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NBR 512391

SERVICE DELIVERY AND SERVICE COORDINATION CONTRACT

BETWEEN THE

NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF CHILDREN AND FAMILY SERVICES
AND

BOYS AND GIRLS HOME OF NEBRASKA, INC.

This contract is entered into by and between the Nebraska Department of Health and Human Services, **DIVISION OF CHILDREN AND FAMILY SERVICES** (hereinafter "DHHS"), and **BOYS AND GIRLS HOME OF NEBRASKA, INC.** (hereinafter "Contractor").

PURPOSE. To provide an individualized system of care for families and their children and youth who are wards of the State of Nebraska involved in the Child Welfare and Juvenile Services System or are non-court involved children and families involved in the Child Welfare System. Service and service coordination will be provided for families served throughout the **Western** Service Area.

I. TERM AND TERMINATION

A. TERM. This contract is in effect from November 1, 2009 until June 30, 2014.

B. TERMINATION. This contract may be terminated at any time upon mutual written consent or by either party for any reason upon submission of written notice to the other party at least Ninety (90) days prior to the effective date of termination. DHHS may also terminate this contract in accord with the provisions designated "FUNDING AVAILABILITY" and "BREACH OF CONTRACT." In the event either party terminates this contract, the Contractor shall provide to DHHS all work in progress, work completed, and materials provided to it by DHHS in connection with this contract immediately.

II. CONSIDERATION

A. DHHS agrees to pay the Contractor the total amount of state and federal dollars not to exceed **$15,276,276.85 (Fifteen million two hundred seventy six thousand two hundred seventy six dollars and 85 cents)** from November 1, 2009 through June 30, 2011 for the services and activities specified herein. Financial consideration for each subsequent State's fiscal year beginning July 1, 2011 until June 30, 2014, will be set based upon factors which may include but are not limited to State or Federal appropriation, number of children and families to be served, and/or change in State or Federal requirements.

B. For the period November 1, 2009 through June 30, 2011, DHHS will pay the Contractor as follows:

1. **$438,504.13 (Four hundred thirty eight thousand five hundred four dollars and 13 cents)** on November 1, 2009 or on the date the contract is signed, whichever is later.
2. On or about the first of the month from December 1, 2009 through June 30, 2010, a total amount **$438,504.13 (Four hundred thirty eight thousand five hundred four dollars and 13 cents)** minus any payments made in the prior month for direct services paid through N-FOCUS as described in Article II. Section C.
3. On or about the first day of each month from July, 2010 thereafter, a total amount **$980,687.00 (Nine hundred eighty thousand six hundred eighty seven dollars and no cents)** minus any payments made in the prior month for direct services paid through N-FOCUS as described in Article II. Section C. Monthly payment amount may be impacted by changes in State or Federal appropriations.

C. Payment for direct services provided to children, youth and families will be made through N-FOCUS upon submittal of a billing by the Contractor for services specified herein using a format prescribed by DHHS. The Contractor will submit a schedule of rates for services provided under this contract. DHHS must approve the rates for services prior to contract start date. The Contractor may adjust the rates upon written approval of DHHS. The Contractor agrees to bill for all services provided, except Service Coordination activities. The Contractor shall submit bills for direct services no later than 90 days following the end of the month in which the service was provided, except in the instances of payment for treatment services denied by Medicaid/Magellan.

D. In the event this contract is terminated or upon expiration of this contract, DHHS agrees to pay the Contractor an amount not to exceed **$980,687.00 (Nine hundred eighty thousand six hundred eighty seven dollars and no cents)** for appropriate accrued but unpaid service coordination and direct service costs.

E. DHHS and Contractor agree that the total State contract amount for the period November 1, 2009 through June 30, 2010 represents an agreed upon budget amount for the State fiscal year (July 1, 2009 though June 30, 2010) minus an agreed upon estimated amount of funds necessary for DHHS to pay service claims received between July 1, 2009 and June 30, 2010, for direct services provided outside of this contract. In the event that the amount of claims paid by June 1, 2010 for direct services provided outside of this contract is less than the amount set aside to pay claims as defined above, DHHS will pay the Contractor **10.9%** of the remaining funds.

F. The method of payment structure and review for each subsequent State's fiscal year beginning July 1, 2011 until June 30, 2014, will be determined prior to the beginning of each state fiscal year remaining of the contract.

G. The Contractor agrees that DHHS will maintain responsibility to assure that funds expended within this contract are identified for use as matching funds to secure Federal funding. The Contractor and Department agree that amendments to the Contract may be made to assure availability of funds required as matching funds to access Federal funds.

H. The Contractor must track and report quarterly and annually its federal and state expenditures, including administrative costs, in a format provided by DHHS.

I. The Contractor is required to conform to the federal agency codifications of the grants management common rule accessible on the Internet at http://www.whitehouse.gov/omb/grants_default/ for expenditure of federal funds.

J. All payment from DHHS to the Contractor will be made electronically.

K. The Contractor is responsible for any and all costs associated with the production and delivery of reports. No charges for reports may be submitted under the terms of this Contract without prior approval and agreement of DHHS.

L. Payment Errors - Should either party hereto discover payment errors those errors will be communicated immediately to the other party by written notice. Both parties hereto shall work in good faith to correct all errors by the next billing cycle after receipt of notice.

M. The contract is performance based with incentives and penalties based on identified outcomes. Penalty payments must be paid directly to DHHS within 60 days of the notice of the penalty. If penalty payment is not received within 60 days, all future payments to the Contractor will be withheld by DHHS until the penalty payment is received. Incentive payments will be made within 60 days after notice of verification of submitted data.

N. DHHS will pay the state patrol charge(s) for processing required criminal history checks of foster/adoptive parents.

O. If payment for a mental health or substance abuse treatment service is denied but the service is court ordered, the Contractor will be responsible for payment of the service.

P. The Contractor is not responsible for payment of the following:
   1. Services paid for by Medicaid, private insurance or alternative funding source;
   2. Physical health care costs of children, youth and families who are not Medicaid Eligible;
   3. Services funded by State Ward Education;
   4. Cost of placement in the Youth Rehabilitation and Treatment Center at Kearney and Geneva or the Hastings Regional Center;

5. Cost of placement in a Nebraska Detention facility;
6. Adoption and Guardianship Subsidies
7. State patrol charge(s) for processing required criminal history checks of foster/adoptive parents.

Q. The Contractor agrees to follow all state and locally developed policies and protocols related to the authorization for the purchase of services for children, youth and families being served. This includes, but is not limited to accessing other payment sources prior to utilizing child welfare or juvenile services funds.

