

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., **TRAVEL EXPENSES** is deleted in its entirety and replaced with the following:

Travel should 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>.

- B.** 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.

- C.** Section VII., T., **REPORTING ABUSE, NEGLECT, OR EXPLOITATION** is deleted in its entirety and replaced with the following:

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

SECTION II
SPECIAL CONDITIONS

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

A. REMEDIES.

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

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

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comply with the specific corrective actions from DFPS may be grounds for DFPS to suspend or terminate the Grant, 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 virtual meeting to resolve Grant 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 a joint technical resolution process. Parties will hold face-to-face meetings, web meetings, or phone 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).** An LOC is a tool to assist Grantee in meeting Grant requirements; it serves as a formal notification of an observed deviation from Grant performance, Project Work Plan, or other requirements. If there are still observed deviations three months after issuance of a LOC, DFPS may then begin a Corrective Action Plan. An LOC may be issued in the following circumstances:
 - a. Grantee does not meet Outputs for two consecutive months.
 - b. Grantee does not deliver a core program component (as determined by DFPS) for one quarter.
 - c. DFPS identifies reoccurring or ongoing issues that impact program performance for two months.
 - d. Required data is late, incomplete, or missing in the Prevention and Early Intervention Reporting System (PEIRS) for two consecutive months.
 - e. Monthly billing is late, incomplete, or missing for two consecutive months.
- 4. Corrective Action Plan (CAP).** DFPS will provide Grantee with a CAP that identifies areas of noncompliance, poor performance, or other deficiencies. Grantee must respond in writing within the time frames 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 Grant by this reference. Upon receipt of DFPS approval, 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 Grant. A CAP may be issued in the following circumstances:
 - a. A core program component (as determined by DFPS) is not delivered for two quarters.
 - b. Outputs are not met for four consecutive months.
 - c. Identified reoccurring or ongoing issues impact program performance for four months.

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- d. Required data is late, incomplete, or missing in PEIRS for four consecutive months.
- e. Monthly billing is late, incomplete, or missing for four consecutive months.

5. Financial Remedies for Actual Damages. DFPS reserves the right to implement financial remedies based on monitoring or audit findings of violations of Grant requirements, including recovery for all actual damages DFPS accrues because of Grantee's noncompliance with this Grant.

6. Restriction of Staff. DFPS reserves the right to require Grantee to remove any employee, volunteer, or agent of Grantee or any Subgrantee from the provision of services under this Grant or to prohibit any employee, volunteer, or agent of Grantee or any Subgrantee from having direct contact with DFPS-referred Participants or Participant records.

B. 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 Subgrantees when DFPS requires past employees, agents, volunteers, consultants, contractors, or Subgrantees to appear and testify in accordance with this subsection.

C. NOTIFICATIONS.

Grantee will notify DFPS immediately of any significant change that affects Grantee or this Grant, including but not limited to change of Grantee's name or identity, ownership, control, governing board membership, key personnel, or payee identification number or any new problem or potential problem associated with performance or services. 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 Grant. Unless otherwise noted in this Grant, Grantee will provide all notices in writing to DFPS within 10 working days.

D. TRANSITION AFTER TERMINATION.

At the end of the Period of Performance or other Grant termination or cancellation, Grantee will in good faith and in reasonable cooperation with 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. On termination or expiration of this Grant, DFPS will work with Grantee to transfer all services as efficiently as possible with the goal of having all necessary services transferred by the effective date of the expiration or termination of the Grant. However, if a transfer of all necessary services is not possible, Grantee will continue to provide necessary services following all terms and conditions of this Grant until all necessary Participant services are completely transferred.

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E. STATEMENT OF WORK VS. PROJECT WORK PLAN.

The Statement of Work (SOW) is the formal document incorporated into the Grant; the Project Work Plan (PWP) documents how the Grantee will achieve the performance measures outlined in the Grant. Changes to the SOW require an amendment; PWPs may be changed with written approval from DFPS and Grantee.

1. SOW Changes. Grantee cannot make any changes to the SOW without a formal amendment. DFPS requires an amendment to change any terms outlined in the Grant including but not limited to:

- a. Performance Measures (Outputs and Outcomes).
- b. Primary Service Delivery Area outlined in the Grant.
- c. Target populations.
- d. Addition or deletion of Primary Services outlined in the SOW.
- e. Addition or deletion of Ancillary Services outlined in the SOW.
- f. Any extension of the Period of Performance.

2. PWP Changes.

- a. Any post-award changes to the PWP must not alter the SOW for the Grant without an amendment. The Grant documents serve as the primary guide in determining allowable changes to the PWP.
- b. DFPS may allow or make limited modifications to the PWP to meet unanticipated needs at any point during the Period of Performance. Either Grantee or DFPS may identify the need for such a change.
- c. A PWP change requires prior written approval from DFPS.
- d. A change to the PWP may include:
 - i. Points of contact.
 - ii. Service delivery locations or hours.
 - iii. Secondary Service Delivery Area if the change is consistent with the Request for Application requirements.
 - iv. Subawards.
 - v. Policies or procedures used to provide services including:
 1. Intake process;
 2. Determining Participant eligibility;
 3. Plan or process for retaining Participants in the program;
 4. Case documentation;
 5. Linking Participants with other social service providers when necessary;
 6. Case closure or termination of services to Participants;
 7. Referrals to Subawardees;
 8. Policies, procedures, and strategies used to ensure that services are not denied or delayed when Grantee is at maximum capacity;
 9. Staffing plan (provided change meets minimum Grant requirements);
 10. Staff training plan;

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11. Grant administration;
12. Subaward administration; and
13. Cost per Participant.

F. QUALITY INCENTIVE PROJECT (QIP).

1. Deliverables.

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

2. QIP Payments.

- a. DFPS 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.

G. NOTICE OF AWARD.

DFPS may use a Notice of Award to announce, modify, or clarify the annual Grant budget, source of funding, Performance Measures, QIP terms, or other Grant requirements.

H. 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 Participant refuses to provide their social security number, Grantee must document refusal in the case file. The expectation is that Grantee makes 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.

I. GRANT OBLIGATIONS.

A Grantee's acceptance of funds directly under the Grant 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

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location DFPS chooses. Examples of documentation that DFPS may request include, but are not limited to:

1. Participant files in their entirety (includes, but is not limited to):
 - a. Progress notes;
 - b. Action plans;
 - c. Registration forms;
 - d. Surveys;
 - e. Sign-in sheets;
 - f. Monthly tracking forms;
 - g. Referral information;
2. Invoices that support monthly billings;
3. Receipts that support monthly billings; and
4. Grantee's full general ledger.

J. COST REIMBURSEMENT GRANT.

- 1. Basis for Payment.** DFPS is not obligated to pay unauthorized costs or to pay more than Grantee's allowable and incurred costs consistent with 45 CFR 75, Subpart E. Grantee is responsible for submitting invoices 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 Grant, 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 Grant. Grantee must furnish DFPS with a written, factual report of the theft of, or damage to, any equipment purchased under this Grant, 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 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 Grant with funds allocated to Grantee or its subawardee. Grantee will not give any security interest, lien, or otherwise encumber any item of equipment purchased with Grant funds. Grantee will permanently identify all equipment purchased under this Grant by appropriate tags or labels affixed to the equipment. Grantee will maintain a current inventory of equipment that is always available to DFPS upon request. Cost reimbursement Grantees must also follow the following guidelines when partnering with DFPS.

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- 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.

K. 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.