

CONTRACT NO.
AGENCY ID. 24761776

N502 FORM-2282ILC
MAY 2018

DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES INTERLOCAL CONTRACT

I. PURPOSE.

The Texas Department of Family and Protective Services (DFPS) and Fort Bend County (Contractor/Performing Agency) (referred to herein as each a "Party" and collectively as the "Parties") enter into this Contract for Claims Processing services (Contract).

II. LEGAL AUTHORITY.

This Contract is entered under DFPS' statutory authority in Texas Human Resources Code Chapter 40 and Texas Government Code Chapter 791.

III. CONTRACT TERM.

This Contract starts on September 1, 2019 and ends on August 31, 2024, and can be renewed, extended or terminated as provided for in this Contract.

IV. TOTAL AMOUNT OF THIS CONTRACT.

The total amount of this Contract will not exceed \$4,360.00 per fiscal year. All expenditures under this Contract will be paid by DFPS from its current revenues.

V. STATEMENT OF WORK.

The Performing Agency will perform the work and provide services as provided for in Attachment A (Statement of Work).

VI. CONTRACT MANAGER.

The following will act as the Contract Managers authorized to administer activities and receive general correspondence under this Contract.

A. DFPS

DFPS will provide written notice of the assigned contract manager. All correspondence will be sent to:
CPS Regional Contracts
5425 Polk Street, Suite 190, Houston, TX 77023
elaine.hoang2@dfps.state.tx.us

B. PERFORMING AGENCY

The Honorable KP George
County Judge
PO Box 399, Richmond, TX 77406
281-344-3978
humera.ansari@fortbendcountytexas.gov

**DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES
INTERLOCAL CONTRACT**

VII. LEGAL NOTICES.

Notice will be given to the following as provided in the Uniform Terms and Conditions.

A. DFPS

Audrey Carmical
General Counsel
P. O. Box 149030 MC E611
Austin, TX 78714-9030
Audrey.Carmical@dfps.state.tx.us

B. PERFORMING AGENCY

The Honorable KP George
County Judge
PO Box 399, Richmond, TX 77406
281-344-3978

VIII. ATTACHMENTS.

The Parties agree to comply with following Attachments and that they are attached and incorporated as part of this Contract.


Attachment A – Statement of Work
Attachment B – Uniform Terms & Conditions
Attachment C – Supplemental & Special Conditions

By signing below, the following signatories certify that they have the requisite legal authority to bind their respective Party.

DFPS

Kristene Blackstone
Associate Commissioner CPS
Date: _____

PERFORMING AGENCY



The Honorable KP George
County Judge
Date: 7-2-2019

**DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES
INTERLOCAL CONTRACT**

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DFPS



Kristene Blackstone
Associate Commissioner CPS

Date: 7.15.19

PERFORMING AGENCY



The Honorable KP George
County Judge

Date: 7-2-2019

ATTACHMENT A STATEMENT OF WORK

I. CONTRACTOR/PERFORMING AGENCY RESPONSIBILITIES

2.3 Need for Service

Claims Processing is the timely writing and processing of payments on behalf of DFPS for goods and services that benefit eligible DFPS clients. The use of a HTTPS “secure” (Hypertext Transfer Protocol on top of SSL/TLS protocol) web site for making disbursements is allowable. The “secure” web site must contain an URL address indicating Secure Socket Layer (SSL) or Transport Layer Security (TLS) secured.

2.4 Eligible Population

Client eligibility is determined by DFPS. Contractor must provide services on behalf of clients authorized by DFPS.

2.5 Client Characteristics

Clients that will be served are CPS clients. There is no direct client contact by the Contractor in the provision of this service; therefore, no special client characteristics need to be considered.

2.6 Service Availability

The Contractor must be available during regular working hours from 8 a.m. to 5 p.m. Monday through Friday except on State Holidays. A list of State Holidays can be found at the following link:

<http://sao.hr.state.tx.us/compensation/holidays.html>

For holidays that show "Skeleton Crew Required" or "Optional" Contractor must have enough employees on duty to conduct the business necessary to meet the requirements defined in Section 2 of the contract.

2.6.1 Period of Performance

The initial contract period will begin on the effective date stated in the contract and will terminate on **August 31, 2024** unless terminated sooner as described in the contract.

2.6.2 Transition Planning

Contractor must provide services by the contract effective date. It is anticipated the scope of work for the Transition Phase will occur immediately after contract execution. “Transition Phase” is defined as those activities that the awarded Contractor must conduct between the effective date of the contract and the awarded

ATTACHMENT A STATEMENT OF WORK

Contractor's operational start date, which in this particular instance is the same date. The work activities and requirements outlined in this section are applicable to the awarded Contractor.

DFPS must ensure that the process of transition to the awarded Contractor from the existing Contractor upon contract award, results in predictable, seamless transition where claims processing services continue to be delivered in a timely and efficient manner. DFPS and the Contractor must work together throughout the transition phase to establish a detailed schedule for all tasks/activities and define expectations for the readiness and successful implementation of claims processing services.

Transition activities that must be performed by the Contractor include, but are not limited to:

- Coordination activities with current Contractor and associated planned due dates to ensure:
 - All applicable information, data, files, etc. is obtained, and
 - Capture the current status of all pending disbursement requests beyond the incumbent contractor's contract end date.
- Receipt of transferred information including applicable client files (see section 2.10.1 Individual Client Records) and other pertinent data to ensure continued operations.

2.6.3 Turnover Planning

At the end of the contract term, including any renewals or other contract termination or cancellation, the Contractor shall in good faith and in reasonable cooperation with the DFPS, aid in turnover to any new arrangement or provider of services. Turnover is defined as those activities that are required for the Contractor to perform in order to transition contract operations to a subsequent Contractor or DFPS. At the commencement and during turnover, the Contractor must ensure that DFPS and DFPS clients do not experience any adverse impact from the transfer of services to another entity or to the State.

Turnover activities that must be performed by the Contractor include, but are not limited to:

- Transfer of information including all client files (see section 2.10.1 Individual Client Records) and other pertinent data to ensure continued operations by the new Contractor,
- Ensuring all records are complete, and up to date, and

ATTACHMENT A STATEMENT OF WORK

- Unless otherwise directed in writing by DFPS, the Contractor must process all Form 2054 disbursement requests received by the Contractor through the end date of the Contractor's Contract with DFPS.

2.7 Service Authorization and Referral Process

Services are authorized by DFPS and Contractor must have an intake process to handle referrals.

2.7.1. Service Authorization Form (DFPS Form 2054)

2.7.1.1 Ability to Accept Referrals

DFPS will authorize services via CPS Service Authorization Form 2054 (Form 2054). The Contractor must be able to accept Form 2054 by any means, including but not limited to:

- E-mail;
- Fax;
- U.S. Mail; and
- Hand Delivery or Commercial Delivery Service.

