



**DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION**

Complete this cover form and the **Non-Competitive Procurement Application Worksheet** in detail. Refer to the page entitled **"Instructions for Non-Competitive Procurement Application"** for completing this application in accordance with its policy regarding NCRB. Complete "other" subject area if additional information is needed. Subject areas must be fully completed and responses merely referencing attachments will not be accepted and will be immediately rejected.

Department Family and Support Services	Originator Name Brandie Knazze	Telephone 3-0155	Date 10/2/2015	Signature of Application Author
Contract Liaison Brandie Knazze	Email Contract Liaison brandie.knazze@cityofchicago.org	Telephone 3-0155		

List Name of NCRB Attendees/Department
David Wells, DFSS Brandie Knazze, DFSS Vanessa Rich, DFSS

Request NCRB review be conducted for the product(s) and/or service(s) described herein.
Company: Nulinx International, Inc.

Contact Person: Hamid Kelishadi	Phone: 818.304.0110	Email: hk@mycopa.com
---	-------------------------------	--------------------------------

Project Description: We are respectfully requesting a new contract that will be awarded for one year (with a one year renewal period) or until a new contract is awarded for "Subscription Services for Nulinx COPA". PO 19846 expired September 9, 2015 and a new contract is needed while DFSS works with DoIT on a long-term solution.

This is a request for:

New Contract Amendment / Modification

Contract Type

Blanket Agreement Term: 12 (# of mo) Time Extension Vendor Limit Increase Scope Change

Standard Agreement

Contract Number: _____
 Specification Number: _____
 Modification Number: _____

Department Request Approval	Recommended Approval
 DEPARTMENT HEAD OR DESIGNEE	 BOARD CHAIRPERSON
<u>10/2/15</u> DATE	<u>JAN 05 2016</u> DATE
PRINT NAME	PRINT NAME
	Rich Butler

(FOR NCRB USE ONLY)

Recommend Approval/Date: 1/4/16

Return to Department/Date: _____

Rejected/Date: _____

cl 1/5/16

Approved Rejected

CHIEF PROCUREMENT OFFICER

1-6-16
DATE



**DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION
JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT WORKSHEET**

All applicable information on this worksheet must be addressed using each question found on the "Instructions for Non-Competitive Procurement Application" in this application.

Justification for Non-Competitive Procurement Worksheet

PROCUREMENT HISTORY

1. Describe the requirement and how it evolved from initial planning to its present status.

Nulinx International, Inc. provides the Child Outcome Planning and Administration (COPA) software application to the Department of Family and Support Services (DFSS) Children Services Division. DFSS first entered into a contract with Nulinx International, Inc. on June 1, 2004 under PO 6780. This contract was awarded to correct the final area of non-compliance for the City of Chicago's Head Start Program. The initial contract was procured as an emergency contract when it was realized that reconfiguring the tracking database in use at the time (the Head Start Eligibility Verification database) was taking longer than expected. Nulinx was identified with the assistance of Business Information Systems (now known as the Department of Innovation and Technology (DoIT)) as the only source which would meet all of our tracking needs for family and child data in addition to eligibility and enrollment. This functionality was important because it ties directly to DFSS's ability to reimburse its delegate agency service providers accurately and in a timely manner. These functions were and are still managed by Nulinx's COPA program.

Subsequently, it was also determined that Nulinx was the most cost efficient vendor to produce customized reports mandated by Head Start's grantor, the United States Department of Health and Human Services (HHS). Later, DFSS was able to also add to its COPA system allowing us to better manage our Illinois Department of Human Services (IDHS) Child Care grant's attendance tracking and billing functions. Over time, even more functions and features have been incorporated into the COPA platform, leading to the creation of a truly one of a kind data management tool that has become an integral part of DFSS's management of its Head Start and Child Care grants.

DFSS's current highly customized version of COPA is vital and unique because of the size of our Head Start grant and the complexity created by managing two child care programs in one database. The City of Chicago's Head Start program is one of the largest single operating Head Start grants in the country and our IDHS Childcare program serves an additional 1,400 children. As such, we track over 20,000 children and associated case files using the COPA system on a daily basis.

Due to our collaborative partnership with Nulinx, COPA is a sophisticated tool that allows DFSS to run a variety of reports, providing more usable data to administrative and front line staff.

2. Is this a first time requirement or a continuation of previous procurement from the same source?

This is a continuation of services. The most recent contract with Nulinx International, Inc. (PO 19846) expired September 9, 2015. That contract was approved by the city as a sole source request on April 23, 2009. The contract was awarded for a three year term and had a one year renewal. In June 2014, the NCRB approved the one year extension and vendor limit increase. This action took the contract through March 9, 2015. DFSS also exercised the 181 day extension.

The Department of Family and Support Services (DFSS) is requesting a new one year contract in the amount of \$579,600 for the COPA system. This contract is needed to cover services while we work with DoIT to determine if the City's Enterprise Case Management (ECM) solution with Adsystem, Inc. (PO 20935) is the right solution to implement for the Head Start and Child Care program management. DFSS is working with DoIT on a Proof of Concept (POC) process. This means that DFSS will develop system requirements for a particular process and Adsystem will build select modules of the ECM system that reflects the requirements and the system's ability to perform. If DFSS staff determine that the POC meets our needs, then we will proceed with Adsystem and have them build the complete ECM solution. If DFSS staff determines that the POC does not meet our needs, then DFSS will work with DoIT and DPS to develop a solicitation for a new RFP. Regardless of which process DFSS selects, time is needed to complete the ECM POC process, draft system requirements, implement the solution, and transition to a new vendor. A one year contract will provide DFSS with the time it needs to work through the process steps.



**DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION
JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT WORKSHEET**

While not awarding this contract is possible, it would place the Head Start and Child Care program in jeopardy with our grantors as we would not be able to collect family and child data, reimburse our delegate agency providers and report on outcomes. Additionally, based on the complexity of our needs, and the customization of COPA, the system can not be readily duplicated. In order to evaluate other solutions, time is needed to prepare our requirements and work with DoIT on next steps.

3. Explain attempts made to competitively bid the requirement.

DFSS is working with DoIT to determine if the City's ECM solution is appropriate to manage the Head Start and Child Care program data. DFSS has agreed to participate in a POC process to determine if this solution is acceptable. Adsystem plans to build out select system modules to demonstrate its functionality by December 2015/January 2016. If DFSS determines that the POC meets its needs, then DFSS will continue with the ECM project and have the remaining components of the ECM system designed and built. Once ECM is ready, then DFSS will transition from COPA to ECM through the end of 2016. If DFSS determines that system does not meet our needs, then DFSS will work with DoIT and DPS on a new RFP. The project kick-off for the POC with Adsystem was held September 2015. Adsystem is currently gathering system requirements for the POC.

4. Describe all research done to find other sources.

The previous contract with Nulinx International, Inc. was awarded through a non-competitive process. DFSS is working with DoIT to determine the most optimal solution to manage the child and family data without having a gap in service delivery. The goal is to have a decision made on next steps (either continue with developing Adsystem's ECM solution or initiating a new RFP) by February 2016 once the POC is completed.

5. Explain future procurement objectives. Is this a one-time request or will future requests be made for doing business with the same source?

As stated in #3, a new contract is needed so that DFSS can continue to pay the current vendor for services while having sufficient time to conduct the POC and determine next steps for the project with DoIT. Based on the results of the ECM system build out, DFSS will either elect to move forward with ECM or initiate the process to solicit proposals through a new RFP.

6. Explain whether or not future competitive bidding is possible? If not, why?

If DFSS chooses not to continue with the Adsystem's ECM solution after the POC phase, then DFSS will work with DPS and DoIT to draft requirements for a new RFP to purchase a system for Head Start and Child Care data management services. However, while this discovery phase is being completed, access to COPA is still needed to handle reporting and program data. Without access to the system, DFSS will not be able to complete basic tasks, including paying delegate agency service providers, tracking child and family data and running reports.

ESTIMATED COST

1. What is the estimated cost for this requirement?

For the one year contract, DFSS's total request is \$579,600. This will be paid out of DFSS's Head Start and Child Care grant money given that the primary purpose of COPA is to manage Head Start information. During this time, Nulinx will continue to provide data tracking and reporting functions, eligibility, attendance, assessment, assessment outcomes, health, disability goals, visits, child and family service provision, and state, federal and local reporting. In addition, COPA will continue to provide Human Resource professional development tracking, e-mail reminders and calendar tasks and other resource management features.



**DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION
JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT WORKSHEET**

2. What is the estimated cost by fiscal year.

The estimated cost for the fiscal year is \$579,600.

3. Explain the basis for estimating the cost and what assumptions were made and/or used.

DFSS spends \$48,300 a month for current services with Nulinx International, Inc. The vendor has agreed to hold the pricing firm for the new contract, if approved.

4. Explain whether the proposed Contractor or the City has substantial dollar investment in original design, tooling or other factors which would be duplicated at City expense if another source was considered

Nulinx has provided services to DFSS's Children Services Division since June 1, 2004. While the system was initially purchased as an off-the-shelf system, the City has invested significant time and money in the customization of COPA. These customizations allow DFSS to maintain compliance with its Head Start and Child Care grants, as well as manage the caseloads and reporting requirements. Nulinx has worked with DFSS to create a system that is based around our specific needs and requirements. Before another system can be selected to provide program management and reporting services, our specific requirements need to be drafted, the system needs to be configured and tested and DFSS staff along with our delegate agencies will need time to transition from the COPA system to a new system. While DFSS completes the POC process with DoIT, the COPA system is needed to allow DFSS to comply with state and federal funding requirements as well as manage child care services and program outcomes.

5. Explain what negotiation of price has occurred or will occur?

Nulinx International, Inc. has agreed to hold its pricing firm for the new contract period. These costs are inline with the fees previously paid for services.

SCHEDULE REQUIREMENTS

1. Explain how the schedule was developed and what point the specific dates were known.

DFSS held a meeting with Commissioner Berman in March 2015. As a result of that meeting, DFSS staff was tasked to work with DoIT to set-up demonstrations of the ECM system by the end of March. The intention was to have Adsystem Inc. schedule a demonstration of the system with an agency that currently uses ECM for Early Childhood and Childcare Programs. The Community Action Partnership of Lake County was selected by Adsystem to present their ECM solution. Due to scheduling conflicts, the demonstration was rescheduled several times between March and July. The demonstration was finally held on July 7, 2015 at DFSS.

Based on the information that was provided in the demonstration, DFSS has agreed to proceed with engaging Adsystem Inc. to develop a POC. DFSS will develop system requirements for a particular process and Adsystem will build select modules of the ECM system that reflects the requirements. If DFSS staff determine that the POC meets our needs, then we will proceed with Adsystem and have them build the complete ECM solution. If DFSS staff determines that the POC does not meet our needs, then DFSS will work with DoIT and DPS to develop a solicitation for a new RFP. It is the intent to have the POC completed and a decision made regarding next steps by February 1, 2016. If DFSS decides to move forward with a new RFP solicitation, system requirements would not be provided to DPS until Spring 2016.

In order to ensure there is sufficient time to complete the POC process, services with Nulinx must remain in tact so that DFSS can remain compliant with HSS and IDHS.

2. Is lack of drawings and/or specifications a constraining factor to competitive bidding?

This request does not require drawings or specifications.



**DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION
JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT WORKSHEET**

3. Outline the required schedule by delivery or completion dates and explain the reason why the schedule is critical.
Our current contract with Nulinx expired September 9, 2015. We initiate a new contract to avoid disruption in service. Based on discussions with DoIT, our plan for the POC, next steps and completion timelines are as follows:

- a. Draft Project Scope and Requirements for a Proof of Concept - September 23 - October 28, 2015
- b. Proof of Concept Development and Configuration - November 1 - December 15, 2015
- c. User Acceptance Testing of ECM - December 16, 2015 - January 15, 2016
- d. Determine Next Steps with ECM or a New RFP - February 5, 2016

4. Describe in detail what impact delays for competitive bidding would have on City operations, programs, costs and budgeted funds.

We are requesting a new contract in order to allow time to complete the POC and determine next steps for the project, which includes implementing Adsystem's ECM solution or developing a RFP for competitive bidding. Operating Head Start and Child Care programs without access to COPA would be detrimental to DFSS. Our ability to efficiently and effectively operate our Head Start and Child Care grants would be jeopardized and it would impede our ability to process vouchers for services to these delegate agency providers. In addition, we would be placed out of compliance with our funders and risk losing future funding. Currently, our Head Start grant with the U.S. Department of Health and Human Services is one of the largest grants the City receives, at approximately \$120,000,000 annually.

EXCLUSIVE OR UNIQUE CAPABILITY

1. If contemplating hiring a person or firm as a Professional Service Consultant, explain in detail what professional skills, expertise, qualifications, and/or other factors make this person or firm exclusively or uniquely qualified for the project. Attach a copy of the cost proposal, scope of services, and Temporary Consulting Services Form.

Not applicable.

2. Does the proposed firm have personnel considered unquestionably predominant in the particular field?

Nulinx International, Inc. is the developer, sole proprietor and operator of the COPA system. As such, their personnel is highly skilled and well-trained in working with this unique system and in this field.

3. What prior experiences of a highly specialized nature does the person or firm exclusively possess that is vital to the job, project or program?

Nulinx International, Inc. is the developer, sole proprietor and operator of the COPA system. There are not other providers of COPA. While there are other providers who provide similar services (as determined by Head Start regulations), none of them provide the COPA system itself. Additionally, Nulinx International is the only organization in the country providing combined Head Start and Child Care tracking and reporting in combination with site monitoring, work flow process, and integrated billing and reimbursement functions under one platform. This alone makes COPA a unique system.

4. What technical facilities or test equipment does the person or firm exclusively possess of a highly specialized nature which is vital to the job?

Not applicable.

5. What other capabilities and/or capacity does the proposed firm possess which is necessary for the specific job, project or program which makes them the only source who can perform the work within the required time schedule without unreasonable costs to the City?

As the only provider of the COPA system, Nulinx is considered a unique and predominant leader in the child outcomes, assessment and reporting field. In addition, Nulinx has uniquely customized this application to DFSS to allow us to meet the needs of our funders and process large volumes of information. The system is able to process over 20,000 individual case files and provides significant reporting and monitoring capabilities based on the data that



**DEPARTMENT OF PROCUREMENT SERVICES
NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION
JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT WORKSHEET**

is entered. Based on our current requirements, it will take some time to develop the requirements for a new system that is as robust as COPA. Additionally, DFSS's experience with Nulinx has only been positive.

6. If procuring products or equipment, describe the intended use and explain any exclusive or unique capabilities, features and/or functions the items have which no other brands or models, possess. Is compatibility with existing equipment critical from an operational standpoint? If so, provide detailed explanation?

Not applicable.

7. Is competition precluded because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data (attach documentation verifying such)?

Nulinx's COPA system uses proprietary software. However, DFSS would like a one year contract to develop system requirements and determine if other system solutions are available while we work with DoIT on a POC process.

8. If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from any other sources? If not, is the proposed firm the only authorized or exclusive dealer/distributor and/or service center? If so, attach letter from manufacturer on company letterhead.

Not applicable.

OTHER

1. M/WBE Compliance Plan - Nulinx has submitted a request for a waiver to DFSS. This is included in the submission.

2. The following documents are being submitted for reference:

- a. Nulinx Scope of Services
- b. Proposed Budget for 1 Year of COPA Services
- c. Insurance Certificate
- d. Proof of EDS
- e. Applicable Grant Agreements



DEPARTMENT OF PROCUREMENT SERVICES NON-COMPETITIVE REVIEW BOARD (NCRB) APPLICATION INSTRUCTIONS FOR NON-COMPETITIVE PROCUREMENT APPLICATION

INSTRUCTIONS FOR PREPARATION OF NON-COMPETITIVE PROCUREMENT APPLICATION

If a City Department has determined that the purchase of supplies, equipment, work and/or services cannot be done on a competitive basis, a justification must be prepared on this "Justification for Non-Competitive Procurement Application" in which procurement is requested on a or non-competitive basis in accordance with 65 ILCS 5/8-10-4 of the Illinois Compiled Statutes. Using this instruction sheet, all applicable information must be addressed on the worksheet. The information provided must be complete and in sufficient detail to allow for a decision to be made by the Non-Competitive Procurement Review Board. For Amendments, Modifications, describe in detail the change in terms of dollars, time period, scope of services, etc., its relationship to the original contract and the specific reasons for the change. Indicate both the original and the adjusted contract amount and/or expiration date with this change.

Attach a DPS Checklist and any other required documentation; the Board will not consider justification with incomplete information documentation or omissions.

PROCUREMENT HISTORY

1. Describe the requirement and how it evolved from initial planning to its present status.
2. Is this a first time requirement or a continuation of previous procurement from the same source? If so, explain the procurement history.
3. Explain attempts made to competitively bid the requirement (attach copy of sources contacted).
4. Describe in detail all research done to find other sources; list other cities, companies in the industry, professional organizations contacted. List periodicals and other publications used as references.
5. Explain future procurement objectives. Is this a one-time request or will future requests be made for doing business with the same source?
6. Explain whether or not future competitive bidding is possible. If not, explain in detail.

ESTIMATED COST

1. What is the estimated cost for this requirement or for each contract, if multiple awards are contemplated? What is the funding source?
2. What is the estimated cost by fiscal year?
3. Explain the basis for estimating the cost and what assumptions were made and/or data used (i.e., budgeted amount, previous contract price, current catalog or cost proposal from firms solicited, engineering or in-house estimate, etc.)
4. Explain whether the proposed Contractor or the City has a substantial dollar investment in original design, tooling or other factors which would be duplicated at City expense if another source was considered. Describe cost savings or other measurable benefits to the City which may be achieved.
5. Explain what negotiation of price has occurred or will occur. Detail why the estimated cost is deemed reasonable.

SCHEDULE REQUIREMENTS

1. Explain how the schedule was developed and at what point the specific dates were known.
2. Is lack of drawings and/or specifications a constraining factor to competitive bidding? If so, why is the proposed Contractor the only person or firm able to perform under these circumstances? Why are the drawings and specifications lacking? What is the lead time required to get drawings and specifications suitable for competition? If lack of drawings and specifications is not a constraining factor to competitive bidding, explain why only one person or firm can meet the required schedule.
3. Outline the required schedule by delivery or completion dates and explain the reasons why the schedule is critical.
4. Describe in detail what impact delays for competitive bidding would have on City operations, programs, costs and budgeted funds.

EXCLUSIVE OR UNIQUE CAPABILITY

1. If contemplating hiring a person or firm as a Professional Service Consultant, explain in detail what professional skills, expertise, qualifications, and/or other factors make this person or firm exclusively or uniquely qualified for the project. Attach a copy of the cost proposal, scope of services, and **Temporary Consulting Services Form**.
2. Does the proposed firm have personnel considered unquestionably predominant in the particular field?
3. What prior experiences of a highly specialized nature does the person or firm exclusively possess that is vital to the job, project or program?
4. What technical facilities or test equipment does the person or firm exclusively possess of a highly specialized nature which is vital to the job?
5. What other capabilities and/or capacity does the proposed firm possess which is necessary for the specific job, project or program which makes them the only source who can perform the work within the required time schedule without unreasonable costs to the City?
6. If procuring products or equipment, describe the intended use and explain any exclusive or unique capabilities, features and/or functions the items have which no other brands or models possess. Is compatibility with existing equipment critical from an operational standpoint? If so, provide detailed explanation?
7. Is competition precluded because of the existence of patent rights, copyrights, trade secrets, technical data, or other proprietary data (attach documentation verifying such)?
8. If procuring replacement parts and/or maintenance services, explain whether or not replacement parts and/or services can be obtained from any other sources? If not, is the proposed firm the only authorized or exclusive dealer/distributor and/or service center? If so, attach letter from manufacturer on company letterhead.

MBE/WBE COMPLIANCE PLAN

- * All submissions must contain detailed information about how the proposed firm will comply with the requirements of the City's Minority and Women Owned Business program. All submissions must include a completed C-1 and D-1 form, which is available on the Procurement Services page on the City's intranet site. The City Department must submit a Compliance Plan, including details about direct and indirect compliance.

OTHER

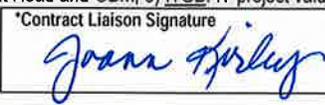
1. Explain other related considerations and attach all applicable supporting documents, i.e., an approved "ITGB Form" or "Request For Individual Hire Form".

REVIEW AND APPROVAL

This application must be signed by both Originator of the request and signed by the Department Head. After review and final disposition from the Board, this application will be signed by the Board Chairman. After review and final disposition from the Board, this form will be presented to the Chief Procurement Officer recommending approval.

Project Checklist

Attach required forms for each procurement type and detailed scope of services and/or specifications and forward original documents to the Chief Procurement Officer; City Hall, Room 806.

