

CONTRACT AMENDMENT #3

SIGNATURE AND COVER PAGE

State Agency Colorado Department of Human Services Office of Behavioral Health	Original Contract Number 18 IHJA 107352
Contractor City of Longmont	Amendment Contract Number 21 IHJA 161981
Current Contract Maximum Amount Initial Term State Fiscal Year 2018 \$219,951.00 State Fiscal Year 2019 \$362,500.00 Extension Terms State Fiscal Year 2020 \$368,987.00 State Fiscal Year 2021 \$368,987.00 Total for All State Fiscal Years \$1,320,425.00	Contract Performance Beginning Date April 6, 2018 Current Contract Expiration Date June 30, 2021

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

CONTRACTOR City of Longmont By: Brian J. Bagley, Mayor Date: _____	STATE OF COLORADO Jared Polis, Governor Department of Human Services Michelle Barnes, Executive Director By: Carie Gaytan, Director of Finance, Office of Behavioral Health Date: _____
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In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By: _____
Andrea Eurich / Janet Miks / Toni Williamson

Amendment Effective Date: _____

1. PARTIES

This Amendment (the “Amendment”) to the Original Contract shown on the Signature and Cover Page for this Amendment (the “Contract”) is entered into by and between the Contractor, and the State.

2. TERMINOLOGY

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

3. AMENDMENT EFFECTIVE DATE AND TERM

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date, and shall have no obligation to pay Contractor for any Work performed or expense incurred under this Amendment either before or after of the Amendment term shown in **§3.B** of this Amendment.

B. Amendment Term

The Parties’ respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment and shall terminate on the termination of the Contract.

4. PURPOSE

Under the original contract the Contractor implemented a Co-Responder Program for its community by collaborating with key stakeholder partners.

The purpose of this contract amendment is to update and replace the following exhibits with the most current version for FY21 contract extension and renewal: Exhibit A, Statement of Work; Exhibit B, Budget for FY21; and Exhibit D, Miscellaneous Provisions, and to remove Exhibit C, Work Plan.

5. MODIFICATIONS

The Contract and all prior amendments thereto, if any, are modified as follows:

- A. The Contract Initial Contract Expiration Date on the Contract’s Signature and Cover Page is hereby deleted and replaced with the Current Contract Expiration Date shown on the Signature and Cover Page for this Amendment.
- B. The Contract Maximum Amount table on the Contract’s Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown on the Signature and Cover Page for this Amendment.
- C. REPLACE Exhibit A, Statement of Work with Exhibit A-1, Statement of Work, attached hereto and incorporated hereby by reference.
- D. REPLACE Exhibit B-2, Budget with Exhibit B-3, Budget, attached hereto and incorporated by reference.
- E. REMOVE Exhibit C-1, Work Plan.

F. REPLACE Exhibit D-1, Miscellaneous Provisions with Exhibit D-2, Miscellaneous Provisions, attached hereto and incorporated by reference

6. LIMITS OF EFFECT AND ORDER OF PRECEDENCE

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments or other modifications to the Contract, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Contract, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract or any prior modification to the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Contract to the extent that this Amendment specifically modifies those Special Provisions.

CITY OF LONGMONT:

MAYOR

ATTEST:

CITY CLERK

DATE

APPROVED AS TO FORM:

SENIOR ASSISTANT CITY ATTORNEY

DATE

PROOFREAD

DATE

APPROVED AS TO FORM AND SUBSTANCE:

ORIGINATING DEPARTMENT

DATE

CA File: 20-000705

Exhibit A-1
Co-Responder Services Program
Statement of Work

I. Goal/Purpose

The Co-Responder model was developed to better link people with mental illness to appropriate services or provide other effective responses by partnering specially trained officers with mental health professionals to provide a joint secondary response to the scene. Colorado is following this model to create law enforcement and behavioral health partnerships that identify calls for service where behavioral health (mental health and/or substance use disorders) appear to be a relevant factor. Behavioral health co-responders shall be dispatched along with law enforcement officers on these calls. The behavioral health provider shall offer assessment and crisis intervention services at the scene, provide referral information to the individual, and provide follow-up, when necessary.