2.7.1.2 Maintain Support Resources

Contractor must maintain all necessary support resources to receive, process, and document claims, including but not limited to:

- Fully operational fax machine;
- Fully operational computer(s) and software compatible with DFPS technology;
- Sufficient technological capacity to handle all aspects of the claims processing service;
- Working telephone;
- Internet service; and
- Working accessible and secure email capacity.

2.7.1.3 Document Referral

Contractor must document the time and date that the Contractor received the Form 2054 by:

ATTACHMENT A STATEMENT OF WORK

- Time and Date stamp on the form;
- Attaching the fax sheet with an accurate receipt time and date notation; or
- Attaching or maintaining the email (with an accurate receipt date and time notation) directly to the file copy of each Form 2054.
- Service Authorizations found to be inaccurate or incomplete during the Quality Assurance review must include the initial receipt date and time and the final acceptance date and time.

2.8 Claims Processing

2.8.1 Quality Assurance (QA) Referral Form 2054

Upon receipt of Form 2054 the Contractor must have a QA process in place to review each Form 2054 submitted by DFPS prior to making the requested disbursement. A QA review includes, but is not limited to, confirming that the Contractor has accurate and complete information needed to process the disbursement.

2.8.1.1. Information needed to authorize the disbursement

The Contractor must ensure disbursements made on behalf of DFPS are properly authorized. The approvals required to authorize the disbursement are specified in Table 1;

Table 1 Approval Requirements – Form 2054			
Service Code	Service	Dollar Value of Request	Number of Required Approvals
82C 82D	Concrete Services	\$0.01 - \$600.00	2– DFPS Plus Client
82C 82D	Concrete Services	\$600.01 - up	3 – DFPS Plus Client
18G, 18H, 18I	Preparation For Adult Living (PAL)	\$0.01 - \$600.00	2 – DFPS
18G, 18H, 18I	PAL	\$600.01 - up	3 – DFPS

ATTACHMENT A STATEMENT OF WORK

Table 1			
Approval Requirements – Form 2054			
Service Code	Service	Dollar Value of Request	Number of Required Approvals
86H	Court Related Services	All Dollar Values	2– DFPS

2.8.1.2. **Information needed to make the disbursement**

- Who to pay;
- The vendor identification number for those goods and services as agreed upon by both parties;
- The exact amount of the disbursement;
- Where to send the disbursement;
- Any special instructions; and
- Invoice, bill or other documentation supporting amount due.

2.8.1.3. Follow up with the CPS Caseworker listed on Form 2054, no later than close of business (COB) the day following receipt of Form 2054 to obtain required information or make any needed corrections to Form 2054.

2.8.2. **Process Accurate Payments**

The Contractor must ensure disbursements made on behalf of DFPS are accurate as specified in the referral Form 2054, including but not limited to making sure:

2.8.2.1 Each Form 2054 is in compliance with Table 1, Approval Requirements;

2.8.2.2 Each requested disbursement is made payable to the correct party and is not a "restricted disbursement":

2.8.2.2.1 **Restricted Disbursements**

2.8.2.2.1.1 DFPS Staff

Disbursements by the Contractor must not be payable to any DFPS employee.

ATTACHMENT A STATEMENT OF WORK

2.8.2.2.1.2 DFPS Client

Disbursements by the Contractor must not be payable to the DFPS client, except as requested by CPS Caseworker for the following PAL service codes:

- 18G,
- 18H, and
- 18I
- 18K, and
- 14T

2.8.2.3. Each requested disbursement is for the exact amount requested;

2.8.2.4. The processing of each Form 2054 complies with any special instructions from DFPS;

2.8.2.5. The processing of each disbursement request meets the time specifications in Table 2 Check Processing Time; and

2.8.2.6. Each requested disbursement is sent to the specified party as required in the Form 2054.

2.8.3. **Process Timely Payments**

The Contractor must ensure disbursements made on behalf of DFPS are made timely as specified in Table 2, Check Processing Time.

Table 2 Check Processing Time		
Type of Disbursement	Receipt Time of an Accurate & Complete Service Authorization Form	Time by Which the Disbursement Must Be Processed and Out of Contractors' Office
Regular Disbursement	Between 8 am & 5 pm	No later than the next business day.
Reissuance	Between 8 am & 5 pm	No later than the next business day.
Disbursement at Contractor's Office	Between 8 am & 5 pm	As agreed upon by both parties, but no later than the next business day.

ATTACHMENT A STATEMENT OF WORK

Table 2 Check Processing Time		
OR		
Emergency Disbursement*	Between 8 am & 3 pm	Via overnight service, the same day received, before the close of business.
Emergency Disbursement*	After 3 pm	Via overnight service, no later than the next business day

**Designated by making an overnight request at the sole discretion of DFPS.*

2.8.4. Disbursement Documentation Requirements

3.6.4.1. Contractor is responsible for:

2.8.4.1.1. Securing invoices and receipts as appropriate to the claim being processed to support the disbursements made on behalf of DFPS, and

2.8.4.1.2 Matching receipts to the corresponding Form 2054.

DFPS will provide a single point of contact (SPOC) within the Region to assist the Contractor with tracking receipts and checks that have not been cashed.

2.8.5. Reconcile Disbursements

Contractor must reconcile disbursements against invoices, receipts, Form 2054 and processed checks as appropriate. Contractor must report any differences or other discrepancies to the DFPS Contract Manager for instructions on how to handle.

2.8.5.1. Returned Disbursements (non-use)

The Contractor must adjust any returned disbursements that have not cleared the Contractor's account, within 60 (sixty) days of issuance, in the next billing cycle as a credit adjustment. The Contractor may retain the initial administrative fee but may not charge an additional administrative fee.*

ATTACHMENT A STATEMENT OF WORK

2.8.5.2. Partial Funds Returned

If a check issued by the Contractor in accordance with Form 2054 is not fully utilized, funds will be returned to the Contractor. The Contractor must credit the amount of returned funds to DFPS in the next billing cycle. The Contractor may retain the initial administrative fee but may not charge an additional administrative fee.*

2.8.5.3. Reissued Disbursement

If a check issued by the Contractor in accordance with Form 2054 is returned for reissuance due to DFPS error, the Contractor may charge an additional administrative fee.*

*NOTE: See Utilization and Compensation, in Table 3, Administrative Fee Schedule.

2.8.6. Maintain Open Communication

Contractor will maintain open communication with DFPS to support successful Claims Processing services as requested by DFPS, including but not limited to:

- Participation in DFPS meetings; and
- Conferences.

2.9 Required Record Keeping

The Contractor must maintain records. Records may be kept electronically; however, Contractor must be able to promptly produce an easily legible hard copy of any records, if requested to do so by and for DFPS. Contractor must maintain and house all records in a central location, although Contractor may maintain backup copies of records in an alternate secure location. The required records that must be maintained by Contractor include but are not limited to:

2.9.1 Individual Client Records

The individual client record must include but is not limited to:

2.9.1.1 Service Authorization Form 2054

- Documentation on the initial form of the time and date received;
- Documentation of any follow-ups forms received;
- QA documentation on the form to support disbursement;
- Documentation of the date the requested disbursement is completed; and

ATTACHMENT A STATEMENT OF WORK

- Documentation to support processing with the time and date the disbursement was sent indicated.