Date: 10/1/2015 Department Name: Family and Support Services Requisition No: 102860 Specification No: 134993 PO No: Modification No: Contract Liaison: Joann Kirby Telephone: 312-743-0786 Email: joann.kirby@cityofchicago.org Project / Program Manager: Brandie Knazze Telephone: 312-743-0155 Email: brandie.knazze@cityofchicago.org Check One: <input checked="" type="checkbox"/> New Contract Request <i>*By signing below, I attest the estimates provided for this contract are true and accurate.</i> *Project / Program Manager Signature  *Commissioner/Authorized Designee Signature 	<p>For blanket agreements, original or lead department must consult with other potential departments who may want to participate on the blanket agreement. If grant funded, attach copy of the approved grant application and other terms and conditions of the funding source. Note: 1) <u>Funding</u>: Attach information if multiple funding lines; 2) <u>Individual Contract Services</u>: Include approval form signed by Department Head and OBM; 3) <u>ITGB</u>: IT project valued at \$100,000.00 or more, attach approval transmittal sheet.</p> <p><i>*By signing this form, I attest that all information provided is true and accurate.</i></p> <p style="text-align: right;">*Contract Liaison Signature </p> <p>Project Title: New Contract Request for COPA Subscription Services</p> <p>Project Description: New One Year Contract Request for COPA Subscription Services with NuLinux International, Inc.</p> <p>Funding:</p> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td><input type="checkbox"/> Corporate</td> <td><input type="checkbox"/> Bond</td> <td><input type="checkbox"/> Enterprise</td> <td><input checked="" type="checkbox"/> Grant</td> <td><input type="checkbox"/> Other:</td> </tr> <tr> <td><input type="checkbox"/> IDOT/Transit</td> <td><input type="checkbox"/> IDOT/Highway</td> <td><input type="checkbox"/> FHWA</td> <td><input type="checkbox"/> FTA</td> <td><input type="checkbox"/> FAA</td> </tr> </table> <table border="1" style="width:100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>LINE</th> <th>FY</th> <th>FUND</th> <th>DEPT</th> <th>ORGN</th> <th>APPR</th> <th>ACTV</th> <th>PROJECT</th> <th>RPTG</th> <th>ESTDOLLAR AMOUNT</th> </tr> </thead> <tbody> <tr> <td></td> <td>014</td> <td>0N27</td> <td>050</td> <td>2860</td> <td>0140</td> <td>220140</td> <td>P05020102585</td> <td>14MP70</td> <td>579,600</td> </tr> </tbody> </table> <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">Purchase Order Type:</td> <td style="width:33%;">Special Approvals Required:</td> </tr> <tr> <td> <input checked="" type="checkbox"/> Blanket/Purchase Order (DUR) <input type="checkbox"/> Master Consultant Agreement (Task Order) <input type="checkbox"/> Standard/One-Time Purchase </td> <td> <input type="checkbox"/> Emergency <input checked="" type="checkbox"/> Non-Competitive Review Board (NCRB) <input type="checkbox"/> Request for Individual Contract Services <input checked="" type="checkbox"/> Information Technology Governance Board (ITGB) </td> </tr> <tr> <td>Purchase Order Information:</td> <td>Procurement Method:</td> </tr> <tr> <td> Contract Term (No. of Months): 12 Extension Options (Rate of Recurrence): 1 Estimated Spend/Value: \$ 579,600.00 Grant Commitment / Expiration Date: Pre-Bid/Submittal Conference: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Mandatory <input type="checkbox"/> Site Visit </td> <td> <input type="checkbox"/> Bid <input type="checkbox"/> RFP <input type="checkbox"/> RFQ <input type="checkbox"/> RFI <input type="checkbox"/> Small Order </td> </tr> <tr> <td>Contract Type:</td> <td>Modification/Amendment Type:</td> </tr> <tr> <td> <input type="checkbox"/> Architect Engineering <input type="checkbox"/> Commodity <input type="checkbox"/> Construction <input type="checkbox"/> JOC <input type="checkbox"/> SBI <input checked="" type="checkbox"/> Professional Services <input type="checkbox"/> Revenue Generating <input type="checkbox"/> Vehicle & Heavy Equipment <input type="checkbox"/> Work Service <input type="checkbox"/> Joint Procurement <input type="checkbox"/> Reference Contract </td> <td> <input type="checkbox"/> Time Extension <input type="checkbox"/> Scope Change/Price Increase /Additional Line Item(s) <input type="checkbox"/> Vendor Limit Increase <input type="checkbox"/> Requisition Encumbrance Adjustment <input type="checkbox"/> Other (specify): </td> </tr> <tr> <td>Modification or Amendment</td> <td>Vendor Info:</td> </tr> <tr> <td> Modification Information: PO Start Date: _____ PO End Date: _____ Amount (Increase/Reduction): _____ MBE/WBE/DBE Analysis: (Attach MBE/WBE/DBE Goal Setting Memo) <input type="checkbox"/> Full Compliance <input type="checkbox"/> Contract Specific Goals <input type="checkbox"/> No Stated Goals <input checked="" type="checkbox"/> Waiver Request </td> <td> Name: NuLinux International, Inc. Contact: Hamid Kelishadi Address: 18425 Burbank Boulevard, Suite 614, Tarzana, CA 93156 E-mail: hk@mycopa.com Phone: 818-304-0100 </td> </tr> <tr> <td>Risk Management / EDS</td> <td></td> </tr> <tr> <td> Insurance Requirements (included) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No EDS Certification of Filing (included) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No </td> <td></td> </tr> </table>	<input type="checkbox"/> Corporate	<input type="checkbox"/> Bond	<input type="checkbox"/> Enterprise	<input checked="" type="checkbox"/> Grant	<input type="checkbox"/> Other:	<input type="checkbox"/> IDOT/Transit	<input type="checkbox"/> IDOT/Highway	<input type="checkbox"/> FHWA	<input type="checkbox"/> FTA	<input type="checkbox"/> FAA	LINE	FY	FUND	DEPT	ORGN	APPR	ACTV	PROJECT	RPTG	ESTDOLLAR AMOUNT		014	0N27	050	2860	0140	220140	P05020102585	14MP70	579,600	Purchase Order Type:	Special Approvals Required:	<input checked="" type="checkbox"/> Blanket/Purchase Order (DUR) <input type="checkbox"/> Master Consultant Agreement (Task Order) <input type="checkbox"/> Standard/One-Time Purchase	<input type="checkbox"/> Emergency <input checked="" type="checkbox"/> Non-Competitive Review Board (NCRB) <input type="checkbox"/> Request for Individual Contract Services <input checked="" type="checkbox"/> Information Technology Governance Board (ITGB)	Purchase Order Information:	Procurement Method:	Contract Term (No. of Months): 12 Extension Options (Rate of Recurrence): 1 Estimated Spend/Value: \$ 579,600.00 Grant Commitment / Expiration Date: Pre-Bid/Submittal Conference: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Mandatory <input type="checkbox"/> Site Visit	<input type="checkbox"/> Bid <input type="checkbox"/> RFP <input type="checkbox"/> RFQ <input type="checkbox"/> RFI <input type="checkbox"/> Small Order	Contract Type:	Modification/Amendment Type:	<input type="checkbox"/> Architect Engineering <input type="checkbox"/> Commodity <input type="checkbox"/> Construction <input type="checkbox"/> JOC <input type="checkbox"/> SBI <input checked="" type="checkbox"/> Professional Services <input type="checkbox"/> Revenue Generating <input type="checkbox"/> Vehicle & Heavy Equipment <input type="checkbox"/> Work Service <input type="checkbox"/> Joint Procurement <input type="checkbox"/> Reference Contract	<input type="checkbox"/> Time Extension <input type="checkbox"/> Scope Change/Price Increase /Additional Line Item(s) <input type="checkbox"/> Vendor Limit Increase <input type="checkbox"/> Requisition Encumbrance Adjustment <input type="checkbox"/> Other (specify):	Modification or Amendment	Vendor Info:	Modification Information: PO Start Date: _____ PO End Date: _____ Amount (Increase/Reduction): _____ MBE/WBE/DBE Analysis: (Attach MBE/WBE/DBE Goal Setting Memo) <input type="checkbox"/> Full Compliance <input type="checkbox"/> Contract Specific Goals <input type="checkbox"/> No Stated Goals <input checked="" type="checkbox"/> Waiver Request	Name: NuLinux International, Inc. Contact: Hamid Kelishadi Address: 18425 Burbank Boulevard, Suite 614, Tarzana, CA 93156 E-mail: hk@mycopa.com Phone: 818-304-0100	Risk Management / EDS		Insurance Requirements (included) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No EDS Certification of Filing (included) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<input type="checkbox"/> Corporate	<input type="checkbox"/> Bond	<input type="checkbox"/> Enterprise	<input checked="" type="checkbox"/> Grant	<input type="checkbox"/> Other:																																															
<input type="checkbox"/> IDOT/Transit	<input type="checkbox"/> IDOT/Highway	<input type="checkbox"/> FHWA	<input type="checkbox"/> FTA	<input type="checkbox"/> FAA																																															
LINE	FY	FUND	DEPT	ORGN	APPR	ACTV	PROJECT	RPTG	ESTDOLLAR AMOUNT																																										
	014	0N27	050	2860	0140	220140	P05020102585	14MP70	579,600																																										
Purchase Order Type:	Special Approvals Required:																																																		
<input checked="" type="checkbox"/> Blanket/Purchase Order (DUR) <input type="checkbox"/> Master Consultant Agreement (Task Order) <input type="checkbox"/> Standard/One-Time Purchase	<input type="checkbox"/> Emergency <input checked="" type="checkbox"/> Non-Competitive Review Board (NCRB) <input type="checkbox"/> Request for Individual Contract Services <input checked="" type="checkbox"/> Information Technology Governance Board (ITGB)																																																		
Purchase Order Information:	Procurement Method:																																																		
Contract Term (No. of Months): 12 Extension Options (Rate of Recurrence): 1 Estimated Spend/Value: \$ 579,600.00 Grant Commitment / Expiration Date: Pre-Bid/Submittal Conference: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Mandatory <input type="checkbox"/> Site Visit	<input type="checkbox"/> Bid <input type="checkbox"/> RFP <input type="checkbox"/> RFQ <input type="checkbox"/> RFI <input type="checkbox"/> Small Order																																																		
Contract Type:	Modification/Amendment Type:																																																		
<input type="checkbox"/> Architect Engineering <input type="checkbox"/> Commodity <input type="checkbox"/> Construction <input type="checkbox"/> JOC <input type="checkbox"/> SBI <input checked="" type="checkbox"/> Professional Services <input type="checkbox"/> Revenue Generating <input type="checkbox"/> Vehicle & Heavy Equipment <input type="checkbox"/> Work Service <input type="checkbox"/> Joint Procurement <input type="checkbox"/> Reference Contract	<input type="checkbox"/> Time Extension <input type="checkbox"/> Scope Change/Price Increase /Additional Line Item(s) <input type="checkbox"/> Vendor Limit Increase <input type="checkbox"/> Requisition Encumbrance Adjustment <input type="checkbox"/> Other (specify):																																																		
Modification or Amendment	Vendor Info:																																																		
Modification Information: PO Start Date: _____ PO End Date: _____ Amount (Increase/Reduction): _____ MBE/WBE/DBE Analysis: (Attach MBE/WBE/DBE Goal Setting Memo) <input type="checkbox"/> Full Compliance <input type="checkbox"/> Contract Specific Goals <input type="checkbox"/> No Stated Goals <input checked="" type="checkbox"/> Waiver Request	Name: NuLinux International, Inc. Contact: Hamid Kelishadi Address: 18425 Burbank Boulevard, Suite 614, Tarzana, CA 93156 E-mail: hk@mycopa.com Phone: 818-304-0100																																																		
Risk Management / EDS																																																			
Insurance Requirements (included) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No EDS Certification of Filing (included) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No																																																			

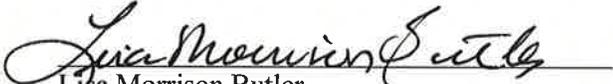


DEPARTMENT OF FAMILY AND SUPPORT SERVICES
CITY OF CHICAGO

MEMORANDUM

To: Jamie Rhee
Chief Procurement Officer
Department of Procurement Services

Attn: Rich Butler
First Deputy Procurement Officer
Department of Procurement Services

From: 
Lisa Morrison Butler
Commissioner
Department of Family and Support Services

Subject: 1 Year Contract
Vendor: Nulinx International, Inc.
Requisition: 102860

Date: October 2, 2015

The Department of Family and Support Services (DFSS) is requesting a one year contract in the amount of \$579,600 for the COPA system with Nulinx International, Inc. for our Children Services Division. The vendor has agreed to hold the current pricing firm from the previous contract (PO19846).

This contract would be valid for one year or until a new contract is awarded. In the event a new contract is not awarded within the one-year period, we are requesting that the contract include a one-year renewal option. PO 19846 expired September 9, 2015 and did not have any remaining renewal options. A new contract is needed to cover services while we work with DoIT to determine if the City's Enterprise Case Management (ECM) solution is the right solution to implement for the Early Childhood and Childcare program management.

Based on a meeting with Commissioner Berman in March 2015, my staff was tasked to work with DoIT to set-up demonstrations of the ECM system by the end of March. The intention was to have Adsystem Inc., the current ECM vendor (PO 20935), schedule a demonstration of the system with an agency that currently uses ECM for Early Childhood and Childcare programs. The Community Action Partnership of Lake County was selected by Adsystem to present their ECM solution. Due to scheduling conflicts, the demonstration was rescheduled several times between March and July. The demonstration was finally held on July 7, 2015 at DFSS.

Based on the information that was provided in the demonstration, DFSS decided to proceed with engaging Adsystem Inc. to develop a Proof of Concept (POC). This means that DFSS will develop system requirements for a particular process and Adsystem will build a module of the ECM system that reflects the requirements. We are scheduled to have six modules built as part of the POC. If DFSS staff determines that the POC meets our needs, then we will proceed with Adsystem and have them build the complete ECM solution. If DFSS staff determines that the POC does not meet our needs, then DFSS will work with DoIT and DPS to develop a solicitation for a new RFP. ***A new RFP will not be developed and submitted to DPS until a determination is made on ECM.*** That decision will not be made until February 2016. If a new RFP is necessary, it will be several months after that decision is made before the RFP package is submitted to DPS.

The project timeline is below:

Activity	Completion Date
Proof of Concept Requirements Gathering, System Development and Configuration	September 2015 – December 15, 2015
User Acceptance Testing of ECM Proof of Concept	December 16, 2015 – January 15, 2016
Determine Next Steps with ECM or a New RFP	January 16, 2016 - February 1, 2016

If DFSS decides to go with the City's ECM solution, then we are looking at nine months to one year to develop the full requirements, complete the configuration and interfaces, conduct testing and transition from the current system.

Unfortunately, due to the delay in scheduling the ECM demonstration with the Community Action Partnership of Lake County, we were unable to meet with the NCRB in March 2015. Once the plan on how to proceed was finalized with DoIT, a meeting was held on July 13, 2015 with Brandie Knazze from my office and Richard Butler and Joseph Chan of DPS to discuss the expiring contract and next steps. It was recommended that DFSS submit a contract extension for the NCRB meeting in September. A request to extend PO 19846 was submitted to the NCRB on August 7, 2015. However, on August 26, 2015 the request was returned with comments.

A new DPS Project Checklist and supporting documents are included with this memorandum.

If you should have any questions, please feel free to contact Brandie Knazze at 312-743-0155.

Thank you.

cc: Brenna Berman, DoIT
 Joann Kirby, DFSS
 Brandie Knazze, DFSS
 Vanessa Rich, DFSS
 David Wells, DFSS
 Jennifer Welch, DFSS

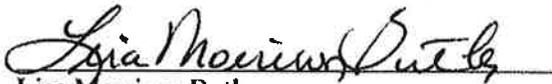


DEPARTMENT OF FAMILY AND SUPPORT SERVICES
CITY OF CHICAGO

MEMORANDUM

To: Monica Jimenez
Deputy Procurement Officer
Department of Procurement Services

Attn: Rich Butler
First Deputy Procurement Officer
Department of Procurement Services

From: 
Lisa Morrison Butler
Commissioner
Department of Family and Support Services

Subject: M/WBE Waiver Request for 1 Year Contract
Nulinx International, Inc.
Requisition: 102860

Date: September 25, 2015

The Department of Family and Support Services (DFSS) uses Nulinx International's Child Outcome Planning and Assessment (CPOA) system to manage, track, and report on child and family information related to its Head Start, Early Head Start, and Child Care Assistance programs. This system allows DFSS to manage two separate Federal and State funded child care programs in one database.

The COPA system is a proprietary software system that Nulinx has developed and customized primarily for DFSS. The system is a hosted solution that is accessible via the internet. In order to protect the source code and maintain the confidentiality of information, Nulinx does not partner or subcontract with other vendors including M/WBE vendors. Further, the headquarters of the firm is based in Los Angeles which makes obtaining indirect M/WBE participation from local Chicago vendors challenging.

We are requesting a waiver request for this one year contract that has an annual spend of \$579,600 given that there are limited options for compliance.

If you should have any questions, please contact Brandie Knazze at 312-743-0155 or brandie.knazze@cityofchicago.org.

Thank you.

September 22, 2015

Ms. Brandie Knazze, Deputy Commissioner
Department of Family and Support Services
1615 West Chicago Avenue
Chicago, IL. 60622

Re: MBE/WBE waiver

Dear Ms. Knazze,

We would like to extend our gratitude to the Department for the opportunity granted to Nulinx International Inc. to provide COPA software to the City of Chicago and Department of Family and Support Services (DFSS). Due to the nature of Nulinx's COPA software annual service agreement, we respectfully request a waiver of the city's MBE/WBE goals on this contract.

Nulinx International Inc. is committed to assisting in the growth of Chicago area MBE/WBE firms and will offer MBE/WBE subcontracting opportunities whenever possible. Unfortunately, this annual service contract does not provide for any.

COPA software is a proprietary software that has been developed exclusively by Nulinx International Inc. No other company is permitted, qualified or authorized to support and provide the comprehensive scope COPA services required by the Chicago Department of Family and Support Services to manage, monitor and serve over 25000 children and families from multiple funding sources.

Nulinx International Inc.'s COPA software, is being provided to the FSS as a hosted solution accessible via the internet. Because of the proprietary nature of the service agreement, confidentiality of information, expertise on the technology and subject and scope of services provided, there is no direct local subcontracting opportunity, MBE/WBE or otherwise, for Nulinx International, Inc. to provide. Additionally, Nulinx International, Inc., the servers, support staff and services providing the hosted system are managed by Nulinx International, Inc. and are located in Los Angeles, California and the ability to use Chicago area MBE/WBE firms for indirect spending is quite limited.

If you have any questions, please don't hesitate to contact me directly at hk@mycopa.com or by calling 818-304-0110.

Best regards,


Hamid Kelishadi
President



DEPARTMENT OF INNOVATION AND TECHNOLOGY
CITY OF CHICAGO

MEMORANDUM

To: Jamie Rhee
Chief Procurement Officer
Department of Procurement Services

Attn: Rich Butler
1st Deputy Procurement Officer
Department of Procurement Services

From: 
Brenna Berman
Commissioner and Chief Information Officer
Department of Innovation and Technology

Subject: Information Technology Governance Board Approval - Nulinx International (Req. #102860)

Date: September 25, 2015

I have reviewed the Department of Family and Support Services (DFSS) Non-Competitive Review Board (NCRB) application for a new agreement with Nulinx International and have found that the application is compliant and within the guidelines for the City's technical environment and IT policies.

Further, I have determined that this agreement will allow DFSS to continue to work with my staff in developing the requirements for the City's Enterprise Case Management (ECM) solution or in drafting a new RFP in the event that the ECM Proof of Concept project with Adsystem, Inc. does meet their needs.

If you have any questions, please contact me at 312-744-9363.

cc: Comm. Morrison Butler/DFSS
David Wells/DFSS
Brandie Knazze/DFSS
Joe Chan/DPS
Colleen Twohig/DPS

Summary Scope of Services

Nulinx International is an active solution provider to Head Start programs, Community Action Agencies, Child Care providers and City and State Agencies. Nulinx International Inc.'s flagship software, COPA, provides enhanced child, family, staff and resource data management, reporting, monitoring and collaboration tools, that is provided as a fully hosted solution.

The Contractor will provide the following under this agreement:

COPA provides data tracking and reporting for Head Start and Child care funded families. Various modules and features include Enrollment, Eligibility, Attendance, Assessment, Outcome, Health, Disability, Goals, Visits, Child and Family services, Federal and local reporting, PIR and much more. COPA also provides, HR, Professional Development, calendaring, email reminders and resource management features.

COPA is a hosted web-based solution which is offered on a full IT basis. As a hosted solution, all necessary servers, server-side bandwidth, storage, firewall, system administration and maintenance is provided. A dedicated database is setup for DFSS, encompassing all delegate agencies, sites and classrooms.

COPA also provides various additional modules such as;

- COPA Monitoring. Ability to document and report on site visits, self-assessment and audits.
- COPA e-docs- Digital library that stores various documents and files that are identified and mapped to a child, family, staff, volunteer, class, site or agency.
- CABS. COPA Automated Billing System, enabling providers of child care to submit their monthly enrollment reports to DFSS, go through approval process and generate agency wide invoices.
- Swipe and Scanning feature. A Windows based interface that provides the ability to collect attendance data by scanning a child or staff ID card. ID cards are also generated by COPA.
- Recruitment. Ability to collect a wide pool of pre-application information that allows agencies to filter and qualify eligible candidates for enrollment, without effecting current enrollment and demographics.
- COPAnet. Intranet/Extranet system providing communication and collaboration tools such as Mail, Calendar, Mailing Lists, Task Management, Directory, File Sharing, Contact Manager, Knowledge base, Automated Help System and more.
- Customizable Assessment Platform. Allowing DFSS to create multiple customized assessment tools for child, family and staff.

