



Board of Directors Regular Meeting

Location: 120 Bristlecone Dr., Fort Collins, CO 80524 or [Zoom](#)

Date: Tuesday, June 25, 2024

Time: 5:30 PM

5:30 PM	I. Call to Order	Molly Gutilla
	<ul style="list-style-type: none"> a. Roll Call Board of Directors b. Welcome Guests & Attendees c. Conflict of Interest Statement d. Approval of Agenda 	
5:35 PM	II. Public Comment	
	Note: If you choose to comment, please follow the "Guidelines for Public Comment" provided at the end of the agenda.	
5:40 PM	III. Presentations	
	<ul style="list-style-type: none"> a. Health Promotion RN 	Julie Abramoff/ Maggie Mueller
	<ul style="list-style-type: none"> b. Health Care Access Program Updates 	Dana Turner/ Rosie Duran
6:00 PM	IV. Consent Agenda	
	<ul style="list-style-type: none"> a. April 23, 2024 Regular Meeting Minutes b. April 2024 Financial Statements c. May 2024 Financial Statements d. Consulting Contract to Enhance Program Evaluation Processes e. 2024 Grant Revenue Approval 	
6:45 PM	V. Action Items	
	<ul style="list-style-type: none"> a. 2023 Annual Financial Audit 	CliftonLarsonAllen
	<ul style="list-style-type: none"> <ul style="list-style-type: none"> Presentation from Auditors; Board Q&A, Comment Board Acceptance of 2023 Health District Audit 	Lorraine Haywood
	<ul style="list-style-type: none"> b. Deconflicting Board Policies 99-01 and 2010-01 with Board Resolution 24-08; Approve Signatories for Certificate of Deposit Accounts 	Lorraine Haywood
	<ul style="list-style-type: none"> c. Mental Health Connections Electronic Health Record and Clinical Workflow Consultant 	Dana Turner
7:15 PM	VI. Reports	
	<ul style="list-style-type: none"> a. Policy Update: Overview 2024 Legislative Session 	Alyson Williams
	<ul style="list-style-type: none"> b. 2024-2025 Strategic Planning Update 	Liane Jollon/ Amber Blake
	<ul style="list-style-type: none"> c. 2024-2025 Budgeting Timeline 	Xochitl Fragoso

d. Annual Investment Report 2023	Lorraine Haywood
e. Board of Directors Reports	Board of Directors
f. Liaison to PVHS/UCHealth North Report	John McKay
g. Executive Committee Update	Molly Gutilla
h. Executive Director Staff Report	Liane Jollon

7:55 PM VII. Announcements

- a. July 23, 2024, 5:30pm – Regular Meeting
- b. August 27, 2024, 5:30pm – Regular Meeting
- c. August 27, 2024 – Potential Training with legal counsel –
Colorado Intergovernmental Risk Sharing Agency (CIRSA)

Executive Session Tentative – Details to Be Added If Called

(1) to hold a conference with the District's general counsel to receive legal advice on specific legal questions, pursuant to C.R.S. § 24-6-402(4)(b), regarding _____; and (2) for the purposes of discussion of a personnel matter not involving any specific employees who have requested discussion of the matter in open session, any member of this body or any elected official, the appointment of any person to fill an office of this body or of an elected official, or personnel policies that do not require the discussion of matters personal to particular employees, pursuant to C.R.S. § 24-6-402(4)(f), concerning _____.

8:00 PM VIII. Adjournment

Mission

The Mission of the Health District of Northern Larimer County is to enhance the health of our community.

Vision

- ❑ District residents will live long and well.
- ❑ Our community will excel in health assessment, access, promotion and policy development.
 - Our practice of **assessment** will enable individuals and organizations to make informed decisions regarding health practices.
 - All Health District residents will have timely **access** to basic health services.
 - Our community will embrace the **promotion** of responsible, healthy lifestyles, detection of treatable disease, and the **prevention** of injury, disability and early death.
 - Citizens and leaders will be engaged in the creation and implementation of ongoing **systems and health policy development** at local, state, and national levels.
 - Like-minded communities across the country will emulate our successes.

Strategy

The Health District will take a leadership role to:

- ❑ Provide exceptional health services that address unmet needs and opportunities in our community,
- ❑ Systematically assess the health of our community, noting areas of highest priority for improvement,
- ❑ Facilitate community-wide planning and implementation of comprehensive programs,
- ❑ Educate the community and individuals about health issues,
- ❑ Use Health District funds and resources to leverage other funds and resources for prioritized projects, and avoid unnecessary duplication of services,
- ❑ Promote health policy and system improvements at the local, state and national level,
- ❑ Continuously evaluate its programs and services for quality, value, and impact on the health of the community,
- ❑ Share our approaches, strategies, and results, and
- ❑ Oversee and maintain the agreements between Poudre Valley Health System, University of Colorado Health and the Health District on behalf of the community.

Values

- ❑ Dignity and respect for all people
- ❑ Emphasis on innovation, prevention and education
- ❑ Shared responsibility and focused collaborative action to improve health
- ❑ Information-driven and evidence-based decision making
- ❑ Fiscal responsibility/stewardship
- ❑ An informed community makes better decisions concerning health

Guidelines For Public Comment

The Health District of Northern Larimer County Board welcomes and invites comments from the public. Public comments or input are taken only during the time on the agenda listed as 'Public Comment.' Public Comment is an opportunity for people to express your views and therefore the Board of Directors generally does not engage in back-and-forth discussion or respond to questions.

If you choose to make comments about any agenda item or about any other topic not on the agenda, please use the following guidelines.

Before you begin your comments please:

- Identify yourself. Please spell your name for the record and let us know if you reside in the District.
- Tell us whether you are addressing an agenda item, or another topic.
- Please know that you will have up to 5 minutes to present public comment. However, the time allotted for public comment may be limited, so the Chair may need to shorten the time limit as necessary to give each commenter a chance to speak.
- Please address your comments to the Board of Directors, rather than individuals.

Board of Directors Regular Meeting

Location: Hybrid

Date: April 23, 2024

Time: 5:30 PM

Minutes

Board Members Present:

Molly Gutilla, MS DrPH, Board President
Julie Kunce Field, JD, Board Vice President
Joseph Prows, MD MPH, Treasurer
Erin Hottenstein, Assistant Treasurer
John McKay, Secretary

Also Present:

Celeste Holder-Kling, Liaison to
PVHS/UCHealth North
Laura Walker, Human & Economic Health
Director of Larimer County

Staff Present:

Liane Jollon, Executive Director
Lorraine Haywood, Deputy Director
Abby Worthen, Deputy Director
Xochitl Fragoso, Interim Finance Director
Chris Roth, IT Manager
Dana Turner, Health Services Director
Misty Manchester, HR Director
Alyson Williams, PPRE Director
Richard Cox, Communications Director
Sean Kennedy, Digital Media Specialist
Chris Sheafor, Support Services Director
David Navas, Policy Analyst
Jessica Shannon, Quality Improvement
Projects Manager
Lauren Jones, Executive Assistant

I. Call To Order

a. Roll Call Board of Directors

Director Molly Gutilla called the regular meeting to order at 5:35pm.

b. Welcome Guests & Attendees

Board President, Molly Gutilla, announced the departure of Celeste Holder-Kling from her role as Liaison to PVHS/UCHealth North. The Health District of Northern Larimer County board members thanked Celeste for

her years of dedication and service both as a board member and liaison.

c. Conflict of Interest Statement
None.

d. Approval of Agenda
Motion: To approve the agenda as presented.
Moved by Julie Kunce Field/Second by Joseph Prows/Carried Unanimously

II. Public Comment

None.

III. Presentations

[Larimer County Community Behavioral Services Master Plan 2.0](#) - Laura Walker

Laura Walker, Human & Economic Health Director of Larimer County, presented on the "Community Master Plan for Behavioral Health."

IV. Executive Session

Executive Session for the purposes of legal advice on the Health District of Northern Larimer County's oversight obligations and duties regarding Poudre Valley Hospital/UCHealth, in accordance with C.R.S. Section 24-6-402(4)(b).

Motion: To adjourn out of the regular meeting.
Moved by Erin Hottenstein/Second by Julie Kunce Field/Carried Unanimously

Entered into Executive Session at 6:01 p.m.
Return to Regular Meeting at 6:56 pm.

IV. Consent Agenda

- a. February 27, 2024 Regular Meeting Minutes
- b. March 20, 2024 Joint Meeting Minutes
- c. HCPF Colorado Senior Dental Program Award

Motion: To approve the consent agenda, as presented
Moved by Joseph Prows/Second by John McKay/Carried Unanimously

V. Action Items

- a. Resolutions
 - 1. 2024-07 Adoption of a Compensation Policy for Directors

Xochitl Fragoso

Xochitl Fragoso, Interim Finance Director, presented Resolution 2024-07 to the board of directors to formally adopt a resolution for board of directors to receive compensation for meeting attendance (\$100 per meeting up to \$2,400 per year) for attending meetings as allowed by C.R.S Section 32-1-902(3). Xochitl Fragoso informed the board of the monthly procedure going forward.

A Board member asked for clarification around administrative burden related to the monthly procedure. Staff stated support for monthly procedure.

Motion: To adopt resolution 2024-07 Adoption of a Compensation Policy for Directors
Moved by: Joseph Prows/Second by Erin Hottenstein/Carried Unanimously

2. 2024-08 Approving Signatories for All Financial Accounts Resolution

Xochitl Fragoso, Interim Finance Director, presented resolution 2024-08 to approve signatories for executing checks, fund transfers, automated clearing house transactions, and Certificates of Deposit. Staff explained this more streamlined best practice policy will replace multiple individual resolutions addressing signatory authorities for specific accounts and transactions.

Motion: To approve Resolution 2024-07 Adoption of a Compensation Policy for Directors and adopt resolution 2024-08 Approving Signatories for All Financial Accounts
Moved by Erin Hottenstein/ Second by Joseph Prows/Carried Unanimously

b. Introduce New Format for Board Financial Reports Xochitl Fragoso

Reports & Review Jan, Feb & Mar 2024 Financials

Xochitl Fragoso, Interim Finance Director, presented January, February, and March 2024 Financial Statements for the board's review. Staff removed this item from consent agenda to provide a detailed walkthrough of the revised formats. The formats were designed to be easily understood, aiding the board in fulfilling their duty to monitor the organizations financial performance and inform future budgets.

Motion: To accept the financial reports as presented.
Moved by Julie Kunce Field/Second by Joseph Prows/Carried Unanimously

c. Policy Updates from State Legislative Session David Navas/Alyson Williams

1. Staff presented the slate of bill positions taken by the Board Policy Committee for ratification or modification by the Board of Directors. Staff recommended that the Board ratify the positions taken. The Board ratified the positions.

Motion: To ratify the positions that the Board Policy Committee made on bills during their meetings on March 5th, March 26th and April 9th, 2024.

Moved by Erin Hottenstein/Second by Joseph Prows/Carried Unanimously

2. Staff presented SB24-116, regarding discounted care for indigent patients, which enhances the Hospital Discounted Care Program as well as allows for hospitals to be presumptive eligibility sites for Medicaid enrollment. A complete analysis of the bill was included in the Board packet. Staff recommended a support position. The Board took a support position.

Motion: To Support SB24-116: Discounted Care for Indigent Patients.

Moved by Joseph Prows/Second by Julie Kunce Field/Carried Unanimously

3. Staff summarized HB24-1438, regarding the enforcement of multiple drug affordability programs (i.e. price caps on insulin and epi-pens). Staff recommended a support position.

Motion: To Support HB24-1438: Implement Prescription Drug Affordability Programs

Moved by Joseph Prows/Second by Erin/Carried Unanimously

4. Staff highlighted the work of the state's Commission on Property Tax and the potential upcoming legislation addressing multiple aspects of property tax policy that could have an effect on the revenue of the Health District.
5. Finally, staff provided an overview of the adopted state budget for state fiscal year 2024-2025 as well as specific items of interest to the Health District and partner organizations.

d. Agreement for Special District Representation - Fort Collins URA Board Chris Sheafor

At the February board meeting, the Health District board indicated that none of the current members were available to serve on the Urban Renewal Authority board. The chair of the Library District board volunteered to represent the Special Districts. According to C.R.S. 31-25-104(2)(b) local districts must agree on their representation.

Motion: To agree that Matt Schild, current chair of Library District, will represent local special districts on the City of Fort Collins Urban Renewal Authority Board.

Moved by Joseph Prows/Second by Molly Gutilla/Carried Unanimously

e. Appoint Poudre Valley Hospital System Liaison Molly Gutilla

Current board member, John McKay, has been serving as assistant PVHS liaison alongside former board member and the current PVHS Liaison, Celeste Holder-Kling. Celeste has announced her departure from the role as PVHS Liaison.

Motion: To nominate John McKay as Poudre Valley Hospital System Liaison
Moved by Joseph Prows/Second by Erin Hottenstein/Carried Unanimously

f. May 2024 Regular Board Meeting Schedule Change

Molly Gutilla

Motion: To cancel the May 28th Regular Board Meeting due to strategic planning work sessions.

Moved by Joseph Prows/Second by Julie Kunce Field/Carried Unanimously

VII. Reports

a. Liaison to PVHS/UCHealth North Report

Celeste Holder-Kling

John McKay was welcomed as the new Liaison to PVHS/UCHealth North.

b. Support Services

Chris Sheafor

Chris Sheafor, Support Services Director, presented on the Support Services Team.

Support Services consists of 7 staff supporting facilities, IT, capital and major projects, board elections, records retention and storage. The department also plays a key role in supporting operational long-term planning.

c. 2024 Organizational Strategic Planning

Abby Worthen

Deputy Director, Abby Worthen shared that in preparation for the Board of Directors organizational strategic planning retreat in May, Health District Leadership are facilitating the alignment of planning and budgeting timelines throughout 2024. The expected final output is a 2025 budget and accompanying programmatic priorities that reflect the Board's strategic vision. The 2024 Strategic Planning & Budget Timeline, as well as key Board dates for 2025 budget year planning were shared.

d. Audit of Financial Statements for the Year Ending Dec. 31, 2023

Lorraine Haywood

Deputy Director Lorraine Haywood shared the timeline for the audit of financial statements for the year ending December 31, 2023:

- May 13, 2024 at 8:00 a.m. – Meeting with auditor(s) to include Board Treasurer, Assistant Treasurer
- June 25, 2024 at 5:30 p.m. – Presentation by auditor(s) to full Board of Directors.
- July 31, 2024 – Deadline to submit audit to the State Auditor

e. Board of Directors Reports

Board of Directors

Director McKay shared his appreciation for how he has seen the Health District represented at community events. Director Hottenstein had a lunch meeting with Executive Director Jollon and Windsor Town Manager Shale Hale and also attended the WomenGive event hosted by the United Way of Larimer County.

f. Executive Committee Update

Molly Gutilla

Director Gutilla shared that the board of directors engaged in pre-work for strategic planning.

g. Executive Director Staff Report

Liane Jollon

Executive Director Jollon shared that she will be attending fewer community meetings in the coming months to provide dedicated support to the Finance Team as they address staffing challenges.

VII. Announcements

- a. May 15, 2024, 1:00 p.m. – Board Training & Strategic Planning
- b. May 16, 2024, 9:00 a.m. – Board Training & Strategic Planning
- ~~c. May 28, 2024, 5:30 p.m. – Regular Board of Directors Meeting – CANCELLED~~

VII. Executive Session

If requested by the Board, for the purpose of receiving legal advice from counsel on specific legal questions in accordance with C.R.S. Section 24-6-402(4)(b); and for the Board to discuss personnel matters pursuant to C.R.S. Section 24-6-402(4)(f)(1).

Executive Session not requested.

IX. Adjournment

Motion: To adjourn out of the regular meeting at 8:13 p.m.

Moved by Erin Hottenstein/Second by Joseph Prows/Carried Unanimously

Respectfully submitted:

Lauren Jones, Assistant to the Board of Directors

Molly Gutilla, MS, DrPH, Board President

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT:

April 2024 Financial Statements

PRESENTER: Xochitl Fragoso

OUTCOME REQUESTED: ☐ Decision ☒ Consent ☐ Report

PURPOSE/ BACKGROUND

In order to monitor financial performance as a component of fulfilling the Board of Director's fiduciary responsibilities please review and provide feedback on the newly formatted reports.

Attachment(s):

- Statements of Revenues and Expenditures – Budget and Actual
- Summary Financial Narratives
- Statements of Non- Operational Expenditures – Budget and Actual
- Balance Sheet
- Statement of Revenue and Expenditures
- Investment Schedule

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Accept the financial reports as presented.

HEALTH DISTRICT OF NORTHERN LARIMER COUNTY
Statement of Revenues and Expenditures - Budget and Actual
As of 4/30/2024

	Current Month				Year to Date				Annual	Remaining
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Funds
Revenue:										
Property Taxes	\$0	\$16,999	\$16,999	0%	\$4,531,754	\$4,621,193	\$89,440	2%	\$10,685,198	\$6,064,005
State of Colorado Backfill	1,031,897	998,987	(32,910)	(3%)	1,031,897	998,987	(32,910)	(3%)	1,031,897	32,910
Specific Ownership Taxes	0	0	0	0%	162,732	177,414	14,682	9%	650,000	472,586
Lease Revenue	127,666	118,106	(9,561)	(7%)	510,666	472,422	(38,244)	(7%)	1,531,998	1,059,576
Interest Income	35,000	44,937	9,937	28%	140,000	151,735	11,735	8%	415,000	263,265
Fee for Services Income	15,212	22,609	7,397	49%	60,848	86,327	25,479	42%	182,543	96,216
Third Party Reimbursements	82,286	57,507	(24,779)	(30%)	329,143	323,078	(6,065)	(2%)	987,429	664,351
Grant/Partnership Revenue	80,212	23,724	(56,488)	(70%)	320,847	107,397	(213,450)	(67%)	895,620	788,223
Donations Sponsorships	0	0	0	0%	0	30	30	0%	0	(30)
Miscellaneous Income	2,050	846	(1,204)	(59%)	8,200	12,811	4,611	56%	24,600	11,789
Total Revenue	<u>\$1,374,323</u>	<u>\$1,283,715</u>	<u>(\$90,608)</u>	<u>(7%)</u>	<u>\$7,096,086</u>	<u>\$6,951,395</u>	<u>(\$144,691)</u>	<u>(2%)</u>	<u>\$16,404,285</u>	<u>\$9,452,890</u>
Expenditures:										
Operating Expenditures										
Administration	\$113,664	\$94,229	\$19,435	17%	\$455,057	\$424,393	\$30,664	7%	\$1,365,171	\$940,778
Board Expenses	12,253	17,190	(4,937)	(40%)	49,011	44,259	4,752	10%	173,032	128,773
Connections: Mental Health/Substance Issues Svcs	273,711	213,800	59,911	22%	1,097,774	857,017	240,757	22%	3,289,543	2,432,526
Dental Services	395,500	310,283	85,217	22%	1,582,000	1,295,006	286,994	18%	4,746,000	3,450,994
Integrated Care (MH/SUD/PC)	113,438	88,411	25,027	22%	453,951	367,311	86,640	19%	1,362,252	994,941
Health Promotion	70,165	46,007	24,158	34%	280,461	211,103	69,358	25%	843,104	632,001
Community Impact	96,354	68,698	27,656	29%	385,616	236,328	149,288	39%	1,157,452	921,124
Program Assessment & Evaluation	42,722	24,992	17,730	42%	170,887	103,068	67,819	40%	535,161	432,093
Health Care Access	100,958	61,922	39,036	39%	408,121	304,370	103,751	25%	1,236,564	932,194
Resource Development	4,941	3,905	1,036	21%	19,764	15,889	3,875	20%	59,293	43,404
Leased Offices	42,634	9,992	32,642	77%	77,535	43,089	34,446	44%	170,605	127,516
Contingency (Operations)	0	27,126	(27,126)	0%	0	27,798	(27,798)	0%	500,000	472,202
Grants	77,399	48,785	28,615	37%	309,598	125,685	183,913	59%	1,377,309	1,251,624
Total Operating Expenditures	<u>\$1,343,739</u>	<u>\$1,015,341</u>	<u>\$328,398</u>	<u>24%</u>	<u>\$5,289,775</u>	<u>\$4,055,315</u>	<u>\$1,234,459</u>	<u>23%</u>	<u>\$16,815,486</u>	<u>\$12,760,171</u>

**HEALTH DISTRICT
OF NORTHERN LARIMER COUNTY
April 2024
Summary Financial Narrative**

Revenues

Revenue variances in excess of 20% or \$50,000 are as follows:

Revenue Source	Variance	%	Reason
Interest Income	\$9,937	28%	Varies dependent on account balances and interest rates.
Fee for Services Income	\$7,397	49%	Dental and MHC fee for service revenue is higher than projected due to increased services/revenue.
Grant/Partnership Revenue	(\$56,488)	(70%)	Timing of invoicing and due dates of deliverable payments
Miscellaneous Income	(\$1,204)	(59%)	Timing of administrative income that we can expect to receive in the 3 rd and 4 th quarters

Expenditures

Expenditure variances in excess of 20% or \$50,000 are as follows:

Program	Variance	%	Reason
Mental Health Connections	\$59,911	22%	Open positions
Dental Services	\$85,217	22%	Open positions and timing of conferences
Integrated Care	\$25,027	22%	Open positions
Health Promotion	\$24,158	34%	Program closing
Community Impact	\$27,656	29%	Open positions, consultants for special projects
Program Assessment/Evaluation	\$17,730	42%	Open positions
Resource Development	\$1,036	21%	Timing of conferences
Leased Offices	\$32,642	77%	Timing of property tax expenditure on leased offices
Health Care Access	\$39,036	39%	Open positions
Grants	\$28,615	37%	Timing of expenditures and invoices

Capital Outlay

Capital expenditures are behind by 100% due to not yet having to replace key capital equipment.