2.9.1.2 Receipts or invoices to support and reconcile disbursements;

Documentation of at least two (2) attempts to secure the appropriate disbursement supporting documentation receipts from Regional SPOC. Documentation must include:

- Name, date, and method of contact made with DFPS, and
- Results of the contact with DFPS.

2.9.1.3 Documentation to support overnight processing with the time and date the disbursement was sent indicated;

2.9.1.4 Additional documentation to support the disbursement was released to DFPS staff at the Contractor's office to include:

- Name, title and signature of person receiving disbursement; and
- Check number.

2.9.1.5 Other supporting documentation.

2.9.2 Other Records

The Contractor must maintain all other records necessary to support disbursements made on behalf of DFPS. Such other records must include but are not limited to:

- Processed/Cancelled Checks;
- Billing documentation;
- Any Contract-related e-mails or other written notifications/communications internal to Contractor or between Contractor and any external entities (including DFPS); and
- Copies of Contractor staff files/documentation, to support the Contractor's minimum experience, financial, and other requirements.

2.10 Required Reports

There are no specific reports required of the Contractor; however, DFPS may

ATTACHMENT A STATEMENT OF WORK

from time to time request reports from the Contractor as needed to support the Claims Processing Service. The Contractor must comply with any report request made by the DFPS Contract Manager.

Section 3 - Utilization and Compensation

3.1 Historic Service Utilization

The Utilization rate will vary according to the needs of DFPS staff, individual clients, and DFPS budgetary allocations. Actual utilization is within the discretion of DFPS.

3.2. Compensation

3.2.1. Availability of Funds

3.2.1.1. DFPS does not guarantee funding at any level and may increase or decrease funds at any time during the term of this contract.

3.2.1.2. Contractors may not use funds received from DFPS to replace any other federal, state, or local source of funds under any other contract. Additionally, Contractors may not use DFPS funds as match (in-kind or cash match) for any other funding opportunity (grant application) in which the Contractor may be participating.

3.2.2. Sufficient Resources

The Contractor will maintain the requisite financial and other necessary resources to perform the Contractor's duties and obligations as required by, and in the manner required by this contract.

3.2.3. Method of Payment

The payment methodology is fee-for-service.

3.2.4. Unit of Service

One (1) unit equals one (1) administrative fee charged for each accurate and timely completed disbursement or applicable reissuance.

ATTACHMENT A STATEMENT OF WORK

3.2.5. Fee Schedule

Table 3 Unit Rate for Claims Processing Services	
Type of Referral	Administrative Fee
Regular Referral	\$0.00
Emergency Referrals (Declared by designating Overnight Delivery on Service Authorization.)	\$0.00
Reissuance	\$0.00

**Courier fees are not reimbursable*

Administrative Fee Schedule		
Transaction Type	Initial Administrative Fee Applies	Additional Administrative Fee Applies
Initial Disbursement	Yes	NA
Disbursement Returned for Non-Use	Yes	NA
Disbursement Reissued due to DFPS Error	Yes	Yes
Disbursement Reissued Due to Contractor Error	Yes	No
Untimely Disbursement Issued	No	No

ATTACHMENT A STATEMENT OF WORK

II. INVOICE AND PAYMENT

No payment will be made without the Contractor's submission of accurate and proper invoices to DFPS. Contractor must submit accurate and proper invoices to the designated DFPS contract office.

3.3 Instructions for Invoicing DFPS

Contractor's staff responsible for preparing invoices will receive instructions on the specifics of invoicing DFPS. The format for invoicing DFPS is determined by the DFPS Contract Manager.

3.3.1 Invoice Process

Selected Contractor(s) will:

3.3.1.1 Access the DFPS Pre-Bill

Access the DFPS pre-bill either electronically or a pre-bill will be mailed to Contractor(s). The pre-bill is a list of authorized service requests provided to your agency at the end of each billing month.

3.3.2.1 Submit DFPS Pre-Bill as Invoice

3.3.2.1.1 When to Submit

Contractor may bill DFPS only after the requested disbursement check has been processed.

3.3.2.1.2 How to Submit

Submittal of claims by submitting a signed and dated DFPS pre-bill, reflecting services authorized and delivered.

3.3.2.2 Invoice Attachments

3.3.2.2.1.1 Form 4116 X, State of Texas Purchaser Voucher

Submit an original signed Form 4116X, State of Texas Purchase Voucher.

3.3.2.2.1.2 Form 2016, Delivered Services Input

ATTACHMENT A STATEMENT OF WORK

Form 2016, Delivered Services Input, is required when a supplemental claim or return of agency funds is being made. The Form 2016 is completed to correspond to the specific month of service.

3.3.2.2.1.3 Other Supporting Documentation

Submit any other supporting documentation requested by DFPS, not limited to Copy of Service Authorization and Receipt or invoice.

3.3.2.3 Due Date

Submittal of claims either by directly data entering the information into the DFPS Invoice system, or by submitting a signed and dated DFPS pre-bill, reflecting services authorized and delivered data by the 15th of each month, following the month of service.

Failure to submit invoices on time may be considered a contract compliance issue and be used in evaluating whether to renew or terminate the contract.

Attachment B

**TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES
GRANT UNIFORM TERMS AND CONDITIONS**

**SECTION I
FUNDING AVAILABILITY & FINANCIAL**

A. FUNDING AVAILABILITY.

1. This Contract is contingent upon the continued availability of funding. If funds become unavailable through the lack of appropriations, legislative or executive budget cuts, amendment of the Appropriations Act, state agency consolidation or any other disruptions of current appropriations, DFPS will reduce or terminate this Contract.
2. DFPS is prohibited from incurring obligations in excess of amounts lawfully appropriated by the Texas Legislature over the course of a biennium.

B. PROMPT PAYMENT.

DFPS will pay Grantee according to the Prompt Payment Act, Texas Government Code Chapter 2251, unless the terms of a federal contract, grant, regulation, or statute prevent the DFPS from making a timely payment with federal funds.

C. TRAVEL EXPENSES.

Travel expenses authorized by this Contract will be reimbursed according to the rates set by the State of Texas TexTravel (or its successor) program. Furthermore, DFPS reserves the right to reimburse at a rate equal to the rate DFPS employees receive even if the rates set by the State of Texas TexTravel are higher.

D. NO DEBT AGAINST THE STATE.

For Grantees that are not governmental entities, this Contract will not be construed as creating any debt by or on behalf of the State of Texas.

E. DEBT TO STATE.

If a law prohibits the Texas Comptroller of Public Accounts from making a payment, the Grantee acknowledges that DFPS' payments under the Contract will be applied toward eliminating the Grantee's debt or delinquency, regardless of when it arises.