The goals of the Co-Responder Services Program (“Program”) are to:

1. Prevent unnecessary incarceration and/or hospitalization of individuals with behavioral health needs;
2. Provide alternate care in the least restrictive environment through a coordinated system wide approach;
3. Prevent unnecessary duplication of behavioral health services; and
4. Facilitate the return of law enforcement units to patrol activities.

II. Objective

The Contractor shall implement the Program for its community by collaborating with key stakeholder partners to ensure service delivery, training and resource coordination. The Contractor shall collect data, measure outcomes, and report Program outcomes to the State to assist in determining the effectiveness of the Program in diverting individuals with behavioral health needs from the criminal justice system.

III. Activities/Services

- A. **Start-up Period for Project Development:** The Contractor shall establish all required Program partnerships and finalize all required contracts needed to begin its Program operations within three (3) months from the Contract Performance Beginning Date (the Start-Up Period). If the Contractor is unable to implement the Program by the end of the Start-up Period, the Contractor will be placed on a Performance Improvement Plan established in coordination with the Office of Behavioral Health (OBH).
- B. **Revised Work Plan:** The Contractor shall provide OBH with an updated Work Plan on at least an annual basis for review and approval.
- C. **Steering Committee:**
 1. The Contractor shall develop and maintain a Steering Committee to oversee the implementation of the Program for the duration of the Contract term. The Steering Committee shall meet at least biannually to discuss, problem solve and/or guide any changes or issues around the implementation of the Program. The Steering Committee

shall include high-level, decision-making representatives from each of the key local stakeholder disciplines listed below:

- a. Lead law enforcement agency representative;
 - b. Behavioral health service provider representative;
 - c. Impacted individual/consumer or family member;
 - d. Local hospital representative; and
 - e. Regional Crisis Services Administrative Services Organization Representative.
2. Contractor shall also include other entities in the Steering Committee that it determines are integral to the successful implementation of the Program, such as prosecutors, jail administrators, advocacy groups, and harm reduction organizations.
 3. The Steering Committee shall be charged with the following:
 - a. Examine the nature of the problem and help determine the Program's objectives and design;
 - b. Consider how the Program will relate to other local criminal justice-behavioral health partnerships that may be in place or are in the process of being established;
 - c. Support a forum for planning decisions during the implementation phase and to provide ongoing leadership, problem solving and design modifications throughout the life of the Program;
 - d. Designate appropriate staff to make up a Program Coordination Group;
 - e. Identify Program barriers to success and help reduce the impacts of barriers on the Program (such as identification of facilities as stated in Section H.4. below); and
 - f. Develop procedures to ensure that essential information is shared in an appropriate manner as stated in Section H.5. below.

D. Program Coordination Group:

1. The Contractor shall develop and maintain a Program Coordination Group to guide and support the Program. This Group may be the same as the Steering Committee, if the creation of two separate groups is unrealistic due to workforce and/or resource limitations. The Program Coordination Group shall:
 - a. Oversee officer and Program training implementation;
 - b. Measure the Program's progress toward achieving stated goals;
 - c. Resolve ongoing challenges to the Program's effectiveness; and
 - d. Inform agency leaders and other policymakers of Program costs, developments, and progress.
2. The Contractor shall designate an individual within the law enforcement agency as the Program Champion to serve as the agency's representative on the Program Coordination Group.

- E. Program/Project Manager:** The Contractor shall select a Program/Project Manager (Manager) and establish the Manager's role, responsibilities, and authority. The Manager shall develop a management plan that supports both the Steering Committee and the Program Coordination Group. The Contractor shall communicate via email to OBH any changes to the Manager's contact information within one business day of change.