HEALTH DISTRICT OF NORTHERN LARIMER COUNTY

STATEMENT OF NON OPERATIONAL EXPENDITURES - BUDGET TO ACTUAL

For 4/1/2024 to 4/30/2024

	<u>Current Month</u> <u>Budget</u>	<u>Current Month</u> <u>Actual</u>	<u>Current Month</u> <u>Variance</u>	<u>Year to Date</u> <u>Budget</u>	<u>Year to Date</u> <u>Actual</u>	<u>Year to Date</u> <u>Variance</u>	<u>Annual Budget</u>	<u>Annual Funds</u> <u>Remaining</u>
Non-Operating Expenditures								
Land	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-	-	-
Capital Equipment	50,000	-	50,000	114,000	-	114,000	114,000	114,000
General Office Equipment	-	-	-	4,000	8,406	(4,406)	24,000	15,594
Medical & Dental Equipment	2,550	-	2,550	130,550	-	130,550	138,550	138,550
Computer Equipment	-	-	-	-	-	-	-	-
Computer Software	-	-	-	52,490	-	52,490	59,490	59,490
Equipment for Building	-	-	-	65,000	-	65,000	190,000	190,000
							-	
Total Non-Operating Expenditures	<u>\$ 52,550</u>	<u>\$ -</u>	<u>\$ 52,550</u>	<u>\$ 366,040</u>	<u>\$ 8,406</u>	<u>\$ 357,634</u>	<u>\$ 526,040</u>	<u>\$ 517,634</u>

HEALTH DISTRICT OF NORTHERN LARIMER COUNTY
BALANCE SHEET
As of 4/30/2024

ASSETS

Current Assets:	
Cash & Investments	\$11,094,787
Accounts Receivable	84,975
Property Taxes Receivable	6,081,004
Specific Ownership Tax Receivable	1
Prepaid Expenses	31,509
Total Current Assets	<u>17,292,276</u>
Other Assets:	
Lease Receivable	<u>59,890,426</u>
Total Other Assets	<u>59,890,426</u>
Capital Assets Not Being Depreciated	
Land	4,592,595
Capital Assets - Net of Accumulated Depreciation and Amortization	
Buildings and Equipment	5,174,401
Leased Assets	57,632
Total Property and Equipment	<u>9,824,627</u>
Total Assets	<u><u>87,007,330</u></u>

LIABILITIES AND EQUITY

Current Liabilities:	
Accounts Payable	821,240
Deposits	21,905
Deferred Revenue	253,728
Total Current Liabilities	<u>1,096,873</u>
Long-term Liabilities:	
Compensated Absences	<u>14,941</u>
Total Long-term Liabilities	<u>14,942</u>
Deferred Inflows of Resources	
Property Taxes	6,081,004
Leases	59,498,710
Total Deferred Inflows of Resources	<u>65,579,714</u>
Total Liabilities & Deferred Inflows of Resources	<u>66,691,529</u>
EQUITY	
Retained Earnings	17,510,830
Net Income	<u>2,804,971</u>
TOTAL EQUITY	<u>20,315,801</u>
TOTAL LIABILITIES AND EQUITY	<u><u>87,007,330</u></u>

Unaudited - For Management Use Only

HEALTH DISTRICT OF NORTHERN LARIMER COUNTY
STATEMENT OF REVENUES AND EXPENSES
As of 4/30/2024

	<u>Current Month</u>	<u>Year to Date</u>
Revenue		
Property Taxes	16,999	4,621,193
State of Colorado Backfill	998,987	998,987
Specific Ownership Taxes	0	177,414
Lease Revenue	118,106	472,422
Interest Income	44,937	151,735
Fee For Service Income	22,609	86,327
Third Party Income	57,507	323,078
Grant Income	23,724	107,397
Donations	0	30
Miscellaneous Income	846	12,811
Total Revenue	<u>1,283,715</u>	<u>6,951,395</u>
Expenses:		
Operating Expenses		
Administration	94,229	426,893
Board Expenses	17,190	44,259
Connections: Mental Health/Substance Issues Svcs	213,800	857,017
Dental Services	310,283	1,295,006
Integrated Care (MHSA/PC)	88,411	367,311
Health Promotion	46,007	211,103
Community Impact	68,698	236,328
Program Assessment & Evaluation	24,992	103,068
Health Care Access	61,922	304,370
Resource Development	3,905	15,889
Leased Offices	9,992	43,089
Contingency -Operational	27,126	27,798
Grants	48,785	125,685
Total Operating Expenses	<u>1,015,341</u>	<u>4,057,815</u>
Depreciation and Amortization		
Depreciation Expense	<u>21,957</u>	<u>88,609</u>
Total Depreciation and Amortization	<u>21,957</u>	<u>88,609</u>
Total Expenses	<u>1,037,298</u>	<u>4,146,424</u>
Net Income	<u><u>246,417</u></u>	<u><u>2,804,971</u></u>

Unaudited - For Management Use Only

Health District of Northern Larimer County

Investment Schedule

April 2024

Investment	Institution	Current Value	%	Current Yield	Maturity
Local Government Investment Pool	COLOTRUST	\$ 1,498	0.014%	5.24%	N/A
Local Government Investment Pool	COLOTRUST	\$ 9,211,129	87.684%	5.43%	N/A
Flex Savings Account	First National Bank	\$ 247,677	2.358%	2.57%	N/A
Certificate of Deposit	Advantage Bank	\$ 145,299	1.383%	4.95%	1/11/2025
Certificate of Deposit	Advantage Bank	\$ 119,245	1.135%	5.50%	9/8/2024
Certificate of Deposit	Points West	\$ 119,842	1.141%	3.87%	7/13/2024
Certificate of Deposit	Points West	\$ 159,270	1.516%	5.05%	11/12/2024
Certificate of Deposit	Adams State Bank	\$ 250,940	2.389%	5.61%	4/17/2025
Certificate of Deposit	Mountain Valley Bank	\$ 250,031	2.380%	3.50%	7/13/2024
Total/Weighted Average		\$ 10,504,929	100.000%	5.29%	

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT:

May 2024 Financial Statements

PRESENTER: Xochitl Fragoso

OUTCOME REQUESTED: ☐ Decision ☒ X Consent ☐ Report

PURPOSE/ BACKGROUND

In order to monitor financial performance as a component of fulfilling the Board of Director's fiduciary responsibilities please review and provide feedback on the newly formatted reports.

Attachment(s):

- Statements of Revenues and Expenditures – Budget and Actual
- Summary Financial Narratives
- Statements of Non- Operational Expenditures – Budget and Actual
- Balance Sheet
- Statement of Revenue and Expenditures
- Investment Schedule

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Accept the financial reports as presented.

HEALTH DISTRICT OF NORTHERN LARIMER COUNTY
Statement of Revenues and Expenditures - Budget and Actual
As of 5/31/2024

	Current Month				Year to Date				Annual	Remaining
	Budget	Actual	Variance	%	Budget	Actual	Variance	%	Budget	Funds
Revenue:										
Property Taxes	\$2,161,216	\$2,412,325	\$251,109	12%	\$6,692,970	\$7,033,518	\$340,548	5%	\$10,685,198	\$3,651,680
State of Colorado Backfill	0	0	0	0%	1,031,897	998,987	(32,910)	(3%)	1,031,897	32,910
Specific Ownership Taxes	49,948	56,500	6,552	13%	212,680	233,914	21,234	10%	650,000	416,086
Lease Revenue	127,666	266,064	138,398	108%	638,332	738,486	100,154	16%	1,531,998	793,512
Interest Income	35,000	56,385	21,385	61%	175,000	208,120	33,120	19%	415,000	206,880
Fee for Services Income	15,212	22,419	7,207	47%	76,060	108,746	32,686	43%	182,543	73,797
Third Party Reimbursements	82,286	87,498	5,212	6%	411,429	410,577	(852)	0%	987,429	576,852
Grant/Partnership Revenue	80,212	11,380	(68,832)	(86%)	401,059	118,777	(282,282)	(70%)	895,620	776,843
Donations Sponsorships	0	0	0	0%	0	30	30	0%	0	(30)
Miscellaneous Income	2,050	773	(1,277)	(62%)	10,250	13,584	3,334	33%	24,600	11,016
Total Revenue	\$2,553,590	\$2,913,344	\$359,753	14%	\$9,649,677	\$9,864,738	\$215,062	2%	\$16,404,285	\$6,539,547
Expenditures:										
Operating Expenditures										
Administration	\$113,664	\$122,506	(\$8,842)	(8%)	\$568,721	\$546,899	\$21,822	4%	\$1,365,171	\$818,272
Board Expenses	12,253	12,031	221	2%	61,263	56,290	4,973	8%	173,032	116,742
Connections: Mental Health/Substance Issues Svcs	274,211	217,585	56,626	21%	1,371,985	1,074,601	297,383	22%	3,289,543	2,214,942
Dental Services	395,500	329,088	66,412	17%	1,977,500	1,624,094	353,406	18%	4,746,000	3,121,906
Integrated Care (MH/SUD/PC)	113,438	94,318	19,119	17%	567,389	461,629	105,759	19%	1,362,252	900,623
Health Promotion	70,565	48,937	21,628	31%	351,027	260,040	90,986	26%	843,104	583,064
Community Impact	96,554	63,557	32,997	34%	482,170	299,885	182,285	38%	1,157,452	857,567
Program Assessment & Evaluation	42,722	23,085	19,637	46%	213,609	126,153	87,456	41%	535,161	409,008
Health Care Access	100,758	79,915	20,843	21%	508,879	384,284	124,594	24%	1,236,564	852,280
Resource Development	4,941	3,595	1,347	27%	24,705	19,484	5,222	21%	59,293	39,809
Leased Offices	11,634	17,314	(5,680)	(49%)	89,169	60,403	28,766	32%	170,605	110,202
Contingency (Operations)	0	5,467	(5,467)	0%	0	33,265	(33,265)	0%	500,000	466,735
Grants	77,399	23,686	53,713	69%	386,997	149,371	237,626	61%	1,377,309	1,227,938
Total Operating Expenditures	\$1,313,639	\$1,041,084	\$272,555	21%	\$6,603,413	\$5,096,399	\$1,507,015	23%	\$16,815,486	\$11,719,087

**HEALTH DISTRICT
OF NORTHERN LARIMER COUNTY
May 2024
Summary Financial Narrative**

Revenues

Revenue variances in excess of 20% or \$50,000 are as follows:

Revenue Source	Variance	%	Reason
Property Taxes	\$251,109	12%	Timing of the County Assessor's collections
Lease Revenue	\$138,398	108%	Timing of lease revenue received
Interest Income	\$21,385	61%	Varies dependent on account balances and interest rates
Fee for Services Income	\$7,207	47%	Dental fee for service revenue is higher than projected due to increased services/revenue
Grant/Partnership Revenue	(\$68,832)	(86%)	Timing of invoicing and due dates of deliverable payments
Miscellaneous Income	(\$1,277)	(62%)	Timing of various miscellaneous income received

Expenditures

Expenditure variances in excess of 20% or \$50,000 are as follows:

Program	Variance	%	Reason
Mental Health Connections	\$56,626	21%	Open positions
Dental Services	\$66,412	17%	Open positions and timing of dental lab/supplies expenditures
Health Promotion	\$21,628	31%	Program closing
Community Impact	\$32,997	34%	Open positions, consultants for special projects
Program Assessment/Evaluation	\$19,637	46%	Open positions
Health Care Access	\$20,843	21%	Open positions
Resource Development	\$1,347	27%	Timing of operational expenditures
Leased Offices	(\$5,680)	(49%)	Unexpected costs for tree removal due to storm
Grants	\$53,713	69%	Timing of expenditures and invoices

Capital Outlay

No capital expenditures were budgeted/expensed for May.

HEALTH DISTRICT OF NORTHERN LARIMER COUNTY

STATEMENT OF NON OPERATIONAL EXPENDITURES - BUDGET TO ACTUAL

For 5/1/2024 to 5/31/2024

	<u>Current Month</u> <u>Budget</u>	<u>Current Month</u> <u>Actual</u>	<u>Current Month</u> <u>Variance</u>	<u>Year to Date</u> <u>Budget</u>	<u>Year to Date</u> <u>Actual</u>	<u>Year to Date</u> <u>Variance</u>	<u>Annual Budget</u>	<u>Annual Funds</u> <u>Remaining</u>
Non-Operating Expenditures								
Land	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-
Construction in Progress	-	-	-	-	-	-	-	-
Capital Equipment	-	-	-	114,000	-	114,000	114,000	114,000
General Office Equipment	-	-	-	4,000	8,406	(4,406)	24,000	15,594
Medical & Dental Equipment	-	-	-	130,550	-	130,550	138,550	138,550
Computer Equipment	-	-	-	-	-	-	-	-
Computer Software	-	-	-	52,490	-	52,490	59,490	59,490
Equipment for Building	-	-	-	65,000	-	65,000	190,000	190,000
							-	
Total Non-Operating Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 366,040</u>	<u>\$ 8,406</u>	<u>\$ 357,634</u>	<u>\$ 526,040</u>	<u>\$ 517,634</u>

HEALTH DISTRICT OF NORTHERN LARIMER COUNTY
BALANCE SHEET
As of 5/31/2024

ASSETS

Current Assets:	
Cash & Investments	\$14,015,427
Accounts Receivable	94,895
Property Taxes Receivable	3,668,679
Prepaid Expenses	25,419
Total Current Assets	<u>17,804,420</u>
Other Assets:	
Lease Receivable	<u>58,674,078</u>
Total Other Assets	<u>58,674,078</u>
Capital Assets Not Being Depreciated	
Land	4,592,595
Capital Assets - Net of Accumulated Depreciation and Amortization	
Buildings and Equipment	5,152,443
Leased Assets	<u>57,632</u>
Total Property and Equipment	<u>9,802,670</u>
Total Assets	<u><u>86,281,169</u></u>

LIABILITIES AND EQUITY

Current Liabilities:	
Accounts Payable	793,720
Deposits	21,905
Deferred Revenue	<u>267,863</u>
Total Current Liabilities	<u>1,083,488</u>
Long-term Liabilities:	
Compensated Absences	<u>6,735</u>
Total Long-term Liabilities	<u>6,735</u>
Deferred Inflows of Resources	
Property Taxes	3,668,679
Leases	<u>59,356,163</u>
Total Deferred Inflows of Resources	<u>63,024,842</u>
Total Liabilities & Deferred Inflows of Resources	<u>64,115,065</u>
EQUITY	
Retained Earnings	17,510,830
Net Income	<u>4,655,274</u>
TOTAL EQUITY	<u>22,166,104</u>
TOTAL LIABILITIES AND EQUITY	<u><u>86,281,169</u></u>

Unaudited - For Management Use Only

HEALTH DISTRICT OF NORTHERN LARIMER COUNTY
STATEMENT OF REVENUES AND EXPENSES
As of 5/31/2024

	<u>Current Month</u>	<u>Year to Date</u>
Revenue		
Property Taxes	2,412,325	7,033,518
State of Colorado Backfill	0	998,987
Specific Ownership Taxes	56,500	233,914
Lease Revenue	266,064	738,486
Interest Income	56,385	208,120
Fee For Service Income	22,419	108,746
Third Party Income	87,498	410,577
Grant Income	11,380	118,777
Donations	0	30
Miscellaneous Income	773	13,584
Total Revenue	<u>2,913,344</u>	<u>9,864,738</u>
Expenses:		
Operating Expenses		
Administration	122,506	549,398
Board Expenses	12,031	56,290
Connections: Mental Health/Substance Issues Svcs	217,585	1,074,601
Dental Services	329,088	1,624,094
Integrated Care (MHSA/PC)	94,318	461,629
Health Promotion	48,937	260,040
Community Impact	63,557	299,885
Program Assessment & Evaluation	23,085	126,153
Health Care Access	79,915	384,284
Resource Development	3,595	19,484
Leased Offices	17,314	60,403
Contingency -Operational	5,467	33,265
Grants	23,686	149,371
Total Operating Expenses	<u>1,041,084</u>	<u>5,098,898</u>
Depreciation and Amortization		
Depreciation Expense	<u>21,957</u>	<u>110,566</u>
Total Depreciation and Amortization	<u>21,957</u>	<u>110,566</u>
Total Expenses	<u>1,063,041</u>	<u>5,209,464</u>
Net Income	<u><u>1,850,303</u></u>	<u><u>4,655,274</u></u>

Unaudited - For Management Use Only

Health District of Northern Larimer County

Investment Schedule

May 2024

Investment	Institution	Current Value	%	Current Yield	Maturity
Local Government Investment Pool	COLOTRUST	\$ 1,505	0.011%	5.24%	N/A
Local Government Investment Pool	COLOTRUST	\$ 12,090,815	90.323%	5.40%	N/A
Flex Savings Account	First National Bank	\$ 248,212	1.854%	2.57%	N/A
Certificate of Deposit	Advantage Bank	\$ 145,877	1.090%	4.95%	1/11/2025
Certificate of Deposit	Advantage Bank	\$ 119,770	0.895%	5.50%	9/8/2024
Certificate of Deposit	Points West	\$ 119,842	0.895%	3.87%	7/13/2024
Certificate of Deposit	Points West	\$ 159,270	1.190%	5.05%	11/12/2024
Certificate of Deposit	Adams State Bank	\$ 250,940	1.875%	5.61%	4/17/2025
Certificate of Deposit	Mountain Valley Bank	\$ 250,031	1.868%	3.50%	7/13/2024
Total/Weighted Average		<u>\$ 13,386,260</u>	<u>100.000%</u>	<u>5.30%</u>	

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT: Spending Approval: Consulting Contract to Enhance Program Evaluation Processes

PRESENTER: Alyson Williams & Susan Kaiser

OUTCOME REQUESTED: ☐ Decision ☒ Consent ☐ Report

PURPOSE/ BACKGROUND

Per Board Policy 99-01, Contract Signature Policy, Projects that are in the amount of \$50,000 to \$150,000 require general approval of the Board of Directors, and the corresponding contract or other document will be signed by the Executive Director (or, in the Executive Director's absence, their staff designee), and the Board President (or, in the Board President's absence, the Board Vice President). "General approval" means that the Board has considered the general concept of the project in a board meeting and has voted to approve the expenditure.

