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1874188

AMENDED AND RESTATED SERVICE DELIVERY, COORDINATION AND CASE MANAGEMENT CONTRACT

41449-04

BETWEEN THE

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

**NEBRASKA FAMILIES COLLABORATIVE
FOR EASTERN SERVICE AREA**

AMENDMENT THREE TO RESTATED CONTRACT, JUNE 2013

This amendment is entered into between the Nebraska Department of Health and Human Services, **DIVISION OF CHILDREN AND FAMILY SERVICES** (hereinafter "DHHS"), and **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Subrecipient" or NFC).

PURPOSE: To clarify that NFC is and shall be treated as a subrecipient of grant funds under Title IV-E of the Social Security Act; to establish the amount of compensation and payment method for the year beginning July 1, 2013 and ending June 30, 2014 as required by Article II, Sections A and F of the Restated Contract as previously amended; to further define performance measures and the commitment of the Division of Children and Family Services to results-based accountability; and to restate the agreement of the parties and amendments thereto in the form of a subgrant.

The Amended and Restated Contract between the parties dated August 16, 2011 and Amendments One and Two thereto are hereby amended and restated in their entirety as follows:

CASE MANAGEMENT SUBGRANT

BETWEEN

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

AND

NEBRASKA FAMILIES COLLABORATIVE

This subgrant is entered into by and between the Nebraska Department of Health and Human Services, **DIVISION OF CHILDREN AND FAMILY SERVICES** (hereinafter "DHHS"), and **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Subrecipient" or "NFC").

CFDA Title & #: Foster Care IV-E 93.658

Federal Agency:
Department of Health and
Human Services-
Administration for Children

Award Name: _____

and Families
Federal Award Identifier
#1301NE1401 and
1401NE1501

Issue Date:
Award Date:
10/01/12-9/30/13
and 10/01/13-
9/30/14

This award is not for research and
does not include ARRA funds.

PURPOSE. The purpose of this subgrant is: 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 or Juvenile Services System or who are non-court involved children and families involved in the Child Welfare System. Service delivery, service coordination, and case management functions will be provided for families served in the Eastern Service Area. Nebraska Families Collaborative currently serves all of the children and families described above in the Eastern Service Area. NFC will continue case management, service coordination, and service delivery for all such children and families in the Eastern Service Area. The restatement of this agreement does not constitute a new contract within the meaning of Neb. Rev. Stat. §73-510.

I. PERIOD OF PERFORMANCE AND TERMINATION

- A. **TERM.** This agreement is in effect from November 1, 2009 the effective date through June 30, 2014, the completion date.
- B. **TERMINATION.** This subgrant 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 subgrant in accord with the provisions designated "FUNDING AVAILABILITY" and "BREACH OF SUBGRANT." In the event either party terminates this subgrant, the Subrecipient shall provide to DHHS all work in progress, work completed, and materials provided by DHHS in connection with this subgrant immediately.

II. AMOUNT OF SUBGRANT

- A. **TOTAL SUBGRANT.** DHHS shall pay the Subrecipient a total amount, not to exceed \$181,134,004.12 (One Hundred Eighty-one Million One Hundred Thirty-four Thousand Four Dollars and Twelve Cents) for the activities specified herein.
- B. **PAYMENT STRUCTURE.** Payment shall be structured as follows:
1. **\$862,524.13 (Eight hundred sixty two thousand five hundred twenty four dollars and thirteen cents)** on November 1, 2009 or on the date the agreement 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 **\$862,524.13 (Eight hundred sixty two thousand five hundred twenty four dollars and thirteen cents)** minus any payments made in the prior month for direct services paid through N-FOCUS.
 3. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on July 1, 2010 or on the date

Amendment Three, July 2010 was executed.

4. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on or about August 1, 2010.
5. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on or about September 1, 2010.
6. a. DHHS will pay \$860,284.25 each month for services provided July 1, 2010 through June 30, 2011, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.
- b. DHHS will pay \$2,561,296.00 each month for services provided July 1, 2011 through February 29, 2012 and \$5,413,465.25 each month for services provided March 1, 2012 through June 30, 2012, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

c. Compensation from July 1, 2012 through June 30, 2014:

1. DHHS will pay to Subrecipient a fixed payment of \$1,194,167.53 each month for services provided July 1, 2012 through June 30, 2013, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.
2. In addition to the fixed monthly payment in the foregoing paragraph, DHHS agrees to pay the Subrecipient a variable monthly payment on or about the 15th day of the month following the month services are provided for the period beginning July 1, 2012 and ending June 30, 2013. The variable payment will be based on the number of cases reported each week on the Point in Time Management Report for each category of case. The number of cases will be averaged during the month in which services were provided. The monthly average number of cases will then be multiplied by the number of days in the month times a per diem rate established for each category of case. The average number of cases will be determined by DHHS using a Point in Time Management Report generated using N-Focus data.

There are two case membership categories. The In Home Case Category includes families in which the children (wards and children in non-court cases) are placed in the family home. The services and supports are provided to the entire family which includes parents (custodial and non-custodial), siblings, and significant adults who provide some care-giving role to the child. Each family will count as one (1) case and the Subrecipient will be compensated at the in home rate.

The Out of Home Case Category includes children who are placed outside of the family home (wards, voluntary placement agreements, and children in non-court cases). Services and supports are provided to the entire

family which includes parents (custodial and non-custodial), siblings, and foster parents. Each child will count as one (1) case and the Subrecipient will be compensated at the out of home rate.

a. For the In Home Case Membership Category, the daily variable rate is \$17.02.

b. For the Out of Home Case Membership Category, the daily variable rate is \$58.98.

3. DHHS will pay to Subrecipient a fixed payment of \$1,544,167.53 each month for services provided July 1, 2013 through June 30, 2014, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

4. In addition to the fixed monthly payment in the foregoing paragraph, DHHS agrees to pay the Subrecipient a variable monthly payment on or about the 15th day of the month following the month services are provided for the period beginning July 1, 2013 and ending June 30, 2014. The variable payment will be based on the number of cases reported each week on the Point in Time Management Report for each category of case. The number of cases will be averaged during the month in which services were provided. The monthly average number of cases will then be multiplied by the number of days in the month times a per diem rate established for each category of case. The average number of cases will be determined by DHHS using a Point in Time Management Report generated using N-Focus data.

There are two case membership categories. The In Home Case Category includes families in which the children (wards and children in non-court cases) are placed in the family home. The services and supports are provided to the entire family which includes parents (custodial and non-custodial), siblings, and significant adults who provide some care-giving role to the child. Each family will count as one (1) case and the Subrecipient will be compensated at the in home rate.

The Out of Home Case Category includes children who are placed outside of the family home (wards, voluntary placement agreements, and children in non-court cases). Services and supports are provided to the entire family which includes parents (custodial and non-custodial), siblings, and foster parents. Each child will count as one (1) case and the Subrecipient will be compensated at the out of home rate.

a. For the In Home Case Membership Category, the daily variable rate is \$17.02.

b. For the Out of Home Case Membership Category, the daily variable rate is \$58.98.

In the event the subgrant is terminated prior to the end of a calendar month, Subrecipient shall be entitled to payments due on a pro rata basis, provided the Subrecipient is not in default.

d. Beginning January 1, 2011, payments will no longer be made through N-FOCUS, and payments made under Article II. CONSIDERATION Section B. 3, 4, 5 and 6 through N-FOCUS will be reconciled to the maximum payment to which NFC would have been entitled from July 1, 2010 through December 31, 2010, which is \$8,602,842.48. To the extent NFC has been underpaid from July 1 through December 31, 2010, DHHS will initiate processing of payment of the remaining amount due on January 3, 2011. To the extent NFC has been overpaid from July 1 through December 31, 2010, the next monthly payment under Article II. CONSIDERATION Section B. 6 will be adjusted by the amount of the overpayment. Monthly payments under Article II. CONSIDERATION Section B. 6 are contingent upon full and complete performance of the subgrant obligations but are not contingent upon the dollar amount of statements for services submitted through N-FOCUS, beginning January 1, 2011. DHHS reserves the right to withhold future payments upon the failure of NFC to submit statements, documentation, and financial information for all services provided as required under Article III. SCOPE OF SERVICES C. below.

7. In no event will the aggregate payments made pursuant to this agreement exceed the amount set forth in Article II. CONSIDERATION Section A.
8. In the event the subgrant is terminated prior to the end of a calendar month, Subrecipient shall be entitled to payments due under Article II. CONSIDERATION Section B. 6 on a pro rata basis, provided the subrecipient is not in default. Further, if the subgrant is terminated prior to June 30, 2012, Subrecipient will return to DHHS a portion of the compensation paid under Article II. CONSIDERATION Section B. 11, calculated as follows:

An amount equal to the aggregate compensation under Article II. CONSIDERATION Section B. 11 due Subrecipient through the date of termination minus an amount calculated by multiplying the aggregate compensation under Article II. CONSIDERATION Section B. 11 due Subrecipient through the date of termination by a fraction where the numerator is the number of full months the subgrant is performed from January 1, 2011 through June 30, 2012 and the denominator is 18.

9. Monthly payment amount may be impacted by changes in State or Federal appropriations.
10. Notwithstanding Article II. CONSIDERATION Section B, 1 through 9 above, Three million dollars will be paid as follows: One million dollars will be paid during each of the months of October, November, and December 2010 by the 15th day of each month.
11. In addition to the consideration set forth in Article II. CONSIDERATION Section B. 1 through B. 10, DHHS will pay the Subrecipient \$777,777.77

each month, commencing January 2011, through and including September 2011, upon full and complete performance of this subgrant, subject to repayment upon early termination as set forth in Article II. CONSIDERATION Section B. 8. Consideration under this section is payable one half after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month. No pro rata payments will be made under this section.

- C. (Moved to Article III. SCOPE OF SERVICES Section C.)
- D. DHHS and NFC agree that the total State compensation 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 through 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 agreement. In the event that the amount of claims paid by June 30, 2010 for direct services provided outside of this agreement is less than the amount set aside to pay claims as defined above, DHHS will pay NFC **12.98%** of the remaining funds. In the event that the amount of claims paid by June 30, 2010 for direct services provided outside of this agreement is more than the amount set aside to pay claims as defined above, NFC will pay to DHHS **12.98%** of the shortfall not to exceed **\$1,538,225.00 (One million, five hundred thirty eight thousand, two hundred twenty five dollars and no cents)**. Upon request of the NFC said amount may be withheld from future payments to the NFC.
- E. (Deleted)
- 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 subgrant. Legislative Bill 561 passed on May 29, 2013 significantly affects the number of juveniles that will be provided services through this subgrant. While the parties have made estimates of the number of children and families that will be served and the corresponding cost of providing services, there is some uncertainty. For this reason, the case rate and payment structure may be reviewed at the request of either party and may be renegotiated for the period beginning January 1, 2014 through June 30, 2014.
- G. The Subrecipient agrees that DHHS will maintain responsibility to assure that funds expended within this subgrant are identified for use as matching funds to secure Federal funding. The Subrecipient and DHHS agree that amendments to the subgrant may be made to assure availability of funds required as matching funds to access Federal funds.
- H. The Subrecipient must track and report quarterly and annually its federal and state expenditures, including administrative costs, in a format provided by DHHS. This includes, but is not limited to, reconciling its monthly financial statements to invoices for services for purposes of claiming reimbursement under Title IV-E of the Social Security

Act. The reconciliations must be readily reviewable and traceable to source documentation. In the event that such reconciliation is not completed by the last day of the month following the end of a reporting quarter, DHHS may elect to withhold the next payment under Article II, Section B until the reconciliation is completed.

- I. The Subrecipient is required to conform to the applicable federal agency codifications of the grants management common rule for expenditure of federal funds.
 - J. All payment from DHHS to the Subrecipient will be made electronically.
 - K. The Subrecipient 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 subgrant 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 subgrant is performance based with identified outcomes. Penalties will be assessed by DHHS to the Subrecipient in the event of any of the following:
 - 1. Subrecipient fails to comply with a court order and the court imposes a financial penalty or sanction on DHHS.
 - 2. Subrecipient fails to comply with any Federal standards or requirements and a financial penalty or sanction is imposed by the Federal Government upon the State of Nebraska as a result of such failure to comply.
- The amount of the penalty assessed against Subrecipient will be equal to the penalty assessed against the State of Nebraska and attributable to Subrecipient's noncompliance. If the penalty is specific to the Eastern Service Area, Subrecipient will be assessed 100% of the penalty if attributable to the subrecipient for failure to comply with any federal standards or requirements. If the penalty is a statewide penalty, DHHS will prorate the applicable amount to Subrecipient commensurate with Subrecipient's noncompliance. Penalty payments will be withheld from sums due Subrecipient under this subgrant.
- 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 by the Administrative Services Organization (ASO) or Managed Care Organization (MCO), but the service is court ordered, the Subrecipient will be responsible for payment of the service.
 - P. The Subrecipient is not responsible for payment of the following:
 - 1. Services paid by Medicaid, private insurance or alternative funding source;
 - 2. Physical health care costs of children, youth and families not otherwise paid by a parent, Medicaid, or other third party.
 - 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. Maintenance payments for a ward's child;
8. State ward independent living maintenance payments;
9. Case management and extended services for a young adult who has entered into a voluntary services and support agreement under the Young Adult Voluntary Services and Support Act except those requirements under said Act that should be performed prior to the time the young adult reaches 19 years of age and is discharged from foster care.

All other costs associated with the performance of this subgrant are the responsibility of the Subrecipient. This includes, but is not limited to: court ordered services for which Subrecipient is unable to secure alternate funding sources and assistance with funeral costs, if requested by family or legal guardian, for any child who dies while in the legal custody of DHHS or while being actively served under this subgrant without court involvement.

- Q. The Subrecipient 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 Subrecipient specifically agrees that any bonus, gift, extra benefit, or other payment of funds beyond base pay or salary and the Subrecipient's normal employee benefit package provided to an employee, prospective employee, Subrecipient or sub-contractor to be paid from funds provided under this sub-grant shall be approved by DHHS before the Subrecipient pays or commits to pay any such amount.
- S. The Subrecipient shall make payment in full to Sub-contractors for all goods delivered or services rendered on or before the forty-fifth calendar day after the date of receipt by the Subrecipient of a bill meeting the Subrecipient's requirements, as set forth in Subrecipient's written policy, protocol or contract terms with the Sub-Contractor. Payment to treatment sub-contractors delayed due to coordination of benefits with insurance providers will be paid on or before the one hundred and eightieth calendar day after receipt of a bill as described above. Nothing in this sub-grant is intended to create a third party beneficiary relationship with sub-contractors. This provision shall survive termination of the subgrant.
- T. Monthly financial statements will be provided by Subrecipient to the DHHS within 30 days of the end of the month. The financial statements will include a balance sheet, income statement, and statement of cash flows in a format that is acceptable to DHHS. The financial statements will be prepared using the accrual basis of accounting and using generally accepted accounting principles (GAAP).
- U. Thirty days following the end of each month beginning July, 2013, an aging of accounts payable must be provided by Subrecipient to DHHS. The accounts payable aging will be consistent with the monthly financial statements provided to DHHS and list by vendor the amount owed to each vendor and: what portion of the amount owed has been due less than 30 days; what portion has been due between 30 days and 59 days; what portion

has been due between 60 days and 89 days; what portion has been due between 90 days and 119 days; and what portion has been due 120 days or longer. In addition, a reconciliation of accrued expenses to the balance sheet will also be provided each month to the DHHS. Nothing in this section is intended to limit access to Subrecipient's records and information as provided elsewhere in this subgrant and the terms of this section shall survive termination of this subgrant.

