

EXHIBIT C
TEXAS DEPARTMENT OF FAMILY AND PROTECTIVE SERVICES
GRANT SUPPLEMENTAL AND SPECIAL CONDITIONS

SECTION I
SUPPLEMENTAL CONDITIONS

The following Supplemental Conditions modify the DFPS Grant Uniform Terms and Conditions.

A. Section I., B., **PROMPT PAYMENT** is deleted in its entirety.

B. Section I., C., **TRAVEL EXPENSES** is amended to add the following:

Travel must always be billed at the current approved General Service Administration (GSA) rate in effect for the service date on the invoice. Rates may be found at:

<https://www.gsa.gov/travel-resources> . Mileage rates may be found at:

<http://www.gsa.gov/mileage>.

C. Section VII., R., **LIMITATION OF DFPS NAME, SEAL OR LOGO** is deleted in its entirety and replaced with the following:

1. Grantee will not use the DFPS name, seal or logo in any form or manner.
2. Grantee will not use the DFPS name, seal or logo to imply any endorsement, approval, or sponsorship of Grantee's goods or services by DFPS.

SECTION II
SPECIAL CONDITIONS

In addition to the DFPS Uniform Terms and Conditions, the Grantee agrees to comply with the following DFPS Grant Special Conditions.

A. REPORTING ABUSE, NEGLECT, OR EXPLOITATION.

Grantee will report any suspected case of abuse, neglect, or exploitation to the appropriate authority as required by the Texas Family Code Chapter 261.

B. REMEDIES.

In addition to any other remedy provided under this Contract or state or federal law, DFPS may impose the following.

DFPS reserves the right to implement the following remedies to ensure contract compliance or to address contract violations. DFPS may require the Grantee to take specific corrective actions in order to maintain compliance with applicable federal or state regulations and the terms and conditions of this Contract. The Grantee's failure to comply with the specific

corrective actions from DFPS may be grounds for DFPS to suspend or terminate the Contract, in whole or in part.

1. Technical Assistance. DFPS may provide informal support, guidance, clarification, and other forms of technical assistance via phone, email, and fax in order to resolve contract or performance compliance issues. Grantee will document all such instances of technical assistance by DFPS in writing, including any implementation work.

2. Technical Resolution. DFPS and Grantee may enter into a joint technical process. Both parties will hold face to face meetings or scan calls where both parties will identify issues, barriers, potential solutions, and implementation strategies to fix noncompliance and performance issues. DFPS will document these sessions and provide Grantee with a final technical guidance document for implementation.

3. Letter of Concern (LOC). A LOC is a tool to assist Grantees in meeting contract requirements. A LOC serves as a formal notification of an observed deviation from contract performance, Project Work Plan or other requirements. If there are still observed deviations three months after issuance of a LOC, PEI may then begin a Corrective Action Plan (CAP). A LOC may be issued in the following circumstances:

- a. Outputs are not met for two (2) consecutive months.
- b. A core program (as determined by DFPS) component is not delivered for one (1) quarter.
- c. Identified reoccurring or ongoing issues that impact program performance for two (2) months.
- d. Required data is late, incomplete or missing in PIERS for two (2) consecutive months.
- e. Monthly billing is late, incomplete or missing for two (2) consecutive months.

4. Corrective Action Plan (CAP). DFPS will provide the Grantee with a CAP that identifies areas of noncompliance, poor performance, or other deficiencies. Grantee must respond in writing within the timeframes required in the CAP, address each identified defect, and provide an appropriately thorough response to DFPS for review and approval. After DFPS approves a CAP, it will be incorporated into the Contract by this reference. Upon receipt of DFPS approval, the Grantee must implement and maintain compliance with the requirements of the CAP. Failure to appropriately implement or maintain compliance with the CAP will serve as grounds for the exercise of any additional remedies under this Contract. A CAP may be issued in the following circumstances:

- a. A core program (as determined by DFPS) component is not delivered for two (2) quarters.
- b. Outputs are not met for four (4) consecutive months.
- c. Identified reoccurring or ongoing issues that impact program performance for four (4) months.

- d. Required data is late, incomplete or missing in PIERS for four (4) consecutive months.
- e. Monthly billing is late, incomplete or missing for four (4) consecutive month.

5. Financial Remedies for Actual Damages. DFPS reserves the right to implement fiscal remedies based on monitoring or audit findings of violations of Contract requirements; including recovery for any and all actual damages DFPS accrues as a result Grantee's noncompliance with this Contract.