F. RECAPTURE OF FUNDS.

Grantee agrees that:

1. DFPS will withhold all or part of any payments to Grantee to offset overpayments made to Grantee. Overpayments, as used in this Section, include payments made by DFPS that exceed the maximum allowable rates, not allowed under applicable laws, rules, or regulations or that are otherwise inconsistent with this Contract, including any unapproved expenditures;
2. It will return to DFPS any amounts paid that are disallowed pursuant to financial and compliance audit(s) of funds received under this Contract; and

3. Reimbursement of such disallowed costs will be paid by Grantee from funds which were not provided or otherwise made available to Grantee under this Contract or from a source of federal funds derived from programs administered by DFPS or the State of Texas.

G. ALLOWABLE COSTS.

DFPS will reimburse the allowable costs incurred in performing the Contract that are sufficiently documented. Grantee must have incurred a cost prior to claiming reimbursement and within the applicable term to be eligible for reimbursement under this Contract. DFPS will determine whether costs submitted by Grantee are allowable and eligible for reimbursement. If DFPS has paid funds to Grantee for unallowable or ineligible costs, DFPS will notify Grantee in writing, and Grantee shall return the funds to DFPS within 30 calendar days of the date of this written notice. DFPS will withhold all or part of any payments to Grantee to offset reimbursement for any unallowable or ineligible expenditure that Grantee has not refunded to DFPS, or if financial status report(s) required under the Financial Status Reports section are not submitted by the due date(s). DFPS will take repayment (recoup) from funds available under this Contract in amounts necessary to fulfill Grantee’s repayment obligations. Applicable cost principles, audit requirements, and administrative requirements include the following chart. Furthermore, OMB Circulars will be applied with the modifications prescribed by UGMS with effect given to whichever provision imposes the more stringent requirement in the event of a conflict.

Applicable Entity	Applicable Cost Principles	Audit Requirements	Administrative Requirements
State, Local and Tribal Governments	2 CFR, Part 225	2 CFR Part 200, Subpart F and UGMS	2 CFR Part 200 and UGMS
Educational Institutions	2 CFR, Part 220	2 CFR Part 200, Subpart F and UGMS	2 CFR Part 200 and UGMS
Non-Profit Organizations	2 CFR, Part 230	2 CFR Part 200, Subpart F and UGMS	2 CFR Part 200 and UGMS
For-profit Organization other than a hospital	48 CFR, Part 31 Contract Cost Principles Procedures, or uniform cost accounting standards that comply with cost principles acceptable to the federal or state awarding agency	2 CFR Part 200, Subpart F and UGMS	2 CFR Part 200 and UGMS

H. INDEPENDENT SINGLE OR PROGRAM-SPECIFIC AUDIT.

If Grantee, within Grantee's fiscal year, expends a total amount of at least \$750,000 in federal funds awarded, Grantee shall have a single audit or program-specific audit in accordance with 2 CFR 200. The \$750,000 federal threshold amount includes federal funds passed through by way of state agency awards. If Grantee, within Grantee's fiscal year, expends a total amount of at least \$750,000 in state funds awarded, Grantee must have a single audit or program-specific audit in accordance with UGMS, State of Texas Single Audit Circular. The audit must be conducted by an independent certified public accountant and in accordance with 2 CFR 200, Government Auditing Standards, and UGMS. For-profit Grantees whose expenditures meet or exceed the federal or state expenditure thresholds stated above shall follow the guidelines in 2 CFR 200 or UGMS, as applicable, for their program-specific audits. HHSC Single Audit Services will notify Grantee to complete the Single Audit Determination Form. If Grantee fails to complete the Single Audit Determination Form within 30 calendar days after notification by HHSC Single Audit Services to do so then, Grantee shall be subject to the DFPS sanctions and remedies for non-compliance with this Contract. Each Grantee that is required to obtain a single audit must competitively re-procure single audit services once every six years. Grantee shall procure audit services in compliance with this section, state procurement procedures, as well as, with the provisions of UGMS.

I. SUBMISSION OF AUDIT.

Within 30 days after receipt of the independent certified public accountant's report or nine months after the end of the fiscal year, Grantee shall submit electronically, one copy of the Single Audit or Program-Specific Audit to the DFPS as directed in this Contract and another copy to:
single_audit_report@hhsc.state.tx.us.

J. INSURANCE.

For Grantees that are not governmental entities, the following applies.

1. Unless otherwise specified in this Contract, Grantee will acquire and maintain, for the duration of this Contract, insurance coverage necessary to ensure proper fulfillment of this Contract and potential liabilities thereunder with financially sound and reputable insurers licensed by the Texas Department of Insurance, in the type and amount customarily carried within the industry or as determined by DFPS.
2. Grantee will provide evidence of insurance upon request by DFPS.
3. In the event that any policy is determined by DFPS to be deficient and does not comply with the terms of this Contract, Grantee will secure such additional coverage as required by DFPS, law or regulation.
4. If coverage expires during the term of this Contract, Grantee must produce renewal certificates for each type of coverage.

K. NONSUPPLANTING.

Grantee shall not use funds from this Contract to replace or substitute for existing funding from other sources but shall use funds from this Contract to supplement existing state or local funds currently available. Grantee shall make a good faith effort to maintain its current level of support. Grantee will be required to submit documentation substantiating that a reduction in state or local funding, if any, resulted for reasons other than receipt or expected receipt of funding under this Contract.

**SECTION II
RECORDS – ACCESS, AUDIT & RETENTION**

A. RECORDS RETENTION AND ACCESS.

1. Grantee will keep and maintain, under Generally Accepted Accounting Principles (GAAP) or Governmental Accounting Standards Board (GASB), as applicable, accurate and complete records necessary to determine compliance with this Contract and applicable laws.
2. Grantee will provide access to its records to DFPS, the Texas State Auditor's Office (SAO), the Federal Government, and their authorized representatives.
3. Unless otherwise specified in this Contract, Grantee will maintain legible copies of this Contract and all related documentation for a minimum of seven years after the termination of this Contract or seven years after the completion of any litigation or dispute involving the Contract, whichever is longer.
4. **THE GRANTEE WILL NOT DISPOSE OF RECORDS BEFORE PROVIDING THE DFPS CONTRACT MANAGER WRITTEN NOTICE OF ITS INTENT TO DISPOSE OF RECORDS AND RECEIVING WRITTEN APPROVAL FROM THE DFPS CONTRACT MANAGER.**

B. SAO AUDIT.

1. Grantee understands that acceptance of funds under this Contract or through a subcontract acts as acceptance of the authority of the SAO or any successor agency, to conduct an audit or investigation in connection with those funds.
2. Under the direction of the Legislative Audit Committee, an entity that is the subject of an SAO audit or investigation must provide the SAO access to any information that is considered relevant.
3. Grantee agrees to cooperate fully with the SAO, or its successor, in the conduct of the audit or investigation, including providing all records requested.
4. Grantee will ensure that this clause, concerning the authority to audit funds received indirectly by subgrantees related to this Contract and the requirement to cooperate, is included in any subcontracts it awards.

