



**COLORADO**

Department of Health Care  
Policy & Financing

1570 Grant Street  
Denver, CO 80203

# Appendix D: Conditions of Funding and Monitoring Plan

*FY 2020-21 County Grant Program*

## *Acceptance of Conditions of Funding*

By completing and submitting the FY 2020-21 County Grant Program Application, the applicant is agreeing, to abide by the County Grant Program Conditions of Funding and Department finance rules as stated in 10 CCR 2505-5 if the proposed project is approved.

County Grant Program Conditions of Funding can be found in Appendix D. The applicant's proposed project may come with additional Conditions of Funding. Any additional conditions will be listed on the applicant's Award Letter. All Conditions of Funding must be met to be eligible for funding through the County Grant Program. Failure to comply with the Conditions of Funding and Monitoring Plan may result in disallowances, per Appendix D, Subrecipient Monitoring, Audits and Sanctions.

Attached to the grantee's Award Letter is an intergovernmental grant agreement that is signed by the Department's Executive Director. The intergovernmental grant agreement codifies the County Grant Program's Conditions of Funding and Monitoring Plan with the grantee. The expenditure of any grant funding after issuance of the intergovernmental grant agreement indicates that the grantee agrees to abide by all applicable rules, regulations, requirements and conditions. **The intergovernmental grant agreement is unilateral and does not require signature from the grantee.**

## *Application Process Conditions of Funding*

The applicant's proposed project must be replicable statewide or regionally, if the project is deemed a success. Projects that are not replicable statewide or regionally are not eligible for funding.

If a county is approved for a project in which other counties participate, the awarded county is responsible for obtaining a letter of support from each participating county. Each participating county must identify and designate a contact person within their human services office to be the accountable designee for that county's participation in the grant



Funding requests exceeding the fiscal year's average application funding request amount may be required to provide additional information and/or supplemental documentation during the application scoring process and/or interview. Those applicants impacted by this requirement may be notified prior to the scoring process and/or interview.

The applicant must provide quotes, letters of support, or other documentation in support of budget requests for proposed projects where the county will serve as a pass-through entity for county grant program funds.

The Department strives to be a good steward of taxpayer resources. Applications that can lead to wasteful spending, inappropriate use, or violations of federal or state laws will be denied at the Executive Director's discretion.

### *Budget Conditions of Funding*

Grant projects funded through the County Grant Program can be completed after the end of the fiscal year; however, **grant funding must be expended no later than June 30, 2021**, unless otherwise communicated to the Department. Project deliverables are **due to the Department no later than July 16, 2021**.

Grant funds will only be used as specified in the approved grant proposal. No other expenditures other than those directly tied to the proposed project are allowed.

Indirect costs are not allowable expenses in the Itemized Budget and will be denied.

Grant Program funds are intended to fulfill one-time funding requests, and the Department may deny any request for a continuation of a project from the previous fiscal year or additional funding for an ongoing project.

Reimbursement of expenditures related to this grant must occur through the County Financial Management System (CFMS). All expenses are to be entered using the following CFMS account codes to request reimbursement. The Department will report the correct CFMS account code in the Award Letter.

All expenditures associated with the approved grant proposal must occur **on or before June 30, 2021**; expenditures should be entered in CFMS **no later than July 7, 2021**. Expenses submitted after this date will not be reimbursed.



Proposed projects can be based on estimates of costs. Actual costs may require budget flexibility in the Itemized Budget. Funds may be moved from one line-item to another in these instances but require an updated Itemized Budget be submitted **no later than July 16, 2021**. However, any changes to the Itemized Budget may not exceed the original request for funding that was approved. In addition, funds may only move from one previously-approved line-item to another; after the approval of the proposed project, new line-items in the Itemized Budget are not allowed.

Expenditures above the proposed project’s budget will not be allowed. Any expenditures above the approved project’s budget must be paid for with county-only funds at the Department’s direction.