III. STATEMENT OF WORK

- A. Program Standards - The Subrecipient shall do the following:
1. Accept and serve all children, youth and families referred by DHHS. This is a no reject, no eject subgrant. Children and families who are served through this subgrant 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; 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 Operations Manual dated June, 2012 (hereinafter the Manual) as amended hereafter by mutual consent of the parties. The Manual will describe in detail the parties' required operational duties during the entire subgrant period.
 4. Provide service coordination and case management functions for treatment and non-treatment services for court involved and non-court involved children, youth and families as defined in the Manual and this subgrant.
 5. Legislative Bill 530 was passed by the 2013 Legislature. DHHS will be required to implement the reimbursement rate recommendations of the Foster Care Reimbursement Rate Committee. Commencing July 1, 2014, Subrecipient and its subcontractors and second tier subrecipients will pay foster families for foster care an amount consistent with the foster care reimbursement rates implemented by DHHS.
 6. Allow and provide DHHS access to any and all information and data collected related to the performance of this subgrant.
 7. Abide by all National Youth in Transition Database (NYTD) requirements as outlined in the Manual incorporated herein.
 8. DHHS intends to standardize foster parent training as early as January 1, 2014. Subrecipient acknowledges that this is the prerogative of DHHS.
 9. Guardianship Authority:
 - a. Notwithstanding any other provision of this subgrant, the Subrecipient acknowledges that DHHS has legal guardianship of state wards served under the terms of this subgrant, that such guardianship authority cannot be delegated to other parties, and that DHHS reserves all rights and responsibilities of a guardian unto itself.
 - b. All services in court involved cases will be in accordance with any orders

issued by the court.

10. Complaints:

- a. The Subrecipient 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 subgrant.
- b. The Subrecipient will respond to complaints related to the performance of this subgrant as directed by DHHS.
- c. If the complaint involves an issue related to a specific case, the professional Judgement Resolution process as defined in the Manual will be used.
- d. Subrecipient will maintain a file of all complaints related to the performance of this subgrant which shall be available for inspection by DHHS upon request.

11. Incident Reports: The Subrecipient 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 Subrecipient 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 Subrecipient shall provide to DHHS a written report of the Critical Incident within 4 hours. The Subrecipient shall continue to provide information related to the Critical Incident as requested by DHHS.
- c. Other special reports shall be provided by Subrecipient as requested by DHHS.

12. Transportation Standards:

- a. The Subrecipient is responsible for providing all in-state and out-of-state

transportation related to the Subrecipient's primary business of serving the needs of children, youth and families.

- b. The Subrecipient must follow all DHHS policies, rules and regulations and provisions contained in the Manual regarding transportation.
- c. The Subrecipient is responsible for ensuring that it complies with all applicable Public Service Commission regulations and requirements to the extent they apply to the Subrecipient's activities in the performance of this subgrant.
- d. The Subrecipient 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 Subrecipient 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 Subrecipient is responsible for all secure transportation in compliance with DHHS requirements.

13. 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.
- b. Subrecipient shall ensure that persons providing foster care are in compliance with applicable State Statutes, including, but not limited to, Neb. Rev. Stat. § 71-1902.

14. Foster Parent Recruitment:

- a. The Subrecipient agrees to develop and implement a recruitment plan, and report quarterly on progress related to recruitment, utilization and retention of foster parents. The Subrecipient agrees to collaborate with DHHS in the development of the state wide recruitment plan.

15. Consent for Treatment:

- a. DHHS is solely responsible for consent to medical care, mental health or substance abuse treatment. The Subrecipient will contact DHHS to obtain consent.

16. Sub-contractors:

- a. The Subrecipient will be held responsible for all acts and omissions related to service delivery, as well as outcomes and specified terms in this subgrant.
- b. Subrecipient may not allow a sub-contractor to further sub-contract for services, other than foster family care, under this subgrant.
- c. The Subrecipient 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 Subrecipient will ensure that sub-contractors meet all background

check requirements outlined in this subgrant and Manual.

17. Safety Standards:

- a. The Subrecipient shall immediately report any circumstances which would require a report pursuant to Neb. Rev. Stat. §28-711 to the DHHS Hotline (1-800-652-1999), or appropriate law enforcement agency, or 911 if an emergency, in addition to the assigned DHHS personnel.
- b. Upon execution of this subgrant, the Subrecipient will provide documentation of its protocol for reporting suspected abuse and neglect for staff in its employ and with any subcontractors.

18. Referral Process:

- a. The Subrecipient will maintain a contact number to receive referrals 24 hours a day, every day of the year.
- b. The Subrecipient will develop a protocol with the Service Area regarding the referral process.
- c. In the event the Subrecipient believes there should be a deviation from the protocol, the Subrecipient will contact DHHS for a final decision.

19. Service Coordination and Case Management Functions:

- a. The Subrecipient will carry out case management functions except those functions DHHS notifies the Subrecipient in writing not to perform.
- b. The Subrecipient 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.
- c. The Subrecipient will work collaboratively with the Administrative Service Organization (ASO) provider or Managed Care Organization (MCO) to coordinate Medicaid treatment services.
- d. The role and function of Service Coordination and Case Management and the supervision of Service Coordination and Case Management may not be sub-contracted by the Subrecipient. Service Coordination and Case Management staff must be direct employees of the Subrecipient.
- e. In the event the Subrecipient becomes aware of a conflict of interest, the Subrecipient must notify DHHS immediately. DHHS will determine how the conflict will be resolved.
- f. Subrecipient will prepare and submit to DHHS a monthly employee turnover and vacancy report in a format approved by DHHS.

20. Services:

- a. The Subrecipient 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 Subrecipient 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 Subrecipient 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.

21. Child Placement Practices:

- a. The Subrecipient 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 Subrecipient agrees that DHHS approval is required for placement of any child or youth covered under this subgrant with an employee of DHHS Division of Children and Family Services, Subrecipient or a sub-contractor.
- c. All placements must have prior approval by DHHS.
- d. All placements must be documented in NFOCUS within 72 hours of a child or youth's placement except in situations beyond the control of Subrecipient. For excepted situations, Subrecipient will work with DHHS to document placement as soon as possible.
- e. The Subrecipient shall obtain and maintain an active and ongoing Child Placing Agency license with DHHS.

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

- a. The Subrecipient agrees to comply with the MEPA, in making placements, arranging for placements, or doing home studies for foster or adoptive families.
- b. The Subrecipient 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 Subrecipient agrees to make available to DHHS documentation of this training.
- d. DHHS agrees to provide the Subrecipient with a training outline to be used in the training. The Subrecipient is responsible for copies of materials.

23. Indian Child Welfare Act, (ICWA):

- a. The Subrecipient agrees to comply with the ICWA, in making placements, arranging for placements, or doing home studies for foster or adoptive families.
- b. The Subrecipient 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 Subrecipient agrees to make available to DHHS documentation of this training.

- d. DHHS agrees to provide the Subrecipient with a training outline to be used in the training. The Subrecipient is responsible for copies of materials.
- e. NFC will develop, at no additional cost to DHHS, capacity to provide expert testimony with respect to the Indian Child Welfare Act (ICWA) as well as legal expertise relating to ICWA.

24. Court Attendance and Court Requirements:

- a. The Subrecipient will comply with all court orders.
- b. The Subrecipient agrees that the Case Manager or staff with direct knowledge of the family will be available to attend court hearings and be prepared to effectively testify if requested.
- c. Any expert witness testimony required will be at the Subrecipient's expense.
- d. The Subrecipient will ensure that all children and youth attend court, unless otherwise directed by DHHS or the Court.
- e. If the Subrecipient and DHHS are in disagreement about a recommendation to be made to the court, the Professional Judgment 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 Subrecipient's position regarding that recommendation.
- f. The Subrecipient will work with the court and DHHS regarding court orders that do not meet federal and statutory requirements.

25. Aftercare:

- a. Subrecipient shall offer and provide twelve (12) continuous months of aftercare for any family for which a Case Plan was required. Exclusions to providing after care are defined in the Manual.
- b. The intent of providing aftercare is to prevent families, children and youth from reentering the Child Welfare/Juvenile Justice system.
- c. Subrecipient shall provide to DHHS any updates to its comprehensive aftercare system which includes definitions, types of support services available, frequency and method of contact for aftercare, and intended outcomes.

26. Independent Living

Independent living services will be provided by the Subrecipient as defined in the Manual.

27. Performance Standards

- a. The Subrecipient is responsible for meeting the outcomes set forth hereinafter. Quarterly indicators have been developed as benchmarks to guide performance. The Subrecipient is expected to develop strategies which contain the action steps necessary to achieve outcome measures. When quarterly indicators are not met, the Subrecipient will develop and submit a Performance Improvement Plan that contains specific and measurable strategies that will immediately rectify Subrecipient's performance. The Performance

Improvement Plan must be submitted to DHHS within fourteen business days from time outcome data is provided to the Subrecipient and must be approved by DHHS. The data source will be DHHS COMPASS Measures, the DHHS Point in Time Management Report, and the DHHS Continuous Quality Improvement (CQI) Report. Subrecipient agrees to cooperate with DHHS in the development of any desired outcomes, performance measures, and reporting requirements necessary for implementation of the Division of Children and Family Services' Results Based Accountability initiative. The following are outcomes and indicators to guide and measure performance:

1. OUTCOME: Safety

Children are protected from abuse and neglect and safely maintained in their homes.

INDICATOR 1a:

Subrecipient will achieve 94.6% absence of maltreatment recurrence.

Definition of Federal Measure:

The percentage of children who had previously been victims of substantiated or indicated abuse or neglect who did not experience a recurrence of maltreatment within 6 months.

As of April 2013, Subrecipient performance was at 90.06%. Subrecipient will make progress towards achieving the goal of 94.6%.

2. OUTCOME: Permanency

Children will experience stability and permanency.

INDICATOR 2a:

Subrecipient will achieve 101.5 composite score for placement stability for children in care.

Definition of Federal Measure: Two or Fewer Placement Settings for Children in Care for Less Than 12 Months, Two or Fewer Placement Setting for Children in Care for 12 to 24 Months; and Two or Fewer Placement Settings for Children in Care for More Than 24 Months.

As of April 2013, Subrecipient's performance was at 99.56. Subrecipient will achieve the goal of 101.5.

INDICATOR 2b:

Subrecipient will achieve a 106.4 composite score for timeliness to adoption by June 30, 2013.

Definition of Federal Measure: Composite score of: Timeliness of Adoptions of Children Discharged from Foster Care; Progress Toward Adoption of Children

in Foster Care for 17 Months or Longer; and Progress Toward Adoption of Children Who are Legally Free for Adoption.

As of April 2013, Subrecipient's performance was at 105.42. Subrecipient will achieve the goal of 106.4.

INDICATOR 2c:

Subrecipient will achieve a 122.6 composite score for timeliness and permanency of reunification.

Definition of Federal Measure: Composite score of Timeliness of Reunification and Permanency of Reunification.

As of April 2013, Subrecipient's performance was at 108.15. Subrecipient will achieve the goal of 122.6.

INDICATOR 2d:

Subrecipient will submit court reports/case plan to the courts in accordance with judicial timeframes 98% of the time.

As of April 2013, Subrecipient's performance is at 88.5%. Subrecipient will achieve the goal of 98%.

3. OUTCOME: Well Being

INDICATOR 3a:

Subrecipient will visit children in out of home care one time each month 95% of the time.

Definition of Federal Measure: Case managers will have monthly face to face visits with children in foster care-95% of the time.

As of April 2013, Subrecipient performance is at 97%. Subrecipient will maintain the goal of at least 95%.

B. Administrative Standards - The Subrecipient shall do the following:

1. Subgrant Requirements:

- a. Prior to or during this subgrant, the Subrecipient shall complete a Business Associates Agreement with DHHS as requested.
- b. Prior to or during this subgrant, the Subrecipient shall complete a Social Security Administration Access Agreement as requested.
- c. Prior to or during this subgrant, the Subrecipient 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 Subrecipient agrees to use DHHS Computer System (N-FOCUS) as the only authorized case management system to fulfill the terms and conditions of this subgrant.
 - e. The Subrecipient will maintain its existing accreditation relevant to the services provided under the terms of this subgrant agreement.
2. Background Checks: The Subrecipient will ensure all 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 subgrant. 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 staff providing service coordination or case management, and staff providing transportation to children, youth and families under this subgrant
 - 6. Internet search with an appropriate search engine.
 - b. In addition, for all employees, interns, and volunteers who have been employed or 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 subgrant, the Subrecipient will also perform the following checks in the individual's prior states of employment or residence:
 - 1. Criminal history check for each state in which the individual resided or worked
 - 2. Sexual Offender Registry
 - 3. Child and Adult Abuse and Neglect Central Register/try
 - 4. State repository of driving records

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 Subrecipient shall complete criminal background checks in the cities, counties and states of previous residence.

- c. The Subrecipient will complete the initial background checks before the individual has direct contact with any youth.
 - 1. If a background check results in any non-traffic record being identified, the Subrecipient 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 non-traffic record being identified, the Subrecipient shall develop a process to review and determine if it wants to request DHHS approval to hire an employee. Requests for an exception shall be made in writing to DHHS and will include the name and background information, along with supporting documentation from the Subrecipient as to why Subrecipient believes that such person does not pose a threat to children or families. DHHS shall have 10 business days to respond to such a request. Failure to respond shall not constitute approval by DHHS. All documentation related to the process is maintained in the Subrecipient's staff personnel records.
 - d. The Subrecipient 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 Subgrant. This requirement is not applicable to those subcontractors described in Chapter 10 Section G. 5 c., Personnel File Reviews, of the Manual. Background checks shall be completed before the individual has direct contact with children and their families and every two (2) years thereafter.
 - e. The Subrecipient 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 Subrecipient will submit to DHHS the Subrecipient's policies and procedures regarding the handling of positive initial screening results.
 3. The Subrecipient 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. Staff carrying out Service Coordination and Case Management functions and Supervisors of staff carrying out those functions must have a minimum of a Bachelor's Degree.
 - b. Verification of the employee's college education must be maintained by the Subrecipient.
 - 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 Subrecipient will make all attempts to hire culturally competent staff based on the demographics of the community for which the Service Coordinator/Case Manager is working.
4. Laws Violations by Employees
 - a. The Subrecipient is required to report within 24 hours to the Subgrant Liaison any non-traffic arrest or convictions of an employee who may have contact with children, youth and families in the performance of this subgrant.
 5. Required Reports: The Subrecipient agrees to prepare and submit reports as defined in the Manual or as requested by DHHS.
 6. Professional Judgment Resolution: In situations when the Subrecipient and DHHS are in disagreement, the Professional Judgment Resolution Process as set forth in the Manual will be followed. .
 7. Quality Assurance: The Subrecipient shall perform Quality Assurance pursuant to this subgrant. The Subrecipient will develop, implement and monitor improvement plans based on outcomes of quality assurance and subgrant/contract monitoring results conducted by DHHS and Subrecipient's internal Quality Assurance system.
 8. Information Systems:
 - a. The Subrecipient agrees that DHHS computer system access will only be granted to employees of the Subrecipient. DHHS computer system access will not be granted to sub-contractors or employees of sub-contractors.
 - b. The Subrecipient agrees that all information accessed, stored, or processed in DHHS computer systems N-FOCUS, MMIS, and CHARTS is the sole property of DHHS; Subrecipient employees are granted access to this information under the terms and conditions of this subgrant. All information collected and compiled by the Subrecipient on behalf of DHHS under the terms and conditions defined in this subgrant is the sole property of DHHS and subject to all privacy and security safeguards defined by DHHS.
 - c. The Subrecipient agrees to access DHHS Computer Systems N-FOCUS, MMIS, and CHARTS data systems only through DHHS supplied CITRIX access and encryption technology.
 - d. The Subrecipient 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 Subrecipient 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 Subgrant employee is terminated or leaves employment so the Help Desk may terminate the employees

Citrix access and the Subrecipient agrees not to allow any other Subrecipient 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 Subrecipient 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 DHHS Information Technology Policies that govern the appropriate use of, disclosure of, privacy of, and security of information provided by DHHS or compiled by the Subrecipient on behalf of DHHS under the terms and conditions defined in this subgrant.

