

## Revised EXHIBIT Q FISCAL REQUIREMENTS

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Grantee shall ensure compliance to the fiscal requirements of the RFA Solicitation HHS0013447, as follows:

- A. Contracts awarded from RFA HHS0013447 are funded from the United States Health & Humans Services (HHS), Substance Abuse and Mental Health Services Administration (SAMSHA), Substance Use Prevention, Treatment and Recovery Services (SUPTRS), Assistance Listing Number (ALN)93.959.
- B. Compliance with the following Code of Federal Regulation (CFR):
  - 1. SUPTRS Block Grant: 45 CFR Part 96, Subpart C, link: [45 CFR Part 96](#).
  - 2. Federal Uniform Grant Guidance for Title 2, Grants and Agreements, Subtitle A. Office of Management and Budget Guidance for Grant and Agreements, Chapter II Office of Management and Budget Guidance, Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards for , link: <https://www.hhs.texas.gov/business/grants/federal-uniform-grant-guidance>
- C. Compliance with the following Grant requirements, located at System Agency's website: <https://www.hhs.texas.gov/business/grants>
  - 1. Federal Funding Accountability and Transparency Act Reporting Requirements.
  - 2. Indirect Cost Rates.
- D. Compliance with Texas Grant Management Standards, located at Texas Comptroller of Public Accounts, link: <https://comptroller.texas.gov/purchasing/grant-management/>
- E. Access the Transactions List report in CMBHS to identify the amount of federal funds allocated to this award for each transaction.
- F. Any unexpended balance associated with any other System Agency-funded contract may not be applied to this Contract.
- G. Invoice and Payment requirements:
  - 1. Grantee shall submit monthly invoices to the System Agency utilizing CMBHS. Monthly invoices are required for all Programs awarded funding by the 15<sup>th</sup> of the month.

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2. After the closure of each Fiscal Year, System Agency shall conduct contract close-out activities. Grantee shall ensure all invoices for all Programs awarded funding, for each year (September – August) are submitted in CMBHS by October 15th. Invoices submitted after October 15th may be denied.
  3. All invoices for September service period for all Programs awarded funding must be submitted by October 15th. The invoices submitted after this date may be denied due to the grant budget period being closed.
  4. System Agency may request additional supportive documentation to support the invoices. All requests for additional information shall be provided by the deadline requested.
- H. Match and Program Income  
Grantee will:
1. Contribute five (5%) percent matching of funds.
  2. Match and program income are reported on each Programs Financial Status Report (FSR). System Agency requires the following data in the comments section of the FSR for the match and program income:
    - a. description,
    - b. funding source, and
    - c. dollar amount
  3. Adhere to the Program Income requirements in Texas Grant Management Standards (TxGMS).
  4. Will not use program income as match without System Agency approval.
  5. If the match ratio requirement is not met, System Agency may withhold or reduce payments to satisfy match insufficiency or demand a refund of the amount of the match insufficiency.
  6. Disburse program income, rebates, refunds, grant agreement settlements, audit recoveries, and interest earned on such funds before requesting cash payments including any advance payments from the System Agency.
- I. The Cost Reimbursement Budget:
1. The cost reimbursement budget documents all approved and allowable expenditures. Grantee shall *only* utilize the funding detailed in the approved cost reimbursement budget for approved and allowable costs.

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2. If needed, Grantee may revise the approved cost reimbursement budget for each allocated Program. The requirements for revising the budget for the allocation in each Program are as follows:
  - a. Grantee may transfer funds from the budgeted direct categories only, with the exception of the Equipment and Travel Categories. HHSC will determine the variance percent, which may range from ten (10) to twenty-five (25) percent. Grantee may transfer up to the identified variance percent of the allocated fiscal year Program amount without System Agency approval. Budget revisions exceeding the HHSC variance percentage are required to receive System Agency's written approval provided through the Budget Program Adjustment Form (BPA).
  - b. Grantee must adhere to the System Agency's travel policy. Grantee is required to submit a Budget Program Adjustment (BPA) form to request System Agency approval for all new out-of-state travel requests. Grantee must submit out-of-state travel requests at least ninety (90) days prior to the planned travel. System Agency will provide written notification if the new travel request is approved.
  - c. Grantee may request revisions to the approved Cost Reimbursement budgeted direct categories that exceed the HHSC variance percent requirement, excluding "Equipment", "Indirect Cost" and "Travel" categories, by submitting a Budget Program Adjustment form to the assigned contract manager. This change is considered a minor administrative change and does not require an amendment. System Agency will provide written notification of the approval or denial of the request. The budget revisions are *not* authorized, and funds *cannot* be utilized until Grantee receives written approval.
  - d. Grantee may request transferring funds between awarded Programs by submitting a Budget Program Adjustment (BPA) form to the assigned Contract Manager. This change is considered a minor administrative change and does not require an amendment. System Agency will provide written notification of the approval or denial of the request. The budget revisions are *not* authorized, and funds *cannot* be utilized until Grantee receives written approval.
  - e. Grantee may revise the Cost Reimbursement budget 'Equipment' and/or 'Indirect Cost' categories, however a formal Amendment is required. Grantee shall submit to the assigned contract manager a Budget Program Adjustment (BPA) form, which includes a justification for the revisions. The assigned Contract Manager shall provide written notification stating if the requested revision is approved. If the revision is approved, the budget revision is *not* authorized, and funds *cannot* be utilized until the Amendment is executed and signed by both parties.
  
