CITY of ALBUQUERQUE
TWENTY-FIRST COUNCIL

COUNCIL BILL NO. R-14-96 ENACTMENT NO. _____

SPONSORED BY: Klarissa J. Peña

RESOLUTION

AUTHORIZING THE MAYOR TO EXECUTE AN AMENDED CONTRACT AGREEMENT WITH THE NEW MEXICO DEPARTMENT OF CHILDREN, YOUTH AND FAMILIES AND PROVIDING AN APPROPRIATION TO THE DEPARTMENT OF FAMILY AND COMMUNITY SERVICES/DIVISION OF CHILD AND FAMILY DEVELOPMENT, PRE-KINDERGARTEN PROGRAM.

WHEREAS, the City of Albuquerque provides and has as one if its functions the administration of quality preschool programs; and

WHEREAS, the City of Albuquerque will apply for these grant funds from the New Mexico Department of Children, Youth and Families; and

WHEREAS, the City of Albuquerque desires to receive these funds in order to provide enhanced preschool services to 284 eligible children.

BE IT RESOLVED BY THE COUNCIL, THE GOVERNING BODY OF THE CITY OF ALBUQUERQUE:

Section 1. Exhibit "A", an amended contract agreement including a proposed budget for receiving funds from the State of New Mexico Department of Children, Youth and Families, specifying amounts totaling Eight Hundred Seventy Six Thousand Dollars ($876,000) to provide services for eligible children as per the State of New Mexico Department of Children, Youth and Families Pre-K grant is hereby approved.

Section 2. That the Mayor is further authorized to execute an amended contract agreement with the New Mexico Department of Children, Youth and Families for said activities and do all things necessary and proper to implement the program.

[Bracketed/Underscored Material] - New
[Bracketed/Strikethrough Material] - Deletion

Section 3. That funds of Eight Hundred Seventy Six Thousand Dollars ($876,000) consisting of New Mexico Department of Children, Youth and Families contract funds are hereby appropriated to the Department of Family and Community Services for the PreK Program in Operating Grant Fund, 265, in Fiscal Year 2015.

Section 4. That from the Eight Hundred Seventy Six Thousand Dollars ($876,000) in Section 3, Thirty-One Thousand Nine Hundred Eighty two dollars ($31,982) are for indirect costs at a rate of 7.00% and hereby made part of this resolution.

Section 5. That funds in the amount of Sixteen Thousand Four Hundred Forty Seven Dollars ($16,447) from the Transfer to Operating Grants Fund Program for indirect costs are hereby appropriated to the Department of Family and Community Services Pre-Kindergarten Program in the Operating Fund, 265, for FY15 as a portion of the City's cash match.

CITY OF ALBUQUERQUE

Albuquerque, New Mexico
Office of the Mayor

Mayor Richard J. Berry

INTER-OFFICE MEMORANDUM **June 5, 2014**

TO: Ken Sanchez, President, City Council

FROM: Richard J. Berry, Mayor

SUBJECT: Resolution Authorizing the Mayor to Execute an Amended Contract Agreement with the New Mexico Department of Children, Youth and Families and Providing an Appropriation to the Department of Family and Community Services/Division of Child and Family Development (PreK)

This resolution authorizes the Mayor to enter into an amended contract agreement with the State of New Mexico Children, Youth and Families Department for a PreK program, which will provide enhanced preschool services to 284 eligible children at twenty-one (21) City locations for children age four (4). The PreK program is operated in collaboration with the City's Child Development Centers and the Department of Family and Community Services.

This legislation appropriates $892,447 in State funds. It also appropriates funds for indirect costs in the amount of $48,430.

This resolution is forwarded to the Council for consideration and action.

Legislation Title: Resolution Authorizing the Mayor to Execute an Amended Contract Agreement with the New Mexico Department of Children, Youth and Families and Providing an Appropriation to the Department of Family and Community Services/Division of Child and Family Development (Pre Kindergarten)

Approved:

8/7/14

Robert J. Perry **Date**
Chief Administrative Officer

Approved as to Legal Form:

7/29/14

David Tourek **Date**
City Attorney

Recommended:

6/11/14

Douglas H. Chaplin, Director **Date**
Dept. of Family & Community Services

FISCAL IMPACT ANALYSIS

TITLE: Authorizing a contract application with NM CYFD for Pre-Kindergarten Services

R: O:
FUND: 265

DEPT: Family and Community Services

[ ] No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.

[x] (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

		Fiscal Years 2015	2016	2017	Total
Base Salary/Wages		441,886			441,886
Fringe Benefits at	52.199%	230,660			230,660
Temporary Wages		15,000			15,000
Fringe Benefits at	17.05%	2,558			2,558
Subtotal Personnel		690,104		-	690,104
Operating Expenses		153,914			153,914
Property			-	-	-
Indirect Costs	10.60%	48,430		-	48,430
	10.6000%				
Total Expenses		$ 892,447	$ -	$ -	$ 892,447
[ ] Estimated revenues not affected					
[x] Estimated revenue impact					
Amount of Grant		876,000	-		876,000
City Cash Match				-	-
City Inkind Match					-
City IDOH		16,447	-		16,447
Total Revenue		$ 892,447	$ -	$ -	$ 892,447

These estimates do not include any adjustment for inflation.

* Range if not easily quantifiable.

Number of Positions created 1

COMMENTS: Grantor paid IDOH is capped at 7% by the State of NM. City IDOH of $16,447 is the difference between the FCS rate of 10.6% and the 7% capped amount.

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:
Pre-K services are open to all residents of Albuquerque, regardless of family income.

PREPARED BY:

Enrique Vargas 7/31/2014
FISCAL ANALYST

APPROVED:

7/31/14
DIRECTOR (date)

REVIEWED BY:

7.31.14
EXECUTIVE BUDGET ANALYST

BUDGET OFFICER (date)
7-31-14

CITY ECONOMIST

Cover Analysis

1. What is it?

Resolution Authorizing the Mayor to Execute an Amended Contract Agreement with the New Mexico Department of Children, Youth and Families and Providing an Appropriation to the Department of Family and Community Services/Division of Child and Family Development for the Pre Kindergarten for 284 eligible children.

2. What will this piece of legislation do?

Approval of this resolution allows the City to receive reimbursement for Pre Kindergarten services provided to families through the Child Development Division of Family and Community Services Department.

3. Why is this project needed?

The State Grant for Pre Kindergarten is designed to provide Pre Kindergarten for 284 slots for eligible children at twenty-one (21) city locations during the period July 1, 2014 to June 30, 2015.