R. The Contractor specifically agrees that any bonus, gift, extra benefit, or other payment of funds beyond base pay or salary and the Contractor's normal employee benefit package provided to an employee, prospective employee, contractor or subcontractor to be paid from funds provided under this contract shall be approved by DHHS before the Contractor pays or commits to pay any such amount.

III. SCOPE OF SERVICES

A. Program Standards - The Contractor shall do the following :

1. Accept and serve all children, youth and families referred by DHHS. This is a no reject, no eject contract. Children and families who are served through this Contract may be court involved or non-court involved. Children, youth and families will be served unconditionally regardless of a child or family's diagnosis, history, presenting problems, family composition or behaviors.
2. Abide by all policy requirements of Nebraska Administrative Code 390, 474 and 479; and applicable state and federal statutes and regulations; and any other applicable codes; applicable written policy directives and interpretations from or as directed by the Division of Children and Family Services.
3. Comply with the published Operations Manual (hereinafter the Manual) which is an attachment to this Contract and incorporated herein. The Manual will describe in detail the parties' required operational duties during the entire contract period.
4. Provide service coordination for treatment and non-treatment services for court involved and non-court involved children, youth and families as defined in the Manual.
5. Provide non treatment services.
6. Allow DHHS access to any and all information and data collected related to the performance of this contract.
7. Abide by all National Youth in Transition Database (NYTD) requirements as outlined in the Manual incorporated herein.

8. <u>Guardianship Authority:</u>
   a. Notwithstanding any other provision of this Contract, the Contractor acknowledges that DHHS has legal guardianship of state wards served

under the terms of this Contract and, further, that such guardianship authority cannot be delegated to other parties.

b. DHHS reserves the right to make all final determinations with regard to any and all services, placement and treatment decisions for state wards served under the terms of this Contract.

c. All services in court involved cases will be in accordance with any orders issued by the court.

9. Complaints:
   a. The Contractor will maintain a clear written policy of how to lodge complaints. A copy of this policy will be provided to children, youth and families served under this contract.
   b. Complaints are an expression of verbal or written dissatisfaction that can include but are not limited to:
      1. Services
      2. Manner of treatment
      3. Outcomes
      4. Experience
   c. Within one business day, the Contractor will notify the Service Area Contract Liaison of any and all complaints received regarding the performance of this contract.
   d. The Contractor will respond to complaints related to the performance of this contract as directed by DHHS.
   e. If the complaint involves an issue related to a specific case, the Issue Resolution process as defined in the Manual will be used.

10. Incident Reports: The Contractor shall immediately report (verbally) to DHHS all significant events which will affect the youth's status (e.g., running away, aggressive behavior, suicidal ideation, minor illness that does not respond to treatment, major illness, accident, change in school status, etc).
    a. Critical Incident Report: The Contractor shall immediately report (verbally) to DHHS any critical incident. The term Critical incident includes, but is not limited to;
       1. Death of a child/youth resulting from abuse or neglect;
       2. Near fatality, life threatening condition or serious injury of a child/youth resulting from abuse or neglect;
       3. Suicide, or attempted suicide of a state ward or child/youth DHHS is involved with;
       4. Death of a state ward or child/youth DHHS is working with by other means, accidental or non-accidental;
       5. Death or non-accidental serious injury of a staff person while on the job;
       6. Allegations or arrests of a state ward or child/youth DHHS is involved with for serious illegal/criminal activity (i.e. homicide; manslaughter; near fatality of another person; sexual assault; assault – first or second degree; aggravated or armed robbery; etc,

7. Any other event that is highly concerning, poses potential liability, or is of emerging public interest;
8. Any other incident designated by the Division Director.

b. The Contractor shall provide to DHHS a written report of the Critical Incident within 4 hours. The Contractor shall continue to provide information related to the Critical Incident as requested by DHHS.
c. Other special reports may be requested by DHHS as mutually agreed upon by both parties.

11. Transportation Standards:
    a. The Contractor is responsible for providing all in-state and out-of-state transportation related to the Contractor's primary business of serving the needs of children, youth and families.
    b. The Contractor must follow all Department policies, rules and regulations and provisions contained in the Manual regarding transportation.
    c. The Contractor is responsible for ensuring that it complies with all applicable Public Service Commission regulations and requirements to the extent they apply to the Contractor's activities in the performance of this contract.
    d. The Contractor agrees to utilize an escort for all commercial transportation services utilized for children ages 12 and under or as needed for a youth ages 13 through 18.
    e. The Contractor will make reasonable efforts to maintain consistency in the individual driver(s) providing transportation and/or escort services for the child or youth.
    f. The Contractor is responsible for all secure transportation in compliance with Department requirements.

12. Licensing and Approval Requirements:
    a. All foster homes must be licensed or approved as defined in policy, rules or regulations. DHHS will issue the license and is responsible for all licensing actions.

13. Foster Parent Recruitment:
    a. The Contractor agrees to develop and implement a recruitment plan, and report quarterly on progress related to recruitment, utilization and retention of foster parents. The Contractor agrees to collaborate with DHHS in the development of the state wide recruitment plan.

14. Consent for Treatment:
    a. The Contractor does not have the authority to consent to medical care, mental health or substance abuse treatment. The Contractor will contact DHHS to obtain consent.

15. Sub-contractors:
    a. The Contractor will be held responsible for all acts and omissions related to

service delivery, as well as outcomes and specified terms in this contract.

b. Contractor may not allow a sub-contractor to further sub-contract for services, other than foster family care, under this contract unless the sub-contractor is also a lead contractor with DHHS for service coordination.

c. The Contractor will ensure that information retained by any sub-contractor meets State and Federal compliance requirements and will be available to DHHS upon request.

d. The Contractor will ensure that sub-contractors meet all background check requirements outlined in Article III. Section B. 2. of this contract.

16. Safety Standards:

a. The Contractor shall immediately report any suspected abuse or neglect concerns to DHHS Hotline (1-800-652-1999), or appropriate law enforcement agency, or 911 if an emergency, in addition to the assigned CFS Specialist or CFS Supervisor.

b. Upon execution of this Contract, the Contractor will provide documentation of their protocol for reporting suspected abuse and neglect for staff in their employ and with any subcontractors. This documentation will be submitted to the Service Area Contract Liaison.

17. Referral Process:

a. The Contractor will maintain a contact number to receive referrals 24 hours a day, seven days a week, and 365 days a year.

b. The Contractor will develop a protocol with the Service Area regarding the referral process.

c. In the event the Contractor believes there should be a deviation from the protocol, the Contractor will contact the Service Area Contract Liaison for resolution.

