility requirements:

- ❖ Maintains Child Care license in good standing. Good standing is defined as having no civil money penalties and less than three sited findings in the past year.
- ❖ A minimum of 18 percent of enrolled children's fees must be paid for with subsidy dollars.
- ❖ Currently serves at least one group of children 3 and 4 years of age.
- ❖ Maintains a maximum group size of 25 children with two caregivers throughout the grant period. Classrooms that hold a variance or are otherwise grandfathered for a larger group size with licensing must reduce to 25 in order to participate in this grant.
- ❖ Program provides direct care to children year-round, Monday through Friday, for a minimum of 40 hours per week.
- ❖ Priority will be given to programs that provide services to one or more of the following: program's operating in a rural county and areas with high concentrations of children at risk of remaining in poverty into adulthood. High concentration is defined as 25 percent according to Attachment F, IGP Map.

APPLICANTS INELIGIBLE FOR APPLICATION

The following centers are not eligible to apply for this grant:

- ❖ Current or past recipients of funding through the School Readiness Initiative Act. This would include High-Quality School Readiness grants, Results-Based School Readiness contracts ("pay for success" contracts), or High-Quality School Readiness Expansion Grants;
- ❖ Centers that have paid civil money penalties to the Child Care Licensing Program or have had more than two cited findings in the past 12 months;
- ❖ Centers that have an owner or a partner with a financial interest in their program also working for DWS, or have a conflict of interest due to a spouse or other close family member that works for DWS;
- ❖ Centers currently suspended from grant eligibility, due to failure to perform under the terms and conditions of a prior grant administered by the OCC;
- ❖ Centers disqualified from receiving child care subsidy or any other funds from DWS;
- ❖ Centers not current on Unemployment Insurance reports and tax contributions;
- ❖ Centers currently under garnishment by the Internal Revenue Service or the Utah State Tax Commission; and
- ❖ Centers holding an Hourly Child Care Center license.

FUNDING DETAILS

- ❖ The contract is federally funded from the Child Care Development Fund (CCDF), CFDA# 93.575.
- ❖ Organizations with multiple sites may receive funding for a maximum of two sites.

- ❖ Budgets will not be submitted at the time of application but upon completion of the first ECERS-3 observation and in collaboration with the assigned ECS.
- ❖ Funding may be spent solely on expenses related to the improvement efforts of the preschool program.
- ❖ Funding may only be requested for preschool classrooms open and operating at the time the application is submitted.
- ❖ The grant cannot be used to supplant existing program expenses.
- ❖ Programs may request funding up to the following levels:
 - Year One:
 - \$22,000 per group of 12-15 preschool children with one teacher.
 - \$44,000 per group of 15 or more preschool children with two teachers.
 - All equipment and materials purchases, including curriculum, must occur in the first six months of the grant.
 - The maximum amount of funding that may be received at any one site is for four classrooms. All classrooms in the center may participate, but the total dollar amount will need to be disbursed equally amongst them.

 - When a program successfully completes the first year of the grant, funds shall decrease each subsequent year of the grant, as follows:
 - Year Two: Funds are decreased to 70 percent of original award.
 - \$15,400 per group of 12-15 preschool children with one teacher.
 - \$30,800 per group of 15 or more preschool children with two teachers
 - No more than 15 percent of the total can be spent on equipment and materials.
 - Any wage enhancements put in place in year one must be maintained or increased.

 - Year Three: Funds are decreased to 35 percent of original award.
 - \$7,700 per group of 12-15 preschool age children with one teacher.
 - \$15,400 per group of 15 or more preschool age children with two teachers. No funding for equipment and materials.
 - Any wage enhancements must be maintained or increased.
- ❖ The graduated decreases are designed to provide programs reasonable time for implementing a sustainable high-quality preschool program, within each applicant’s individual business model, at the end of the grant cycle. In order for sustainable implementation of a high-quality preschool program, applicants will need to plan what they can realistically sustain when funding is no longer available.
- ❖ As a result, applicants shall submit a sustainability plan with this application, explaining how they will maintain a high-quality preschool program as grant funds decrease and eventually are exhausted. Funding will be distributed to applicants scoring the highest number of points on their proposal until the funding is gone. Priority points will be added to each program’s narrative total.
- ❖ DWS, OCC reserves the right to award partial grants.

EVALUATION AND AWARD PROCESS

- ❖ Grant proposals are evaluated and scored on a competitive basis using defined criteria and measurements. See Attachment D.
- ❖ Incomplete proposals or proposals that fail to comply with proposal submission guidelines shall not be considered for scoring.
- ❖ Grants are awarded based on demonstrated need and overall score.

- ❖ Proposals scoring below 60 points may not be considered for an award.
- ❖ In the event of multiple tied scores, awards will be based on the highest percentage of children receiving subsidy payments.
- ❖ Awards will be made to the successful applicant(s) whose proposals are determined to best meet the objectives of the DWS, OCC, taking into consideration all factors set forth in this RFGA.
- ❖ The DWS, OCC reserves the right to reject any and all proposals or withdraw an offer at any time. During the grant review period, participants must be available for questions or clarifications as needed.
- ❖ Grant proposals will be open to public inspection after grant award under the guidelines of the Government Records Access and Management Act (GRAMA). The entire application will be open unless applicant requests in writing that trade secrets or proprietary data be protected. A *Claim of Business Confidentiality* must accompany the grant application. This form can be found at: <http://archives.utah.gov/recordsmanagement/forms/GRAMA-business-confidentiality.pdf>

IF YOU HAVE QUESTIONS

Questions regarding clarification and interpretation of any section of this RFGA should be sent to: occecgrants@utah.gov . Responses to all questions will be posted on the DWS website at <http://jobs.utah.gov/edo/rfp/html>, for all prospective applicants to view. The question and answer period will close at 5:00 p.m. on November 28, 2016.

ADDENDA

If DWS finds it necessary to modify the RFGA for any reason, a written addendum to the original RFGA will be posted on the DWS website at <http://jobs.utah.gov/edo/rfp.html>.

APPLICATION SUBMISSION

Submit one electronic copy by **5:00 p.m. on Monday December 5, 2016** to occecgrants@utah.gov

Additionally, submit four paper copies delivered OR mailed, showing a post mark date of **December 5, 2016** to:

Department of Workforce Services
Utah Office of Child Care - 3rd Floor
Attn: Vickie Becker
Quality Improvement Program Specialist
140 East 300 South
Salt Lake City, Utah 84111

- ❖ Applicant must bear the cost of preparing and submitting the proposal.
- ❖ The *Grant Application Cover Sheet* must be the first page of the proposal.
- ❖ **DO NOT** include additional information not specified in the RFGA and Application Packet such as personalized cover sheets, table of contents or public relations information. All additional information will be discarded prior to review.
- ❖ Paper copies **must be** stapled or clipped, **NOT bound** or placed in three-hole binders or folders.
- ❖ Late or incomplete proposals will **NOT** be accepted

APPLICATION CHECKLIST

The following documents must be attached. Incomplete proposals will not be processed. Proposals are due or post marked by December 5, 2016 by 5:00 p.m. A complete application includes the following:

- Application Form
- Copy of the current Child Care License from the Department of Health
- Daily schedule of activities
- Lesson plan
- Documentation showing at least 30 hours of training has been completed for each lead teacher in preschool classrooms
- One electronic submission of complete application package
- Four (4) paper copies of application package delivered or mailed

ATTACHMENT A – Performance Requirements

GRANTEE REQUIREMENTS

1. General Department of Workforce Services (DWS), Office of Child Care (OCC) Requirements

The grantee shall:

- a. Participate in a mandatory grant orientation, date and time to be announced by DWS, OCC. The meeting will include a review of grantee requirements, including DWS, OCC terms and conditions, the technical assistance (TA) process and expectations, and goal setting to improve quality;
- b. Not discriminate against children, families or staff based on race, religion, sex, age, national origin, disability or sexual orientation;
- c. Maintain a minimum of 18 percent enrollment of children that are receiving child care assistance from DWS, OCC;
- d. Provide access to OCC and its contractors to each preschool classroom to complete a pre- and post- observation utilizing the Early Childhood Environment Rating Scale-3 (ECERS-3).
- e. Provide DWS, OCC staff access to the center for site visits;
- f. Remain in compliance with the Child Care Licensing Program, free of civil money penalties and no more than two cited findings during the term of the grant; and
- g. Meet all terms and conditions of this grant.

2. Administrative Commitment: The director and owner must commit to working with the Early Childhood Specialist (ECS) to prioritize funding, set goals and assure quality improvement efforts will be maintained if preschool staff leave and new staff is hired. As part of the administrative commitment, management shall:

- a. Work closely with the ECS Specialist to develop a budget based on the eligible amount of funding. This will include:
 - i. A preliminary visit to assess the number of open preschool rooms and confirm funding request amount;
 - ii. Determining what evidence-based, age appropriate curriculum will be utilized by the program and setting aside funds for the cost;
 - iii. Using the observation feedback to plan for spending. The ECS will provide support in the selection of learning materials, furniture, supplies or equipment needed for each preschool classroom;
 - iv. Assessing if any allowable minor remodeling projects need to be completed to improve the health and safety of the environment or to add quality to the children's' experiences;
 - v. Developing a budget with remaining funds for programming costs above and beyond what is already being invested by the program;
 - vi. Creating a plan and implementing the use of the Ages and Stages Questionnaire (ASQ) with preschool staff and families.
 - vii. Provide orientation to new staff as well as help current staff understand best practices and goals the center has committed to; and
 - viii. Maintain best practices discussed with the ECS between technical assistance and

coaching visits; and

- b. Each program administrator shall attend at least two Director Support Group meetings each year of the grant.
- 3. Matching Funds:** Matching funds are those the grantee already has, or will have available to put toward quality improvement efforts in the program. Donated time or work on behalf of the owner and director are considered matching funds for this grant. These activities include time spent:
 - a. Working with the ECS in developing the budget and setting goals;
 - b. Selecting and ordering materials, gathering bids and supervising any remodeling projects using grant funds;
 - c. Collecting receipts and distributing new materials to the appropriate classroom;
 - d. Working with preschool program staff to implement curriculum and goals related to this grant; and
 - e. Invoicing and preparing any reports required by this grant.
- 4. Observations:** Observations are used as a strategy to help each program identify current areas in need of improvement and set goals.
 - a. Early in the grant cycle, an ECS will complete a baseline observation using the (ECERS-3) in each preschool room.
 - b. An ECS will complete a follow-up observation near the time the grant period ends. Each preschool room is expected to obtain an overall score of 4 or higher;
 - c. An observation may be required by DWS, OCC mid-grant cycle if concerns arise that progress is not apparent;
 - d. ECERS-3 observation data may be used to determine specific outcomes statewide and effectiveness of the grant program. All personal and identifying information will remain confidential and protected; and
 - e. Additional observations may be scheduled to train a new ECS or to complete reliability checks.
- 5. Quality Improvement Goals:** Goals are based on areas of need identified by the program and the results of the ECERS-3.
 - a. Programs are required to implement all goals committed to in the grant proposal; and
 - b. Goals related to the ECERS-3 will be adjusted and evaluated throughout the grant period to strengthen programming not yet achieved and to meet the desired outcomes.
- 6. Classroom Participation in On-site Coaching and Technical Assistance:** On-site coaching and technical assistance is a key component of this grant and participation of each preschool classroom is required.
 - a. The ECS will provide support to the program by performing observations and giving feedback, helping to set and achieve goals, work in classrooms with staff to model, coach, provide specialized training, or technical assistance to help them reach the expected outcomes of the grant;
 - b. Staff must be actively involved in the coaching process. The ECS will provide support and guidance, but the work must be carried out within the program between visits by the ECS; and
 - c. Staff members working additional hours to participate in the coaching opportunities shall

be paid for their time by the program.