4. How much will it cost and what is the funding source?

The City of Albuquerque, Department of Family and Community Services, Division of Child and Family Development has been the recipient of a grant from the New Mexico State Department of Children, Youth and Families for $892,447 of which $48,430 is for indirect costs. No matching funds will be required.

5. Is there a revenue source associated with this contract? If so, what level of income is projected?

No.

Exhibit "A"

State of New Mexico
Purchase Order

PO Number to be on all Invoices and Correspondence
Dispatch via Print

Purchase Order	Date	Revision	Page
69000-0000045447	07/18/2014		1

Payment Terms	Freight Terms	Ship Via
Pay Now	FOB Destination	Best Way

Buyer	Phone
IRENE PATTERSON	

Children, Youth & Family Dept
P.O. DRAWER 5160
SANTA FE NM 87501
United States

Ship To: 1120 PASEO DE PERALTA, ROOM 212
SANTA FE NM 87502
United States

Vendor: 0000054306
ALBUQUERQUE, CITY OF
PO BOX 17
ALBUQUERQUE NM 87103

Bill To: P.O. DRAWER 5160
SANTA FE NM 87501
United States

Origin: EXE **Exc\Excl #:** 13-1-98FF

Line-Sch	Item/Description	Mfg ID	Quantity UOM	PO Price	Extended Amt	Due Date
1- 1	Provide New Mexico Pre-K Services to 292 Children FY15.		1.00 EA	876,000.00	876,000.00	07/18/2014

69000-20080-4025000000-535300- -007727- - -115-40000

Schedule Total 876,000.00

Contract ID: 00000000000000000000016416 Contract Line: 0 Release: 2

Item Total 876,000.00

Agreement#14-690-16416

Total PO Amount 876,000.00

Agency Approval - I certify that the proposed purchase represented by this document is authorized by and is made in accordance with all State (and if applicable Federal) legislation rules and regulation. I further certify that adequate unencumbered cash and budget expenditure authority exists for this proposed purchase and all other outstanding purchase commitments and accounts payable.

Authorized Signature

AGREEMENT

THIS AGREEMENT, #14-690-16416, is entered into by and between the State of New Mexico Children, Youth and Families Department, hereinafter referred to as the "Agency" and **City of Albuquerque,** hereinafter referred to as the "Contractor."

WHEREAS, all terms and conditions of the **New Mexico PreK Program, RFA Number 2013-001** and the Contractor's response to such document(s) have met the Agency requirements;

WHEREAS, the Agency is the state agency designated to receive and administer state funds to develop and implement a voluntary pre-kindergarten (PreK) program for 4-year old children throughout New Mexico.

WHEREAS, the Agency desires to engage and the Contractor is willing to provide PreK program services to increase accessibility to voluntary quality early childhood programs.

NOW THEREFORE, the Agency and the Contractor in consideration of mutual covenants and agreements herein contained, do hereby agree as follows:

I. Period of Agreement

This Agreement shall become effective when signed by both parties and shall terminate on **June 30, 2017,** unless terminated pursuant to Article VI, infra.

II. Statement of Work

The Contractor shall provide the program of services as set forth in the scope of work which is attached hereto as "**Attachment 1 – Statement of Work**" and incorporated herein by reference, unless amended or terminated pursuant to Article VI, infra. In consideration for the provision of those services, the Agency agrees to purchase and the Contractor agrees to perform the services identified in the Statement of Work.

III. Limitation of Cost

The total amount of the monies payable to the Contractor under this Agreement shall not exceed three million, five hundred nineteen thousand dollars **($3,519,000.00).** The annual budget is attached hereto as "**Attachment 2 - Budget**" and incorporated herein by reference.

IV. Payment

The Agency shall make monthly payments to the Contractor for services and costs specified in **Attachment 2.** The Contractor shall submit certified and documented invoices and vouchers monthly for actual work performed and expenses incurred to the Agency. The Contractor's failure to submit such payment vouchers, invoices, and supporting documentation within fifteen (15) days after they are due may result in the non-availability of funds for payment and/or the

CCN: 201400103

denial of payment by the Agency.

V. Return of Funds

Upon termination of this Agreement, or after the services provided for herein have been rendered, surplus money, if any, shall be returned by the Contractor to the Agency.

VI. Termination of Agreement

This Agreement may be terminated by either of the parties hereto upon written notice delivered to the other party at least thirty (30) days prior to intended date of termination. **By such termination, neither party may nullify obligations already incurred for performance or failure to perform prior to the date of termination. THE PROVISION IS NOT EXCLUSIVE AND DOES NOT WAIVE OTHER LEGAL RIGHTS AND REMEDIES AFFORDED THE STATE IN SUCH CIRCUMSTANCES AS CONTRACTOR'S DEFAULT/BREACH OF CONTRACT.**

VII. Funds Accountability

The parties shall provide for strict accountability of all monies made subject to this Agreement. The Contractor shall maintain fiscal records, follow generally accepted accounting principles, and account for all receipts and disbursements of funds transferred to the Contractor pursuant to this Agreement. The Contractor will include all monies made subject to this Agreement in the annual audit and will provide the Agency with a copy of the annual audit.

VIII. Maintenance of Records

The Contractor shall maintain detailed time and expenditure records that indicate the date, time, nature and cost of services rendered during the Agreement's term and effect and retain them for a period of three (3) years from the date of final payment under this Agreement. The records shall be subject to inspection by the Agency, the Department of Finance and Administration and the State Auditor. The Agency shall have the right to audit billings both before and after payment. Payment under this Agreement shall not foreclose the right of the Agency to recover excessive or illegal payments. The Contractor agrees to comply with the requirements and regulations set forth in **Attachment 3**—Administrative and Fiscal Standards, unless the Contractor effectively Demonstrates in writing, with written approval from CYFD, that any specific Standard is inapplicable to such Contractor.

IX. Confidentiality

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the Agency.

X. Amendments

A. This Agreement shall not be altered, changed or amended except by instrument in writing executed by the parties hereto and all other required signatories.

B. If the Agency proposes an amendment to the Agreement to unilaterally reduce funding due to budget or other considerations, the Contractor shall, within thirty (30) days of receipt of the proposed Amendment, have the option to terminate the Agreement, pursuant to the termination provisions as set forth in Article 4 herein, or to agree to the reduced funding.

XI. Assignment

The Contractor shall not assign or transfer any interest in this Agreement or assign any claims for money due or to become due under this Agreement without the prior written approval of the Agency.