C. COMPLIANCE WITH AUDIT OR INSPECTION FINDINGS.

1. Grantee will implement all corrections necessary to address any finding of noncompliance with any law, regulation, audit requirement, accounting principle, or deficiency identified in any audit, review, or inspection of this Contract.
2. Any such correction will be at Grantee or its subgrantee's sole expense.
3. Whether Grantee's action corrects the noncompliance will be solely the decision of DFPS.
4. Grantee must provide, at DFPS' request, a copy of those portions of Grantee's and its subgrantees' internal audit reports relating to this Contract.

D. CONFIDENTIAL INFORMATION.

1. Grantee agrees to only use DFPS confidential information for the purpose of this Contract and comply with all applicable state and federal laws when it receives and stores DFPS confidential information, including, but not limited to, the following enumerated. This includes any communication or record regardless of form or format provided or made available through any means and includes records or information that identifies DFPS children or clients.
 - a. Section 106 of the Child Abuse Prevention and Treatment Act (CAPTA), codified at 42 U.S.C. 5106a;
 - b. Section 471 of Title IV-E of the Social Security Act, codified at 42 U.S.C. 671(a)(8), and related federal rules at 45 CFR 1355.30 & 45 CFR 205.50;
 - c. Social Security Administration Data, including, without limitation, Medicaid information (The Social Security Act, 42 U.S.C. Chapter 7);
 - d. Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. §1232g; 34 CFR Part 99;
 - e. Protected Health Information, including Electronic Protected Health Information or Unsecured Protected Health Information under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), 42 U.S.C. Chapter 7, Subchapter XI, Part C; 45 CFR Parts 160 and 164;
 - f. Confidentiality of Alcohol and Drug Abuse Patient Records, 42 U.S.C. §290dd-2; 42 CFR Part 2;
 - g. Federal Tax Information, Internal Revenue Code, Title 26 of the United States Code including IRS Publication 1075;
 - h. The Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988, 5 U.S.C. §552a;
 - i. Personal Identifying Information defined by Texas Business and Commerce Code Chapter 521, and OMB Memorandum 07-16, Safeguarding Against and Responding to the Breach of Personally Identifiable Information;
 - j. Texas Family Code §261.201 and related provisions in Chapters 261 and 264;
 - k. Texas Health and Safety Code §81.046 and Chapters 181 and 611;
 - l. Texas Human Resources Code §12.003, §40.005, and Chapter 48;
 - m. Texas Public Information Act, Texas Government Code Chapter 552;

- n. 19 Texas Administrative Code Chapter 702 Subchapter F (Child Protective Services), and Chapter 705 Subchapter M (Adult Protective Services); and
 - o. Criminal History Record Information guidelines in the FBI's Criminal Justice Information Services (CJIS) Security Policy.
2. Grantee will notify DFPS immediately, but not later than 24 hours, after Grantee discovers any possible or actual unauthorized disclosure or breach of DFPS confidential information. Grantee will also fully cooperate with DFPS in investigating, mitigating and issuing notifications for an unauthorized disclosure or breach as directed by DFPS.
 3. Grantee will only disclose information according to applicable law and will notify DFPS as required by the applicable law, when it makes a disclosure.

E. PUBLIC INFORMATION ACT.

1. Information related to this Contract will be subject to the Public Information Act (PIA) found at Texas Government Code Chapter 552 and withheld from public disclosure or released only in accordance with the PIA.
2. In accordance with Section 2252.907 of the Texas Government Code, the Grantee is required to make any information created or exchanged with DFPS pursuant to the Contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to DFPS.

SECTION III OWNERSHIP & INTELLECTUAL PROPERTY

A. OWNERSHIP.

DFPS owns all work produced by Grantee under this Contract.

B. INTELLECTUAL PROPERTY.

1. To the extent any services, deliverables or work performed by Grantee results in the creation of intellectual property, all right, title, and interest in and to such intellectual property, will vest in DFPS upon creation and will be deemed to be a "work made for hire," and made in the course of the services rendered pursuant to this Contract.
2. To the extent that title to any such intellectual property will not by law vest in DFPS, or such intellectual property will not be considered a "work made for hire," Grantee hereby irrevocably assigns all rights, title, and interest therein to DFPS.
3. Grantee must give DFPS and the State of Texas, as well as, any person designated by DFPS or the State of Texas, all assistance required to perfect the rights defined in this Section, without any additional charge or expense beyond the stated amount payable to Grantee authorized under this Contract.

SECTION IV NOTICE

A. NOTICE OF LEGAL MATTER OR LITIGATION.

Grantee will notify their assigned DFPS Contract Manager of any litigation or legal matter related to or affecting this Contract within seven calendar days of Grantee becoming aware of the litigation or legal matter.

B. NOTICE OF CHANGE IN CONTACT PERSON OR KEY PERSONNEL OR MATTERS IMPACTING CONTRACT.

The Grantee will notify their assigned DFPS Contract Manager within ten days of any change to the Grantee's Contact Person or Key Personnel in the Contract or any matter impacting the Contract, which includes but is not limited to changes to Grantee's name or identity, ownership, control, governing board membership, any problem or potential problem associated with its performance or services, or payee identification number.

C. COMPLAINT REPORTING.

Unless otherwise noted in this Contract, DFPS will contact the Grantee when it receives a complaint about the Grantee and advise the Grantee whether DFPS will conduct an investigation or will coordinate with the Grantee for an investigation. When DFPS requires the Grantee to conduct any part of the complaint investigation, Grantee must respond in writing to DFPS with all information and according to DFPS's requirements and specified time frames.

SECTION V AMENDMENT

A. BILATERAL AMENDMENT.

Except as provided for in the Unilateral Amendment section below, this Contract can only be changed by a Bilateral Amendment executed by both Parties.

B. UNILATERAL AMENDMENT.

A Unilateral Amendment will be issued by DFPS and it will be effective on the date that is specified in the Unilateral Amendment. DFPS has sole discretion as to whether a change to the Contract cannot be a Unilateral. DFPS will issue a Unilateral Amendment to:

1. Correct an obvious clerical error;
2. Modify a Contract Number or Agency ID Number;
3. Incorporate new or revised state or federal laws, regulations, rules or policies;
4. Comply with a court order or judgment;
5. Update service level description or daily rates;
6. Update Grantee's name as recorded by the Secretary of State, as required by law or as authorized by DFPS;
7. Change either Party's Contract Manager or contact information;

8. Change any recorded license number based on information obtained from the agency or entity issuing the license; and
9. For Open Enrollments only, add or delete a geographic service area, service delivery location, or service type, as long as it is part of a current Open Enrollment.

SECTION VI TERMINATION

A. TERMINATION FOR CONVENIENCE.

DFPS will terminate the Contract, in whole or in part, at any time when, in its sole discretion, DFPS determines that termination is in the best interests of the State of Texas. The termination will be effective on the date specified in DFPS' notice of termination.