- 7. Materials, Equipment, Minor Remodeling and Curriculum Purchases:** Programs will first set aside funds for materials, equipment, curriculum, the ASQ screening tool and remodeling purchases. Funds will be issued in advance, after the initial observation has taken place and a complete Materials and Equipment list is approved in writing by the assigned ECS.
 - a. Programs shall abide by the allowable and unallowable purchases outlined in Attachment D;
 - b. Programs wishing to complete any minor remodeling projects must have their plans approved by the DWS, OCC Program Specialist in advance;
 - i. All remodeling projects must be carried out by a licensed contractor;
 - ii. Programs must submit a minimum of two bids for any remodeling project;
 - iii. Unless otherwise approved, the program must choose the lowest bid; and
 - iv. The contractor specified in the proposal must be the one to carry out the work. Any change must be pre-approved by the DWS, OCC.
 - c. All purchases, including remodeling, must be made between January 1, 2017 and May 31, 2017;
 - d. Purchases must be made as they are listed on the approved materials list. Any changes must be approved by the DWS, OCC Program Specialist;
 - e. Receipts must be submitted, showing all items were purchased or work completed by July 15, 2017. Documentation must reflect that 100 percent of the money was spent;
 - i. A Materials and Receipts cover sheet must accompany all receipts;
 - f. All materials purchased with grant funds must remain in preschool rooms at the program site that received funding; and
 - g. Materials purchased with grant funds must be accessible to the children on a daily basis.
- 8. Reimbursable Quality Programming Funds:** Centers will receive reimbursement for approved programming costs that improve the quality of the preschool program. The amount available for these costs will be determined after the initial decisions are made regarding curriculum, materials and other expenses referenced above.
 - a. A budget for remaining funds will be developed by the administration and ECS together. Upon its completion, the administrator will submit it to the DWS, OCC Program Specialist for final approval;
 - b. The budget shall adhere to the allowable and unallowable programming costs on Attachment D;
 - c. Grant money shall not supplant any existing funds already being invested by the program;
 - d. Indirect costs are not allowed for this grant and;
 - e. Once the budget has been submitted, any changes must be pre-approved by the DWS, OCC Program Specialist.
- 9. Staff Qualifications and Training:** Lead teachers that do not already have an associate degree or higher or a Child Development Associate (CDA) Certificate are required to earn one by the end of the second year. Grantees are required to:
 - a. Create a professional development plan for each lead preschool teacher;
 - b. Enroll staff in CDA classes through the local Care About Childcare Agency;
 - c. Adhere to the proposed timeline submitted with the grant application for CDA completion. Any changes must be approved by the DWS, OCC Program Specialist; and
 - d. Compensate staff for time spent in required classes. Grant funds may be used to

reimburse the grantee, if approved documentation is submitted with the invoice.

10. Ongoing, Intensive Professional Development: Ongoing, intensive professional development shall be provided by the program for each preschool staff member.

- a. The program must develop a system to provide in-house training for staff in best practices regarding preschool programming, based on the gaps identified in the ECERS-3 observation; and
- b. Grantee must pay staff for any time engaged in required professional development activities.

11. Family Engagement: Grantee must provide family engagement activities for parents of preschool age children, based on each family’s circumstance. This must include:

- a. Ongoing communication between home and school;
- b. At least two parent education opportunities that help parents prepare their children for kindergarten while at home;
- c. A variety of strategies utilized to accommodate different parent schedules and needs;
- d. Parent- teacher conferences must be offered to parents two times per school year; and
- e. Each program must develop, with the assistance of the ECS Specialist, a transition plan that is carried out as the preschool age children enter into the public schools each year.

12. Invoice Process: DWS, OCC will provide forms and training regarding the invoice process at the Grantee Orientation Meeting. Invoices must be submitted as described below:

- a. The first payment issued will be for equipment, materials, minor remodeling, curriculum and a developmental screening tool. The list approved by the ECS will serve as the invoice for the first payment;
- b. Four programming invoices shall be submitted according to the invoice schedule and due dates (see table 1.1);
- c. OCC will make payments to reimburse allowable expenses from the previous period. The following must be submitted with each invoice:
 - i. All documentation that supports requests for reimbursement;
 - ii. Professional development report showing completed training and staff changes; and
 - iii. If training was completed during the billing period, provide documentation showing how staff wages were paid.
- d. All expenses must align with the approved budget previously submitted to DWS, OCC; and
- e. All expenses incurred between January 1, 2017 and June 30, 2017 must be submitted no later than July 7, 2017. Any receipts dated before June 30, 2017 will NOT be paid out on later invoices.

Table 1.1 INVOICE SCHEDULE AND DUE DATES

FY 2016-17			March 15, 2017	June 30, 2017 for all expenses to date
FY 2017-18	September 15, 2017	January 15, 2018	March 15, 2018	June 30, 2018 for all expenses to date
FY 2018-19	September 15, 2018	January 15, 2019	March 15, 2019	June 30, 2019 for all expenses to date
FY 2020	September 15, 2019	December 15, 2019 Final invoice		

13. Reporting: DWS, OCC will provide training on the end-of-the-year report format and content at the grant orientation meeting. An accurate and complete final report for each year, due by December 13, 2017 must include:

- a. A narrative describing how the grantee improved quality in the preschool classrooms since the grant began;
- b. A narrative describing which services provided by the ECS have been most beneficial;
- c. An outline of all family activities that were carried out, how many parents attended, and what the focus of each event was;
- d. A summary of ongoing, focused, professional development that has taken place within the program in relation to the gaps identified in the original observation;
- e. A summary of how the program will implement the sustainability plan submitted with the proposal. Specifics should be included as to how the program will absorb the reduction and assure high quality services continue without interruption; and
- f. Data that includes how many pre-school age children were served in the first year of the grant.

14. Documentation: All documentation related to this grant must be kept onsite for possible review by DWS, OCC staff, state and federal auditors. Copies of all grant related paperwork must be maintained in an organized fashion for six years past the termination date of the grant or until all audits initiated within the six years have been completed, whichever is later. This includes:

- a. Approved budget;
- b. Invoices;
- c. Copies of observations;
- d. Goal forms;
- e. Training reports;
- f. Documents demonstrating how training requirements were met;
- g. Documentation showing staff wages paid for attending training classes;
- h. Copies of each head teacher's CDA credential;
- i. Documentation of ongoing, targeted, professional development for all preschool staff;
- j. Documentation of completed family activities and parent-teacher conferences;
- k. Copies of all receipts and financial documents that support purchases and invoice expenses; and
- l. Completed final reports.

15. Monitoring and Compliance: All programs will be monitored by the OCC Program Specialist to assure contract compliance and program integrity. These activities include:

- a. Site visits;
- b. Observations;
- c. Review of onsite consultation forms;
- d. Desk audit of receipts and invoice documentation;
- e. Phone or email contact; and
- f. Review of reports.

Programs not in compliance will be placed on a corrective action plan and technical assistance will

be provided. If compliance issues still exist, the following will occur:

- a. Grant termination;
- b. Suspension from participating in future grant programs administered by the DWS, OCC; and
- c. Failure to utilize grant funds according to the terms of the grant agreement will result in disqualification for one year or permanent disqualification from receiving child care subsidy funds and any other grants or awards funded by the DWS, OCC or the Child Care Professional Development Institute. Any successor center and any individual that currently or previously has had an ownership interest in the center will also be disqualified.

DWS, OCC RESPONSIBILITIES

1. Oversee each ECS to assure statewide consistency and program integrity;
2. Collaborate with each ECS to assure all programs receive observations, feedback and coaching visits;
3. Collaborate with the Care About Childcare Agencies to assure training is available statewide to support providers in obtaining their CDA;
4. Provide additional resources to provide support in selecting curriculum and best practices implementation;
5. Process invoices and assure funds are expended to programs within 30 days after a complete invoice is received with all related documentation; and
6. Provide the report format for the grantee's end-of-the-year report.

QUALITY IMPROVEMENT PRESCHOOL PROJECT

Attachment B .Quality Tool – ECERS-3



The Quality Improvement Preschool Project will be using the ECERS-3 observation tool from the Environmental Rating Scales Institute. The following information is from the ERSI website.

The Scales

There are four Environment Rating Scales (ERS), each designed for a different segment of the early childhood field.

- Each one of the scales has items to evaluate: *Physical Environment; Basic Care; Curriculum; Interaction; Schedule and Program Structure; and Provisions for Parent and Staff.*
- The scales are suitable for use in evaluating inclusive and culturally diverse programs.
- The scales have proven reliability and validity.

Our scales are designed to assess process quality in an early childhood or school age care group. Process quality is what children directly experience in their programs that has a direct effect on their development, including the various interactions that go on in a classroom between staff and children and among the children themselves, and the interactions children have with the many materials and activities in the environment, as well as those features, such as space, schedule and materials that support these interactions. Process quality is assessed primarily through observation and has been found to be more predictive of child outcomes than structural indicators such as staff to child ratio, group size, cost of care, and even type of care, for example child care center or family child care home (Whitebook, Howes & Phillips, 1995). The scales also examine other less directly experienced quality which are more structural, such as staff provisions, parent participation and information, and interactions among adults,

The scales view child development from a comprehensive, or global, point of view, examining a wide variety of areas that all contribute to positive children development. In order to provide care and education that will permit children to experience a high quality of life while helping them develop their abilities, a quality program must provide for the three basic needs of all children:

- Protection of their health and safety
- Supporting and guiding social/emotional development
- Opportunities for intellectual and language stimulation and appropriate learning activities

No one component is more or less important than the others, nor can one substitute for another. It takes all three to create quality and education. Each of the three basic components or quality manifests itself in tangible forms in the program's environment, curriculum, schedule, supervision and interaction, and can be observed. These are the key aspects of process quality that are included in our environment rating scales.

Our scales define environment in a broad sense and guide the observer to assess the arrangement of space both indoors and outdoors, the materials and activities offered to the children, the supervision and interactions (including language) that occur in



the classroom, and the schedule of the day, including routines and activities. The support offered to parents and staff is also included.

The above information is taken from the ERSI website and written by the authors, for further information on the ECERS-3 double click the tab on the side menu.