XII. Applicable Law

The laws of the State of New Mexico shall govern this Agreement, without giving effect to its choice of law provisions. Venue shall be proper only in a New Mexico court of competent jurisdiction in accordance with Section 38-3-1 (G) NMSA 1978. By execution of this Agreement, Contractor acknowledges and agrees to the jurisdiction of the courts of the State of New Mexico over any and all lawsuits arising under or out of any term of this Agreement.

XIII. Acquisition of Property

The parties agree that neither party shall acquire any property as the result of this Agreement.

XIV. Liability

Each party shall be solely responsible for fiscal or other sanctions occasioned as a result of its own violation or alleged violation or requirements applicable to the performance of the Agreement. Each party shall be liable for its actions according to this Agreement subject to the immunities and limitations of the New Mexico Tort Claims Act, Sections 41-4-1, et. seq., NMSA 1978, as amended.

XV. Execution of Documents

The Agency and the Contractor agree to execute any document(s) necessary to implement the terms of this Agreement.

XVI. Sub-Contracts

The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval by the CYFD Secretary or Designee. No such subcontract shall relieve the primary Contractor from any obligations and liabilities under this Agreement, nor shall subcontract obligate direct payment from the Procuring Agency. Contractor

must notify subcontractors that they are subject to Article VIII - Records and Financial Audit of this agreement.

XVII. Equal Opportunity Compliance

The Contractor agrees to abide by all federal and state laws and rules and regulations, and executive orders of the Governor of the State of New Mexico, pertaining to equal employment opportunity. In accordance with all such laws of the State of New Mexico, the Contractor assures that no person in the United States shall, on the grounds of race, religion, color, national origin, ancestry, sex, age, physical or mental handicap, or serious medical condition, spousal affiliation, sexual orientation or gender identity, be excluded from employment with or participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity performed under this Agreement. If Contractor is found not to be in compliance with these requirements during the life of this Agreement, Contractor agrees to take appropriate steps to correct these deficiencies.

XVIII. Workers' Compensation

The Contractor agrees to comply with state laws and rules applicable to workers' compensation benefits for its employees. If the Contractor fails to comply with the Workers' Compensation Act and applicable rules when required to do so, this Agreement may be terminated by the Agency.

XIX. Lobbying Certification

The Contractor, by signing below, certifies to the best of his/her knowledge and belief, that:

No federal appropriated funds have been paid or will be paid by or on the behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than Federal appropriated funds have been paid or will be paid 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 this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit a Standard Form LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions. The undersigned shall require that the language of this certification be included in the award document for sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of facts upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S.C. (United States Code). Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000.00 and not more than $100,000.00 for each such failure.

XX. New Mexico Employees Health Coverage.

A. If Contractor has, or grows to, six (6) or more employees who work, or who are expected to work, an average of at least 20 hours per week over a six (6) month period during the term of the contract, Contractor certifies, by signing this agreement, to have in place, and agree to maintain for the term of the contract, health insurance for those employees and offer that health insurance to those employees no later than July 1, 2010 if the expected annual value in the aggregate of any and all contracts between Contractor and the State exceed $250,000 dollars.

B. Contractor agrees to maintain a record of the number of employees who have (a) accepted health insurance; (b) declined health insurance due to other health insurance coverage already in place; or (c) declined health insurance for other reasons. These records are subject to review and audit by a representative of the state.

C. Contractor agrees to advise all employees of the availability of State publicly financed health care coverage programs by providing each employee with, as a minimum, the following web site link to additional information: http://insurenewmexico.state.nm.us/.

XXI. Background Checks

CYFD contractors that have or could have primary custody of children for at least twenty hours per week are required to comply with NMAC 8.8.3 et. seq. requiring background checks on any employee, staff, volunteer or student intern, that has direct care responsibilities or potential unsupervised physical access to clients. The contractor must submit to CYFD Background Check Unit fingerprint cards and the appropriate fee for such employees, volunteers or staff required to have background checks. CYFD Background Check Unit will conduct nationwide, state and abuse and neglect background checks on required staff or volunteers in accordance with NMAC 8.8.3 standards. A CYFD eligibility letter must be in the employee, volunteer or staff member's personnel file prior to that individual having any unsupervised direct contact or unsupervised potential access to clients.

XXII. Disclosure Regarding Responsibility

Any prospective Bidder/ Offeror (hereafter Offeror) and/or any of its Principals who seek to enter into a contract greater than twenty thousand dollars ($20,000.00) with any state agency or local public body for professional services, tangible personal property, services or construction agree to disclose whether they, or any principal of their company:

A. Are presently debarred, suspended, proposed for debarment, or declared ineligible for award of contract by any federal entity, state agency or local public body.

B. Have within a three-year period preceding this offer, been convicted of or had civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) contract or subcontract; violation of Federal or state antitrust statutes related to the submission of offers; or commission in any federal or state jurisdiction of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violation of Federal criminal tax law, or receiving stolen property.

C. Are presently indicted for, or otherwise criminally or civilly charged by any (federal state or local) government entity with, commission of any of the offenses enumerated in paragraph B of this disclosure.

D. Have preceding this offer, been notified of any delinquent Federal or state taxes in an amount that exceeds $3,000.00 of which the liability remains unsatisfied.

1. Taxes are considered delinquent if both of the following criteria apply:
   a. The tax liability is finally determined. The liability is finally determined if it has been assessed. A liability is not finally determined if there is a pending administrative or judicial challenge. In the case of a judicial challenge of the liability, the liability is not finally determined until all judicial appeal rights have been exhausted.
   b. The taxpayer is delinquent in making payment. A taxpayer is delinquent if the taxpayer has failed to pay the tax liability when full payment was due and required. A taxpayer is not delinquent in cases where enforced collection action is precluded.

E. Have within a three year period preceding this offer, had one or more contracts terminated for default by any federal or state agency or local public body.

Principal, for the purpose of this disclosure, means an officer, director, owner, partner, or a person having primary management or supervisory responsibilities within a business entity or related entities.

The Offeror shall provide immediate written notice to the Procurement Manager or Buyer if, at any time prior to contract award, the Offeror learns that its disclosure was erroneous when submitting or became erroneous by reason of changed circumstances.

A disclosure that any of the items in this requirement exist will not necessarily result in withholding an award under this solicitation. However, the disclosure will be considered in the determination of the Offeror's responsibility. Failure of the Offeror to furnish a disclosure or provide additional information as requested will render the Offeror nonresponsive.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the disclosure required by this document. The knowledge and information of an Offeror is not required to exceed that which is the normally possessed by a prudent person in the ordinary course of business dealings.