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 Subrecipient agrees that DHHS or any applicable State or Federal agency with jurisdiction (i.e. OCR, IRS, SSA, DHHS, or State Auditor's Office) may conduct unannounced compliance inspections relating to the Physical, Administrative, and Electronic safeguards defined in the publications listed above.
 - h. The Subrecipient understands that it will be held responsible for all criminal and civil penalties for actions of the Subrecipient or anyone in their employ as defined in the publications listed above.
 - i. The Subrecipient 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 DHHS information obtained from DHHS computer systems and agrees to comply with incident reporting criteria as defined in applicable Business Associates Agreements and the publications listed in Article III. SCOPE OF SERVICES Section B. 8. f. above.
 - j. The Subrecipient 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 Subrecipient agrees that only Subrecipient owned and supported desktop workstations, laptop computers, or mobile wireless devices are permitted to access, process, or store DHHS information or access DHHS computer systems as defined under the terms of this subgrant.

- l. The Subrecipient agrees that all DHHS information stored, processed, emailed, or otherwise transmitted on mobile devices including laptop computers, will be encrypted at all times using DHHS approved technology.
- m. The Subrecipient agrees to immediately notify DHHS of any lost or stolen computer hardware that may have been used to access, process, or store DHHS information or DHHS computer systems.
- n. The Subrecipient 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 Subrecipient will appoint a technology coordinator as the primary contact between the Contactor and DHHS to address IT related issues.
- p. The Subrecipient agrees it is their responsibility to provide necessary Internet connections to support Subrecipient employee access to DHHS computer systems via CITRIX.
- q. The Subrecipient is responsible for purchasing all hardware and software.
- r. The Subrecipient is responsible for upgrading equipment and software as necessary to continue to access required DHHS computer systems.
- s. Citrix: DHHS will provide an appropriate number of Citrix licenses for remote access to the DHHS computer system. DHHS will determine the level of access granted and the applicability of each request.
- 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 DHHS computer systems.
- v. The Subrecipient understands that remote office and home office work sites are permitted under the terms of this subgrant provided each location meets the compliance requirements as detailed in publications listed in Article III. SCOPE OF SERVICES Section B. 8. above. DHHS information may only be accessed from or stored on a Subrecipient owned and supported computer or electronic device at these locations. The Subrecipient agrees to ensure all communication transmissions from remote sites, including e-mail, use DHHS 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 DHHS agents or other applicable compliance officers with jurisdiction (see Article III. Section B. 7. above).
- x. The Subrecipient agrees to ensure Subrecipient employees take all appropriate physical and electronic safeguard precautions when accessing DHHS information from a remote worksite including home offices, client residences, hotel rooms, or any other public location.

- y. The Subrecipient understands that wireless laptops are permitted under the terms and conditions of this subgrant 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 Subrecipient employees must take when using mobile devices outside Subrecipient office locations.
 - z. The Subrecipient 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 Subrecipient 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 Subrecipient agrees to prohibit smoking in any vehicle operated by its employees/staff when transporting children while providing services under this Subgrant.

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
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4. UMBRELLA/EXCESS LIABILITY

Over Primary Insurance	\$1,000,000 per occurrence
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b. EVIDENCE OF COVERAGE

The Subrecipient should furnish 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 Subrecipient to maintain such insurance, then the Subrecipient 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. The Subrecipient shall provide the core Service Coordinator/Case Manager training as approved by DHHS, at no additional cost to DHHS.
- b. The Subrecipient shall provide opportunities for staff to receive 24 hours of annual professional development training.

13. Performance Outcomes and Accountability:

The Subrecipient will be accountable for the Outcome Measures set forth in this subgrant.

14. Program Improvement Plan:

- a. The Subrecipient 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 Office (FCRO):

- a. The Subrecipient agrees it is subject to and will comply with state law

regarding the FCRO.

16. Ombudsman:

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

17. The Subrecipient shall prepare and submit to DHHS a cost allocation plan and methodology in a form acceptable to the federal Administration for Children and Families (ACF) to enable DHHS to claim federal funding under Title IV-E of the Social Security Act. The plan shall be submitted by July 15, 2013 and implemented within 30 days of approval by ACF.

18. Monthly Child Advocacy Center Report:

Pursuant to LB 961 & LB 1160 (2012), Subrecipient shall submit a monthly report to DHHS and local Child Advocacy Centers for voluntary/non-court families. The monthly report must contain:

- a) Child's name;
- b) Child's age;
- c) The plan implemented by Subrecipient or DHHS and;
- d) The status of compliance with the case plan by the family.

19. Annual Survey:

Pursuant to LB 961 & LB 1160 (2012), Subrecipient shall annually survey children, parents, foster parents, judges, guardian ad litem, attorneys representing parents, and service providers involved with the child welfare system to monitor satisfaction with (a) adequacy of communication by the case manager, (b) response by DHHS or Subrecipient to requests and problems, (c) transportation issues, (d) medical and psychological services for children and parents, (e) visitation schedules, (f) payments, (g) support services to foster parents, (h) adequacy of information about foster children provided to foster parents, and (i) the case manager's fulfillment of his or her responsibilities.

A summary of this annual survey is to be provided to DHHS no later than September 1, 2013 and each September 1st thereafter.

20. Board of Directors:

In accordance with LB 821 (2012), by September 1, 2012, Subrecipient shall maintain a Board of Directors of which at least fifty-one percent of the membership is comprised of Nebraska residents who are not employed by the Subrecipient or by a sub-contractor of the Subrecipient.

21. Direct Services:

Subrecipient shall not directly provide more than thirty-five percent of direct services required under this subgrant.

22. Nebraska Children's Commission:

Subrecipient shall cooperate with the activities of the Nebraska Children's Commission and comply with any and all requests for information by the Nebraska Children's Commission to the extent required by law.

23. Additional Reporting Requirements:

Subrecipient will timely provide any information requested by DHHS necessary to complete reports required by any applicable Federal or State law or regulation.

24. Readiness Assessment:

Subrecipient will timely provide any information requested by DHHS necessary to complete any readiness assessment developed by DHHS.

C. Subrecipient shall submit invoices for services provided to children, youth and families through N-FOCUS using a format prescribed by DHHS. The Subrecipient shall submit invoices for all services provided, except Service Coordination and Case Management activities. The invoices must be readily reviewable and traceable to source documentation and reconcile to Subrecipient's financial statements so as to qualify for federal IV-E claiming. The Subrecipient shall submit statements for direct services at their discretion but no later than 30 days following the end of the month in which the service was provided, except in the instances of payment for treatment services denied by the Administrative Services Organization (ASO) or Managed Care Organization (MCO). The obligation to submit invoices and source documentation of all services provided shall survive the termination of this subgrant.

Joint Responsibility-DHHS and the Contractor agree to jointly:

1. Develop specific strategies and targeted improvements no later than January 1, 2012 to obtain timely permanency for children, and decrease the frequency and duration of out of home and congregate placements and increase the utilization of children and families served in the family home. When non-medically necessary treatment is ordered by the court, the parties will work together to identify alternatives for the court's consideration.
2. No later than October 31, 2010, and on a quarterly basis thereafter, review and revise program and financial outcomes, objectives and strategies that will fundamentally reform the child welfare/juvenile services system to more quickly achieve enhanced safety, permanency and well being outcomes. Targeted outcomes will be specified for November and December 2010 and then January, February, and March 2011 and then quarterly thereafter.
3. Starting October 12, 2010 and monthly thereafter, identify and explore outcomes, objectives and strategies for mutual efficiency, effectiveness and accountability that will result in financial stability and improved service delivery on both a short and long term basis. The parties will collaborate on ways to maximize federal funding such as Title IV-E.

4. The parties will endeavor to develop a sustainable reform model in which the contractor is responsible for ongoing case management and service coordination functions as allowable by statute and defined and agreed upon by both parties to be implemented no later than January 1, 2011.
5. Monitor progress on items 1 through 4 through an oversight committee comprised of DHHS and each of the Lead Contractors. The Committee will assess the impact of the efforts identified in items 1 through 4 on overall progress and identify future needs and strategies for the success of the Reform.
6. Both parties will work towards developing a model for improved outcomes for Nebraska children and families utilizing national expertise.

IV. GENERAL TERMS AND ASSURANCES

A. ACCESS TO RECORDS AND AUDIT RESPONSIBILITIES.

1. All Subrecipient 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 subgrant shall be subject to audit at any reasonable time upon the provision of reasonable notice by DHHS. Subrecipient shall maintain all records for five (5) years from the date of final payment, except 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. The Subrecipient shall maintain its accounting records in accordance with generally accepted accounting principles. DHHS reserves and hereby exercises the right to require the Subrecipient to submit required financial reports on the accrual basis of accounting. If the Subrecipient's records are not normally kept on the accrual basis, the Subrecipient is not required to convert its accounting system but shall develop and submit in a timely manner such accrual information through an analysis of the documentation on hand (such as accounts payable).
2. The Subrecipient shall provide DHHS any and all written communications received by the Subrecipient from an auditor related to Subrecipient'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 Subrecipient 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 Subrecipient, in which case the Subrecipient agrees to verify that DHHS has received a copy.
3. The subrecipient shall immediately commence follow-up action on findings arising from audits or other forms of review. Follow-up action includes responding to those conducting such examinations with clear, complete views concerning the accuracy and

appropriateness of the findings. If the finding is accepted, corrective action, such as repaying disallowed costs, making financial adjustments, or taking other actions should proceed and be completed as rapidly as possible. If the subrecipient disagrees, it should provide an explanation and specific reasons that demonstrate that the finding is not valid.

4. In addition to, and in no way in limitation of any obligation in this subgrant, the Subrecipient shall be liable for audit exceptions, and shall return to DHHS all payments made under this subgrant for which an exception has been taken or which has been disallowed because of such an exception, upon demand from DHHS.
- B. AMENDMENT. This subgrant may be modified only by written amendment executed by both parties. No alteration or variation of the terms and conditions of this subgrant shall be valid unless made in writing and signed by the parties.
 - C. ANTI-DISCRIMINATION. The Subrecipient 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 this subgrant. The Subrecipient shall insert this provision into all subgrants and subcontracts.
 - D. ASSIGNMENT. The Subrecipient shall not assign or transfer any interest, rights, or duties under this subgrant 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 subgrant.
 - E. ASSURANCE. If DHHS, in good faith, has reason to believe that the Subrecipient does not intend to, is unable to, has refused to, or discontinues performing material obligations under this subgrant, DHHS may demand in writing that the Subrecipient give a written assurance of intent to perform. Failure by the Subrecipient to provide written assurance within the number of days specified in the demand may, at DHHS's option, be the basis for terminating this subgrant.
 - F. BREACH OF SUBGRANT. DHHS may immediately terminate this subgrant and agreement, in whole or in part, if the Subrecipient fails to perform its obligations under the subgrant in a timely and proper manner. DHHS may withhold payments and provide a written notice of default to the Subrecipient, allow the Subrecipient to correct a failure or breach of subgrant 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 Subrecipient time to correct a failure or breach of this subgrant does not waive DHHS's right to immediately terminate the subgrant for the same or different subgrant breach which may occur at a different time. DHHS may, at its discretion, obtain any services required to complete this subgrant and hold the Subrecipient liable for any excess cost caused by Subrecipient's default. This provision shall not preclude the pursuit of other remedies for breach of subgrant as allowed by law.
 - G. CONFIDENTIALITY. Any and all confidential or proprietary information gathered in the performance of this subgrant, 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 subgrant provisions set forth herein shall be deemed to be authorized exceptions to this general confidentiality provision. As

required by United States Department of Health and Human Services (hereinafter "HHS") appropriations acts, all HHS recipients and DHHS Subrecipients must acknowledge Federal and DHHS funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with Federal and DHHS funds. Recipients are required to state: (1) the percentage and dollar amounts of the total program or project costs financed with Federal and DHHS funds; and (2) the percentage and dollar amount of the total costs financed by nongovernmental sources. This provision shall survive termination of this subgrant.

- H. CONFLICTS OF INTEREST. In the performance of this subgrant, the Subrecipient shall avoid all conflicts of interest and all appearances of conflicts of interest. The Subrecipient 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 Subrecipient shall follow the applicable cost principles set forth in OMB Circular A-87 for State, Local and Indian Tribe Governments; A-21 for Colleges and Universities; or A-122 for Non-Profit Organizations. Federal audit requirements are dependent on the total amount of federal funds expended by the Subrecipient, 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 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 expenditure	Audit Type
\$100,000 to \$499,999	Financial Statement Audit
500,000 or more in federal expenditure	A-133 audit

- J. DATA OWNERSHIP AND COPYRIGHT. Except as otherwise provided in the Federal Notice of Award, DHHS shall own the rights in data resulting from this project or program. The Subrecipient may not copyright any of the copyrightable material and may not patent any of the patentable products produced in conjunction with the performance required under this subgrant without written consent from DHHS. DHHS and any federal granting authority hereby reserve a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use, and to authorize others to use the copyrightable material for federal or state government purposes. This provision shall survive termination of this subgrant.
- K. DEBARMENT, SUSPENSION OR DECLARED INELIGIBLE. The Subrecipient 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 subgrant to laws, rules, regulations, guidelines, directives, and attachments which set forth standards and procedures to be followed by the Subrecipient in discharging its obligations under this subgrant shall be deemed incorporated by reference and made a part of this subgrant with the same force and effect as if set forth in full text, herein.
- M. DRUG-FREE WORKPLACE. Subrecipient agrees, in accordance with 41 USC §701 et al., to maintain a drug-free workplace by: (1) publishing a drug-free workplace statement; (2) establishing a drug-free awareness program; (3) taking actions concerning employees who are convicted of violating drug statutes in the workplace; and (4) in accordance with 2 CFR §180.230, identify all workplaces under its federal awards.