B. TERMINATION FOR CAUSE.

1. If the Grantee fails to provide the services or goods required by this Contract or fails to comply with any terms or conditions of it, DFPS will terminate the Contract in whole or part.
2. In addition to any other remedy allowed by law, Grantee will be responsible to DFPS for all costs incurred by DFPS and the State of Texas to replace the Grantee. These costs include, but are not limited to, the costs of procuring a substitute Grantee and the cost of any claim or litigation that is reasonably attributable to Grantee's failure to provide services or goods.

C. EQUITABLE SETTLEMENT.

Any early termination under this Contract will be subject to the equitable settlement of the respective interests of the Parties up to the date of termination.

SECTION VII GENERAL PROVISIONS

A. GOVERNING LAW AND VENUE.

This Contract and the rights and obligations of the Parties will be governed by and construed according to the laws of the State of Texas, exclusive of any conflicts of law provisions. Venue for any suit brought under this Contract will be in a court of competent jurisdiction in Travis County, Texas unless otherwise elected by DFPS. Grantee irrevocably waives any objection, including any objection to personal jurisdiction or the laying of venue or based on the grounds of forum non conveniens, which it will now or hereafter have to the bringing of any action or proceeding in such jurisdiction with respect to this Contract.

B. INDEMNITY.

The following applies to Grantees that are not governmental entities.

1. Grantee will defend, indemnify and hold harmless the State of Texas and its officers and employees, and DFPS and its officers and employees, from and

against all claims, actions, suits, demands, proceedings, costs, damages, and liabilities, including attorneys' fees and court costs, arising out of or resulting from:

- a. Grantee's performance under the Contract, including any negligent acts or omissions of Grantee, or any agent, employee, subgrantee, or supplier of the Grantee, or any third party under the control or supervision of the Grantee, in the execution or performance of this Contract;
 - b. Any breach or violation of a statute, ordinance, governmental regulation, standard or rule of Contract by the Grantee or any agent, employee, subgrantee, or supplier of the Grantee, or any third party under the control or supervision of the Grantee, in the execution or performance of this Contract;
 - c. Employment or alleged employment discrimination, including claims of discrimination against Grantee, its officers, or its agents; or
 - d. Work under this Contract that infringes or misappropriates any right of any third person or entity based on copyright, patent, trade secret, or other intellectual property rights.
2. Nothing in this Contract will be construed as a waiver of DFPS' sovereign immunity.

C. BACKGROUND HISTORY CHECKS AND RIGHT OF REMOVAL.

1. Before providing direct services, having direct client contact and/or access to client records, the Grantee will submit information necessary for DFPS to conduct background checks on its employees, subgrantees or volunteers according to DFPS Background Checks Handbook under the applicable policy section at http://www.dfps.state.tx.us/handbooks/Background_Checks/default.asp, including any required disclosures. Furthermore, before the employee, subgrantees or volunteer can provide direct services, have direct contact or access client records, the Grantee must receive notice from DFPS that the background check has been approved.
2. If while providing direct services, having direct client contact and/or access to client records, the Grantee becomes aware of any new arrest or investigation of abuse or neglect conducted by any federal, state or local agency or board of an employee, subgrantees or volunteer, then the Grantee will notify DFPS within ten business days of them becoming aware of it. DFPS will determine if and when the employee, subgrantee or volunteer can have direct contact with clients.

D. ASSIGNMENTS.

Grantee will not assign all or any portion of its rights under, interests in, or duties required under this Contract without prior written consent of DFPS, which will be withheld or granted at the sole discretion of DFPS. Except where otherwise agreed in writing by DFPS, assignment will not release Grantee from its obligations under the Contract.

Grantee agrees that DFPS will, in one or more transactions, assign, pledge, or transfer the Contract. This assignment will only be made to another state agency or a non-state agency that is contracted to perform work for DFPS.

E. SEVERABILITY.

If any provision contained in this Contract is held to be unenforceable by a court of law or equity, this Contract will be construed as if such provision did not exist and the non-enforceability of such provision will not be held to render any other provisions of this Contract unenforceable.

F. SURVIVABILITY.

Termination or expiration of this Contract will not release either party from any liabilities or obligations that the Parties have expressly agreed will survive any such termination or expiration, remain to be performed, or by their nature would be intended to be applicable following any such termination or expiration, including maintaining confidentiality of information and records retention.

G. FORCE MAJEURE.

Except with respect to the obligation of payments under this Contract, if either of the Parties, after a good faith effort, is prevented from complying with any express or implied covenant of this Contract by reason of war; terrorism; rebellion; riots; strikes; acts of God; any valid order, rule, or regulation of any governmental authority; or similar events that are beyond the control of the affected Party (collectively referred to as a "Force Majeure"), then, while so prevented, the affected Party's obligation to comply with such covenant will be suspended, and the affected Party will not be liable for damages for failure to comply with such covenant. In any such event, the Party claiming Force Majeure will promptly notify the other Party of the Force Majeure event in writing of the reason for such delay, estimated duration of the delay, and the steps taken to minimize the delay.

H. AUTHORITY OF DFPS STAFF.

DFPS staff are not authorized to sign non-DFPS forms, unless those forms have received prior approval by DFPS. DFPS is not bound to the terms of any forms signed by unauthorized staff.

I. DISPUTE RESOLUTION.

For Grantees that are not governmental entities, the Parties will use the dispute resolution process in Texas Government Code Chapter 2260 to resolve any dispute that arising under this Contract. Grantee's Notice of Claim of Breach of Contract is delivered to their assigned DFPS Contract Manager in their Contract and to the DFPS Office of General Counsel at the address listed below, by hand, certified mail return receipt requested, or other verifiable delivery service, and is effective on date received.

Office of General Counsel

Physical Address

701 W. 51st Street
Austin, TX 78751

Mailing Address

P.O. Box 149030
Austin, TX 78714-9030
Mail Code: E611

J. WAIVER.

DFPS' failure to enforce any provision of this Contract or its payment for services or goods provided under this Contract, will not constitute a waiver of any provision of the Contract.

K. CIVIL RIGHTS.

1. Grantee agrees to comply with state and federal anti-discrimination laws, including:
 - a. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §2000d et seq.);
 - b. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794);
 - c. Americans with Disabilities Act of 1990 (42 U.S.C. §12101 et seq.);
 - d. Age Discrimination Act of 1975 (42 U.S.C. §§6101-6107);
 - e. Title IX of the Education Amendments of 1972 (20 U.S.C. §§1681-1688);
 - f. Food and Nutrition Act of 2008 (7 U.S.C. §2011 et seq.); and
 - g. DFPS's administrative rules, as set forth in the Texas Administrative Code, to the extent applicable to this Contract.
2. Grantee agrees to comply with all amendments to these laws, and all requirements imposed by the regulations issued pursuant to these laws. These laws provide in part that no persons in the United States will, on the grounds of race, color, national origin, sex, age, disability, political beliefs, or religion, be excluded from participation in or denied any service or other benefit provided by federal or state funding or otherwise be subjected to discrimination.
3. Grantee agrees to comply with Title VI of the Civil Rights Act of 1964, and its implementing regulations found at 45 CFR Part 80 or 7 CFR Part 15, prohibiting a Grantee from adopting and implementing policies and procedures that exclude or have the effect of excluding or limiting the participation of clients in its programs, benefits, or activities on the basis of national origin. Civil rights laws require Grantees to provide alternative methods for ensuring access to services for applicants and recipients who cannot express themselves fluently in English. Grantee agrees to take reasonable steps to provide services and information, both orally and in writing and electronically, in appropriate languages other than English to ensure that persons with limited English proficiency are effectively informed and can have meaningful access to government funded programs, benefits, and activities.