The disclosure requirement provided is a material representation of fact upon which reliance was placed when making an award and is a continuing material representation of the facts. If during the performance of the contract, the contractor is indicted for or otherwise criminally or civilly charged by any government entity (federal, state or local) with commission of any offenses named in this document the contractor must provide immediate written notice to the Procurement Manager or Buyer. If it is later determined that the Offeror

knowingly rendered an erroneous disclosure, in addition to other remedies available to the Government, the State Purchasing Agent or Central Purchasing Officer may terminate the involved contract for cause. Still further the State Purchasing Agent or Central Purchasing Officer may suspend or debar the contractor from eligibility for future solicitations until such time as the matter is resolved to the satisfaction of the State Purchasing Agent or Central Purchasing Officer.

XXIII. Employee Pay Equity Reporting

Contractor agrees if it has ten (10) or more New Mexico employees OR eight (8) or more employees in the same job classification, at any time during the term of this contract, to complete and submit the PE10-249 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. If contractor has (250) or more employees contractor must complete and submit the PE250 form on the annual anniversary of the initial report submittal for contracts up to one (1) year in duration. For contracts that extend beyond one (1) calendar year, or are extended beyond one (1) calendar year, contractor also agrees to complete and submit the PE10-249 or PE250 form, whichever is applicable, within thirty (30) days of the annual contract anniversary date of the initial submittal date or, if more than 180 days has elapsed since submittal of the last report, at the completion of the contract, whichever comes first. Should contractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, contractor agrees to provide the required report within ninety (90 days) of meeting or exceeding the size requirement. That submittal date shall serve as the basis for submittals required thereafter. Contractor also agrees to levy this requirement on any subcontractor(s) performing more than 10% of the dollar value of this contract if said subcontractor(s) meets, or grows to meet, the stated employee size thresholds during the term of the contract. Contractor further agrees that, should one or more subcontractor not meet the size requirement for reporting at contract award but subsequently grows such that they meet or exceed the size requirement for reporting, contractor will submit the required report, for each such subcontractor, within ninety (90 days) of that subcontractor meeting or exceeding the size requirement. Subsequent report submittals, on behalf of each such subcontractor, shall be due on the annual anniversary of the initial report submittal. Contractor shall submit the required form(s) to the State Purchasing Division of the General Services Department, and other departments as may be determined, on behalf of the applicable subcontractor(s) in accordance with the schedule contained in this paragraph. Contractor acknowledges that this subcontractor requirement applies even though contractor itself may not meet the size requirement for reporting and be required to report itself. Notwithstanding the foregoing, if this Contract was procured pursuant to a solicitation, and if Contractor has already submitted the required report accompanying their response to such solicitation, the report does not need to be re-submitted with this Agreement.

XXIV. Health Insurance Portability and Accountability Act of 1996.

The Contractor agrees to comply with the Health Insurance Portability and Accountability Act of 1996, and the terms in **Attachment 4, Business Associate Agreement,** which is attached and incorporated by reference.

IN WITNESS WHEREOF, the Agency and the Contractor have caused this Agreement to be executed, said Agreement to become effective when signed by both parties.

Contractor –

Authorized Signatory — Date: 8/13/13

Director, DFCS
Printed Title of Authorized Signatory

Legal Counsel, Contractor — Date: 8/13/13

Agency – Children, Youth and Families Department

Secretary or Designee, CYFD — Date: 8/20/13

Approved as to legal form and sufficiency.

Office of General Counsel, CYFD — Date: 8/20/13

Attachment 1 – Statement of Work
City of Albuquerque

Performance Measures:
Measurement and documentation of individual growth using the criterion-based documentation and assessment tool to include completing four (4) NM PreK Portfolio Collection Forms for each child in fall and spring of each contract year implementation of the New Mexico PreK Program Standards and Learning Outcomes; maintaining adherence to all NM PreK Administrative Procedures and Essential Program Requirements.

Goal: The PreK program services are to increase accessibility to voluntary quality early childhood programs.

Objective I: Use funds for PreK programs.

Objective II: Focus on school readiness.

Objective III: Provide developmentally appropriate activities for children who have reached their fourth (4th) birthday on or before 12:01 a.m., September 1, of the current year

Goal: Meet the criteria in Standard II of the *New Mexico PreK Program Standards* by requiring staff to obtain six (6) hours of college credit annually toward the staff qualification standards.

Objective I: Staff will access the Teacher Education and Compensation Helps (T.E.A.C.H.) scholarship program.

Objective II: Each staff member will have a current professional development plan in place by October 1 of the current year including, if appropriate, the six (6) college credit hours required.

Objective III: Submit documentation of the successful completion of the six (6) college credit hours for each staff member at the end of each contract year until the staff qualifications are met.

Activities:
The Contractor shall provide the services described in the tasks listed below:

1. Ensure that all requirements related to the NM PreK Administrative Procedures, herein stated as APPENDIX 1 and NM PreK Program Standards and Quality PreK Services, herein stated as APPENDIX 2 are implemented.

2. Provide PreK services for a minimum of 450 hours of classroom-based services plus at least 90 hours to include:
    a) one home visit conducted early in the contract year,
    b) at least three parent conferences that coincide with the child assessment cycle,
    c) at least two opportunities for parent group meetings, and

d) professional development, training, transition, or other program-related activities (e.g. required training regarding the PreK data base, ***ECERS-R*** and ***ECERS-E*** and the child observation, assessment and planning cycle).

3. Adhere to the principles of the ***New Mexico PreK Curriculum Policy Brief*** with activities based upon sound child development/early childhood principles; the needs, interest, desires, and relevant life experience of the children and families served; the language, home experiences, and cultural values of the children served; and the program's goals and objectives. Content is based on the ***New Mexico Early Learning Guidelines*** and is designed to achieve long-range goals for children in all domains-physical, motor, social, emotional, language, and cognitive –and to help children prepare to function as fully contributing members of a democratic society.

4. Establish administrative systems of supervision and oversight to ensure:

   a) program compliance with this agreement and alignment with the NM PreK Program Standards and use of the NM PreK Early Learning Guidelines and NM PreK Observational Assessment tools and planning cycle. (the most current version available at www.newmexicoprek.org) to meet the total developmental needs of children (e.g. physical, cognitive, social and emotional, health care, nutrition, and safety).
   b) that each staff member has a current professional development plan in place with specific professional goals and timelines, no later than October 1 of the current year. They must document their on-going activities to increase their knowledge, specialization and qualifications in early childhood education, individualization, and family support.
   c) that teachers and/or assistants not meeting staff qualifications in the NM PreK Program Standards take at least six (6) hours of college credit annually toward meeting the standard and include work toward meeting these requirements in their professional development plan. Documentation of successful completion of the six (6) hours will be required at the end of each contract year.