The Health District's Board of Directors and leadership have emphasized impact measurement and the use of high-quality data for decision-making regarding program effectiveness and resource allocation. The Research and Evaluation Team is tasked with leading impact measurement, ensuring that Health District programs are effectively evaluated, and providing credible data-driven insights to guide strategic planning and continuous quality improvement.

Staff propose postponing the hiring of two vacant positions within the Research & Evaluation Team and reallocating the unused personnel funds toward engaging a consulting firm. This will allow us to accelerate efforts to optimize our evaluation methods and develop internal capacity to sustain best practices without growing headcount. Consultants will be pivotal in redesigning and implementing rigorous internal evaluation processes and helping to build internal capacity for more effective program evaluation.

The Health District issued a Request for Proposals (RFP 2024-1009) on May 31st, 2024, to identify a consulting firm to optimize evaluation processes for between 1-3 existing health services programs. The firm will also advise on the necessary resource and staffing allocations for applying these evaluation processes to additional programs. The proposed project period is July 1, 2024, to December 31, 2024.

Attachment(s): None.

FISCAL IMPACT

Implementing the proposed consulting project will not increase the overall budget. Instead, we will use part of the unspent salary allocations from two vacant evaluation positions to cover the anticipated consulting expenses. We plan to cap the consulting project costs at \$100,000. The consulting project is

expected to result in a slight budget variance for Health Services programs, since Research & Evaluation Staff salaries are allocated across various programs.

STAFF RECOMMENDATION

Staff recommend that the approval of operational dollars for an internal evaluation consultant.

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT: 2024 Grant Revenue Approval

PRESENTER: Jessica Shannon

OUTCOME REQUESTED: ☐ Decision ☒ Consent ☐ Report

PURPOSE/ BACKGROUND

Per Board Policy 99-01, Contract Signature Policy, Projects that are in the amount of \$50,000 to \$150,000 require general approval of the Board of Directors, and the corresponding contract or other document will be signed by the Executive Director (or, in the Executive Director's absence, their staff designee), and the Board President (or, in the Board President's absence, the Board Vice President). "General approval" means that the Board has considered the general concept of the project in a board meeting and has voted to approve the expenditure.

Projects that are in an amount exceeding \$150,000 will require specific approval of the Board of Directors, and the wording of the actual contract or other document will be submitted to board members for their review prior to signature. The document will be signed by the Executive Director (or, in the Executive Director's absence, their staff designee), and the Board President (or, in the Board President's absence, the Board Vice President).

The grant revenue outlined below details 2024 grant awards providing critical financial support for our organization's ongoing services and initiatives.

1. Rocky Mountain Health Plans: \$250,000

\$250,000 was received with \$122,300 in expenditures approved by the Board of Directors in September 2023 to support the Health Coverage Outreach Campaign. The remaining \$127,300 will be expended in 2024 to support Medicaid members, including by procuring a new electronic health record (EHR) and EHR implementation contractor for Mental Health Connections. The attached revised contract letter with proposed work was submitted in 2024.

2. State of Colorado Department of Human Services: \$187,057

Overseen by the Behavioral Health Administration, \$187,057 was awarded to support increased staffing for the Child, Adolescent, and Young Adult Connections (CAYAC) Team through Dec. 30, 2024. Funds are intended to support a Care Coordinator for the Health District's tripartite partnership with Poudre School District and SummitStone Health Partners.

3. Larimer County Behavioral Health Services: \$98,782

The Health District received \$98,782 of which \$75,999 will be expended in 2024 to support CAYAC and Connections services access for southern Larimer County residents.

4. OOA Service Contract Larimer County Department of Human Services: \$97,500

Overseen by Larimer County Office on Aging, the current two-year grant contract ending July June 30, 2025 supports the provision of dental services to older adults. Up to \$63,000 will be invoiced in 2024.

Attachment(s):

- 1_Rocky Mountain Health Plans_Amended Proposal Letter
- 2_State of Colorado_BHA Contract

FISCAL IMPACT

None: All revenue factored into master budget.

STAFF RECOMMENDATION

Staff recommend the approval of the grant revenue detailed for 2024.

April 23, 2024

To Rocky Mountain Health Plans (RMHP),

As public special district and a 501(c)(3) organization organized around the mission of enhancing the health of the community, the Health District recognizes that health can be impacted by many of factors, and engages in varied efforts to improve access, quality, and affordability of care. Our work is especially aimed at those community members with lower incomes and the most vulnerable members of our community, including those enrolled in Medicaid. We work to improve the health of more than 14,000 individuals, more than a third of whom are Medicaid members, annually through our services and programs, providing residents of northern Larimer County with behavioral health services; dental care; connections to more affordable health insurance and prescription options; tobacco cessation and support in improving heart health. The Health District of Northern Larimer County requests \$250,000 for the following activities:

- ☐ Purchase of vehicles (directly operated by recipient's organization) to support transportation of Members or staff to serve Members in the community (recipient is responsible for ongoing maintenance, insurance, operations, and liability)
- ☐ Hire staff to provide navigation or care coordination to support Member's access to SDoH services (transportation, housing, utilities, food, safety, childcare, education, justice involvement, recreations/exercise, or social connection)
- ☒ Operation of programs that directly provide SDoH goods or services that help Members improve their health and life outcomes and/or promote the health of local communities and populations
- ☒ Helping Members obtain or maintain reliable transportation (such as automobile repairs, bicycle purchases, gas cards, or bus passes) to help Members improve their health and life outcomes and/or promote the health of local communities and populations
 - Direct transportation costs, and/or contracted transportation services to support Medicaid Members.
- ☐ Cost of admission or membership fees for physical activity and recreational activities (such as gym memberships, park passes, or youth sport fees) to help Members improve their health and life outcomes and/or promote the health of local communities and populations
- ☐ Purchase of sporting or recreational goods or equipment (soccer balls, footballs, cleats, etc.) to help Members improve their health and life outcomes and/or promote the health of local communities and populations
- ☐ Funding activities to facilitate bonding between family Members (including foster parents) to help Members improve their health and life outcomes and/or promote the health of local communities and populations
- ☒ Technology or subscriptions used to access high speed internet (includes computers, smart phones, or high-speed internet plans) to help Members improve their health and life outcomes and/or promote the health of local communities and populations

creating a healthier community

mental services • mental health services • health promotion services • health coverage assistance • community collaboration

- ☐ Cost of childcare while Parents are receiving medical services or while Members are accessing or enrolling in SDoH services (such as going to a food bank, enrolling in SNAP, or attending a domestic violence support groups)
- ☐ Augmentation of recipient's property to meet accessibility standards (excludes dwellings that are intended for habitation)
- ☐ Financial support (see "Organizational Capacity-Staffing" below) for staff from diverse backgrounds (including peers with lived experience)
- ☒ Trainings, workshops, conferences, and certifications specific to diversity, equity, and inclusion
- ☐ Development of culturally appropriate delivery models
- ☒ Remediation of assessments, data systems, and staff workflows to allow and track inclusive language and identification preference (examples include culturally appropriate use of non-binary pronouns, sexual orientation information, race, ethnicity, or language)
 - Consultants supporting the implementation of a new Electronic Health Record solution for the Health District's behavioral health programs will develop equitable data architecture and processes to be implemented.
- ☐ Development of partnership and care compacts with organizations that specialize in diversity, equity, and inclusion
- ☐ Program development to increase access to care for Members living in rural or frontier areas
- ☐ Signing, retention, or one-time bonuses for clinicians
- ☐ Moving stipends for new clinicians
- ☒ Additional training, education, or certifications
- ☒ Salary increases, overtime pay, hazard pay, or incentive payments for clinicians
 - Signing, retention, or one-time bonuses for clinicians
- ☐ Additional paid time off (extra paid days off, additional sick time, or adding public holidays)
- ☐ Costs to open new integrated care programs (for mental health or substance use disorder services)
- ☐ Costs to open new programs to serve Members living with disabilities or intellectual developmental delays,
- ☐ Costs to open new program(s) for the testing, vaccination, or treatment of COVID-19
- ☒ New technology purchases or licensing that are related to the direct delivery of services (such as new telehealth technology)
 - Costs (Technology, consulting, and services) directly related to implementing a new electronic health records system and the ability to bill Medicaid for behavioral health services. The EHR selected and the expertise provided by consultants in training and implementing the EHR will enhance workflow efficiency and enable the Health District's behavioral health programs to better serve Medicaid members by facilitating billing for services.

☒ Outreach, education, technical assistance, and advocacy for Medicaid Members managing redetermination process (including income or eligibility verification and enrollment in non-Medicaid coverage for those who are no longer Medicaid eligible)

- Costs associated with launching a comprehensive outreach and education campaign to support Medicaid members in understanding the Medicaid redetermination process and accessing support to re-enroll in Medicaid, as well as accessing support in understanding the expanded Medicaid Dental benefit and connecting to Medicaid dental services.

☒ Cost of medical services for Medicaid Members who have a gap in coverage (Medicaid or non-Medicaid) -not to exceed 90-days

- Costs associated with supporting individuals who have lost Medicaid coverage in affording their prescription and associated copayments until they are connected with health coverage.

☒ Coordinating transitions of care for Members who switch providers because of changes in coverage

By requesting funds our organization attests that:

- Requested funds will be used to expand and/or enhance staffing and/or program capacity that primarily supports Medicaid Members and/or to provide goods and services that are exclusively for Medicaid Members. In instances where goods and services are provided to Medicaid and non-Medicaid Members within the same program, funding from RMHP will be used exclusively to support goods and services for Medicaid Members.
- Funds received may not be used to draw down additional federal funding (as funds provided by RMHP from the RAE includes federal funding).
- Funding from the RAE will NOT be used as a Member incentive for participating in specific services and activities. Our organization will NOT make goods or services conditional on participation in other recipient programs (medical or non-medical services).
- Our organization will comply with all local, state, and federal rules and regulations as well as industry best practices.

Sincerely,



Liane R. Jollon

Executive Director

Health District of Northern Larimer County



STATE OF COLORADO DEPARTMENT OF HUMAN SERVICES CONTRACT

SIGNATURE AND COVER PAGES

CMS #: 24 IBEH 186923	eClearance#: 2317601
State Agency Colorado Department of Human Services Behavioral Health Administration	Contractor Health Services District Northern Larimer County dba Health District of Northern Larimer County Contractor's State of Incorporation: Colorado
Contract Maximum Amount Initial Term Execution - December 30, 2024 \$187,057.00 Extension Terms None Maximum Amount for All Fiscal Years \$187,057.00	Contract Performance Beginning Date The Effective Date Initial Contract Expiration Date December 30, 2024 Except as stated in §2.D , the total duration of this Contract, including the exercise of any options to extend, shall not exceed four (4) Years from its Performance Beginning Date.
Pricing/Funding Price Structure: Cost Reimbursement Contractor shall invoice: Monthly Fund Source: Coronavirus State and Local Fiscal Recovery Funds, FAIN: SLFRP0126, CFDA 21.027	Options The State shall have the following options if indicated with "Yes," as further described in §2.C and §5.B.v: Option to Extend Term per §2.C: Yes Option to Increase or Decrease Maximum Amount per §5.B.v: Yes



COLORADO
Financial Services
Department of Human Services
Division of Contracts and Procurement

<p>Insurance Contractor shall maintain the following insurance if indicated with “Yes,” as further described in §10:</p> <p>Worker’s Compensation: Yes General Liability: Yes Automobile Liability: Yes Protected Information: Yes Professional Liability Insurance: Yes Cyber/Net. Security-Privacy Liability Insurance: No Crime Insurance: No</p>	<p>Miscellaneous Authority to enter into this Contract exists in: SB22-181. Law-Specified Vendor Statute (if any): NA Procurement Method: Request for Proposals (RFP) Solicitation Number (if any): RFP IBEH 2023*255</p>
<p>State Representative</p> <p>Stephen Peng Chief Financial Officer, Behavioral Health Administration 710 South Ash Street C140, Denver, CO 80246 303-874-8532 stephen.peng@state.co.us</p>	<p>Contractor Representative</p> <p>Laura Mai, Finance Director Health Services District of Northern Larimer County 120 Bristlecone Dr, Ft. Collins, CO 80524 970-224-5029 lmai@healthdistrict.org</p>

<p>Exhibits The following Exhibits are attached and incorporated into this Contract:</p> <p>Exhibit A - Statement of Work Exhibit B - Budget Exhibit C - Miscellaneous Provisions Exhibit D - HIPAA BAA/QSOA Exhibit E - Supplemental Provisions for Federal Awards Exhibit F - SLFRF Subrecipient Provisions</p>
<p>Contract Purpose The purpose of this contract is to provide grants to aid behavioral health employers in recruiting and retaining well-trained, clinical behavioral health-care providers at all levels in Colorado. This grant project serves to improve Colorado’s behavioral health workforce. Coloradans will benefit from this grant project by having an increased number of staff to support behavioral health programs and initiatives.</p>

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COLORADO
Financial Services
Department of Human Services
Division of Contracts and Procurement

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

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

CONTRACTOR

Health Services District North Larimer County dba
Health District of Northern Larimer County

DocuSigned by:

Liane R. Jollon

By: Liane R. Jollon, Executive Director

Date: 1/12/2024

STATE OF COLORADO

Jared S. Polis, Governor
Department of Human Services
Michelle Barnes, Executive Director

DocuSigned by:

Michelle Barnes

By: Michelle Barnes

Executive Director,

Behavioral Health Administration

Date: 1/15/2024

2nd State or Contractor Signature if Needed

By: Name & Title of Person Signing for Signatory

Date: _____

LEGAL REVIEW

Philip J. Weiser, Attorney General

By: _____

Assistant Attorney General

Date: _____

In accordance with §24-30-202 C.R.S., this Contract is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

DocuSigned by:

Toni Williamson

By: _____

Andrea Eurich/Toni Williamson/ Telly Belton

Effective Date: 1/16/2024

-- Signature and Cover Pages End --



TABLE OF CONTENTS

SIGNATURE AND COVER PAGES.....1

1. PARTIES.....4

2. TERM AND EFFECTIVE DATE.....4

3. DEFINITIONS.....6

4. STATEMENT OF WORK.....10

5. PAYMENTS TO CONTRACTOR.....10

6. REPORTING-NOTIFICATION.....12

7. CONTRACTOR RECORDS.....13

8. CONFIDENTIAL INFORMATION-STATE RECORDS.....14

9. CONFLICTS OF INTEREST.....16

10. INSURANCE.....17

11. BREACH OF CONTRACT.....19

12. REMEDIES.....20

13. STATE’S RIGHT OF REMOVAL.....22

14. DISPUTE RESOLUTION.....22

15. NOTICES AND REPRESENTATIVES.....23

16. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION.....23

17. STATEWIDE CONTRACT MANAGEMENT SYSTEM.....25

18. GENERAL PROVISIONS.....25

19. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3).....30

20. DEPARTMENT OF HUMAN SERVICES PROVISIONS.....33

21. SAMPLE OPTION LETTER (IF APPLICABLE).....36

1. PARTIES

This Contract is entered into by and between Contractor named on the Signature and Cover Pages for this Contract (the “Contractor”), and the STATE OF COLORADO acting by and through the Department of Human Services (the “State” or “CDHS”). Contractor and the State agree to the terms and conditions in this Contract.

2. TERM AND EFFECTIVE DATE

A. Effective Date

This Contract shall not be valid or enforceable until the Effective Date. The State shall not be bound by any provision of this Contract before the Effective Date, and shall have no obligation to pay Contractor for any Work performed or expense incurred before the Effective Date or after the expiration or sooner termination of this Contract.

B. Initial Term



The Parties' respective performances under this Contract shall commence on the Contract Performance Beginning Date shown on the Signature and Cover Pages for this Contract and shall terminate on the Initial Contract Expiration Date shown on the Signature and Cover Pages for this Contract (the "Initial Term") unless sooner terminated or further extended in accordance with the terms of this Contract.

C. Extension Terms - State's Option

If the Signature and Cover Pages for this Contract shows that the State has the Option to Extend Term, then the State, at its discretion, shall have the option to extend the performance under this Contract beyond the Initial Term for a period, or for successive periods, at the same rates and under the same terms specified in the Contract (each such period an "Extension Term"). In order to exercise this option, the State shall provide written notice to Contractor in a form substantially equivalent to §21 "Sample Option Letter." The State may include and incorporate a revised budget with the option letter, as long as the revised budget does not unilaterally change rates or terms specified in the Contract. Except as stated in §2.D, the total duration of this Contract, including the exercise of any options to extend, shall not exceed 5 years from its Performance Beginning Date, or the number of years specified on the Signature and Cover Pages if such number is less than 5 years, absent prior approval from the Chief Procurement Officer in accordance with the Colorado Procurement Code.

D. End of Term Extension

If this Contract approaches the end of its Initial Term, or any Extension Term then in place, the State, at its discretion, upon written notice to Contractor as provided in §15, may unilaterally extend such Initial Term or Extension Term for a period not to exceed 2 months (an "End of Term Extension" or "Holdover"), regardless of whether additional Extension Terms are available or not. Any such extension shall be under the same terms and conditions of the operative Contract including, but not limited to, prices, rates, and service delivery requirements. The provisions of this Contract in effect when such notice is given shall remain in effect during the End of Term Extension. The End of Term Extension shall automatically terminate upon execution of a replacement contract or modification extending the total term of the Contract.

E. Early Termination in the Public Interest

The State is entering into this Contract to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Contract ceases to further the public interest of the State, the State, in its discretion, may terminate this Contract in whole or in part. A determination that this Contract should be terminated in the public interest shall not be equivalent to a State right to terminate for convenience. This subsection shall not apply to a termination of this Contract by the State for Breach of Contract by Contractor, which shall be governed by §12.A.i.



i. Method and Content

The State shall notify Contractor of such termination in accordance with §15. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Contract, and shall include, to the extent practicable, the public interest justification for the termination.

ii. Obligations and Rights

Upon receipt of a termination notice for termination in the public interest, Contractor shall be subject to the rights and obligations set forth in §12.A.i.a.

iii. Payments

If the State terminates this Contract in the public interest, the State shall pay Contractor an amount equal to the percentage of the total reimbursement payable under this Contract that corresponds to the percentage of Work satisfactorily completed and accepted, as determined by the State, less payments previously made. Additionally, if this Contract is less than 60% completed, as determined by the State, the State may reimburse Contractor for a portion of actual out-of-pocket expenses, not otherwise reimbursed under this Contract, incurred by Contractor which are directly attributable to the uncompleted portion of Contractor's obligations, provided that the sum of any and all reimbursement shall not exceed the maximum amount payable to Contractor hereunder.