4. Grantee agrees to post applicable civil rights posters in areas open to the public informing clients of their civil rights and including contact information for the HHSC Civil Rights Office. The posters are available on the HHSC website at: <http://hhscx.hhsc.texas.gov/system-support-services/civil-rights/publications>.
5. Grantee agrees to comply with Executive Orders 13279 and 13559, and their implementing regulations at 45 CFR Part 87 or 7 CFR Part 16. These provide in part that any organization that participates in programs funded by direct financial assistance from the United States Department of Agriculture or the United States Department of Health and Human Services will not discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief. Grantee must provide written notice to beneficiaries of these rights.
6. Upon request, Grantee will provide Texas Health and Human Services Commission (HHSC) Civil Rights Office with copies of the Grantee's civil rights policies and procedures.
7. Grantee must notify HHSC's Civil Rights Office of any civil rights complaints received relating to its performance under this Contract. This notice must be delivered no more than ten calendar days after receipt of a complaint. This notice must be directed to:

HHSC Civil Rights Office
701 W. 51st Street, Mail Code W206
Austin, Texas 78751
Phone Toll Free: (888) 388-6332
Phone: (512) 438-4313
TTY Toll Free: (877) 432-7232
Fax: (512) 438-5885

L. PERMIT AND LICENSE.

Grantee will be responsible at their expense for obtaining all permits and licenses required by city, county, state or federal rules, regulations or laws necessary or required for the Grantee to provide services or goods under this Contract.

M. WARRANTY.

Grantee warrants that all services, deliverables and work done under this Contract will be completed in a manner consistent with generally accepted standards in the applicable trade, profession, or industry and conform to or exceed the specifications set forth in the Contract and be fit for ordinary use, of good quality, and contain no material defects.

N. E-VERIFY/EMPLOYEE ELIGIBILITY.

By entering into this Contract, Grantee certifies and ensures that it utilizes and will continue to utilize, for the term of this Contract, the U.S. Department of Homeland Security's e-Verify system to determine the eligibility of all persons employed during the Contract term to perform duties within Texas and all

persons (including subgrantees) assigned by the Grantee to perform services, deliverables and work pursuant to the Contract.

O. REPORT OF WASTE, FRAUD OR ABUSE.

Grantees who suspect fraud, waste or abuse (including employee misconduct that would constitute fraud, waste, or abuse) are required to immediately contact both the Texas HHSC Office of the Inspector General at 1-800-436-6184 and the Texas State Auditor's Office at <https://sao.fraud.texas.gov/ReportFraud/>.

P. CULTURAL COMPETENCE.

1. Grantee will make reasonable efforts to provide services that meet each client's individual needs and takes into consideration the intellectual functioning, literacy, level of education and comprehension ability of each client in order to ensure that all information is presented in a way that meets each client's individual needs.
2. Grantee will provide services in the client's primary language either directly by Grantee or by a DFPS approved translator.
3. Grantee will have a cultural competence mission statement, core values or other similar guidance that provides how the Grantee will effectively provide these services to clients of various cultures, races, ethnic backgrounds and religions in a manner that recognizes and affirms the client's worth, protects and preserves the client's dignity and ensures equity of service delivery.

Q. PUBLICITY.

Grantee must not use the name of, or directly or indirectly refer to, DFPS, the State of Texas, or any other state agency in any media release, public announcement, or public disclosure relating to the Contract or its subject matter, including in any promotional or marketing materials, customer lists, or business presentations.

Grantee will publish, at its sole expense, results of Grantee performance under the Contract with DFPS's prior review and written approval, which DFPS will withhold at its sole discretion. Grantee will acknowledge the support received in all format types (written, visual and audio) from DFPS and the Federal Agency as applicable.

R. LIMITATION OF DFPS NAME, SEAL OR LOGO.

1. Grantee will not use the DFPS name, seal or logo in any form or manner without the prior written approval of DFPS.
2. Grantee will not use the DFPS name, seal or logo to imply any endorsement, approval, or sponsorship of Grantee's goods or services by DFPS.

SECTION VIII CERTIFICATIONS & AFFIRMATIONS

As applicable to this Contract, Grantee certifies and affirms that by entering into this Contract that these certifications and affirmations apply to Grantee, and all of Grantee's principals, officers, directors, shareholders, partners, owners, agents, employees, subgrantees, independent contractors, and any other representatives who will provide services under, who have a financial interest in, or otherwise have an interest in this Contract.

- A. Grantee has not given, offered to give, and does not intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract.
- B. Under Texas Government Code §2155.006 and §2261.053 (relating to convictions and penalties regarding Hurricane Rita, Hurricane Katrina or other disasters), Grantee acknowledges that it is not ineligible to receive this Contract and this Contract will be terminated and payment withheld if this certification is found to be inaccurate.
- C. Under Texas Family Code §231.006 (relating to delinquent child support), Grantee acknowledges that it is not ineligible to receive the specified grant, loan, or payment and acknowledges that this Contract will be terminated and payment will be withheld if this certification is found to be inaccurate.
- D. Grantee is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency under the regulations implementing Executive Order 12549 and Executive Order 12689, Debarment and Suspension, 2 CFR Part 376, and any relevant regulations promulgated by the department or agency funding this project. Grantee agrees that this provision will be included in its entirety in Grantee's subcontracts if payment in whole or in part is from federal funds. Furthermore, Grantee acknowledges that it has not been subjected to suspension, debarment, or similar ineligibility determined by any state or local governmental entity.
- E. Grantee is not listed on the federal government's terrorism watch list described in Executive Order 13224. Entities ineligible for federal procurement are listed at <https://www.sam.gov/portal/public/SAM/>. This Contract will be terminated and payment withheld if this certification is inaccurate. This provision will be included in its entirety in Grantee's subcontracts if payment in whole or in part is from federal funds.
- F. Under Texas Government Code §669.003 (relating to contracting with the executive head of a state agency), Grantee acknowledges that it is not the executive head of DFPS, was not at any time during the past four years the executive head of DFPS and does not employ a current or former executive head of DFPS.
- G. Grantee acknowledges that it is not currently delinquent in the payment of any franchise taxes owed to the State of Texas under Texas Tax Code Chapter 171.