Attachment C Allowable and Unallowable Costs

Materials and Equipment

Allowable Purchases	Unallowable Purchases
Evidence based, age appropriate curriculum	Used equipment, materials or furniture
Computer software that supports curriculum implementation or student evaluation	Items appropriate for infants, toddlers, or school age children
Developmental Screening Tool	Furniture not related to care of children
Furniture sized for 3 and 4 year olds	Playground remodeling, structures or stationary equipment
Age appropriate materials for 3 and 4 year olds	DVD players
Computers or ipads used with students to support preschool learning or to maintain assessment data.	Office equipment such as desks, chairs, and computers for administrative use
Minor remodeling	Consumable products, such as art supplies
	Major Construction
	Minor remodeling that is not in preschool classrooms and does not improve health, safety or environment for children

Reimbursable Programming Costs

Allowable Expenses	Unallowable Expenses
Salary enhancements for preschool staff above wage paid at time of application	Building costs such as rent or mortgage
Salary for staff that work additional hours for parent/teacher conferences or family engagement activities.	Utilities
Salary for preschool staff attending classes or targeted professional development activities	Bonuses or payments to family members
Salary for staff planning time when staff are not responsible for children	Maintenance and repairs
Fringe benefits that apply to the above	Supplanting
Additional staff to lower staff to child ratio	Bad debts
Expenses that support family engagement	Cost incurred in criminal or civil proceedings
Training and Education	Out of state travel
Meeting supplies for professional development meetings	Entertainment (ie: amusement, entertainers, social activities, tickets to shows, outside meals, lodging)
	Goods or services for personal use
	Vehicle purchases
	Ongoing program costs that will not be supported after the grant funding ends



Utah Office of Child Care - Department of Workforce Services
QUALITY IMPROVEMENT PRESCHOOL PROJECT
ATTACHMENT D: RFGA EVALUATION FORM

Organization: _____ Program Site Name: _____

Evaluator # _____ Group # _____

COMPETITIVE PRIORITY POINTS				
1. Program serves DWS subsidized children at 30% or higher of total enrollment. (6 points)	Documentation Required	Yes/No	If Yes 6	6 Points Possible
2. Program served DWS subsidized children at 25% or higher of total enrollment (3 points, 0 points if already given in 1).	Documentation Required	Yes/No	If Yes 3	3 Points Possible
3. Program operates in a rural county . See Attachment F, Utah Rural Map . (5 Points)	NO Documentation Required	Yes/No	If Yes 5	5 Points Possible
4. Program has only received one Office of Child Care grant. (1 Points)	NO Documentation Required	Yes/No	If Yes 1	1 Point Possible
5. Program serves children in an area of high Intergenerational Poverty (IGP) , as described in Utah's fifth annual report on Intergenerational Poverty, Welfare Dependency and the use of public assistance 2016 . (5 points)	NO Documentation Required	Yes/ No	If Yes 5	5 Point Possible
OVERALL COMMENTS:			Points Possible: 17 Points Awarded: _____	

1. Describe the organization applying for the grant. Include years of operation, management experience, philosophy and mission statement.

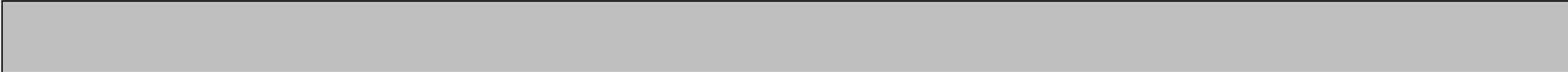
Marginal (1-2 Points)	Somewhat Rigorous (3 Points)	Most Rigorous (4-5 Points)
<ul style="list-style-type: none"> There is little or no program description. 	<ul style="list-style-type: none"> There is some description, but the description is unclear. 	<ul style="list-style-type: none"> There is a detailed description of the program and the mission is clear.

	Points Possible: 5 Points Awarded: _____
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2. Provide a clear description of the population the program serves and how the program meets the needs of the families in their community.

Marginal (1-2 Points)	Somewhat Rigorous (3-5 Points)	Most Rigorous (6-7 Points)
<ul style="list-style-type: none"> There is little or no description of the program. General description of the program does not include population information. 	<ul style="list-style-type: none"> There is a description of the population, some information is unclear, missing. Minimal support is offered to support the children. 	<ul style="list-style-type: none"> There is a detailed description of the current population and the program offers multiple supports that meet family's needs and support the children.

OVERALL COMMENTS:	Points Possible: 7 Points Awarded: _____
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3. *Provide a description of the center's preschool program and how it is implemented. Attach a daily schedule of activities and a lesson plan in addition to the response.*

Marginal (1-3 Points)	Somewhat Rigorous (4-7 Points)	Most Rigorous (8-10 Points)
<ul style="list-style-type: none"> • There is little or no description of how the program implements the preschool program. • The daily schedule is missing. 	<ul style="list-style-type: none"> • There is some description, but the description is unclear. • The daily schedule is minimal, key pieces are missing. 	<ul style="list-style-type: none"> • There is a detailed description of the preschool program and schedule that shows variety and individualization opportunities.

OVERALL COMMENTS:	Points Possible: 10 Points Awarded: _____
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4. *Provide a description of classroom activities that clearly demonstrates developmentally appropriate practices (DAP) are used in preschool activities.*

Marginal (1-2 Points)	Somewhat Rigorous (3-5 Points)	Most Rigorous (6-7 Points)
<ul style="list-style-type: none"> • There is little or no description of program activities. 	<ul style="list-style-type: none"> • There is some description of the programs' activities and some evidence that adjustments are made based on the current children. 	<ul style="list-style-type: none"> • There is a rigorous and detailed description of how the program adjusts learning activities for the children. Individualization is clearly implemented throughout the day.

	Points Possible: 7 Points Awarded: _____
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<p>5. Explain how the program actively uses the Utah’s School Readiness Standards, Ages Three to Five, Early Childhood Core Standards, including the following academic content areas: oral language and listening comprehension, phonological awareness and pre-reading, alphabet and word knowledge, pre-writing, book knowledge and print awareness, numeracy, creative arts, science and technology, and social studies. Of the 9 areas listed here, select 3 areas and write specific examples of how you perform them in the classroom.</p>		
<p>Marginal (1-3 Points)</p> <ul style="list-style-type: none"> It is difficult to determine that the Core Standards are used. Core Standards are misunderstood, not used incorrectly. 	<p>Somewhat Rigorous (4-7 Points)</p> <ul style="list-style-type: none"> There is not enough detail provided to determine that the Core Standards are performed in class. 	<p>Most Rigorous (8-10 Points)</p> <ul style="list-style-type: none"> All evidence suggests that Core Standards are used naturally and rigorously to prepare children for school.
		<p>Points Possible: 10</p> <p>Points awarded: _____</p>

<p>6. Describe how management assures new staff members are properly oriented before providing direct care to children. How do you promote on-going professional development for all staff?</p>		
<p>Marginal (1-3 Points)</p> <ul style="list-style-type: none"> There is little or no description of the programs’ process for orientation of new staff. Ongoing staff development is unclear. 	<p>Somewhat Rigorous (4-7 Points)</p> <ul style="list-style-type: none"> There is some description of the programs’ process for orientation and the process is sufficient. On-going professional development is somewhat likely to increase skills. 	<p>Most Rigorous (8-10 Points)</p> <ul style="list-style-type: none"> The orientation process described is thorough and complete. There is a rigorous and detailed description of staff professional development activities or plans.
		<p>Points possible : 10</p> <p>Points awarded : _____</p>

<p>7. <i>This grant requires each lead preschool teacher to have an Associate degree or higher, or a CDA by the end of the second year. If none of these have yet been obtained, provide a professional development plan with a timeline for completion for each lead teacher.</i></p>		
<p>Marginal (1-3 Points)</p> <ul style="list-style-type: none"> Program failed to show that staff already have qualifications or a timeline for staff to obtain qualifications. 	<p>Somewhat Rigorous (4-7 Points)</p> <ul style="list-style-type: none"> Little explanation of staff qualifications. Elements of a timeline are present, but lacks detail and strategy. 	<p>Most Rigorous (8-10 Points)</p> <ul style="list-style-type: none"> Identifies all staff and qualifications. Timeline is detailed and demonstrates a solid plan for professional development.
		<p>Points possible : 10</p> <p>Points awarded : _____</p>

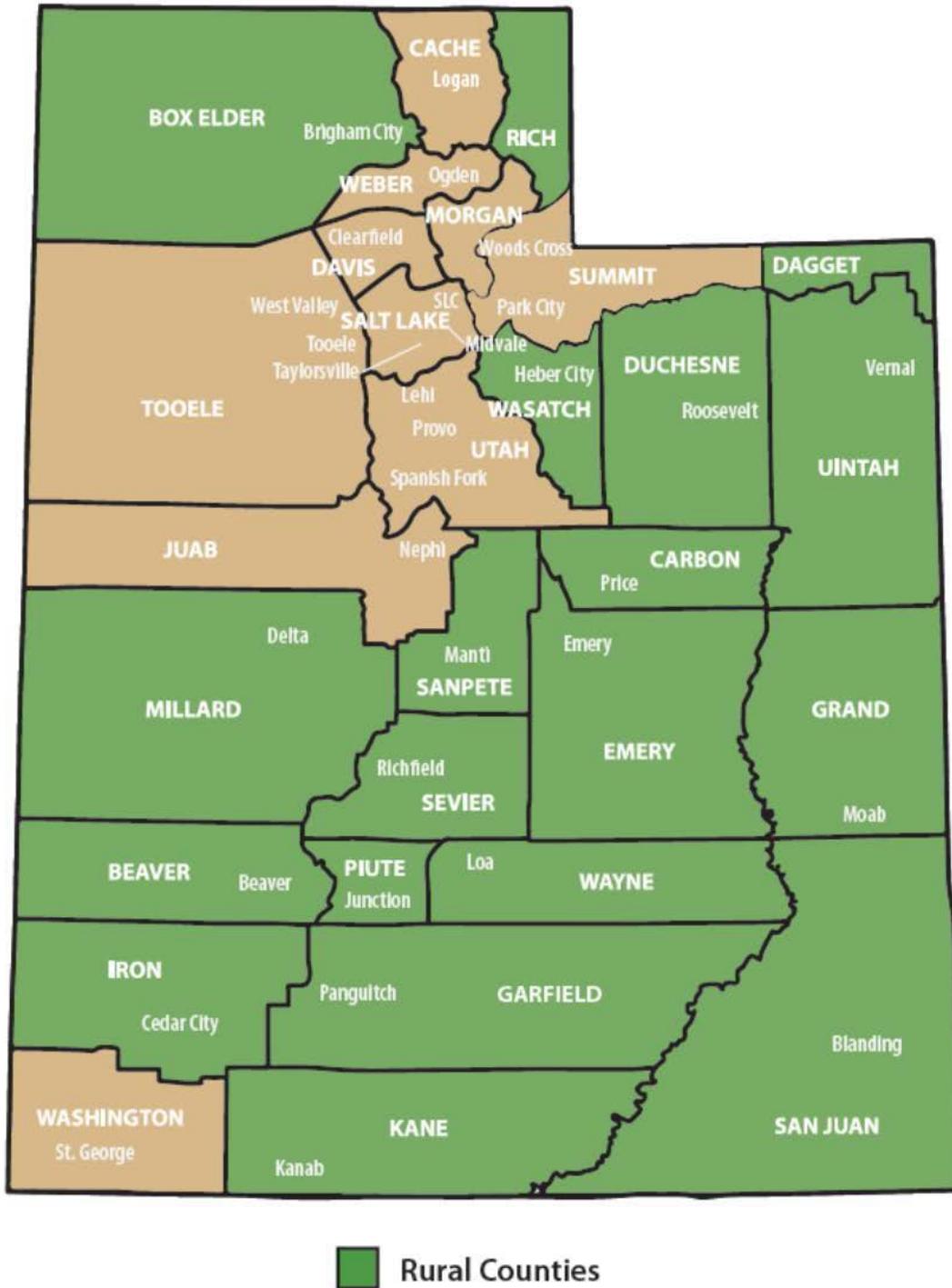
<p>8. <i>How does the program currently involve families in on-site activities? How is communication between home and school provided? Give 3 examples of activities carried out in the center to involve parents in the last year.</i></p>		
<p>Marginal (1-2 Points)</p> <ul style="list-style-type: none"> There is little or no description of how the program communicates with families. 	<p>Somewhat Rigorous (3-5 Points)</p> <ul style="list-style-type: none"> There is some description of how the program communicates and engages with families', but the description is unclear. 	<p>Most Rigorous (6-7 Points)</p> <ul style="list-style-type: none"> There is a detailed description of how the program communicates and engages with families'. Families are well supported.
		<p>Points possible : 7</p> <p>Points awarded : _____</p>