18. Service Coordination:

a. The Contractor will coordinate all non-treatment and treatment services. This includes providing services to children, youth and families as well as coordinating all aspects of care, organization and planning for the children, youth and families.

b. The Contractor will work collaboratively with the Administrative Service Organization (ASO) provider to coordinate Medicaid treatment services.

c. The role and function of Service Coordination and the supervision of Service Coordination may not be sub-contracted by the Contractor. Service Coordinators and Supervisors of Service Coordinators must be direct employees of the Contractor.

d. In the event the Contractor becomes aware of a conflict of interest, the Contractor must notify DHHS immediately. DHHS will determine how the conflict will be resolved.

19. Services:

a. The Contractor will provide a complete continuum of non-treatment, non-

Medicaid funded services, supports and placement resources to meet the needs of children, youth and families.

b. The Contractor will be responsible to ensure that appropriate and timely mental health, behavioral health and substance abuse treatment services are provided to adult family members, children and youth.

c. The Contractor agrees to follow all state and locally developed policies and protocols related to the authorization for the purchase of services to children, youth and families being served.

20. Child Placement Practices:

a. The Contractor agrees that a child or youth in need of out-of-home care will be placed in an appropriate approved or licensed home or licensed facility upon prior approval from DHHS.

b. The Contractor agrees that Department approval is required for placement of any child or youth covered under this contract with an employee of DHHS Division of Children and Family Services, Contractor or a sub-contractor. All placements and the use of respite care must have prior approval by DHHS.

21. Multi-Ethnic Placement Act, (MEPA):

a. The Contractor agrees to comply with the MEPA, in making placements, arranging for placements, or doing home studies for foster or adoptive families.

b. The Contractor further agrees that each staff person responsible for making placements, arranging for placements, or doing home studies for foster or adoptive families, will be trained upon hiring and annually thereafter regarding the requirements of MEPA.

c. The Contractor agrees to make available to DHHS documentation of this training.

d. DHHS agrees to provide the Contractor with a training outline to be used in the training. The Contractor is responsible for copies of materials.

22. Indian Child Welfare Act, (ICWA):

a. The Contractor agrees to comply with the ICWA, in making placements, arranging for placements, or doing home studies for foster or adoptive families.

b. The Contractor further agrees that each staff person responsible for making placements, arranging for placements, or doing home studies for foster or adoptive families, will be trained upon hiring and annually thereafter regarding the requirements of the ICWA.

c. The Contractor agrees to make available to DHHS documentation of this training.

d. DHHS agrees to provide the Contractor with a training outline to be used in the training. The Contractor is responsible for copies of materials.

23. Court Attendance and Court Requirements:
    a. The Contractor will comply with all court orders.
    b. The Contractor agrees that appropriate staff will be available to attend court hearings unless excused, and be prepared to effectively testify if requested.
    c. The Contractor will ensure that all children and youth attend court, unless otherwise directed by DHHS or the Court.
    d. When the Contractor is providing testimony regarding children, youth or families under the contract, they are doing so as representatives of DHHS. If the Contractor and DHHS are in disagreement about a recommendation to be made to the court the Issue Resolution Process shall be followed as set forth in the Manual. If resolution cannot be reached DHHS will determine the recommendation to be presented to the court and will make the court aware of the Contractor's position regarding that recommendation. .

24. Aftercare:
    a. The Contractor shall provide aftercare as defined in the Manual.

25. Independent Living
    a. The Contractor shall provide former wards with ongoing support or access to ongoing support provided by any federal programs designed to serve this population.

B. Administrative Standards - The Contractor shall do the following: .
1. Contract Requirements:
    a. Prior to or during this contract, the Contractor shall complete a Business Associates Agreement with DHHS as requested.
    b. Prior to or during this contract, the Contractor shall complete a Social Security Administration Access Agreement as requested.
    c. Prior to or during this contract, the Contractor shall complete all paperwork to request External Access to DHHS computer system. This includes initial and ongoing requests and documentation for each employee needing access to DHHS computer system.
    d. The Contractor agrees in order for DHHS to be compliant with the Statewide Automated Child Welfare Information System, (SACWIS), it will not operate a separate case management system that collects data regarding children or youth served through this Contract.
    e. The Contractor agrees to use DHHS Computer System (N-FOCUS) as the only authorized case management system to fulfill the terms and conditions of this contract.
    f. The Contractor will maintain its existing accreditation relevant to the services provided under the terms of this contract or provide to DHHS, by January 1, 2010, documentation that it is in the process of becoming accredited and shall be fully accredited no later than July 1, 2012.

2. Background Checks: The Contractor will ensure a Local Law Enforcement, National Criminal History Check and background checks have been completed on all employees, interns, and volunteers if it is foreseeable that the individual may have contact with children, youth and families in the performance of this contract. This section is not applicable to foster family care. Requirements for foster family care are contained in licensing standards and policy.
   a. Background checks will include a check of the following:
      1. Sexual Offender Registry
      2. Child and Adult Abuse and Neglect Central Register/try
      3. State repository of driving records
      4. References
      5. Drug Test for Service Coordinator Supervisor, Service Coordinator and staff providing transportation to children, youth and families under this contract
      6. Google search or other appropriate search engines
   b. The Contractor will perform out-of-state background checks on all employees, interns, and volunteer who have resided in Nebraska for less than five (5) years if it is foreseeable that the individual may have contact with children, youth and families in the performance of this Contract. If an individual's prior state of residence does not maintain a Sex Offender Registry, Child Abuse and Neglect Central Register, an Adult Abuse and Neglect Central Registry, or a similar registry, the Contractor shall complete criminal background checks in the cities, counties and states of previous residence.
   c. The Contractor will complete the initial background checks before the individual has direct contact with any youth.
      1. If a background check results in a record being identified, the Contractor shall not allow the individual to have direct contact with any youth.
      2. All required background checks must be current within two (2) years for each employee.
      3. All background check documentation shall be maintained in staff personnel records. This includes documentation requested and received from states other than Nebraska.
      4. If a background check results in a record being identified, the Contractor shall develop a process to review and determine if they want to request Department approval to hire an employee. Requests for an exception shall be made in writing to the Service Area Contract Liaison and will include the name and background information, along with supporting documentation from the Contractor as to why they believe that such person does not pose a threat to children or families. The Contractor shall utilize criteria set forth by DHHS. DHHS shall have 10 business days to respond to such a request. All documentation related to the process is maintained in the contractor's staff personnel records.
   d. This requirement must be completed on all existing employees within 30

days of the execution of this contract.

e. The Contractor will ensure that all subcontractors will complete all background checks on any employee, intern or volunteer if it is foreseeable that that individual may have direct contact with court and non-court involved children and their families during the course of providing direct services in performance with this Contract. Background checks shall be completed before the individual has direct contact with children and their families and every two (2) years thereafter.

f. The Contractor must make arrangements with a qualified professional for the purpose of conducting drug tests. The criteria listed below must be applied when drug tests are completed:
   1. The sample will be tested qualitatively for at least the following substances.
      a. Amphetamines,
      b. Cocaine metabolite,
      c. Marijuana,
      d. Opiates, and
      e. Phencyclidine PCP.
   2. The contractor will submit to DHHS the agency's policies and procedures regarding the handling of positive initial screening results.
   3. The Contractor must comply with all state and federal laws requiring or allowing reporting of positive test results to professional licensing boards, regulatory bodies, or other appropriate oversight entities.