The modular nature of COPA provides a highly customizable solution that can create additional modules and functions to match Organizations' need. Scope of each customization or specific enhancements, must be reviewed and agreed upon by COPA. Customization charges and time of delivery depend on the scope of work and need to be confirmed and finalized per individual specification. Customizations charges may apply and Nulinx retains full rights and ownership of all developments and customization.

The parties agree that prior to entering into this contract; Vendor has developed the COPA solution, a web-based program for processing child information management. Vendor has the exclusive and sole rights to any discovery or invention arising out of or developed in the course of this Agreement and its full confidentiality. Under this Agreement, Vendor may customize or alter its proprietary program to fit the needs of the City. All rights, licenses and royalties belong solely the Vendor. No other party has a royal free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use any or all copyrighted or patented material, without the written consent of the Vendor.

Nulinx will not be liable, nor responsible for the accuracy, legality, and/or appropriateness of the material provided to and provided by DFSS and its employees or staff. Nulinx will further have access to all user information, children and family information and data within the system on an as needed basis.

The parties acknowledge that while COPA solution may be capable of automating a number of different, assessment instruments. Nulinx will not be responsible for copyright issues or to seek any necessary permits or licenses in connection with use by DFSS of any such instrument, tool, or any other educational or other material or information which DFSS or the City may elect to use of COPA solution.

Please visit the COPA web site at www.mycopa.com or contact COPA at (818) 304-0110 for more information.



Brandi V. Krizan



September 22, 2015

Ms. Brandie Knazze, Deputy Commissioner
Department of Family and Support Services
1615 West Chicago Avenue
Chicago, IL. 60622

Re: 2015-2016 Budget

Dear Ms. Knazze,

Please find our proposed budget and cost schedule for school year 2015-2016.

2015-2016 Budget and Cost schedule for COPA Software

Subscription fee for COPA Software and Support	\$415,800.00
Subscription Fee for COPAmonitoring Audit Management Tool	\$81,900.00
Subscription fee for COPAnet Intranet solution	\$12,600.00
Subscription fee COPAnet "my.fssagency.com"	\$12,600.00
Subscription fee COPAnet "my.fssagency.com" email Archiving	\$ 6,300.00
Subscription Fee for COPA. CysTraining.mycopa.com	\$12,000.00
Subscription fee for COPA E-Docs Library	\$ 2,400.00
Various Customizations and Reporting allowance including CABS, Eligibility and Billing (Performed in accordance with COPA guidelines, design and policies @\$150/hr)	\$36,000.00
Total:	\$579,600.00



CERTIFICATE OF FILING FOR
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT

EDS Number: 74665

Date of This Filing:09/25/2015 01:25 PM

Certificate Printed on: 09/25/2015

Original Filing Date:09/25/2015 01:25 PM

Disclosing Party: Nulinx International Inc.

Title:President

Filed by: Mr. Hamid Kelishadi

Matter: Providing software and support
services - COPA

Applicant: Nulinx International Inc.

Specification #:

Contract #:

The Economic Disclosure Statement referenced above has been electronically filed with the City. Please provide a copy of this Certificate of Filing to your city contact with other required documents pertaining to the Matter. For additional guidance as to when to provide this Certificate and other required documents, please follow instructions provided to you about the Matter or consult with your City contact.

A copy of the EDS may be viewed and printed by visiting <https://webapps1.cityofchicago.org/EDSWeb> and entering the EDS number into the EDS Search. Prior to contract award, the filing is accessible online only to the disclosing party and the City, but is still subject to the Illinois Freedom of Information Act. The filing is visible online to the public after contract award.



September 22, 2015

Ms. Brandie Knazze, Deputy Commissioner
Department of Family and Support Services
1615 West Chicago Avenue
Chicago, IL 60622

Re: Sole Source Provider

Dear Ms. Knazze,

COPA software is a proprietary software that has been developed exclusively by Nulinx International Inc. and it has been in use by more than 4000 users of DFSS since 2004.

Over the last 10 years, COPA has been extensively enhanced and customized based on needs and requirements of DFSS. Specific modules such as CABS have been developed and continue to be enhanced, based on specific requirements of DFSS in mind. DFSS's current highly customized version of COPA is a unique solution with the complexity created to manage two separate Federal and State funded child care programs in one database. The City of Chicago's Head Start program is one of the largest in the country using the COPA system on a daily basis.

COPA enables DFSS to manage more than 25000 children and families of multiple funding sources, under one software platform. More than 4000 users have been trained on general as well as specific features of COPA for better efficiency and accuracy of work. This training effort has been contributed to the successful implementation of COPA.

Additional modules such as Monitoring, e-doc digital library, HR and specialty features are among other comprehensive and unique offerings of COPA. No other software readily available in the market provides such comprehensive, specific and customized set of features required by DFSS. That makes COPA uniquely qualified as a sole source provider.

If you have any questions, please don't hesitate to contact me at hk@mycopa.com or by calling 818-304-0110.

Best regards,

Hamid Kelishadi
President
Nulinx International Inc. (COPA)



DEPARTMENT OF FAMILY AND SUPPORT SERVICES
CITY OF CHICAGO

MEMORANDUM

To: Rich Butler
1st Deputy Procurement Officer
Department of Procurement Services

Attn: Colleen Twohig
Department of Procurement Services

From: Brandie Knazze *BK*
Deputy Commissioner
Department of Family and Support Services

Subject: Nulinx International Req. #102860/Spec. 134993

Date: October 2, 2015

Attached is the Non-Competitive Review Board (NCRB) application for Nulinx International (Req. 102860/Spec. 134993). Please be advised that Deputy Commissioner Monica Jimenez has advised me that she will submit the M/WBE letter directly to you.

Please call me at 312-743-0155 with questions.

COMMUNITY SERVICES AGREEMENT



BETWEEN
THE DEPARTMENT OF HUMAN SERVICES
AND
CHICAGO CITY OF
FOR FISCAL YEAR 2016

The Illinois Department of Human Services (DHS), with its principal office at 100 South Grand Avenue East, Springfield, IL 62762 , and CHICAGO CITY OF (Provider), with its principal office at 333 S State St Chicago, IL 60604-3900 and payment address (if different than principal office) at _____ hereby enter into this Community Services Agreement ("Agreement"). DHS and Provider are collectively referred to herein as "Parties" or individually as a "Party".

RECITALS

WHEREAS, it is the intent of the Parties to implement services consistent with all Exhibits hereto and pursuant to the duties and responsibilities imposed by DHS under the laws of the State of Illinois and in accordance with the terms, conditions and provisions hereof.

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained herein, and for other good and valuable consideration, the value, receipt and sufficiency of which are acknowledged, the Parties hereto agree as follows:

ARTICLE I
TAXPAYER CERTIFICATION

1.1. Federal Taxpayer Identification Number; Nature of Entity. Under penalties of perjury, Provider certifies that 36-6005820 is Provider's correct Federal Taxpayer Identification Number or Social Security Number (check one). Provider is doing business as a (please check one):

- Individual
- Sole Proprietorship
- Partnership
- Corporation (includes Not For Profit)
- Medical Corporation
- Governmental Unit
- Estate or Trust
- Pharmacy-Non Corporate
- Nonresident Alien
- Pharmacy/Funeral Home/Cemetery Corp.
- Tax Exempt
- Limited Liability Company (select applicable tax classification)
 - D = disregarded entity
 - C = corporation
 - P = partnership

1.2. Estimated Amount of Agreement. The estimated amount payable by DHS to Provider under this Agreement is \$26,000,000.00. Provider agrees to accept DHS' payment for services rendered as specified in the Exhibits incorporated as part of this Agreement.

1.3. Term. This Agreement shall be effective on Jul 1, 2015, and shall expire on Jun 30, 2016, unless terminated or extended pursuant to the terms hereof.

1.4. Certification. Provider certifies under oath that (1) all representations made in this Agreement are true and correct and (2) all funds awarded pursuant to this Agreement shall be used only for the purpose(s) described herein. Provider acknowledges that the award is made solely upon this certification and that any false statements, misrepresentations or material omissions shall be the basis for immediate termination of this Agreement.

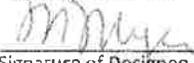
1.5. Signatures. In witness whereof, the Parties hereto have caused this Agreement to be executed by their duly authorized representatives.

ILLINOIS DEPARTMENT OF HUMAN SERVICES

CHICAGO CITY OF

By: 
James T. Dimas
Secretary-designate

By: 
Signature of Authorized Representative

By: 
Signature of Designee

Date: JUL 01 2015

Date: June 25, 2015

Printed Name: M. Myers

Printed Name: Evelyn Diaz

Printed Title: Contract Obligation Analyst
Designee

Printed Title: Commissioner

E-mail: evelyn.diaz@cityofchicago.org

FEIN: 36-6005820

Agreement #: FCSU100434

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

**ARTICLE II
REQUIRED REGISTRATIONS**

2.1. Standing and Authority. Provider warrants that:

(a) Provider is duly organized, validly existing and in good standing under the laws of the State in which it was incorporated or organized.

(b) Provider has the requisite power and authority to execute and deliver this Agreement and all documents to be executed by it in connection with this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby.

(c) If Provider is organized under the laws of another jurisdiction, Provider warrants that it is duly qualified to do business in Illinois and is in good standing with the Illinois Secretary of State.

(d) The execution and delivery of this Agreement and the other documents to be executed by Provider in connection with this Agreement, and the performance by Provider of its obligations hereunder, have been duly authorized by all necessary entity action.

(e) This Agreement and such documents to which Provider is a party constitute the legal, valid and binding obligations of Provider enforceable against Provider in accordance with their respective terms except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights generally or general principles of equity.

2.2. Compliance with Internal Revenue Code. Provider certifies that it does and will comply with all provisions of the Federal Internal Revenue Code, the Illinois Revenue Act, and all rules promulgated thereunder, including withholding provisions and timely deposits of employee taxes and unemployment insurance taxes.

2.3. Compliance with Federal Funding Accountability and Transparency Act of 2006. Provider certifies that it does and will comply with the reporting requirements of the Federal Funding Accountability and Transparency Act of 2006 (P.L. 109-282) (FFATA) with respect to Federal grants greater than or equal to \$25,000. A FFATA sub-award report must be filed by the end of the month following the month in which the grant was awarded.

2.4. DUNS Number. Execution of this Agreement by DHS shall be contingent upon Provider's provision to DHS of a Data Universal Number System (DUNS) number (FAR 52.204-7).

2.5. Compliance with American Recovery and Reinvestment Act (ARRA). If the Program is funded using ARRA funds, Provider will be notified in an Exhibit or Attachment hereto.

2.6. Compliance with Uniform Grant Rules (2 CFR Part 200). If the Program is funded using Federal funds awarded after December 26, 2014, Provider will be notified in an Exhibit or Attachment hereto of such funding. If so notified, Provider shall adhere to the applicable Uniform Administrative Requirements, Cost Principles, and Audit Requirements, which are published in Title 2, Part 200 of the Code of Federal Regulations. Otherwise, Provider shall adhere to the applicable OMB Circular effective before December 26, 2014 (such as, without limitation, OMB Circular A-21, A-87, A-100, A-102, A-122 and A-133). This Agreement generally refers to the OMB Circulars effective for awards issued before December 26, 2014, although if notified, the applicable

provision of 2 CFR Part 200 applies.

ARTICLE III DEFINITIONS

3.1. Definitions. Capitalized words and phrases used in this Agreement have the following meanings:

“Administrative Costs” means those costs that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective, *i.e.*, a particular Award, Program, Program, service, or other direct activity of an organization. A cost may not be allocated to an Award as an Indirect Cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to an award as a Direct Cost. Provider is responsible for presenting costs consistently and must not include costs associated with its Indirect Cost Rate as Direct Costs. The term “Administrative Costs” is synonymous with the term “Indirect Costs.” *See, e.g.*, U.S. Department of Health and Human Services Grants Policy Statement, January 1, 2007, at II-26.

“2 CFR Part 200” means the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards published in Title 2, Part 200 of the Code of Federal Regulations.

“Agreement” means this Agreement, and any addendum, schedules and exhibits thereto, all as amended from time to time. Words such as “herein,” “hereinafter,” “hereof,” “hereto,” and “hereunder” refer to this Agreement as a whole, unless the context otherwise requires.

“Allocable Costs” means costs allocable to a particular cost objective if the goods or services involved are chargeable or assignable to such cost objective in accordance with relative benefits received or other equitable relationship. Costs allocable to a specific Program may not be shifted to other Programs in order to meet deficiencies caused by overruns or other fund considerations, to avoid restrictions imposed by law or by the terms of this Agreement, or for other reasons of convenience.

“Allowable Costs” means costs associated with DHS Programs which are reimbursable from DHS funds. Allowable Costs include expenses that are (1) necessary and related to the provision of Program services, (2) reasonable to the extent that a given cost is consistent with the amount paid by similar agencies for similar services, (3) not specified as unallowable, and (4) not illegal. Research expenses may be considered Allowable Costs if Prior Approval is received from DHS. (89 Ill. Adm. Code §509.20(a))

“ARRA” means the American Recovery and Reinvestment Act of 2009 (P.L. 111-5).

“Award” means financial assistance that provides support to accomplish the purpose of this Agreement. Awards include grants and other agreements in the form of money by DHS to Provider.

“Budget” means the financial plan for the Program submitted by Provider and approved by DHS.

“CFDA” means the Catalog of Federal Domestic Assistance, a government-wide compendium of Federal programs, projects, services and activities that provide assistance or benefits to the American public.

“Consolidated Financial Report” means a financial information presentation in which the assets, equity, liabilities, and operating accounts of an entity and its subsidiaries are combined (after eliminating all inter-entity transactions) and shown as belonging to a single reporting entity.

“Cost Allocation Plan” means a document that identifies, accumulates and distributes allowable direct and

indirect costs under subgrants and contract and identifies the allocation methods used for distributing the costs. A plan for allocating joint costs is required to support the distribution of those costs to the grant program. All costs included in the plan must be supported by formal accounting records to substantiate the propriety of the eventual charges. Providers are required to maintain a Cost Allocation Plan, in accordance with Ill. Adm. Code §509.40(c), if they receive more than one source of funding or operate more than one Program. (89 Ill. Adm. Code §509.20(a)(2)).

“Direct Costs” means those costs that can be identified specifically with a particular final cost objective, *i.e.*, a particular Award, Program, service, or other direct activity of an organization, or that can be directly assigned to such an activity with a high degree of accuracy. Direct costs may be charged based on a full-time equivalent or pro-rated basis. A cost may not be assigned to an Award as a Direct Cost if any other cost incurred for the same purpose, in like circumstance, has been allocated to an Award as an Indirect Cost. Provider is responsible for presenting costs consistently and must not include costs associated with its Indirect Cost Rate as Direct Costs.

“Disallowed Costs” means those charges to an award that DHS determines to be Unallowable Costs.

“DUNS Number” means a unique nine digit identification number provided by Dun & Bradstreet for each physical location of Provider’s organization. Assignment of a DUNS Number is mandatory for all organizations required to register with the Federal government for contracts or grants.

“Fee-for-Service” means a Program for which the payments are made on the basis of a rate, unit cost or allowable cost incurred and are based on a statement or bill as required by DHS. (89 Ill. Adm. Code §509.15). Services provided on a Fee-for-Service basis are Medicaid-related.

“FFATA” means Federal Funding Accountability and Transparency Act of 2006 (P. L. 109-282).

“Fixed-Rate” means a Program for which the payments for non-Medicaid services are made on the basis of a rate, unit cost or allowable cost incurred and the payments are based on a statement or bill as required by DHS. Fixed-Rate payments are subject to all Federal administrative regulations and requirements, including, but not limited to, those set forth at OMB Circular A-102, OMB Circular A-100, OMB Circular A-133, and are subject to all applicable cost principles, including OMB Circular A-21, OMB Circular A-87 OMB Circular A-122 and 2 CFR Part 200, as applicable. Fixed-Rate services are non-Medicaid services. A Fixed-Rate agreement, in common terminology, is a non-Medicaid fee-for-service agreement. Fixed-Rate grants are exempt from cost principles but are subject to audit requirements set forth in the applicable OMB Circular.

“GAAP” means Generally Accepted Accounting Principles.

“Grant” means any assistance, whether financial or otherwise, furnished by DHS to a person or entity for obligation, expenditure, or use by Provider for a specific purpose(s) as authorized by law. This does not include advance payments made under the authority of Paragraph 9.05 of the State Finance Act, 30 ILCS 105/9.05.

“Indirect Costs” means those costs that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective, *i.e.*, a particular Award, Program, service, or other direct activity of an organization. A cost may not be allocated to an award as an Indirect Cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to an award as a Direct Cost. Provider is responsible for presenting costs consistently and must not include costs associated with its Indirect Cost Rate as Direct Costs. The term “Indirect Costs” is synonymous with the term “Administrative Costs.” *See, e.g.*, U.S. Department of Health and Human Services Grants Policy Statement, January 1, 2007, at II-26.

"Indirect Cost Rate" means is a device for determining in a reasonable manner the proportion of indirect costs each Program should bear. It is a ratio (expressed as a percentage) of the Indirect Costs to a Direct Cost base. If reimbursement of Indirect Costs is allowable under an Award, DHS will not reimburse those Indirect Costs unless Provider has established an Indirect Cost Rate covering the applicable activities and period of time, unless Indirect Costs are reimbursed at a fixed rate. If Provider has a current, applicable rate negotiated by a cognizant Federal agency, Provider shall provide to DHS a copy of its Indirect Cost Rate proposal and the acceptance letter from the Federal government. If Provider does not have a current, applicable rate negotiated by a cognizant Federal agency, DHS shall be responsible for establishing an Indirect Cost Rate for Provider.

"Indirect Cost Rate Proposal" means the documentation prepared by Provider to substantiate its request for the establishment of an Indirect Cost Rate.

"Net Revenue" means an entity's total revenue less its operating expenses, interest paid, depreciation, and taxes. "Net Revenue" is synonymous with "Profit."

"OMB" means the Executive Office of the President of the United States, Office of Management and Budget.

"OMB Circular" means instructions or information issued by the President's Office of Management and Budget ("OMB") to Federal agencies.

"Prior Approval" means written approval by an authorized member of DHS management evidencing prior consent.

"Profit" means an entity's total revenue less its operating expenses, interest paid, depreciation, and taxes. "Profit" is synonymous with "Net Revenue."

"Program" means the services to be provided pursuant to this Agreement.

"Program Costs" means all Allowable Costs incurred by Provider and the value of the contributions made by third parties in accomplishing the objectives of the Award during the Term of this Agreement.

"Program Income" means gross income earned by the recipient that is directly generated by a supported activity or earned as a result of the Award. Interest earned on advances of Federal funds under this Agreement is not Program Income.

"Related Parties" has the meaning set forth in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 850-10-50.

"State" means the State of Illinois.

"Term" has the meaning set forth in Paragraph 1.3.

"Unallowable Costs" means expenses which, pursuant to DHS rules or policies or Federal regulations, are not reimbursable from DHS funds, unless Prior Approval is received from DHS. Specific Unallowable Costs are set forth in 89 Ill. Adm. Code §509.20(b).

**ARTICLE IV
PAYMENT**

4.1. Availability of Appropriation; Sufficiency of Funds. This Agreement is contingent upon and subject to the availability of sufficient funds. DHS may terminate or suspend this Agreement, in whole or in part, without penalty or further payment being required, if (i) sufficient funds for this Agreement have not been appropriated or otherwise made available to the Department by the State or the Federal funding source, (ii) the Governor or DHS reserves funds, or (iii) the Governor or DHS determines that funds will not or may not be available for payment. DHS shall provide notice, in writing, to Provider of any such funding failure and its election to terminate or suspend this Agreement as soon as practicable. Any suspension or termination pursuant to this Section will be effective upon the date of the written notice unless otherwise indicated.

4.2. Illinois Grant Funds Recovery Act. If the funds awarded are subject to the provisions of the Illinois Grant Funds Recovery Act (30 ILCS 705/1 *et seq.*), any funds remaining at the end of the Agreement period which are not expended or legally obligated by Provider shall be returned to DHS within forty-five (45) days after the expiration of this Agreement. The provisions of 89 Ill. Adm. Code §511 shall apply to any funds awarded that are subject to the Illinois Grant Funds Recovery Act.

4.3. Cash Management Improvement Act of 1990. If applicable, Federal funds received under this Agreement shall be managed in accordance with the Cash Management Improvement Act of 1990 (31 U.S.C. §6501 *et seq.*) and any other applicable Federal laws or regulations. Programs to which this applies will be listed in the applicable Program Manual and on DHS' website.

4.4. Payments to Third Parties. Provider agrees to hold harmless DHS when DHS acts in good faith to redirect all or a portion of any Provider payment to a third party. DHS will be deemed to have acted in good faith if it is in possession of information that indicates Provider authorized DHS to intercept or redirect payments to a third party or when so ordered by a court of competent jurisdiction.