- F. **Interagency Memorandum of Understanding (MOU) or Intergovernmental Agreements (IGA):** The Contractor shall develop interagency MOUs or IGAs to address any key challenges inherent in multidisciplinary collaboration. MOUs and IGAs shall include a description of how partners collectively identified the need for the project, and individualized letters of support outlining each partner's level of participation and commitment in the Program, responsibilities to the Program (policy and/or operational), resources they will contribute, and processes in collecting and sharing data. CDHS and/or OBH do not, however, direct the Contractor (or any other party) to, or give the Contractor (or any other party) authority to, negotiate or enter into any agreements on behalf of CDHS or OBH.
- G. **Data Sharing Agreements:** The Contractor shall ensure a data sharing Business Associates Agreement is developed and put in place between the partner agencies. The data sharing agreement shall ensure that each partner agency complies with the terms of the HIPAA BAA attached to this Contract.
- H. **Program Policies and Procedures:** The Contractor shall develop and maintain Program policies and procedures, subject to OBH review and approval, including specific policies and procedures for the following aspects of the Program:
1. Target Population and Eligibility Criteria: The Contractor shall identify the target population, develop eligibility criteria and develop Program policies to identify individuals who will be referred to the Program. The Contractor shall ensure that the referrals include adults at risk for low level controlled substance-related offenses and misdemeanor crimes all of whom have been repeatedly involved with law enforcement. The Contractor may expand eligibility criteria to meet specific community needs.
 2. Call Taker and Dispatcher: The Contractor shall develop policies and procedures for call takers and dispatchers, including, but not limited to, the call information call takers shall gather, the manner in which dispatchers will be provided with up-to-date information on staffing patterns during shifts, and the geographic areas that identify law enforcement and behavioral health responders designated to respond to calls.
 3. Stabilization, Observation and Disposition: The Contractor shall develop policies and procedures to help guide co-responder teams (officers and/or behavioral health co-responders) to resolve an encounter with the least restrictive environment for the call's circumstances.
 4. Transportation and Custodial Transfer: The Contractor shall develop policies and procedures to help guide effective and efficient transportation and custodial transfers. The policies shall at a minimum:
 - a. Identify facilities that are capable of assuming custodial responsibility, available at all times, have personnel qualified to conduct a mental health evaluation, and do not turn away people brought by law enforcement, without specific reasons.
 - b. Connect individuals with a friend or family member, a peer support group, or crisis center, when available and in noncustodial situations in which the person does not meet the criteria for emergency evaluation and is not under arrest, but officers or the team determine the individual would benefit from services and support.
 - c. Engage the services of the individual's current mental health provider or a crisis team.

The Contractor shall submit a draft copy of the policies and procedures to OBH for review and comment, incorporating any comments from OBH to the final policies and procedures.
 5. Information Exchange and Confidentiality: The Steering Committee shall develop procedures to ensure that essential information is shared in an appropriate manner.

Information shall be shared in a way that protects individuals' confidentiality rights as treatment consumers and constitutional rights as possible defendants. Individuals with behavioral health disorders who have been in contact with a behavioral health agency should be offered an opportunity to provide consent in advance for behavioral health providers to share specified information with law enforcement authorities if an incident occurs (sometimes called an advance directive).

I. Program Training and Cross-training:

1. **State Program Meeting Requirements:** The Contractor shall attend a mandatory orientation session, Program meetings and other required training throughout the term of the Program.
2. **Contractor Training:** The Contractor shall provide training necessary for Contractor's Program to include:
 - a. **Officer Training:** The Contractor shall provide officer training to improve officers' responses to people with behavioral health needs and to educate officers on the Program. The Contractor shall determine the amount of training necessary to ensure, at a minimum, that there is a group of officers sufficient to cover all time shifts and geographic districts.
 - b. **Cross-training:** The Contractor shall provide opportunities to behavioral health personnel and other stakeholders to help improve cross-system understanding of agencies' roles and responsibilities, law enforcement issues, Program policies and procedures, information sharing, safety and other opportunities to see policies translated into action.