*Cost Allocation Conditions of Funding*

Proposed projects that impact other public assistance programs managed by the Colorado Department of Human Services or county only programs will be cost allocated based upon the Centers for Medicare and Medicaid Services (CMS) approved methodology. This cost allocation methodology is dependent on the proposed project and how it impacts other public assistance programs. The Department will provide the correct cost allocation methodology when a proposed project is approved. In addition, 100% time reporting may allow for a greater cost allocation than the cost allocation methodology described above, if the grantee selects this option.

Approved projects where the true cost to Medical Assistance is unknown or ambiguous, the staff supporting the proposed project may be required to complete 100% time reporting to support expenses associated with the project. Applicants will be notified of this requirement in the Award Letter.

*Contractor and Subcontractor Conditions of Funding*

Contracts and subcontracts that are paid for with state and federal Medicaid administration funds should meet robust contractual requirements as found in the federal government’s OMB guidance. These requirements help ensure that taxpayer dollars are spent wisely and with the public interest in mind. Counties using county grant program funds should strive to meet best practices identified by the Department. A review of contracts and subcontracts is required during the implementation of the grantee’s monitoring plan.

Best Practices for Contracts and Statements of Work
<p>Do performance metrics exist and are they tied to HCPF (Pillars of Strategic Direction) and county goals?</p> <p>HCPF Pillars of Strategic Direction</p> <ul style="list-style-type: none"> <li>• Health Care Affordability for Coloradans</li> <li>• Medicaid Cost Control</li> <li>• Member Health</li> <li>• Customer Service</li> </ul>



<ul style="list-style-type: none"> <li>Operational Excellence</li> </ul>
Are Program staff and their Management clear on program expectations and have they been <u>clearly included</u> in drafting and review of the contract?
Is there a structured performance review process?
<b>Termination</b>
If state or federal funds are included in the contract, does the contract include the standard template termination for public-interest and termination for cause boilerplate clauses (termination in the public interest allows termination if the legislature, judiciary, or Governor determines the program or contract no longer serves the interests of the state)?
Does the contract include the ability to create variable or progressive corrective action plans outside of the standard contract remedies?
Is there a contingency plan describing what will happen if work is not completed, contract is terminated, or new vendor is selected?
Does the contract require the contractor to provide sufficient project documentation to ensure ongoing success without the vendor in the event the contract is terminated? Does the contract include appropriate actions for a close-out period due to a contract termination?
<b>Payment</b>
Are payments tied to one of the following: <ol style="list-style-type: none"> <li>Meeting specific performance standards</li> <li>Completing deliverables</li> </ol>
Is payment competitive with the market for these services?
<b>Partnership</b>
Does the contract empower the contract manager to hold the vendor accountable for responsiveness to individual issues, assigning quality trained personnel to project, delivering quality outcomes, and engagement at meetings and presentations?
<b>Innovation</b>
Is there criteria in the contract that provides incentives or requirements for the vendor to provide thought leadership, best practices, or process improvement recommendations?
Is the vendor required to continuously identify the best solutions, technology and processes for the state including, proposing new capabilities or technologies as they become available

### County Grant Program Monitoring Plan

Grantees are **required** to participate in Quarterly Check-Ins, which will include a minimum of one Site Visit and one Year-End Report Out. Failure to comply with the County Grant Program Monitoring Plan may result in disallowances per Appendix D, Subrecipient Monitoring, Audits and Disallowances.

To fulfill the requirements of the Quarterly Check-In(s) and/or Site Visit(s), the grantee must submit, no later than the following deadlines, proposed dates for the calendar quarter in which the Quarterly Check-In(s) and/or Site Visit(s) will occur.