4.5. Modifications to Estimated Amount. The Agreement amount is established on an estimated basis and may be increased at any time during the term. DHS may decrease the estimated amount of this Agreement at any time during the term if (i) DHS believes Provider will not use the funds during the term, (ii) DHS believes Provider has used funds in a manner that was not authorized by this Agreement, (iii) sufficient funds for this Agreement have not been appropriated or otherwise made available to the Department by the State or the Federal funding source, (iv) the Governor or DHS reserves funds, or (v) the Governor or DHS determines that funds will or may not be available for payment. Provider will be notified, in writing, of any adjustment of the estimated amount of this Agreement. In the event of such reduction, services provided by Provider under **Exhibit A** may be reduced accordingly. Provider shall be paid for work satisfactorily performed prior to the date of the notice regarding adjustment.

4.6. Interest.

(a) This Paragraph 4.6 does not apply to Fee-for-Service payments or to providers who are not subject to the terms of the Cash Management Improvement Act (31 U.S.C. §6501 *et seq.*).

(b) Federal pass-through grant funds disbursed under this Agreement and held for over five (5) days by Provider shall be placed, when possible, in an interest-bearing account. All interest earned shall be considered grant funds and are subject to the same restrictions. A Provider, which receives such funds, is subject to the requirements of the Cash Management Improvement Act (31 CFR 205 Subpart B)

and shall meet all record-keeping requirements. If Provider does not comply with these requirements, Provider will be subject to the interest penalties described in Subpart A of the Cash Management Improvement Act. Any exceptions to this requirement must be approved, in writing, by DHS.

(c) The provisions of the Illinois Grant Funds Recovery Act, 30 ILCS 705/1 *et seq.*, shall apply to any grant funds, except Fixed Rate, received by Provider under this Agreement. The period of time during which grant funds may be expended by Provider is the Term of this Agreement as set forth in Paragraph 1.3.

4.7. Timely Billing Required. This Paragraph 4.7 does not apply to Fee-for-Service payments. For all non-recurring Federal funding, such as one-time grants and ARRA funding, Provider must submit any bills to DHS within thirty (30) days of the end of the quarter. Failure to submit such bills within thirty (30) days will render the amounts billed an unallowable cost which DHS cannot reimburse. In the event that Provider is unable, for good cause, to submit its bills within thirty (30) days of the end of the quarter, Provider shall so notify DHS within that thirty (30) day period and may request an extension of time to submit the bills. DHS' approval of Provider's request for an extension shall not be unreasonably withheld.

4.8. Certification. Each invoice submitted by Provider must contain the following certification:

Provider certifies that the amounts shown on this invoice (1) are true and correct, (2) have not been falsified, inflated or otherwise improperly represented, (3) have been used only for the purposes set forth in the Community Services Agreement between Provider and DHS, (4) are allowable in accordance with State and Federal laws and regulations, and (5) have not been submitted for payment to any other State agency or entity.

ARTICLE V SCOPE OF SERVICES/PURPOSE OF GRANT

5.1. Services to be Provided/Purpose of Grant. Provider will provide the services as described in the applicable Program Manual and Exhibits, including **Exhibit A** (Scope of Services) and **Exhibit B** (Deliverables), incorporated herein and in accordance with all terms and conditions set forth herein and all applicable administrative rules. All programmatic reporting required under this Agreement is described in the attached Exhibits and applicable Program Manual.

5.2. Special Provisions. None.

ARTICLE VI BUDGET

6.1. Exemptions. Fee-for-Service payments are exempt from the Budget provisions of this ARTICLE VI. Unless notified in the Exhibits or the Program Attachment to this Agreement, Fixed-Rate payments are exempt from the Budget provisions of this ARTICLE VI.

6.2. Submission of Proposed Budget. Within thirty (30) days of execution of this Agreement, Provider must submit to DHS, via DHS' Community Services Agreement (CSA) Tracking System portal, available on the Internet at <https://grants.dhs.illinois.gov/gpsecure/gtp>, a detailed Budget prepared in accordance with the template provided by DHS.

6.3. Payment Contingency. Payment to Provider is contingent upon DHS' receipt and approval of Provider's proposed Budget. Provider will be paid for reasonable services provided prior to DHS' approval of Provider's Budget.

6.4. Budget Approval. A decision indicating approval or disapproval of the proposed Budget shall be made by DHS within sixty (60) business days after submission by Provider. The CSA Tracking System portal shall provide access to the status, including acceptance, of any approved Budget.

6.5. Preparation of Budget. Provider's Budget must be prepared in accordance with the template provided by DHS, which follows and adheres to all applicable Federal guidelines. DHS' policy requires that all Providers follow Federal regulations for Federal funding as set forth in Paragraph 7.11

6.6. Budget Revisions. The Budget is a schedule of anticipated grant expenditures that is approved by DHS for carrying out the purposes of the Grant. When Provider or third parties support a portion of expenses associated with the Award, the Budget includes the non-Federal as well as the Federal share of grant expenses. Provider shall obtain Prior Approval from DHS whenever a Budget revision is necessary because of:

(a) the transfer to a third party (by subgranting, contracting or other means) of any work under the Grant;

(b) the transfer of funds from other Budget detail line items greater than ten percent (10%) of the line item; or

(c) changes in the scope of services or objectives of the Grant.

6.7. Revision Approvals. All requests for Budget revisions shall be signed by Provider's grant administrator and submitted to DHS' Office of Contract Administration for approval by DHS management.

6.8. Notification. Within thirty (30) calendar days from the date of receipt of the request for Budget revisions, DHS will review the request and notify Provider whether or not the Budget revision has been approved.

ARTICLE VII ALLOWABLE COSTS

7.1. Allowability of Costs; Cost Allocation Methods. The allowability of costs and cost allocation methods for work performed under Grants, Fee-for-Service and Fixed-Rate shall be determined in accordance with the applicable Federal cost principles and the terms and conditions of the award. However, DHS delegates to Provider the authority to approve costs that the applicable cost principles state are allowable only with the prior approval of the funding agency, unless specifically prohibited by other articles in these general provisions, or by the terms and conditions of the Award. Examples of such costs are foreign travel; equipment purchases; and publication and printing costs. This delegation does not relieve Provider of the responsibility to document that such charges are reasonable, necessary and allocable to the Program.

7.2. Indirect Cost Rate Proposal Submission.

(a) This Paragraph 7.2 applies only to:

(i) Providers who charge, or expect to charge, any indirect costs; and

(ii) Providers who are allowed to charge indirect costs under federal or state

statutes, state administrative rules, and agency or program rules, regulations and policies.

(b) Providers who receive \$250,000 or more in funding from the State of Illinois, including

all Departments or Agencies thereof, and whether state or federal funds, must submit an Indirect Cost Rate Proposal in accordance with federal regulations for approval no later than 60 days after their submission of audited financial statements, in a format prescribed by DHS (for example, if audited financial statements are submitted August 2016, then the Indirect Cost Rate Proposal must be submitted in October 2016).

(c) Providers who have had an Indirect Cost Rate Proposal approved by a cognizant Federal agency must submit an Indirect Cost Rate Proposal, but DHS will accept that Indirect Cost Rate, up to any statutory, rule-based or programmatic limit.

7.3. Transfer of Costs. Cost transfers between Grants, whether as a means to compensate for cost overruns or for other reasons, are unallowable. See U.S. Department of Health and Human Services Grants Policy Statement, January 1, 2007, at II-43; OMB Circular A-122, 2 CFR Part 230, Appendix A at A.4.b, 2 CFR Part 200.

7.4. OMB Circular A-21. The Federal cost principles that apply to public and private institutions of higher education are set forth in OMB Circular A-21 (relocated to 2 CFR Part 220), unless notified in an Exhibit or Attachment hereto (see Paragraph 2.6 hereof).

7.5. OMB Circular A-122. The Federal cost principles that apply to nonprofit organizations that are not institutions of higher education are set forth in OMB Circular A-122 (relocated to 2 CFR Part 230), unless notified in an Exhibit or Attachment hereto (see Paragraph 2.6 hereof).

7.6. OMB Circular A-87. The Federal cost principles that apply to State, local and Federally-recognized Indian tribal governments are set forth in OMB Circular A-87 (relocated to 2 CFR Part 225), unless notified in an Exhibit or Attachment hereto (see Paragraph 2.6 hereof).

7.7. 48 CFR Part 31. The Federal cost principles and procedures for cost analysis and the determination, negotiation and allowance of costs that apply to commercial organizations are set forth in 48 CFR Part 31.

7.8. Changes in Scope of Services. Any Program that is carried out must be consistent with the scope of services. No changes may be made to the scope of services without Prior Approval from DHS. All requests for a change in the scope of services shall be signed by Provider's grant administrator and submitted to DHS' Office of Contract Administration for approval by DHS management.

7.9. Changes in Key Grant Personnel. When it is specifically required as a condition of a Grant, the replacement of the Program director or the co-director or a substantial reduction in the level of their effort *e.g.*, their unanticipated absence for more than three (3) months, or a twenty-five percent (25%) reduction in the time devoted to the Program, requires Prior Approval from DHS. When it is specifically required as a condition of a Grant, Prior Approval will be required for the replacement or the substantial reduction in the level of effort of other personnel whose work is deemed by DHS to be critical to the Program's successful completion. All requests for approval of changes in key Program personnel shall be signed by Provider's grant administrator and submitted to the appropriate DHS program officer. Evidence of the qualifications for replacement personnel (such as a *résumé*) shall be included.

7.10. Financial Management Standards. The financial management systems of Provider must meet the

following standards:

(a) **Accounting System.** Provider organizations must have an accounting system that provides accurate, current, and complete disclosure of all financial transactions related to each State- and Federally-sponsored Program. Accounting records must contain information pertaining to State and Federal pass-through awards, authorizations, obligations, unobligated balances, assets, outlays, and income. These records must be maintained on a current basis and balanced at least quarterly. Cash contributions to the Program from third parties must be accounted for in the general ledger with other grant funds. Third party in-kind (non-cash) contributions are not required to be recorded in the general ledger, but must be under accounting control, possibly through the use of a memorandum ledger.

(b) **Source Documentation.** Accounting records must be supported by such source documentation as canceled checks, bank statements, invoices, paid bills, donor letters, time and attendance records, activity reports, travel reports, contractual and consultant agreements, and subaward documentation. All supporting documentation should be clearly identified with the grant and general ledger accounts which are to be charged or credited.

(1) The documentation required for salary charges to grants is prescribed by the cost principles applicable to the entity's organization (see Title XX Social Services).

(2) For Providers subject to OMB Circular A-21 (educational institutions), documentation for salary charges shall either (i) use a payroll distribution based on one of the three methods listed in Section J(10)(c) of OMB Circular A-21 or, alternatively, (ii) with DHS Prior Approval, use a payroll distribution that meets the criteria specified in Section J(10)(b)(2) of OMB Circular A-21.

(3) For Providers subject to OMB Circular A-122 (nonprofit organizations), documentation for all salary charges shall be based on a system of personnel activity reports.

(4) For Providers subject to OMB Circular A-87 (State and local governments), documentation for salary charges shall be based on a system of personnel activity reports unless an employee is working solely on a single Federal award. In such case, the charge for salary will be supported by a certification signed by the employee or the employee's supervisor.

(5) Personnel activity reports shall account on an after-the-fact basis for one hundred percent (100%) of the employee's actual time, separately indicating the time spent on the grant, other grants or projects, vacation or sick leave, and administrative time, if applicable. The reports must be signed by the employee, approved by the appropriate official, and coincide with a pay period. These time records should be used to record the distribution of salary costs to the appropriate accounts no less frequently than quarterly.

(6) Formal agreements with independent contractors, such as consultants, must include a description of the services to be performed, the period of performance, the fee and method of payment, an itemization of travel and other costs which are chargeable to the agreement, and the signatures of both the contractor and an appropriate official of Provider.

(7) If third party in-kind (non-cash) contributions are used on a Program, the valuation of these contributions must be supported with adequate documentation.

(c) **Internal Control.** Effective control and accountability must be maintained for all cash, real and personal property, and other assets. Provider must adequately safeguard all such property and must provide assurance that it is used solely for authorized purposes. Provider must also have systems in place that provide reasonable assurance that the information is accurate, allowable, and compliant with the terms and conditions of this Agreement.

(d) **Budget Control.** Records of expenditures must be maintained for each Grant Program by the cost categories of the approved Budget (including indirect costs that are charged to the Program), and actual expenditures are to be compared with Budgeted amounts no less frequently than quarterly.

(e) **Cash Management.** Provider must have written procedures to minimize the time elapsing between the receipt and the disbursement of Grant funds to avoid having excess Federal funds on hand. Requests for advance payment shall be limited to Provider's immediate cash needs and are not to exceed anticipated expenditures for a three- (3) to five- (5) day period.

7.11. **Federal Requirements.** State Grants and State funds are subject to Federal requirements and regulations, including but not limited to the applicable OMB Circulars and financial management standards, unless an exemption has been granted and is cited in Paragraph 5.2 of this Agreement.

7.12. **Profits.** It is not permitted for any person or entity to earn a Profit from a Grant, including Fixed Rate Grants. *See, e.g., U.S. Department of Health and Human Services Grants Policy Statement, January 1, 2007, at II-29; 45 CFR §92.22; 2 CFR §200.400(g).*

7.13. **Management of Program Income.** Federal rules govern Program Income for federally-funded Grants (2 CFR §215.24). State-funded Grants shall comply with those same requirements.

ARTICLE VIII ADMINISTRATIVE REQUIREMENTS

8.1. **Administrative Requirements.** Unless notified in an Exhibit or Attachment hereto (see Paragraph 2.6 hereof), Provider must meet the following administrative requirements with respect to Federal pass-through Grants:

(a) **OMB Circular A-110.** The uniform administrative requirements for Grants and other agreements with institutions of higher education, hospitals and other non-profit organizations are set forth in OMB Circular A-110 (relocated to 2 CFR Part 215).

(b) **OMB Circular A-102.** The uniform administrative requirements for the management of grants and cooperative agreements with State, local and Federally-recognized Indian tribal governments are set forth in OMB Circular A-102.

(c) **Equipment.** Provider must comply with the uniform standards set forth in 2 CFR §§215.31–215.37 governing the management and disposition of property furnished by the Federal government whose cost was charged to a Program supported by a Federal Award. Any waiver from such compliance must be granted by the President's Office of Management and Budget and must be set forth in Paragraph 5.2 of this Agreement.

(d) **Procurement Standards.** Provider must comply with the standards set forth in 2 CFR §§215.40-215.48 for use by recipients in establishing procedures for the procurement of supplies and

other expendable property, equipment, real property and other services with Federal funds. These standards are furnished to ensure that such materials and services are obtained in an effective manner and in compliance with the provisions of applicable Federal and State statutes and executive orders.

8.2. Audits. Provider must meet the following audit requirements with respect to Federal pass-through grants:

(a) Institutions of higher education and other non-profit organizations (including hospitals) shall be subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 U.S.C. §§7501-7507) and revised OMB Circular A-133 ("Audits of States, Local Governments and Non-Profit Organizations").

(b) State and local governments shall be subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 U.S.C. §§7501-7507) and revised OMB Circular A-133 ("Audits of States, Local Governments and Non-Profit Organizations").

(c) For-profit hospitals not covered by the audit provisions of revised OMB Circular A-133 shall be subject to the audit requirements of the Federal awarding agency.

(d) Commercial organizations shall be subject to the audit requirements of the Federal awarding agency or the prime recipient as incorporated in the award document.

ARTICLE IX REQUIRED CERTIFICATIONS

9.1. Certifications. Provider shall be responsible for compliance with the enumerated certifications to the extent that the certifications legally apply to Provider.

(a) **Bribery.** Provider certifies that it has not been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, nor made an admission of guilt of such conduct which is a matter of record (30 ILCS 500/50-5).

(b) **Bid Rigging.** Provider certifies that it has not been barred from contracting with a unit of State or local government as a result of a violation of Paragraph 33E-3 or 33E-4 of the Criminal Code of 1961 (720 ILCS 5/33E-3 or 720 ILCS 5/33E-4, respectively).

(c) **Educational Loan.** Provider certifies that it is not barred from receiving State agreements as a result of default on an educational loan (5 ILCS 385/1et seq.).

(d) **International Boycott.** Provider certifies that neither it nor any substantially owned affiliated company is participating or shall participate in an international boycott in violation of the provision of the U.S. Export Administration Act of 1979 (50 U.S.C. Appx. 2401et seq. or the regulations of the U.S Department of Commerce promulgated under that Act (15 CFR Parts 730 through 774).

(e) **Dues and Fees.** Provider certifies that it is not prohibited from selling goods or services to the State of Illinois because it pays dues or fees on behalf of its employees or agents, or subsidizes or otherwise reimburses them for payment of their dues or fees to any club which unlawfully discriminates (775 ILCS 25/1, 25/2).

(f) **Drug-Free Work Place.** If Provider is not an individual, Provider certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act. 30 ILCS 580/3. If Provider is an individual and this Agreement is valued at more than \$5,000, Provider certifies it shall not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance during the performance of the Agreement. 30 ILCS 580/4. Provider further certifies that it is in compliance with the government-wide requirements for a drug-free workplace as set forth in 41 U.S.C. §8102.

(g) **Motor Voter Law.** Provider certifies that it is in full compliance with the terms and provisions of the National Voter Registration Act of 1993 (42 U.S.C. §1973gget seq.).

(h) **Clean Air Act and Clean Water Act.** Provider certifies that it is in compliance with all applicable standards, order or regulations issued pursuant to the Clean Air Act (42 U.S.C. §7401et seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. §1251et seq.)

(i) **Debarment.** Provider certifies that it is not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any Federal department or agency (45 CFR Part 76).

(j) **Pro-Children Act.** Provider certifies that it is in compliance with the Pro-Children Act of 1994 in that it prohibits smoking in any portion of its facility used for the provision of health, day care, early childhood development services, education or library services to children under the age of eighteen (18), which services are supported by Federal or State government assistance (except such portions of the facilities which are used for inpatient substance abuse treatment) (20 U.S.C. §6081et seq.).

(k) **Debt to State.** Provider certifies that neither it, nor its affiliate(s), is/are barred from being awarded a contract because Provider, or its affiliate(s), is/are delinquent in the payment of any debt to the State, unless Provider, or its affiliate(s), has/have entered into a deferred payment plan to pay off the debt, and Provider acknowledges DHS may declare the contract void if the certification is false (30 ILCS 500/50-11).

(l) **Grant for the Construction of Fixed Works.** Provider certifies that all Programs for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01et seq.) unless the provisions of that Act exempt its application. In the construction of the Program, Provider shall comply with the requirements of the Prevailing Wage Act including, but not limited to, inserting into all contracts for such construction a stipulation to the effect that not less than the prevailing rate of wages as applicable to the Program shall be paid to all laborers, workers, and mechanics performing work under the contract and requiring all bonds of contractors to include a provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract.

(m) **Health Insurance Portability and Accountability Act.** Provider certifies that it is in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law No. 104-191, 45 CFR Parts 160, 162 and 164, and the Social Security Act, 42 U.S.C. §§1320d-2 through 1320d-7, in that it may not use or disclose protected health information other than as permitted or required by law and agrees to use appropriate safeguards to prevent use or disclosure of the protected health information. Provider shall maintain, for a minimum of six (6) years, all protected health information.

(n) **Sarbanes-Oxley Act.** Provider certifies that neither it nor any officer, director, partner or other managerial agent of Provider has been convicted of a felony under the Sarbanes-Oxley Act of 2002,

nor a Class 3 or Class 2 felony under Illinois Securities Law of 1953, or that at least five (5) years have passed since the date of the conviction. Provider further certifies that it is not barred from being awarded a contract under 30 ILCS 500/50-10.5, and acknowledges that DHS shall declare the contract void if this certification is false (30 ILCS 500/50-10.5).

(o) **Forced Labor Act.** Provider certifies that it complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under this Agreement have been or will be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction (PA 93-0307).

(p) **Illinois Use Tax.** Provider certifies in accordance with 30 ILCS 500/50-12 that it is not barred from being awarded a contract under this Paragraph. Provider acknowledges that this Agreement may be declared void if this certification is false.

(q) **Environmental Protection Act Violations.** Provider certifies in accordance with 30 ILCS 500/50-14 that it is not barred from being awarded a contract under this Paragraph. Provider acknowledges that this Agreement may be declared void if this certification is false.

(r) **Goods from Child Labor Act.** Provider certifies that no foreign-made equipment, materials, or supplies furnished to the State under this Agreement have been produced in whole or in part by the labor of any child under the age of twelve (12) (PA 94-0264).

(s) **Abuse of Adults with Disabilities Intervention Act.** Provider certifies that it is in compliance with the Abuse of Adults with Disabilities Intervention Act to protect people with disabilities who are abused, neglected or financially exploited and who, because of their disability, cannot seek assistance on their own behalf. Anyone who believes a person with a disability living in a domestic setting is being abused, neglected or financially exploited must file a complaint with the Office of Inspector General, Department of Human Services. Provider has an obligation to report suspected fraud or irregularities committed by individuals or other entities with whom it interacts on DHS' behalf and should make a report to the appropriate program office (20 ILCS 2435/1et seq.).