- N. FEDERAL FINANCIAL ASSISTANCE. The Subrecipient shall comply with all applicable provisions of 45 C.F.R. §§ 87.1-87.2. The Subrecipient certifies that it shall not use direct federal financial assistance to engage in inherently religious activities, such as worship, religious instruction, and/or proselytization.
- O. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT REPORTING. The Subrecipient shall complete the Subrecipient Reporting Worksheet, Attachment 2, sections B and C. The Subrecipient certifies the information is complete, true and accurate.
- P. FORCE MAJEURE. Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under this subgrant 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 subgrant. 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 subgrant 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 subgrant.
- Q. FUNDING AVAILABILITY. DHHS may terminate the subgrant, in whole or in part, in the event funding is no longer available. Should funds not be appropriated, DHHS may terminate the award with respect to those payments for the fiscal years for which such funds are not appropriated. DHHS shall give the Subrecipient written notice thirty (30) days prior to the effective date of any termination. The Subrecipient 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 Subrecipient be paid for a loss of anticipated profit.
- R. GRANT CLOSE-OUT. Upon completion or notice of termination of this grant, the following procedures shall apply for close-out of the subgrant:
1. The Subrecipient will not incur new obligations after the termination or completion of the subgrant, and shall cancel as many outstanding obligations as possible. DHHS shall give full credit to Subrecipient for the federal share of non-cancelable obligations properly incurred by Subrecipient prior to termination, and costs incurred on, or prior to, the termination or completion date.
 2. Subrecipient shall immediately return to DHHS any unobligated balance of cash advanced or shall manage such balance in accordance with DHHS instructions.
 3. Within a maximum of 90 days following the date of expiration or completion, Subrecipient shall submit all financial, performance, and related reports required by the Subrecipient Reporting Requirements. DHHS reserves the right to extend the due date for any report and may waive, in writing, any report it considers to be unnecessary.
 4. DHHS shall make any necessary adjustments upward or downward in the federal share of costs.
 5. The Subrecipient shall assist and cooperate in the orderly transition and transfer of subgrant activities and operations with the objective of preventing disruption of services.

6. Close-out of this subgrant shall not affect the retention period for, or state or federal rights of access to, Subrecipient records, or Subrecipient's responsibilities regarding property or with respect to any program income for which Subrecipient is still accountable under this subgrant. If no final audit is conducted prior to close-out, DHHS reserves the right to disallow and recover an appropriate amount after fully considering any recommended disallowances resulting from an audit which may be conducted at a later time.
- S. GOVERNING LAW. The award 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 award shall be brought in Nebraska administrative or judicial forums as defined by Nebraska State law. The Subrecipient shall comply with all Nebraska statutory and regulatory law.
- T. HOLD HARMLESS.
1. The Subrecipient shall defend, indemnify, 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 Subrecipient, its employees, consultants, representatives, and agents, except to the extent such Subrecipient's 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 Subrecipients.
- U. INDEPENDENT ENTITY. The Subrecipient is an Independent Entity and neither it nor any of its employees shall, for any purpose, be deemed employees of DHHS. The Subrecipient shall employ and direct such personnel, as it requires, to perform its obligations under this subgrant, 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 subgrant.
- V. REIMBURSEMENT REQUEST. Requests for payments submitted by the Subrecipient shall contain sufficient detail to support payment. Any terms and conditions included in the Subrecipient's request shall be deemed to be solely for the convenience of the parties.
- W. INTEGRATION. This written subgrant 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 subgrant.
- X. LOBBYING.
1. Subrecipient certifies that no Federal appropriated funds shall be paid, by or on behalf of the Subrecipient, 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 award for: (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 subgrant, the Subrecipient shall complete and submit Federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

- Y. NEBRASKA NONRESIDENT INCOME TAX WITHHOLDING. Subrecipient 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 Subrecipient 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

- Z. NEBRASKA TECHNOLOGY ACCESS STANDARDS. The Subrecipient shall review the Nebraska Technology Access Standards, found at <http://www.nitc.ne.gov/standards/accessibility/tacfinal.html> and ensure that products and/or services provided under the subgrant comply with the applicable standards. In the event such standards change during the Subrecipient's performance, the State may create an amendment to the subgrant to request that Subrecipient comply with the changed standard at a cost mutually acceptable to the parties.
- AA. NEW EMPLOYEE WORK ELIGIBILITY STATUS. The Subrecipient 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 Subrecipient is an individual or sole proprietorship, the following applies:

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

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

BB. PUBLICATIONS. Subrecipient agrees that all publications that result from work under this subgrant will acknowledge that the project was supported by "Grant No. XXXX" under a subgrant from "Federal Agency" and DHHS.

CC. PROGRAMMATIC CHANGES. The Subrecipient shall request in writing to DHHS for approval of programmatic changes. DHHS shall approve or disapprove in whole or in part in writing within thirty (30) days of receipt of such request.

DD. 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.

Automated Clearing House (ACH) Enrollment Form Requirements for Payment.

The Subrecipient shall complete and sign the State of Nebraska ACH Enrollment Form and obtain the necessary information and signatures from their financial institution. The completed form must be submitted before payments to the Subrecipient can be made. Download ACH Form:

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

EE. PUBLIC COUNSEL. In the event Subrecipient provides health and human services to individuals on behalf of DHHS under the terms of this award, Subrecipient 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 subgrant. This clause shall not apply to subgrants 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.

FF. RESEARCH. The Subrecipient shall not engage in research utilizing the information obtained through the performance of this subgrant 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 subgrant.

GG. SEVERABILITY. If any term or condition of this subgrant 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 subgrant did not contain the particular provision held to be invalid.

HH. SMOKE FREE. 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 in

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. By signing, the Subrecipient certifies that the Subrecipient will 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.

- II. SUBRECIPIENTS OR SUBCONTRACTORS. The Subrecipient shall not subgrant or subcontract any portion of this award without prior written consent of DHHS. The Subrecipient shall ensure that all subcontractors and subrecipients comply with all requirements of this subgrant and applicable federal, state, county and municipal laws, ordinances, rules and regulations.
- JJ. TIME IS OF THE ESSENCE. Time is of the essence in this subgrant. 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 Subrecipient remaining.

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

FOR DHHS:

Vicki Maca, Deputy Director
NE Department of Health & Human Services
PO Box 95026
Lincoln, NE 68509-5026
(402) 471-1362

FOR SUBRECIPIENT:

David P. Newell, President and CEO
Nebraska Families Collaborative
2110 Papillion Parkway
Omaha, NE 68164
(402) 492-2530

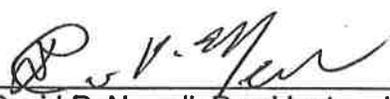
IN WITNESS THEREOF, the parties have duly executed this subgrant hereto, and each party acknowledges the receipt of a duly executed copy of this subgrant with original signatures.

FOR DHHS:


Kerry T. Winterer,
Chief Executive Officer
Department of Health and Human Services

DATE: 6/28/13

FOR SUBRECIPIENT:


David P. Newell, President and CEO
Nebraska Families Collaborative

DATE: 6-27-13

NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Foster Care Program under Title IV-E
AUDIT REQUIREMENT CERTIFICATION

Subrecipients 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*

*(Catalog of Federal Domestic Assistance)

Contractor's Name Nebraska Families Collaborative

Address: 2110 Papillion Parkway

City: Omaha **State:** NE **Zip Code:** 68164

Federal Tax Identification Number (FTIN) 26-4436716

Contractor's Fiscal Year January 1, 2013 to December 31, 2013

All written communications from the Certified Public Accountant (CPA) engaged under #1 or #2 below, given to the contractor 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* and any additional reports issued by the auditor as a result of this engagement must be provided to the DHHS immediately upon receipt, unless the Subrecipient or contractor has directed the CPA to provide the copy directly to the DHHS and has verified this has occurred.

Check either 1 or 2

1. As the subrecipient or 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 an audit of our organization's financial statements if we have total federal expenditures over \$100,000. 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 DHHS 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 subrecipient or 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, 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:

- 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 upon financial statements and Schedule of Expenditures of Federal Awards, a report of internal control, a report of compliance and a Schedule of Findings and Questioned Costs.

We further acknowledge the auditor and this contractor or subrecipient 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 the contractor'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:

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

The foregoing submissions 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.

AB#
1874188

41449-04

**AMENDED AND RESTATED SERVICE DELIVERY, COORDINATION AND
CASE MANAGEMENT CONTRACT**

BETWEEN THE

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

**NEBRASKA FAMILIES COLLABORATIVE
FOR EASTERN SERVICE AREA**

AMENDMENT TWO TO RESTATED CONTRACT, JUNE 2012

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 **NEBRASKA FAMILIES COLLABORATIVE** (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 or Juvenile Services System or who are non-court involved children and families involved in the Child Welfare System. Service, service coordination, and case management functions will be provided for families served in the Eastern Service Area. Nebraska Families Collaborative currently serves all of the children and families described above in the Eastern Service Area. NFC will continue case management, service coordination, and service delivery for all such children and families in the Eastern Service Area.

The Amended and Restated Contract between the parties dated August 16, 2011 and Amendment One thereto are hereby amended as follows:

Article II. **CONSIDERATION A.** is deleted in its entirety and replaced with the following language:

DHHS agrees to pay the Contractor the total amount not to exceed \$162,856,438.00 from November 1, 2009 through June 30, 2014, for services and activities specified herein. The parties acknowledge that the compensation in the current agreement for the period beginning July 1, 2013 and ending June 30, 2014 does not reflect the increased scope of services for that period.

Article II. **CONSIDERATION B. 6 (c)** is deleted in its entirety and replaced with the following language:

c. Compensation from July 1, 2012 through June 30, 2014:

1. DHHS will pay to contractor a fixed payment of \$1,194,167.53 each month for services provided July 1, 2012 through June 30, 2013, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

2. In addition to the fixed monthly payment in the foregoing paragraph, DHHS agrees to pay the contractor a variable monthly payment on or about the 15th day of the month following the month services are provided for the period beginning July 1, 2012 and ending June 30, 2013. The variable payment will be based on the number of cases reported each week on the Point in Time Management Report for each category of case. The number of cases will be averaged during the month in which services were provided. The monthly average number of cases will then be multiplied by the number of days in the month times a per diem rate established for each category of case. The average number of cases will be determined by DHHS using a Point in Time Management Report generated using N-Focus data.

There are two case membership categories. The In Home Case Category includes families in which the children (wards and children in non-court cases) are placed in the family home. The services and supports are provided to the entire family which includes parents (custodial and non-custodial), siblings, and significant adults who provide some care-giving role to the child. Each family will count as one (1) case and the contractor will be compensated at the in home rate.

The Out of Home Case Category includes children who are placed outside of the family home (wards, voluntary placement agreements, and children in non-court cases). Services and supports are provided to the entire family which includes parents (custodial and non-custodial), siblings, and foster parents. Each child will count as one (1) case and the contractor will be compensated at the out of home rate.

- a. For the In Home Case Membership Category, the daily variable rate is \$17.02.
- b. For the Out of Home Case Membership Category, the daily variable rate is \$58.98.

3. DHHS will pay \$2,294,091.32 each month for services provided July 1, 2013 through June 30, 2014, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

The compensation in Article II. Consideration B. 6 c is subject to review and approval by the Administration for Children and Families.

4. The consideration in this paragraph will be reviewed by the parties prior to the end of September, 2012

Article II. CONSIDERATION B. 12, 14, and 15 are deleted in their entirety.

Article II. CONSIDERATION F. is amended to read:

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. Contractor has only been case managing 100% of the children and families in the Eastern Service Area since March 1, 2012. For this reason, the case rate and payment structure will be reviewed prior to October 1, 2012 and may be renegotiated based on additional months of data.

Article II CONSIDERATION M. is deleted in its entirety and replaced with the following language:

M. The contract is performance based with identified outcomes. Penalties will be assessed by DHHS to the Contractor in the event of any of the following:

1. Contractor fails to comply with a court order and the court imposes a financial penalty or sanction on DHHS.
2. Contractor fails to comply with any Federal standards or requirements and a financial penalty or sanction is imposed by the Federal Government upon the State of Nebraska as a result of such failure to comply.

The amount of the penalty assessed against Contractor will be equal to the penalty assessed against the State of Nebraska and attributable to Contractor's noncompliance. If the penalty is specific to the Eastern Service Area, contractor will be assessed 100% of the penalty. If the penalty is a statewide penalty, DHHS will prorate the applicable amount to Contractor commensurate with Contractor's noncompliance. Penalty payments will be withheld from sums due Contractor under this contract.

Article II CONSIDERATION O. is deleted in its entirety and replaced with the following language:

O. If payment for a mental health or substance abuse treatment service is denied by the Administrative Services Organization (ASO), but the service is court ordered, the Contractor will be responsible for payment of the service.

Article II CONSIDERATION P. is deleted in its entirety and replaced with the following language:

- P. The Contractor is not responsible for payment of the following:
1. Services paid by Medicaid, private insurance or alternative funding source;
 2. Physical health care costs of children who are not Medicaid Eligible;
 3. Services funded by State Ward Education;
 4. Cost of a juvenile's placement in the Youth Rehabilitation and Treatment Center at Kearney and Geneva or the Hastings Regional Center;
 5. Cost of a juvenile's placement in a Nebraska Detention facility;
 6. Adoption and Guardianship Subsidies;
 7. Maintenance payments for a ward's child;
 8. State ward independent living maintenance payments;

All other costs associated with the performance of this contract are the responsibility of the Contractor. This includes, but is not limited to: court ordered services for which Contractor is unable to secure alternate funding sources and assistance with funeral costs, if requested by family or legal guardian, for any child who dies while in the legal custody of DHHS or while being actively served under this contract without court involvement.

Article II CONSIDERATION T. is added to read:

T. Monthly financial statements will be provided by Contractor to the DHHS within 30 days of the end of the month. The financial statements will include a balance sheet, income statement, and statement of cash flows in a format that is acceptable to DHHS. The financial statements will be prepared using the accrual basis of accounting and using generally accepted accounting principles (GAAP).

Thirty days following the end of each month beginning July, 2012, an aging of accounts payable must be provided by Contractor to DHHS. The accounts payable aging will be consistent with the monthly financial statements provided to DHHS and list by vendor the amount owed to each vendor and: what portion of the amount owed has been due less than 30 days; what portion has been due between 30 days and 59 days; what portion has been due between 60 days and 89 days; what portion has been due between 90 days and 119 days; and what portion has been due 120 days or longer. In addition, a reconciliation of accrued expenses to the balance sheet will also be provided each month to the DHHS. Nothing in this section is intended to limit access to Contractor's records and information as provided elsewhere in this contract and the terms of this section shall survive termination of this contract.

Article III. SCOPE OF SERVICES A. 3 is deleted in its entirety and replaced with the following language:

3. Comply with the Operations Manual dated June, 2012, (hereinafter the Manual) as amended hereafter by mutual consent of the parties. The Manual will describe in detail the parties' required operational duties during the entire contract period.

Article III. SCOPE OF SERVICES A. 6 is deleted in its entirety and replaced with the following language:

6. Allow and provide DHHS access to any and all information and data collected related to the performance of this contract.

Article III. SCOPE OF SERVICES A. 12 is deleted in its entirety and replaced with the following language:

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.

b. Contractor shall ensure that persons providing foster care are in compliance with applicable State Statutes, including, but not limited to, Neb. Rev. Stat. § 71-1902.

Article III. SCOPE OF SERVICES A. 15 b is deleted in its entirety and replaced with the following language:

b. Contractor may not allow a sub-contractor to further sub-contract for services, other than foster family care, under this contract.

Article III. SCOPE OF SERVICES A. 20 is deleted in its entirety and replaced with the following language:

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 DHHS 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.

c. All placements must have prior approval by DHHS.

d. All placements must be documented in NFOCUS within 72 hours of a child or youth's placement.

e. The Contractor shall obtain and maintain an active and ongoing Child Placing Agency license with DHHS.

Article III. SCOPE OF SERVICES A. 23 is deleted in its entirety and replaced with the following language:

23. Court Attendance and Court Requirements:

a. The Contractor will comply with all court orders.

- b. The Contractor agrees that the Case Manager or staff with direct knowledge of the family will be available to attend court hearings and be prepared to effectively testify if requested.
- c. Any expert witness testimony required will be at the Contractor's expense.
- d. The Contractor will ensure that all children and youth attend court, unless otherwise directed by DHHS or the Court.
- e. If the Contractor and DHHS are in disagreement about a recommendation to be made to the court the Professional Judgment 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.
- f. The Contractor will work with the court and DHHS regarding court orders that do not meet federal and statutory requirements.