5. Provide services to 292 children at the following location: Alamosa, Barelas, Carlos Rey, Duranes, Emerson, Governor Bent, Hawthorne, La Luz, Longfellow, Manzano, Plaza Feliz, Singing Arrow and Vincent Griego in Albuquerque, New Mexico. All 292 children shall not have been identified for PreK services through any other funding source. All of the children served must have reached their fourth (4th) birthday on or before 12:01 a.m., September 1, of the current year. Sixty-six per cent (66%) of the children served must live in the targeted community(ies) and 100% of the children must live in the attendance zone of a Title 1 school.

6. By November 1 of the current year, full enrollment is required, and, if the enrollment cannot be met, the agreement award is subject to an amendment to reduce the number served.

7. Comply with all participation and data reporting requirements for the following:
   a) child observation, documentation and planning cycle;
   b) exclusive use of the ***New Mexico PreK Observational Assessment Tools***;
   c) the NM PreK lesson plan form; and
   d) attend required NM PreK trainings.

8. Ensure that the program has a current written plan to engage parents in appropriate parental involvement activities. The plan shall include how the program will use both the children's portfolios and the New Mexico Parent Materials (on NM PreK website) to assist parents in supporting their child's learning.

9. Fully participate in the NM PreK Consultant program, including released time for consultation with the assigned NM PreK Consultant, to ensure implementation of the NM PreK Observational Assessment tools and planning cycle.

10. Use appropriate strategies, including recruitment, to prioritize the enrollment of children without access to high quality early childhood education.

11. Provide reports in a format designated by the Office of Child Development no later than the 15th of October, 15th of February, and the final report at the end of each fiscal period. The first report shall contain a current lesson plan using the required NM PreK lesson plan form.

12. Provide needed materials based on a needs assessment, to include an internal or external ECERS-R/ECERS-E, early in the year.

13. Invoices MUST be submitted monthly no later than the 15th in order to ensure timely processing. Please submit invoices to: your NM PreK Program Monitor, CYFD/ECS/OCD, P.O. Drawer 5160, Room 111 Santa Fe, NM 87502-5160.

14. Start Up & Safety funds MUST be expended and invoiced within four months of the program beginning. Items and materials purchased must reflect your original proposed plan as well as the results of your ECERS-R/ECERS-E.

The Agency Shall:

1. Conduct at least one site visit each contract year for programs continuing in NM PreK and at least two site visits each year to programs new to NM PreK.

2. Provide technical assistance and guidance as deemed necessary by the Agency or as requested by the Contractor. This may be provided by telephone, e-mail or on-site.

3. Maintain contact with consultants employed by the University of New Mexico who provide technical assistance and guidance regarding the use of the ***New Mexico PreK Observational Assessment Tools*** and the NM PreK lesson plan to support program's use of the observation, documentation and planning cycle.

Attachment 2 – Budget
City of Albuquerque

To Provide NM PreK Services FY14	**$ 876,000.00**
Start Up & Safety	**$ 15,000.00**
To Provide NM PreK Services FY15	**$ 876,000.00**
To Provide NM PreK Services FY16	**$ 876,000.00**
To Provide NM PreK Services FY17	**$ 876,000.00**
TOTAL	**$3,519,000.00**

The total amount of the agreement shall not exceed **$3,519,000.00,** including gross receipts tax.

Per diem and mileage, and other miscellaneous expenses, will be paid in accordance with the Department of Finance and Administration (DFA) Rule 2.42.2 NMAC.

Funding Information
State General Funds

Appendix 1: Requirements Related to NM PreK Administrative Procedures

1. All Funded Programs shall ensure that each early childhood educator is provided their own current copy of the *NM PreK Program Standards, the PreK Curriculum Policy Brief, the PreK Lesson Plan Form, the NM PreK Essential Indicators with Rubrics,* and *Assurances* prior to the first day of the PreK program services.
2. All Funded Programs shall ensure that PreK funds are used to supplement and expand existing resources and are not to be used to take the place of or supplant any funding that is being utilized for PreK services.
3. All Funded Programs shall address the total development needs of children, including physical, cognitive, social and emotional needs.
4. All Funded Programs shall ensure confidentiality of all children's files by providing and maintaining a secure filing system.
5. All Funded Programs shall update information on the NM PreK database by the 5th of each month.
6. All Funded Programs shall inform parents of the availability of their local PreK program including how children will be recruited, selected, and enrolled through a process that assures equal access to the program and meets priorities for enrollment.
7. All Funded Programs shall establish a process of continuous quality improvement by completing a quality program improvement plan using a variety of self-assessment tools including environmental rating scales and student data.
8. All Funded Programs shall ensure written transition policies and procedures are in place for families of children moving into the program, exiting the program, and/or transitioning into kindergarten. The transition procedures must reflect the diversity and uniqueness of the children and community in which they reside. Transition procedures include a series of transition activities (e.g. home visits, parent meetings, kindergarten visits) that will prepare the child and family for the changes and help to make for a positive transition.
9. All Funded Programs shall ensure that early childhood education Director's attend at least one scheduled NM PreK Administrators' Meeting/Training.
10. All Funded Programs shall adhere to NM PreK licensure adult to child ratios at all times.
11. All Funded Programs shall maintain active state licensing status.
12. All Funded Programs shall ensure that teachers and educational assistants, assigned to PreK classrooms, will not be assigned to non-PreK duties during PreK funded times.
13. All Funded Programs shall fully participate in the PreK Consultant (teacher mentor) program, including providing release time for consultation with the assigned NM PreK Consultant, to ensure implementation of the current ***New Mexico PreK Observational Assessment*** tools and planning cycle.
14. All Funded Programs shall provide program reports in a format designated by CYFD no later than the 15th of October, and the 15th of February to report program progress. A final, end of the year report will be due no later than June 15th.
15. All Funded Programs shall submit request for reimbursements on a monthly basis to CYFD.
16. All Funded Programs will be expected to enter into a written agreement (sample agreement available at *www.CYFD.org* or can be mailed upon written request).