6. Restriction of Staff. DFPS reserves the right to require Grantee to remove any employee, volunteer, or agent of the Grantee or any subgrantee from the provision of services under this Contract or to prohibit any employee, volunteer, or agent of the Grantee or any subgrantee from having direct contract with DFPS referred clients or client records.

C. INFORMATION SECURITY REQUIREMENTS.

Grantee must comply with:

[http://www.dfps.state.tx.us/Doing_Business/documents/Contractor Data and System Security Requirements.pdf](http://www.dfps.state.tx.us/Doing_Business/documents/Contractor_Data_and_System_Security_Requirements.pdf) and agrees to periodically check for any updates made to this document and comply with any updates made to these requirements.

D. REMOVAL OF ACCESS.

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

E. TESTIMONY IN PROCEEDINGS. Grantee will require its employees to testify in judicial and administrative proceedings at the request of DFPS. To the extent possible, Grantee will also assist DFPS in locating past employees, agents, volunteers, consultants, contractors or subgrantee when DFPS requires past employees, agents, volunteers, consultants, contractors or subgrantees to appear and testify in accordance with this subsection.

F. NOTIFICATIONS. Grantee will notify the DFPS immediately of any significant change affecting Grantee or this Contract, including, but not limited to, change of Grantee's name or identity, ownership, control, governing board membership, key personnel, any problem or potential problem associated with performance or services, or payee identification number. Grantee will also provide DFPS with any documentation or information related to a notification provided for under this section. Grantee will also notify DFPS of any lawsuit brought against Grantee related to the services provided for in this Contract. Unless otherwise noted in this Contract, Grantee will provide all notices in writing to the DFPS within ten (10) working days.

G. TRANSITION AFTER TERMINATION. At the end of the contract term or other contract termination or cancellation, Grantee will in good faith and in reasonable cooperation with the DFPS, aid in the transition to any new arrangement or provider of services. The respective accrued interests or obligations incurred to date of termination must also be equitably settled. Upon termination or expiration of this contract, DFPS will work with Grantee to transfer all services as efficiently as possible with the goal to have all necessary services transferred by the effective date of the expiration or termination of the Contract. However, in the event that a transfer of all necessary services is not possible, Grantee will continue to provide necessary services in accordance with all terms and conditions of this Contract until all necessary client services are completely transferred.

H. STATEMENT OF WORK VS. PROJECT WORK PLAN. The Statement of Work is the formal document incorporated into the contract. The Project Work Plan documents how the Grantee will achieve the performance measures outlined in the Contract. Changes to the Statement of Work require an amendment and Project Work Plans may be changed with written approval from PEI and the Grantee.

1. Statement of Work Changes. Grantee cannot make any changes to the Statement of Work without a formal contract amendment. An amendment is required to change any terms outlined in the contract including but not limited to:

- a. Performance measures (outputs/outcomes)
- b. Service areas outlined in the contract
- c. Target populations
- d. Addition or deletion of Primary Services outlined in the Statement of Work
- e. Addition or deletion of Ancillary services outlined in the Statement of Work
- f. Any extension of the contract end date

2. Project Work Plan (PWP) Changes.

- a. Any post-award contract changes to the PWP must not alter the Statement of Work for the contract without a contract amendment. The procurement and contract documents serve as the primary guide in establishing whether or not a change to the PWP is allowable.
- b. PEI may allow or make limited modifications to the PWP to meet unanticipated needs at any point during the life of the contract. Either the Grantee or PEI may identify the need for such a change.
- c. A Project Work Plan change requires prior written approval from PEI.
- d. A change to the Project Work Plan may include:
 - i. Point of contacts
 - ii. Service Delivery locations or hours

- iii. Service areas as long as the change is consistent with the original Statement of the procurement and resulting contract, e.g. add or subtract zip codes within a county (when applicable)
- iv. Policies or procedures used to provide services including:
 - v. Intake process
 - vi. Determining client eligibility
 - vii. Plan or process for retaining clients in the program
 - viii. Case documentation
 - ix. Linking participants with other social service providers when necessary
 - x. Case closure or termination of services to clients
 - xi. Referrals to subawardees
 - xii. Policies, procedures and strategies used to ensure services are not denied or delayed when respondent's agency is at maximum capacity
 - xiii. Staffing plan (provided change meets minimum contract requirements)
 - xiv. Staff training plan
 - xv. Processes concerning contract administration
 - xvi. Processes concerning subaward administration
 - xvii. Cost per client
 - xviii. Subawardees (subcontractors)

I. QUALITY INCENTIVE PROJECT (QIP)

1. Deliverables.

- a. PEI will define a set of deliverables within each strategy of PEI programs to ensure the Grantee provides quality services.
- b. PEI will inform the Grantee of the specific deliverable details and metrics for measuring via Notice of Award at the beginning of each State of Texas fiscal year and periodically throughout the contract lifecycle if PEI modifies the deliverables.
- c. PEI will track QIP deliverables are tracked through the Prevention Early Intervention Reporting System (PEIRS) throughout each year of the contract.