(t) **Procurement Lobbying.** Provider warrants and certifies that it and, to the best of its knowledge, its subcontractors have complied and will comply with Executive Order No. 1 (2007) (EO 1-2007). EO 1-2007 generally prohibits Providers and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments, if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

(u) **Restrictions on Lobbying.** Provider certifies that it is in compliance with the restrictions on lobbying set forth in 45 CFR Part 93.

(v) **Business Entity Registration.** Provider certifies that it is not required to register as a business entity with the State Board of Elections pursuant to the Procurement Code (30 ILCS 500/20-160 and 30 ILCS 500/50-37). Further, Provider acknowledges that all contracts between State agencies and a business entity that do not comply with this Paragraph shall be voidable under Section 50-60 of the Procurement Code (30 ILCS 500/50-60).

(w) **Non-procurement Debarment and Suspension.** Provider certifies that it is in compliance with Subpart C of 2 CFR Part 180 as supplemented by 2 CFR Part 376, Subpart C.

(x) **Grant Award Requirements.** Provider certifies that it is in compliance with 45 CFR Part 74 or 45 CFR Part 94.

(y) **Federal Funding Accountability and Transparency Act of 2006.** Provider certifies that it is in compliance with the terms and requirements of P.L. 109-282.

(z) **American Recovery and Reinvestment Act of 2009.** Provider certifies, if applicable, that it is in compliance with the terms and requirements of P.L. 111-5 with respect to reporting fraud, waste and abuse to the Department of Health and Human Services' Fraud Unit. Contact information for reporting fraud, waste and abuse is located at <http://www.oig.hhs.gov/fraud/hotline/>. Provider shall also report such instances of misconduct to the Secretary of DHS with a copy to DHS' General Counsel and DHS' Chief Financial Officer at the following postal or electronic addresses (or successor):

To the Secretary:

**401 South Clinton Street, Third Floor
Chicago, Illinois 60607
DHS.Secretary@illinois.gov**

To the General Counsel:

**100 West Randolph Street, Suite 6-400
Chicago, Illinois 60601
Gregory.Bassi@illinois.gov**

To the Chief Financial Officer:

**100 South Grand Avenue East
Springfield, Illinois 62762
Robert.Brock@illinois.gov**

(aa) **Services, Debarment and Employment.** Provider hereby certifies that all services provided under this Agreement are explicitly identified and described herein. Services not identified in this Agreement are not authorized or chargeable to DHS, including, but not limited to, administrative costs or fiscal agent fees. Provider further acknowledges that DHS is subject to applicable Federal and State laws, rules and policies that are reasonable and necessary to deliver the goods and services as described in the scope of services and required deliverables. Those applicable laws, rules and policies govern the procurement of goods and services as well as the hiring of personnel who perform work or services in an office or position of employment with the State of Illinois. In accordance therewith, Provider hereby certifies, under penalty of applicable laws, that Provider will not provide services that are not specifically described in this Agreement. Provider further agrees that it is in good standing with the State of Illinois, has not been debarred or suspended from conducting business with the Federal government or primary recipients of Federal grants or contracts, and will not retain any individual(s) as staff on behalf of DHS in contravention of State rules and practices governing the hiring of State employees.

**ARTICLE X
BACKGROUND CHECKS**

10.1. Employee and Subcontractor Background Checks. Provider certifies that neither Provider, nor any employee or subcontractor who works on DHS' premises, has a felony conviction. Any request for an exception to this rule must be made in writing, listing the name of the individual, home address, type of conviction and date of conviction. Provider will also supply DHS with a list of individuals assigned to work on DHS' premises at least ten (10) working days prior to the start of their employment, unless circumstances prevent Provider from giving a list within that time. If Provider cannot provide a list, or the name of an individual, at least ten (10) working days prior to his/her employment, it shall do so as soon as possible. DHS may conduct, at its expense, criminal background checks on Provider's employees and subcontractors assigned to work on DHS' premises. Provider agrees to indemnify and hold harmless DHS and its employees for any liability accruing from said background checks.

**ARTICLE XI
UNLAWFUL DISCRIMINATION**

11.1. Compliance with Nondiscrimination Laws. Provider, its employees and subcontractors under subcontract made pursuant to this Agreement, shall comply with all applicable provisions of State and Federal laws and regulations pertaining to nondiscrimination, sexual harassment and equal employment opportunity including, but not limited to, the following laws and regulations and all subsequent amendments thereto:

- (a) The Illinois Human Rights Act (775 ILCS 5/1-101*et seq.*), including, without limitation, 44 Ill. Adm. Code Part 750, which is incorporated herein;
- (b) The Public Works Employment Discrimination Act (775 ILCS 10/1*et seq.*);
- (c) The United States Civil Rights Act of 1964 (as amended) (42 U.S.C. §§2000a- 2000h-6). (See *also* guidelines to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons [Federal Register: February 18, 2002 (Volume 67, Number 13, Pages 2671-2685)]);
- (d) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794);
- (e) The Americans with Disabilities Act of 1990 (42 U.S.C. §12101*et seq.*);
- (f) Executive Orders 11246 and 11375 (Equal Employment Opportunity) and Executive Order 13166 (2000) (Improving Access to Services for Persons with Limited English Proficiency); and
- (g) Charitable Choice: In accordance with P. L. 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

**ARTICLE XII
LOBBYING**

12.1. Improper Influence. Provider certifies that no Federally-appropriated funds have been paid or will be paid by or on behalf of Provider to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal agreement, the making of any Federal grant, the

making of any Federal loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any Federal agreement, grant, loan or cooperative agreement.

12.2. Federal Form LLL. If any funds, other than Federally-appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence any of the above persons in connection with this Agreement, the undersigned must also complete and submit Federal Form LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

12.3. Lobbying Costs. If there are any Indirect Costs associated with this Agreement, total lobbying costs shall be separately identified in the Program Budget, and thereafter treated as other Unallowable Costs.

12.4. Subawards. Provider must include the language of this ARTICLE XII in the award documents for any subawards made pursuant to this Award. All subawardees are also subject to certification and disclosure.

12.5. Certification. This certification is a material representation of fact upon which reliance was placed to enter into this transaction and is a prerequisite for this transaction, pursuant to 31 U.S.C. §1352. Any person who fails to file the required certifications shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

ARTICLE XIII CONFIDENTIALITY

13.1. Compliance with Law. Provider shall comply with applicable State and Federal statutes, Federal regulations and DHS administrative rules regarding confidential records or other information obtained by Provider concerning persons served under this Agreement. The records and information shall be protected by Provider from unauthorized disclosure.

ARTICLE XIV INDEMNIFICATION AND LIABILITY

14.1. Indemnification. Provider agrees to hold harmless DHS against any and all liability, loss, damage, cost or expenses, including attorneys' fees, arising from the intentional torts, negligence or breach of contract of Provider, with the exception of acts performed in conformance with an explicit, written directive of DHS.

14.2. Liability. Neither Party assumes liability for actions of the other Party under this Agreement including, but not limited to, the negligent acts and omissions of either Party's agents, employees or subcontractors in the performance of their duties as described under this Agreement.

ARTICLE XV MAINTENANCE AND ACCESSIBILITY OF RECORDS

15.1. Records Retention. Provider shall maintain for a minimum of five (5) years from the later of the date of final payment under this Agreement, or the expiration of this Agreement, adequate books, records and supporting documents to comply with 89 Ill. Adm. Code §509, unless a longer retention period is required by a Program Attachment to this Agreement. If an audit, litigation or other action involving the records is begun before the end of the five-year period, the records shall be retained until all issues arising out of the action are resolved.

15.2. Accessibility of Records. Provider shall make books, records, related papers and supporting documentation relevant to this Agreement available to authorized DHS representatives, the Illinois Auditor

General, Illinois Attorney General, Federal authorities and any other person as may be authorized by DHS (including auditors) or by the State of Illinois or Federal statute. Provider shall cooperate fully in any such audit.

15.3. Failure to Maintain Books and Records. Failure to maintain books, records and supporting documentation, as described in the preceding provision, shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this Agreement for which adequate books, records and supporting documentation are not available to support disbursement.

ARTICLE XVI RIGHT OF AUDIT AND MONITORING

16.1. Monitoring of Conduct. DHS shall monitor Provider's conduct under this Agreement which may include, but shall not be limited to, reviewing records of Program performance in accordance with administrative rules, license status review, fiscal and audit review, Agreement compliance and compliance with the affirmative action requirements of this Agreement. DHS shall have the authority to conduct announced and unannounced monitoring visits and Provider shall cooperate with DHS in connection with all such monitoring visits. Failure of Provider to cooperate with DHS in connection with announced and unannounced monitoring visits is grounds for DHS' termination of this Agreement.

16.2. Requests for Information. DHS may request, and Provider shall supply, upon request, necessary information and documentation regarding transactions constituting contractual (whether a written contract is in existence or not) or other relationships, paid for with funds received hereunder. Documentation may include, but is not limited to, information regarding Provider's contractual agreements, identity of employees, shareholders and directors of Provider and any party providing services which will or may be paid for with funds received hereunder, including, but not limited to, management and consulting services rendered to Provider.

16.3. Rights of Review. This ARTICLE XVI does not give DHS the right to review a license that is not directly related to the Program being audited nor does it allow DHS to unilaterally revoke a license without complying with all due process rights to which Provider is entitled under Federal, State or local law or applicable rules promulgated by DHS.

ARTICLE XVII FINANCIAL REPORTING REQUIREMENTS

17.1. Quarterly Reports.

(a) This Paragraph 17.1 does not apply to Fee-for-Service payments. Unless notified in the Exhibits or the Program Attachment to this Agreement, Fixed-Rate payments are exempt from this Paragraph 17.1.

(b) Provider agrees to submit financial reports as requested and in the format required by DHS. If Provider receives funding in excess of \$25,000, Provider shall file with DHS quarterly reports describing the expenditure(s) of the funds related thereto. Quarterly reports must be submitted no later than November 1, February 1, May 1 and August 1. Additional information regarding required financial reports is set forth in the applicable Program Manual. Failure to submit such quarterly reports may cause a delay or suspension of funding (30 ILCS 705/1et seq.).

17.2. Close-out Reports.

(a) Fee-for-Service payments are exempt from this Paragraph 17.2.

(b) Provider shall submit annual close-out reports within sixty (60) calendar days following the end of the State fiscal year or longer if specified in the program plan or rules. In the event that this Agreement is terminated prior to the end of the State fiscal year, Provider shall submit a close-out report within sixty (60) calendar days of such termination. The format of this close-out report shall follow a format prescribed by DHS.

(c) If an audit of Provider occurs and results in adjustments after Provider submits a close-out report, Provider will submit a new close-out report based on audit adjustments

17.3. Audited Financial Statements.

(a) This Paragraph 17.3 applies only to Providers who receive \$150,000 or more in funding from the State of Illinois, including all Departments or Agencies thereof, and whether state or federal funds.

(b) Providers not subject to OMB Circular A-133 shall provide audited financial statements, conducted in accordance with Government Auditing Standards, within 180 days after Provider's fiscal year ending on or after June 30, 2016.

(c) Providers subject to OMB Circular A-133 shall submit audited financial statements within 180 days after Provider's fiscal year ending on or after June 30, 2016.

(d) These deadlines may be extended at the discretion of the DHS' Chief Financial Officer.

17.4. Consolidated Financial Reports.

(a) This Paragraph 17.4 applies to all Providers, unless exempted by program rules, regulations or policies.

(b) Providers shall submit Consolidated Financial Reports within 180 days after the Provider's fiscal year ending on or after June 30, 2016. This deadline may be extended at the discretion of the DHS' Chief Financial Officer.

(c) The Consolidated Financial Report must cover the same period as the Audited Financial Statements cover.

(d) Consolidated Financial Reports must include an opinion from the report issuer on the Cost and Revenue schedules included in the Consolidated Financial Report.

(e) Consolidated Financial Reports shall follow a format prescribed by DHS.

17.5. Compliance with Grant Requirements of Comptroller. All Grant agreements must comply with the requirements of the Illinois Office of the Comptroller applicable to grants including, but not limited to, Accounting Bulletin No. 161, issued on July 2, 2010.

17.6. Compliance with Federal Reporting Requirements. All Grant agreements funded in whole or in part with Federal funds must comply with all applicable Federal reporting requirements.

17.7. Notice. Provider shall immediately notify DHS of any event that may have a material impact on Provider's ability to perform this Agreement.

17.8. Effect of Failure to Comply. Failure to comply with reporting requirements shall result in the withholding of funds, the return of improper payments or Unallowable Costs.

ARTICLE XVIII PERFORMANCE REPORTING REQUIREMENTS

18.1. Monthly and Quarterly Reports. Provider agrees to submit Performance Reports as requested and in the format required by DHS. Performance Measures listed in **Exhibit E** must be reported no less frequently than quarterly. Some Providers may be required to submit monthly Performance Reports; in such case, DHS shall notify Provider of same and said monthly reports shall be submitted by the 15th day of the month following the most recent month which is the subject of the report. Quarterly Performance Reports must be submitted no later than the 15th day of the month following the close of the quarter. Failure to submit such monthly or quarterly Performance Reports may cause a delay or suspension of funding. (30 ILCS 705/1et seq.)

18.2. Close-out Performance Reports. Provider agrees to submit a Close-out Performance Report, as requested and in the format required by DHS, within ninety (90) calendar days following the end of the State fiscal year. In the event that this Agreement terminates prior to the end of the State fiscal year, Provider agrees to provide a Close-out Performance Report within ninety (90) days after the expiration or termination of this Agreement.

18.3. Content of Performance Reports. All Close-out Performance Reports must include qualitative and quantitative information on customer characteristics, program objectives, program activities, performance measures and outcomes, and evaluation efforts. Appendices may be used to include additional supportive documentation. Additional content and format guidelines for the Close-Out Performance Report will be determined by DHS contingent on the Award's statutory, regulatory and/or administrative requirements.

18.4. Performance Standards. If applicable, Provider shall perform in accordance with the Performance Standards set forth in **Exhibit F**.

ARTICLE XIX AUDIT REQUIREMENTS

19.1. Submission of Audit Report. Provider shall annually submit an independent audit report and/or supplemental revenue and expense data to DHS as required by 89 Ill. Adm. Code §507 (Audit Requirements of DHS) to enable DHS to perform fiscal monitoring and to account for the usage of funds paid to Provider under this Agreement.

19.2. Performance of Audits. For those organizations required to submit an independent audit report, the audit is to be conducted by a Certified Public Accountant or Certified Public Accounting Firm licensed in the State of Illinois. For audits required to be performed subject to Government Auditing Standards, Provider shall request and maintain on file a copy of the auditor's most recent peer review report and acceptance letter.

19.3. Instructions. If Provider is subject to the audit requirements, DHS will send to Provider, by registered or certified mail, detailed instructions related to independent audit requirements, including provisions for requesting waivers, modifications and filing extensions, by May 31, 2016.

**ARTICLE XX
SERVICE PROVIDER DIRECTORY**

20.1. Inclusion in Directory. Provider shall be listed in DHS' Service Provider Directory, an Internet-based directory of all providers with whom DHS has an agreement to provide services. Provider must provide the following information to DHS for inclusion in the Service Provider Directory:

- (a) The legal name of Provider;
- (b) Provider's business address;
- (c) Provider's business telephone number;
- (d) Provider's hours of operation;
- (e) The general category of services provided by Provider;
- (f) Areas served by Provider; and
- (g) Provider's service specialization, if any.

20.2. Multiple Locations. In the event that Provider has more than one location, Provider shall include either (1) the address, phone number and hours of operation of each location, or (2) the address, phone number and hours of operation of Provider's primary location.

20.3. Update Requirements. Provider must advise DHS immediately any time there is a change to any of the foregoing information so that the change may be reflected in the Service Provider Directory no later than the effective date of the change.

20.4. Submission of Information. The information requested in this ARTICLE XX must be submitted to DHS' Office of Contract Administration, 222 South College Avenue, Springfield, Illinois, 62704, within thirty (30) days after execution of this Agreement.

**ARTICLE XXI
INDEPENDENT CONTRACTOR**

21.1. Independent Contractor. Provider is an independent contractor under this Agreement and neither Provider nor any employee or agent of Provider is an employee of DHS and do not acquire any employment rights with DHS or the State of Illinois by virtue of this Agreement. Provider will provide the agreed services and achieve the specified results free from the direction or control of DHS as to the means and methods of performance. Provider will be required to provide its own equipment and supplies necessary to conduct its business; provided, however, that in the event, for its convenience or otherwise, DHS makes any such equipment and/or supplies available to Provider, Provider's use of such equipment or supplies provided by DHS pursuant to this Agreement shall be strictly limited to official DHS or State of Illinois business and not for any other purpose, including any personal benefit or gain.

**ARTICLE XXII
TERMINATION; SUSPENSION**

22.1. Termination. This Agreement may be terminated by either Party for any or no reason upon thirty (30) days' prior written notice to the other Party.

22.2. Breach. DHS may terminate this Agreement immediately upon written notice to Provider in the event Provider breaches this Agreement and either (i) fails to cure such breach within ten (10) days' written notice thereof, or (ii) if such cure would require longer than ten (10) days and the Provider has failed to commence such cure within ten (10) days' written notice thereof. In the event that DHS terminates this Agreement as a result of the breach of the Agreement by Provider, Provider shall be paid for work satisfactorily performed prior to the date of termination.

22.3. Suspension. If the Provider fails to comply with terms and/or conditions of this Agreement or any other state-issued Grant, DHS may suspend this Agreement, withhold further payment and prohibit Provider from incurring additional obligations pending corrective action by Provider or a decision to terminate this Agreement by DHS. DHS may determine to allow necessary and proper costs that Provider could not reasonably avoid during the period of suspension.

**ARTICLE XXIII
POST-TERMINATION/NON-RENEWAL**

23.1. Duties. Upon notice by DHS to Provider of the termination of this Agreement or notice that DHS will not renew, extend or exercise any options to extend the term of this Agreement, or that DHS will not be contracting with Provider beyond the term of this Agreement, Provider shall, upon demand:

(a) Cooperate with DHS in assuring the transition of recipients of services hereunder for whom Provider will no longer be providing the same or similar services or who choose to receive services through another provider.

(b) To the extent permitted by law, provide copies of all records related to recipient services funded by DHS under this Agreement.

(c) Grant reasonable access to DHS to any and all Program sites serving recipients hereunder to facilitate interviews of recipients to assure a choice process by which recipients may indicate provider preference.

(d) Provide detailed accounting of all service recipients' funds held in trust by Provider, as well as the identity of any recipients for whom Provider is acting as a representative payee of last resort.

23.2. Survival. The promises and covenants of this ARTICLE XXIII shall survive the Term of this Agreement for the purposes of the necessary transition of recipients of services hereunder.

**ARTICLE XXIV
SUBCONTRACTS**

24.1. Subcontracting/Delegation. Provider may not subcontract nor subgrant any portion of this Agreement nor delegate any duties hereunder without Prior Approval of DHS.

(a) The requirement for Prior Approval is satisfied if the subcontractor or subgrantee has been identified in a DHS-approved grant application, such as, without limitation, a Program Plan or a Work Plan.

(b) In emergencies, Provider will request approval in writing within seven (7) days of the use of a subcontractor or subgrantee to fulfill any obligations of this Agreement. Approved subcontractors or subgrantees shall adhere to all provisions of this Agreement.

24.2. Application of Terms. Provider shall advise any subgrantee of funds awarded through this Agreement of the requirements imposed on them by Federal and State laws and regulations, and the provisions of this Agreement.

ARTICLE XXV INTERNET ACCESS

25.1. Access to Internet. Provider must have Internet access. Internet access may be either dial-up or high-speed/DSL. Provider must maintain, at a minimum, one business e-mail address that will be the primary receiving point for all e-mail correspondence from DHS. Provider may list additional e-mail addresses at contract execution. The additional addresses may be for a specific department/division of Provider or for specific employees of Provider. Provider may list additional e-mail points of contact in the same manner as listed above. Provider must notify DHS of any e-mail address changes within five (5) business days from the effective date of the change.

ARTICLE XXVI NOTICE OF CHANGE

26.1. Notice of Change. Provider shall give thirty (30) days' prior written notice to DHS if there is a change in Provider's legal status, Federal employer identification number (FEIN), DUNS number, or address. DHS reserves the right to take any and all appropriate action as a result of such change(s).

26.2. Failure to Provide Notification. Provider agrees to hold harmless DHS for any acts or omissions of DHS resulting from Provider's failure to notify DHS of these changes.

26.3. Circumstances Affecting Performance; Notice. In the event Provider becomes a party to any litigation, investigation or transaction that may reasonably be considered to have a material impact on Provider's ability to perform under this Agreement, Provider shall notify DHS, in writing, within five (5) calendar days of determining such litigation or transaction may reasonably be considered to have a material impact on the Provider's ability to perform under this Agreement. Such notice must be sent to the Secretary of DHS with a copy to DHS' General Counsel and DHS' Chief Financial Officer at the following postal or electronic addresses (or successor):

To the Secretary:
401 South Clinton Street, Third Floor
Chicago, Illinois 60607
DHS.Secretary@illinois.gov

To the General Counsel:
100 West Randolph Street, Suite 6-400

Chicago, Illinois 60601
Gregory.Bassi@illinois.gov

To the Chief Financial Officer:
100 South Grand Avenue East
Springfield, Illinois 62762
Robert.Brock@illinois.gov

26.4. Effect of Failure to Provide Notice. Failure to provide the notice described in the preceding Paragraph shall be grounds for immediate termination of this Agreement.