Appendix 2: Essential Program Requirements Related to NM PreK Program Standards and Quality PreK Services

1. All Funded Programs shall ensure that the lead teacher in each CYFD PreK program classroom have or be taking credit–bearing college course work toward a Bachelor's degree in Early Childhood Education which may qualify them for either the *New Mexico Early Childhood Teacher License: Birth through Third Grade* or the *New Mexico Early Childhood Teacher License: Age Three through Grade Three.*
2. All Funded Programs shall ensure that the educational assistants in each CYFD PreK program classroom have or be taking credit-bearing college course work toward an Associate's degree in Early Childhood Education which qualifies them for the Educational Assistant License from the Public Education Department or the Associate of Early Education Certificate from the Office of Child Development, whichever is most appropriate for their place of employment.
3. All Funded Programs shall ensure that each **PreK** teacher and educational assistant has a current professional development plan in place with **PreK** program specific professional goals and timelines, no later than October 1, 2013. They must document their on-going activities to increase their knowledge, specialization, and qualifications in early childhood education, individualization, and family support.
4. All Funded Programs shall ensure to the maximum class size (20) and teacher-child ratios(1:10) at all times:
5. All Funded Programs shall provide a minimum of 540 hours of services for children/families including a minimum of 450 hours of classroom-based instruction and 90 hours for the following:
   - One (1) home visit conducted early in the school year.
   - At least three (3) parent conferences that coincide with the child assessment cycle.
   - At least two (2) opportunities for parent group meetings for interaction, information and transition activities.
   - Professional Development, transition and other activities required by the ***New Mexico PreK Program Standards*** (available at www.newmexicoprek.org). Required professional development includes training on the following: the **PreK** database, the child observation, assessment and planning cycle, ***the Early Childhood Environmental Rating Scale-Revised Edition (ECERS-R)*** and ***Early Childhood Environmental Rating Scale-Extension (ECERS-E)***.
6. All Funded Programs shall ensure that each child in the **PreK** Program receives the following health screenings prior to the beginning of the program or within the first month of attendance: physical examination, current immunizations, vision screening, hearing screening, and dental screening. Necessary referrals are made to community health providers.
7. All Funded Programs shall ensure that each child in the **PreK** program receives a developmental screening prior to the 3rd month of attendance. Programs will work for

early detection of children at risk for developmental delay. Where possible, the dominant language of the child will be used during screening. Parents will be included in the screening process and informed of the results. Ensure that appropriate referrals and services are made available to address all identified concerns.

8. All Funded Programs shall ensure that all classrooms provide inclusive settings for children with developmental delays and disabilities enrolled in your **PreK** program based on federal IDEA using cost allocation methods in collaboration with the school district's special education department to fund these students. Children who are receiving services as "speech-only" may be served in **PreK** classrooms without cost allocation.
9. All Funded Programs will provide at least one meal (breakfast or lunch) per school session that meets the United States Department of Agriculture (USDA) requirements by participating in the School Lunch Program/Child Care Food Program. All meals and snacks will be provided by the **PreK** program free of charge and must meet USDA requirements. All **PreK** children are categorically eligible for free meals.
10. All Funded Programs shall ensure that the program has a current written parent engagement plan that includes appropriate parental involvement activities. The plan will include how the program will use both the children's portfolios and the **New Mexico PreK** Parent Materials (available at www.newmexicoprek.org) to assist parents in supporting their child's learning.
11. All Funded Programs shall implement classroom-based services using the observation, documentation, and planning cycle required by the current ***New Mexico PreK Observational Assessment System*** (available at www.newmexicoprek.org) **and** attend the required two (2) required trainings for PreK teachers and educational assistants.
12. All Funded Programs shall adhere to the principles of the current ***New Mexico PreK Curriculum Policy Brief*** (available at www.newmexicoprek.org) with activities based upon sound child development/early childhood principles; the needs, interests, desires, and relevant life experiences of the children and families served; the language, home experiences, and cultural values of the children served; and the program's goals and objectives. Content is based on the current ***New Mexico Early Learning Guidelines*** (available at www.newmexicoprek.org) and is designed to achieve long-range goals for children in all domains-physical, motor, social, emotional, language, and cognitive. A diagram of the essential elements of **NM PreK** curriculum is below.
13. All Funded Programs shall comply with all participation and program data reporting requirements for the:

    Child observation, documentation and planning cycle,
    Exclusive use of the current ***New Mexico PreK Observational Assessment*** tools, and
    Use of the New Mexico PreK lesson plan form.

Please see full version of the *New Mexico PreK Program Standards* at
www.newmexicoprek.org.
for additional indicators that are evidenced in high quality programs.

Attachment 3

CHILDREN, YOUTH AND FAMILIES DEPARTMENT'S

ADMINISTRATIVE

AND

FISCAL STANDARDS

For Sole Proprietors,

For Non-Profit Organizations,

Local Bodies of Government,

And

For-Profit Incorporated Entities

Revised January 15, 2013

Note: All contractors are required to adhere to all local, state and federal regulations as applicable to their operations. All contractors are required to follow audit and reporting

requirements set forth in this document. In the event of a contradiction between these standards and contract requirements the contract agreement supersedes the Administrative and Fiscal Standards.

ADMINISTRATIVE STANDARDS

For Non-Profit Organizations

1. The Board shall ensure that the agency has current articles of incorporation that meet all of the legal requirements of the governmental jurisdiction in which the contractor is located.

2. The Board shall ensure that the agency has current by laws that are filed with the appropriate local, state, or federal body. At a minimum, the agency by-laws should include:
   a. Membership (types, qualification, rights, duties);
   b. Size of Board of Directors;
   c. Method of selection and removal;
   d. Duties and responsibilities of officers;
   e. Committees;
   f. Quorums;
   g. Recording of minutes;
   h. Method for amending by-laws.

3. The Board shall ensure that the agency complies with applicable legal requirements and regulations of all governmental and legally authorized agencies under whose authorities it operates. These include, but are not limited to those regarding equal employment opportunity, workers compensation, unemployment insurance, affirmative action, safety, licensing, etc.

4. Board members shall be residents of the area served by the organization and representative of the social, economic, linguistic, ethnic, and racial target population. The agency shall not employ a person related to a Board member by consanguinity or affinity within the third degree. This includes, but is not limited to, spouse, mother, father, brother, sister, grandparents, aunt, uncle, niece, nephew, first cousins, mother-in-law, father-in-law, brother-in-law or sister-in-law.

5. A permanent record shall be kept of all meetings of the Board. Minutes of the meetings of the agency's Board are required in order to accurately record the decisions made and actions taken. These minutes shall included, but not be limited to, meeting date, names of members attending, topic discussed, decisions reached, actions taken, and attachment of any documents referenced. Board minutes shall be signed and approved by an officer of the Board.