- J. **Catchment Area:** The Contractor shall define the service and/or catchment area that best meets the community's needs.
- K. **Individualized Service Provision:** The Contractor's Program shall link individuals referred to or contacted by the Program to community based behavioral health supports and services, as appropriate.
- L. **The Non-Displacement of Resources:** The Contractor shall ensure the Program participants do not receive preferential access to scarce resources that would prevent others in need or on wait lists from being served.
- M. **Evidence Based Practices:** The Contractor shall use evidence-based and promising practices within the screening and service delivery structure, as appropriate, to support effective outcomes. The use of a risk/need/responsivity (RNR) model is encouraged to assess various factors such as substance use disorders, mental illness, cognitive or physical impairments, financial issues, family dynamics, housing instability, developmental disabilities, low literacy levels, and lack of reliable transportation, all of which may need to be addressed to support success.
- N. **Staff Time Tracking and Invoicing:** The Contractor shall ensure expenses and staff are tracked and invoiced separately for each Program or funding stream. Any other funding sources or in kind contributions supporting the Program shall be disclosed in the invoice submission.
- O. **Use of Contract Funds:** The Contractor may use Contract Funds to support, with the approval of OBH, items including but not limited to, the following:
 1. Project management and community engagement
 2. Temporary services and treatments necessary to stabilize a participant's condition, including necessary housing
 3. Outreach and direct service costs for services
 4. Specialized program training

5. Dedicated law enforcement resources, including overtime required for participation in operational meetings and training
 6. Training and technical assistance from experts in the implementation of Co-Responder Services Programs in other jurisdictions
 7. Collecting and maintaining the data necessary for program evaluation
- P. **Subcontractor/Partnership Termination:** In the event a partnership with a subcontractor such as a case management or treatment provider is terminated, the Contractor shall transition to a new partnership no later than 30 days from termination to ensure continuity of care for all participants of the Program. The Contractor shall communicate any subcontractor termination via email to the State within one Business Day.
- Q. **Critical Incident Policy:** Contractor shall develop and maintain a policy for review of critical incidents (including death, physical assault and sexual assault) ("Critical Incidents") that occur during a Program intervention or response.
- R. **Critical Incident Reporting:** Incidents that fall within standard police protocols and procedures (such as the use of less lethal interventions to maintain safety) are exempt from this requirement. If a Critical Incident (including death, physical assault and sexual assault) occurs during a Co-Responder intervention or response, the Contractor shall take the action most appropriate, from the choices below:
1. If the client or participant ("Client") is enrolled in services at a behavioral health agency or facility, the Contractor shall inform the service provider of the Critical Incident so that the service provider can follow their licensing entity's critical incident protocols and policies (if applicable) and for the purpose of continuity of care.
 2. For any Critical Incident involving the death of a Client, or any Critical Incident that falls outside police protocols and standards and the Client is not known to be enrolled in behavioral health services with an agency or facility, the Contractor shall share the following information with OBH via an encrypted email to cdhs_ci_obh@state.co.us, within 24 hours of the time the Critical Incident occurs:
 - a. Name of participant involved;
 - b. Date and time of the Critical Incident;
 - c. Location of the Critical Incident;
 - d. The nature of the Critical Incident;
 - e. How the Critical Incident was resolved;
 - f. Name[s] of staff present; and
 - g. Whether the Critical Incident resulted in any physical harm to the Client or any staff.

IV. Deliverables

Activities noted below shall be emailed by the listed Due Date below to cdhs_deliverablesOBH@state.co.us unless otherwise specified.