ARTICLE XXVII ASSIGNMENT

27.1. Assignment Prohibited. Provider understands and agrees that this Agreement may not be sold, assigned, or transferred in any manner, to include an assignment of Provider's rights to receive payment hereunder, and that any actual or attempted sale, assignment, or transfer without the Prior Approval of DHS shall render this Agreement null, void, and of no further effect.

ARTICLE XXVIII MERGERS/ACQUISITIONS

28.1. Effect of Reorganization. Provider acknowledges that this Agreement is made by and between DHS and Provider, as Provider is currently organized and constituted. No promise or undertaking made hereunder is an assurance that DHS agrees to continue this Agreement, or any license related thereto, should Provider reorganize or otherwise substantially change the character of its corporate or other business structure. Provider agrees that it will give DHS prior notice of any such action and will provide any and all reasonable documentation necessary for DHS to review the proposed transaction including financial records and corporate and shareholder minutes of any corporation which may be involved. Failure to comply with this ARTICLE XXVIII shall constitute a material breach of this Agreement.

ARTICLE XXIX CONTRACTS WITH OTHER STATE AGENCIES; OTHER REQUIRED DISCLOSURES

29.1. Disclosure. Provider shall fully disclose, in **Exhibit G**, all contracts and other agreements to which it is a party with any other State agency. For each contract or agreement, Provider shall indicate:

- (a) The name of the State agency;
- (b) The number of the contract(s) or other agreement(s);
- (c) The estimated amount of the contract(s) or other agreement(s);
- (d) The term of the contract(s) or other agreement(s); and
- (e) The nature or purpose of the contract(s) or other agreement(s).

Within thirty (30) days of execution of this Agreement, Provider shall submit **Exhibit G** to DHS' Office of Contract Administration, 222 South College Avenue, Springfield, Illinois, 62704, or via email at DHS.DHSOCA@illinois.gov

Providers with multiple Agreements with DHS for the same fiscal year need to submit **Exhibit G** only once.

29.2. Copies upon Request. Provider shall, upon request by DHS, provide DHS with copies of contracts or other agreements to which Provider is a party with any other State agency.

29.3. Related Parties. Within 30 days of execution of this Agreement, Provider shall disclose all Related Parties.

29.4. Provider Board Membership. Within 30 days of execution of this Agreement, Provider shall submit its Board membership. In the event of changes to the membership of Provider's Board during the term of this Agreement, Provider shall timely notify DHS of such changes.

ARTICLE XXX CONFLICT OF INTEREST

30.1. Prohibited Payments. Provider agrees that payments made by DHS under this Agreement will not be used to compensate, directly or indirectly, any person: (1) currently holding an elective office in this State including, but not limited to, a seat in the General Assembly, or (2) employed by an office or agency of the State of Illinois whose annual compensation is in excess of sixty percent (60%) of the Governor's annual salary, or \$106,447.20 (30 ILCS 500/50-13).

30.2. Request for Exemption. Provider may request written approval from DHS for an exemption from Paragraph 30.1. Provider acknowledges that DHS is under no obligation to provide such exemption and that DHS may, if an exemption is granted, grant such exemption subject to such additional terms and conditions as DHS may require.

ARTICLE XXXI TRANSFER OF EQUIPMENT

31.1. Transfer of Equipment. DHS shall have the right to require that Provider transfer to DHS any equipment, including title thereto, purchased in whole with DHS funds. DHS shall notify Provider in writing should DHS require the transfer of such equipment. Upon such notification by DHS, and upon receipt or delivery of such equipment by DHS, Provider will be deemed to have transferred the equipment to DHS as if Provider had executed a bill of sale therefor.

31.2. Meaning of "Equipment". For purposes of this ARTICLE XXXI, equipment means any equipment used in the administration and/or operation of the Program having a useful life of two (2) years or more and an acquisition cost of at least \$500.

ARTICLE XXXII WORK PRODUCT

32.1. Definition of Work Product. "Work Product" means all the tangible materials, regardless of format, delivered by Provider to DHS under this Agreement. Provider assigns to DHS all right, title and interest in and to Work Product. However, nothing in this Agreement shall be interpreted to grant DHS any right, title or interest in Provider's intellectual property that has been or will later be developed outside the scope of services provided hereunder.

32.2. License to DHS. To the extent Provider-owned works are incorporated into Work Product,

Provider grants to DHS a perpetual, non-exclusive, paid-up, world-wide license in the use, reproduction, publication and distribution of such Provider-owned works when included within the Work Product. Provider shall not copyright Work Product without DHS' prior written consent.

32.3. License to Provider; Objections. DHS grants to Provider a perpetual, non-exclusive, paid-up license to publish academic and scholarly articles based upon the services rendered under this Agreement. All materials to be published shall first be submitted to DHS at least forty-five (45) days prior to publication or other disclosure. Upon written objection from DHS, Provider shall excise any confidential information, as that term is defined in applicable State and Federal statutes, federal regulations and DHS administrative rules, from materials before publication. DHS may also object to the publication on grounds other than confidentiality. As to the latter objections, Provider and DHS will attempt to resolve DHS' concerns within the forty-five (45) day review period, or as otherwise agreed between the Parties. DHS waives any objections not made to Provider in writing before expiration of the review period.

32.4. Unresolved Objections; Disclaimer. If DHS' objections on grounds other than confidentiality are not resolved within the review period or other such time as agreed by the Parties, then Provider may publish the materials but shall include therein the following disclaimer: "Although the research or services underlying this article were funded in whole or in part by the Illinois Department of Human Services, the Illinois Department of Human Services does not endorse or adopt the opinions or conclusions presented in the article." Notwithstanding the above, DHS shall not have the right to control or censor the contents of Provider publications.

ARTICLE XXXIII PROMOTIONAL MATERIALS; PRIOR NOTIFICATION

33.1. Publications, Announcements, etc. In the event that DHS funds are used in whole or in part to produce any written publications, announcements, reports, flyers, brochures or other written materials, Provider agrees to include in these publications, announcements, reports, flyers, brochures and all other such material, the phrase "Funding provided in whole or in part by the Illinois Department of Human Services." Exceptions to this requirement must be requested, in writing, from DHS and will be considered authorized only upon written notice thereof to Provider.

33.2. Prior Notification/Release of Information. Provider agrees to notify DHS prior to issuing public announcements or press releases concerning work performed pursuant to this Agreement, or funded in whole or in part by this Agreement, and to cooperate with DHS in joint or coordinated releases of information.

ARTICLE XXXIV INSURANCE

34.1. Purchase and Maintenance of Insurance. Provider shall purchase and maintain in full force and effect during the term of this Agreement casualty and bodily injury insurance, as well as insurance sufficient to cover the replacement cost of any and all real and/or personal property purchased or otherwise acquired, in whole or in part, with funds disbursed pursuant to this Agreement.

34.2. Cost of Insurance. If, during the term of this Agreement, Provider's cost of property and casualty insurance increases by twenty-five percent (25%) or more, or if new State regulations impose additional costs on Provider, Provider may request that DHS review this Agreement and adjust the compensation or reimbursement provisions hereof in accordance with any agreement reached, all of which shall be at the sole discretion of DHS and subject to the limitations of DHS' appropriated funds.

34.3. Claims. If a claim is submitted for real and/or personal property purchased in whole with funds from this Agreement and such claim results in the recovery of money, such money recovered shall be surrendered to DHS.

**ARTICLE XXXV
LAWSUITS**

35.1. Indemnification. Indemnification will be governed by the State Employee Indemnification Act (5 ILCS 350/1 *et seq.*) as interpreted by the Illinois Attorney General. DHS makes no representation that Provider, an independent contractor, will qualify or be eligible for indemnification under said Act.

**ARTICLE XXXVI
GIFTS AND INCENTIVES PROVISION**

36.1. Gift Ban. Provider is prohibited from giving gifts to DHS employees (5 ILCS 430/10-10). Provider will provide DHS with advance notice of Provider's provision of gifts, excluding charitable donations, given as incentives to community-based organizations in Illinois and clients in Illinois to assist Provider in carrying out its responsibilities under this Agreement.

**ARTICLE XXXVII
EXHIBITS; ATTACHMENT AND PROGRAM MANUAL**

37.1. Exhibits A through H. **Exhibits A through H** and any documents referenced therein are attached hereto and are incorporated herein in their entirety.

37.2. Attachment and Program Manual. The related Attachment and Program Manual are hereby incorporated into this Agreement and can be found via the following DHS website:
<http://www.dhs.state.il.us/page.aspx?item=29741>

**ARTICLE XXXVIII
MISCELLANEOUS**

38.1. Renewal. This Agreement may be renewed for additional periods by mutual consent of the Parties, expressed in writing and signed by the Parties. Provider acknowledges that this Agreement does not create any expectation of renewal.

38.2. Amendments. This Agreement may be modified or amended at any time during its term by mutual consent of the Parties, expressed in writing and signed by the Parties.

38.3. Severability. If any provision of this Agreement is declared invalid, its other provisions shall not be affected thereby.

38.4. No Waiver. No failure of DHS to assert any right or remedy hereunder will act as a waiver of its right to assert such right or remedy at a later time or constitute a course of business upon which Provider may rely for the purpose of denial of such a right or remedy to DHS.

38.5. Applicable Law; Claims. This Agreement and all subsequent amendments thereto, if any, shall be governed and construed in accordance with the laws of the State of Illinois. Any claim against DHS arising out of this Agreement must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1*et seq.* DHS does not

waive sovereign immunity by entering into this Agreement.

38.6. Compliance with Law. This Agreement and Provider's obligations and services hereunder are hereby made and must be performed in compliance with all applicable Federal and State laws, including, without limitation, ARRA and its reporting requirements, Federal regulations, State administrative rules, including 89 Ill. Adm. Code §509, and any and all license and/or professional certification provisions.

38.7. Compliance with Freedom of Information Act. Upon request, Provider shall make available to DHS all documents in its possession that DHS deems necessary in order to comply with requests made under the Freedom of Information Act. 5 ILCS 140/7(2).

38.8. Cooperation with Office of the Executive Inspector General. In the event that Provider is contacted by the Office of the Executive Inspector General for the Agencies of the Illinois Governor, Provider shall cooperate fully with any request made by the Inspector General and his or her designee including, but not limited to, requests for documents and interviews.

38.9. Precedence. In the event there is a conflict between this Agreement and any of the exhibits hereto, this Agreement shall control. In the event there is a conflict between this Agreement and relevant statute(s) or Administrative Rule(s), the relevant statute(s) or rule(s) shall control.

38.10. Headings. Article and other headings contained in this Agreement are for reference purposes only and are not intended to define or limit the scope, extent or intent of this Agreement or any provision hereof.

38.11. Entire Agreement. Provider and DHS understand and agree that this Agreement constitutes the entire agreement between them and that no promises, terms, or conditions not recited, incorporated or referenced herein, including prior agreements or oral discussions, shall be binding upon either Provider or DHS.

38.12. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be considered to be one and the same agreement, binding on all Parties hereto, notwithstanding that all Parties are not signatories to the same counterpart. Duplicated signatures, signatures transmitted via facsimile, or signatures contained in a Portable Document Format (PDF) document shall be deemed original for all purposes.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.

EXHIBIT A
SCOPE OF SERVICES

FEDERAL PROGRAM NAME: CHILD CARE & DEV BLOCK GRNT/CHILD CARE DEV FUND MANDATORY & MATCHING
STATE PROGRAM NAME: CHILD CARE-SITE ADMINISTERED
PURPOSE OF GRANT

CFDA: 93.596 - Appropriation Code: 01001490B
Appropriation Desc: CHILD CARE SERVICES
Appropriation Amount: \$20,000,000.00
Maintenance of Effort (MOE): No
Matching Funds: No

CFDA: 93.596 - Appropriation Code: 01001490B
Appropriation Desc: CHILD CARE SERVICES
Appropriation Amount: \$3,000,000.00
Maintenance of Effort (MOE): No
Matching Funds: No

CFDA: 93.596 - Appropriation Code: 01001490B
Appropriation Desc: CHILD CARE SERVICES
Appropriation Amount: \$3,000,000.00
Maintenance of Effort (MOE): No
Matching Funds: No

Determine eligibility for IDHS Child Care Assistance program in accordance with the policies and procedures set forth in the Bureau of Child Care & Development Program Manual and provide child care services to a negotiated number of children.

----- END OF PROGRAM: CHILD CARE-SITE ADMINISTERED -----

EXHIBIT B
DELIVERABLES

All contractors must have a community outreach plan which includes a detailed description for notifying the community of the program, hours of operation, and admittance/eligibility requirements into the program(s) they administer for IDHS. Each contractor must have available for inspection linkage agreements or memorandums of understanding with other community service agencies, IDHS Family and Community Resource Centers, and other outreach entities. IDHS must approve any publication and distribution of flyers, printed materials and brochures that are part of the IDHS funded program. All contractors must have a referral process that assists program participants with enrollment into public benefit programs such as TANF, Food Stamps, KIDCARE, medical and disability assistance, as well as other resources that address the needs of the population targeted for service.

In addition, all Site Administered Child Care providers will:

1. Provide child care services at daily/weekly times that are consistent with the parental/child needs.
2. Recruit eligible families and children to their child care service.
3. Determine and redetermine client eligibility as instructed in the BCCD Program Manual Section 02: Eligibility Determination. Providers will use the Child Care Application and supporting documentation to determine eligibility. If the supporting documentation is missing, Site Administered Child Care providers must issue a written Request for Additional information to the applicant/client for all missing information before making a determination of eligibility. Supporting documentation includes, but is not limited to: the two most recent and consecutive pay stubs for all employed family members age 19 and older (unless the applicant is age 18 or less), verification of enrollment in a training/education program, and the clients TANF Responsibility and Service Plan. In addition, providers must use other electronic data bases provided by IDHS to verify eligibility information from the child care application and/or redetermination including, but not limited to, family composition, earned and unearned income and employment or education/training schedules.
4. Charge the Department the standard daily rate based on geographic area and age of child served. Site Administered Child Care Providers may charge for subsidized child care families up to these maximums provided they do not charge more for subsidized children than they do for private pay families, nor can providers charge subsidized child care families higher than the maximum rate for regular child care services (excluding fees).

Site Administered Child Care Providers and Infant and Toddler Incentive Program providers are required to provide a listing of the child care rates charged to IDHS subsidized clients vs. the rates charged to private pay families, via a Child Care Rate Certification Form. This form is to be completed and submitted annually with the Site Administered Child Care and/or Infant and Toddler Incentive Program contract packets. Site Administered Child Care and Infant and Toddler Incentive Program contracts will not be processed unless this certification is received.

The number of children served under the contract will be negotiated with each Site Administered Child Care Provider. Additionally Site Administered Child Care Providers will:

- a. Charge no more than \$2.00 per contracted child, per day, to offset the cost of eligibility determination services. For example: 35 children at \$2.00 per day for 250 eligible days would be \$17,500.
5. Submit 100% of Child Care Applications and Redetermination Forms to IDHS, Bureau of

EXHIBIT B

DELIVERABLES

Child Care and Development, within ten (10) working days of receipt to ensure that parents will not lose eligible days of child care assistance. Child Care Applications and Redetermination Forms cannot be submitted to IDHS until all income/education documentation has been verified by the Provider as matching the information on the Application.

6. Calculate and collect parent fees (co-payments) based on income, family size, the number of children in care, and the child care schedule.
7. Develop a written agreement regarding parent fees that includes the case name, case number, amount and frequency of payments(s) and the consequences for failure to pay. This agreement is to be discussed with the parent(s) and signed by both the provider and the parent(s). A copy will be given to the parent(s) and a copy will be retained in the case file.
8. Collect a minimum of 75% of parent fees (co-payments) during each year.
9. Submit accurate monthly billing form(s), Site Administered Monthly Enrollment Report (SAMER), to IDHS, Bureau of Child Care and Development, within 15 calendar days of the end of the month of service.
10. Maintain appropriate fiscal records for review by IDHS or its designee.
11. Provide services that are developmentally appropriate, culturally sensitive, and consistent with individual child needs.
12. Seek parents involvement in decisions affecting their childrens care.
13. Involve a Board of Directors and/or Advisory Council Committee in the operations of the program. If there are no parents on the Board of Directors, include them in an Advisory Committee or provide another mechanism for parental input to the agency's decision making process.
14. Maintain licensed status with the Department of Children and Family Services (DCFS), meeting license standards during the entire contract period (licensed facilities).
15. Agencies operating networks of licensed family child care homes must assure that the chief program administrator and program coordinator are persons who meet the requirements for supervising a child care center under the Child Care Act of 1969.
16. Cooperate with and coordinate information with caseworkers at the Family and Community Resource Center (FCRC, formerly known as Local Office), including but not limited to, posting the name and phone number of an IDHS contact person and notifying the FCRC whenever there are contracted slots available.
17. List their agency on the referral database of the appropriate child care resource and referral agency serving their area.
18. Maintain accurate attendance records and sign in/out sheets, in ink, for 100% of the days of operation. These records may be reviewed in a monitoring visit. These records must be retained for five (5) years.
19. Maintain case records for each eligible family receiving Child Care Assistance for at least five (5) years. These records may be reviewed in a monitoring visit.
20. Designate staff that are responsible for the IDHS contract and ensure that staff are

EXHIBIT B

DELIVERABLES

appropriately trained.

21. Assure job descriptions on file include the roles and responsibilities for administering the Child Care Assistance Program (CCAP).

22. Assure that designated staff attend all regularly scheduled IDHS training regarding the Site Administered Child Care Program.

23. Submit an independent audit to IDHS for the previous fiscal year (for agencies with contracts totaling \$500,000 or more) no later than 120 days after the end of their fiscal year. This audit will be performed by a CPA external to the agency.

24. Distribute personnel policies upon employment and within 30 days of approved revisions.

25. In addition, all Site Administered contractors operating child care centers will:

- a. Have procedures in place to contact a parent when a child's absence is unexplained for more than two (2) days.
- b. Assure that each on-site manager is familiar with publicly funded professional development opportunities available to staff, e.g., CCR&R training, StarNet, et. al.
- c. Assure that at least 10% of the teaching staff (staff in positions to be left alone with a group of children) will meet Great Start education requirements.
- d. Assure the child care director and the child care staff will all participate in a minimum of 15 clock hours of professional development/in-service training.
- e. Assure that at least 10% of child care staff will be trained in blood borne pathogen and universal precautions and certified First Aid and CPR.
- f. Have health policies and procedures reviewed by a qualified health professional, e.g., CCR&R nurse consultant.
- g. Have a health professional visit the center monthly if the center serves infants and toddlers.
- h. Encourage family involvement in children's programs using a variety of alternatives.
- i. Be accessible to parents during all hours of operation, by phone or in person.
- j. Assure that automated phone systems contain the option of being connected to a live person.
- k. Demonstrate that they have a QRS Star rating (a copy of the current QRS Star Award certificate must be submitted to IDHS) OR must submit an action plan detailing steps that will be implemented and result in application to the QRS.

Site Administered Child Care Provider responsibilities include, but are not limited to, the following, by area:

A. Eligibility

Request in writing and obtain all missing information and documentation prior to making a determination of eligibility.

Use all Web screens to assist with the determination of client eligibility.

Submit 100% of all Child Care Applications and Redetermination Forms, along with appropriate supporting documentation, to the Bureau of Child Care and Development, IDHS, within ten (10) working days of receipt.

Assist clients as they complete an initial Child Care Application for subsidized child care. The application must be completed according to the directions which accompany the IL444-3455 form, and/or given in the Bureau of Child Care & Development Program Manual. Ensure all documentation to support income and service eligibility is obtained.

EXHIBIT B
DELIVERABLES

----- END OF PROGRAM: CHILD CARE-SITE ADMINISTERED -----

**EXHIBIT C
PAYMENT**

Provider shall receive an estimated total compensation of \$26,000,000.00 for services under this Agreement.

Enter specific terms of payment here:

Providers will submit the billing packet to the Bureau of Child Care and Development on, or before, the 15th of the month following the month of service. The payments will be made upon approved monthly billings for services. Final payments will be made after billings are received for services through June 30, 2016.

----- END OF PROGRAM: CHILD CARE-SITE ADMINISTERED -----

Estimated Annual Contract Amount: \$26,000,000.00

NOTE: The estimated figures are merely an objective means of computing the contract amount and should not be construed as a guaranteed amount that will be spent on the contract during the fiscal year.

EXHIBIT D
CONTACT INFORMATION

CONTACT FOR NOTIFICATION:

All notices required or desired to be sent by either Party shall be sent to the persons listed below.