3. DEFINITIONS

The following terms shall be construed and interpreted as follows:

A. "Breach of Contract" means the failure of a Party to perform any of its obligations in accordance with this Contract, in whole or in part or in a timely or satisfactory manner. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, which is not vacated or fully stayed within 30 days after the institution of such proceeding, shall also constitute a breach. If Contractor is debarred or suspended under §24-109-105, C.R.S. at any time during the term of this Contract, then such debarment or suspension shall constitute a breach.

B. "Business Day" means any day in which the State is open and conducting business, but shall not include Saturday, Sunday or any day on which the State observes one of the holidays as listed in §24-11-101(1) C.R.S.



C. “Chief Procurement Officer” means the individual to whom the Executive Director has delegated his or her authority pursuant to §24-102-202, C.R.S. to procure or supervise the procurement of all supplies and services needed by the state.

D. “CJI” means criminal justice information collected by criminal justice agencies needed for the performance of their authorized functions, including, without limitation, all information defined as criminal justice information by the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy, as amended and all Criminal Justice Records as defined under 24-72-302 C.R.S.

E. “Contract” means this agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto. For purposes of clarification and the removal of any doubt, subject to any future modifications thereto, the Signature and Cover Pages and Sections 1 through 21, as identified in the Table of Contents herein above, shall constitute the “main body” of this Contract exclusively.

F. “Contract Funds” means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Contract.

G. “CORA” means the Colorado Open Records Act, §§24-72-200.1 et. seq., C.R.S.

H. “Deliverable” means the outcome to be achieved or output to be provided, in the form of a tangible object or software that is produced as a result of Contractor’s Work that is intended to be delivered to the State by the Contractor.

I. “Effective Date” means the date on which this Contract is approved and signed by the Colorado State Controller or designee, as shown on the Signature Page for this Contract. If this Contract is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), then Effective Date of this Contract shall be the later of the date on which this Contract is approved and signed by the State’s Chief Information Officer or authorized delegate or the date on which this Contract is approved and signed by the State Controller or authorized delegate, as shown on the Signature and Cover Page for this Contract.

J. “End of Term Extension” means the time period defined in §2.D.

K. “Exhibits” means the exhibits and attachments included with this Contract as shown on the Signature and Cover Pages for this Contract..

L. “Extension Term” means the time period defined in §2.C.

M. “Goods” means any movable material acquired, produced, or delivered by Contractor as set forth in this Contract and shall include any movable material acquired, produced, or delivered by Contractor in connection with the Services.



N. “Incident” means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any communications or information resources of the State, which are included as part of the Work, as described in §§24-37.5-401, et. seq., C.R.S. Incidents include, without limitation, (i) successful attempts to gain unauthorized access to a State system or State Records regardless of where such information is located; (ii) unwanted disruption or denial of service; (iii) the unauthorized use of a State system for the processing or storage of data; or (iv) changes to State system hardware, firmware, or software characteristics without the State’s knowledge, instruction, or consent.

O. “Initial Term” means the time period defined in §2.B.

P. “Party” means the State or Contractor, and “Parties” means both the State and Contractor.

Q. “PCI” means payment card information including any data related to credit card holders’ names, credit card numbers, or other credit card information as may be protected by state or federal law.

R. “PHI” means any individually identifiable health information, transmitted or maintained in electronic or any form or medium, including but not limited to demographic information,, (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. PHI includes, but is not limited to, any information defined as Individually Identifiable Health Information by the federal Health Insurance Portability and Accountability Act.

S.. “PII” means personally identifiable information including, without limitation, any information maintained by the State about an individual that can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth, mother’s maiden name, or biometric records; and any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information. PII includes, but is not limited to, all information defined as personally identifiable information in §24-72-501 and 24-73-101, C.R.S. “PII” shall also mean “personal identifying information” as set forth in § 24-72-102, et. Seq., C.R.S.

T. “Services” means the services to be performed by Contractor as set forth in this Contract, and shall include any services to be rendered by Contractor in connection with the Goods.



U. “State Confidential Information” means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to, PII, PHI, PCI, Tax Information, CJI, Educational Records, Substance Use Disorder Information, and State personnel records not subject to disclosure under CORA. State Confidential Information shall not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State to Contractor which (i) is subject to disclosure pursuant to CORA; (ii) is already known to Contractor without restrictions at the time of its disclosure to Contractor; (iii) is or subsequently becomes publicly available without breach of any obligation owed by Contractor to the State; (iv) is disclosed to Contractor, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.

V. “State Fiscal Rules” means the fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a), C.R.S.

W. “State Fiscal Year” means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.

X. “State Records” means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.

Y. “Subcontractor” means any third-parties engaged by Contractor to aid in performance of the Work.

Z. “Tax Information” means federal and State of Colorado tax information including, without limitation, federal and State tax returns, return information, and such other tax-related information as may be protected by federal and State law and regulation. Tax Information includes, but is not limited to all information defined as federal tax information in Internal Revenue Service Publication 1075.

AA. “Work” means the Goods delivered and Services performed pursuant to this Contract.

BB. “Work Product” means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and any other results of the Work. “Work Product” does not include any material that was developed prior to the Effective Date that is used, without modification, in the performance of the Work.



Any other term used in this Contract that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

4. STATEMENT OF WORK

Contractor shall complete the Work as described in this Contract and in accordance with the provisions of the Exhibits. The State shall have no liability to compensate Contractor for the delivery of any goods or the performance of any services that are not specifically set forth in this Contract.

5. PAYMENTS TO CONTRACTOR

A. Maximum Amount

Payments to Contractor are limited to the unpaid, obligated balance of the Contract Funds. The State shall not pay Contractor any amount under this Contract that exceeds the Contract Maximum for that term shown on the Signature and Cover Pages for this Contract.

B. Payment Procedures

i. Invoices and Payment

a. The State shall pay Contractor in the amounts and in accordance with the Exhibits.

b. Contractor shall initiate payment requests by invoice to the State, in a form and manner approved by the State. Invoicing is a material component of Contract performance and corresponding Deliverables. Invoices shall be due to the State within 45 days of work performed by the Contractor, unless otherwise stated in the Exhibits hereto. Invoicing shall be done accurately and per any specifications set forth in the Exhibits hereto. Time is of the essence in this regard. If Contractor fails to timely and/or properly invoice the State, the State may not be obligated to pay the bill resulting from said invoice. Failure to timely and/or properly invoice the State is a material breach of this Contract which would be cause for the State to refuse payment and/or terminate the contract on these grounds in whole or in part, at the State's discretion.

c. The State shall pay each invoice within 45 days following the State's receipt of that invoice, so long as the amount invoiced correctly represents Work completed by Contractor and previously accepted by the State during the term that the invoice covers. If the State determines that the amount of any invoice is not correct, then Contractor shall make all changes necessary to correct that invoice.

d. The acceptance of an invoice shall not constitute acceptance of any Work performed or deliverables provided under the Contract.



ii. Interest

Amounts not paid by the State within 45 days of the State's acceptance of the invoice shall bear interest on the unpaid balance beginning on the 45th day at the rate of 1% per month, as required by §24-30-202(24)(a), C.R.S., until paid in full; provided, however, that interest shall not accrue on unpaid amounts that the State disputes in writing. Contractor shall invoice the State separately for accrued interest on delinquent amounts, and the invoice shall reference the delinquent payment, the number of day's interest to be paid and the interest rate.

iii. Payment Disputes

If Contractor disputes any calculation, determination or amount of any payment, Contractor shall notify the State in writing of its dispute within 30 days following the earlier to occur of Contractor's receipt of the payment or notification of the determination or calculation of the payment by the State. The State will review the information presented by Contractor and may make changes to its determination based on this review. The calculation, determination or payment amount that results from the State's review shall not be subject to additional dispute under this subsection. No payment subject to a dispute under this subsection shall be due until after the State has concluded its review, and the State shall not pay any interest on any amount during the period it is subject to dispute under this subsection.

iv. Available Funds-Contingency-Termination

The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Contractor beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Contract Funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Contract Funds the State's obligation to pay Contractor shall be contingent upon such non-State funding continuing to be made available for payment. Payments to be made pursuant to this Contract shall be made only from Contract Funds, and the State's liability for such payments shall be limited to the amount remaining of such Contract Funds. If State, federal or other funds are not appropriated, or otherwise become unavailable to fund this Contract, the State may, upon written notice, terminate this Contract, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Services and Goods that are delivered and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Contract were terminated in the public interest as described in §2.E.

v. Option to Increase Maximum Amount



If the Signature and Cover Pages for this Contract show that the State has the Option to Increase or Decrease Maximum Amount, then the State, at its discretion, shall have the option to increase or decrease the statewide quantity of Goods and Services based upon the rates established in this Contract, and increase or decrease the maximum amount payable accordingly. In order to exercise this option, the State shall provide written notice to Contractor in a form substantially equivalent to §21 “Sample Option Letter.” Delivery of Goods and performance of Services shall continue at the same rates and terms as described in this Contract. The State may include and incorporate a revised budget with the option letter, as long as the revised budget does not unilaterally change rates or terms specified in the Contract.

6. REPORTING - NOTIFICATION

A. Quarterly Reports.

In addition to any reports required pursuant to §17 or pursuant to any other Exhibit, for any contract having a term longer than three months, Contractor shall submit, on a quarterly basis, a written report specifying progress made for each specified performance measure and standard in this Contract. Such progress report shall be in accordance with the procedures developed and prescribed by the State. Progress reports shall be submitted to the State at the time or times specified by the State in this Contract, or, if no time is specified in this Contract, not later than five Business Days following the end of each calendar quarter.

B. Litigation Reporting

If Contractor is served with a pleading or other document in connection with an action before a court or other administrative decision making body, and such pleading or document relates to this Contract or may affect Contractor’s ability to perform its obligations under this Contract, Contractor shall, within 5 days after being served, notify the State of such action and deliver copies of such pleading or document to the State’s principal representative identified on the Signature and Cover Pages for this Contract.

C. Performance Outside the State of Colorado or the United States, §24-102-206 C.R.S.

To the extent not previously disclosed in accordance with §24-102-206, C.R.S., Contractor shall provide written notice to the State, in accordance with §15 and in a form designated by the State, within 20 days following the earlier to occur of Contractor’s decision to perform Services outside of the State of Colorado or the United States, or its execution of an agreement with a Subcontractor to perform, Services outside the State of Colorado or the United States. Such notice shall specify the type of Services to be performed outside the State of Colorado or the United States and the reason why it is necessary or advantageous to perform



such Services at such location or locations, and such notice shall be a public record. Knowing failure by Contractor to provide notice to the State under this section shall constitute a Breach of Contract. This section shall not apply if the Contract Funds include any federal funds.

7. CONTRACTOR RECORDS

A. Maintenance

Contractor shall maintain a file of all documents, records, communications, notes and other materials relating to the Work (the "Contractor Records"). Contractor Records shall include all documents, records, communications, notes and other materials maintained by Contractor that relate to any Work performed by Subcontractors, and Contractor shall maintain all records related to the Work performed by Subcontractors required to ensure proper performance of that Work. Contractor shall maintain Contractor Records until the last to occur of: (i) the date three years after the date this Contract expires or is terminated, (ii) final payment under this Contract is made, (iii) the resolution of any pending Contract matters, or (iv) if an audit is occurring, or Contractor has received notice that an audit is pending, the date such audit is completed and its findings have been resolved (the "Record Retention Period").

B. Inspection

Contractor shall permit the State, the federal government, and any duly authorized agent of a governmental entity, to audit, inspect, examine, excerpt, copy and transcribe Contractor Records during the Record Retention Period. Contractor shall make Contractor Records available during normal business hours at Contractor's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than two Business Days' notice from the State, unless the State determines that a shorter period of notice, or no notice, is necessary to protect the interests of the State.

C. Monitoring

The State, the federal government, and any other duly authorized agent of a governmental agency, in its discretion, may monitor Contractor's performance of its obligations under this Contract using procedures as determined by the State. The State shall monitor Contractor's performance in a manner that does not unduly interfere with Contractor's performance of the Work.

D. Final Audit Report

Contractor shall promptly submit to the State a copy of any final audit report of an audit performed on Contractor's records that relates to or affects this Contract or the Work, whether the audit is conducted by Contractor or a third party.

8. CONFIDENTIAL INFORMATION-STATE RECORDS



A. Confidentiality

Contractor shall keep confidential, and cause all Subcontractors to keep confidential, all State Records, unless those State Records are publicly available. Contractor shall not, without prior written approval of the State, use, publish, copy, disclose to any third party, or permit the use by any third party of any State Records, except as otherwise stated in this Contract, permitted by law or approved in writing by the State. Contractor shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security and all applicable laws, rules, policies, publications, and guidelines. If Contractor or any of its Subcontractors will or may receive the following types of data, Contractor or its Subcontractors shall provide for the security of such data according to the following: **(i)** the most recently promulgated IRS Publication 1075 for all Tax Information and in accordance with the Safeguarding Requirements for Federal Tax Information attached to this Contract as an Exhibit, if applicable, **(ii)** the most recently updated PCI Data Security Standard from the PCI Security Standards Council for all PCI, **(iii)** the most recently issued version of the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy for all CJI, and **(iv)** the federal Health Insurance Portability and Accountability Act for all PHI and the HIPAA Business Associate Agreement attached to this Contract, if applicable. Contractor shall immediately forward any request or demand for State Records to the State's Principal Representative.

B. Other Entity Access and Nondisclosure Agreements

Contractor may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Contract. Contractor shall ensure all such agents, employees, assigns, and Subcontractors sign agreements containing nondisclosure provisions at least as protective as those in this Contract, and that the nondisclosure provisions are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Contractor shall provide copies of those signed nondisclosure provisions to the State upon execution of the nondisclosure provisions if requested by the State.

C. Use, Security, and Retention

Contractor shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations only in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information. Contractor shall provide the State with access, subject to Contractor's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Contract, Contractor shall return State Records provided to Contractor or



destroy such State Records and certify to the State that it has done so, as directed by the State. If Contractor is prevented by law or regulation from returning or destroying State Confidential Information, Contractor warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

D. Incident Notice and Remediation

If Contractor becomes aware of any Incident, Contractor shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. Unless Contractor can establish that Contractor and its Subcontractors are not the cause or source of the Incident, Contractor shall be responsible for the cost of notifying each person who may have been impacted by the Incident. After an Incident, Contractor shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State, at no additional cost to the State. The State may adjust or direct modifications to this plan in its sole discretion, and Contractor shall make all modifications as directed by the State. If Contractor cannot produce its analysis and plan within the allotted time, the State, in its discretion, may perform such analysis and produce a remediation plan, and Contractor shall reimburse the State for the actual costs thereof. The State may, in its sole discretion and at Contractor's sole expense, require Contractor to engage the services of an independent, qualified, State-approved third party to conduct a security audit. Contractor shall provide the State with the results of such audit and evidence of Contractor's planned remediation in response to any negative findings.

E. Data Protection and Handling

Contractor shall ensure that all State Records and Work Product in the possession of Contractor or any Subcontractors are protected and handled in accordance with the requirements of this Contract, including the requirements of any Exhibits hereto, at all times.

F. Safeguarding PII

IF CONTRACTOR OR ANY OF ITS SUBCONTRACTORS WILL OR MAY RECEIVE PII UNDER THIS CONTRACT, CONTRACTOR SHALL PROVIDE FOR THE SECURITY OF SUCH PII, IN A MANNER AND FORM ACCEPTABLE TO THE STATE, INCLUDING, WITHOUT LIMITATION, STATE NON-DISCLOSURE REQUIREMENTS, USE OF APPROPRIATE TECHNOLOGY, SECURITY PRACTICES, COMPUTER ACCESS SECURITY, DATA ACCESS SECURITY, DATA STORAGE ENCRYPTION, DATA TRANSMISSION ENCRYPTION, SECURITY INSPECTIONS, AND AUDITS. CONTRACTOR SHALL BE A "THIRD-PARTY SERVICE PROVIDER" AS DEFINED IN §24-73-103(1)(I), C.R.S. AND SHALL MAINTAIN SECURITY PROCEDURES AND PRACTICES CONSISTENT WITH §§24-73-101 ET SEQ., C.R.S. IN ADDITION, AS SET FORTH IN § 24-74-102, ET. SEQ., C.R.S., CONTRACTOR, INCLUDING, BUT NOT



LIMITED TO, CONTRACTOR'S EMPLOYEES, AGENTS AND SUBCONTRACTORS, AGREES NOT TO SHARE ANY PII WITH ANY THIRD PARTIES FOR THE PURPOSE OF INVESTIGATING FOR, PARTICIPATING IN, COOPERATING WITH, OR ASSISTING WITH FEDERAL IMMIGRATION ENFORCEMENT. IF CONTRACTOR IS GIVEN DIRECT ACCESS TO ANY STATE DATABASES CONTAINING PII, CONTRACTOR SHALL EXECUTE, ON BEHALF OF ITSELF AND ITS EMPLOYEES, THE CERTIFICATION DESCRIBED IN SECTION 21 BELOW ON AN ANNUAL BASIS CONTRACTOR'S DUTY AND OBLIGATION TO CERTIFY AS SET FORTH IN SECTION 21 BELOW SHALL CONTINUE AS LONG AS CONTRACTOR HAS DIRECT ACCESS TO ANY STATE DATABASES CONTAINING PII. IF CONTRACTOR USES ANY SUBCONTRACTORS TO PERFORM SERVICES REQUIRING DIRECT ACCESS TO STATE DATABASES CONTAINING PII, THE CONTRACTOR SHALL REQUIRE SUCH SUBCONTRACTORS TO EXECUTE AND DELIVER THE CERTIFICATION TO THE STATE ON AN ANNUAL BASIS, SO LONG AS THE SUBCONTRACTOR HAS ACCESS TO STATE DATABASES CONTAINING PII.

9. CONFLICTS OF INTEREST

A. Actual Conflicts of Interest

Contractor shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Contractor under this Contract. Such a conflict of interest would arise when a Contractor or Subcontractor's employee, officer or agent were to offer or provide any tangible personal benefit to an employee of the State, or any member of his or her immediate family or his or her partner, related to the award of, entry into or management or oversight of Contract.

B. Apparent Conflicts of Interest

Contractor acknowledges that, with respect to this Contract, even the appearance of a conflict of interest shall be harmful to the State's interests. Absent the State's prior written approval, Contractor shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Contractor's obligations under this Contract.

C. Disclosure to the State

If a conflict or the appearance of a conflict arises, or if Contractor is uncertain whether a conflict or the appearance of a conflict has arisen, Contractor shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the actual or apparent conflict constitutes a breach of this Contract.



D. Contractor acknowledges that all State employees are subject to the ethical principles described in §24-18-105, C.R.S. Contractor further acknowledges that State employees may be subject to the requirements of §24-18-105, C.R.S. with regard to this Contract.