Article III. SCOPE OF SERVICES A. 24 is deleted in its entirety and replaced with the following language:

24. Aftercare:

- a. Contractor shall offer and provide twelve (12) continuous months of aftercare for any family for which a Case Plan was required. Exclusions to providing after care are defined in the Manual.
- b. The intent of providing aftercare is to prevent families, children and youth from reentering the Child Welfare/Juvenile Justice system.
- c. Contractor shall develop a comprehensive aftercare system which includes definitions, types of support services available, frequency and method of contact for aftercare, and intended outcomes. Contractor will submit this information to DHHS for approval within 30 days of the execution of this contract.

Article III. SCOPE OF SERVICES A. 25 is deleted in its entirety and replaced with the following language:

25. Independent Living

- a. Independent living services will be provided by the Contractor as defined in the Manual.

Article III. SCOPE OF SERVICES A. 26 is deleted in its entirety and replaced with the following language:

26. Performance Standards:

- a. The Contractor is responsible for meeting the outcomes set forth hereinafter. Quarterly indicators have been developed as benchmarks to guide performance. The Contractor is expected to develop strategies which contain the action steps necessary to achieve outcome measures. When quarterly indicators are not met, the Contractor will develop and submit a Performance Improvement Plan that contains specific and measurable strategies that will immediately rectify Contractor's performance. The Performance Improvement Plan must be

submitted to DHHS within fourteen business days from time outcome data is provided to the Contractor and must be approved by DHHS. The data source will be DHHS COMPASS Measures, the DHHS Point in Time Management Report, and the DHHS Continuous Quality Improvement (CQI) Report. The following are outcomes and indicators to guide and measure performance:

1. OUTCOME: Safety

Children are protected from abuse and neglect and safely maintained in their homes.

INDICATOR 1a:

Contractor will achieve 94.6% absence of maltreatment recurrence by June 30, 2013.

Definition of Federal Measure:

The percentage of children who had previously been victims of substantiated or indicated abuse or neglect who did not experience a recurrence of maltreatment within 6 months.

As of May 2012, Contractor performance was at 93.3%. Contractor will achieve the goal set forth in Indicator 1a according to the following schedule:

- a) At the end of Quarter 1 2012 (Jul.-Sept) Contractor will achieve 93.6%
- b) At the end of Quarter 2 2012, (Oct.-Dec.) Contractor will achieve 93.9%
- c) At the end of Quarter 3 2013, (Jan.-Mar) Contractor will achieve 94.27%
- d) At the end of Quarter 4 2013 (Apr.-Jun.) Contractor will achieve 94.6%
- e) All Quarters after July 2013, Contractor will maintain a minimum of a 94.6%

INDICATOR 1b:

Contractor will safely reduce the number of children in out of home care to 1,796 or less by June 30, 2013 including State Wards and Non-Court children in out of home care.

As of May 2012, the number of children in out of home care (May average) was 1,967 children. Contractor will achieve the goal set forth in Indicator 1b according to the following schedule:

- a) At the end of Quarter 1 2012 (Jul.-Sept) no more than 1,913 children will be in out of home care.
- b) At the end of Quarter 2 2012 (Oct.-Dec.) no more than 1,874 children will be in out of home care.
- c) At the end of Quarter 3 2013, (Jan.-Mar) no more than 1,835 children will be in out of home care.
- d) At the end of Quarter 4 2013 (Apr.-Jun.), no more than 1,796 children will be in out of home care.

2. OUTCOME: Permanency
Children will experience stability and permanency.

INDICATOR 2a:

Contractor will achieve 101.5 composite score for placement stability for children in care.

Definition of Federal Measure: Two or Fewer Placement Settings for Children in Care for Less Than 12 Months, Two or Fewer Placement Setting for Children in Care for 12 to 24 Months, and Two or Fewer Placement Settings for Children in Care for More Than 24 Months.

As of May 2012, Contractor's performance was at 97.69. Contractor will achieve the goal set forth in Indicator 2a according to the following schedule:

- a) At the end of Quarter 1 2012 (Jul.-Sept) Contractor will achieve 98.64
- b) At the end of Quarter 2 2012 (Oct.-Dec.) Contractor will achieve 99.59
- c) At the end of Quarter 3 2013, (Jan.-Mar) Contractor will achieve 100.54
- d) At the end of Quarter 4 2013 (Apr.-Jun.), Contractor will achieve 101.5
- e) All Quarters after July 2013, Contractor will maintain a minimum of 101.5

INDICATOR 2b:

Contractor will achieve a 106.4 composite score for timeliness to adoption by June 30, 2013.

Definition of Federal Measure: Composite score of: Timeliness of Adoptions of Children Discharged from Foster Care; Progress Toward Adoption of Children in Foster Care for 17 Months or Longer; and Progress Toward Adoption of Children Who are Legally Free for Adoption.

As of May 2012, Contractor's performance was at 98.65. Contractor will achieve the goal set forth in Indicator 2b according to the following schedule:

- a) At the end of Quarter 1 2012 (Jul.-Sept) Contractor will achieve 100.58
- b) At the end of Quarter 2 2012 (Oct.-Dec.) Contractor will achieve 102.51
- c) At the end of Quarter 3 2013 (Jan.-Mar) Contractor will achieve 104.44
- d) At the end of Quarter 4 2013 (Apr.-Jun.) Contractor will achieve 106.4
- e) All Quarters after July 2013, Contractor will maintain a minimum of 106.4

INDICATOR 2c:

Contractor will achieve a 122.6 composite score for timeliness and permanency of reunification by June 30, 2013.

Definition of Federal Measure: Composite score of Timeliness of Reunification and Permanency of Reunification.

As of May 2012, Contractor's performance was at 114.08. Contractor will achieve the goal set forth in Indicator 2c according to the following schedule:

- a) At the end of Quarter 1 2012 (Jul.-Sept) Contractor will achieve 116.21
- b) At the end of Quarter 2 2012 (Oct.-Dec.) Contractor will achieve 118.34
- c) At the end of Quarter 3 2013 (Jan.-Mar) Contractor will achieve 120.47
- d) At the end of Quarter 4 2013 (Apr.-Jun.) Contractor will achieve 122.6
- e) All Quarters after July 2013, Contractor will maintain a minimum of 122.6

INDICATOR 2d:

Contractor will submit court reports/case plan to the courts in accordance with judicial timeframes 98% of the time.

As of May 2012, Contractor's performance is at 81.6%. Contractor will achieve the goal set forth in Indicator 2d according to the following schedule:

- a. At the end of Quarter 1 2012 (Jul.-Sept) Contractor will achieve 85.7%
- b. At the end of Quarter 2 2012 (Oct.-Dec.) Contractor will achieve 89.8%
- c. At the end of Quarter 3 2013, (Jan.-Mar) Contractor will achieve 93.9%
- d. At the end of Quarter 4 2013 (Apr.-Jun.) Contractor will achieve 98%

3. OUTCOME: Well Being

INDICATOR 3d:

Contractor will visit children in out of home care one time each month 95% of the time.

Definition of Federal Measure: Case managers will have monthly face to face visits with children in foster care-95% of the time.

As of April 2012 Contractor performance is at 89%. Contractor will achieve the goal set forth in Indicator 3d according to the following schedule:

- a) At the end of Quarter 1 2012 (Jul.-Sept) Contractor will achieve 90.5%
- b) At the end of Quarter 2 2012 (Oct.-Dec.) Contractor will achieve 92%
- c) At the end of Quarter 3 2013, (Jan.-Mar) Contractor will achieve 93.5%
- d) At the end of Quarter 4 2013 (Apr.-Jun.) Contractor will achieve 95%

Article III. SCOPE OF SERVICES B. 1 d is deleted in its entirety:

Article III. SCOPE OF SERVICES B. 2 c is deleted in its entirety and replaced with the following language:

- 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 any non-traffic 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 non-traffic record being identified, the Contractor shall develop a process to review and determine if they want to request DHHS approval to hire an employee. Requests for an exception shall be made in writing to DHHS and will include the name and background information, along with supporting documentation from the Contractor as to why Contractor believes that such person does not pose a threat to children or families. DHHS shall have 10 business days to respond to such a request. Failure to respond shall not constitute approval by DHHS. All documentation related to the process is maintained in the contractor's staff personnel records.

Article III. SCOPE OF SERVICES B. 4 is deleted in its entirety and replaced with the following language:

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

Article III. SCOPE OF SERVICES B. 5 is deleted in its entirety and replaced with the following language:

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

Article III. SCOPE OF SERVICES B. 7 is deleted in its entirety and replaced with the following language:

7. Quality Assurance: The Contractor shall perform Quality Assurance pursuant to this contract. The Contractor will develop, implement and monitor improvement plans based on outcomes of quality assurance and contract monitoring results conducted by DHHS and Contractors internal Quality Assurance system.

Article III. SCOPE OF SERVICES B. 8 s is deleted in its entirety and replaced with the following language:

- s. Citrix: DHHS will provide an appropriate number of Citrix licenses for remote access to the DHHS computer system. DHHS will determine the level of access granted and the applicability of each request.

Article III. SCOPE OF SERVICES B. 12 is deleted in its entirety and replaced with the following language:

12. Professional Development/Training:

- a. Effective July 1, 2012, the Contractor shall provide the core Service Coordinator/Case Manager training as approved by DHHS, at no additional cost to DHHS.
- b. The Contractor shall provide opportunities for staff to receive 24 hours of annual professional development training.

Article III. SCOPE OF SERVICES B. 13 is deleted in its entirety and replaced with the following language:

13. Performance Outcomes and Accountability:

- a. The Contractor will be accountable for the Outcome Measures defined in the Manual and elsewhere in this contract.

Article III. SCOPE OF SERVICES B. 15 is deleted in its entirety and replaced with the following language:

15. Foster Care Review Office (FCRO):

- a. The Contractor agrees they are subject to and will comply with state law regarding the FCRO.

Article III. SCOPE OF SERVICES B.18 is added to read as follows:

18. Monthly Child Advocacy Center Report:

Pursuant to LB 961 & LB 1160 (2012), Contractor shall submit a monthly report to DHHS and local Child Advocacy Centers for voluntary/non-court families. The monthly report must contain:

- a) Child's name;
- b) Child's age;
- c) The plan implemented by Contractor or DHHS and;
- d) The status of compliance with the case plan by the family.

Article III. SCOPE OF SERVICES B.19 is added to read as follows:

19. Annual Survey:

Pursuant to LB 961 & LB 1160 (2012), Contractor shall annually survey children, parents, foster parents, judges, guardian ad litem, attorneys representing parents, and service providers involved with the child welfare system to monitor satisfaction with (a) adequacy of communication by the case manager, (b) response by DHHS or Contractor to requests and problems, (c) transportation issues, (d) medical and psychological services for children and parents, (e) visitation schedules, (f) payments, (g) support services to foster parents, (h)

adequacy of information about foster children provided to foster parents, and (i) the case manager's fulfillment of his or her responsibilities.

A summary of this annual survey is to be provided to DHHS no later than September 1, 2012 and each September 1st thereafter.

Article III. SCOPE OF SERVICES B.20 is added to read as follows:

20. Board of Directors:

In accordance with LB 821 (2012), by September 1, 2012, Contractor shall furnish DHHS with a plan regarding how Contractor will establish a Board of Directors of which at least fifty-one percent of the membership is comprised of Nebraska residents who are not employed by the Contractor or by a sub-contractor of the Contractor. The plan must identify how Contractor will be in full compliance with the above by April 1, 2013.

Article III. SCOPE OF SERVICES B.21 is added to read as follows:

21. Direct Services:

Contractor shall not directly provide more than thirty-five percent of direct services required under this contract.

Article III. SCOPE OF SERVICES B.22 is added to read as follows:

22. Nebraska Children's Commission:

Contractor shall cooperate with the activities of the Nebraska Children's Commission and comply with any and all requests for information by the Nebraska Children's Commission.

Article III. SCOPE OF SERVICES B.23 is added to read as follows:

23. Additional Reporting Requirements:

Contractor will timely provide any information requested by DHHS necessary to complete reports required by any applicable Federal or State law or regulation.

Article III. SCOPE OF SERVICES B.24 is added to read as follows:

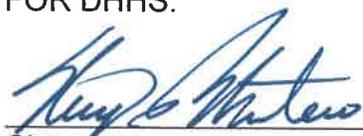
24. Readiness Assessment:

Contractor will timely provide any information requested by DHHS necessary to complete any readiness assessment developed by DHHS.

All other terms and conditions remain in full force and effect.

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:



Signature

Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

FOR CONTRACTOR:



Signature

David P. Newell
President and CEO
Nebraska Families Collaborative

DATE: 6/29/2012

DATE: 6-29-2012

41449-04

**AMENDED AND RESTATED SERVICE DELIVERY, COORDINATION AND
CASE MANAGEMENT CONTRACT**

BETWEEN THE

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

**NEBRASKA FAMILIES COLLABORATIVE
FOR EASTERN SERVICE AREA**

AMENDMENT ONE TO RESTATED CONTRACT, FEBRUARY 2012

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 **NEBRASKA FAMILIES COLLABORATIVE** (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 or Juvenile Services System or who are non-court involved children and families involved in the Child Welfare System. Service, service coordination, and case management functions will be provided for families served in the Eastern Service Area. Nebraska Families Collaborative currently serves approximately two-thirds of the children and families described above in the Eastern Service Area. NFC will assume case management, service coordination, and service delivery for all such children and families in the Eastern Service Area effective March 1, 2012.

The Amended and Restated Contract between the parties dated August 16, 2011 is hereby amended as follows:

Article II. **CONSIDERATION A.** is deleted in its entirety and replaced with the following language:

DHHS agrees to pay the Contractor the total amount not to exceed \$136,733,797.00 from November 1, 2009 through June 30, 2014, for services and activities specified herein. The parties acknowledge that the compensation in the current agreement for the period beginning July 1, 2012 and ending June 30, 2014 does not reflect the increased scope of services and the parties are presently negotiating appropriate compensation for that period.

Article II. CONSIDERATION B. 6 (b) is deleted in its entirety and replaced with the following language:

b. DHHS will pay \$2,561,296.00 each month for services provided July 1, 2011 through February 29, 2012 and \$5,413,465.25 each month for services provided March 1, 2012 through June 30, 2012, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

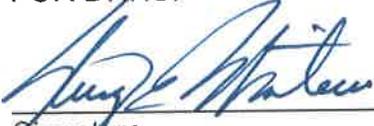
Article III. SCOPE OF SERVICES A. 18 (f) is added to read:

- f) The Contractor will provide additional services for children and families currently served by KVC Behavioral Healthcare Nebraska Inc. (KVC) in the Eastern Service Area transitioning to NFC as follows:
1. Contractor will cause to be completed, as soon as practicable, any unfinished or outstanding information or services such as substance abuse evaluations, therapy reports, visitation worker documentation, testing results, psychological and psychiatric evaluations, drug testing results, medical reports, foster and adoptive home studies, approval studies, case plans/court reports, and any other case management documentation or services. Nothing in this paragraph is intended to make Contractor responsible for bills or invoices for work completed or services performed by vendors and subcontractors of KVC prior to March 1, 2012.
 2. If Contractor discovers that child welfare data has not been entered into the NFOCUS system for services prior to March 1, 2012, Contractor will notify DHHS and the parties will determine the best approach to entering the data.
 3. If Contractor discovers that the files of children and families transitioned from KVC are missing current placement information, documentation of visits, letters of agreement, home study documentation, or other required documentation, Contractor will notify DHHS and the parties will determine the best approach to obtaining the documentation for the files.
 4. Contractor will insure that a case staffing has been completed for each case and will meet with KVC staff as needed.
 5. Contractor agrees to cooperate to the extent necessary to accomplish the intent of these transitional services for children and families currently served by KVC that are referred to NFC for case management, service coordination, and service delivery.