<p>9. <i>Does the program currently use developmental checklists, portfolios or other types of observation and assessment in the preschool classrooms? Please describe the process and how the results are utilized to inform instruction and plan for individual children.</i></p>		
<p style="text-align: center;">Marginal (1-2 Points)</p> <ul style="list-style-type: none"> • There is little or no description • Program does not yet have a system for tracking children’s progress. 	<p style="text-align: center;">Somewhat Rigorous (3-5 Points)</p> <ul style="list-style-type: none"> • There is some description of how development is tracked for each child. • Results are referred to, but there it is unclear how they are used to inform instruction or plan for individual instruction. 	<p style="text-align: center;">Most Rigorous (6-7 Points)</p> <ul style="list-style-type: none"> • There is a detailed description of methods used to track children’s progress and how the results are utilized to inform instruction and support individual children.
		<p>Points possible : 7</p> <p>Points awarded : _____</p>

<p>10. <i>Describe how the program plans to sustain high quality in the preschool classrooms after the Preschool Project ends. Include how the program will replace learning materials as well as finance programming costs and activities.</i></p>		
<p style="text-align: center;">Marginal (1-3 Points)</p> <ul style="list-style-type: none"> • There is little or no description of how the program can sustain change. 	<p style="text-align: center;">Somewhat Rigorous (4-7 Points)</p> <ul style="list-style-type: none"> • There is some description of how the program plans to sustain quality improvement. However, the plan is vague or does not seem realistic. 	<p style="text-align: center;">Most Rigorous (8-10 Points)</p> <ul style="list-style-type: none"> • There is a detailed description of how the program will sustain quality improvement. The plan is realistic.
		<p>Points possible : 10</p> <p>Points awarded : _____</p>

Total Evaluation Points	
Overall Evaluator Comments:	Total Competitive points possible: 17 TOTAL Competitive Priority Awarded: _____
	Total Proposal points possible : 83 Total Proposal points Awarded : _____
	Total Points possible: 100 Total Points awarded: _____

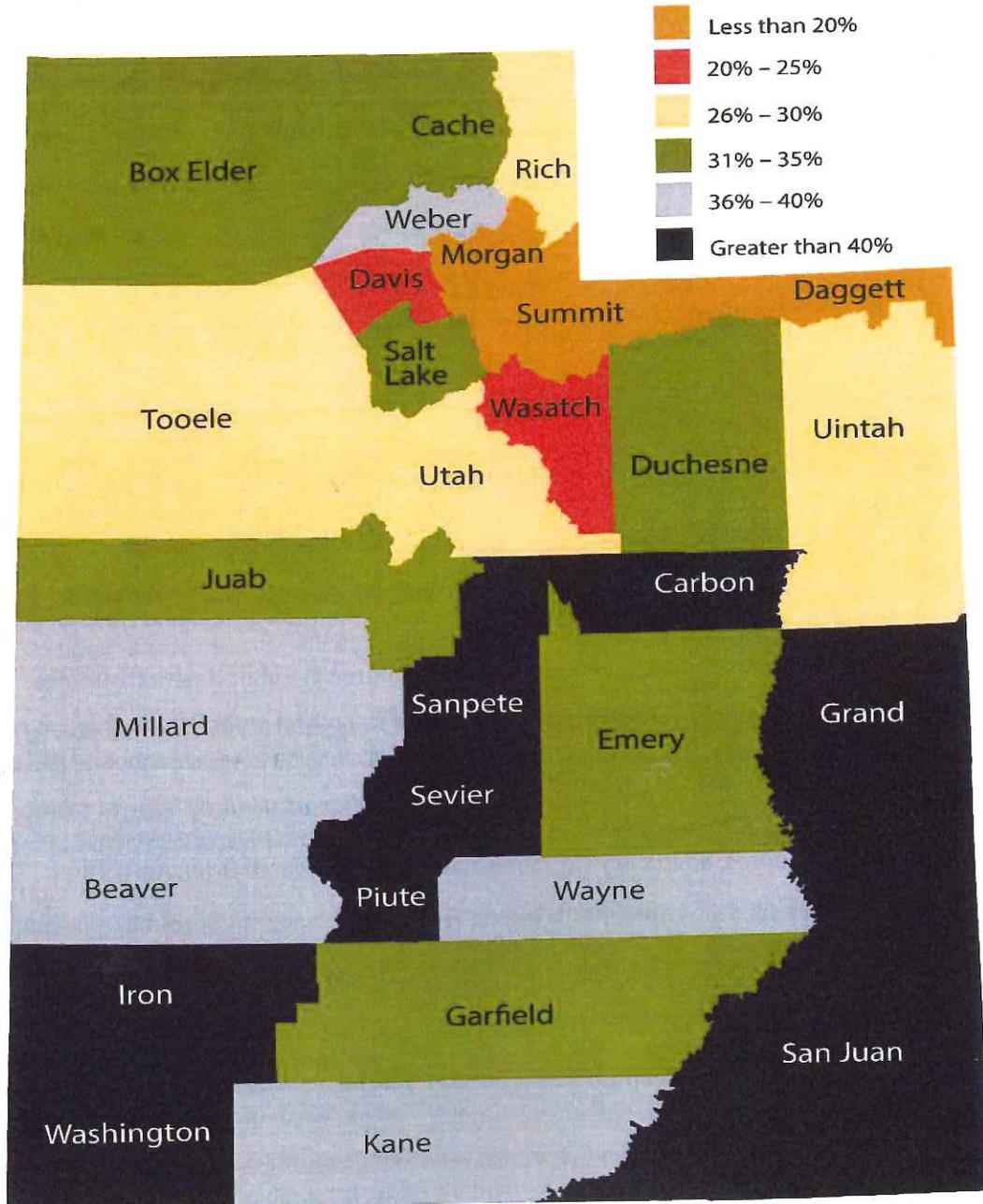
Attachment E: DWS Utah Rural Map



Source: <http://jobs.utah.gov/wi/pubs/trendlines/novdec10/theoutsirts.pdf>

Attachment F - Intergenerational Poverty (IGP) Map

Children At Risk of Remaining in Poverty



ATTACHMENT A
Department of Workforce Services
Grant Terms and Conditions

For funding subject to the federal reporting requirements in place after December 26, 2014

1. **GRANT JURISDICTION:** The laws of the State of Utah shall govern the provisions of this Grant.
2. **CONFLICT OF INTEREST:** GRANTEE certifies, through the execution of the Grant, that no person in its and DWS's employment, directly or through subcontract, will receive any private financial interest, direct or indirect, in the Grant. GRANTEE will not hire or subcontract with any person having such conflicting interest(s).
3. **RECORDS ADMINISTRATION:** GRANTEE shall maintain or supervise the maintenance of all records necessary to properly account for the payments made to GRANTEE for costs authorized by this Grant. These records shall be retained by GRANTEE for at least six years after the Grant terminates or until all audits initiated within the six years have been completed, whichever is later. GRANTEE shall maintain books, records, documents, and other evidence. The GRANTEE agrees to allow State and Federal auditors, and State Agency Staff access to all the records to this agreement for audit, inspection and monitoring of services. Such access shall be during normal business hours or by appointment.
4. **IMPOSITION OF FEES:** GRANTEE will not impose any fees upon clients provided services under this Grant except as authorized by DWS.
5. **HUMAN-SUBJECTS RESEARCH:** GRANTEE shall not conduct research involving employees of DWS or individuals receiving services (whether direct or contracted) from DWS.
6. **GRANTEE ASSIGNMENT AND SUBGRANTEES/SUBCONTRACTORS:**
 - a. Assignment: Notwithstanding DWS's right to assign the rights or duties hereunder, GRANTEE agrees and understands that this Grant is based on the reputation of GRANTEE, and this Grant may not be assigned by GRANTEE without the written consent of DWS. Any assignment by GRANTEE without DWS's written consent shall be wholly void.
 - b. Subgrantees/Subcontractors: As used in this Grant, the term "subgrantee" or "subcontractor" means an individual or entity that has entered into an agreement with the original GRANTEE to perform services or provide goods which the original GRANTEE is responsible for under the terms of this Grant. Additionally, the term "subgrantee" or "subcontractor" also refers to individuals or entities that have entered into agreements with any subgrantee if: (1) those individuals or entities have agreed to perform all or most of the subgrantee's duties under this Grant; or (2) federal law requires this Grant to apply to such individuals or entities. If GRANTEE enters into subcontracts the following provisions apply:
 - i. Duties of Subgrantee: Regardless of whether a particular provision in this Grant mentions subgrantees, a subgrantee must comply with all provisions of this Grant including, but not limited to, the state procurement requirements, insurance requirements and the fiscal and program requirements. GRANTEE retains full responsibility for the Grant compliance whether the services are provided directly or by a subgrantee.
 - ii. Provisions Required in Subcontracts: If GRANTEE enters into any subcontracts with other individuals or entities and pays those individuals or entities for such goods or services with federal or state funds, GRANTEE must include provisions in its subcontracts regarding the federal and state laws identified in this Grant, if applicable ("Grantee's Compliance with Applicable Laws; Cost Accounting Principles and Financial Reports"), as well as other laws and grant provisions identified in 45 C.F.R. §92.36(i).
7. **MONITORING:**