10. INSURANCE

Contractor shall obtain and maintain, and ensure that each Subcontractor shall obtain and maintain, insurance as specified in this section at all times during the term of this Contract to the extent that such insurance policies are required as shown on the Signature and Cover Page for this Contract. All insurance policies required by this Contract shall be issued by insurance companies as approved by the State. These insurance requirements shall not be construed as caps or limitations on liability.

A. Workers' Compensation

Workers' compensation insurance as required by state statute, and employers' liability insurance covering all Contractor or Subcontractor employees acting within the course and scope of their employment.

B. General Liability

Commercial general liability insurance covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

- i. \$1,000,000 each occurrence;
- ii. \$1,000,000 general aggregate;
- iii. \$1,000,000 products and completed operations aggregate; and
- iv. \$50,000 any one fire.

C. Automobile Liability

Automobile liability insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit.

D. Protected Information

Liability insurance covering all civil, regulatory, and statutory damages, contractual damages, data breach management exposure, and all loss income or extra expense as a result of actual or alleged breach, violation or infringement of a right to privacy, consumer data protection law,



confidentiality or other legal protection for personal information as well as State Confidential Information with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$2,000,000 general aggregate.
- iii. Notwithstanding sections D(i) and (ii) above, if Contractor has State Confidential Information for 10 or fewer individuals or revenues of \$250,000 or less, Contractor shall maintain limits of not less than \$50,000.
- iv. Notwithstanding sections D(i) and (ii) above, if Contractor has State Confidential Information for 25 or fewer individuals or revenues of \$500,000 or less, Contractor shall maintain limits of not less than \$100,000.

E. Professional Liability Insurance

Professional liability insurance covering any damages caused by an error, omission or any negligent act with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$1,000,000 general aggregate.

F. Crime Insurance

Crime insurance including employee dishonesty coverage with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$1,000,000 general aggregate.

G. Cyber/Network Security and Privacy Liability

Liability insurance covering civil, regulatory, and statutory damages, contractual damages, data breach management exposure, and any loss of income or extra expense as a result of actual or alleged breach, violation or infringement of right to privacy, consumer data protection law, confidentiality or other legal protection for personal information, as well as State Confidential Information with minimum limits as follows:

- i. \$1,000,000 each occurrence; and
- ii. \$2,000,000 general aggregate.



H. Additional Insured

The State shall be named as additional insured on all commercial general liability policies (leases and construction contracts require additional insured coverage for completed operations) required of Contractor and Subcontractors.

I. Primacy of Coverage

Coverage required of Contractor and each Subcontractor shall be primary and noncontributory over any insurance or self-insurance program carried by Contractor or the State.

J. Cancellation

The above insurance policies shall include provisions preventing cancellation or non-renewal, except for cancellation based on non-payment of premiums, without at least 30 days prior notice to Contractor and Contractor shall forward such notice to the State in accordance with §15 within seven days of Contractor's receipt of such notice.

K. Subrogation Waiver

All insurance policies secured or maintained by Contractor or its Subcontractors in relation to this Contract shall include clauses stating that each carrier shall waive all rights of recovery under subrogation or otherwise against Contractor or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

L. Public Entities

If Contractor is a "public entity" within the meaning of the Colorado Governmental Immunity Act, §§24-10-101, et seq., C.R.S. (the "GIA"), Contractor shall maintain, in lieu of the liability insurance requirements stated above, at all times during the term of this Contract such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. If a Subcontractor is a public entity within the meaning of the GIA, Contractor shall ensure that the Subcontractor maintains at all times during the terms of this Contract, in lieu of the liability insurance requirements stated above, such liability insurance, by commercial policy or self-insurance, as is necessary to meet the Subcontractor's obligations under the GIA.

M. Certificates

Contractor shall provide to the State certificates evidencing Contractor's insurance coverage required in this Contract within seven Business Days following the Effective Date. Contractor shall provide to the State certificates evidencing Subcontractor insurance coverage required under this Contract within seven Business Days following the Effective Date, except that, if Contractor's subcontract is not in effect as of the Effective Date, Contractor shall provide to the State certificates showing Subcontractor insurance coverage required under this Contract within seven Business Days following Contractor's execution of the subcontract. No later than



15 days before the expiration date of Contractor's or any Subcontractor's coverage, Contractor shall deliver to the State certificates of insurance evidencing renewals of coverage. At any other time during the term of this Contract, upon request by the State, Contractor shall, within seven Business Days following the request by the State, supply to the State evidence satisfactory to the State of compliance with the provisions of this section.

11. BREACH OF CONTRACT

In the event of a Breach of Contract, the aggrieved Party shall give written notice of breach to the other Party. If the notified Party does not cure the Breach of Contract, at its sole expense, within 30 days after the delivery of written notice, the Party may exercise any of the remedies as described in §12 for that Party. Notwithstanding any provision of this Contract to the contrary, the State, in its discretion, need not provide notice or a cure period and may immediately terminate this Contract in whole or in part or institute any other remedy in the Contract in order to protect the public interest of the State; or if Contractor is debarred or suspended under §24-109-105, C.R.S., the State, in its discretion, need not provide notice or cure period and may terminate this Contract in whole or in part or institute any other remedy in this Contract as of the date that the debarment or suspension takes effect.

12. REMEDIES

A. State's Remedies

If Contractor is in breach under any provision of this Contract and fails to cure such breach, the State, following the notice and cure period set forth in §11, shall have all of the remedies listed in this section in addition to all other remedies set forth in this Contract or at law. The State may exercise any or all of the remedies available to it, in its discretion, concurrently or consecutively.

i. Termination for Breach of Contract

In the event of Contractor's uncured breach, the State may terminate this entire Contract or any part of this Contract. Contractor shall continue performance of this Contract to the extent not terminated, if any.

a. Obligations and Rights

To the extent specified in any termination notice, Contractor shall not incur further obligations or render further performance past the effective date of such notice, and shall terminate outstanding orders and subcontracts with third parties. However, Contractor shall complete and deliver to the State all Work not cancelled by the termination notice, and may incur obligations as necessary to do so within this Contract's terms. At the request of the State, Contractor shall assign to the State all of Contractor's rights, title, and interest in and to such terminated orders or subcontracts. Upon termination, Contractor shall take timely, reasonable



and necessary action to protect and preserve property in the possession of Contractor but in which the State has an interest. At the State's request, Contractor shall return materials owned by the State in Contractor's possession at the time of any termination. Contractor shall deliver all completed Work Product and all Work Product that was in the process of completion to the State at the State's request.

b. Payments

Notwithstanding anything to the contrary, the State shall only pay Contractor for accepted Work received as of the date of termination. If, after termination by the State, the State agrees that Contractor was not in breach or that Contractor's action or inaction was excusable, such termination shall be treated as a termination in the public interest, and the rights and obligations of the Parties shall be as if this Contract had been terminated in the public interest under §2.E.

c. Damages and Withholding

Notwithstanding any other remedial action by the State, Contractor shall remain liable to the State for any damages sustained by the State in connection with any breach by Contractor, and the State may withhold payment to Contractor for the purpose of mitigating the State's damages until such time as the exact amount of damages due to the State from Contractor is determined. The State may withhold any amount that may be due Contractor as the State deems necessary to protect the State against loss including, without limitation, loss as a result of outstanding liens and excess costs incurred by the State in procuring from third parties replacement Work as cover.

ii. Remedies Not Involving Termination

The State, in its discretion, may exercise one or more of the following additional remedies:

a. Suspend Performance

Suspend Contractor's performance with respect to all or any portion of the Work pending corrective action as specified by the State without entitling Contractor to an adjustment in price or cost or an adjustment in the performance schedule. Contractor shall promptly cease performing Work and incurring costs in accordance with the State's directive, and the State shall not be liable for costs incurred by Contractor after the suspension of performance.

b. Withhold Payment

Withhold payment to Contractor until Contractor corrects its Work.



c. Deny Payment

Deny payment for Work not performed, or that due to Contractor's actions or inactions, cannot be performed or if they were performed are reasonably of no value to the state; provided, that any denial of payment shall be equal to the value of the obligations not performed.

d. Intellectual Property

If any Work infringes, or if the State in its sole discretion determines that any Work is likely to infringe, a patent, copyright, trademark, trade secret or other intellectual property right, Contractor shall, as approved by the State, (i) secure that right to use such Work for the State and Contractor; (ii) replace the Work with noninfringing Work or modify the Work so that it becomes noninfringing; or, (iii) remove any infringing Work and refund the amount paid for such Work to the State.

B. Contractor's Remedies

If the State is in breach of any provision of this Contract and does not cure such breach, Contractor, following the notice and cure period in §11 and the dispute resolution process in §14, shall have all remedies available at law and equity.

13. STATE'S RIGHT OF REMOVAL

The State retains the right to demand, at any time, regardless of whether Contractor is in breach, the immediate removal of any of Contractor's employees, agents, or subcontractors from the work whom the State, in its sole discretion, deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable or whose continued relation to this Contract is deemed by the State to be contrary to the public interest or the State's best interest.

14. DISPUTE RESOLUTION

A. Initial Resolution

Except as herein specifically provided otherwise, disputes concerning the performance of this Contract which cannot be resolved by the designated Contract representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager designated by Contractor for resolution.

B. Resolution of Controversies

If the initial resolution described in §14.A fails to resolve the dispute within 10 Business Days, Contractor shall submit any alleged breach of this Contract by the State to the Procurement Official of CDHS as described in §24-102-202(3), C.R.S. for resolution in accordance with the provisions of §24-106-109, C.R.S., and §§24-109-101.1 through 24-109-505, C.R.S., (the "Resolution Statutes"), except that if Contractor wishes to challenge any decision rendered by



the Procurement Official, Contractor's challenge shall be an appeal to the Executive Director of the Department of Personnel and Administration, or their delegate, under the Resolution Statutes before Contractor pursues any further action as permitted by such statutes. Except as otherwise stated in this Section, all requirements of the Resolution Statutes shall apply including, without limitation, time limitations.

15. NOTICES AND REPRESENTATIVES

Each individual identified on the Signature and Cover Pages shall be the principal representative of the designating Party. All notices required or permitted to be given under this Contract shall be in writing, and shall be delivered (A) by hand with receipt required, (B) by certified or registered mail to such Party's principal representative at the address set forth on the Signature and Cover Pages for this Contract or (C) as an email with read receipt requested to the principal representative at the email address, if any, set forth on the Signature and Cover Pages for this Contract. If a Party delivers a notice to another through email and the email is undeliverable, then, unless the Party has been provided with an alternate email contact, the Party delivering the notice shall deliver the notice by hand with receipt required or by certified or registered mail to such Party's principal representative at the address set forth below. Either Party may change its principal representative or principal representative contact information by notice submitted in accordance with this section without a formal amendment to this Contract. Unless otherwise provided in this Contract, notices shall be effective upon delivery of the written notice.

16. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION

A. Work Product

i. Copyrights

To the extent that the Work Product (or any portion of the Work Product) would not be considered works made for hire under applicable law, Contractor hereby assigns to the State, the entire right, title, and interest in and to copyrights in all Work Product and all works based upon, derived from, or incorporating the Work Product; all copyright applications, registrations, extensions, or renewals relating to all Work Product and all works based upon, derived from, or incorporating the Work Product; and all moral rights or similar rights with respect to the Work Product throughout the world. To the extent that Contractor cannot make any of the assignments required by this section, Contractor hereby grants to the State a perpetual, irrevocable, royalty-free license to use, modify, copy, publish, display, perform, transfer, distribute, sell, and create derivative works of the Work Product and all works based upon, derived from, or incorporating the Work Product by all means and methods and in any format now known or invented in the future. The State may assign and license its rights under this license.



ii. Patents

In addition, Contractor grants to the State (and to recipients of Work Product distributed by or on behalf of the State) a perpetual, worldwide, no-charge, royalty-free, irrevocable patent license to make, have made, use, distribute, sell, offer for sale, import, transfer, and otherwise utilize, operate, modify and propagate the contents of the Work Product. Such license applies only to those patent claims licensable by Contractor that are necessarily infringed by the Work Product alone, or by the combination of the Work Product with anything else used by the State.

iii. Assignments and Assistance

Whether or not Contractor is under contract with the State at the time, Contractor shall execute applications, assignments, and other documents, and shall render all other reasonable assistance requested by the State, to enable the State to secure patents, copyrights, licenses and other intellectual property rights related to the Work Product. To the extent that Work Product would fall under the definition of “works made for hire” under 17 U.S.C.S. §101, the Parties intend the Work Product to be a work made for hire. Contractor assigns to the State and its successors and assigns, the entire right, title, and interest in and to all causes of action, either in law or in equity, for past, present, or future infringement of intellectual property rights related to the Work Product and all works based on, derived from, or incorporating the Work Product.

B. Exclusive Property of the State

Except to the extent specifically provided elsewhere in this Contract, all State Records, documents, text, software, (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and information provided by or on behalf of the State to Contractor are the exclusive property of the State (collectively, “State Materials”). Contractor shall not use, willingly allow, cause or permit Work Product or State Materials to be used for any purpose other than the performance of Contractor’s obligations in this Contract without the prior written consent of the State. Upon termination of this Contract for any reason, Contractor shall provide all Work Product and State Materials to the State in a form and manner as directed by the State.

C. Exclusive Property of Contractor

Contractor retains the exclusive rights, title, and ownership to any and all pre-existing materials owned or licensed to Contractor including, but not limited to, all pre-existing software, licensed products, associated source code, machine code, text images, audio and/or video, and third-party materials, delivered by Contractor under the Contract, whether incorporated in a Deliverable or necessary to use a Deliverable (collectively, “Contractor Property”). Contractor Property shall be licensed to the State as set forth in this Contract or a State approved license agreement: (i) entered into as exhibits to this Contract; (ii) obtained by the State from the



applicable third-party vendor; or (iii) in the case of open source software, the license terms set forth in the applicable open source license agreement.

17. STATEWIDE CONTRACT MANAGEMENT SYSTEM

If the maximum amount payable to Contractor under this Contract is \$100,000 or greater, either on the Effective Date or at any time thereafter, this section shall apply. Contractor agrees to be governed by and comply with the provisions of §§24-106-103, 24-102-206, 24-106-106, and 24-106-107, C.R.S. regarding the monitoring of vendor performance and the reporting of contract performance information in the State's contract management system ("Contract Management System" or "CMS"). Contractor's performance shall be subject to evaluation and review in accordance with the terms and conditions of this Contract, Colorado statutes governing CMS, and State Fiscal Rules and State Controller Policies.

18. GENERAL PROVISIONS

A. Assignment

Contractor's rights and obligations under this Contract are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Contractor's rights and obligations approved by the State shall be subject to the provisions of this Contract

B. Subcontracts

Unless other restrictions are required elsewhere in this Contract, Contractor shall not enter into any subcontract in connection with its obligations under this Contract without providing notice to the State. The State may reject any such subcontract, and Contractor shall terminate any subcontract that is rejected by the State and shall not allow any Subcontractor to perform any Work after that Subcontractor's subcontract has been rejected by the State. Contractor shall submit to the State a copy of each such subcontract upon request by the State. All subcontracts entered into by Contractor in connection with this Contract shall comply with all applicable federal and state laws and regulations, shall provide that they are governed by the laws of the State of Colorado, and shall be subject to all provisions of this Contract.

C. Binding Effect

Except as otherwise provided in §18.A., all provisions of this Contract, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

D. Authority

Each Party represents and warrants to the other that the execution and delivery of this Contract and the performance of such Party's obligations have been duly authorized.



E. Captions and References

The captions and headings in this Contract are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Contract to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

F. Counterparts

This Contract may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

G. Entire Understanding

This Contract represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Contract. Prior or contemporaneous additions, deletions, or other changes to this Contract shall not have any force or effect whatsoever, unless embodied herein.

H. Digital Signatures

If any signatory signs this Contract using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Contract by reference.

I. Modification

Except as otherwise provided in this Contract, any modification to this Contract shall only be effective if agreed to in a formal amendment to this Contract, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules. Modifications permitted under this Contract, other than contract amendments, shall conform to the policies issued by the Colorado State Controller.

J. Statutes, Regulations, Fiscal Rules, and Other Authority.

Any reference in this Contract to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Contract.



K. Order of Precedence

In the event of a conflict or inconsistency between this Contract and any Exhibits or attachments such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:

- i. HIPAA Business Associate Agreement (if any).
- ii. Federal Provisions (if any).
- iii. Colorado Special Provisions in §19 of the main body of this Contract.
- iv. Information Technology Provisions Exhibit (if any).
- v. The provisions of the other sections of the main body of this Contract.
- vi. PII Certification (if any)
- viii. Any other Exhibit(s) shall take precedence in alphabetical order.

L. External Terms and Conditions

Notwithstanding anything to the contrary herein, the State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Contractor's or a Subcontractor's website or any provision incorporated into any click-through or online agreements related to the Work unless that provision is specifically referenced in this Contract.

M. Severability

The invalidity or unenforceability of any provision of this Contract shall not affect the validity or enforceability of any other provision of this Contract, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Contract in accordance with the intent of the Contract.

N. Survival of Certain Contract Terms

Any provision of this Contract that imposes an obligation on a Party after termination or expiration of the Contract shall survive the termination or expiration of the Contract and shall be enforceable by the other Party.

O. Taxes

The State is exempt from federal excise taxes under I.R.C. Chapter 32 (26 U.S.C., Subtitle D, Ch. 32) (Federal Excise Tax Exemption Certificate of Registry No. 84-730123K) and from State and local government sales and use taxes under §§39-26-704(1), et seq. C.R.S.



(Colorado Sales Tax Exemption Identification Number 98-02565). The State shall not be liable for the payment of any excise, sales, or use taxes, regardless of whether any political subdivision of the state imposes such taxes on Contractor. Contractor shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Contractor may wish to have in place in connection with this Contract.

P. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described in §18.A., this Contract does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Contract and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Contract are incidental to the Contract, and do not create any rights for such third parties.

Q. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Contract, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

R. CORA Disclosure

To the extent not prohibited by federal law, this Contract and the performance measures and standards required under §24-106-107, C.R.S., if any, are subject to public release through the CORA.

S. Standard and Manner of Performance

Contractor shall perform its obligations under this Contract in accordance with the highest standards of care, skill and diligence in Contractor's industry, trade, or profession.

T. Licenses, Permits, and Other Authorizations.

Contractor shall secure, prior to the Effective Date, and maintain at all times during the term of this Contract, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Contract, and shall ensure that all employees, agents and Subcontractors secure and maintain at all times during the term of their employment, agency or subcontract, all licenses, certifications, permits and other authorizations required to perform their obligations in relation to this Contract.