3. The budgeted indirect cost amount is provisional and subject to change. The System Agency reserves the right to negotiate Grantee's indirect cost amount, which may require Grantee to provide additional supporting documentation to the assigned contract manager.

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### 4. Assets as Collateral Prohibited

Grantees shall not encumber equipment purchased with System Agency funds without prior written approval from the System Agency.

### 5. Property Inventory and Protection of Assets

Grantee shall:

- a. Maintain an inventory of equipment and supplies defined as controlled assets, and property described in this grant agreement and submit to the assigned grant agreement manager, upon request. At a minimum, the inventory report shall include the following:
  - i. Description of the property;
  - ii. Serial number or other identification number;
  - iii. Source of funding for the property (including the Federal Assistance Identification Number);
  - iv. Who holds title,
  - v. Acquisition date and cost of the property;
  - vi. Percentage of Federal participation of the project costs for the Federal award under which the property was acquired;
  - vii. Location use and condition of the property; and
  - viii. Any ultimate disposition data including the date of disposal and sale price of property.
- b. Maintain, repair, and protect assets under this grant agreement to assure their full availability and usefulness.
- c. If Grantee is indemnified, reimbursed, or otherwise compensated for any loss of, destruction of, or damage to the assets provided or obtained under this Grant agreement, use the proceeds to repair or replace those assets.

### 6. Bankruptcy

In the event of bankruptcy, Grantee will;

- a. Sever the System Agency property, equipment, and supplies in possession of Grantee from the bankruptcy, and title must revert to the System Agency.
- b. When directed by the System Agency, return all such property, equipment and supplies to the System Agency.
- c. Ensure that its subgrant agreements, if any, contain a specific provision requiring that in the event of the SubGrantee's bankruptcy, the SubGrantee must sever the System Agency property, equipment, and supplies in possession of the SubGrantee from the bankruptcy, and title must revert to the System Agency, who may require that the property, equipment and supplies be returned to the System Agency.

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### **J. Budget Program Adjustment Requests Requirements**

1. Grantee may request revisions to the approved cost reimbursement budget by completing a Budget Program Adjustment (BPA) Form and submitting to the System Agency Contract Manager and the SUD Mailbox at [SUD.Contracts@hhs.texas.gov](mailto:SUD.Contracts@hhs.texas.gov) or the System Agency required submission system location.
2. The types of BPA revisions Grantee may request are:
  - a. Budget changes for direct categories that exceed the allowable variance.
  - b. Budget changes to the indirect cost categories, in compliance with the System Agency approved rate.
  - c. Budget changes to the direct category, Equipment.
  - d. Budget changes to the direct category, Travel.
  - e. Requesting additional funding.
  - f. Request to transfer funding between awarded Programs.
3. System Agency will review the request to determine if the request is allowable under the RFA No. HHS0013447, if applicable, and if the request is approved or denied. The estimated timeline for System Agency to review and provide written communication on the results of the BPA request is 30 days from receiving an accepted form.
4. Each Fiscal Year (FY), the deadline to submit BPA's is March 1<sup>st</sup>.

### **K. Financial Status Report Requirements**

1. Grantee shall submit quarterly Financial Status Report (FSR) in CMBHS to document all expenditures, for each Program ID receiving funding.
2. Grantee shall submit the following supportive documentation for each quarterly FSR.
  - a. General Ledger: The general ledger for each Program receiving funding; the general ledger will document the expenditures to support the data reported in the FSR.
  - b. FSR to General Ledger Worksheet: The worksheet shall provide an analysis of the general ledger by documenting the expenses into the cost reimbursement budget category. The Worksheet shall be completed on the System Agency template.
3. Grantee shall submit a Consolidated Income Statement (revenues and expenses) and balance sheet (statement of net position) no later than 6 months after the close of the Grantee's fiscal year.