- a. DWS shall have the right to monitor GRANTEE'S performance under this Grant. Monitoring of GRANTEE'S performance shall be at the complete discretion of DWS which will include but is not limited to the GRANTEE'S fiscal operations, and the terms, conditions, attachments, scope of work, and performance requirements of this Agreement. Monitoring may include both announced and unannounced visits. Monitoring will take place during normal business hours.
 - b. If it is discovered through monitoring that the Grantee is in default (not in compliance with the grant agreement), the Grantee may be subject to sanctions which may include warnings, audits, temporary suspension of payments, termination, demand for the return of funds and or suspension/debarment from participation in future DWS grants and contracts. Default may also result in the cancellation of other agreements between the Grantee and DWS.
 - c. Client or Grantee Staff Satisfaction Surveys: GRANTEE understands that DWS is committed to providing customer-oriented services, and that DWS often conducts customer-satisfaction surveys as a part of monitoring. GRANTEE agrees to cooperate with all DWS-initiated customer feedback.
8. **NOTIFICATION OF THE INTERNAL REVENUE SERVICE:** It is DWS's policy to notify the Internal Revenue Service of any violations of IRS regulations uncovered as a result of its dealings with providers.
9. **GRANT RENEWAL:** Renewal of Grant will be solely at the discretion of DWS.
10. **RENEGOTIATION OR MODIFICATIONS:** This Grant may be amended, modified, or supplemented only by written amendment, executed by the parties hereto, and attached to the original signed copy of the Grant.
11. **GRANT TERMINATION:**
- a. **Termination for Cause:** This Agreement may be terminated, with cause by either party, in advance of the specified termination date, upon written notice being given by the other party. The party in violation will be given ten (10) working days after notification to correct and cease the violations, after which the Agreement may be terminated for cause. DWS will give the GRANTEE only one opportunity to correct and cease the violations.
 - b. **Immediate Termination:** If GRANTEE creates or is likely to create a risk of harm to the clients served under this Agreement, or if any other provision of this Agreement (including any provision in the attachments) allows DWS to terminate the Agreement immediately for a violation of that provision, DWS may terminate this Agreement immediately by notifying GRANTEE in writing. DWS may also terminate this Agreement immediately for fraud, misrepresentation, misappropriation, and/or mismanagement as determined by DWS.
 - c. **No-Cause Termination:** This Agreement may be terminated without cause, in advance of the specified expiration date, by either party, upon sixty (60) days prior written notice being given the other party. Upon termination of this Agreement, all accounts and payments will be processed according to the financial arrangements set forth herein for approved services rendered to date of termination.
 - d. **Fund-Out Termination:** GRANTEE acknowledges that DWS cannot contract for the payment of funds not yet provided by the Federal Government or appropriated by the Utah State Legislature and DWS cannot guarantee funding under this Agreement since it may be altered by an act of the Federal Government or the Utah State Legislature occurring before the expiration of this Agreement. Therefore, in the event that DWS fails to receive appropriations then DWS may, by giving at least 30 days advance written notice, terminate this Agreement. DWS will reimburse GRANTEE for services performed up through the date of cancellation.
 - e. **Attorneys' Fees and Costs:** If either party seeks to enforce this Agreement upon a breach by the other party, or if one party seeks to defend itself against liability arising from the negligence of the other party, the prevailing party shall receive from the

unsuccessful party all court costs and its reasonable attorneys' fees, regardless of whether such fees are incurred in connection with litigation.

f. Remedies for Grantee's Violation:

- i. In the event this Agreement is terminated as a result of a default by GRANTEE, DWS may procure or otherwise obtain, upon such terms and conditions as DWS deems appropriate, services similar to those terminated, and GRANTEE shall be liable to DWS for any damages arising there from, including attorneys' fees and excess costs incurred by DWS in obtaining similar services.
- ii. GRANTEE acknowledges that if GRANTEE violates the terms of this Agreement, DWS is entitled to avail itself of all available legal, equitable and statutory remedies including, but not limited to, money damages, injunctive relief and debarment as allowed by state and federal law.

12. **CITING DWS IN ADVERTISING:** Grantee agrees to give credit to DWS for funding in all written and verbal advertising or discussion of this program such as brochures, flyers, informational materials, talk shows, etc. All formal advertising or public information programs will be coordinated with the Public Information Officer for DWS.
13. **DRUG-FREE WORKPLACE:** GRANTEE agrees to abide by DWS's drug-free workplace policies while performing services under this Agreement.
14. **BILLINGS AND PAYMENTS:** Payments to Grantee will be made by DWS upon receipt of itemized billing for authorized service(s) provided and supported by information contained in reimbursement forms supplied by DWS. Billings and claims for services must be received within thirty (30) days after the last date of service for the period billed including the final billing, which must be submitted within thirty (30) days after Agreement termination or they may be delayed or denied. DWS must receive billing for services for the month of June no later than July 15th, due to DWS's fiscal year end. Billings submitted after this date may be denied.

DWS will not allow claims for services furnished by GRANTEE, which are not specifically authorized by this Grant.

15. **PAYMENT WITHHOLDING:** GRANTEE agrees that the reporting and record keeping requirements specified in this Grant are a material element of performance and that if, in the opinion of DWS, GRANTEE'S record keeping practices and/or reporting to DWS are not conducted in a timely and satisfactory manner, DWS may withhold part or all payments under this or any other Grant until such deficiencies have been remedied. In the event of the payment(s) being withheld, DWS agrees to notify GRANTEE of the deficiencies that must be corrected in order to bring about the release of withheld payment.
16. **OVERPAYMENT/AUDIT EXCEPTIONS/DISALLOWANCES:** GRANTEE agrees that if during or subsequent to the Grant CPA audit or DWS determines that payments were incorrectly reported or paid, DWS may amend the Grant and adjust the payments. In Grants, which include a budget, GRANTEE expenditures to be eligible for reimbursement must be adequately documented. GRANTEE will, upon written request, immediately refund any overpayments determined by audit and for which payment has been made to GRANTEE, to DWS. GRANTEE further agrees that DWS shall have the right to withhold any or all subsequent payments under this or other Agreements with GRANTEE until recoupment of overpayment is made.
17. **REDUCTION OF FUNDS:** The maximum amount authorized by this Grant shall be reduced or Grant terminated if required by federal/state law, regulation, or action or if there is significant under-utilization of funds, provided GRANTEE shall be reimbursed for all services performed in accordance with this Grant prior to date of reduction or termination. If funds are reduced, there will be a comparable reduction in the amount of services to be given by GRANTEE. DWS will give GRANTEE thirty (30) days notice of reduction.
18. **PRICE REDUCTION FOR INCORRECT PRICING DATA:** If any price, including profit or fee, negotiated in connection with this Grant, or any cost reimbursable under this Grant was increased by any significant sum because GRANTEE furnished cost or pricing

data (e.g., salary schedules, reports of prior period costs, etc.) which was not accurate, complete and current, the price or cost shall be reduced accordingly. The Grant may be modified in writing as necessary to reflect such reduction, and amounts overpaid shall be subjected to overpayment assessments. Any action DWS may take in reference to such price reduction shall be independent of, and not be prejudicial to, DWS's right to terminate this Grant.

19. **LICENSING AND STANDARD COMPLIANCE:** By signing this Grant, GRANTEE acknowledges that it currently meets all applicable licensing or other standards required by federal and state laws or regulations and ordinances of the city/county in which services and/or care is provided and will continue to comply with such licensing or other applicable standards and ordinances for the duration of this Grant period. Failure to secure or maintain a license shall support a basis for cancellation of this Grant.

For GRANTEES receiving any Federal funds: By signing this Grant, GRANTEE certifies it is not debarred, suspended, or otherwise excluded from or ineligible for participation in Federal programs or activities. See the provisions on government-wide suspension and debarment in 2 CFR §200.205(d), Appendix II to Part 200 - Paragraph (H), and 2 CFR part 180 which implements Executive Orders 12549 and 12689 for further clarification.

GRANTEE acknowledges that it is responsible for familiarizing itself with these laws and regulations, and complying with all of them.

20. COMPLIANCE WITH GENERALLY APPLICABLE STATE AND FEDERAL LAWS:

- a. GRANTEE is required to comply with all anti-discrimination and drug-free workplace laws, and all laws governing research involving human subjects. If GRANTEE is receiving federal funds under this Contract the following federal laws may apply: Equal Opportunity Employer Executive Order, the Davis-Bacon Act, the Hatch Act, the Copeland "Anti-Kickback" Act, the Fair Labor Standards Act, the Contract Work Hours and Safety Standards Act, the Clean Air Act, the Federal Water Pollution Control Act, the Byrd Anti-Lobbying Amendment, and the Debarment and Suspension Executive Orders. GRANTEE shall comply with these laws and regulations to the extent they apply to the subject matter of this Contract.
- b. Equal Opportunity: Section 188 of the Workforce Investment Act of 1998 (WIA) prohibits discrimination against all individuals in the United States on the grounds of race, color, religion, sex, national origin, age, disability, political affiliation or belief, and against beneficiaries on the basis of either citizenship or participation in any WIA Title I-financially assisted program or activity. Prohibitions against discrimination are made on the basis of the following:
 - i. Title VI of the Civil Rights Act of 1964, as amended, which prohibits discrimination on the bases of race, color, and national origin, which includes discrimination affecting persons with limited English proficiency;
 - ii. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits discrimination against qualified individuals with disabilities;
 - iii. The Age Discrimination Act of 1975, as amended, which prohibits discrimination on the basis of age;
 - iv. And Title IX of the Education Amendments of 1972, as amended, which prohibits discrimination on the basis of sex in education programs.
- c. If applicable, GRANTEE will provide an explanation of the client's rights and protections under 29 CFR Part 37. GRANTEE will also provide a copy of DWS's Equal Opportunity Notice (English or Spanish version, DWS 09-15E-0900NCR or 09-15S-0201 respectively) to the client and maintain a copy in the client file.

- d. If GRANTEE is a Non-Profit Organization, GRANTEE is required to comply with Utah Code: 51-2a-201.5: Accounting reports required – Reporting to state auditor. Not later than May 31st of each year, the Non Profit GRANTEE will disclose to DWS, in writing, whether: (i) the nonprofit corporation met or exceeded the dollar amounts listed in Utah Code: 51-2a-201.5, Subsection (2) in the previous fiscal year of the nonprofit corporation; and whether (ii) the nonprofit corporation anticipates meeting or exceeding the dollar amounts listed in Utah Code: 51-2a-201.5, Subsection (2) in the fiscal year the money is disbursed.
21. **CODE OF CONDUCT** (attached if applicable): GRANTEE agrees to follow and enforce DWS's Code of Conduct, Utah Administrative Code, R982-601-101 et seq. GRANTEE agrees that each of its employees or volunteers will receive a copy of the Code of Conduct. A signed statement by each employee or volunteer to this effect must be in employee's/volunteer's file subject to inspection and review by DWS monitors.
22. **SEPARABILITY:** A declaration by any court or other binding legal source that any provision of this agreement is illegal and void shall not affect the legality and enforceability of any other provisions of this agreement unless said provisions are mutually dependent.
23. **INDEMNITY:**
- **IF THE GRANTEE IS A GOVERNMENTAL AGENCY:** Both parties to this agreement are governmental entities as defined in the Utah Governmental Immunity Act (Utah Code Ann. 63G-7-101 et. seq.). Nothing in this Contract shall be construed as a waiver by either or both parties of any rights, limits, protections or defenses provided by the Act. Nor shall this Contract be construed, with respect to third parties, as a waiver of any governmental immunity to which a party to this Contract is otherwise entitled. Subject to and consistent with the Act, each party will be responsible for its own actions or negligence and will defend against any claims or lawsuit brought against it. There are no indemnity obligations between these parties.
 - **IF THE GRANTEE IS A NON-GOVERNMENTAL ENTITY:** The GRANTEE agrees to indemnify, save harmless, and release the State of Utah, and all its officers, agents, volunteers, and employees from and against any and all loss, damages, injury, liability, suits, and proceedings arising out of the performance of this Agreement which are caused in whole or in part by the negligence of the Grantees officers, agents, volunteers, employees, sub-grantees, or sub-contractors, but not for claims arising from the State's sole negligence.
24. **FINANCIAL/COST ACCOUNTING SYSTEM:** GRANTEE agrees to maintain a financial and cost accounting system in accordance with the Generally Accepted Accounting Principles ("GAAP"), issued by the American Institute of Certified Public Accountants; or the "Governmental GASB," issued by the United States Governmental Accounting Standards Board. An entity's accounting basis determines when transactions and economic events are reflected in its financial statements. An entity may record its accounting transactions and events on a cash basis, accrual basis, or modified accrual basis. According to GAAP and Governmental GAAP, the cash method of accounting is not appropriate for governmental entities; the accrual basis and modified accrual basis of accounting are the preferred methods. The GRANTEE further agrees that all program expenditures and revenues shall be supported by reasonable documentation (vouchers, invoices, receipts, etc.), which shall be stored and filed in a systematic and consistent manner. The GRANTEE further agrees to retain and make available to independent auditors, State and Federal auditors, and program and Grant reviewers all accounting records and supporting documentation for a minimum of six (6) years after the expiration of this Grant. The GRANTEE further agrees that, to the extent it is unable to reasonably document the disposition of monies paid under this Grant, it is subject to an assessment for over-payment.
25. **GRIEVANCE PROCEDURE:** The GRANTEE agrees to establish a system which recipients of services provided under this Grant may present grievances about the operation of the program as it pertains to and affects said recipient. The GRANTEE will advise

recipients of their right to present grievances concerning denial or exclusion from the program, or operation of the program, and of their right to a review of the instance by DWS. The GRANTEE will advise applicants in writing of rights and procedures to appeal. In the event of a grievance, the GRANTEE will notify DWS of the grievance and its disposition of the matter. If no resolution is reached with the GRANTEE, the grievance will be forwarded to DWS for processing through DWS's Administrative Process.