3. Hiring Standards:
   a. Service Coordinators and Service Coordinator Supervisors must have a minimum of a Bachelor's Degree.
   b. Verification of the employee's college education must be maintained by the Contractor.
   c. Providers of direct services must meet the minimum education/certification requirements as outlined in implementation of any Evidence Based or Promising Practice.
   d. The Contractor will make all attempts to hire culturally competent staff based on the demographics of the community for which the Service Coordinator is working.

4. Laws Violations by Employees
   a. The Contractor is required to report within 24 hours to the Contract Liaison any arrest or convictions of an employee who may have contact with children, youth and families in the performance of this contract.

5. Required Reports: The Contractor agrees to prepare and submit reports as defined in the Manual.

6. Issue Resolution: In situations when the Contractor and Department are in disagreement, they will follow the Issue Resolution Process as set forth in the Manual.

7. Quality Assurance: The Contractor shall perform Quality Assurance pursuant to this contract. The Contractor shall work in collaboration with DHHS Quality Assurance and Contract Monitoring staff in monitoring and reporting activities. The Contractor will develop, implement and monitor improvement plans based on outcomes of quality assurance and contract monitoring results.

8. Information Systems:
   a. The Contractor agrees that Department computer system access will only be granted to employees of the Contractor. Department computer system access will not be granted to sub-contractors or employees of sub-contractors.
   b. The Contractor agrees that all information accessed, stored, or processed in DHHS computer systems N-FOCUS, MMIS, and CHARTS is the sole property of DHHS; Contractor employees are granted access to this information under the terms and conditions of this contract. All information collected and compiled by the contractor on behalf of DHHS under the terms and conditions defined in this contract is the sole property of DHHS and subject to all privacy and security safeguards defined by DHHS.
   c. The Contractor agrees to access DHHS Computer Systems N-FOCUS, MMIS, and CHARTS data systems only through Department supplied CITRIX access and encryption technology.
   d. The Contractor agrees that unique access log-on accounts into DHHS Computer Systems N-FOCUS, MMIS, and CHARTS data systems will be assigned to each individual and that the logon account may only be used by the individual to which it is originally assigned.
   e. The Contractor agrees that they will assign a security administrator for all their sites with the duty and responsibility to immediately:
      1. Notify DHHS Help Desk when a Contract employee is terminated or leaves employment so the Help Desk may terminate the employees Citrix access and the Contractor agrees not to allow any other Contractor employee to use the log-on access of a terminated employee.
      2. Notify DHHS Help Desk when a new employee is hired including compiling and sending all necessary original documentation to DHHS. All documentation and necessary information must be received before the request for a new user log-on access will be accepted.

f. The Contractor agrees to meet compliance requirements for all applicable State and Federal Physical, Administrative, and Electronic safeguard standards (as per safeguard publication listed below) and abide by Department Information Technology Policies that govern the appropriate use of, disclosure of, privacy of, and security of information provide by Department or complied by the Contractor on behalf of DHHS under the terms and conditions defined in this contract.

Safeguard Publications

1. Health Insurance Portability Accountability Act of 1996 (HIPAA) Privacy Rule 45 CFR Part 160 and Subparts A and E of Part 164
2. HIPAA –Security Rule 45 CFR Part 160 and Subparts A and C Part 164
3. Internal Revenue Service (IRS) - Publication 1075
4. Social Security Administration (SSA) - Computer Match Agreement
5. DHHS Information Technology Policies

g. The Contractor agrees that DHHS or any applicable State or Federal agency with jurisdiction (i.e. OCR, IRS, SSA, DHHS, or State Auditors Office) may conduct unannounced compliance inspections relating to the Physical, Administrative, and Electronic safeguards defined in the publications listed above.

h. The Contractor understands that it will be held responsible for all criminal and civil penalties for actions of the Contractor or anyone in their employ as defined in the publications listed above.

i. The Contractor agrees to immediately notify DHHS HIPAA Privacy/Security Office of any suspected loss of, theft of, inappropriate disclosure of, unauthorized access of, or destruction of and/or corruption of Departmental information obtained from Departmental computer systems and agrees to comply with incident reporting criteria as defined in their Business Associates Agreement and the publications listed in Article III. Section B. 6. f. above.

j. The Contractor agrees to comply with the Financial Data Protection and Consumer Notification of Data Security Breach Act of 2006 §§ 87-801 through 807 any time there is a suspected loss of personal information as defined in the Revised Statute.

k. The Contractor agrees that only Contractor owned and supported desktop workstations, laptop computers, or mobile wireless devices are permitted to access, process, or store Department information or access Department computer systems as defined under the terms of this contract.

l. The Contractor agrees that all Department information stored, processed, emailed, or otherwise transmitted on mobile devices including laptop computers, will be encrypted at all times using Department approved technology.

m. The Contractor agrees to immediately notify DHHS of any lost or stolen computer hardware that may have been used to access, process, or store Department information or Department computer systems.

n. The Contractor is responsible for all computer hardware support, the movement of all computer equipment, any needed network support, server and LAN printer support and software installation and configuration.
o. The Contractor will appoint a technology coordinator as the primary contact between the Contactor and DHHS to address IT related issues.
p. The Contractor agrees it is their responsibility to provide necessary Internet connections to support Contractor employee access to Department computer systems via CITRIX.
q. The Contractor is responsible for purchasing all hardware and software.
r. The Contractor is responsible for upgrading equipment and software as necessary to continue to access required Department computer systems.
s. Citrix: DHHS will provide 70 Citrix licenses for remote access to DHHS computer system.
t. Database: DHHS will provide access to data contained within the State's information system.
u. DHHS will receive and route production support calls regarding Department computer systems.
v. The Contractor understands that remote office and home office work sites are permitted under the terms of this contract provided each location meets the compliance requirements as detailed in publications listed in Article III. Section B. 7. above. Department information may only be accessed from or stored on a Contractor owned and supported computer or electronic device at these locations. The Contractor agrees to ensure all communication transmissions from remote sites, including e-mail, use Department approved encryption technology.
w. The Contactor agrees to ensure that reasonable and appropriate actions have been taken to ensure remote work sites meet compliance requirement and will perform and document annual physical site reviews for all remote office and home office locations. The site safeguard reviews will include inspection of physical, administrative, and electronic safeguards implemented at each location. Documentation will include any noted deficiencies, recommendations, and actions taken to address noted deficiencies. Site safeguard review documentation will be made available upon request to Department agents or other applicable compliance officers with jurisdiction (see Article III. Section B. 7. above).
x. The Contractor agrees to insure Contractor employees take all appropriate physical and electronic safeguard precautions when accessing Department information from a remote worksite including home offices, client residences, hotel rooms, or any other public location.
y. The Contractor understands that wireless laptops are permitted under the terms and conditions of this contract and agrees to implement policies that address the physical security of mobile devices, the risk of using unsecured wireless connections, and rules of behavior that govern the appropriate use and safeguards Contractor employees must take when using mobile devices outside Contractor office locations.