For All Contractors

Personnel

1. The contractor shall have a current and dated organization chart that accurately reflects the staff structure of authority, responsibility and accountability within the organization. The organizational chart must illustrate the relationship of each position or department to all other positions or departments within the organization.

2. The contractor shall have written personnel policies and procedures. All policies and procedures shall be reviewed annually, and any changes, additions, deletions, etc., shall be dated. Procedures must be in place that allows employees to provide input into changes in agency and personnel policies and procedures.

3. The contractor shall maintain current, written job descriptions and job qualifications for all positions (staff, consultants and direct service volunteers) in the agency. Each job description shall include, at a minimum:
    a. Job title;
    b. Salary range;
    c. Duties;
    d. Responsibilities of the positions;
    e. Required minimum experience;
    f. Required minimum training;
    g. Required minimum education.

4. The contractor shall maintain a current, accurate and confidential personnel record for each paid and direct service volunteer employee. A personnel record on each employee shall contain, at a minimum;
    a. Job description;
    b. Initial application/resume;
    c. Documentation of reference letters;
    d. Result of employment investigation;
    e. Background checks;
        1. CYFD contractors that have or could have primary custody of children for at least twenty hours per week are required to comply with NMAC 8.8.3 et. seq. requiring background checks on any employee, staff, volunteer or student intern, that has direct care responsibilities or potential unsupervised physical access to clients. The contractor must submit to CYFD Background Check Unit fingerprint cards and the appropriate fee for such employees, volunteers or staff required having background checks. CYFD Background Check Unit will conduct nationwide, state and abuse and neglect background checks on required staff or volunteers in accordance with NMAC 8.8.3 standards. A CYFD eligibility letter must be in the employee, volunteer or staff member's personnel file prior to that individual having any unsupervised direct contact or unsupervised potential access to clients.
    f. Education/experience required;
    g. Wage and salary information;
    h. Job performance evaluation;
    i. Documentation/verification of all previous and ongoing training (including all component specific training and education);
    j. Incident reports;
    k. Commendations or disciplinary actions (if any).

This information must be reliable, accurate and current. All employee records must be kept in a locked file to ensure confidentiality.

5. The contractor shall be headed by a director. The director shall be responsible for the daily operation of the agency through decision-making, authorization of expenditures, and the implementation of policies and procedures.

Physical Facilities

The physical facilities must meet all licensing requirements per classification and should be located, constructed, equipped and operated to promote the efficient and effective conduct of the contractor's programs, to protect the health and safety of the persons serviced and the staff to promote the integration of those served into the community, to be accessible to persons served, staff and the community, meet the American's with Disabilities Act (ADA) and the Drug-Free Workplace Act of 1988.

FISCAL STANDARDS

For All Contractors

Compliance

1. The contractor shall comply with all federal and state statutes, rules and regulations. Cost principles, administrative requirements and audit requirements, applicable to federal grants shall apply to state funds. See attached Source Sheet.

2. The contractor shall comply with all aspects of the provision of the contact, including all insurance, bonding and audit and financial reporting requirements.

Insurance

1. The contractor, with the exception of New Mexico higher education institutions, shall obtain and maintain at all times during the term of this contract an Employee Dishonesty Policy covering the activities of the contractor in the amount of no less than 25% of the total (cumulative) dollar amount of the current CYFD contract(s).

2. The contractor shall obtain and maintain at all times during the term of this contract a general and professional liability insurance policy issued by an insurance company licensed to do business in the State of New Mexico. The policy shall include liability insurance coverage provided in the amount of at least $100,000 for damage to or destruction of property arising out of a single occurrence; $300,000 to any person for any number of claims arising out of a single occurrence for all damages other than property damage; or $500,000 for all claims arising out of a single occurrence. The policy shall be secured by the contractor within thirty (30) days of the effective date of the current contract.

3. The contractor, with the exception of New Mexico higher education institutions if insured by General Services Department's Risk Management Division, shall secure and maintain sufficient fire and extended hazard insurance on all property in the custody of the contractor, which is furnished or owned by the Department or in which the Department has a financial

interest, within thirty (30) days of the effective date of the current agreement. Sufficient insurance, for the purposes of this paragraph, means enough to cover CYFD's loss, if any to such property, in the event of fire or other hazard.

4. The contractor, with the exception of New Mexico higher education institutions if insured by General Services Department's Risk Management Division, shall name Children, Youth and Families Department as an "Additional Insured" with the insurance carrier of the contractor's liability insurance. A copy of the contractor's "Certificate of Liability Insurance" proving compliance with all the above insurance requirements must be available upon request.

Fiscal Books of Records

The contractor must maintain the following books of record:

1. Chart of Accounts
2. General Ledger
3. Cash receipts and Cash Disbursements Journals
4. General Journal of adjusting entries, correcting entries, accrual entries, and cost allocation entries if not provided for in cash journals.
5. Subsidiary ledgers, if applicable to the organization.
6. Any Capital Outlay Inventory purchased with CYFD funding includes at a minimum:
   a. Description of property;
   b. Serial number or other ID number;
   c. Date of purchase;
   d. Acquisition cost by funding source(s);
   e. Location and use of property;
   f. Disposition data including date and price, if any.
7. Payroll journals and employee earnings records.
8. Fiscal Policy and Procedures that must include:
   a. Handling of cash/checks;
   b. Handling of voided checks;
   c. Authorized check signatures;
   d. Bank reconciliations;
   e. Separation of duties;
   f. Accounting system;
   g. Travel;
   h. Cost allocation method;
   i. Accounting policies for donations.

Reports

1. The contractor shall complete in full the State and Federal payroll tax forms in accordance with required time period and shall insure payroll taxes are paid within the required time frame.

2. The contractor shall complete in full and submit the required forms of the State Department of Labor.

3. The contractor shall submit timely program and financial reports to the funding agencies as specified in the contracts.

Retention of Records

The following are the requirements for the retention of financial records:

1. The contractor shall maintain for three (3) years, (in addition to current year records) detailed accounting and billing records which indicate the date, time, and nature of services rendered, records relating to contract services, and all operating financial documentation which shall be subject to inspection by the Department and if applicable, the State Auditor or their designee.

2. The Department shall have a right to audit billings and related documents both before and after payment. Payments made under a contract between the contractor and the Department shall not foreclose the right of the Department to recover excessive, illegal payments, and/or payments which are not in accordance with the contract.

3. The contractor shall maintain the funds from the CYFD contract **separately** in accurate financial records, books, files, and reports in accordance with generally accepted accounting principles, state and federal laws and regulation, and the requirements of the Departments as described in this Administrative and Fiscal Standards Guidance.