DHS CONTACT

Name: Lesa Hilligoss

Title: Manager

Address: 100 South Grand Ave East, 2nd Floor
Springfield, IL 62769

Phone: 217-785-9160

TTY #: _____

Fax #: 217-785-9334

E-mail Address: lesa.hilligoss@illinois.gov

PROVIDER CONTACT

Name: Jennifer Welch

Title: Deputy Commissioner

Address: 1615 W Chicago Ave
Chicago, IL 60622

Phone: 312-746-7448

TTY #: _____

Fax #: 312-746-7783

E-mail Address: jennifer.welch@cityofchicago.org

EXHIBIT E
PERFORMANCE MEASURES

The Program Integrity and Quality Assurance Unit of the DHS Bureau of Child Care and Development (BCCD) monitors the DHS Child Care Program contractors. This includes all Child Care Resource and Referral (CCR&R) agencies and child care organizations that contract with DHS to provide Child Care Program services. Contracts include administrative services and direct services.

Child Care Program compliance reviews are accomplished mainly through on-site visits to the contractors and can include: review of the administrative service provision to providers and clients, client record review for program eligibility compliance, internal controls, fiscal compliance to generally accepted accounting procedures of financial record keeping, and compliance with licensing standards promulgated by the Illinois Department of Children and Family Services.

The Performance Measures for this Exhibit under this contractual agreement will be collected by the DHS BCCD monitors and not by the contracted providers. The metrics DHS monitors collect include:

- # of client records reviewed
- # of client records in compliance with BCCD Policies/Procedures
- # of applications and redeterminations processed within specified timeframes
- # of services billed within specified timeframes
- # of program components with which contractors complied
- # of financial components with which contractors complied

To be in compliance with their DHS BCCD monitoring reviews, contractors will:
Provide 100% of client records and family case files requested by BCCD monitor on reviews, including applications and redeterminations processed, case cancel and deny documentation.

Provide 100% of attendance records requested by BCCD monitor.

Demonstrate compliance or progress toward compliance for 100% of the 18 program components in the monitoring process, as applicable.

Demonstrate compliance or progress toward compliance for 100% of the 12 financial components of the monitoring process, as applicable.

Comply with 100% of the timelines specified by BCCD monitoring in the report response process.

Submit a program improvement/corrective action plan to BCCD.

Submit to BCCD monitors evidence of annual program self-assessment/audit and corrective actions taken to demonstrate improvement.

----- END OF PROGRAM: CHILD CARE-SITE ADMINISTERED -----

EXHIBIT F
PERFORMANCE STANDARDS

The objectives in Exhibit F apply to the BCCD PIQA monitoring reviews of contractors. Contractors will ensure that:

90% of all CCAP applications and redeterminations are processed according to contract and program policy timeframes.

90% of all CCAP applications and redeterminations are processed accurately.

90% of all CCAP billings are submitted within 10 days of the end of the month and/or service completion.

Billings comply with an 85% accuracy rate related to eligibility for reimbursement (need for care, schedule of care, etc.) and co-payment calculation.

Agency has and implements a system of ongoing staff training and training of new staff.

90% of CCAP billings comply with procedures around the 80% rule. Billings are supported by legible attendance/sign in sheets.

***** END OF PROGRAM: CHILD CARE-SITE ADMINISTERED *****

EXHIBIT G

STATE AGENCY CONTRACTS

For each contract or other agreement to which Provider is a party with any other State agency, state:

1. The name of the State agency;
2. The number of the contract(s) or other agreement(s);
3. The estimated amount of the contract(s) or other agreement(s);
4. The term of the contract(s) or other agreement(s); and
5. The nature or purpose of the contract(s) or other agreement(s).

EXHIBIT H
LINGUISTIC AND CULTURAL COMPETENCY GUIDELINES AND ASSURANCE

These Linguistic and Cultural Competency Guidelines and Assurance (LCC Guidelines) are attached to the Community Services Agreement (Agreement) and incorporated into it. Throughout this attachment, DHS is referred to as the Agency.

SECTION I
INTRODUCTION

1.1. Introduction. The purpose of these LCC Guidelines is to improve access to culturally competent programs, services, and activities for Limited English Proficient (LEP) customers, persons who are hard of hearing or Deaf, and persons with low literacy (collectively, the Goal). LEP Customers, as used herein, includes LEP Customers, persons who are hard of hearing or Deaf, and persons with low literacy.

1.2. Linguistic and Cultural Competency Mandate: These LCC Guidelines were developed because the State of Illinois must comply with the Constitution of the United States, Title VI of the Civil Rights Act of 1964, Americans with Disabilities Act of 1990, Americans with Disabilities Act Amendments Act of 2008, Illinois Human Rights Act, the 1970 Constitution of the State of Illinois and any laws, regulations or orders, federal or state, which prohibit discrimination on the grounds of race, sex, color, religion, national origin, age, ancestry, marital status, disability, or the inability to speak or comprehend the English language.

SECTION II
KEY CONCEPTS

2.1. Cultural Competence. A set of behaviors, attitudes and policies in a system, agency or among professionals that affect cross-cultural work, evolving over time.

2.2. Individual Cultural Competence. Acquisition of the values, knowledge, skills and attributes that allows an individual to work appropriately in cross-cultural situations.

2.3. Organizational Cultural Competence. Systems and organizations approve, and in some cases mandate, the incorporation of cultural knowledge into policymaking, infrastructure and practice. An example of an LEP practice would include: requiring written material translated, adapted, and or provided in alternative formats based on needs and preferences of the populations served.

2.4. Language Access. Assuring language access means providing language assistance services, including bilingual personnel and interpreter services, at no cost to each LEP customer, at key points of contact, in a timely manner. Interpretation and translation services must comply with all relevant federal, state and local mandates governing language access. Consumers must engage in evaluation of language access and other communication to ensure quality and satisfaction. Importantly, Title VI of the Civil Rights Act of 1964 prohibits

discrimination on the basis of race, color or national origin including actions that *delay, deny, or provide different* quality services to a particular individual or group of individuals. See Civil Rights Act of 1964, Pub. L. 88–352, July 2, 1964, 78 Stat. 241, as amended.

2.5. Meaningful Access. Providers and their subcontractors, providing services subject to 7 CFR §272.4(b) are required to take reasonable steps to ensure meaningful access to their services and programs by LEP Customers. Compliance involves the balancing of four factors: 1) the number and proportion of eligible LEP Customers, 2) the frequency of contact with LEP Customers, 3) the importance or impact of the contact upon the lives of the person(s) served, and 4) the resources available to the organization. This four-factor analysis (LEP Assessment) may be applied to the different types of programs or activities the Provider provides to determine the level of language assistance measures sufficient to assure full compliance or to demonstrate reasonable efforts.

SECTION III PLAN

3.1. Plan Development. Providers are required to develop a plan (the LCC Plan) to meet the Goal, which must include a description of the customer base served by the Provider and an analysis of the four factors discussed in section 2.5, following the LCC Guidelines contained herein. Appendix A provides the plan elements with corresponding indicators of plan compliance. Appendix B provides a guide for drafting the LCC Plan.

3.2. Language Assistance Services. The LCC Plan should explain how the Provider will meet the needs of LEP Customers, either through direct assistance, use of private interpretation services or use of State-funded or other interpretation programs, via both short-term and long-term strategies. For example, a Provider may solicit, through all reasonable and available means, the services of a subcontractor to provide interpretation, translation or other services to assist the Provider in meeting the Goal.

3.3. Personnel Strategies. The LCC Plan should include a description of how the Provider will promote strategies to increase recruitment, hiring, retention, and promotion of personnel with bilingual and bicultural backgrounds representative of the target population served, such as establishing requirements for specific language skills in job descriptions and compensation for bilingual skills or American Sign Language skills.

3.4. Data-Driven Approach. Providers must incorporate data-driven rationale for the approach in its LCC Plan. Providers should collect customer data on race, ethnicity, and primary spoken language to ensure every effort is made to provide consumers with effective, understandable and respectful services provided in the consumers' preferred language and in a manner sensitive to cultural beliefs and practices. Providers should maintain current demographic and cultural profile of the community to plan for services that respond to the cultural and linguistic characteristics of the service area.

3.5. Additional Information. The LCC Plan should include any additional information that will aid the Agency in assessing the Provider's ability to provide access to services for LEP Customers.

3.6. Contract Inclusion. If applicable based on the Provider's customer base, the LCC Plan will include any executed agreements specifying the terms and conditions of the relationship between the Provider and any entity providing language access support to programs, services, and activities to meet the Goal.

3.7. Plan Submission. The Provider shall submit to the Agency its LCC Plan by June 30, 2015.

3.8. Plan Amendments. The Provider may amend the LCC Plan and provide written notice to the DHS of such amendment. The Provider must ensure that any amendments to the LCC Plan do not result in a reduction in access to programs, services, and activities for LEP Customers.

3.9. Plan Implementation. It is expected that once the initial LCC Plan has been submitted to the Agency, in subsequent years, the Provider will submit an annual report detailing progress toward implementation (LCC Plan Implementation Progress Report) at the time of contract execution, commonly July 1st. The LCC Plan Implementation Progress Report shall identify all goals met and describe any efforts made toward meeting additional goals still in progress.

SECTION IV RECORDS AND COMPLIANCE

4.1. Compliance. Compliance with the LCC Guidelines, as described herein, is an essential part of the Agreement.

4.2. Records. The Provider shall maintain a record of all relevant data with respect to the access of programs, services, and activities by LEP Customers for a period of at least five years after the completion of this Agreement. Complete access to these records, and data reasonably related to a representation by the Provider regarding these LCC Guidelines or the LCC Plan, shall be granted by the Provider upon 48 hours' written notice by the Agency.

4.3. Periodic Review. The Agency may periodically review the Provider's compliance with these LCC Guidelines, its LCC Plan and the terms of its contract. Without limitation, the Provider's failure to cooperate in providing information regarding its compliance with these LCC Guidelines or its LCC Plan, or the provision of false or misleading information or statements concerning compliance, customer base, good faith efforts, or any other material fact or representation shall constitute a material breach of this Agreement and entitle the Agency to declare a default, terminate the contract, or exercise those remedies provided for in the Agreement or at law or in equity.

APPENDIX A
LINGUISTIC AND CULTURAL COMPETENCE ELEMENTS AND INDICATORS

This table lists the LCC Guideline elements and the respective indicators, which demonstrate full compliance.

LINGUISTIC AND CULTURAL COMPETENCY ELEMENTS	INDICATORS
<p>1. Organizations should have a linguistic and cultural competence plan for the funded program(s) or for the organization as a whole that includes clear goals, outcomes, policies and procedures related to the provision of culturally and linguistically appropriate services.</p>	<p>1. The LCC Plan addresses in a meaningful way the guidelines in this document and is consistent with the organization’s mission. 2. The LCC Plan has defined short-term and long-term goals and outcomes that improve services to LEP Customers, persons who are hard of hearing or Deaf, and persons with low literacy. 3. The LCC Plan identifies a staff member responsible for overseeing its implementation.</p>
<p>2. Organizations should implement strategies to recruit, retain, and promote at all levels, diverse staff and leadership that are representative of the service area’s population characteristics. Regular staff training should be incorporated as a key element to strengthen cultural competency.</p>	<p>1. The LCC Plan demonstrated hiring, retention and promotion of staff of racial and ethnic backgrounds representative of target population served. 2. The LCC Plan notes that personnel at different levels receive ongoing education and training in culturally and linguistically service delivery. 3. The LCC Plan establishes requirements for specific language skills in job descriptions and remuneration for language skills.</p>
<p>3. Organizations should provide hearing impaired and language assistance services, including bilingual personnel and interpreter services, at no cost to each LEP Customer, or those who are hard of hearing or Deaf, at key points of contact, in a timely manner that facilitates maximum access to services.</p>	<p>1. The LCC Plan includes evidence that appropriate interpretation services are provided to the LEP Customers in a timely manner. 2. The LCC Plan includes an assessment of personnel and interpreters’ ability to effectively communicate in a language other than English or to provide American Sign Language in their specific field of service. 3. The LCC Plan notes that family, friends, or other unlicensed or untested individuals are not used to provide interpretation services.</p>
<p>4. Organizations should provide to consumers in their preferred language both verbal and written notices of their right to receive language assistance services that are culturally appropriate.</p>	<p>1. The LCC Plan notes that easily understood consumer-related materials and visible notices are posted in languages of commonly encountered groups represented in the service area. 2. The LCC Plan notes that pertinent written, oral, and symbolic consumer materials, including consent forms, statement of rights forms, posters, signs, and audio tape recordings, are available in the language of the consumer, including Braille, and available at all key points of access. 3. The LCC Plan puts quality assurance measures in place to verify accuracy of translated documents.</p>
<p>5. Organizations should collect customer data to ensure that every effort is made to provide consumers with effective, understandable and respectful services, provided in the consumer’s preferred language and in a manner sensitive to cultural beliefs and practices.</p>	<p>1. The LCC Plan is data driven, based on analysis of verifiable service and demographic data, including the consumers’ self-identified primary spoken language, race, ethnicity, need for language assistance and how language assistance was provided (e.g. on-site interpreter, telephone interpreter, preferred interpreter or brought own interpreter). 2. The LCC Plan uses the data to assess new and emerging community and population needs. 3. The LCC Plan notes that the organization tracks consumer satisfaction with language access services and with sensitivity to consumer culture.</p>

**APPENDIX B
DRAFTING AN LCC PLAN**

Providers must submit an LCC Plan to serve LEP Customers as described above. Providers should include any additional information that will add clarity to the Provider's proposed LCC Plan to provide access to services for LEP Customers

The following is a guide for drafting the LCC Plan submission:

1. Identifying the LEP Customers Who May Need Assistance. Describe the number or proportion of LEP Customers eligible to be served or encountered. Use the four factor analysis to provide an assessment of need and required effort, *i.e.* include the LEP Assessment. As described in section 2.5, the four factors are: 1) the number and proportion of eligible LEP Customers, 2) the frequency of contact with LEP Customers, 3) the importance or impact of the contact upon the lives of the person(s) served, and 4) the resources available to the organization.
2. Organizational or Program LCC Plan. Provide a general description of the linguistic and cultural competence plan for the funded program(s) or for the organization as a whole that includes clear goals, outcomes, policies and procedures related to the provision of culturally and linguistically appropriate services.
3. Diverse Personnel and LCC Training. Describe the strategies used to recruit, retain and promote at all levels, diverse personnel and leadership that are representative of the demographic characteristics of the service area. Provide a list of personnel positions that receive ongoing education and training in culturally and linguistically appropriate service delivery.
4. Language Assistance Measures. Describe any language assistance services, such as bilingual personnel and interpreter services, cost of services, point of accessing the services, and how the services are delivered. Describe efforts and solicitations to secure the services of a Provider to provide interpretation or translation services, or other services (e.g. LCC Provider) that will assist the Provider in meeting the Goal. Describe the use of services from available minority community organizations; minority business groups; local, state, and federal minority business offices; and other organizations that provide assistance in meeting the Goal.
5. Providing Notice to the LEP Customers. Describe practices established to ensure consumers receive both verbal and written notices, in their preferred language, of their right to receive language assistance or American Sign Language services. List any consumer-related materials and signage that are in languages of commonly encountered groups represented in the service area, including the languages in which the materials are available.
6. Quality Assurance. Describe the procedures that ensure that consumers receive effective, understandable and respectful services, provided in the consumer's preferred language and in a manner sensitive to cultural beliefs and practices including a description of data collection procedures.

INDEX

ARTICLE I TAXPAYER CERTIFICATION	1
1.1. Federal Taxpayer Identification Number; Nature of Entity	1
1.2. Estimated Amount of Agreement	2
1.3. Term	2
1.4. Certification	2
1.5. Signatures	2
ARTICLE II REQUIRED REGISTRATIONS	3
2.1. Standing and Authority	3
2.2. Compliance with Internal Revenue Code	3
2.3. Compliance with Federal Funding Accountability and Transparency Act of 2006	3
2.4. DUNS Number	3
2.5. Compliance with American Recovery and Reinvestment Act (ARRA)	3
2.6. Compliance with Uniform Grant Rules (2 CFR Part 200)	3
ARTICLE III DEFINITIONS	4
3.1. Definitions	4
ARTICLE IV PAYMENT	7
4.1. Availability of Appropriation; Sufficiency of Funds	7
4.2. Illinois Grant Funds Recovery Act	7
4.3. Cash Management Improvement Act of 1990	7
4.4. Payments to Third Parties	7
4.5. Modifications to Estimated Amount	7
4.6. Interest	7
4.7. Timely Billing Required	8
4.8. Certification	8
ARTICLE V SCOPE OF SERVICES/PURPOSE OF GRANT	8
5.1. Services to be Provided/Purpose of Grant	8
5.2. Special Provisions	8
ARTICLE VI BUDGET	8
6.1. Exemptions	8
6.2. Submission of Proposed Budget	8
6.3. Payment Contingency	9
6.4. Budget Approval	9
6.5. Preparation of Budget	9
6.6. Budget Revisions	9
6.7. Revision Approvals	9
6.8. Notification	9
ARTICLE VII ALLOWABLE COSTS	9
7.1. Allowability of Costs; Cost Allocation Methods	9
7.2. Indirect Cost Rate Proposal Submission	9
7.3. Transfer of Costs	10
7.4. OMB Circular A-21	10
7.5. OMB Circular A-122	10
7.6. OMB Circular A-87	10
7.7. 48 CFR Part 31	10
7.8. Changes in Scope of Services	10

7.9. Changes in Key Grant Personnel	10
7.10. Financial Management Standards	10
7.11. Federal Requirements	12
7.12. Profits	12
7.13. Management of Program Income	12
ARTICLE VIII ADMINISTRATIVE REQUIREMENTS	12
8.1. Administrative Requirements	12
8.2. Audits	13
ARTICLE IX REQUIRED CERTIFICATIONS	13
9.1. Certifications	13
ARTICLE X BACKGROUND CHECKS	17
10.1. Employee and Subcontractor Background Checks.	17
ARTICLE XI UNLAWFUL DISCRIMINATION	17
11.1. Compliance with Nondiscrimination Laws	17
ARTICLE XII LOBBYING	17
12.1. Improper Influence.	17
12.2. Federal Form LLL	18
12.3. Lobbying Costs	18
12.4. Subawards	18
12.5. Certification	18
ARTICLE XIII CONFIDENTIALITY	18
13.1. Compliance with Law	18
ARTICLE XIV INDEMNIFICATION AND LIABILITY	18
14.1. Indemnification	18
14.2. Liability	18
ARTICLE XV MAINTENANCE AND ACCESSIBILITY OF RECORDS	18
15.1. Records Retention	18
15.2. Accessibility of Records	18
15.3. Failure to Maintain Books and Records	19
ARTICLE XVI RIGHT OF AUDIT AND MONITORING	19
16.1. Monitoring of Conduct	19
16.2. Requests for Information.	19
16.3. Rights of Review	19
ARTICLE XVII FINANCIAL REPORTING REQUIREMENTS	19
17.1. Quarterly Reports	19
17.2. Close-out Reports.	20
17.3. Audited Financial Statements	20
17.4. Consolidated Financial Reports	20
17.5. Compliance with Grant Requirements of Comptroller.	20
17.6. Compliance with Federal Reporting Requirements	21
17.7. Notice	21
17.8. Effect of Failure to Comply	21
ARTICLE XVIII PERFORMANCE REPORTING REQUIREMENTS	21
18.1. Monthly and Quarterly Reports	21
18.2. Close-out Performance Reports	21
18.3. Content of Performance Reports	21
18.4. Performance Standards	21
ARTICLE XIX AUDIT REQUIREMENTS	21

19.1. Submission of Audit Report	21
19.2. Performance of Audits	21
19.3. Instructions	22
ARTICLE XX SERVICE PROVIDER DIRECTORY	22
20.1. Inclusion in Directory	22
20.2. Multiple Locations	22
20.3. Update Requirements	22
20.4. Submission of Information	22
ARTICLE XXI INDEPENDENT CONTRACTOR	22
21.1. Independent Contractor	22
ARTICLE XXII TERMINATION; SUSPENSION	23
22.1. Termination	23
22.2. Breach	23
22.3. Suspension	23
ARTICLE XXIII POST-TERMINATION/NON-RENEWAL	23
23.1. Duties	23
23.2. Survival	23
ARTICLE XXIV SUBCONTRACTS	23
24.1. Subcontracting/Delegation	23
24.2. Application of Terms	24
ARTICLE XXV INTERNET ACCESS	24
25.1. Access to Internet	24
ARTICLE XXVI NOTICE OF CHANGE	24
26.1. Notice of Change...	24
26.2. Failure to Provide Notification	24
26.3. Circumstances Affecting Performance; Notice	24
26.4. Effect of Failure to Provide Notice	25
ARTICLE XXVII ASSIGNMENT	25
27.1. Assignment Prohibited	25
ARTICLE XXVIII MERGERS/ACQUISITIONS	25
28.1. Effect of Reorganization	25
ARTICLE XXIX CONTRACTS WITH OTHER STATE AGENCIES; OTHER REQUIRED DISCLOSURES	25
29.1. Disclosure	25
29.2. Copies upon Request	26
29.3. Related Parties	26
29.4. Provider Board Membership	26
ARTICLE XXX CONFLICT OF INTEREST	26
30.1. Prohibited Payments	26
30.2. Request for Exemption.	26
ARTICLE XXXI TRANSFER OF EQUIPMENT	26
31.1. Transfer of Equipment	26
31.2. Meaning of "Equipment"	26
ARTICLE XXXII WORK PRODUCT	26
32.1. Definition of Work Product	26
32.2. License to DHS	26
32.3. License to Provider; Objections	27
32.4. Unresolved Objections; Disclaimer	27
ARTICLE XXXIII PROMOTIONAL MATERIALS; PRIOR NOTIFICATION	27