z. The Contractor must utilize either an assigned State of Nebraska domain Outlook email account or the State IronPort SecureMail system when e-mailing communication that may contain HIPPA defined electronic protected health information and/or any other private and confidential information defined by the Agency.

9. Tobacco Smoke Prohibited Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned, or leased, or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable Federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The Contractor agrees to comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act. The Contractor agrees to prohibit smoking in any vehicle operated by its employees/staff when transporting children while providing services under this Contract.

10. Insurance

a. INSURANCE COVERAGE AMOUNTS REQUIRED

1. WORKERS' COMPENSATION AND EMPLOYER'S LIABILITY

Coverage A	Statutory
Coverage B	
Bodily Injury by Accident	$100,000 each accident
Bodily Injury by Disease	$500,000 policy limit
Bodily Injury by Disease	$100,000 each employee

2. COMMERCIAL GENERAL LIABILITY

General Aggregate	$2,000,000
Products/Completed Operations Aggregate	$2,000,000
Personal/Advertising Injury	$1,000,000 any one person
Bodily Injury/Property Damage	$1,000,000 per occurrence
Fire Damage	$50,000 any one fire
Medical Payments	$5,000 any one person

3. COMMERCIAL AUTOMOBILE LIABILITY

Bodily Injury/Property Damage	$1,000,000 combined single limit

4. UMBRELLA/EXCESS LIABILITY

Over Primary Insurance	$1,000,000 per occurrence

b. EVIDENCE OF COVERAGE

The contractor should furnish the DHHS with a certificate of insurance coverage complying with the above requirements. The certificates shall include the name of the company, policy numbers, effective dates, dates of expiration and amounts and types of coverage afforded. If the State is damaged by the failure of the Contractor to maintain such insurance, then the Contractor shall be responsible for all reasonable costs properly attributable thereto.

Notice of cancellation of any required insurance policy must be submitted to DHHS when issued and a new coverage binder shall be submitted immediately to ensure no break in coverage.

11. Release of Identifying Information.
    a. No photographs or slides or other identifying information regarding a child or youth may be released for use on posters, in presentations, press releases, newsletters etc., without the written consent of DHHS and agreement of the parent, if parental rights are intact.

12. Professional Development/Training:
    a. Effective January 1, 2011, the Contractor shall provide Service Coordinator training as approved by DHHS, at no additional cost to DHHS.
    b. The Contractor agrees to assist DHHS with providing training and complete Train-the-Trainer activities prior to January 1, 2011.
    c. The Contractor agrees to work with DHHS in accessing Title IV-E funding to support the training costs of Contract staff.
    d. The Contractor shall provide training in the service area on evidence based and promising practice and family driven care concepts. Families and youth will be included in the planning and delivery of this training. The Contractor will coordinate with other Contractors to provide joint training.

13. Performance Outcomes and Accountability:
    a. The Contractor will be accountable for the Federal and State outcomes related to safety, permanency and well-being for children, youth and families. The Contractor shall work toward the achievement of the outcomes and service delivery requirements as identified in the Manual.
    b. DHHS will post the Contractor's Performance on DHHS website.

14. Program Improvement Plan:
    a. The Contractor agrees to work collaboratively with DHHS in order to meet the provisions identified in the current Federal Child, and Family Services Review Program Improvement Plan for Nebraska.

15. Foster Care Review Board (FCRB):
    a. The Contractor agrees they are subject to and will comply with state law regarding the FCRB.

16. Ombudsman:
    a. The Contractor agrees they are subject to and will comply with state law regarding the Office of Public Council (Ombudsman).

17. Contingency Plan

    In the event of a contract termination, unforeseen events requiring an immediate response or a large scale influx of children, youth and families this contingency plan process will be followed. The matrix below reflects the agreement of the contractors to expand their service delivery. The contractors agree to share equally in the financial and resource requirements of this plan.

    Giving consideration to the contractors' priorities set forth in the matrix, DHHS will determine the expansion of contracts under this plan if required.

    Upon written notice from DHHS the following contingency plan will be followed:

    A. Contract Termination: In the event a Contractor or DHHS provides notification of contract termination, the following process will occur:
        1. Notification by Contractor and or Department is given.
        2. The remaining Contractor(s), as defined in the Matrix, and DHHS will meet to develop a plan of action within 10 days of notification. This plan will include the distribution of the families being served, future assignment of families to agencies and a timeline. If an agreement is unable to be reached by the Contractors DHHS will have the final decision.
        3. Contractors will ensure that services are not disrupted with a focus on being able to transition human and other resources at the discretion of the expanding contractor(s).
        4. A non-bidding process will be utilized to amend contracts in accordance with this plan.
        5. The expanding Contractors commitment of resources will begin according to the terms of their contract amendment. The contractor that is discontinuing services will be responsible for its obligation under the terms of this contract.
        6. If funds remain from the contract that is being terminated they will be incorporated into the contract amendment(s). A monthly payment will be

made upon the date the amended contract(s) is signed and on the first day of each subsequent month throughout the remainder of the contract.

B. Unforeseen events requiring an immediate response:
   1. DHHS will convene a conference call with all contractors as soon as possible to develop a plan of action. If an agreement is unable to be reached by the Contractors DHHS will have the final decision.
   2. Contractors will deploy necessary resources to assist and adhere to the Contractor's approved Disaster Management Plans.
   3. Contractors will ensure that service disruption is minimal.

C. Large scale influx of children, youth and families
   1. DHHS will convene a conference call with all Contractors as soon as possible to develop a plan of action.
   2. If an agreement is unable to be reached by the Contractors DHHS will have the final decision.
   3. Contractors will deploy necessary resources
   4. Contractors will ensure timely initiation of services.
   5. A non-bidding process may be utilized to add or amend contracts in accordance with this plan if needed.