U. Indemnification

i. Applicability

This entire §18.U does not apply to Contractor if Contractor is a “public entity” within the meaning of the GIA.

ii. General Indemnification

Contractor shall indemnify, save, and hold harmless the State, its employees, agents and assignees (the “Indemnified Parties”), against any and all costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys’ fees and related costs) incurred by any of the Indemnified Parties in relation to any act or omission by Contractor, or its employees, agents, Subcontractors, or assignees in connection with this Contract.

iii. Confidential Information Indemnification

Disclosure or use of State Confidential Information by Contractor in violation of §8 may be cause for legal action by third parties against Contractor, the State, or their respective agents. Contractor shall indemnify, save, and hold harmless the Indemnified Parties, against any and all claims, damages, liabilities, losses, costs, expenses (including attorneys’ fees and costs) incurred by the State in relation to any act or omission by Contractor, or its employees, agents, assigns, or Subcontractors in violation of §8.

iv. Intellectual Property Indemnification

Contractor shall indemnify, save, and hold harmless the Indemnified Parties, against any and all costs, expenses, claims, damages, liabilities, and other amounts (including attorneys’ fees and costs) incurred by the Indemnified Parties in relation to any claim that any Deliverable, Good or Service, software, or Work Product provided by Contractor under this Contract (collectively, “IP Deliverables”), or the use thereof, infringes a patent, copyright, trademark, trade secret, or any other intellectual property right. Contractor’s obligations hereunder shall not extend to the combination of any IP Deliverables provided by Contractor with any other product, system, or method, unless the other product, system, or method is **(a)** provided by Contractor or Contractor’s subsidiaries or affiliates; **(b)** specified by Contractor to work with the IP Deliverables; **(c)** reasonably required in order to use the IP Deliverables in its intended manner and the infringement could not have been avoided by substituting another reasonably available product, system, or method capable of performing the same function; or **(d)** is reasonably expected to be used in combination with the IP Deliverables.

V. Accessibility

- i. Contractor shall comply with and the Work Product provided under this Contract shall be in compliance with all applicable provisions of §§24-85-101, *et seq.*,



C.R.S., and the *Accessibility Standards for Individuals with a Disability*, as established by the Governor's Office Of Information Technology (OIT), pursuant to Section §24-85-103 (2.5), C.R.S. Contractor shall also comply with all State of Colorado technology standards related to technology accessibility and with Level AA of the most current version of the Web Content Accessibility Guidelines (WCAG), incorporated in the State of Colorado technology standards.

- ii. Contractor shall indemnify, save, and hold harmless the state, its employees, agents and assignees (collectively, the "Indemnified Parties"), against any and all costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys' fees and related costs) incurred by any of the Indemnified Parties in relation to Contractor's failure to comply with §§24-85-101, *et seq.*, C.R.S., or the *Accessibility Standards for Individuals with a Disability* as established by the Office of Information Technology pursuant to Section §24-85-103 (2.5), C.R.S.
- iii. The State may require Contractor's compliance to the State's Accessibility Standards to be determined by a third party selected by the State to attest to Contractor's Work Product and software is in compliance with §§24-85-101, *et seq.*, C.R.S., and the *Accessibility Standards for Individuals with a Disability* as established by the Office of Information Technology pursuant to Section §24-85-103 (2.5), C.R.S.

W. Other

- i. Compliance with State and Federal Law, Regulations, & Executive Orders

Contractor shall comply with all State and, if Federal funding is involved, Federal law, regulations, executive orders, State and Federal Awarding Agency policies, procedures, directives, and reporting requirements at all times during the term of this Contract.

19. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)

These Special Provisions apply to all contracts except where noted in italics.

A. STATUTORY APPROVAL. §24-30-202(1), C.R.S.

This Contract shall not be valid until it has been approved by the Colorado State Controller or designee. If this Contract is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), C.R.S., then this Contract shall not be valid until it has been approved by the State's Chief Information Officer or designee.

B. FUND AVAILABILITY. §24-30-202(5.5), C.R.S.

Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.



C. GOVERNMENTAL IMMUNITY.

Liability for claims for injuries to persons or property arising from the negligence of the State, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, et seq. C.R.S. No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

D. INDEPENDENT CONTRACTOR.

Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Contract. Contractor shall (i) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by the State, and (iii) be solely responsible for its acts and those of its employees and agents.

E. COMPLIANCE WITH LAW.

Contractor shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. CHOICE OF LAW, JURISDICTION, AND VENUE.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Contract shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.



G. PROHIBITED TERMS.

Any term included in this Contract that requires the State to indemnify or hold Contractor harmless; requires the State to agree to binding arbitration; limits Contractor's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Contract shall be construed as a waiver of any provision of §24-106-109, C.R.S.

H. SOFTWARE PIRACY PROHIBITION.

State or other public funds payable under this Contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this Contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Contract, including, without limitation, immediate termination of this Contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

I. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. §§24-18-201 and 24-50-507, C.R.S.

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

J. VENDOR OFFSET AND ERRONEOUS PAYMENTS. §§24-30-202(1) and 24-30-202.4, C.R.S.

[Not applicable to intergovernmental agreements] Subject to §24-30-202.4(3.5), C.R.S., the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (i) unpaid child support debts or child support arrearages; (ii) unpaid balances of tax, accrued interest, or other charges specified in §§39-21-101, et seq., C.R.S.; (iii) unpaid loans due to the Student Loan Division of the Department of Higher Education; (iv) amounts required to be paid to the Unemployment Compensation Fund; and (v) other unpaid debts owing to the State as a result of final agency determination or judicial action. The State may also recover, at the State's discretion, payments made to Contractor in error for any reason, including, but not limited to, overpayments or improper payments, and unexpended or excess funds received by Contractor by deduction from subsequent payments under this Contract, deduction from any payment due under any other contracts, grants or agreements



between the State and Contractor, or by any other appropriate method for collecting debts owed to the State.

20. DEPARTMENT OF HUMAN SERVICES PROVISIONS

A. Exclusion, Debarment and/or Suspension

Contractor represents and warrants that Contractor, its employees, agents, assigns, or Subcontractors, are not presently excluded from participation, debarred, suspended, proposed for debarment, declared ineligible, voluntarily excluded, or otherwise ineligible to participate in a “federal health care program” as defined in 42 U.S.C. § 1320a-7b(f) or in any other government payment program by any federal or State of Colorado department or agency. If Contractor, its employees, agents, assigns, or Subcontractors, are excluded from participation, or becomes otherwise ineligible to participate in any such program during the term of this Contract, Contractor shall notify the State in writing within three (3) days after such event. Upon the occurrence of such event, whether or not such notice is given to Contractor, the State may immediately terminate this Contract.

B. Emergency Planning

If Contractor provides Work that is an extension of State work performed as part of the State of Colorado Emergency Operations Plan or for a publicly funded safety net program, as defined by C.R.S. § 24-33.5-701 et seq., Contractor shall perform the Work in accordance with the State’s Emergency Operations Plan or continuity of operations plan in the event of an emergency. If requested, Contractor shall provide a plan and reporting information to ensure compliance with the State’s Emergency Operations Plan and C.R.S. § 24-33.5-701 et seq.

C. Restrictions on Public Benefits

If applicable, Contractor shall comply with C.R.S. §§ 24-76.5-101 – 103 exactly as the State is required to comply with C.R.S. §§ 24-76.5-101 – 103.

D. Discrimination

Contractor shall not:

- i. discriminate against any person on the basis of gender, race, ethnicity, religion, national origin, age, sexual orientation, gender identity, citizenship status, education, disability, socio-economic status, or any other identity.
- ii. exclude from participation in, or deny benefits to any qualified individual with a disability, by reason of such disability.



Any person who thinks he/she has been discriminated against as related to the performance of this Contract has the right to assert a claim, Colorado Civil Rights Division, C.R.S. §24-34-301, et seq.

E. Criminal Background Check

Pursuant to C.R.S. §27-90-111 and CDHS Policy VI-2.4, any independent contractor, and its agent(s), who is designated by the Executive Director or the Executive Director's designee to be a contracting employee under C.R.S. §27-90-111, who has direct contact with vulnerable persons in a state-operated facility, or who provides state-funded services that involve direct contact with vulnerable persons in the vulnerable person's home or residence, shall:

- i. submit to and successfully pass a criminal background check, and
- ii. report any arrests, charges, or summonses for any disqualifying offense as specified by C.R.S. §27-90-111 to the State.

Any Contractor or its agent(s), who does not comply with C.R.S. §27-90-111 and CDHS Policy VI-2.4, may, at the sole discretion of the State, be suspended or terminated.

F. Fraud Policy

Contractor shall comply with the current CDHS Fraud Policy.

G. C-Stat - Performance Based Program Analysis and Management Strategy (C-Stat Strategy)

Without any additional cost to the State, Contractor shall collect and maintain Contract performance data, as determined solely by the State. Upon request, Contractor shall provide the Contract performance data to the State. This provision does not allow the State to impose unilateral changes to performance requirements.

H. COVID-19 Pandemic

CDHS operates many facilities across the State and with regard to the COVID-19 Pandemic, Contractor may be subject to local or state public health orders, Department policy, individual facility policy, or any other requirement that could impose additional requirements on the Contractor. If so, Contractor shall promptly comply upon notice.

21. THIRD PARTY CERTIFICATION FOR ACCESS TO PII THROUGH A DATABASE OR AUTOMATED NETWORK

Pursuant to § 24-74-105, C.R.S, if Contractor is to be granted access to Personal Identifying Information through a database or automated network that is not publicly available information, Contractor certifies, and will certify annually, under penalty of perjury that Contractor has not and



will not use or disclose any Personal Identifying Information, as defined by § 24-74-102(1), C.R.S., for the purpose of investigating for, participating in, cooperating with, or assisting Federal Immigration Enforcement, including the enforcement of civil immigration laws, and the Illegal Immigration and Immigrant Responsibility Act, which is codified at 8 U.S.C. §§ 1325 and 1326, unless required to do so to comply with Federal or State law, or to comply with a court-issued subpoena, warrant or order.

If Contractor's agents, employees, assigns or Subcontractors require certification pursuant to § 24-74-105, C.R.S., Contractor shall require annually that its agents, employees, assigns or Subcontractors sign and date the following certifications as applicable, which shall be made available to the State upon request:

For an individual: *Pursuant to § 24-74-105, C.R.S., I hereby certify under the penalty of perjury that I have not and will not use or disclose any Personal Identifying Information, as defined by § 24-74-102(1), C.R.S., for the purpose of investigating for, participating in, cooperating with, or assisting Federal Immigration Enforcement, including the enforcement of civil immigration laws, and the Illegal Immigration and Immigrant Responsibility Act, which is codified at 8 U.S.C. §§ 1325 and 1326, unless required to do so to comply with Federal or State law, or to comply with a court-issued subpoena, warrant or order.*

For and entity/organization: *Pursuant to § 24-74-105, C.R.S., I, _____, on behalf of _____ (legal name of entity / organization) (the "Organization"), hereby certify under the penalty of perjury that the Organization has not and will not use or disclose any Personal Identifying Information, as defined by § 24-74-102(1), C.R.S., for the purpose of investigating for, participating in, cooperating with, or assisting Federal Immigration Enforcement, including the enforcement of civil immigration laws, and the Illegal Immigration and Immigrant Responsibility Act, which is codified at 8 U.S.C. §§ 1325 and 1326, unless required to do so to comply with Federal or State law, or to comply with a court-issued subpoena, warrant or order.*

I hereby represent and certify that I have full legal authority to execute this certification on behalf of the Organization.

REST OF PAGE INTENTIONALLY LEFT BLANK



SAMPLE OPTION LETTER (IF APPLICABLE)

State Agency Insert Department's or IHE's Full Legal Name	Option Letter Number Insert the Option Number (e.g. "1" for the first option)
Contractor Insert Contractor's Full Legal Name, including "Inc.", "LLC", etc...	Original Contract Number Insert CMS number or Other Contract Number of the Original Contract
Current Contract Maximum Amount Initial Term State Fiscal Year 20xx \$0.00 Extension Terms State Fiscal Year 20xx \$0.00 State Fiscal Year 20xx \$0.00 State Fiscal Year 20xx \$0.00 State Fiscal Year 20xx \$0.00 Total for All State Fiscal Years \$0.00	Option Contract Number Insert CMS number or Other Contract Number of this Option Contract Performance Beginning Date Month Day, Year Current Contract Expiration Date Month Day, Year

1. OPTIONS:

- A. Option to extend for an Extension Term
- B. Option to change the quantity of Goods under the Contract
- C. Option to change the quantity of Services under the Contract
- D. Option to modify Contract rates
- E. Option to initiate next phase of the Contract

2. REQUIRED PROVISIONS:

A. For use with Option 1(A): In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option for an additional term, beginning Insert start date and ending on the current contract expiration date shown above, at the rates stated in the Original Contract, as amended.

B. For use with Options 1(B and C): In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option to Increase/Decrease the quantity of the Goods/Services or both at the rates stated in the Original Contract, as amended.

C. For use with Option 1(D): In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option to modify the Contract rates specified in Exhibit/Section Number/Letter. The Contract rates attached to this Option Letter replace the rates in the Original Contract as of the Option Effective Date of this Option Letter.

D. For use with Option 1E: In accordance with Section(s) Number of the Original Contract referenced above, the State hereby exercises its option to initiate Phase indicate which Phase: 2, 3, 4, etc, which shall begin on Insert start date and end on Insert ending date at the cost/price specified in Section Number.

E. For use with all Options that modify the Contract Maximum Amount: The Contract Maximum Amount table on the Contract's Signature and Cover Page is hereby deleted and replaced with the Current Contract Maximum Amount table shown above.

3. Option Effective Date:

The effective date of this Option Letter is upon approval of the State Controller or _____, whichever is later.

<p style="text-align: center;">STATE OF COLORADO</p> <p style="text-align: center;">INSERT-Name of Agency or IHE</p> <p style="text-align: center;">INSERT-Name & Title of Head of Agency or IHE</p> <p style="text-align: center;"><u>SAMPLE ONLY – DO NOT SIGN</u></p> <p>By: Name & Title of Person Signing for Agency or IHE</p> <p style="text-align: center;">Date: <u>SAMPLE ONLY – DO NOT SIGN</u></p>	<p>In accordance with §24-30-202 C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate.</p> <p style="text-align: center;">STATE CONTROLLER</p> <p style="text-align: center;"><u>SAMPLE ONLY – DO NOT SIGN</u></p> <p>Name of Agency or IHE Delegate-Please delete if contract will be routed to OSC for approval</p> <p>Option Effective Date: <u>SAMPLE ONLY – DO NOT SIGN</u></p>
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BH Workforce Recruitment & Retention Grants Exhibit A - Statement of Work

Article 1 Purpose and Target Population

1.1 Purpose

The purpose of this contract is to provide grants to aid behavioral health employers in recruiting and retaining well-trained, clinical behavioral health-care providers at all levels in Colorado. This grant project serves to improve Colorado's behavioral health workforce. Coloradans will benefit from this grant project by having an increased number of staff to support behavioral health programs and initiatives.

Access to care and a robust safety net is dependent on having a diverse, stable, and robust behavioral health workforce. Consistent with SB 22-181 (Behavioral Health Care Workforce), the BHA released *Strengthening the Behavioral Health Workforce in Colorado: An Approach to Community Partnership*. The Plan outlines strategies for the BHA to expand and retain a diverse behavioral health workforce, as well as methods for supporting culturally responsive care through training and technical assistance.

Article 2 Definitions and Acronyms

“Behavioral Health Administration” or (BHA) means the Behavioral Health Administration established in Section 27-50-102, C.R.S.

“Behavioral Health Professional” means an individual who is employed in a specified activity as one's paid occupation in a behavioral health position. Such employees also must spend an average of fifty percent or more of their time working with clients in Colorado.

"Employer" means a tribal government, governmental organization, non-profit organization or a private company that provides behavioral health services to persons in Colorado. It may directly employ professionals who work in inpatient facilities (such as general hospitals and psychiatric facilities) and outpatient facilities (such as community mental health clinics, schools, and private practices.) It also includes organizations located in Colorado that provide tele-health services to clients for behavioral health conditions.

“Grant Recipient” means a behavioral health provider (or Employer) that was awarded a grant and entered into a Contract with the State of Colorado.

“Strengthening the Behavioral Health Workforce in Colorado: An Approach to Community Partnership” or (Strategic Plan) means the report issued on September 1, 2022, and located on its [website](https://bha.colorado.gov/resources/workforce-development) <https://bha.colorado.gov/resources/workforce-development>.

Article 3

Activities and Services

3.1 Grant Objectives -

- 3.1.1 To retain a diverse, stable and robust workforce.
- 3.1.2 To develop and implement innovative workforce retention strategies.
- 3.1.3 Create opportunities for behavioral health care providers to advance in their field
- 3.1.4 Increase the number of peer support professionals across the state.
- 3.1.5 Support rural communities in developing the skills of their residents.

- 3.2 **Allowable Activities.** This grant program will support strategies by Employers to either recruit and/or retain certain Behavioral Health Professionals in order to create a diverse, stable, and robust workforce. Managing employee retention involves strategic actions to keep employees motivated and focused so they elect to remain employed and fully productive for the benefit of the organization. A comprehensive employee retention program can play a vital role in both attracting and retaining key employees, as well as in reducing turnover and its related costs. All of these contribute to an organization's productivity and overall business performance. It is more efficient to retain a quality employee than to recruit, train, and orient a replacement employee of the same quality. Employers are encouraged to engage their employees in identifying retention efforts that are most appropriate for their specific workplace.

The Contractor shall provide one or more of the following activities related to the grant objectives:

- 3.2.1 Wellness programs
 - 3.2.2 Mentorship and Sabbatical programs
 - 3.2.3 Professional Development programs
 - 3.2.4 Recognition programs
 - 3.2.5 Incentive programs (indirect compensation)
 - 3.2.6 Incentive programs (direct compensation)
 - 3.2.7 Other programs
- 3.3 Budgets must contain allowable, reasonable, and allocable costs as defined under the Code of Federal Regulations (2 C.F.R. Part 200) and Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Final Rule. The BHA program will monitor all activities related to the performance of this grant and deliverables for compliance. All funds must pertain to employees who spend an average of 50% or more of their time working with behavioral health clients in Colorado.
- 3.4 Allowable uses of funding should be reasonable and tie to deliverables in section 4.4 - 6.4.
- 3.4.1 Retention - retention bonuses, paid time off (not in excess of 10% of salary), salary retention increases (competitive with industry), professional development costs, training & related training supplies and materials, wellness costs, team building, minor facility improvements related to employee wellness, student loan repayments.

- 3.4.1.1 Professional development costs include - formalized training and education to help employees and organizations advance and improve behavioral health skills sets.
- 3.4.1.2 Wellness costs include - wellness classes, mental health resources, resilience training, financial education, free employee legal services, mental wellness apps, gym memberships, fitness classes, wellness books.
- 3.4.1.3 Team building activities must be reasonably related to professional development or improving employee relations as a retention strategy.
- 3.4.2 Recruitment costs include - recruitment bonuses, talent acquisition costs, employee referrals, employment, salaries for new staff, services/ agencies, hiring bonuses.
- 3.4.3 Retreats allowable activities - must include professional development activities that make up the majority (at least 65%) of the proposed activities for the retreat. Retreats must be local to Colorado.
 - 3.4.3.1 Must be inclusive of employees or individuals supporting employees who spend an average of 50% or more of their time working with behavioral health clients in Colorado.
 - 3.4.3.2 Retreats extending beyond regular working hours, and outside of the working area, shall be inclusive to employees with family, health, etc. obligations at no additional grant expense.
 - 3.4.3.3 Retreats must have an employee attendance level of at least 75% of intended participants.
- 3.4.4 Technology costs should be directly related to recruitment, either for the direct purpose of hiring/outreach (ex. online job board services), or for necessary equipment required for the new hires (ex. work laptops).
- 3.4.5 Travel - allowable costs must align to GSA per diem rates for lodging and Meals & Incidentals (M&IE) locality rates. Reference <https://www.gsa.gov/travel/plan-book/per-diem-rates/mie-breakdown>
- 3.5 Unallowable costs include (but are not limited to) normal operating expenses, massages, food, snacks, alcohol, entertainment, spas, manicures, athletic events, promotional materials (swag), gift cards, restaurants, sporting goods, ski passes, networking, capital expenditures.
- 3.6 Costs requested should not replace current activities or salaries *except were previously SLFRF funded and would continue retention of eligible positions related to this grant. Justifications for the reimbursement of existing salaried positions related to carrying out the work of this grant will be reviewed individually for appropriateness to grant objectives.
- 3.7 Broad use stipends can only cover the allowable items in sections 3.3 - 3.6.