FY 2020-21 Quarter	Deadline to Submit Report Matrix Proposed Dates	Proposed Quarterly Check-In/Site Visit Dates
Quarter 1 July 1 - September 30	October 2, 2020	October 5 - 16, 2020



Quarter 2 October 1 - December 31	January 4, 2021	January 7 - 15, 2021
Quarter 3 January 1 - March 31	April 2, 2021	March 5 - 16, 2021
Quarter 4 April 1 - June 30	Year-End Report Out in June 2021 will count for Q4 Check-In	

For Quarterly Check In compliance, the grantee will use the Quarterly Check In Matrix to provide necessary updates to the Department. Quarterly Check In meetings must include the following information:

FY 2020-21 Quarterly Check In Date	Check In Topic
Quarter 1 July 1 - September 30  <i>Conference Call</i>	<ol style="list-style-type: none"> <li>1. Project Work Plan Review and Further Clarification</li> <li>2. Setting Effective Expectations for Contractors</li> <li>3. Contract Implementation and Language - Joint Review and Expectations</li> <li>4. Ensuring Information Security, if applicable</li> <li>5. Review of Quarterly Check In Matrix expectations</li> </ol>
Quarter 2 October 1 - December 31  <i>Conference Call</i>	<ol style="list-style-type: none"> <li>1. Follow Up on Project Work Plan</li> <li>2. Contracts Execution - Update</li> <li>3. Review of Quarterly Check in Matrix</li> <li>4. Budget Tracking - Update</li> </ol>
Quarter 3 January 1 - March 31  <i>Department In-Person Site Visit</i>	<ol style="list-style-type: none"> <li>1. Follow Up on Project Work Plan</li> <li>2. Contracts Update</li> <li>3. Review of Quarterly Check In Matrix</li> <li>4. Budget Tracking - Update</li> <li>5. In-person walk through of project or meeting with important stakeholders</li> </ol>
Quarter 4 April 1 - June 30  <i>Travel to Denver/Virtual Presentation</i>	<ol style="list-style-type: none"> <li>1. Year End Report Out presentation</li> <li>2. Budget Actuals - Final itemized budget</li> <li>3. Closeout or Continuity/Sustainability Plan, if applicable</li> </ol>



The Year-End Report Out requirement, must include travel costs for the Grant Program Manager and one (1) additional staff, if necessary. The formal presentations on the project will be in June 2020 at the Departments office in Denver, CO. [State fiscal travel rules](#) must be followed in funding requests for travel reimbursement for the Year-End Report Out.

A Final Deliverable must be submitted to the Department **no later than close of business July 16, 2021**. The Final Deliverable can vary based on the proposed project but must include a final itemized budget with actual costs and any outcomes template the Department may provide.

The Final Deliverable should include a Closeout or Continuity/Sustainability Plan for how the work will continue after the fiscal year has ended, if applicable.

### *Subrecipient Monitoring, Audits and Sanctions*

The grantee shall ensure that it complies with all applicable federal rules and regulations, found at 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements, commonly known as the Uniform Guidance, and State guidance issued by the Colorado State Office of the Controller (OSC). The grantee is responsible for completion of a subrecipient versus contractor determination for any funds pass-through to an outside vendor. The OSC's [OMB Subrecipient Guide](#) is available to assist the grantee in meeting OSC requirements for monitoring of subrecipients. Additional guidance regarding 2 CFR Part 200 is available on the OSC's [OMB Guidance](#) website.

Records are required documenting all expenses and accounting for the uses of all grant funds and must be provided upon request and without delay.

All tasks and expenditures associated with the proposed project are subject to review by Department staff and/or an external auditor, per 10 C.C.R. 1.010.8.C, Audits by the Colorado Department of Health Care Policy and Financing, at any time and without prior Notification.

Failure to comply with any oversight requirements as listed in Appendix D, Conditions of Funding, are subject to County Administrative Rules as stated in 10 C.C.R 1.020. If the grantee fails to comply with 10 C.C.R. 1.010.8.C, 10 C.C.R. 1.020, or any requirement listed in Appendix D, County Grant Program Conditions of Funding or the Award Letter, the Department may, at its discretion, and only after the remedies described in 10 C.C.R. 1.020 are exhausted, subject the grantee to disallowance per 10 C.C.R. 1.020.2, Sanctions. The Department's decisions based on requirements in Appendix D, Audits and Sanctions, are final and not subject to appeal.

For federal financial reporting purposes, the grantee should utilize the Catalog of Federal Domestic Assistance (CFDA) number for the appropriate program. These are Medicaid 93.778 and the Child Health Plan *Plus* (CHP+) CFDA 93.767.