PLAN FOR EXPANSION AS NEEDED

DHHS Service Area	Contractor	Contractor Willing to Expand WITHIN the Service Area	Contractor Willing to Expand TO Another Service Area
Eastern	KVC NFC Visinet	KVC NFC Visinet	Boys & Girls CEDARS
Southeast	CEDARS KVC Visinet	CEDARS KVC Visinet	TBA Boys & Girls NFC
Central	TBA Boys & Girls	TBA Boys & Girls	KVC NFC
Western	Boys & Girls	NA	TBA KVC
Northern	Boys & Girls	NA	KVC NFC Visinet

IV. GENERAL PROVISIONS

A. ACCESS TO RECORDS AND AUDIT RESPONSIBILITIES.

1. All Contractor books, records, and documents regardless of physical form, including data maintained in computer files or on magnetic, optical or other media, relating to work performed or monies received under this contract shall be subject to audit at any reasonable time upon the provision of reasonable notice by DHHS. Contractor shall maintain all records for five (5) years from the date of final payment, except that records that fall under the provisions of the Health Insurance Portability and Accountability Act (HIPAA) shall be maintained for six (6) full years from the date of final payment. In addition to the foregoing retention periods, all records shall be maintained until all issues related to an audit, litigation or other action are resolved to the satisfaction of DHHS. All records shall be maintained in accordance with generally accepted business practices.

2. The Contractor shall provide DHHS any and all written communications received by the Contractor from an auditor related to Contractor's internal control over financial reporting requirements and communication with those charged with governance including those in compliance with or related to Statement of Auditing Standards (SAS) 112 *Communicating Internal Control related Matters Identified in an Audit* and SAS 114 *The Auditor's Communication with Those Charged With Governance.* The Contractor agrees to provide DHHS with a copy of all such written communications immediately upon receipt or instruct any auditor it employs to deliver copies of such written communications to DHHS at the same time copies are delivered to the Contractor, in which case the Contractor agrees to verify that DHHS has received a copy.

3. The Contractor shall immediately correct any material weakness or condition reported to DHHS in the course of an audit and notify DHHS that the corrections have been made.

4. In addition to, and in no way in limitation of any obligation in this contract, the Contractor shall be liable for audit exceptions, and shall return to DHHS all payments made under this contract for which an exception has been taken or which has been disallowed because of such an exception, upon demand from DHHS.

B. AMENDMENT. This contract may be modified only by written amendment executed by both parties. No alteration or variation of the terms and conditions of this contract shall be valid unless made in writing and signed by the parties.

C. ANTI-DISCRIMINATION. The Contractor shall comply with all applicable local, state and federal statutes and regulations regarding civil rights and equal opportunity employment, including Title VI of the Civil Rights Act of 1964; the Rehabilitation Act of 1973, Public Law 93-112; the Americans With Disabilities Act of 1990, Public Law 101-336; and the Nebraska Fair Employment Practice Act, NEB. REV. STAT. §§ 48-1101 to

48-1125. Violation of said statutes and regulations will constitute a material breach of contract. The Contractor shall insert this provision in all subcontracts.

D. ASSIGNMENT. The Contractor shall not assign or transfer any interest, rights, or duties under this contract to any person, firm, or corporation without prior written consent of DHHS. In the absence of such written consent, any assignment or attempt to assign shall constitute a breach of this contract.

E. ASSURANCE. If DHHS in good faith, has reason to believe that the Contractor does not intend to, is unable to, or has refused to perform or continues to perform all material obligations under this contract, DHHS may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of days specified in the demand may, at DHHS's option, be the basis for terminating this contract.

F. BREACH OF CONTRACT. DHHS may terminate the contract, in whole or in part, if the Contractor fails to perform its obligations under the contract in a timely and proper manner. DHHS may, by providing a written notice of default to the Contractor, allow the Contractor to cure a failure or breach of contract within a period of thirty (30) days or longer at DHHS's discretion considering the gravity and nature of the default. Said notice shall be delivered by Certified Mail, Return Receipt Requested or in person with proof of delivery. Allowing the Contractor time to cure a failure or breach of contract does not waive DHHS's right to immediately terminate the contract for the same or different contract breach which may occur at a different time. DHHS may, at its discretion, contract for any services required to complete this contract and hold the Contractor liable for any excess cost caused by Contractor's default. This provision shall not preclude the pursuit of other remedies for breach of contract as allowed by law.

G. CONFIDENTIALITY. Any and all information gathered in the performance of this contract, either independently or through DHHS, shall be held in the strictest confidence and shall be released to no one other than DHHS without the prior written authorization of DHHS, provided, that contrary contract provisions set forth herein shall be deemed to be authorized exceptions to this general confidentiality provision. This provision shall survive termination of this contract.

H. CONFLICTS OF INTEREST. In the performance of this contract, the Contractor shall avoid all conflicts of interest and all appearances of conflicts of interest. The Contractor shall immediately notify DHHS of any such instances encountered so that other arrangements can be made to complete the work.

I. COST PRINCIPLES AND AUDIT REQUIREMENTS. The Contractor shall follow the applicable cost principles set forth in OMB Circular A-87 for State, Local and Indian Tribe Governments or A-122 for Non-Profit Organizations. Audit requirements are dependent on the total amount of federal funds received by the Contractor, set in the table below and Attachment 1, Audit Requirement Certification. Audits must be

prepared and issued by an independent certified public accountant licensed to practice. A copy of the annual financial review or audit is to be made electronically available or sent to: Nebraska Department of Health and Human Services, Financial Services, P.O. Box 95026, Lincoln, NE 68509-5026.

Amount of annual federal payments	Audit Type
Less than $500,000	*Audit that meets Government Auditing Standards*
500,000 or more in federal payments	*A-133 audit*

J. DATA OWNERSHIP AND COPYRIGHT. All data collected as a result of this project shall be the property of DHHS. The Contractor shall not copyright any of the copyrightable material produced in conjunction with the performance required under this contract without written consent from DHHS. DHHS hereby reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the copyrightable material for state government purposes. This provision shall survive termination of this contract.

K. DEBARMENT, SUSPENSION OR DECLARED INELIGIBLE. The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

L. DOCUMENTS INCORPORATED BY REFERENCE. All references in this contract to laws, rules, regulations, guidelines, directives, and attachments which set forth standards and procedures to be followed by the Contractor in discharging its obligations under this contract shall be deemed incorporated by reference and made a part of this contract with the same force and effect as if set forth in full text, herein.

M. DRUG-FREE WORKPLACE. Contractor certifies that it maintains a drug-free workplace environment to ensure worker safety and workplace integrity. Contractor shall provide a copy of its drug-free workplace policy at any time upon request by DHHS.

N. FEDERAL FINANCIAL ASSISTANCE. The Contractor shall comply with all applicable provisions of 45 C.F.R. §§ 87.1-87.2. The Contractor shall not use direct federal financial assistance to engage in inherently religious activities, such as worship, religious instruction, and/or proselytization.