DELIVERABLES	DATE DUE
Revised Work Plan	Due 30 days from Contract Effective Date and after that annually.
Program Policies and Procedures Document	Draft document due to OBH 90 days from Contract Effective Date. Final document due to OBH 30 days from reviewed draft sent from OBH to Contractor.
Submit copy of the Memo of Understanding (MOU) and/or Intergovernmental Agreement (IGA)	Upon execution of MOU or IGA
Participate in a monthly progress status meeting with the Manager of Co-Responder Services. Meeting may be in-person or via phone or video conference.	Monthly
Performance Outcome Measures Report using template provided by OBH, on current monthly and year-to-date outcomes	Monthly - 15 days after the end of the reporting month.
Submit copy of subcontract(s)	Upon execution of subcontract(s)
Submit copy of the Steering Committee and Policy Coordination Group Member Rosters* <i>*If Steering Committee and Policy Coordination Group members are the same, note the rationale on roster.</i>	60 days after contract execution and as updated

V. Performance Outcome Measures

1. Number of law enforcement officers receiving specialized training.
2. Number of calls received by dispatch qualifying for Program criteria.
3. Number of incidents to which specially trained officers responded.
4. Officer response times.
5. Number of repeat calls for service.
6. Officers' disposition decisions, such as linking a person with services.
7. Time required for Co-Responder calls.
8. Locations used for custodial transfer.
9. The number of injuries and deaths to officers and civilians.



COLORADO
Office of Behavioral Health
Department of Human Services

FY21 ANNUAL BUDGET EXHIBIT B-3

OBH Program	Co-Responder
Agency Name	City of Longmont
Budget Period	7/1/2020 - 6/30/2021
Project Name	Longmont Co-Responder

Program Contact Name, Title	Dan Eamon, Assistant Public Safety Chief
Phone	303.651.8433
Email	dan.eamon@longmontcolorado.gov
Fiscal Contract Name, Title	Dan Eamon, Assistant Public Safety Chief
Phone	303.651.8433
Email	dan.eamon@longmontcolorado.gov
Date Completed	7/1/2020

All budget numbers are estimates. Contract billing will be on a cost reimbursement basis for actual expenses incurred.

EXPENDITURE CATEGORIES					
Personnel Services Salaried Employees					Annual Budget
Position Title	Description of Work	Gross or Annual Salary	Fringe	Percent of Time on Project	Total Amount Requested from OBH
Manager, Diversion Programs	Day to day management of Longmont LEAD and Co-Responder programs. Program management, data and evaluation, case management and Operational Workgroup facilitation included. Half FTE included in this grant, half FTE in the LEAD grant for Longmont	\$ 85,363.31	\$ 26,874.76	50%	\$ 56,119.04
					\$ -
					\$ -
Personnel Services Hourly Employees					Annual Budget
Position Title	Description of Work	Hourly Wage	Hourly Fringe	Total # of Hours on Project	Total Amount Requested from OBH
Police Officer	Dedicated Officer Position for the CORE Team	\$ 31.700	\$ 9.200	2080.00	\$ 85,072.00
Case Manager	Case Manager to Support the CORE Team	\$ 20.580	\$ 6.580	2080.00	\$ 56,492.80
					\$ -
Total Personnel Services (including fringe benefits)					\$ 197,684.00