Article 4

Roles & Responsibilities

4.1 Period of Performance

- 4.1.1 Overall grant deadline to expend funds is December 30, 2024. Contract period of performance for state contracts is the Effective Date through December 30, 2024. Renewals of contracts are based upon funding and program recommendation.

4.2 Work Plan. The Grant Application submitted in the RFA shall also serve as a work plan to be used along with this SOW and followed upon execution of the contract to monitor grant project performance.

4.3 General Provisions

- 4.3.1 The activities and services identified in the work plan are incorporated into this Contract by reference.

- 4.3.2 The Grant Recipient shall provide a written report to the BHA biannually to review progress on the work plan.

- 4.3.3 Communications about projects and resulting deliverables may be amended by the program based upon the performance of the individual grant progress and quality, including but not limited to meetings, emails, and onsite visits, receipts, expense tracking and verification, which shall be expected and reasonably accommodated by the Grant Recipient.

- 4.3.4 The Grant Recipient shall respond to communications from the BHA within five (5) calendar days.

4.4 Biannual Report. The Grant Recipient shall submit a Biannual Report by June 15th and December 15th describing the use of the grant award during the previous six months, to include the following information:

- 4.4.1 Number of individuals recruited or retained in the workforce for targeted Behavioral Health Professional positions. Hiring date, position title, and documentation on how this employee spends 50% or more of their time working with clients.
- 4.4.2 Percentage complete of the designated recruitment or retention strategies outlined in the work plan.
- 4.4.3 Description of any barriers to implementation of the work plan.
- 4.4.4 Description of any successes in the designated recruitment or retention strategies outlined in the work plan. How did the activities listed in your application/ work plan improve your retention or recruitment efforts?

- 4.4.5 Provide an overview of how the grant application/ work plan implementation is effective, how is your work plan and these grant dollars addressing your needs and the needs of the grant objective? Provide metrics that support this, and the accountability plan you created for this grant.
- 4.4.6 What participation issues are you experiencing? Are there any barriers to entry for workers or gaps in care services that retention and recruitment strategies are not resolving?
- 4.4.7 Tell us about what methods you use to assess the effectiveness of inclusion initiatives and use those results to make adjustments to current systems to improve your workforce?
- 4.5 **Quarterly Expenditures Report.** The Grant Recipient shall provide the State of Colorado with information about actual expenditures quarterly in the Expenditures Report template provided by the BHA. The report is due to CDHS_BHAdeliverables@state.co.us on the 15th of the month following the end of the quarter (i.e., the last day of October, January, and April) and by July 20th to close each state fiscal year.
 - 4.5.1 Time, effort reports shall be submitted for budgets claiming salaried/ hourly payments including employee benefits for employees claimed as direct expenses. Note: Employee time/ administrative expenses cannot be claimed on both direct and indirect expenses.

Article 5

Minimum Qualifications

- 5.1. Eligible Grant Recipients means an Employer who provides behavioral health services to clients in Colorado.
- 5.2. Eligible Grant Recipients means any qualified subcontractors that are used in approved strategies and Work Plans.
- 5.3. Such Employer must be able to identify specific positions (either vacant or filled) that meet the definition of a Behavioral Health Professional.

Article 6 Reporting, Deliverables, & Due Dates

6.1. Criteria for acceptance of deliverables

- 6.1.1. The BHA will review the Contractor's deliverables in accordance with all specifications stated in this SOW and the Grant Application work plan. Deliverables and overall performance will be monitored, tracked, inspected, and accepted or rejected by the Program Manager and designated State personnel.
- 6.1.2. The acceptance of deliverables and satisfactory work performance required herein shall be based on the timeliness, accuracy, and standards as specified in the requirements of this statement of work and the Grant Application work plan.
- 6.1.3. When submitting reports please briefly describe the metrics you are using for the Reports and Deliverables to demonstrate the impact of your grant. This may include the specific data points, tools, process, and frequency with which data will be collected and reported.

6.2. Deliverables Table

Deliverable Emailed to cdhs BHAdeliverables@state.co.us	Deadline
<i>Quarterly Report (s)</i> <i>Includes:</i> <ul style="list-style-type: none"> • Quarterly Expenditure Report, as stated under 4.5. • Performance Outcome Measures, as stated in Article 7 • SLFRF Subrecipient Quarterly Report Workbook, see Article 7.3, 7.4 	15 th day of the month following end of each quarter (October, January, April, July)
Biannual Report, as stated in Article 4.4	June 15th and December 15th

**Deadlines occurring after December 30, 2024, are contingent upon contract renewal. **Deliverables can be changed administratively.*

Article 7

Performance Outcome Measures

Consistent with the Strategic Plan, each Grant Recipient must gather, certify, and submit the following information in conjunction with the Quarterly Expenditure Report:

7.1 For approved recruitment strategies:

- 7.1.1 Number of targeted open positions for Behavioral Health Professionals that were filled.
- 7.1.2 Number of targeted open positions for Behavioral Health Professionals that were not filled.
- 7.1.3 Number of applications that were received to fill targeted open positions for Behavioral Health Professionals.
- 7.1.4 Length of time (days) that targeted open positions for Behavioral Health Professionals were not filled from position posting through first date of employment.

7.2 For approved retention strategies:

- 7.2.1 Number of targeted filled positions for Behavioral Health Professionals that remained filled by the same individual.
- 7.2.2 Number of targeted filled positions for Behavioral Health Professionals that became vacant (i.e., an employee separation occurred)

7.3 Contractor shall measure the metrics identified in the SLFRF Subrecipient Quarterly Report Workbook, as may be amended, per the terms of Exhibit D, SLFRF Subrecipient Provisions Exhibit, where applicable.

7.4 Contractor shall provide any other narrative or reporting required by Exhibit D, SLFRF Subrecipient Provisions Exhibit, as may be amended, where applicable.



COLORADO
Behavioral Health
Administration

EXHIBIT B, FY24 ANNUAL BUDGET

BHA Program	Behavioral Health Workforce Recruitment & Retention Grant
--------------------	-----------------------------------------------------------

Agency Name	Health Services District of Northern Larimer County (Health District of Northern Larimer County)
Budget Period	Execution - 12/30/2024
Project Name	Recruitment of Child, Adolescent, and Young Adult Connections (CAYAC) Team Behavioral Health Professionals

Program Contact Name, Title	Jessica Shannon, Resource Development & Special Projects Manager
Phone	970-224-5209
Email	jshannon@healthdistrict.org
Fiscal Contract Name, Title	Laura Mai, Finance Director
Phone	970-224-5209
Email	lmair@healthdistrict.org
Date Completed	12/21/2023

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

EXPENDITURE CATEGORIES					
Personnel Services / Salaried Employees					Annual Budget
Position Title	Description of Work	Gross or Annual Salary	Fringe	Percent of Time on Project	Total Amount Requested from BHA
Psychiatric Nurse Practitioner (.6 FTE)	Responsible for providing medication consults with primary care providers; conducting psychiatric intake, screenings, and evaluations of youth; administering and monitoring medication needs; providing education to youth and their families/caregivers; and supporting community and partner education.	\$ 80,850.00	\$16,435.00	100%	\$ 97,285.00
Care Coordinator (Case Manager) (1 FTE)	Responsible for coordinating and closing the communication loop on referrals for CAYAC Team services; supporting the coordination of behavioral health assessments; behavioral health service planning coordination to arrange for treatment with community providers; facilitating successful transition of clients to community behavioral health treatment services; understanding and reducing access barriers to care; and advocating and supporting youth and families to secure additional supports and resources needed with community partners.	\$ 54,450.00	\$18,317.00	100%	\$ 72,767.00
					\$ -
Personnel Services / Hourly Employees					Annual Budget
Position Title	Description of Work	Hourly Wage	Hourly Fringe	Total # of Hours on Project	Total Amount Requested from BHA
					\$ -
Total Personnel Services (including fringe benefits)					\$ 170,052.00

Contractors / Consultants (payments to third parties or entities)				Annual Budget
Contractor Name	Description of Work	Rate	Quantity	Total Amount Requested from BHA
				\$ -
Total Travel				\$ -
Supplies & Operating Expenses				Annual Budget
Item	Description of Item	Rate	Quantity	Total Amount Requested from BHA
				\$ -
Total Supplies & Operating Expenses				\$ -
TOTAL DIRECT COSTS (TDC)				\$ 170,052.00
Less: Expenses per OMB 2CFR § 200				
Subaward in excess of \$25,000				
Rent				
Equipment in excess of \$5,000				
Other Unallowable Expenses				
Total Expenses per OMB 2CFR § 200				\$ -
MODIFIED TOTAL DIRECT COSTS (MTDC)				\$ 170,052.00
Indirect Costs				Annual Budget
Indirect Cost	Description of Item	Percentage	Total Amount Requested from BHA	
Drop Down Box	Describe what the cost includes and the use of allowance			
10% De Minimis Rate	Indirect costs include human resources, finance, grant management, information systems, quality and compliance, and other organizational and program support needs.	10%	\$ 17,005.20	
Total Indirect				\$ 17,005.00
TOTAL				\$ 187,057.00

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

Exhibit C

Miscellaneous Provisions

I. General Provisions and Requirements

A. Finance and Data Protocols

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

B. Marketing and Communications

The Contractor shall comply with the following marketing and communications requirements:

1. Reports or Evaluations. All reports or evaluations funded by BHA must be reviewed by BHA staff, including program, data, and communications, over a period of no fewer than 15 business days. The Contractor may be asked to place a report or evaluation on a BHA template and the report or evaluation is required to display the BHA logo. The Contractor shall submit the finished document to BHA in its final format and as an editable Word or Google document.
2. Press Releases. All press releases about work funded by BHA must note that the work is funded by the Colorado Department of Human Services, Behavioral Health Administration. Press releases about work funded by BHA must be reviewed by BHA program and communications staff over a period of no fewer than five business days.
3. Marketing Materials. Contractor shall include the current Colorado Department of Human Services, Behavioral Health Administration logo on any marketing materials, such as brochures or fact sheets, that advertise programs funded by this Contract. Marketing materials must be approved by the Contract's assigned BHA program contract over a period of no fewer than 5 business days.
4. All Other Documents. All other documents published by the Contractor about its BHA-funded work, including presentations or website content, should mention the Colorado Department of Human Services, Behavioral Health Administration as a funder.
5. Opinion of BHA. BHA may require the Contractor to add language to documents that mention BHA reading: "The views, opinions and content expressed do not necessarily reflect the views, opinions or policies of the Colorado Department of Human Services, Behavioral Health Administration."

C. Start-up Costs

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

D. Immediate Notification of Closures / Reductions in Force

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

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

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

F. Contract Contact Procedure

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

G. The Contractor shall comply with all the provisions and requirements of RFP IBEH 2023-255 and with Contractor's solicitation response thereto.

H. Continuity of Operations Plan

1. In the event of an emergency resulting in a disruption of normal activities, BHA may request that Contractor provide a plan describing how Contractor will ensure the execution of essential functions of the Contract, to the extent possible under the circumstances of the inciting emergency ("Continuity of Operations Plan" or "Plan").
2. The Continuity of Operations Plan must be specific and responsive to the circumstances of the identified emergency.
3. BHA will provide formal notification of receipt of the Continuity of Operations Plan to the Contractor.
4. The Continuity of Operations Plan will not impact or change the budget or any other provisions of the contract, and Contractor's performance will be held to the same standards and requirements as the original Contract terms, unless otherwise specified in the Continuity of Operations Plan.
5. Any submitted Continuity of Operations Plan will be ratified as an amendment to the contract as soon as possible.
6. Contractor shall communicate, in a format mutually agreed upon by BHA and Contractor staff, on a frequency that supports the monitoring of services under the Continuity of Operations Plan. If adjustments are needed to the Plan, such adjustments will be made in writing and accompanied by written notice of receipt from BHA.
 - a. As part of the BHA/Contractor communication during the emergency,

Contractor and BHA will evaluate whether the emergency has resolved such that normal operations may be resumed.

- b. Contractor and BHA will agree in writing when the emergency is sufficiently resolved and agree to a closeout period that is four weeks or less.
- c. BHA will submit notice accepting the termination of the Continuity of Operations Plan to the Contractor as the final action for any qualifying emergency response.

I. Cultural Responsiveness in Service Delivery

1. The Behavioral Health Administration expects funding dollars to support equity in access, services provided, and behavioral health outcomes among individuals of all cultures, gender identities, sexual orientations, races, and ethnicities. Accordingly, Contractors should collect and use data to: (1) identify priority populations vulnerable to health disparities encompassing the contractor's entire geographic service area (e.g., racial, ethnic, limited English speaking, indigenous, sexual orientation, gender identity groups, etc.) and (2) implement strategies to decrease the disparities in access, service use, and outcomes—both within those subpopulations and in comparison to the general population.
2. One strategy for addressing health disparities is the use of the recently revised National Standards for Culturally and Linguistically Appropriate Services in Health and Health Care (CLAS). The U.S. Department of Health and Human Services (HHS) Think Cultural Health website (<https://thinkculturalhealth.hhs.gov>) also features information, continuing education opportunities, resources, and more for health and health care professionals to learn about culturally and linguistically appropriate services, or CLAS.
3. Contractors providing direct behavioral health prevention, treatment, or recovery services shall submit one of the following two documents to cdhs_BHAdeliverables@state.co.us by August 31 annually:
 - a. If a provider has completed an equity plan that identifies how they will address health equity, they can submit the plan or;
 - b. Submit a completed CLAS checklist that follows this HHS format: <https://thinkculturalhealth.hhs.gov/assets/pdfs/AnImplementationChecklistfortheNationalCLASStandards.pdf>

- J. Prohibition on Marijuana. Funds may not be used, directly or indirectly, to purchase, prescribe, or provide marijuana or treatment using marijuana. Treatment in this context includes the treatment of opioid use disorder. Funds also cannot be provided to any individual who or organization that provides or permits marijuana use for the purposes of treating substance use or mental disorders. This prohibition does not apply to those providing such treatment in the context of clinical research permitted by the DEA and under an FDA-approved investigational

new drug application where the article being evaluated is marijuana or a constituent thereof that is otherwise a banned controlled substance under federal law.

K. Monitoring Requirements

If the Contractor is a subrecipient of federal funds, the Contractor shall comply with monitoring requirements indicated by the Contractor's risk level determined by the subrecipient risk assessment form completed by Contractor, which may include but are not limited to:

- Monthly/quarterly monitoring calls
- Invoice supporting documentation - e.g., timesheets, logs of travel, or wraparound service costs.
- Routine programmatic reports
- Technical assistance and training
- Site visits

II. Use of Subcontracts.

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

III. Financial Requirements

A. Funding Sources

The Contractor shall identify all funds delivered to subcontractors as state general fund, state cash funds, or federal grant dollars in **Exhibit B, "Budget."** If federal grant dollars, the Contractor shall communicate the CFDA number to all sub-contractors in their sub-contracts.

B. Program Income

Program income generated through grant funded programs are additive funding that must be utilized for a consistent purpose as outlined in 2 CFR 200.307(e)(2). If Contractor charges and receives fees for services, or otherwise receives income associated with the sponsored program, this is considered program income and is required to be tracked and managed in accordance with the conditions of the award.

C. Budget Reallocations

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

D. Payment Terms

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



EXHIBIT D

HIPAA BUSINESS ASSOCIATE / 42 PART 2

QUALIFIED SERVICE ORGANIZATION AGREEMENT

This HIPAA Business Associate/42 Part 2 Qualified Service Organization Agreement (“Agreement”) between the State and Contractor is agreed to in connection with, and as an exhibit to, the Contract. For purposes of this Agreement, the State is referred to as “Covered Entity” and the Contractor is referred to as “Business Associate”. Unless the context clearly requires a distinction between the Contract and this Agreement, all references to “Contract” shall include this Agreement.

1. PURPOSE

Covered Entity wishes to disclose information to Business Associate, which may include Protected Health Information (“PHI”). The Parties intend to protect the privacy and security of the disclosed PHI in compliance with the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), Pub. L. No. 104-191 (1996) as amended by the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”) enacted under the American Recovery and Reinvestment Act of 2009 (“ARRA”) Pub. L. No. 111-5 (2009), implementing regulations promulgated by the U.S. Department of Health and Human Services at 45 C.F.R. Parts 160, 162 and 164 (the “HIPAA Rules”) and other applicable laws, as amended. Prior to the disclosure of PHI, Covered Entity is required to enter into an agreement with Business Associate containing specific requirements as set forth in, but not limited to, Title 45, Sections 160.103, 164.502(e) and 164.504(e) of the Code of Federal Regulations (“C.F.R.”) and all other applicable laws and regulations, all as may be amended.

2. DEFINITIONS

The following terms used in this Agreement shall have the same meanings as in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

The following terms used in this Agreement shall have the meanings set forth below:

- a. Business Associate. “Business Associate” shall have the same meaning as the term “business associate” at 45 C.F.R. 160.103 and, and shall refer to Contractor.
- b. Covered Entity. “Covered Entity” shall have the same meaning as the term “covered entity” at 45 C.F.R. 160.103, and shall refer to the State.
- c. Information Technology and Information Security. “Information Technology” and “Information Security” shall have the same meanings as the terms “information technology” and “information security”, respectively, in §24-37.5-102, C.R.S.

Capitalized terms used herein and not otherwise defined herein or in the HIPAA Rules shall have the meanings ascribed to them in the Contract.

3. OBLIGATIONS AND ACTIVITIES OF BUSINESS ASSOCIATE

a. Permitted Uses and Disclosures.

- i. Business Associate shall use and disclose PHI only to accomplish Business Associate's obligations under the Contract.
- i. To the extent Business Associate carries out one or more of Covered Entity's obligations under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with any and all requirements of Subpart E that apply to Covered Entity in the performance of such obligation.
- ii. Business Associate may disclose PHI to carry out the legal responsibilities of Business Associate, provided, that the disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that:
 - A. the information will remain confidential and will be used or disclosed only as Required by Law or for the purpose for which Business Associate originally disclosed the information to that person, and;
 - B. the person notifies Business Associate of any Breach involving PHI of which it is aware.
- iii. Business Associate may provide Data Aggregation services relating to the Health Care Operations of Covered Entity. Business Associate may de-identify any or all PHI created or received by Business Associate under this Agreement, provided the de-identification conforms to the requirements of the HIPAA Rules.

d. Minimum Necessary. Business Associate, its Subcontractors and agents, shall access, use, and disclose only the minimum amount of PHI necessary to accomplish the objectives of the Contract, in accordance with the Minimum Necessary Requirements of the HIPAA Rules including, but not limited to, 45 C.F.R. 164.502(b) and 164.514(d).

e. Impermissible Uses and Disclosures.