O. FORCE MAJEURE. Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under this contract due to a natural disaster, or other similar event outside the control and not the fault of the affected party ("Force Majeure Event"). A Force Majeure Event shall not constitute a breach of this contract. The party so affected shall immediately give notice to the other party of the Force Majeure Event. Upon such notice, all obligations of the affected party under this contract which are reasonably related to the Force Majeure Event shall be suspended, and the affected party shall do everything reasonably necessary to resume

performance as soon as possible. Labor disputes with the impacted party's own employees will not be considered a Force Majeure Event and will not suspend performance requirements under this contract.

P. FUNDING AVAILABILITY. DHHS may terminate the contract, in whole or in part, in the event funding is no longer available. Should funds not be appropriated, DHHS may terminate the contract with respect to those payments for the fiscal years for which such funds are not appropriated. DHHS shall give the Contractor written notice thirty (30) days prior to the effective date of any termination. The Contractor shall be entitled to receive just and equitable compensation for any authorized work which has been satisfactorily completed as of the termination date. In no event shall the Contractor be paid for a loss of anticipated profit.

Q. GOVERNING LAW. The contract shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against DHHS or the State of Nebraska regarding this contract shall be brought in Nebraska administrative or judicial forums as defined by Nebraska State law. The Contractor shall comply with all Nebraska statutory and regulatory law.

R. HOLD HARMLESS.

1. The Contractor shall defend, indemnity, hold, and save harmless the State of Nebraska and its employees, volunteers, agents, and its elected and appointed officials ("the indemnified parties") from and against any and all claims, liens, demands, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses ("the claims"), sustained or asserted against the State of Nebraska, arising out of, resulting from, or attributable to the willful misconduct, negligence, error, or omission of the Contractor, its employees, subcontractors, consultants, representatives, and agents, except to the extent such Contractor liability is attenuated by any action of the State of Nebraska which directly and proximately contributed to the claims.

2. DHHS's liability is limited to the extent provided by the Nebraska Tort Claims Act, the Nebraska Contract Claims Act, the Nebraska Miscellaneous Claims Act, and any other applicable provisions of law. DHHS does not assume liability for the action of its Contractors.

S. INDEPENDENT CONTRACTOR. The Contractor is an Independent Contractor and neither it nor any of its employees shall for any purpose be deemed employees of DHHS. The Contractor shall employ and direct such personnel as it requires to perform its obligations under this contract, exercise full authority over its personnel, and comply with all workers' compensation, employer's liability and other federal, state, county, and municipal laws, ordinances, rules and regulations required of an employer providing services as contemplated by this contract.

T. INVOICES. Invoices for payments submitted by the Contractor shall contain sufficient detail to support payment. Any terms and conditions included in the Contractor's invoice shall be deemed to be solely for the convenience of the parties.

U. INTEGRATION. This written contract represents the entire agreement between the parties, and any prior or contemporaneous representations, promises, or statements by the parties, that are not incorporated herein, shall not serve to vary or contradict the terms set forth in this contract.

V. LOBBYING.

1. No Federal appropriated funds shall be paid, by or on behalf of the Contractor, 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 contract or (a) the awarding of any Federal agreement; (b) the making of any Federal grant; (c) the entering into of any cooperative agreement; and (d) the extension, continuation, renewal, amendment, or modification of any Federal agreement, grant, loan, or cooperative agreement.

2. 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 contract, the Contractor shall complete and submit Federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

W. NEBRASKA NONRESIDENT INCOME TAX WITHHOLDING. Contractor acknowledges that Nebraska law requires DHHS to withhold Nebraska income tax if payments for personal services are made in excess of six hundred dollars ($600) to any contractor who is not domiciled in Nebraska or has not maintained a permanent place of business or residence in Nebraska for a period of at least six months. This provision applies to individuals, to a corporation if 80% or more of the voting stock of the corporation is held by the shareholders who are performing personal services, and to a partnership or limited liability company if 80% or more of the capital interest or profits interest of the partnership or limited liability company is held by the partners or members who are performing personal services.

The parties agree, when applicable, to properly complete the Nebraska Department of Revenue Nebraska Withholding Certificate for Nonresident Individuals Form W-4NA or its successor. The form is available at:
http://www.revenue.ne.gov/tax/current/f_w-4na.pdf or
http://www.revenue.ne.gov/tax/current/fill-in/f_w-4na.pdf

X. NEBRASKA TECHNOLOGY ACCESS STANDARDS.
The Contractor shall review the Nebraska Technology Access Standards, found at http://www.nitc.state.ne.us/standards/accessibility/tacfinal.html and ensure that

products and/or services provided under the Contract comply with the applicable standards. In the event such standards change during the Contractor's performance, the State may create an amendment to the Contract to request that Contract comply with the changed standard at a cost mutually acceptable to the parties.

Y. NEW EMPLOYEE WORK ELIGIBILITY STATUS. The Contractor shall use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. § 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

If the Contractor is an individual or sole proprietorship, the following applies:

1. The Contractor must complete the United States Citizenship Attestation Form, available on the Department of Administrative Services website at www.das.state.ne.us.

2. If the Contractor indicates on such attestation form that he or she is a qualified alien, the Contractor agrees to provide the U.S. Citizenship and Immigration Services documentation required to verify the Contractor's lawful presence in the United States using the Systematic Alien Verification for Entitlements (SAVE) Program.

3. The Contractor understands and agrees that lawful presence in the United States is required and the Contractor may be disqualified or the contract terminated if such lawful presence cannot be verified as required by NEB. REV. STAT. § 4-108.

Z. PROMPT PAYMENT. Payment shall be made in conjunction with the State of Nebraska Prompt Payment Act, NEB. REV. STAT. §§ 81-2401 through 81-2408. Unless otherwise provided herein, payment shall be made by electronic means.

ACH Enrollment Form Requirements for Payment
"It is the responsibility of the vendor to complete and sign the State of Nebraska ACH Enrollment Form and to obtain the necessary information and signatures from their financial institution. The completed form must be submitted before payments to the vendor can be made."

Download ACH Form:
http://www.das.state.ne.us/accounting/nis/address_book_info.htm

AA. PUBLIC BENEFITS ELIGIBILITY STATUS. Pursuant to NEB. REV. STAT. §§ 4-108 through 4-114, DHHS shall obtain attestations and SAVE verifications as necessary

when a public benefit is provided through this contract. The Contractor agrees to cooperate with DHHS as necessary for compliance.