Contractors/Consultants (payments to third parties or entities)				Annual Budget
Contractor Name	Description of Work	Rate	Quantity	Total Amount Requested from OBH
University of Colorado Health	Clinical services. This funding will support an agreement with UC Health to provide clinicians as needed for the CORE team. These clinicians will supplement the clinicians already employed by the City. (Costs reflect the agreed hourly rate and estimated total hours needed for the budget year.)	\$ 45.000	1518	\$ 68,310.00
Clinical Supervisor (contractor to be determined)	Provision of clinical supervision to the CORE team clinicians as needed.	\$ 80.00	520	\$ 41,600.00
Total Contractors/Consultants				\$ 109,910.00
Travel				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
				\$ -
				\$ -
Total Travel				\$ -
Supplies & Operating Expenses				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from OBH
Vehicles	Vehicle leases to support the CORE team	\$ 1,400.000	12	\$ 16,800.00
Vehicle maintenance	Monthly vehicle Fleet costs including gas, maintenance and repairs	\$ 400.000	12	\$ 4,800.00
Training	Training for mandatory certifications for officers, clinicians and case managers including conference, air, hotel costs	\$ 1,000.000	8	\$ 8,000.00
Case Management System	Payments to CiviCore, our case management system	\$ 1,000.000	12	\$ 12,000.00
Client Costs	Misc. client costs. Ex: Medical supplies, birth certificates, transportation, clothing, food, etc.	\$ 669.100	12	\$ 8,029.20
Overtime	Overtime to support CORE Team	\$ 33.97	205	\$ 6,963.85
CORE Team Office Supplies and Expendables	General supplies to support the team during administrative and operational work.	\$ 400.00	12	\$ 4,800.00
				\$ -
Total Supplies & Operating Expenses				\$ 61,393.00
TOTAL DIRECT COSTS (TDC)				\$ 368,987.00
Less: Expenses per OMB 2CFR § 200				
Subcontracts in excess of \$25,000				\$ -
Rent				\$ -
Equipment				\$ -
Other Unallowable Expenses				\$ -
Total Expenses per OMB 2CFR § 200				\$ -
MODIFIED TOTAL DIRECT COSTS (MTDC)				\$ 368,987.00
Indirect Costs				Annual Budget
[not to exceed 10% unless Negotiated Federal Indirect Cost rate or Negotiated State Indirect Cost rate is attached]				

Item	Description of Item	Percentage	Total Amount Requested from OBH
or 10% Indirect rate:		0%	\$ -
Total Indirect			\$ -
TOTAL			\$ 368,987.00

The Parties may mutually agree, in writing, to modify the Budget administratively using an OBH Budget Reallocation form

Exhibit C-1

Work Plan

REMOVED

Exhibit D-2 Miscellaneous Provisions

I. General Provisions and Requirements

A. Finance and Data Protocols

The Contractor shall comply with the Office of Behavioral Health's (OBH) most current Finance and Data Protocols and the Behavioral Health Accounting and Auditing Guidelines, made a part of this Contract by reference.

B. Print and Marketing Materials

When the Contractor publishes newsletters, consumer pamphlets, or other publications where financial contributors/funders are noted, the State shall be listed as funder. Contractor shall include the current Colorado Department of Human Services logo on any visual marketing materials that advertise programs funded by this Contract.

C. Option Letter

For contracts using State funding: The State may increase or decrease the rates established in the Contract in **Exhibit B-3, "Budget,"** based upon a cost of living adjustment to the relevant lines in the Long Bill through an option letter. In order to exercise this option, the State shall provide written notice to Contractor in a form substantially equivalent to Contract Section 23, **"Sample Option Letter."** Delivery of Goods and performance of Services shall continue at the same rates and terms as described in this Contract.

D. Start-up Costs

If the State reimburses the Contractor for any start-up costs and the Contractor closes the program or facility within three years of receipt of the start-up costs, the Contractor shall reimburse the State for said start-up costs within sixty (60) days of the closure. The Contractor is not required to reimburse the State for start-up costs if the facility or program closure is due to OBH eliminating funding to that specific program and/or budget line item.

E. Immediate Notification of Closures / Reductions in Force

If the Contractor intends to close a facility or program, it shall notify the OBH Contracts Unit at least five business days prior to the closure. Similarly, if the Contractor, or any sub-contractor provider, intends to conduct a reduction in force which affects a program funded through this contract, the Contractor shall notify the OBH Contracts Unit at least five business days prior to the layoffs.

F. Licensing and Designation Database Electronic Record System (LADDERS)

The Contractor shall use LADDERS (<http://www.colorado.gov/ladders>) as needed and/or as required by rule to submit applications for OBH licensing and designation, keep current all provider directory details, update daily bed counts (as applicable), and submit policies and procedures.

G. Contract Contact Procedure

The Contractor shall submit all requests for OBH interpretation of this Contract or for amendments to this Contract to the OBH Contract Manager.