4. The financial management systems established by the contractor shall ensure it provides fiscal and budgetary controls as well as sound accounting procedures. A Schedule of Revenues & Expenditures Budget to Actual Comparison for each contract must be prepared and submitted to the Department at the same time as the annual financial audit or financial statement. The Schedule must include the approved original budget for the fiscal year, revised budget, actual revenue and expenditures and a variance column.

Audits

NOTE: Audit and financial reporting requirements are applicable to all contractors of Children, Youth and Families Department.

1. Sole proprietor contractors receiving Department funds under $100,000.00 must submit to the Department the Sole Proprietor Business Reporting Form "Schedule C". Sole Proprietor billings are subject to review by the CYFD contract and program site reviewers and must be available upon request. A Sole Proprietorship is a type of business entity that is owned and run by one individual and in which there is no legal distinction between the owner and the business.

2. Audits for a contractor receiving under $150,000.00 per year in cumulative Department funds (a total of all CYFD contracts awarded to the contractor within a fiscal year) whose Board has elected to not conduct an audit must comply with the following:

    a) The contractor shall prepare financial statements that include a Revenue and Expenditure – Budget to Actual Comparison, Balance Sheet or Statement of New Assets and Income Statement or Statement of Activities. The contractor shall disclose the method of accounting used (cash or accrual) to prepare such statements. The Revenues and Expenditures – Budget to Actual Comparison statement must include the original budget for the fiscal year as approved by the Board, revised budget, actual revenue and expenditures and variance column. A cash disbursement and cash receipt journal cannot take the place of the Balance Sheet and Income Statement. These financial statements shall be submitted to the Department's Contract/Audit Unit within three (3) months of the contractor's fiscal year end.
    b) This section (Section 2) does not apply to sole proprietor contracts covered under Audits section 1.

3. Audits for a contractor receiving $150,000.00 to $300,000.00 per year in cumulative Department funds (a total of all CYFD contracts awarded to the contractor with in a fiscal year) whose Board has elected to not conduct an audit must comply with the following:

    a) The contractor shall have an Independent Auditor's Report of Agreed-Upon Procedures (AUP) to ensure compliance with contract requirements in accordance with General Accepted Accounting Practice (GAAP). The AUP report shall be submitted to the Department's Contract/Audit Unit within nine (9) months of the contractor's fiscal year end.

    b) The contractor shall ensure that the selected accounting firm performing the AUP report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two-year break. The selected accounting firm shall not have provided non-auditing services within the year being reviewed.

4. Audits for a contractor receiving $300,000.00 or greater per year in cumulative Department funds (a total of all CYFD contracts awarded to the contractor with in a fiscal year):

    a) The contractor shall have an Independent Audit Report that conforms to the General Accounting Standards (Yellow Book) as recommended by GAO. This Independent Audit Report shall be submitted to the Department's Contract/Audit Unit within nine (9) months of the contractor's fiscal year end. The contractor must also submit a copy of any Management Letter Comments issued by the Independent Auditor in a separate report.

    b) The contractor shall ensure that the auditor or auditing firm performing the audit report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two year break. The selected auditor shall not have provided non-auditing services within the year being audited.

5. Audit for an contractor receiving over $500,000.00 per year in cumulative Federal funds (a total of all contracts awarded to the contractor with in a fiscal year) the contractor must

receive an audit as required by the U.S. Office of Management and Budget, Circular A-133 Audits of States, Local Governments and Non-Profit Organizations. The contractor must also submit a copy of any Management Letter Comments issued by the Independent Auditor in a separate report.

a) The Contractor must submit one copy of their audited financial statements within nine (9) months of their fiscal year end to the Agency's Contract/Audit Unit. The Contractor must also submit a copy of the Management Letter Comments issued by the Independent Auditor in a separate report.

b) The contractor shall ensure that the auditor or auditing firm performing the audit report is rotated every six (6) years (or less if mandated by the State Auditor) with a minimum two-year break. The selected auditor shall not have provided non-auditing services within the year being audited.

6. Financial Statements, AUP and Audits must be mailed to:

Children, Youth and Families Department
Contract/Audit Unit
P.O. Box 5160
Santa Fe, NM 87502

SOURCE SHEET

ADMINISTRATIVE REQUIREMENTS

Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments; also known as the Common Rule.

OMB Circular A-110, Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations.

COST PRINCIPLES

OMB Circular A-87, Cost Principles for State and Local Governments.

OMB Circular A-122, Cost Principles for Non-Profit Organizations.

FASB and AICPA Statements and Professional Pronouncements.

AUDITS

OMB Circular A-133 Audits of States, Local Governments and Non-Profit Organizations.

OMB Compliance Supplement for Audits of States, Local Governments and Non-Profit Organizations.

U.S. General Accounting Office, Government Auditing Standards, (The Yellow Book, current revision).

FASB and AICPA Statements and Professional Pronouncements.

Attachment 4 – Business Associate Agreement

This is a business associate agreement in compliance with 45 CFR Section 160.504(e)(2) of the HIPAA privacy rule. Contractor understands that it may be considered a business associate of the Department under the HIPAA Privacy and Security Rules. Accordingly, the parties agree:

- The disclosures the Department will make to Contractor of any information that identifies an individual and includes information about the individual's health (protected health information), whether in electronic or physical form, shall be limited to the minimum reasonably necessary for Contractor's delivery of services described in the Scope of Agreement to which the parties have agreed to in the Contract.

- Any disclosures by Contractor of the individual's protected health information inconsistent with this agreement are strictly prohibited and shall be cause for termination of the Contract. Contractor shall take all reasonable steps to avoid such disclosures, including but not limited to implementation of all practical administrative, physical and technical safeguards.

- After the expiration of this Contract, whether because a party has cancelled it, it is fully executed or for any other cause, Contractor shall return all documents containing the individual's protected health information to the Department. Contractor also agrees that it shall take reasonable affirmative precautions to avoid any unauthorized disclosures of protected health information to third parties.

- Contractor understands it is responsible for reporting unauthorized disclosures, including but not limited to electronic security violations, to the Department's privacy office or the federal Office of Civil Rights. Contractor also understands it is responsible for reporting any other disclosure for purposes other than treatment, payment or operations to the Department's privacy office.

- Contractor agrees to bind their agents and subcontractors to the terms of this agreement.

- Contractor understands an individual has the right to inspect and request changes to the protected health information the parties use or create and that an appropriate privacy officer or the federal Office of Civil Rights has the authority to inspect the parties' procedures for management of the individual's protected health information.