26. **PROTECTION AND USE OF CLIENT RECORDS:** The use or disclosure by any party of any information concerning a client for any purpose not directly connected with the administration of DWS's or the GRANTEE'S responsibilities with respect to this Agreement is prohibited except on written consent of the client, their attorney, or responsible parent or guardian. The GRANTEE will be required to sign DWS's disclosure statement.

27. **DWS COST PRINCIPLES FOR COST REIMBURSEMENT CONTRACTS:**

- a. Federal cost principles determine allowable costs in DWS Grants. They can be found in publications by the Federal Office of Management and Budgets ("OMB"). GRANTEE may locate the Federal Cost Principles applicable to its organization by searching the appropriate federal government websites.
- b. Compliance with Federal Cost Principles: For GRANTEE'S convenience, DWS provides Table 1 below, "Cost Principles," as a reference guide to the applicable cost principles. However, the information in this table is not exhaustive, and GRANTEE understands that it is obligated to seek independent legal and/or accounting advice. As shown in Table 1, "Cost Principles," the principles applicable to a particular GRANTEE depend upon GRANTEE'S legal status.

Table 1: Cost Principles

Grantee	Federal Cost Principles
State/Local/Indian Tribal Governments	2 CFR 200 Subpart E
College or University	
Non-Profit Organization	
For-Profit Entity	48 CFR Part 31.2

- c. Compensation for Personal Services - Additional Cost Principles:
In addition to the cost principles in the Federal circulars concerning compensation for personal services, the following cost principles also apply:
 - i. The portion of time a person devotes to a program should be disclosed in the budget as a percent of 40 hours per week.
 - ii. Employees who are compensated from one or more Grants, or from programmatic functions must maintain time reports, which reflect the distribution of their activities.
 - iii. For persons occupying any managerial position (administration or program management), total work time from all work, including outside employment and participation in other entities, must be disclosed. If total work time exceeds 40 hours and the GRANTEE wants reimbursement for the time devoted to DWS programs over 40 hours, the following two conditions must be met: 1) a perpetual time record must be maintained and 2) prior written approval must be obtained from DWS's Finance-Contracting Division
 - iv. Compensation for Personal Expenses: DWS will not reimburse GRANTEE for personal expenses. For example, spouse travel when the travel costs of the spouse is unrelated to the business activity, telecommunications and cell phones for personal uses, undocumented car allowances, payments for both

actual costs of meals and payments for per diem on the same day, and business lunches (not connected with training).

- d. **Third-Party Reimbursement and Program Income:** The GRANTEE is required to pursue reimbursement from all other sources of funding available for services performed under this Grant. Other sources of funding include, but are not limited to, third-party reimbursements and program income. In no instance shall any combination of other sources of funding and billings to DWS be greater than “necessary and reasonable costs to perform the services” as supported by audited financial records. Collections over and above audited costs shall be refunded to DWS.

28. **ADMINISTRATIVE EXPENDITURES:** If allowed by the budget terms of this Agreement, DWS will reimburse administrative expenditures as follows: administrative costs (both direct and indirect) cannot exceed 10% of the total budget. GRANTEES with approved indirect cost rates must provide DWS with their approval letter from the federal cognizant agency. GRANTEES without a federally approved indirect cost rate are limited to an indirect cost rate of 10%.

29. **CHANGES IN BUDGET (Cost Reimbursement Grants Only):** The budget attached hereto shall be the basis for payment. The GRANTEE may not make any adjustment in budgeted funds from Category III, “Program Expenses” to either Category I, “Administration” or Category II, “Capital Expenditures” or between Categories I and II, without prior written approval by DWS. Expenditures in excess of those budgeted in either Category I or II may be considered questioned costs. Resolution of such questioned costs will normally result in a request that such excesses be refunded to DWS. The GRANTEE may, however, shift between either Category I or II to Category III without prior approval. Expenditures in excess of those budgeted in Category III will not normally result in questioned costs unless restrictions have been placed on subcategories within this major category. When the Grant restricts expenditures within defined subcategories, any unapproved excess will be considered a questioned cost.

30. **RELATED PARTIES:** The GRANTEE shall not make payments to related parties in any category of Administration, Capital Expenditures, or Program Expenses without the prior written consent of DWS. Payments to related parties may include, but are not limited to: salaries, wages, compensation under employment or service Grants, or payments under purchase, lease, or rental Grants. Payments made by the GRANTEE to related parties without such prior written consent may be disallowed and may result in an overpayment assessment. For the purpose of defining payments to related parties under a grant, the GRANTEE shall be defined to include all owners, partners, directors, and officers of the GRANTEE or others with authority to establish policies and make decisions for the GRANTEE.

Persons and/or organizations shall be considered related parties when any of the following conditions exist:

A person and/or organization with directors, officers, or others with the authority to establish policies and to make decisions for the organization who is/are related to GRANTEE through blood or marriage, as defined by U.C.A., Section 52-3-1(1)(d) as father, mother, husband, wife, son, daughter, sister, brother, uncle, aunt, nephew, niece, first cousin, mother-in-law, father-in-law, brother-in-law, sister-in-law, son-in law, or daughter-in-law.

An organization has in common with the GRANTEE either: a) owners or partners who directly or indirectly own ten percent (10%) or more of the voting interest of the organization; and/or b) directors, officers or others with authority to establish policies and make decisions for the organization.

The GRANTEE is obligated to notify DWS of any contemplated or actual related party payment prior to making a purchase. Upon notification of related party payment, DWS may, at its discretion, require that the GRANTEE undertake competitive bidding for the goods or services, require satisfactory cost justification prior to payment, or take other steps that may be necessary to assure that the goods or services provided afford DWS a satisfactory level of quality and cost. Any related-party payments contemplated under this Grant must be disclosed on a written statement to DWS which shall include. :

- a. The name of the GRANTEE'S representative who is related to the party to whom the GRANTEE seeks to make payments;
- b. the name of the other related party;
- c. the relationship between the individuals identified in "a" and "b" above;
- d. a description of the transaction in question and the dollar amount involved (if any);
- e. the decision-making authority of the GRANTEE'S representative and the party identified in "b" above, with respect to the applicable transaction;
- f. the potential effect of the payment to a related party on this Grant; and
- g. the measures taken by the GRANTEE to protect DWS from potentially adverse effects resulting from the identified parties' relationship.

31. NON-FEDERAL MATCH: For those Grants requiring a non-federal match, said match shall be:

- a. Expenses which are reasonable and necessary for proper and efficient accomplishment of the contracted program objectives.
- b. Allowable under applicable cost principles.
- c. Not paid by the Federal Government under another award except where authorized by Federal statute.
- d. In accordance with the appropriate Federal grant being matched.
- e. Invoices submitted to DWS should detail the total cost of the Grant program expenditures and should distinguish between which expenditures are match and which are requested for reimbursement.

32. REQUIRED INSURANCE:

Governmental entities are not required to provide certificates of insurance, "additional insured" endorsements or evidence of continued coverage.

- a. *General Liability Insurance and/or Comprehensive General Liability Insurance:* To protect against liability, loss and/or expense in connection with GRANTEE'S performance described under this contract, GRANTEE shall obtain and maintain in force during the entire period of this contract without interruption, at its own expense, insurance from an insurance company authorized to do business in the State. GRANTEE'S must maintain General Liability Insurance and/or Comprehensive General Liability Insurance, including coverage for premises/operations, explosion, collapse and underground hazards, products/completed operations, contractual (including this contract), and personal injury, including employees with policy limits not less than one million dollars (\$1,000,000.00) each occurrence and three million dollars (\$3,000,000.00) in the aggregate during the term of this contract. Aggregate limit shall be designated as applying to this contract. If this insurance coverage is written on a "claims made" basis, the certificate of insurance required below shall so indicate and the policy shall contain an extended reporting period provision or similar 'tail' provision such that claims reported up to three (3) years beyond the date of Substantial Completion of this contract are covered. The carrying of insurance required by this contract shall not be interpreted as relieving the GRANTEE of any other responsibility or liability under this contract or any applicable law, statute, rule, regulation, or order.
 - i. GRANTEE must provide proof of insurance to DWS and must add DWS as an additional insured with notice of cancellation. Before signing this Contract, a non-governmental GRANTEE or Subcontractor shall obtain from its insurer(s) and shall provide to DWS certificates of insurance and "additional insured" endorsements indicating the required coverage is in effect and that the insurer shall give DWS thirty (30) days' notice of any modification, cancellation or non-renewal of the policy. On an annual basis and upon request

from DWS, a non-governmental GRANTEE or Subcontractor shall provide DWS with evidence the GRANTEE or Subcontractor has the insurance coverage required by this Contract.

iii. It shall be the responsibility of GRANTEE to require any of their Subcontractor(s) to secure the same insurance coverage as prescribed herein for the GRANTEE.

- b. *Automobile Insurance:* If the GRANTEE'S services involve transporting any clients or goods for the DWS, the GRANTEE shall maintain a policy of automobile liability insurance covering property damage, personal injury protection, and liability for the vehicles used by the GRANTEE (including owned, hired and non-owned vehicles.) The policy shall provide for a combined single limit, or the equivalent, of not less than \$1,000,000. If the GRANTEE subcontracts with another entity or individual for transportation services, or services that include transportation services, the GRANTEE may satisfy this insurance requirement by submitting proof that the Subcontractor has complied with the requirements of the "Insurance and Indemnification" section of this Contract.
- c. *Professional Liability Insurance:* If the GRANTEE employs doctors, dentists, social workers, mental health therapists or other professionals to provide services under this Contract, the GRANTEE shall maintain a policy of professional liability insurance with a limit of not less than one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) aggregate. This professional liability insurance ("malpractice insurance") shall cover damages caused by errors, omissions or negligence related to the professional services provided under this Contract.
- d. *Worker's Compensation and Employers' Liability Insurance:* GRANTEE shall maintain during the term of this contract, workers' compensation insurance for all its employees as well as any subcontractor employees related to this contract. Worker's compensation insurance shall cover full liability under the worker's compensation laws of the jurisdiction in which the service is performed at the statutory limits required by said jurisdiction. GRANTEE must provide proof of insurance to DWS and must add DWS as an additional insured with notice of cancellation. GRANTEE acknowledges that within thirty (30) days of contract award, the GRANTEE and/or GRANTEE'S subcontractors must submit proof of certificate of insurance meeting the above requirements.