BB. PUBLIC COUNSEL. In the event Contractor provides health and human services to individuals on behalf of DHHS under the terms of this contract, Contractor shall submit to the jurisdiction of the Public Counsel under NEB. REV. STAT. §§ 81-8,240 through 81-8,254 with respect to the provision of services under this contract. This clause shall not apply to contracts between DHHS and long-term care facilities subject to the jurisdiction of the state long-term care ombudsman pursuant to the Long-Term Care Ombudsman Act.

CC. RESEARCH. The Contractor shall not engage in research utilizing the information obtained through the performance of this contract without the express written consent of DHHS. The term "research" shall mean the investigation, analysis, or review of information, other than aggregate statistical information, which is used for purposes unconnected with this contract.

DD. SEVERABILITY. If any term or condition of this contract is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if this contract did not contain the particular provision held to be invalid.

EE. SUBCONTRACTORS. The Contractor shall not subcontract any portion of this contract without prior written consent of DHHS. The Contractor shall ensure that all subcontractors comply with all requirements of this contract and applicable federal, state, county and municipal laws, ordinances, rules and regulations.

FF. TIME IS OF THE ESSENCE. Time is of the essence in this contract. The acceptance of late performance with or without objection or reservation by DHHS shall not waive any rights of DHHS nor constitute a waiver of the requirement of timely performance of any obligations on the part of the Contractor remaining to be performed.

NOTICES. Notices shall be in writing and shall be effective upon receipt. Written notices, including all reports and other written communications required by this contract shall be sent to the following addresses:

FOR DHHS:

Nathan Busch, Service Area Administrator
Department of Health and Human Services
1600 10th St.
Gering, NE 69341
308-436-6559

FOR CONTRACTOR:

Jeff Hackett, Chief Operating Officer
Boys and Girls Home of Nebraska, Inc.
100 Futures Drive PO Box 127
South Sioux City, NE 68776
712-293-4700

IN WITNESS THEREOF, the parties have duly executed this contract hereto, and each party acknowledges the receipt of a duly executed copy of this contract with original signatures.

FOR DHHS:

Todd L. Reckling
Director
Department of Health and Human Services
Division of Children and Family Services

DATE: 10/28/2009

FOR CONTRACTOR:

Jeff Hackett
Chief Operating Officer
Boys and Girls Home of Nebraska, Inc.

DATE: 11-20-09

NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Foster Care Program under Title IV-E
Promoting Safe and Stable Families Grant
Independent Living Program
AUDIT REQUIREMENT CERTIFICATION

Subgrantees and certain contractors receiving funds from the Nebraska Department of Health and Human Services are required to complete this document. Reference to the Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, in this document is "Circular A-133".

Grant Name *Foster Care Program under Title IV-E* **Grant #** *0901NE1401* **CFDA*#** *93.658*
Grant Name *Promoting Safe and Stable Families* **Grant #** *G-0901NEFPSS* **CFDA*#** *93.556*
Grant Name *Independent Living Program* **Grant #** *G-0901NE1420* **CFDA*#** *93.674*

*(Catalog of Federal Domestic Assistance)

Contractor's Name Boys and Girls Home of Nebraska, Inc

Address: PO Box 127

City: South Sioux City **State:** NE **Zip Code:** 68776-0127

Federal Tax Identification Number (FTIN) 47-0753759

Contractor's Fiscal Year 1-1, 2009 **to** 12, 31, 2009

All written communications from the Certified Public Accountant (CPA) engaged under #1 or #2 below, given to the contractor including those in compliance with or related to Statement of Auditing Standards (SAS) 112 *Communicating Internal Control related Matters Identified in an Audit* and SAS 114 *The Auditor's Communication with Those Charged With Governance* must be provided by the contractor to the Nebraska Department of Health and Human Services immediately upon receipt, unless the contractor has directed the CPA to provide the copy directly to the Department and has verified this has occurred.

Check either 1 or 2 and complete the signature block on page 2:

1. __ As the contractor named above, we expect to expend less than $500,000 from all Federal Financial Assistance sources, not just the grant named above, and including commodities in our current fiscal year. Therefore, we are not subject to the audit requirements of Circular A-133.

   We are, however, responsible for engaging a licensed Certified Public Accountant (CPA) to conduct and prepare either, a review (expenditures less than $75,000) or audit report (expenditures $75,000-$499,999) of our organization's financial statements and a report issued by the CPA. We acknowledge the audit must be completed no later than nine months after the end of our organization's current fiscal year. A copy of the report must be submitted to the Nebraska Department of Health and Human Services address as shown

below within the earlier of 30 days after receipt of the auditor's report(s), or nine months after the end of the audit period.

2. X As the contractor named above, we expect to expend $500,000 or more from all Federal Financial Assistance sources, not just the grant named above, and including commodities in our current fiscal year. Therefore we are subject to the single audit requirements of Circular A-133.

We will engage a licensed Certified Public Accountant to conduct and prepare the audit of our organization's financial statements and components of the single audit pertaining to those financial statements. We acknowledge the audit must be completed no later than nine months after the end of our current fiscal year.

We further acknowledge, as the contractor, that a single audit performed in accordance with Circular A-133 must be submitted to the Federal Audit Clearinghouse. The reporting package, as evidence the audit was completed must contain:

- The contractor's financial statements,
- a schedule of Expenditure of Federal Awards,
- a Summary Schedule of Prior Audit Findings (if applicable),
- a corrective action plan (if applicable) and
- the auditor's report(s) which includes an opinion on this contractor's financial statements and Schedule of Expenditures of Federal Awards, a report on this contractor's internal control, a report on this contractor's compliance and a Schedule of Findings and Questioned Costs.

We further acknowledge the auditor and this contractor must complete and submit with the reporting package a *Data Collection Form for Reporting on Audits of States, Local Governments and Non-Profit Organizations* (SF-SAC).

We further acknowledge a copy of this subgrantee's financial statements, auditor's report and SF-SAC must be submitted, at the time these documents are submitted to the Federal Audit Clearinghouse, to the:

Nebraska Department of Health and Human Services
Financial Services
Grants and Cost Management
P.O. Box 95026
Lincoln, NE 68509-5026

or the Contractor must notify the Department when the reporting package becomes available and provide the Department with access to an electronic version of its annual audit and financial report. Notification of availability will be sent to the Nebraska Department of Health and Human Services, Financial Services, Grant and Cost Management is a format similar to the following:

The Contractor's latest A-133 Audit is now available for your use at:
http://www.

The Contractor's financial report is available at:
http://www

The foregoing submissions or notification and electronic access to the annual audit and financial report must be made within the earlier of 30 days after receipt of the auditor's report(s), or nine months after the end of the audit period.

Jeffrey T. Hackett
Print/Type Name

COO
Print/Type Title

Signature

11-20-09
Date

712-293-4727
Telephone Number