- H.** Payments to Grantee and Grantee's receipt of appropriated or other funds under this Contract are not prohibited by Texas Government Code §556.005, §556.0055 or §556.008 (relating to use of appropriated money or state funds to employ or pay lobbyists, lobbying expenses, or influence legislation).
- I.** Grantee will comply with Texas Government Code §2155.4441 (preference for purchase of products produced in the State of Texas).
- J.** Grantee has not violated state or federal antitrust laws and has not communicated its bid for this Contract directly or indirectly to any competitor or any other person engaged in such line of business. Grantee hereby assigns to DFPS any claims for overcharges associated with this Contract under 15 U.S.C. §1, et seq., and Texas Business and Commerce Code §15.01, et seq.
- K.** If the Grantee is a "Company" under Texas Government Code §808.001, at the time of executing this Contract, the Grantee is verifying that it is not boycotting Israel and will not boycott Israel during the term of this Contract.

**ATTACHMENT C
DFPS INTERAGENCY & INTERLOCAL
SUPPLEMENTAL & SPECIAL CONDITIONS**

**SECTION I
SUPPLEMENTAL CONDITIONS**

These Supplemental Conditions modify the DFPS Uniform Terms and Conditions.

A. Section V (A) (Amendment) is deleted in its entirety and is replaced with the following:

This Contract can be modified as provided below:

1. Written amendment executed by both Parties;
2. Unilateral Amendment as provided for in Section V(B);
3. Written Notice that the Parties are changing their Party's Contract Manager or Point of Contact; and
4. Written Notice to transfer between the Budget Categories up to 10%, so long as the total amount of the transfers do not exceed 10%. Furthermore, these transfers cannot increase the total amount of this Contract.
5. Written Notice to revise the amounts within Budget Categories, so long as the total amount of the revisions do not exceed the "not to exceed" amount of the contract.
6. Requests and approvals under Subsections 3-5 must be in writing and delivered by regular mail or email to the other Party; and after DFPS' approval is received, will amend this Contract.

**SECTION II
SPECIAL CONDITIONS**

In addition to the DFPS Uniform Terms and Conditions, the Performing Agency agrees to comply with the following DFPS Interagency & Interlocal Special Conditions.

A. PAYMENTS UNDER STATE PLANS APPROVED UNDER TITLE IV-E AND TANF.

As applicable, Performing Agencies must seek payment or adjustment to payments in accordance with the time limit specified in 45 Code of Federal Regulations (CFR) 95.1 that provides a two-year (eight quarter) time limit for a State to claim Federal financial participation in expenditures under State plans approved under Title IV-E and Temporary Assistance for Needy Families (TANF).

Any invoice or amended invoice, that is submitted to DFPS later than seven quarters after the end of the quarter of the expense will not be processed unless DFPS determines that submission for payment of the bill to the federal government can be executed within the time limits provided in the CFR.

**ATTACHMENT C
DFPS INTERAGENCY & INTERLOCAL
SUPPLEMENTAL & SPECIAL CONDITIONS**

B. BACKGROUND HISTORY CHECKS - DISALLOWANCE OF TITLE IV-E FUNDS.

If this contract is funded in part or whole by Title IV-E Funds, then during a federal audit, if there is a finding that Performing Agency has not performed required Checks within the timeframes required by the Contract, this finding can result in a disallowance of Title IV-E funds claimed on behalf of the client. In addition to any other remedy under this Contract, DFPS can require the Performing Agency to reimburse DFPS for such disallowances, including disallowed costs related to foster care maintenance payments, administrative costs and interest.

C. REPORTING ABUSE, NEGLECT, OR EXPLOITATION.

Performing Agency will report any suspected case of abuse, neglect, or exploitation to the appropriate authority as required by the Texas Family Code Chapter 261. All reports must be made within 24 hours of the discovery of the suspected abuse, neglect, or exploitation.

D. SUBCONTRACTING.

As applicable under the Contract, Performing Agency will comply will comply with the following.

1. Performing Agency will be responsible to DFPS for any subcontractor's performance under this Contract. Subcontractors providing services under the Contract will meet the same requirements and level of experience as required of Performing Agency.
2. No subcontract under the Contract will relieve Performing Agency of responsibility for ensuring the requested services are provided.
3. Performing Agency will provide DFPS its proposed subcontractors.
4. Subcontracting will be solely at Performing Agency's expense.
5. DFPS retains the right to check subcontractor's background and approve or reject the use of submitted subcontractors.
6. Performing Agency will be the sole contact for DFPS and Performing Agency will list a designated point of contact for all DFPS inquiries.
7. Performing Agency will include a term in all subcontracts that incorporates this Contract by reference and binds subcontractors to all the requirements, terms, and conditions of this Contract related to the service being provided by the subcontractor, as well as explicitly hold that this Contract controls in the event of any conflict with subcontract. DFPS approval of Performing Agency's use of any subcontractor is conditioned upon the extent that any subcontract does not conflict with any requirements of the Contract between DFPS and Performing Agency.
8. Payments to subcontractors will be made pursuant to the Texas Prompt Payment Act (Texas Government Code Chapter 2251).

ATTACHMENT C
DFPS INTERAGENCY & INTERLOCAL
SUPPLEMENTAL & SPECIAL CONDITIONS

E. INFORMATION SECURITY REQUIREMENTS.

Performing Agency must comply with the following:

1. The DFPS IT Security Policy located at:
https://www.dfps.state.tx.us/PCS/About_PCS/documents/Contractor_Information_Security.pdf
2. Upon reasonable notice, Performing Agency must provide, and cause its subcontractors and agents to provide, DFPS or its designee, prompt, reasonable, and adequate access to any information security records, books, documents, and papers that are directly pertinent to the performance of the Contract including, but not limited to:
 - a. Performing Agency information security policies, procedures, standards, guidelines;
 - b. Performing Agency security violation reports;
 - c. Performing Agency employee security acknowledgement agreements; and
 - d. Lists of Performing Agency's employees, subcontractors, and agents with authorized access to DFPS confidential information.
3. The information in Subsection 2 above is subject to DFPS' review and approval. Neither DFPS' review or approval, nor its failure to review or approve, will relieve, waive, or satisfy any of Performing Agency's obligations under this Contract.
4. Performing Agency will provide, and will cause its subcontractors and agents to provide, to DFPS, upon reasonable notice, written certifications of compliance with controls and provisions relating to information security, including but not limited to, those related to confidential data transfers and the handling and disposal of Personally Identifiable Information (PII). Acceptable forms of written compliance may be, but are not limited to:
 - a. The American Institute of Certified Public Accountants' Statement on Standards of Attestation Engagements 18 ("SSAE 18") or similar subsequent report;
 - b. General Security Controls Audit;
 - c. Application Controls Audit;
 - d. Vulnerability Assessment; and
 - e. Network/Systems Penetration Test.

F. REMOVAL OF ACCESS.

Performing Agency will immediately remove access capabilities to any DFPS automated/internet-based application(s), or immediately notify DFPS that access to such applications needs to be terminated for an employee, subcontractor, or volunteer whose employment, subcontract, or volunteer term with Performing Agency has ended for any reason.