All other terms and conditions remain in full force and effect.

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:



Signature

Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

FOR CONTRACTOR:



Signature

David P. Newell
President and CEO
Nebraska Families Collaborative

DATE: 2/29/2012

DATE: 28 February 2012

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41449-04

**AMENDED AND RESTATED SERVICE DELIVERY, COORDINATION AND CASE
MANAGEMENT CONTRACT**

BETWEEN THE

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

NEBRASKA FAMILIES COLLABORATIVE

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 **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Contractor").

PURPOSE. To restate and amend the contract of the parties dated October 30, 2009 and its seven amendments relating to compensation and increasing the percentage of families and children served by the Contractor. 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 or Juvenile Services System or who are non-court involved children and families involved in the Child Welfare System. Service, service coordination, and case management functions will be provided for families served in the Eastern Service Area. Nebraska Families Collaborative currently serves approximately 13.0% of the children described above and it is the understanding of the parties that the percentage of children served by Nebraska Families Collaborative will increase to 26.0% more or less by December 31, 2011. These are percentages of children served throughout the entire state but the families and children to be served by contractor will be within the Eastern 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 not to exceed **\$125,325,119.64 (One hundred twenty-five million three hundred twenty-five thousand one hundred nineteen dollars and sixty-four cents)** from November 1, 2009 through June 30, 2014 for services and activities specified herein.
- B. DHHS will pay the Contractor as follows:
1. **\$862,524.13 (Eight hundred sixty two thousand five hundred twenty four dollars and thirteen 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 **\$862,524.13 (Eight hundred sixty two thousand five hundred twenty four dollars and thirteen cents)** minus any payments made in the prior month for direct services paid through N-FOCUS.
 3. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on July 1, 2010 or on the date Amendment Three, July 2010 was executed.
 4. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on or about August 1, 2010.
 5. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on or about September 1, 2010.
 6. a. DHHS will pay \$860,284.25 each month for services provided July 1, 2010 through June 30, 2011, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

b. DHHS will pay \$2,561,296.00 each month for services provided July 1, 2011 through June 30, 2012, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

c. DHHS will pay \$2,294,091.32 each month for services provided July 1, 2012 through June 30, 2014, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

d. Beginning January 1, 2011, payments will no longer be made through N-FOCUS, and payments made under Article II. CONSIDERATION Section B. 3, 4, 5 and 6 through N-FOCUS will be reconciled to the maximum payment to which contractor would have been entitled from July 1, 2010 through December 31, 2010, which is \$8,602,842.48. To the extent Contractor has been underpaid from July 1 through December 31,

2010, DHHS will initiate processing of payment of the remaining amount due on January 3, 2011. To the extent Contractor has been overpaid from July 1 through December 31, 2010, the next monthly payment under Article II. CONSIDERATION Section B. 6 will be adjusted by the amount of the overpayment. Monthly payments under Article II. CONSIDERATION Section B. 6 are contingent upon full and complete performance of the contract obligations but are not contingent upon the dollar amount of statements for services submitted through N-FOCUS, beginning January 1, 2011. DHHS reserves the right to withhold future payments upon the failure of Contractor to submit statements for all services provided as required under Article III. SCOPE OF SERVICES C. below.

7. In no event will the aggregate payments made pursuant to this contract exceed the amount set forth in Article II. CONSIDERATION Section A.
8. In the event the contract is terminated prior to the end of a calendar month, contractor shall be entitled to payments due under Article II. CONSIDERATION Section B. 6 on a pro rata basis, provided the contractor is not in default. Further, if the contract is terminated prior to June 30, 2012, contractor will return to DHHS a portion of the compensation paid under Article II. CONSIDERATION Section B. 11, calculated as follows:

An amount equal to the aggregate compensation under Article II. CONSIDERATION Section B. 11 due Contractor through the date of termination minus an amount calculated by multiplying the aggregate compensation under Article II. CONSIDERATION Section B. 11 due Contractor through the date of termination by a fraction where the numerator is the number of full months the contract is performed from January 1, 2011 through June 30, 2012 and the denominator is 18.

9. Monthly payment amount may be impacted by changes in State or Federal appropriations.
10. Notwithstanding Article II. CONSIDERATION Section B, 1 through 9 above, Three million dollars will be paid as follows: One million dollars will be paid during each of the months of October, November, and December 2010 by the 15th day of each month.
11. In addition to the consideration set forth in Article II. CONSIDERATION Section B. 1 through B. 10, DHHS will pay the Contractor \$777,777.77 each month, commencing January 2011, through and including September 2011, upon full and complete performance of this contract, subject to repayment upon early termination as set forth in Article II. CONSIDERATION Section B. 8. Consideration under this section is payable one half after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as

- practicable after the fifteenth and last days of the month. No pro rata payments will be made under this section.
12. For the fiscal year ending June 30, 2013, Contractor shall be reimbursed for its actual expenses incurred in the performance of its obligations under this contract in excess of \$2,419,091.33 per month for the period beginning July 1, 2012 and ending June 30, 2013. Reimbursable expenses above \$2,419,091.33 per month shall not include administrative salaries, non-administrative wages, employee benefits, employee withholding, taxes, or operating costs. Reimbursement under this paragraph will not exceed \$613,196.50 per month and total reimbursement under this paragraph will not exceed \$7,358,358.00 for the fiscal year ending June 30, 2013.
 13. For the fiscal year ending June 30, 2014, Contractor shall be reimbursed for its actual expenses incurred in the performance of its obligations under this contract in excess of \$2,335,758.00 per month for the period beginning July 1, 2013 and ending June 30, 2014. Reimbursable expenses above \$2,335,758.00 per month shall not include administrative salaries, non-administrative wages, employee benefits, employee withholding, taxes, or operating costs. Reimbursement under this paragraph will not exceed \$125,689.75 per month and total reimbursement under this paragraph will not exceed \$1,508,277.00 for the fiscal year ending June 30, 2014.
 14. The additional compensation under Article II. CONSIDERATION Section B. 12 and 13 above shall be payable upon receipt by DHHS of documentation of actual expenses from Contractor in a form acceptable to DHHS. The aggregate amount of additional compensation under Article II. CONSIDERATION Section B. 12 and 13 will not exceed \$7,358,358.00 for the fiscal year ending June 30, 2013 and \$1,508,277.00 for the fiscal year ending June 30, 2014. Any portion of the additional consideration in Article II. CONSIDERATION Section B. 12 and 13 not paid to Contractor for qualified excess expenses will be available for use by DHHS including, but not limited to, the enhancement of prevention measures, aftercare, and in-home supports for children and families.
 15. At the end of fiscal year 2013 and prior to remitting final payment to Contractor for services rendered, Contractor will provide DHHS with documentation of actual expenses for the fiscal year. If payments made by DHHS under Article II. CONSIDERATION Section B. 12 for the fiscal year ending June 30, 2013, are more than the qualified expenses incurred in the performance of its obligations under this contract in excess of \$29,029,096.00, Contractor shall refund the difference to DHHS. If payments made by DHHS are less than the qualified expenses incurred in the performance of its obligations under this contract in excess of \$29,029,096.00, DHHS will pay contractor the difference provided the aggregate amount of all payments made for qualified excess expenses does not exceed \$7,358,358.00 for the fiscal year ending June 30, 2013.

16. At the end of fiscal year 2014 and prior to remitting final payment to Contractor for services rendered, Contractor will provide DHHS with documentation of actual expenses for the fiscal year. If payments made by DHHS under Article II. CONSIDERATION Section B. 13 for the fiscal year ending June 30, 2014, are more than the qualified expenses incurred in the performance of its obligations under this contract in excess of \$28,029,096.00, Contractor shall refund the difference to DHHS. If payments made by DHHS are less than the qualified expenses incurred in the performance of its obligations under this contract in excess of \$28,029,096.00, DHHS will pay contractor the difference provided the aggregate amount of all payments made for qualified excess expenses does not exceed \$1,508,277.00 for the fiscal year ending June 30, 2014.

C. (Moved to Article III. SCOPE OF SERVICES Section C.)

D. 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 through 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 30, 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 **12.98%** of the remaining funds. In the event that the amount of claims paid by June 30, 2010 for direct services provided outside of this contract is more than the amount set aside to pay claims as defined above, Contractor will pay to DHHS **12.98%** of the shortfall not to exceed **\$1,538,225.00 (One million, five hundred thirty eight thousand, two hundred twenty five dollars and no cents)**. Upon request of the Contractor said amount may be withheld from future payments to the Contractor.

E. (Deleted)

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 DHHS 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 unless held in abeyance. 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. Maintenance payments for a ward's child;
 - 8. State ward independent living maintenance payments;
 - 9. 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.
- S. The Contractor shall make payment in full to the Sub-Contractor for all goods delivered or services rendered on or before the forty-fifth calendar day after the date of receipt by the Contractor of a bill meeting the Contractor's requirements, as set forth in Contractor's written policy, protocol or contract terms with the Sub-Contractor. Payment to treatment sub-contractors delayed due to coordination of benefits with insurance providers will be paid on or before the one hundred and eightieth calendar day after receipt of a bill as described above. Nothing in this contract is intended to create a third party beneficiary relationship with sub-contractors. This provision shall survive termination of the contract.

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 Operations Manual dated January 4, 2011 (hereinafter the Manual) as amended hereafter by mutual consent of the parties. The Manual will describe in detail the parties' required operational duties during the entire contract period.
 - 4. Provide service coordination and case management functions for treatment and non-treatment services for court involved and non-court involved children, youth and families as defined in the Manual.
 - 5. (Deleted)
 - 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. Guardianship Authority:
- 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, that such guardianship authority cannot be delegated to other parties, and that DHHS reserves all rights and responsibilities of a guardian unto itself.
 - b. 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. The Contractor will respond to complaints related to the performance of this contract as directed by DHHS.
 - c. If the complaint involves an issue related to a specific case, the Professional Judgment Resolution process as defined in the Manual will be used.
 - d. Contractor will maintain a file of all complaints related to the performance of this contract, which shall be available for inspection by DHHS upon request.
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 DHHS 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 DHHS 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. DHHS is solely responsible for 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 and case management.

- 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. SCOPE OF SERVICES Section B. 2. of this contract.

16. Safety Standards:

- a. The Contractor shall immediately report any circumstances which would require a report pursuant to Neb. Rev. Stat. §28-711 to the DHHS Hotline (1-800-652-1999), or appropriate law enforcement agency, or 911 if an emergency, in addition to the assigned DHHS personnel.
- 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.

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 DHHS for resolution.

18. Service Coordination and Case Management Functions:

- a. The Contractor will carry out case management functions except those functions DHHS notifies the Contractor in writing not to perform.
- b. 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.
- c. The Contractor will work collaboratively with the Administrative Service Organization (ASO) provider to coordinate Medicaid treatment services.
- d. The role and function of Service Coordination and Case Management and the supervision of Service Coordination and Case Management may not be sub-contracted by the Contractor. Service Coordination and Case Management staff must be direct employees of the Contractor.
- e. 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 DHHS 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.
- c. 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, 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. If the Contractor and DHHS are in disagreement about a recommendation to be made to the court the Professional Judgment 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.
 - e. The Contractor will work with the court and DHHS regarding court orders that do not meet federal and statutory requirement.

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.

26. Performance Standards and Implementation Schedule: Attached hereto and incorporated herein is a set of performance standards and implementation schedule to be followed by the Contractor in addition to and in conjunction with the outcome measures in the Manual.

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, 2011, documentation that it is in the process of becoming

accredited and shall be fully accredited no later than July 1, 2013.

2. Background Checks: The Contractor will ensure all 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 staff providing service coordination or case management, and staff providing transportation to children, youth and families under this contract
 6. Internet search with an appropriate search engine.
 - b. In addition, for all employees, interns, and volunteers who have been employed or 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, the Contractor will also perform the following checks in the individual's prior states of employment or residence:
 1. Criminal history check for each state in which the individual resided or worked
 2. Sexual Offender Registry
 3. Child and Adult Abuse and Neglect Central Register/try
 4. State repository of driving records

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

Dhhs approval to hire an employee. Requests for an exception shall be made in writing to DHHS 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. This requirement is not applicable to those subcontractors described in Chapter 10 Section G. 5 c., Personnel File Reviews, of the Manual. 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 Contractor'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. Staff carrying out Service Coordination and Case Management functions and Supervisors of staff carrying out those functions 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/Case Manager 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. Professional Judgment Resolution: In situations when the Contractor and DHHS are in disagreement, they will follow the Professional Judgment 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 DHHS computer system access will only be granted to employees of the Contractor. DHHS 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 DHHS 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 DHHS Information Technology Policies that govern the appropriate use of, disclosure of, privacy of, and security of information provided by DHHS or compiled 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 DHHS information obtained from DHHS computer systems and agrees to comply with incident reporting criteria as defined in applicable Business Associates Agreements and the publications listed in Article III. SCOPE OF SERVICES Section B. 8. 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 DHHS information or access DHHS computer systems as defined under the terms of this contract.
- l. The Contractor agrees that all DHHS information stored, processed, emailed, or otherwise transmitted on mobile devices including laptop computers, will be encrypted at all times using DHHS 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 DHHS information or DHHS 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 DHHS 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 DHHS computer systems.
- s. Citrix: DHHS will provide up to 116 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 DHHS 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. SCOPE OF SERVICES Section B. 8. above. DHHS 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 DHHS 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 DHHS agents or other applicable compliance officers with jurisdiction (see Article III. Section B. 7. above).
- x. The Contractor agrees to ensure Contractor employees take all appropriate physical and electronic safeguard precautions when accessing DHHS 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
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4. **UMBRELLA/EXCESS LIABILITY**

Over Primary Insurance	\$1,000,000 per occurrence
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b. **EVIDENCE OF COVERAGE**

The contractor should furnish 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/Case Manager training as approved by DHHS, at no additional cost to DHHS.
- b. The Contractor agrees to work with DHHS in accessing Title IV-E funding to support the training costs of Contractor's staff.
- c. 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.

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. (Deleted)

C. Contractor shall submit statements of services provided to children, youth and families through N-FOCUS 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, which approval will not be unreasonably withheld. The Contractor shall submit statements for all services provided, except Service Coordination and Case Management activities. The Contractor shall submit statements for direct services at their discretion but 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/Administrative Services Organization. The obligation to submit statements of all services provided shall survive the termination of this contract. If DHHS determines that Contractor has not submitted statements for all services provided within ninety days following the end of the month in which the services were provided, payments may be withheld until Contractor submits the statements as required.