H. The Contractor shall comply with all the provisions and requirements of RFP # 2018000065.

I. Continuity of Operations Plan

1. In the event of an emergency resulting in a disruption of normal activities, OBH may request that Contractor provide a plan describing how Contractor will ensure the execution of essential functions of the Contract, to the extent possible under the circumstances of the inciting emergency (“Continuity of Operations Plan” or “Plan”).
2. OBH will set a deadline and destination email address or other contact information for a draft of the Continuity of Operations Plan at time of request. Deadline will be reasonable under the circumstances of the emergency.
3. The Continuity of Operations Plan must be specific and responsive to the circumstances of the inciting emergency.
4. OBH will provide feedback and edits to the Continuity of Operations Plan within a reasonable time frame following receipt under the circumstances of the emergency (for example, five business days where electronic communications are not disrupted).
5. OBH will present Contractor with a final Continuity of Operations Plan to Contractor for Contractor to approve in writing (hard or electronic formats). Upon Contractor’s acceptance of the final Plan, Contractor may begin to operate under the terms of the Continuity of Operations Plan.
6. The Continuity of Operations Plan will not impact or change the budget or any other provisions of the contract, and Contractor's performance of the final Continuity of Operations Plan will be held to the same standards and requirements as the original Contract terms, unless otherwise specified in the Continuity of Operations Plan.
7. OBH will submit the Continuity of Operations Plan as a formal contract amendment to CDHS Contracts Management as soon as is practicable.
8. Contractor shall communicate with OBH a minimum of once weekly, in a format mutually agreed upon by OBH and Contractor staff, to monitor services under the Continuity of Operations Plan. If adjustments are needed to the Plan, Contractor and OBH shall follow the procedures in section I.1-I.5 to make the change.
 - a. As part of the weekly OBH/Contractor communication, Contractor and OBH will evaluate whether the emergency situation has resolved such that normal operations may be resumed.
 - b. If Contractor and OBH determine that the emergency situation is sufficiently resolved, Contractor will present a 30-day closeout procedure. Contractor and OBH shall follow the procedures in section I.1-I.5 to ratify the closeout

procedure. Weekly reporting shall continue throughout the closeout period and for four weeks after termination of the Continuity of Operations Plan.

- c. OBH will submit notice of termination of the Continuity of Operations Plan as a formal contract amendment to CDHS Contracts Management as soon as is practicable.

II. Use of Subcontracts.

- A. Services described in this Contract may be performed by Contractor or by a subcontractor, except where this Contract states explicitly that a service must not be subcontracted.
 - 1. Contractor shall ensure that its subcontractors perform to the terms of this Contract.
- B. Any subcontract for services must include, at a minimum, the following:
 - 1. A description of each partner's participation
 - 2. Responsibilities to the program (policy and/or operational)
 - 3. Resources the subcontractor will contribute, reimbursement rates, services to be included and processes in collecting and sharing data and the most recent CDHS version of the HIPAA Business Associates Addendum, if this Contract contains the HIPAA Business Associates Addendum/Qualified Service Organization Addendum as an exhibit.
- C. The Contractor shall provide to OBH a copy of any proposed subcontract between the Contractor and any potential provider of services to fulfill any requirements of this Contract, to cdhs_deliverablesobh@state.co.us within 30 days of subcontract execution.
- D. OBH reserves the right to require Contractor to renegotiate subcontracts where necessary to adhere to the terms of this Contract.
- E. Subcontractor/Partnership Termination. In the event where partnerships with a subcontractor such as a treatment provider is terminated, the Contractor shall transition to a new partnership no later than 30 days from termination to ensure continuity of care for all participants of the program.

III. Additional Remedies

A. Duty to Act in Good Faith

The Contractor shall comply with all the provisions of this contract and its amendments, if any, and shall act in good faith in the performance of the requirements of said contract. The Contractor agrees that failure to act in good faith in the performance with said requirements may result in the assessment of remedial actions, liquidated damages and/or termination of the contract in whole or in part and/or other actions by the State as allowed by law as set forth in this contract.