THE FOLLOWING PARAGRAPHS APPLY TO GRANT AGREEMENTS FUNDED THROUGH THE WORKFORCE INVESTMENT ACT (WIA)

- 33. **SALARY AND BONUS LIMITATIONS:** In compliance with Public Law 110-5 and 109-234, none of the funds under this contract that are available for expenditure on or after June 15, 2006, shall be used by the GRANTEE to pay the salary and bonuses of an individual, either as direct costs or indirect costs, at a rate in excess of Executive Level II, except as provided for under section 101 of Public Law 109-149. See Training and Employment Guidance Letter (TEGL) number 5-06 for further clarification.
- 34. **STAND-IN COSTS:** Stand-in costs are non-Federal costs that may be substituted for disallowed contract costs when certain conditions are met. Stand-in costs must meet the following criteria: To be considered, proposed stand-in costs must have been actually incurred allowable contract costs that have not been charged to the contract, included within the scope of the GRANTEE'S audit, and accounted for in the GRANTEE'S financial system required by 29 CFR Part 97 or 95 as appropriate. To be accepted, stand-in costs must

come from the same year as the costs that they are proposed to replace, and they must not cause a violation of the administrative or other cost limitations. Stand-in costs must be reported to DWS through the Cost Reimbursement form.

35. **PROGRAM INCOME:** Program income is defined in 29 CFR 97.25(b) and is the gross income received by the **GRANTEE** directly generated by a contract-supported activity, or earned only as a result of the contract during the contract period. A similar definition is found in 29 CFR Part 95.2(bb). A list of the types of income that are considered program income for purposes of WIA is included in 29 CFR 97.25(a) and 29 CFR Part 95.2(bb). Program income must be reported to the **GRANTEE** through the Cost Reimbursement report and must be expended prior to any requesting any contract funds for reimbursement.
36. **LEVERAGED FUNDS:** Leveraged funds are defined as any funds which have been expended for the same purposes and are allowable expenses under the contract funds but were paid by other Federal resources within the **GRANTEE'S** accounting records. Leveraged funds are to be reported to DWS through the Cost Reimbursement report and be tracked and quantifiable within the **GRANTEE'S** accounting records.

ATTACHMENT - H
CRIMINAL BACKGROUND CHECK REQUIREMENT
FOR
GRANTEES & CONTRACTORS PROVIDING SERVICES TO
DWS CUSTOMERS, MINORS AND/OR VULNERABLE ADULTS

- A. All Contractors/Sub-Contractors and Grantees/Sub-Grantees (collectively referred to herein as “Contractors”) must obtain an **annual** Utah Bureau of Criminal Identification (BCI) Utah criminal background check for all of their employees and volunteers who have access to DWS customer confidential information. In addition, if the Contractor’s primary customers are minors or vulnerable adults, the Contractor must obtain an **annual** fingerprint-based national criminal history record check for all employees and volunteers who provide direct services to or have direct access to minors and/or vulnerable adults.
- B. This policy does not apply to Contractors who are required by law or by another governmental entity to obtain background checks. In such cases, the Contractor shall provide DWS with a description of the background check policy (type of check, who is required to be checked, and frequency) and proof of compliance with such law(s), regulation(s) or requirements.
- C. Definitions
- “Confidential information” includes but is not limited to: personal identifying information, medical/clinical/counseling records, financial records, case information, etc.
 - “Direct service” means providing services to a DWS customer, minor, and/or vulnerable adult when the services are rendered in the physical presence of the DWS customer, minor, and/or vulnerable adult or in a location where the person rendering services has access to the physical presence of the DWS customer, minor and/or vulnerable adult. Services include, but are not limited to: providing individual services such as counseling, mentoring, job coaching, training, job search activities, testing and/or providing mental health and medical services to DWS customers. See Utah Code Ann. 62A-5-101(6).

- "Direct access" means that an individual has, or likely will have, contact with or access to a minor or vulnerable adult that provides the individual with an opportunity for personal communication or touch. See Utah Code Ann. 62A-2-101(8).
- "Minor" means any person under the age of 18.
- "Vulnerable adult" means an elder adult, or an adult 18 years of age or older who has a mental or physical impairment including mental illness, mental deficiency, physical illness or disability, chronic use of drugs, chronic intoxication, short-term memory loss, or other cause which substantially affects that person's ability to:
 - provide personal protection;
 - provide necessities such as food, shelter, clothing, or medical or other health care;
 - obtain services necessary for health, safety, or welfare;
 - carry out the activities of daily living;
 - manage the adult's own resources; or
 - comprehend the nature and consequences of remaining in a situation of abuse, neglect, or exploitation. See Utah Code Ann. 76-5-111(1)(s).

D. Background checks shall be obtained according the Contractor's qualifications per Utah statute:

- If the Contractor meets the requirements to request Utah criminal history information under Utah Code Annotated 53-10-102(19), 53-10-108(1)(b) and (g) and the National Child Protection Act (Public Law 105-251, 42 USC 5119a) (working with children and vulnerable adults and/or fiduciary funds, national security, or under other statutory authority) then the Contractor must be or become certified as a Qualified Entity by the Utah Bureau of Criminal Identification and obtain Utah and fingerprint-based national criminal history record checks through the BCI.
- If the Contractor does not meet the statutory requirements referenced above, then the Contractor shall require their employee/volunteer to contact the BCI and follow the BCI procedures to obtain their own Utah and national fingerprint-based national criminal history record checks.

- BCI information can be found at <http://publicsafety.utah.gov/bci/>.
- E. Contractor shall be responsible for all fees associated with the background check unless otherwise assigned to the individual by the Contractor, or otherwise provided for by DWS herein.
- F. Contractor must immediately notify DWS if an employee/volunteer's record shows criminal history.
- G. DWS may restrict or prohibit an individual from accessing confidential information, providing direct customer service, or having direct access to a minor and/or vulnerable adult until a valid criminal background check is completed or in the event the background check indicates:
- convictions or a plea in abeyance involving such offenses as theft, illegal drug use and/or trafficking, fraud, sexual offenses, lewdness, domestic violence, assault, battery, identity theft, any felony, any class A misdemeanor, or any other conduct or action that may, in the judgment of DWS, create a risk of harm to a DWS customer, minor, and/or vulnerable adult and/or suggests the individual is at risk for compromising confidential information.
- H. It is the Contractor's responsibility to prevent direct services or direct access to minors and/or vulnerable adults by employees or volunteers whose criminal history record shows any of the following offenses:
- Any matters involving an alleged sexual offense.
 - Any matters involving an alleged felony or class "A" misdemeanor drug offense.
 - Any matters involving an alleged "crime against the person" under Utah Code 76- 5-101 et seq.
- I. For each individual subject to this policy, the Contractor shall keep the annual and verifiable background check on file. Verification that background check has been performed must be made available to DWS upon request.

J. DWS may terminate this Agreement in the event the Contractor fails to complete and maintain records of background checks for staff members in a manner consistent with this policy.

ATTACHMENT - I

Department of Workforce Services

Financial Reporting Requirements

For all fund, including those subject to the federal reporting requirements in place AFTER December 26, 2014

I. General Requirements

A. No Financial Reporting Requirements for Professionals Contracting in an Individual Capacity

There are no Federal, State, or DWS financial reporting requirements for individuals such as doctors, dentists, social workers, and other similar professionals contracting in an individual capacity to provide services to clients. Therefore, the financial reporting requirements discussed herein are not applicable to professionals contracting as individuals. (Note: Sole proprietors and limited liability companies, owned by either one person or by a husband and wife, are considered individuals for reporting requirement purposes. However, individuals associated with corporations, partnerships, or other contracting organizations are not individuals for reporting requirement purposes.) Notwithstanding the lack of financial reporting requirements for individuals, Subrecipients providing services in an individual capacity are still subject to financial review by DWS and/or other government entities.

B. No Financial Reporting Requirements for Contracting Organizations Receiving Less Than \$25,000 From DWS in a Single Fiscal Year

Contracting organizations that receive less than \$25,000 from DWS in a single fiscal year have no financial reporting requirement to DWS unless specifically required by DWS. However, they are still subject to financial review by DWS.

C. Compliance with Applicable Financial Laws

The Subrecipient shall comply with all applicable federal and state laws regarding financial reports. The Subrecipient shall comply with all applicable requirements set forth in: 1) 2 CFR 200 Subpart F, *Audit Requirements* published by the federal government; and 2) the *State of Utah Compliance Audit Guide* (SCAG), issued by the State Auditor's Office. Federal, State, and DWS Financial Reporting Requirements are listed below as a reference guide to the various financial reporting requirements. The information is not exhaustive and the Subrecipient understands that it is obligated to seek independent legal and/or accounting advice. Links to the applicable federal and state financial reporting requirements are in Table 1, *Federal, State, and DWS Financial Reporting Requirements*, below.

Table 1: Federal, State, and DWS Financial Reporting Requirements	
Policy	Internet Site
2 CFR 200 Subpart F, “Audit Requirements”	http://www.ecfr.gov/cgi-bin/text-idx?SID=d46bc55b614c7279600cd3c4bf06569d&mc=true&node=sp2.1.200.f&rgn=div6
Utah Code	http://le.utah.gov/UtahCode/title.jsp
Utah Administrative Rules	http://www.rules.utah.gov/publicat/code.htm
SCAG	http://auditor.utah.gov/local-government-2/publications/state-compliance-guide/

D. Additional Financial Reporting Requirements for DWS Grants

In addition to the financial reporting requirement set forth in 2 CFR 200 Subpart F, “Audit Requirements” and the SCAG, this Grant requires the Grantee to submit various financial reports to DWS, as set forth below in a separate column in *Table 2: Federal, State and DWS Auditing Requirements*.

E. The Entity Type, Amount, and Source of Government Funds Determines the Type of Financial Report Required

Whether or not a Subrecipient is required to obtain and submit an annual audit or other financial reports is determined by the Subrecipients’s entity type, the amount, and source of government funds that the Subrecipient expends during a given year.

Based on the SCAG, DWS requires all Subrecipients, except sole proprietorships, to submit an audit prepared according to government auditing standards whenever the Grantee has \$350,000 or more in total revenues **and** 50% or more of those revenues come from government agencies (federal, state, county, and/or local, etc.).

Unaudited reports may be required of Grantees with total revenues under \$350,000.00 (see *Table 2: Federal, State and DWS Auditing Requirements*).

If GRANTEE is a non-profit organization, GRANTEE is required to comply with Utah Code: 51-2a-201.5: Accounting reports required – Reporting to state auditor. Not later than May 31st of each year, the Non Profit GRANTEE will disclose to DWS, in writing, whether: (i) the nonprofit corporation met or exceeded the dollar amounts listed in Utah Code: 51-2a-201.5, Subsection (2) in the previous fiscal year of the nonprofit corporation; and whether (ii) the nonprofit corporation anticipates meeting or exceeding the dollar amounts listed in Utah Code: 51-2a-201.5, Subsection (2) in the fiscal year the money is disbursed.