Joint Responsibility-DHHS and the Contractor agree to jointly:

1. Develop specific strategies and targeted improvements no later than January 1, 2012 to obtain timely permanency for children, and decrease the frequency and duration of out of home and congregate placements and increase the utilization of children and families served in the family home. When non-medically necessary treatment is ordered by the court, the parties will work together to identify alternatives for the court's consideration.
2. No later than October 31, 2010, and on a quarterly basis thereafter, review and revise program and financial outcomes, objectives and strategies that will fundamentally reform the child welfare/juvenile services system to more quickly achieve enhanced safety, permanency and well being outcomes. Targeted outcomes will be specified for November and December 2010 and then January, February, and March 2011 and then quarterly thereafter.
3. Starting October 12, 2010 and monthly thereafter, identify and explore outcomes, objectives and strategies for mutual efficiency, effectiveness and accountability that will result in financial stability and improved service delivery on both a short and long term basis. The parties will collaborate on ways to maximize federal funding such as Title IV-E.
4. The parties will endeavor to develop a sustainable reform model in which

the contractor is responsible for ongoing case management and service coordination functions as allowable by statute and defined and agreed upon by both parties to be implemented no later than January 1, 2011.

5. Monitor progress on items 1 through 4 through an oversight committee comprised of DHHS and each of the Lead Contractors. The Committee will assess the impact of the efforts identified in items 1 through 4 on overall progress and identify future needs and strategies for the success of the Reform.
6. Both parties will work towards developing a model for improved outcomes for Nebraska children and families utilizing national expertise.

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, indemnify, 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:

Vicki Maca, Families Matter Administrator
Department of Health and Human Services
301 Centennial Mall South, 3rd Floor
PO Box 95026
Lincoln, NE 68509-5026
402-471-5328

FOR CONTRACTOR:

David P. Newell, Executive Director
Nebraska Families Collaborative
14100 Crawford Street
Boys Town, NE 68010
402-498-1207

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:



Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

FOR CONTRACTOR:



David P. Newell
Executive Director
Nebraska Families Collaborative

DATE: 8/16/2011

DATE: 8/16/2011

NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
Foster Care Program under Title IV-E
Promoting Safe and Stable Families Grant
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*

*(Catalog of Federal Domestic Assistance)

Contractor's Name *Nebraska Families Collaborative*
Address: *14100 Crawford Street*
City: *Boys Town* **State:** *NE* **Zip Code:** *68010*
Federal Tax Identification Number (FTIN) *26-4436716*
Contractor's Fiscal Year *1-1*, 20 *11* to *12-31*, 20 *11*

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 in 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.

David P Newell
Print/Type Name

Executive Director
Print/Type Title


Signature

8-16-2011
Date

402-498-1230
Telephone Number

**SERVICE DELIVERY, COORDINATION AND CASE MANAGEMENT
CONTRACT**

BETWEEN THE

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

**NEBRASKA FAMILIES COLLABORATIVE
FOR EASTERN SERVICE AREA**

AMENDMENT SEVEN, DECEMBER 2010

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 **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Contractor").

The Contract between the parties dated October 30, 2009 is hereby amended as follows:

Article II. CONSIDERATION A. is deleted in its entirety and replaced with the following language:

DHHS agrees to pay the Contractor the total amount not to exceed \$71,958,384.72 from November 1, 2009 through June 30, 2014, for services and activities specified herein.

Article II. CONSIDERATION B. 6 is deleted in its entirety and replaced with the following language:

6. DHHS will pay \$860,284.25 each month for services provided July 1, 2010 through June 30, 2011, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

DHHS will pay \$1,147,045.66 each month for services provided July 1, 2011 through June 30, 2014, one half payable after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month.

Beginning January 1, 2011, payments will no longer be made through N-FOCUS, and payments made under Article II. B. 3, 4, 5 and 6 through N-FOCUS will be reconciled to the maximum payment to which contractor would have been entitled from July 1, 2010 through December 31, 2010, which is \$8,602,842.48. To the extent Contractor has been underpaid from July 1 through December 31, 2010, DHHS will initiate processing of payment of the remaining amount due on January 3, 2010. To the extent Contractor has been overpaid from July 1 through December 31, 2010, the next monthly payment under Article II. B. 6 will be adjusted by the amount of the overpayment. Monthly payments under Article II. CONSIDERATION B. 6 are contingent upon full and complete performance of the contract obligations but are not contingent upon the dollar amount of statements for services submitted through N-FOCUS, beginning January 1, 2011. DHHS reserves the right to withhold future payments upon the failure of Contractor to submit statements for all services provided as required under Article III. SCOPE OF SERVICES C. below.

Article II. CONSIDERATION B. 7 is deleted in its entirety and replaced with the following language:

7. In no event will the aggregate payments made under Article II. CONSIDERATION B. and C. exceed the amount set forth in Article II. CONSIDERATION A.

Article II. CONSIDERATION B. 8 is deleted in its entirety and replaced with the following language:

8. In the event the contract is terminated prior to the end of a calendar month, contractor shall be entitled to payments due under Article II. CONSIDERATION B. 6 on a pro rata basis, provided the contractor is not in default. Further, if the contract is terminated prior to June 30, 2012, contractor will return to DHHS a portion of the compensation paid under Article II. CONSIDERATION B. 11, calculated as follows:

An amount equal to the aggregate compensation under Article II. B. 11 due Contractor through the date of termination minus an amount calculated by multiplying the aggregate compensation under Article II. CONSIDERATION B. 11 due Contractor through the date of termination by a fraction where the numerator is the number of full months the contract is performed from January 1, 2011 through June 30, 2012 and the denominator is 18.

Article II. CONSIDERATION B. 11 is added to read:

11. In addition to the consideration set forth in Article II. CONSIDERATION B. 1 through B. 10, DHHS will pay the Contractor \$777,777.77 each month, commencing January 2011, through and including September 2011, upon full and complete performance of this contract, subject to repayment upon early termination as set forth in Article II. CONSIDERATION B. 8. Consideration under this section is payable one half after the fifteenth of the month, and one half after the end of the month. DHHS will initiate processing of payments as soon as practicable after the fifteenth and last days of the month. No pro rata payments will be made under this section.

Article II. CONSIDERATION C. is transferred to Article III. SCOPE OF SERVICES C., and is amended to read:

C. Contractor shall submit statements of services provided to children, youth and families through N-FOCUS 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, which approval will not be unreasonably withheld. The Contractor shall submit statements for all services provided, except Service Coordination and Case Management activities. The Contractor shall submit statements for direct services at their discretion but 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. The obligation to submit statements of all services provided shall survive the termination of this contract. If DHHS determines that Contractor has not submitted statements for all services provided within ninety days following the end of the month in which the services were provided, payments may be withheld until Contractor submits the statements as required.

Article II. CONSIDERATION S. is deleted in its entirety and replaced with the following language:

S. The Contractor shall make payment in full to the Sub-Contractor for all goods delivered or services rendered on or before the forty-fifth calendar day after the date of receipt by the Contractor of a bill meeting the Contractor's requirements, as set forth in Contractor's written policy, protocol or contract terms with the Sub-Contractor. This provision shall survive termination of the contract.

Article III. SCOPE OF SERVICES A. 9 is deleted in its entirety and replaced with the following language:

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. The Contractor will respond to complaints related to the performance of this contract as directed by DHHS.
- c. If the complaint involves an issue related to a specific case, the Professional Judgment Resolution process as defined in the Manual will be used.
- d. Contractor will maintain a file of all complaints related to the performance of this contract, which shall be available for inspection by DHHS upon request.

Article III. SCOPE OF SERVICES A. 23 is deleted in its entirety and replaced with the following language:

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, 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. If the Contractor and DHHS are in disagreement about a recommendation to be made to the court the Professional Judgment 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.
- e. The Contractor will work with the court and DHHS regarding court orders that do not meet federal and statutory requirement.

Article III. SCOPE OF SERVICES B. 2 a. is deleted in its entirety and replaced with the following language:

- 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 staff providing service coordination or case management, and staff providing transportation to children, youth and families under this contract.
 6. Internet search with an appropriate search engine.

Article III. SCOPE OF SERVICES B. 2 e. is deleted in its entirety and replaced with the following language:

2. 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. This requirement is not applicable to those subcontractors described in Chapter 10 Section G. 5 c., Personnel File Reviews, of the Operations Manual. Background checks shall be completed before the individual has direct contact with children and their families and every two (2) years thereafter.

Article III. SCOPE OF SERVICES B. 6 is deleted in its entirety and replaced with the following language:

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

Article III. SCOPE OF SERVICES B. 12 is deleted in its entirety and replaced with the following language:

12. Professional Development Training:
 - a. Effective January 1, 2011, the Contractor shall provide Service Coordinator/Case Manager training as approved by DHHS, at no additional cost to DHHS.
 - b. The Contractor agrees to work with DHHS in accessing Title IV-E funding to support the training costs of Contract staff.
 - c. 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.

The Operations Manual dated 4 Jan 2011 is attached hereto and incorporated herein, and supersedes all previous versions.

All other terms and conditions remain in full force and effect.

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.

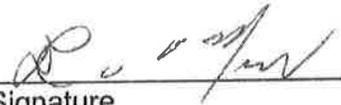
FOR DHHS:



Signature

Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

FOR CONTRACTOR:



Signature

Dave P. Newell
Executive Director
Nebraska Families Collaborative

DATE: 1/5/2011

DATE: 4 Jan 2011

41449-04

**SERVICE DELIVERY, COORDINATION AND CASE MANAGEMENT
CONTRACT**

BETWEEN THE

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

NEBRASKA FAMILIES COLLABORATIVE FOR EASTERN SERVICE AREA

AMENDMENT SIX, DECEMBER 2010

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 **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Contractor").

The Contract between the parties dated November 1, 2009 is hereby amended as follows:

Article PURPOSE is amended to read:

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 or Juvenile Services system or who are non-court involved children and families involved in the Child Welfare system. Service, service coordination and case management functions will be provided for families served in the Eastern Service Area.

Article II. CONSIDERATION C. is amended to read:

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 and Case Management 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.

Article III. SCOPE OF SERVICES A.4. is amended to read:

Provide service coordination and case management functions for treatment and non-treatment services for court involved and non-court involved children, youth and families as defined in the Manual.

Article III. SCOPE OF SERVICES A.15.b. is amended to read:
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 and case management.

Article III. SCOPE OF SERVICES A.18. is amended to read:

Service Coordination and Case Management functions:

- a. The Contractor will carry out case management functions except those functions DHHS notifies the Contractor in writing not to perform.
- b. 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.
- c. The Contractor will work collaboratively with the Administrative Services Organization (ASO) provider to coordinate Medicaid treatment services.
- d. The role and function of Service Coordination and Case management and the supervision of Service Coordination and Case Management may not be sub-contracted by the Contractor. Service Coordination and Case Management staff must be direct employees of the Contractor.
- e. 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.

Article III, SCOPE OF SERVICES B.3. is amended to read:

Hiring Standards:

- a. Staff carrying out Service Coordination and Case Management functions and Supervisors of staff carrying out those functions 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/Case Manager is working.

All other terms and conditions remain in full force and effect.

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:


Signature

Kerry T. Winterer
Chief Executive Office
Department of Health and Human Services

DATE: 12/20/2010

FOR CONTRACTOR:


Signature

David P. Newell
Executive Director
Nebraska Families Collaborative

DATE: Dec. 16, 2010

41449-04
1874188

SERVICE DELIVERY AND SERVICE COORDINATION CONTRACT

BETWEEN THE

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

**NEBRASKA FAMILIES COLLABORATIVE
FOR EASTERN SERVICE AREA**

AMENDMENT FIVE, OCTOBER 2010

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 **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Contractor").

The Contract between the parties dated November 20, 2009 is hereby amended as follows:

Article II. CONSIDERATION A. is amended to read:
DHHS agrees to pay the Contractor the total amount of state and federal dollars not to exceed \$23,664,740.93 from November 01, 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.

Article II. CONSIDERATION B. #10. is added to read:

- 10. Notwithstanding Article II. B, 1 through 9 above. Three million dollars will be paid as follows: Payments will be made in the following manner: One million dollars will be paid during each of the months of October, November, and December 2010 by the 15th day of each month.

Article III. SCOPE OF SERVICES. C. is added to read:

- C. Joint Responsibility - DHHS and the Contractor agree to jointly:
 - 1. Develop specific strategies and targeted improvements no later than October 31, 2010 to obtain timely permanency for children, and decrease the frequency and duration of out of home and congregate placements and increase the utilization of children and families served in the family home. When non-medically necessary treatment is ordered by the court,

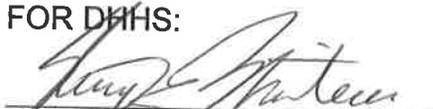
the parties will work together to identify alternatives for the court's consideration.

2. No later than October 31, 2010, and on a quarterly basis thereafter, review and revise program and financial outcomes, objectives and strategies that will fundamentally reform the child welfare/juvenile services system to more quickly achieve enhanced safety, permanency and well being outcomes. Targeted outcomes will be specified for November and December 2010 and then January, February, and March 2011 and then quarterly thereafter.
3. Starting October 12, 2010 and monthly thereafter, identify and explore outcomes, objectives and strategies for mutual efficiency, effectiveness and accountability that will result in financial stability and improved service delivery on both a short and long term basis. The parties will collaborate on ways to maximize federal funding such as IV-E.
4. The parties will endeavor to develop a sustainable reform model in which the contractor is responsible for ongoing case management functions as allowable by statute and defined and agreed upon by both parties to be implemented no later than January 1, 2011.
5. Monitor progress on items 1 through 4 through an oversight committee comprised of DHHS and each of the Lead Contractors. The Committee will assess the impact of the efforts identified in items 1 through 4 on overall progress and identify future needs and strategies for the success of the Reform.

All other terms and conditions remain in full force and effect.

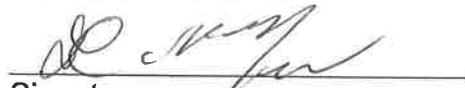
IN WITNESS THEREOF, the parties have duly executed this contract hereto, and each party acknowledges the receipt of a duly executed copy of this contract with original signatures.

FOR DHHS:


Signature

Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

FOR CONTRACTOR:


Signature

David Newell
Executive Director
Nebraska Families Collaborative

DATE: 10/14/2010

DATE: 10-14-2010

SERVICE DELIVERY AND SERVICE COORDINATION CONTRACT

BETWEEN THE

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

**NEBRASKA FAMILIES COLLABORATIVE
FOR EASTERN SERVICE AREA**

AMENDMENT FOUR, JULY 2010

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 **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Contractor").

The Contract between the parties dated October 30, 2009 is hereby amended as follows:

Article II. CONSIDERATION B. is amended to read:

- B. For the period of November 1, 2009 through June 30, 2011, DHHS will pay the Contractor as follows:
1. **\$862,524.13 (Eight hundred sixty two thousand five hundred twenty four dollars and thirteen 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 **\$862,524.13 (Eight hundred sixty two thousand five hundred twenty four dollars and thirteen cents)** minus any payments made in the prior month for direct services paid through N-FOCUS as described in Article II. Section C.
 3. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on July 1, 2010 or on the date Amendment Three, July 2010 was executed.
 4. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on or about August 1, 2010.
 5. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on or about September 1, 2010.
 6. DHHS will pay up to **\$860,284.25 (Eight hundred sixty thousand two hundred eighty four dollars and twenty five cents)** each month for services provided July 1, 2010 through June 30, 2011 upon submission of claims in compliance with Article II. Section C. Any funds under this section for which payment has not been

transmitted to the contractor will be available for future payment of claims at any point through June 30, 2011.