33.1. Publications, Announcements, etc	27
33.2. Prior Notification/Release of Information.	27
ARTICLE XXXIV INSURANCE	27
34.1. Purchase and Maintenance of Insurance	27
34.2. Cost of Insurance	27
34.3. Claims	28
ARTICLE XXXV LAWSUITS	28
35.1. Indemnification	28
ARTICLE XXXVI GIFTS AND INCENTIVES PROVISION	28
36.1. Gift Ban.	28
ARTICLE XXXVII EXHIBITS; ATTACHMENT AND PROGRAM MANUAL	28
37.1. Exhibits A through H	28
37.2. Attachment and Program Manual	28
ARTICLE XXXVIII MISCELLANEOUS	28
38.1. Renewal	28
38.2. Amendments	28
38.3. Severability	28
38.4. No Waiver	28
38.5. Applicable Law; Claims	28
38.6. Compliance with Law	29
38.7. Compliance with Freedom of Information Act	29
38.8. Cooperation with Office of the Executive Inspector General	29
38.9. Precedence	29
38.10. Headings	29
38.11. Entire Agreement	29
38.12. Counterparts	29
EXHIBIT A SCOPE OF SERVICES	30
EXHIBIT B DELIVERABLES	31
EXHIBIT C PAYMENT	35
EXHIBIT D CONTACT INFORMATION	36
EXHIBIT E PERFORMANCE MEASURES	37
EXHIBIT F PERFORMANCE STANDARDS	38
EXHIBIT G STATE AGENCY CONTRACTS	39
EXHIBIT H LINGUISTIC AND CULTURAL COMPETENCY GUIDELINES AND ASSURANCE	40
INDEX	45

**Department of Health and Human Services
Administration for Children and Families
Notice of Award (NOA)**

SAI NUMBER:

PMS DOCUMENT NUMBER:
05CH846001

1. AWARDING OFFICE: OA/OGM/Region V		2. ASSISTANCE TYPE: Discretionary Grant	3. AWARD NO.: 05CH8460/01	4. AMEND. NO.:
5. TYPE OF AWARD: SERVICE	6. TYPE OF ACTION: New		7. AWARD AUTHORITY: 42 USC 9801 ET SEQ.	
8. BUDGET PERIOD: 12/01/2014 THRU 11/30/2015		9. PROJECT PERIOD: 12/01/2014 THRU 11/30/2019		10. CAT NO./CFDA: 93.600
11. RECIPIENT ORGANIZATION: City of Chicago Department of Family and Support Services 1615 W. Chicago Avenue Chicago IL 60622 Anthony A. Cole, First Vice-Chair, Chicago Committee on Urban Opportunity			12. PROJECT / PROGRAM TITLE: Head Start/Early Head Start	
13. COUNTY: COOK	14. CONGR. DIST: 01, 02, 03, 04, 0	15. PRINCIPAL INVESTIGATOR OR PROGRAM DIRECTOR: Evelyn J Diaz, Commissioner		

16. APPROVED BUDGET:		17. AWARD COMPUTATION:		
Personnel.....	\$ 3,537,816	A. NON-FEDERAL SHARE.....	\$ 13,356,524	17.28 %
Fringe Benefits.....	\$ 1,342,195	B. FEDERAL SHARE.....	\$ 63,921,253	82.72 %
Travel.....	\$ 6,500	18. FEDERAL SHARE COMPUTATION:		
Equipment.....	\$ 0	A. TOTAL FEDERAL SHARE.....	\$ 63,921,253	
Supplies.....	\$ 422,100	B. UNOBLIGATED BALANCE FEDERAL SHARE.....	\$	
Contractual.....	\$ 55,283,515	C. FED. SHARE AWARDED THIS BUDGET PERIOD..	\$ 63,921,253	
Facilities/Construction.....	\$ 0	19. AMOUNT AWARDED THIS ACTION:		
Other.....	\$ 82,898		\$ 63,921,253	
Direct Costs.....	\$ 60,675,024	20. FEDERAL \$ AWARDED THIS PROJECT PERIOD:		
Indirect Costs.....	\$ 3,246,229		\$ 63,921,253	
At % of \$		21. AUTHORIZED TREATMENT OF PROGRAM INCOME:		
In Kind Contributions.....	\$ 0			
Total Approved Budget(**)...	\$ 63,921,253	22. APPLICANT EIN: 1-366005820-B6	23. PAYEE EIN: 1-366005820-B6	24. OBJECT CLASS: 41.51

25. FINANCIAL INFORMATION:

DUNS: 167217822

ORGN	DOCUMENT NO.	APPROPRIATION	CAN NO.	NEW AMT.	UNOBLIG.	NONFED %
OGM	05CH846001	75-5-1536	2015 G054120	\$621,448		
OGM	05CH846001	75-5-1536	2015 G054121	\$78,416		
OGM	05CH846001	75-5-1536	2015 G054122	\$60,044,000		
OGM	05CH846001	75-5-1536	2015 G054125	\$3,177,389		

26. REMARKS: (Continued on separate sheets)

Client Population: 17731.
Number of Delegates: 35.
Paid by DHHS Payment Management System (PMS), see attached for payment information.
This award is subject to the requirements of the HHS Grants Policy Statement (HHS GPS) that are applicable to you based on your recipient type and the purpose of this award.
This includes requirements in Parts I and II (available at <http://www.hhs.gov/asfr/ogapa/grantinformation/hhsgps107.pdf>) of the HHS GPS.

27. SIGNATURE - ACF GRANTS OFFICER Eric P. Staples	DATE: 11/24/2014	28. SIGNATURE(S) CERTIFYING FUND AVAILABILITY Karen E. Hennelly Karen E. Hennelly
29. SIGNATURE AND TITLE - PROGRAM OFFICIAL(S) Kay Willmoth, Regional Program Manager	DATE: 11/21/14	

**Department of Health and Human Services
Administration for Children and Families
Notice of Award (NOA)**

SAI NUMBER:

PMS DOCUMENT NUMBER:
05CH846001

1. AWARDING OFFICE: OA/OGM/Region V		2. ASSISTANCE TYPE: Discretionary Grant		3. AWARD NO.: 05CH8460/01		4. AMEND. NO.		
5. TYPE OF AWARD: SERVICE			6. TYPE OF ACTION: New			7. AWARD AUTHORITY: 42 USC 9801 ET SEQ.		
8. BUDGET PERIOD: 12/01/2014 THRU 11/30/2015			9. PROJECT PERIOD: 12/01/2014 THRU 11/30/2019			10. CAT NO./CFDA: 93.600		
11. RECIPIENT ORGANIZATION: City of Chicago, Department of Family and Support Services								

26. REMARKS: (Continued from previous page)

Although consistent with the HHS GPS, any applicable statutory or regulatory requirements, including 45 CFR Part 74 or 92, directly apply to this award apart from any coverage in the HHS GPS.

This award is subject to requirements or limitations in any applicable Appropriations Act.

This award is subject to the requirements of Section 106 (g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104).

For the full text of the award term, go to <https://www.acf.hhs.gov/grants/discretionary-competitive-grants>.

This award is subject to the Federal Financial Accountability and Transparency ACT (FFATA or Transparency) of 2006 subaward and executive compensation reporting requirements.

For the full text of the award term, go to: <https://www.acf.hhs.gov/grants/discretionary-competitive-grants>.

This award is subject to requirements as set forth in 2 CFR 25.110 Central Contractor Registration (CCR) and DATA Universal Number System (DUNS).

For full text go to <https://www.acf.hhs.gov/grants/discretionary-competitive-grants>.

This award is subject to requirements as set forth in 2 CFR 25.110.

For full text go to http://www.acf.hhs.gov/grants/msg_sf425.html.

This grant is subject to the requirements as set forth in 45 CFR Part 87.

This grant is subject to the requirements set forth in 45 CFR part 74 (for non-profit organizations and educational institutions) or 45 CFR Part 92 (for state, local, and federally recognized tribal governments).

Initial expenditure of funds by the grantee constitutes acceptance of this award.

Future support is anticipated.

This award is subject to HHS regulations codified at 45 CFR 1301, 1302, 1303, 1304, 1305, 1306, 1307, 1308, 1309 and 1310.(**) Reflects only federal share of approved budget.

Under Section 638 of the Head Start Act, this grant action awards the City of Chicago a five year project period of 12/01/2014-11/30/2019 for the operation of the Head Start and Early Head Start programs in the designated service areas. Due to funding limitations under the continuing resolution for Fiscal Year (FY) 2015, this grant action awards partial funds under Common Accounting Numbers (CAN) G054120, G054121, G054122 and G054125 to provide Head Start services to 16,808 preschool children and Early Head Start services to 923 infants, toddlers and pregnant women for the initial 12/01/2014-11/30/2015 budget period of the five year project period.

The projected annual funding level in FY 2015 for Head Start operations is \$120,088,000, and the training and technical assistance allocation is \$1,242,896. The projected annual funding level in FY 2015 for Early Head Start operations is \$6,354,777, and the training and technical assistance allocation is \$156,831. The balance of the funds will be awarded when funds are available, subject to the final appropriation for the Head Start program for FY 2015.

The revised delegate agency count recognizes the voluntary relinquishments of Head Start and/or Early Head Start program services by the following six organizations: Community Learning Center, Church of God True Believers, Dorothy Sutton Branch, Home of Life Community Development, McDermott Center/Haymarket and South Shore United Methodist.

This grant is subject to the requirements for contribution of the non-federal share match and approval of key staff, the limitations on development and administrative costs and employee compensation, and prior approval for the purchase, construction and major renovation of facilities as specified in Attachment 1. This grant is also subject to the conditions specified in Attachment

Department of Health and Human Services
Administration for Children and Families
Notice of Award (NOA)

SAI NUMBER:

PMS DOCUMENT NUMBER:
05CH846001

1. AWARDCING OFFICE: OA/OGM/Region V		2. ASSISTANCE TYPE: Discretionary Grant	3. AWARD NO.: 05CH8460/01	4. AMEND. NO.
5. TYPE OF AWARD: SERVICE	6. TYPE OF ACTION: New		7. AWARD AUTHORITY: 42 USC 9801 ET SEQ.	
8. BUDGET PERIOD: 12/01/2014 THRU 11/30/2015		9. PROJECT PERIOD: 12/01/2014 THRU 11/30/2019		10. CAT NO./CFDA: 93.600
11. RECIPIENT ORGANIZATION: City of Chicago, Department of Family and Support Services				

26. REMARKS: (Continued from previous page)

2. The designated service areas, approved program options, congressional districts and waivers are specified in Attachment 3.

Attachment 1

Award Number: 05CH8460/01

Recipient Organization: City of Chicago

This grant is subject to Section 640(b) of the Head Start Act and 45 C.F.R. § 1301.20 requiring a non-federal match of 20 percent of the total cost of the program. This grant is also subject to the requirements in Section 644(b) of the Head Start Act and 45 C.F.R. § 1301.32 limiting development and administrative costs to a maximum of 15 percent of the total costs of the program, including the non-federal share contribution of such costs. The requirements for a non-federal match of 20 percent and the limitation of 15 percent for development and administrative costs apply to the 12/01/2014-11/30/2015 budget period unless a waiver is approved. Any request for a waiver of the non-federal share match, or a portion thereof, that meets the conditions under Section 640(b)(1)-(5) of the Head Start Act or 45 C.F.R. § 1301.21 or a waiver of the limitation on development and administrative costs that meets the conditions under 45 C.F.R. § 1301.32(g) must be submitted in advance of the end of the budget period. Any waiver request submitted after the expiration of the five year project period will not be considered.

The HHS GPS (II-56) (see above and 45 C.F.R. § 74.25(c)(2) and 45 C.F.R. § 92.30(d)(3) (as applicable) provide the authority to ACF to approve key staff of Head Start grantees. For the purposes of this grant, key staff is defined as the Head Start Director or person carrying out the duties of the Head Start Director if not under that title and the Chief Executive Officer, Executive Director and/or Chief Fiscal Officer if any of those positions is funded, either directly or through indirect cost recovery, more than 50 percent with Head Start funds.

Section 653 of the Head Start Act prohibits the use of any federal funds, including Head Start grant funds, to pay any portion of the compensation of an individual employed by a Head Start agency if that individual's compensation exceeds the rate payable for Level II of the Executive Schedule.

Prior approval must be obtained under 45 C.F.R. Part 1309 to use Head Start grant funds for the initial or ongoing purchase, construction and major renovation of facilities. No Head Start grant funds may be used toward the payment of one-time expenses, principal and interest for the acquisition, construction or major renovation of a facility without the express written approval of the Administration for Children and Families.

Attachment 2

Budget Period 1 Five Year Project Period

Award Number: 05CH8460/01

Recipient Organization: City of Chicago

Head Start Grantees must comply with the terms and conditions for the five year project period award in the specified timeframes.

Health and Safety

- *Conduct a screening of the health and safety environment of each center and/or family child care home where services are provided within 45 days of the start of the program or school year, or within 45 calendar days of the start of the five year project period when the five year project period begins during the program or school year.*
- *Complete a certification of compliance with all Office of Head Start (OHS) health and safety requirements within 75 calendar days of the start of the program or school year, or within 75 calendar days of the start of the five year project period when the five year project period begins during the program or school year. Submit to OHS in the Head Start Enterprise System (HSES) immediately thereafter.*

Governance

- *Conduct a screening of the organization's governance and leadership capacity within 60 calendar days of the start of the project period.*
- *Complete a certification that the governance and leadership capacity screening was conducted and a training plan was developed. Submit the certification to the OHS in HSES within 75 calendar days of the start of the project period.*

School Readiness

- *Participate in school readiness progress meetings with the OHS.*

Single Audits

- *Attend an OHS-sponsored single audit webinar within six months of the start of the project period.*

Attachment 3

Award Number: 05CH8460/01

Recipient Organization: City of Chicago

Designated Head Start service area: The City of Chicago within Cook County, inclusive of the shared service areas of Bridgeport, Edgewater, Edgewood, Fuller Park, Grand Boulevard, Hermosa, Humboldt Park, Kenwood, Logan Square, Morgan Park, New City, Oakland, Rogers Park, Uptown, Washington Park, West Englewood, West Town and Wicker Park neighborhoods with the Ounce of Prevention Fund (05CH6100).

Approved program options for the Head Start program: Center-based, home-based and family child care.

Designated Early Head Start service area: Albany Park, Armour Square, Auburn Gresham, Austin, Avondale, Chatham, Douglas, Edgewater, Fuller Park, Gage Park, East Garfield Park, Logan Square, Near North Side, Near West Side, Near South, North Lawndale, Oakland, Roseland, Washington Heights, West Lawn, West Town, West Pullman and Woodlawn neighborhoods of Chicago within Cook County.

Approved program options for the Early Head Start program: Center-based, home-based and family child care.

Congressional Districts within the approved service area: 01, 02, 03, 04, 05, 07 and 09.

This grant award action approves a waiver of the agency's non-Federal share match requirement. This action reduces the agency's amount of matching funds from \$15,980,313 to \$13,356,524 for the December 1, 2014 through November 30, 2015 budget period.

The request for continuation of the waiver of the provision at 45 C.F.R. 1306.32(c)(2) to allow the Chicago Public Schools delegate to operate double session classes five days per week for 7,125 children is approved.

**Department of Health and Human Services
Administration for Children and Families
Notice of Award (NOA)**

SAI NUMBER:

PMS DOCUMENT NUMBER:
05CH846001

1. AWARDING OFFICE: OA/OGM/Region V		2. ASSISTANCE TYPE: Discretionary Grant		3. AWARD NO.: 05CH8460/01		4. AMEND. NO.: 1		
5. TYPE OF AWARD: SERVICE			6. TYPE OF ACTION: Supplement			7. AWARD AUTHORITY: 42 USC 9801 ET SEQ.		
8. BUDGET PERIOD: 12/01/2014 THRU 11/30/2015			9. PROJECT PERIOD: 12/01/2014 THRU 11/30/2019			10. CAT NO./CFDA: 93.600		
11. RECIPIENT ORGANIZATION: City of Chicago Department of Family and Support Services 1615 W. Chicago Avenue Chicago IL 60622 Anthony A. Cole, First Vice-Chair, Chicago Committee on Urban Opportunity						12. PROJECT / PROGRAM TITLE: Head Start/Early Head Start		
13. COUNTY: COOK			14. CONGR. DIST: 01, 02, 03, 04, 0			15. PRINCIPAL INVESTIGATOR OR PROGRAM DIRECTOR: Evelyn J Diaz, Commissioner		

16. APPROVED BUDGET:		17. AWARD COMPUTATION:			
Personnel.....	\$ 7,075,630	A. NON-FEDERAL SHARE.....	\$ 26,713,047	17.28 %	
Fringe Benefits.....	\$ 2,684,390	B. FEDERAL SHARE.....	\$ 127,842,504	82.72 %	
Travel.....	\$ 13,000	18. FEDERAL SHARE COMPUTATION:			
Equipment.....	\$ 0	A. TOTAL FEDERAL SHARE.....	\$ 127,842,504		
Supplies.....	\$ 844,200	B. UNOBLIGATED BALANCE FEDERAL SHARE.....	\$		
Contractual.....	\$ 110,567,028	C. FED. SHARE AWARDED THIS BUDGET PERIOD..	\$ 127,842,504		
Facilities/Construction.....	\$ 0	19. AMOUNT AWARDED THIS ACTION:			
Other.....	\$ 165,800			\$ 63,921,251	
Direct Costs.....	\$ 121,350,048	20. FEDERAL \$ AWARDED THIS PROJECT PERIOD:			
Indirect Costs.....	\$ 6,492,456			\$ 127,842,504	
At % of \$		21. AUTHORIZED TREATMENT OF PROGRAM INCOME:			
In Kind Contributions.....	\$ 0				
Total Approved Budget(**)...	\$ 127,842,504	22. APPLICANT EIN:	23. PAYEE EIN:	24. OBJECT CLASS:	
		1-366005820-B6	1-366005820-B6	41.51	

25. FINANCIAL INFORMATION:						DUNS: 167217822	
ORGN	DOCUMENT NO.	APPROPRIATION	CAN NO.	NEW AMT.	UNOBLIG.	NONFED %	
OGM	05CH846001	75-5-1536	2015 G054120	\$621,448			
OGM	05CH846001	75-5-1536	2015 G054121	\$78,415			
OGM	05CH846001	75-5-1536	2015 G054122	\$60,044,000			
OGM	05CH846001	75-5-1536	2015 G054125	\$3,177,388			

26. REMARKS: (Continued on separate sheets)

Client Population: 17731.
Number of Delegates: 35.
Paid by DHHS Payment Management System (PMS), see attached for payment information.
This award is subject to the requirements of Section 106 (g) of the Trafficking Victims Protection Act of 2000, as amended (22 U.S.C. 7104).
For the full text of the award term, go to <http://www.acf.hhs.gov/grants/discretionary-competitive-grants>.

27. SIGNATURE - ACF GRANTS OFFICER Eric P. Staples <i>E.P. Staples</i> 4/1/2015		DATE: 4/1/2015	28. SIGNATURE(S) CERTIFYING FUND AVAILABILITY <i>Karen E. McNamara</i> Karen E. McNamara	
29. SIGNATURE AND TITLE - PROGRAM OFFICIAL(S) <i>Kay Willmoth</i> Kay Willmoth, Regional Program Manager			DATE: 3/31/15	

**Department of Health and Human Services
Administration for Children and Families
Notice of Award (NOA)**

SAI NUMBER:

PMS DOCUMENT NUMBER:
05CH846001

1. AWARDOFFICE: OA/OGM/Region V		2. ASSISTANCE TYPE: Discretionary Grant	3. AWARD NO.: 05CH8460/01	4. AMEND. NO. 1
5. TYPE OF AWARD: SERVICE	6. TYPE OF ACTION: Supplement		7. AWARD AUTHORITY: 42 USC 9801 ET SEQ.	
8. BUDGET PERIOD: 12/01/2014 THRU 11/30/2015		9. PROJECT PERIOD: 12/01/2014 THRU 11/30/2019		10. CAT NO./CFDA: 93.600
11. RECIPIENT ORGANIZATION: City of Chicago, Department of Family and Support Services				

26. REMARKS: (Continued from previous page)

This award is subject to the requirements set forth in 45 CFR Part 87.
(**) Reflects only federal share of approved budget.

This grant action awards the balance of funds under Common Accounting Numbers (CAN) G054120, G054121, G054122 and G054125 for the 12/01/2014-11/30/2015 budget period. Based on the final appropriation for the Head Start program in Fiscal Year (FY) 2015, the annual funding level for Head Start operations is \$120,088,000, and the training and technical assistance allocation is \$1,242,896. The annual funding level in FY 2015 for Early Head Start operations is \$6,354,777, and the training and technical assistance allocation is \$156,831.

This grant action approves a waiver of the agency's non-federal share match requirement. This action reduces the agency's amount of matching funds from \$31,960,626 to \$26,713,047 for the December 1, 2014 through November 30, 2015 budget period.