2. Quality Incentive Project Payments

- a. PEI may award QIP payments to high performing grantees for achieving deliverables if unspent appropriated funding is identified and approved for disbursement.
- b. Grantee will receive notice of these disbursements via a Notice of Award.
- c. Each fiscal year, Grantee may earn a maximum of 25% of their annual budget.

- J. NOTICE OF AWARD.** PEI may use a Notice of Award to announce, modify or clarify the annual grant budget, performance measures, Quality Initiative Project (QIP) terms or other contract or grant requirements.
- K. PROGRAM FORMS AND SOCIAL SECURITY NUMBERS.** Grantee is required to complete all fields of program forms in their entirety, including any social security number fields. If a client refuses to provide their social security number, Grantee must document refusal in the case file. The expectation is that Grantees make a good faith effort to obtain social security numbers and other information listed on the program form. Items with an asterisk on program forms are required fields in the database; however, the expectation is that the form is completed thoroughly. Primary caregivers must sign program forms giving consent for services prior to the provision of services.
- L. CONTRACTUAL OBLIGATIONS.** A Grantee's acceptance of funds directly under the contract or indirectly through a subaward acts as acceptance of the authority of the state, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. In accordance with the legislative audit committee, DFPS can request any documentation, at any time, to be sent to DFPS to a location DFPS chooses. Examples of documentation that may be requested includes, but is not limited to, client files in their entirety (progress notes, action plans, registration forms, protective factor surveys, sign in sheets, monthly tracking forms, referral information, etc.), invoices that support monthly billings, a grantee's full general ledger, etc.
- M. COST REIMBURSEMENT CONTRACT.**
- 1. Basis for Payment.** DFPS is not obligated to pay unauthorized costs or to pay more than Grantee's allowable and actually incurred costs consistent with 45 CFR 75, Subpart E. Grantee is responsible for submitting bills in an accurate and timely manner for each service period and for notifying DFPS of a need to expedite payment. DFPS will make reasonable efforts to process all bills received in an accurate and timely manner but does not warrant immediate payment.
 - 2. Regulation Compliance.** Grantee will remain in compliance with 45 CFR Part 75, Subpart E. The reimbursement made to Grantee will not exceed Grantee's actual costs to provide the services under this Contract and Grantee's actual costs, both direct and indirect, must be allowable, reasonable, and allocable.
 - 3. Physical Property.** Grantee will assume responsibility for the protection of all physical property and equipment purchased under this Contract. Grantee must furnish DFPS with a written, factual report of the theft of, or damage to, any equipment purchased under this contract, including circumstances concerning the loss. In addition, in the event of any theft, vandalism, or other offense against the properties, Grantee will notify appropriate local law enforcement authorities.

- 4. Equipment.** Equipment is any article of tangible nonexpendable personal property having a useful life of more than one year and an acquisition cost that equals or exceeds the lesser of: the capitalization level established by the Grantee for financial statement purposes or \$5,000. Grantee will follow the provisions of 45 CFR 75.320 regarding disposition of any equipment purchased under this Contract with funds allocated to Grantee or its sub-awardee. Grantee will not give any security interest, lien, or otherwise encumber any item of equipment purchased with contract funds. Grantee will permanently identify all equipment purchased under this contract by appropriate tags or labels affixed to the equipment. Grantee will maintain a current inventory of equipment that is available to DFPS at all times upon request. Cost reimbursement Grantees must also follow the following guidelines when contracting with DFPS.
- a. Cost reimbursement grantee must add certain types of equipment items that are classified as “controlled assets” as designated in the Comptroller’s State Property Accounting (SPA) Process User’s Guide, available on the Internet, to their inventory. Grantees should review the SPA guide periodically for the most current list.
 - b. All cost reimbursement grantees must follow the American Hospital Association’s (AHA) “Estimated Useful Lives of Depreciable Hospital Assets” for equipment disposition purposes, except when federal or statutory requirements supersede.
 - c. Grantee must request DFPS approval before disposing of equipment or controlled assets prior to the end of the useful life for that item.
 - d. Any change to the equipment category in a cost reimbursement budget will require prior approval from DFPS.

N. BUSINESS CONTINUITY AND DISASTER RECOVERY PLANS.

Upon request from DFPS, Grantee will provide copies of its most recent business continuity and disaster recovery plans.

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

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

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