7. Payments made under provisions in Article II Sections B. 3. B.4. B.5. and B.6. will be reconciled to the total payment identified in Article II Section A. Payment will be made no later than June 30, 2011 for any remaining amount to equal the payment identified in Article II. Section A.
8. Upon request of the Contractor and approval by DHHS, DHHS will pay the Contractor any amounts accrued and unpaid as described in Article II. Section B.6. Approval will be determined after consideration of the following:
 - i. Timeliness as described in Article II. Section C. and accuracy of contractor billings to DHHS.
 - ii. Timeliness of contractor payments of accounts payable as described in Article II. Section C.
9. Monthly payment amount may be impacted by changes in State or Federal appropriations.

Article II. Consideration C. is amended to read:

Payment for direct services provided to children, youth and families will be made through N-FOCUS upon submittal of a claim 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 shall submit a claim for all services provided, except Service Coordination activities. The Contractor shall submit a claim for direct services at their discretion but 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.

Article II. Consideration M. is amended to read:

- 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 unless held in abeyance. 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.

Article II. Consideration is amended to add:

- S. The Contractor shall make payment in full to the Sub-Contractor for all goods delivered or services rendered on or before the forty-fifth calendar day after the date of receipt by the Contractor of a bill meeting the Contractor's requirements, as set forth in Contractor's written policy, protocol or contract terms with the Sub-Contractor.

Article II. CONSIDERATION P. is amended to read:

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. Maintenance payments for a wards child
8. State ward independent living maintenance payments
9. State patrol charge(s) for processing required criminal history checks of foster/adoptive parents.

Article III. SCOPE OF SERVICES A. 5. is deleted.

Article III. SCOPE OF SERVICES A. 15. b. is amended to read:

- b. Contractor may not allow a sub-contractor to further sub-contract for services, other than foster family care, under this contract unless the subcontractor is also a lead contractor with DHHS for service coordination or upon written approval of the DHHS Service Area Administrator or designee.

Article III. SCOPE OF SERVICES A. 20 is amended to read:

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 DHHS Service Area Administrator or designee 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 subcontractor.
- c. All placements and the use of respite care must have prior approval by DHHS.

Article III. SCOPE OF SERVICES A. 23. d. is amended to read:

- 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.

Article III. SCOPE OF SERVICES B. 1. f is amended to read:

- 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, 2011, documentation that it is in the process of becoming accredited and shall be fully accredited no later than July 1, 2013.

Article III. SCOPE OF SERVICES B. 2. a. is amended to read:

2. Background Checks: The Contractor will ensure all 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. State-wide criminal history check
 2. Sexual Offender Registry
 3. Child and Adult Abuse and Neglect Central Register/try
 4. State repository of driving records
 5. References
 6. Drug Test for Service Coordinator Supervisor, Service Coordinator and staff providing transportation to children, youth and families under this contract
 7. Google search or other appropriate search engines.

Article III. SCOPE OF SERVICES B. 2. b. is amended to read:

- b. In addition, for all employees, interns, and volunteers who have been employed or 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, the Contractor will also perform the following checks in the individual's prior states of employment or residence:
 1. Criminal history check for each state in which the individual resided or worked
 2. Sexual Offender Registry
 3. Child and Adult Abuse and Neglect Central Register/try
 4. State repository of driving records

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 employment or residence.

Article III. SCOPE OF SERVICES B. 17. is deleted.

The Manual as referenced in Article III. SCOPE OF SERVICES, paragraph A. 3. Is amended as attached dated 7/20/2010.

All other terms and conditions remain in full force and effect.

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:



Signature

Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

DATE: 7/27/2010

FOR CONTRACTOR:



Signature

Judy Dierkhising
Executive Director
Nebraska Families Collaborative

DATE: 7/29/2010

SERVICE DELIVERY AND SERVICE COORDINATION CONTRACT

BETWEEN THE

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

**NEBRASKA FAMILIES COLLABORATIVE
FOR EASTERN SERVICE AREA**

AMENDMENT FOUR, JULY 2010

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 **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Contractor").

The Contract between the parties dated October 30, 2009 is hereby amended as follows:

Article II. CONSIDERATION B. is amended to read:

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

1. **\$862,524.13 (Eight hundred sixty two thousand five hundred twenty four dollars and thirteen 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 **\$862,524.13 (Eight hundred sixty two thousand five hundred twenty four dollars and thirteen cents)** minus any payments made in the prior month for direct services paid through N-FOCUS as described in Article II. Section C.
3. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on July 1, 2010 or on the date Amendment Three, July 2010 was executed.
4. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on or about August 1, 2010.
5. **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six cents)** on or about September 1, 2010.
6. DHHS will pay up to **\$860,284.25 (Eight hundred sixty thousand two hundred eighty four dollars and twenty five cents)** each month for services provided July 1, 2010 through June 30, 2011 upon submission of claims in compliance with Article II. Section C. Any funds under this section for which payment has not been

transmitted to the contractor will be available for future payment of claims at any point through June 30, 2011.

7. Payments made under provisions in Article II Sections B. 3. B.4. B.5. and B.6. will be reconciled to the total payment identified in Article II Section A. Payment will be made no later than June 30, 2011 for any remaining amount to equal the payment identified in Article II. Section A.
8. Upon request of the Contractor and approval by DHHS, DHHS will pay the Contractor any amounts accrued and unpaid as described in Article II. Section B.6. Approval will be determined after consideration of the following:
 - i. Timeliness as described in Article II. Section C. and accuracy of contractor billings to DHHS.
 - ii. Timeliness of contractor payments of accounts payable as described in Article II. Section C.
9. Monthly payment amount may be impacted by changes in State or Federal appropriations.

Article II. Consideration C. is amended to read:

Payment for direct services provided to children, youth and families will be made through N-FOCUS upon submittal of a claim 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 shall submit a claim for all services provided, except Service Coordination activities. The Contractor shall submit a claim for direct services at their discretion but 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.

Article II. Consideration M. is amended to read:

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 unless held in abeyance. 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.

Article II. Consideration is amended to add:

S. The Contractor shall make payment in full to the Sub-Contractor for all goods delivered or services rendered on or before the forty-fifth calendar day after the date of receipt by the Contractor of a bill meeting the Contractor's requirements, as set forth in Contractor's written policy, protocol or contract terms with the Sub-Contractor.

Article II. CONSIDERATION P. is amended to read:

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. Maintenance payments for a wards child
8. State ward independent living maintenance payments
9. State patrol charge(s) for processing required criminal history checks of foster/adoptive parents.

Article III. SCOPE OF SERVICES A. 5. is deleted.

Article III. SCOPE OF SERVICES A. 15. b. is amended to read:

- b. Contractor may not allow a sub-contractor to further sub-contract for services, other than foster family care, under this contract unless the subcontractor is also a lead contractor with DHHS for service coordination or upon written approval of the DHHS Service Area Administrator or designee.

Article III. SCOPE OF SERVICES A. 20 is amended to read:

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 DHHS Service Area Administrator or designee 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 subcontractor.
- c. All placements and the use of respite care must have prior approval by DHHS.

Article III. SCOPE OF SERVICES A. 23. d. is amended to read:

- 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.

Article III. SCOPE OF SERVICES B. 1. f is amended to read:

- 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, 2011, documentation that it is in the process of becoming accredited and shall be fully accredited no later than July 1, 2013.

Article III. SCOPE OF SERVICES B. 2. a. is amended to read:

2. Background Checks: The Contractor will ensure all 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. State-wide criminal history check
 2. Sexual Offender Registry
 3. Child and Adult Abuse and Neglect Central Register/try
 4. State repository of driving records
 5. References
 6. Drug Test for Service Coordinator Supervisor, Service Coordinator and staff providing transportation to children, youth and families under this contract
 7. Google search or other appropriate search engines.

Article III. SCOPE OF SERVICES B. 2. b. is amended to read:

- b. In addition, for all employees, interns, and volunteers who have been employed or 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, the Contractor will also perform the following checks in the individual's prior states of employment or residence:
 1. Criminal history check for each state in which the individual resided or worked
 2. Sexual Offender Registry
 3. Child and Adult Abuse and Neglect Central Register/try
 4. State repository of driving records

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 employment or residence.

Article III. SCOPE OF SERVICES B. 17. is deleted.

The Manual as referenced in Article III. SCOPE OF SERVICES, paragraph A. 3. Is amended as attached dated 7/20/2010.

All other terms and conditions remain in full force and effect.

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.

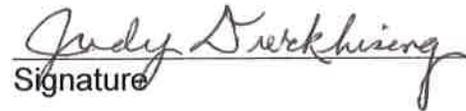
FOR DHHS:


Signature

Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

DATE: 7/27/2010

FOR CONTRACTOR:


Signature

Judy Dierkhising
Executive Director
Nebraska Families Collaborative

DATE: 7/29/2010

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41449-04

SERVICE DELIVERY AND SERVICE COORDINATION CONTRACT

BETWEEN THE

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

**NEBRASKA FAMILIES COLLABORATIVE
FOR EASTERN SERVICE AREA**

AMENDMENT THREE, JULY 2010

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 **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Contractor").

The Contract between the parties dated October 30, 2010 is hereby amended as follows:

Article II. Consideration A. is amended to read:

A. DHHS agrees to pay the Contractor the total amount of state and federal dollars not to exceed **\$20,664,740.93 (Twenty million six hundred sixty four thousand seven hundred forty dollars and ninety three 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.

Article II. Consideration B. is amended to read:

3. On or about the first day of each month from July, 2010 thereafter, a total amount **\$1,147,045.66 (One million one hundred forty seven thousand forty five dollars and sixty six 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.

All other terms and conditions remain in full force and effect.

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:

Jonathan C. Reekly for
Signature

Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

FOR CONTRACTOR:

Judy Dierkhising
Signature

Judy Dierkhising
Executive Director
Nebraska Families Collaborative

DATE: 06/30/2010

DATE: 07/02/2010

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SERVICE DELIVERY AND SERVICE COORDINATION CONTRACT

BETWEEN THE

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

**NEBRASKA FAMILIES COLLABORATIVE
FOR EASTERN SERVICE AREA**

AMENDMENT TWO, FEBRUARY 2010

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 **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Contractor").

The Contract between the parties dated October 30, 2009 is hereby amended as follows:

Article II. Consideration P. 2. is amended to read:

- 2. Physical health care costs of children, youth and families who are not Medicaid Eligible; except as part of the Comprehensive Child and Adolescent Assessment (CCA)

Article III. Scope of Services A. 15. b. is amended to read:

- b. Unless prior written approval by DHHS, the 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. Requests for an exception shall be made in writing to the Service Area Contract Liaison along with supporting documentation from the Contractor as to why they believe that such exception is necessary. The Department shall respond to such requests within 10 business days.

The Manual as referenced in Article III. Scope of Services, paragraph A. 3. is amended as attached dated 2/16/10:

All other terms and conditions remain in full force and effect.



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:



Signature

Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

DATE: 2/25/10

FOR CONTRACTOR:



Signature

Judy Dierkhising
Executive Director
Nebraska Families Collaborative

DATE: 3/4/2010

41449-04
1874188

SERVICE DELIVERY AND SERVICE COORDINATION CONTRACT
BETWEEN THE
NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF CHILDREN AND FAMILY SERVICES
AND
NEBRASKA FAMILIES COLLABORATIVE
AMENDMENT ONE, DECEMBER 2009

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 **NEBRASKA FAMILIES COLLABORATIVE** (hereinafter "Contractor").

The Contract between the parties dated October 30, 2009 is hereby amended as follows:

Article II. Consideration A. is amended to read:

- A. DHHS agrees to pay the Contractor the total amount of state and federal dollars not to exceed **\$20,702,749.00 (Twenty million, seven hundred two thousand, seven hundred forty nine dollars and no 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.

Article II. Consideration B. is amended to read:

- B. For the period November 1, 2009 through June 30, 2011, DHHS will pay the Contractor as follows:
1. **\$862,524.13 (Eight hundred sixty two thousand, five hundred twenty four dollars and thirteen 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 **\$862,524.13 (Eight hundred sixty two thousand, five hundred twenty four dollars and thirteen 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 **\$1,150,213.00 (One million, one hundred fifty thousand, two hundred thirteen 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.

Article II. Consideration D. is amended to read:

- D. 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 through 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 30, 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 **12.98%** of the remaining funds. In the event that the amount of claims paid by June 30, 2010 for direct services provided outside of this contract is more than the amount set aside to pay claims as defined above, Contractor will pay to DHHS **12.98%** of the shortfall not to exceed **\$1,538,225.00 (One million, five hundred thirty eight thousand, two hundred twenty five dollars and no cents)**. Upon request of the Contractor said amount may be withheld from future payments to the Contractor.

Article II. Consideration E. is deleted:

Article III. Scope of Services Paragraph B. 17. A. is amended to add:

7. In the event of contract termination, the Department's financial obligation to the contractor shall be limited to payment for services provided and previously approved by the Department pursuant to a case plan and court report, safety plan, or other written approval from the Department, using the method as described in Article II. B.

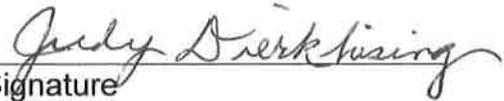
All other terms and conditions remain in full force and effect.

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 THE DHHS:


Signature

FOR THE CONTRACTOR:


Signature

Kerry T. Winterer
Chief Executive Officer
Department of Health and Human Services

Judy Dierkhising
Executive Director
Nebraska Families Collaborative

DATE: 1/20/10

DATE: 1/26/2010

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SERVICE DELIVERY AND SERVICE COORDINATION CONTRACT

BETWEEN THE

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

NEBRASKA FAMILIES COLLABORATIVE

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 **NEBRASKA FAMILIES COLLABORATIVE** (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 **EASTERN** 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 **\$19,185,452.07 (Nineteen million one hundred eighty five thousand four hundred fifty two dollars and seven 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. **\$670,246.00 (Six hundred seventy thousand two hundred forty six dollars and no 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 \$670,246.00 (Six hundred seventy thousand two hundred forty six 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.
 3. On or about the first day of each month from July, 2010 thereafter, a total amount **\$1,151,957.00 (One million one hundred fifty one thousand nine hundred fifty 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 **\$1,151,957.00 (One million one hundred fifty one thousand nine hundred fifty 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 through 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 **12.98%** 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. Guardianship Authority:
 - 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 87 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
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4. UMBRELLA/EXCESS LIABILITY

Over Primary Insurance

\$1,000,000 per occurrence

b. EVIDENCE OF COVERAGE

The contractor should furnish 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 This 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
<i>Less than \$500,000</i>	<i>Audit that meets Government Auditing Standards</i>
<i>500,000 or more in federal payments</i>	<i>A-133 audit</i>

- 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, indemnify, 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:

Barry DeJong, Service Area Administrator
Department of Health and Human Services
1313 Farnam
Omaha State Office Building
Omaha, NE, 68102
402-595-2880

FOR CONTRACTOR:

Judy Dierkhising, Executive Director
Nebraska Families Collaborative
14100 Crawford Street
Boys Town, NE 68010
402-498-1207

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

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

DATE: 10/28/2009

FOR CONTRACTOR:

Judy Dierkhising

Judy Dierkhising
Executive Director
Nebraska Families Collaborative

DATE: 10/30/2009

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

*(Catalog of Federal Domestic Assistance)

Contractor's Name Nebraska Families Collaborative

Address: 14100 Crawford Street

City: Boys Town **State:** NE **Zip Code:** 68010

Federal Tax Identification Number (FTIN) 26-4436716

Contractor's Fiscal Year 1-1-09, 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 in 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.

Judy Dierkhising

Print/Type Name

Executive Director

Print/Type Title

Judy Dierkhising

Signature

10-30-2009

Date

402-498-1207

Telephone Number