II. Definitions

Federal Funds means Federal financial assistance that a Subrecipient receives directly from Federal awarding agencies or indirectly from pass-through entities.

Government Funds means financial assistance that a Subrecipient receives from a combination of government sources, including Federal awarding agencies, State appropriations and other local governments.

OMB means the federal Executive Office of the President, Office of Management and Budget.

OMB Circular means a publication issued by the OMB that sets forth federal cost accounting or auditing requirements.

Pass-Through Entity means an entity (such as DWS) which receives federal funds and then passes those funds through to Subrecipients, to carry out a project related to the federal award.

Service Provider means a private or governmental entity that receives funds from DWS for services provided to DWS clients under a program developed by DWS.

Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.

Pass-Through Entity for such federal funding. If the Grantee operates its own program of services for eligible clients, the Grantee shall comply with the financial record-keeping and reporting requirements that apply to federally-funded subrecipients, even if this Grant is funded solely by State funds.

III. Subrecipient's Submission Of Required Audits And Other Financial Reports:

A. Deadlines

The Subrecipient shall be bound by 2 CFR 200 Subpart F, "Audit Requirements" and the SCAG submission deadlines for audits and financial reports (see *Table 2: Federal, State and DWS Auditing Requirements*, below).

The Subrecipient may request an extension to the deadline for required DWS reports by contacting DWS at the address below. However, the Subrecipient understands that DWS can extend only those deadlines for reports required by DWS. Subrecipients must contact the Federal Clearinghouse, federal awarding agencies, and the State Auditor's Office to obtain extensions of deadlines for submission of reports to those entities.

B. Addresses

The Subrecipient shall submit all audits and financial reports to the entities identified in the applicable law, 2 CFR 200 Subpart F, "Audit Requirements" and the SCAG. See also *Table 2: Federal, State and DWS Auditing Requirements*, below.

Where the Subrecipient is required to submit audits and financial reports to DWS under 2 CFR 200 Subpart F, the SCAG and DWS Grant provisions, the Subrecipient shall submit the required audits and financial reports to the following address:

DWS OF WORKFORCE SERVICES
Contracts Manager
P.O. Box 45249
Salt Lake City, Utah 84145-0249

C. Additional Definitions Used In This Part:

Audit Findings means a schedule of all costs questioned by the auditor relative to Government Funds.

Compliance Opinion means an auditor's opinion that Subrecipient has complied with all applicable auditing laws and requirements. Utah Code Ann. § 51-2-3.

Federal Clearinghouse means the federal clearinghouse designated by the OMB. As provided in OMB Circular A-133.320(i), "the address of the Federal clearinghouse currently designated by OMB is Federal Audit Clearinghouse, Bureau of the Census, 1201 E. 10th Street, Jeffersonville, IN 47132."

Financial Statements means financial reports of the Subrecipient's accounting records for a given fiscal year, prepared by an independent accountant or employee of the Subrecipient, including balance sheet, income and expense statement, statement of cash flows, and the preparer's notes to the Financial Statements.

GAAP means Generally Accepted Accounting Principles, a combination of authoritative accounting principles, standards, and procedures (set by policy boards). Usual statements in a financial statement include balance sheet, statement of income and expenses, statement of cash flows and notes to the financial statements.

GAS means Government Auditing Standards, issued by the Comptroller General of the United States, to be followed in audits of state and local governments and non-profit organizations that receive federal financial assistance. GAS is often referred to as Generally Accepted Government Auditing Standards ("GAGAS"). For financial statement audits, GAS/GAGAS incorporate the generally accepted standards issued by the AICPA.

Non-profit Organization means a corporation or foundation which: (1) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; and (2) does not distribute any part of its income to its members, trustees, or officers.

Program-Specific Audit means an audit of one specific federal program, using GAGAS standards, as described in 2 CFR 200.501(c) and 2 CFR 200.507.

Reporting Package means the auditor's package of financial reports as defined in 2 CFR 200.512, and shall include Financial Statements and Schedule of Expenditures of Federal Awards, Summary Schedule of prior audit findings, Auditor's report(s), and corrective action plan.

SCAG means the State Compliance Audit Guide issued by the State Auditor's Office.

Single Audit means an audit that includes both the Subrecipient's Financial Statements and the Federal awards using GAGAS standards, as described in 2 CFR 200.514.

Statement of Functional Expense means a breakdown of administration expenses and expenses attributed to actual program services on a program-by-program basis.

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Table 2: Federal, State, and DWS Auditing Requirements

Type of Entity	Amount of Annual Funding	Federal Audit & Reporting Requirements	State Audit & Reporting Requirements	DWS Grant Reporting Requirements	Submission Deadlines
Government Agency; Non-Profit Subrecipient; OR Non-Profit Service Provider	\$750,000 or more expended in Federal Funds	Single Audit or Program Specific Audit, using GAGAS standards. (2 CFR 200.501, 2 CFR 200.507, and 2 CFR 200.514) <u>Financial Reports Required from Grantee:</u> 1. Data Collection Form as described in 2 CFR 200.512 (a), (b) and (d) -to Federal Audit Clearinghouse 2. Reporting Package- to: (a) Federal Audit Clearinghouse (b) Each federal awarding agency - if audit disclosed Audit Findings or reported the status of any Audit Findings in the Summary Schedule (2 CFR 200.512 (c) and (d))	Non-Profit Organizations that receive 50% or more of their funding from Government Funds AND all governmental agencies must submit the following audits and reports to the Utah State Auditor's Office: 1. Copies of the entire <u>Single Audit or Program Specific Audit report</u> 2. The auditor's management letter, if the Single Audit or Program Audit report disclosed any Audit Findings. (The SCAG provides that there are NO reporting or auditing REQUIREMENTS for Non-Profit Organizations that receive LESS THAN 50% of their total funding from Government Funds, regardless of the amount of funding.)	1. <u>This Grant also requires Grantee to submit the following:</u> a. Auditor's Management Letter; and b. Upon request by DWS, (1) Entire Single or Program Specific Audit report; and (2) Reporting Package (if not already required by 2 CFR 200 Subpart F) (3) For non-profit Grantees, the statement of Functional Expenses.	1. Thirty (30) days after Grantor receives the auditor's reports, or nine (9) months after end of fiscal year audited, whichever occurs first. (2 CFR 200.512(a)(1)) 2. The above deadlines also apply to submission of Single Audit or Specific Audit reports required by the Utah State Auditor's Office and this DWS Grant.

Type of Entity	Amount of Annual Funding	Federal Audit & Reporting Requirements	State Audit & Reporting Requirements	DWS Grant Reporting Requirements	Submission Deadlines
Government Agency; Non-Profit Subrecipient; OR Non-Profit Service Provider	Less than \$750,000 expended in Federal Funds, but \$350,000 or more in total revenue	No audit required -- but records must be available for review or audit by Fed. Officials (2 CFR 200.501(d))	All Non-Profit Organizations that receive 50% or more of their funding from Government Funds AND all governmental agencies must submit the following audits and reports to the Utah State Auditor's Office: a. Audited Financial Report using GAS/GAGAS (also know as "Yellow Book" standards. b The auditor's management letter, if the GAS/GAGAS "Yellow Book" report disclosed any Audit Findings. See Utah Admin. Code Rule R123-5 "Audit Requirements for Audits of Political Subdivisions and Nonprofit Organizations." § 51-2-3 regarding records to be included in the Audit Report, compliance with State law, test work requirements, Compliance Opinion and other compliance issues.	Government agencies and non-profit entities if 50% or more of the total funds received by non-profit Grantee are Government Funds: 1. Copy of the Entire Audit Report required by the SCAG; and 2. Auditor's Management Letter. 3. Statement of Functional Expenses. IF LESS THAN 50% of total funds received by a non-profit Grantee are from Government Funds such that Grantee is not required by the SCAG to submit any financial reports, DWS requires: 1. Unaudited CPA Review; and 2. Statement of Functional Expenses.	Within six (6) months after end of Grantee's fiscal year Utah Code Ann. § 51-2a-202

Type of Entity	Amount of Annual Funding	Federal Audit & Reporting Requirements	State Audit & Reporting Requirements	DWS Grant Reporting Requirements	Submission Deadlines
Government Agency; Non-Profit Subrecipient; OR Non-Profit Service Provider	Less than \$350,000 but \$200,000 or more in total revenue	NO REQUIREMENTS	All Non-Profit Organizations that receive 50% or more of their funding from Government Funds AND all governmental agencies must submit the following reports to the Utah State Auditor's Office: Unaudited CPA Review.	Government agencies and non-profit entities (if 50% or more of the total funds received by non-profit Grantee are Government Funds): 1. Unaudited CPA Review; and 2. Statement of Functional Expenses IF LESS THAN 50% of total funds received by a non-profit Grantee are from Government Funds: 1. Unaudited CPA Compilation; and 2. Statement of Functional Expenses	Within six (6) months after end of Grantee's fiscal year

Type of Entity	Amount of Annual Funding	Federal Audit & Reporting Requirements	State Audit & Reporting Requirements	DWS Grant Reporting Requirements	Submission Deadlines
	Less than \$200,000 but \$100,000 or more in total revenue	NO REQUIREMENTS	All Non-Profit Organizations that receive 50% or more of their funding from Government Funds AND all governmental agencies must submit the following reports to the Utah State Auditor's Office: Unaudited CPA Compilation	All Non-Profit Organizations that receive 50% or more of their total funding from Government Funds AND all governmental agencies: 1. Unaudited CPA Compilation; and 2. Statement of Functional Expenses IF LESS THAN 50% of the total funds received by a Non-Profit Organization are from Government Funds: 1. Unaudited Financial report prepared according to GAAP; and 2. Statement of Functional Expenses	Within six (6) months after end of Grantee's fiscal year
	Less than \$100,000 but \$25,000 or more in total revenue	NO REQUIREMENTS	All Non-Profit Organizations that receive 50% or more of their funding from Government Funds AND all governmental agencies must submit the following reports to the Utah State Auditor's Office: Financial Information on the form approved by the State Auditor.	All Grantees: Unaudited financial information, including, at a minimum: 1. Balance sheet; and 2. Income and Expenses Statement	Within six (6) months after end of Grantee's fiscal year
All Contracting Entities	Less than \$25,000 received from DWS in the Fiscal Year	NO REQUIREMENTS	All Non-Profit Organizations that receive 50% or more of their funding from Government Funds AND all governmental agencies must submit to the Utah State Auditor's Office, financial information on the form approved by the State Auditor	NO REQUIREMENTS	Within six (6) months after end of Grantee's fiscal year

Type of Entity	Amount of Annual Funding	Federal Audit & Reporting Requirements	State Audit & Reporting Requirements	DWS Grant Reporting Requirements	Submission Deadlines
For-Profit Subrecipients; OR Service Providers	Based upon the same funding level breakdowns as above	NO REQUIREMENTS	NO REQUIREMENTS	<p>The non-profit reporting requirements identified above also apply to for-profit Grantees with the following exceptions:</p> <ol style="list-style-type: none"> 1. The reporting format required of non-profit Grantees is not required. 2. The Independent Auditor's Report on State Legal Compliance is not required. 3. The financial reports of foreign organizations (organizations located outside the State of Utah) shall be accepted as prepared. 4. Local subsidiaries or divisions of an outside organization shall submit a statement of functional expenses in addition to the parent organization's financial report. 	Within six (6) months after end of Grantee's fiscal year