B. Corrective Action

The State will notify the Contractor of non-compliance and subsequently, after consultation with the Contractor, will establish a schedule for the Contractor to cure non-compliance. The Contractor shall be responsible for the submission of a plan of corrective action in accordance with said schedule. If full compliance is not achieved, or a plan of action for correction is not submitted and approved by the State within the scheduled time frame, the State may exercise remedies specified in the General Provisions "Remedies" section of this Contract. If the State

determines that the Contractor continues to be out of compliance with the Contract, the State may exercise liquidated damages herein.

C. Liquidated Damages.

If an extension of time is not granted by the State, and the required performance associated with this contract is not received from the Contractor then liquidated damages of \$300 a day will be assessed and may be permanently withheld from payments due to the Contractor for each day that performance is late. The parties agree that incomplete or incorrect performance shall also be cause for “late performance.” The parties agree that the damages from breach of this contract are difficult to prove or estimate, and the amount of liquidated damages specified herein represents a reasonable estimation of damages that will be suffered by the State from late performance, including costs of additional inspection and oversight, and lost opportunity for additional efficiencies that would have attended on-time completion of performance. Assessment of liquidated damages shall not be exclusive of or in any way limit remedies available to the State at law or equity for Contractor breach.

IV. Audit Requirements

A. Independent Audit Requirements

1. “Independent financial audit” shall be defined as follows— a financial audit conducted by a certified public accounting firm or certified public accountant (CPA) in accordance with generally accepted accounting principles and applicable federal regulations. The CPA or firm must be independent of the Contractor. “Independent” means not a regular full-time or part-time employee of the Contractor and not receiving any form of compensation from the Contractor other than compensation that the CPA receives for the conduct of the financial audit.
2. If the Contractor or sub-contractor expends federal awards from all sources (direct or from pass-through entities) in an amount of \$300,000 or more during its fiscal year shall have an independent financial audit performed annually. The audit shall identify, examine, and report the income and expenditures specific to operation of the services described in this contract. The audit will be presented in the format specified in the “Accounting and Auditing Guidelines” for Colorado Department of Human Services, Office of Behavioral Health (OBH), found on the OBH website.
3. The Contractor agrees to comply with the qualified or disclaimer opinion rendered by the independent auditor on financial statements or the negative opinion on peer review reports. Non-compliance with these standards shall result in enforcement of remedies against the Contractor as provided in this Contract.

B. Annual Single Audit

1. If the Contractor or sub-contractor expends federal awards from all sources (direct or from pass-through entities) in an amount of \$750,000 or more during its fiscal year, then the Contractor or sub-contractor shall have an audit of that fiscal year in accordance with the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507).

V. Financial Requirements

A. Funding Sources

1. The Contractor shall identify all funds delivered to subcontractors as state general fund, state cash funds, or federal grant dollars in **Exhibit B-3, "Budget."**
2. If a Single Audit is performed in accordance with Section IV.B. above, the Contractor shall report the amount of the federal grant identified in the budget under the CFDA number identified on the first page of this Contract.
3. The Contractor shall communicate the CFDA number to all sub-contractors in their sub-contracts.

B. Budget Reallocations

1. The Contractor may reallocate funds between the budget categories of this contract, up to 10% of the total contract amount, upon written approval by OBH, without a contract amendment. Any allowable reallocation is still subject to the limitations of the Not to Exceed and the Maximum Amount Available per Fiscal Year.

C. Payment Terms

1. The Contractor shall invoice monthly for services, no later than the 20th of the month following when services are provided.
2. The Contractor shall utilize the invoice template(s) provided by OBH.
3. All payment requests shall be submitted electronically to OBHpayment@state.co.us
4. Any requests for payment received after September 10th for the prior state fiscal year cannot be processed by OBH.
5. The State will make payment on invoices within 45 days of receipt of a correct and complete invoice to OBHpayment@state.co.us. Consequently, the Contractor must have adequate solvency to pay its expenses up to 45 days after invoice submission to the State.