- i. Business Associate shall not disclose the PHI of Covered Entity to another covered entity without the written authorization of Covered Entity.
- ii. Business Associate shall not share, use, disclose or make available any Covered Entity PHI in any form via any medium with or to any person or entity beyond the boundaries or jurisdiction of the United States without express written authorization from Covered Entity.

f. Business Associate's Subcontractors.

- i. Business Associate shall, in accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), ensure that any Subcontractors who create, receive, maintain, or transmit PHI on behalf of Business Associate agree in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to safeguarding PHI.

- ii. Business Associate shall provide to Covered Entity, on Covered Entity's request, a list of Subcontractors who have entered into any such agreement with Business Associate.
 - iii. Business Associate shall provide to Covered Entity, on Covered Entity's request, copies of any such agreements Business Associate has entered into with Subcontractors.
- g. Access to System. If Business Associate needs access to a Covered Entity Information Technology system to comply with its obligations under the Contract or this Agreement, Business Associate shall request, review, and comply with any and all policies applicable to Covered Entity regarding such system including, but not limited to, any policies promulgated by the Office of Information Technology and available at <https://oit.colorado.gov/standards-policies-guides/technical-standards-policies>.
- h. Access to PHI. Business Associate shall, within ten days of receiving a written request from Covered Entity, make available PHI in a Designated Record Set to Covered Entity as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.524.
- i. Amendment of PHI.
 - i. Business Associate shall within ten days of receiving a written request from Covered Entity make any amendment to PHI in a Designated Record Set as directed by or agreed to by Covered Entity pursuant to 45 C.F.R. 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.526.
 - ii. Business Associate shall promptly forward to Covered Entity any request for amendment of PHI that Business Associate receives directly from an Individual.
- j. Accounting Rights. Business Associate shall, within ten days of receiving a written request from Covered Entity, maintain and make available to Covered Entity the information necessary for Covered Entity to satisfy its obligations to provide an accounting of Disclosure under 45 C.F.R. 164.528.
- k. Restrictions and Confidential Communications.
 - i. Business Associate shall restrict the Use or Disclosure of an Individual's PHI within ten days of notice from Covered Entity of:
 - A. a restriction on Use or Disclosure of PHI pursuant to 45 C.F.R. 164.522; or
 - B. a request for confidential communication of PHI pursuant to 45 C.F.R. 164.522.
 - ii. Business Associate shall not respond directly to an Individual's requests to restrict the Use or Disclosure of PHI or to send all communication of PHI to an alternate address.
 - iii. Business Associate shall refer such requests to Covered Entity so that Covered Entity can coordinate and prepare a timely response to the requesting Individual and provide direction to Business Associate.
- l. Governmental Access to Records. Business Associate shall make its facilities, internal practices, books, records, and other sources of information, including PHI, available to the Secretary for purposes of determining compliance with the HIPAA Rules in accordance with 45 C.F.R. 160.310.

m. Audit, Inspection and Enforcement.

- i. Business Associate shall obtain and update at least annually a written assessment performed by an independent third party reasonably acceptable to Covered Entity, which evaluates the Information Security of the applications, infrastructure, and processes that interact with the Covered Entity data Business Associate receives, manipulates, stores and distributes. Upon request by Covered Entity, Business Associate shall provide to Covered Entity the executive summary of the assessment.
- ii. Business Associate, upon the request of Covered Entity, shall fully cooperate with Covered Entity's efforts to audit Business Associate's compliance with applicable HIPAA Rules. If, through audit or inspection, Covered Entity determines that Business Associate's conduct would result in violation of the HIPAA Rules or is in violation of the Contract or this Agreement, Business Associate shall promptly remedy any such violation and shall certify completion of its remedy in writing to Covered Entity.

n. Appropriate Safeguards.

- i. Business Associate shall use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic PHI to prevent use or disclosure of PHI other than as provided in this Agreement.
- ii. Business Associate shall safeguard the PHI from tampering and unauthorized disclosures.
- iii. Business Associate shall maintain the confidentiality of passwords and other data required for accessing this information.
- iv. Business Associate shall extend protection beyond the initial information obtained from Covered Entity to any databases or collections of PHI containing information derived from the PHI. The provisions of this section shall be in force unless PHI is de-identified in conformance to the requirements of the HIPAA Rules.

o. Safeguard During Transmission.

- i. Business Associate shall use reasonable and appropriate safeguards including, without limitation, Information Security measures to ensure that all transmissions of PHI are authorized and to prevent use or disclosure of PHI other than as provided for by this Agreement.
- ii. Business Associate shall not transmit PHI over the internet or any other insecure or open communication channel unless the PHI is encrypted or otherwise safeguarded with a FIPS-compliant encryption algorithm.

p. Reporting of Improper Use or Disclosure and Notification of Breach.

- i. Business Associate shall, as soon as reasonably possible, but immediately after discovery of a Breach, notify Covered Entity of any use or disclosure of PHI not provided for by this Agreement, including a Breach of Unsecured Protected Health Information as such notice is

required by 45 C.F.R. 164.410 or a breach for which notice is required under §24-73-103, C.R.S.

- ii. Such notice shall include the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach.
- iii. Business Associate shall, as soon as reasonably possible, but immediately after discovery of any Security Incident that does not constitute a Breach, notify Covered Entity of such incident.
- iv. Business Associate shall have the burden of demonstrating that all notifications were made as required, including evidence demonstrating the necessity of any delay.

q. Business Associate's Insurance and Notification Costs.

- i. Business Associate shall bear all costs of a Breach response including, without limitation, notifications, and shall maintain insurance to cover:
 - A. loss of PHI data;
 - B. Breach notification requirements specified in HIPAA Rules and in §24-73-103, C.R.S.; and
 - C. claims based upon alleged violations of privacy rights through improper use or disclosure of PHI.
- ii. All such policies shall meet or exceed the minimum insurance requirements of the Contract or otherwise as may be approved by Covered Entity (e.g., occurrence basis, combined single dollar limits, annual aggregate dollar limits, additional insured status, and notice of cancellation).
- iii. Business Associate shall provide Covered Entity a point of contact who possesses relevant Information Security knowledge and is accessible 24 hours per day, 7 days per week to assist with incident handling.
- iv. Business Associate, to the extent practicable, shall mitigate any harmful effect known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of this Agreement.

r. Subcontractors and Breaches.

- i. Business Associate shall enter into a written agreement with each of its Subcontractors and agents, who create, receive, maintain, or transmit PHI on behalf of Business Associate. The agreements shall require such Subcontractors and agents to report to Business Associate any use or disclosure of PHI not provided for by this Agreement, including Security Incidents and Breaches of Unsecured Protected Health Information, on the first day such Subcontractor or agent knows or should have known of the Breach as required by 45 C.F.R. 164.410.

- ii. Business Associate shall notify Covered Entity of any such report and shall provide copies of any such agreements to Covered Entity on request.
- s. Data Ownership.
 - i. Business Associate acknowledges that Business Associate has no ownership rights with respect to the PHI.
 - ii. Upon request by Covered Entity, Business Associate immediately shall provide Covered Entity with any keys to decrypt information that the Business Association has encrypted and maintains in encrypted form, or shall provide such information in unencrypted usable form.
- t. Retention of PHI. Except upon termination of this Agreement as provided in Section 5, below, Business Associate and its Subcontractors or agents shall retain all PHI throughout the term of this Agreement, and shall continue to maintain the accounting of disclosures required under Section 3.h, above, for a period of six years.

4. OBLIGATIONS OF COVERED ENTITY

- a. Safeguards During Transmission. Covered Entity shall be responsible for using appropriate safeguards including encryption of PHI, to maintain and ensure the confidentiality, integrity, and security of PHI transmitted pursuant to this Agreement, in accordance with the standards and requirements of the HIPAA Rules.
- b. Notice of Changes.
 - i. Covered Entity maintains a copy of its Notice of Privacy Practices on its website. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission to use or disclose PHI, to the extent that it may affect Business Associate's permitted or required uses or disclosures.
 - ii. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. 164.522, to the extent that it may affect Business Associate's permitted use or disclosure of PHI.

5. TERMINATION

- a. Breach.
 - i. In addition to any Contract provision regarding remedies for breach, Covered Entity shall have the right, in the event of a breach by Business Associate of any provision of this Agreement, to terminate immediately the Contract, or this Agreement, or both.
 - ii. Subject to any directions from Covered Entity, upon termination of the Contract, this Agreement, or both, Business Associate shall take timely, reasonable, and necessary action to protect and preserve property in the possession of Business Associate in which Covered Entity has an interest.

b. Effect of Termination.

- i. Upon termination of this Agreement for any reason, Business Associate, at the option of Covered Entity, shall return or destroy all PHI that Business Associate, its agents, or its Subcontractors maintain in any form, and shall not retain any copies of such PHI.
- ii. If Covered Entity directs Business Associate to destroy the PHI, Business Associate shall certify in writing to Covered Entity that such PHI has been destroyed.
- iii. If Business Associate believes that returning or destroying the PHI is not feasible, Business Associate shall promptly provide Covered Entity with notice of the conditions making return or destruction infeasible. Business Associate shall continue to extend the protections of Section 3 of this Agreement to such PHI, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible.

6. INJUNCTIVE RELIEF

Covered Entity and Business Associate agree that irreparable damage would occur in the event Business Associate or any of its Subcontractors or agents use or disclosure of PHI in violation of this Agreement, the HIPAA Rules or any applicable law. Covered Entity and Business Associate further agree that money damages would not provide an adequate remedy for such Breach. Accordingly, Covered Entity and Business Associate agree that Covered Entity shall be entitled to injunctive relief, specific performance, and other equitable relief to prevent or restrain any Breach or threatened Breach of and to enforce specifically the terms and provisions of this Agreement.

7. LIMITATION OF LIABILITY

Any provision in the Contract limiting Contractor's liability shall not apply to Business Associate's liability under this Agreement, which shall not be limited.

8. DISCLAIMER

Covered Entity makes no warranty or representation that compliance by Business Associate with this Agreement or the HIPAA Rules will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made and actions taken by Business Associate regarding the safeguarding of PHI.

9. CERTIFICATION

Covered Entity has a legal obligation under HIPAA Rules to certify as to Business Associate's Information Security practices. Covered Entity or its authorized agent or contractor shall have the right to examine Business Associate's facilities, systems, procedures, and records, at Covered Entity's expense, if Covered Entity determines that examination is necessary to certify that Business Associate's Information Security safeguards comply with the HIPAA Rules or this Agreement.

10. AMENDMENT

- a. Amendment to Comply with Law. The Parties acknowledge that state and federal laws and regulations relating to data security and privacy are rapidly evolving and that amendment of this Agreement may be required to provide procedures to ensure compliance with such developments.
 - i. In the event of any change to state or federal laws and regulations relating to data security and privacy affecting this Agreement, the Parties shall take such action as is necessary to implement the changes to the standards and requirements of HIPAA, the HIPAA Rules and other applicable rules relating to the confidentiality, integrity, availability and security of PHI with respect to this Agreement.
 - ii. Business Associate shall provide to Covered Entity written assurance satisfactory to Covered Entity that Business Associate shall adequately safeguard all PHI, and obtain written assurance satisfactory to Covered Entity from Business Associate's Subcontractors and agents that they shall adequately safeguard all PHI.
 - iii. Upon the request of either Party, the other Party promptly shall negotiate in good faith the terms of an amendment to the Contract embodying written assurances consistent with the standards and requirements of HIPAA, the HIPAA Rules, or other applicable rules.
 - iv. Covered Entity may terminate this Agreement upon 30 days' prior written notice in the event that:
 - A. Business Associate does not promptly enter into negotiations to amend the Contract and this Agreement when requested by Covered Entity pursuant to this Section; or
 - B. Business Associate does not enter into an amendment to the Contract and this Agreement, which provides assurances regarding the safeguarding of PHI sufficient, in Covered Entity's sole discretion, to satisfy the standards and requirements of the HIPAA, the HIPAA Rules and applicable law.
- b. Amendment of Appendix. The Appendix to this Agreement may be modified or amended by the mutual written agreement of the Parties, without amendment of this Agreement. Any modified or amended Appendix agreed to in writing by the Parties shall supersede and replace any prior version of the Appendix.

11. ASSISTANCE IN LITIGATION OR ADMINISTRATIVE PROCEEDINGS

Covered Entity shall provide written notice to Business Associate if litigation or administrative proceeding is commenced against Covered Entity, its directors, officers, or employees, based on a claimed violation by Business Associate of HIPAA, the HIPAA Rules or other laws relating to security and privacy or PHI. Upon receipt of such notice and to the extent requested by Covered Entity, Business Associate shall, and shall cause its employees, Subcontractors, or agents assisting Business Associate in the performance of its obligations under the Contract to, assist Covered Entity in the defense of such litigation or proceedings. Business Associate shall, and shall cause its employees, Subcontractor's and agents to, provide assistance, to Covered Entity, which may

include testifying as a witness at such proceedings. Business Associate or any of its employees, Subcontractors or agents shall not be required to provide such assistance if Business Associate is a named adverse party.

12. INTERPRETATION AND ORDER OF PRECEDENCE

Any ambiguity in this Agreement shall be resolved in favor of a meaning that complies and is consistent with the HIPAA Rules. In the event of an inconsistency between the Contract and this Agreement, this Agreement shall control. This Agreement supersedes and replaces any previous, separately executed HIPAA business associate agreement between the Parties.

13. SURVIVAL

Provisions of this Agreement requiring continued performance, compliance, or effect after termination shall survive termination of this contract or this agreement and shall be enforceable by Covered Entity.

APPENDIX TO HIPAA BUSINESS ASSOCIATE AGREEMENT

This Appendix (“Appendix”) to the HIPAA Business Associate Agreement (“Agreement”) is s an appendix to the Contract and the Agreement. For the purposes of this Appendix, defined terms shall have the meanings ascribed to them in the Agreement and the Contract.

Unless the context clearly requires a distinction between the Contract, the Agreement, and this Appendix, all references to “Contract” or “Agreement” shall include this Appendix.

1. PURPOSE

This Appendix sets forth additional terms to the Agreement. Any sub-section of this Appendix marked as “Reserved” shall be construed as setting forth no additional terms.

2. ADDITIONAL TERMS

- a. Additional Permitted Uses. In addition to those purposes set forth in the Agreement, Business Associate may use PHI for the following additional purposes:
 - i. Reserved.
- b. Additional Permitted Disclosures. In addition to those purposes set forth in the Agreement, Business Associate may disclose PHI for the following additional purposes:
 - i. Reserved.
- c. Approved Subcontractors. Covered Entity agrees that the following Subcontractors or agents of Business Associate may receive PHI under the Agreement:
 - i. Reserved.
- d. Definition of Receipt of PHI. Business Associate’s receipt of PHI under this Contract shall be deemed to occur, and Business Associate’s obligations under the Agreement shall commence, as follows:
 - i. Reserved.
- e. Additional Restrictions on Business Associate. Business Associate agrees to comply with the following additional restrictions on Business Associate’s use and disclosure of PHI under the Contract:
 - i. Reserved.
 - ii. The Associate:
 - A. Acknowledges this agreement qualifies as a Qualified Service Organization Addendum as the agreement is between a Substance Abuse Program (“Program”) and a Qualified Service Organization as defined by 42 C.F.R. Part 2.

- B. Acknowledges that in receiving, transmitting, transporting, storing, processing or otherwise dealing with any information received from the Program identifying or otherwise relating to the patient in the Program (“protected information”), it is fully bound by the provisions of the federal regulations governing the Confidentiality of Alcohol and Drug Abuse Patient Records, 42 C.F.R. Part 2. Protected information encompasses protected health information (“PHI”) and references to PHI shall be understood to include protected information.
 - C. Agrees to resist any efforts in judicial proceeding to obtain access to the protected information except as expressly provided for in the regulations governing the Confidentiality of Alcohol and Drug Abuse patient Records, 42 C.F.R. Part 2.
 - D. Agrees that if the Associate enters into a contract with any agent or subcontractor, the agent or subcontractor will agree to comply with 42 C.F.R. Part 2.
 - E. Agrees to ensure that any agent or subcontractor to whom the Associate provides protected information received from the Program, or creates or receives on behalf of the Program, agrees to the same restrictions and conditions that apply through this agreement to the Associate with respect to such information.
 - F. Agrees that redisclosure of protected information is prohibited unless permitted by 42 C.F.R. Part 2.
- f. Additional Terms. Business Associate agrees to comply with the following additional terms under the Agreement.
- i. Reserved.



EXHIBIT E - Supplemental Provisions for Federal Awards

For the purposes of this Exhibit only, Contractor is also identified as “Subrecipient.” This Contract has been funded, in whole or in part, with an award of Federal funds. In the event of a conflict between the provisions of these Supplemental Provisions for Federal Awards, the Special Provisions, the Contract or any attachments or exhibits incorporated into and made a part of the Contract, the Supplemental Provisions for Federal Awards shall control. In the event of a conflict between the Supplemental Provisions for Federal Awards and the FFATA Supplemental Provisions (if any), and/or exhibit regarding SLFRF Federal Provisions, the terms re FFATA and/or SLFRF shall control. If the source of the funding of the Contract is a grant, these Federal Provisions are subject to the Award as defined in §2 of these Federal Provisions, as may be revised pursuant to ongoing guidance from the relevant Federal or State of Colorado agency or institutions of higher education.

1) Federal Award Identification

- i. Subrecipient: Health Services District of Northern Larimer County;
- ii. Subrecipient UEI number: S3MHKEVB16X8;
- iii. The Federal Award Identification Number (FAIN) is: SLFRFP0126;
- iv. The Federal award date is: May 18, 2021;
- v. The subaward period of performance start date is July 1, 2023, and end date is December 30, 2024;
- vi. Federal Funds:

Contract or Fiscal Year	Amount of Federal funds obligated by this Contract	Total amount of Federal funds obligated to the Subrecipient	Total amount of the Federal Award committed to Subrecipient by CDHS
FY 24 & 25 ARPA	\$187,057	\$187,057	\$187,057

- vii. Federal award project description: provide recovery support services to target populations.
 - viii. The name of the Federal awarding agency is Substance Abuse and Mental Health Services Administration (SAMHSA); the name of the pass-through entity is the State of Colorado, Department of Human Services (CDHS); and the contact information for the awarding official for MHBG is: Steven Fry, Division of Grants Management, SAMHSA, 7-1109, 1 Choke Cherry Road, Rockville, MD 20857, 240-276-1422, Steven.Fry@samhsa.hhs.gov;
 - i. The Catalog of Federal Domestic Assistance (CFDA) number is 21.027, name is **Coronavirus State and Local Fiscal Recovery Funds**, and dollar amount is **\$3,828,761,790**;
 - ix. This award is **not** for research & development;
 - x. The indirect cost rate for the Federal award (including if the de minimis rate is charged per 2 CFR §200.414 Indirect (F&A) costs) is pre-determined based upon the State of Colorado and CDHS cost allocation plan.
- 2) All requirements imposed by CDHS on Subrecipient so that the Federal award is used in accordance with Federal statutes, regulations, and the terms and conditions of the Federal award, are stated in Exhibits A, E, and F.

- 3) Any additional requirements that CDHS imposes on Subrecipient in order for CDHS to meet its own responsibility to the Federal awarding agency, including identification of any required financial and performance reports, are stated in Exhibits B, C, and D.
- 4) Subrecipient's approved indirect cost rate is **10 %**.
- 5) Subrecipient must permit CDHS and auditors to have access to Subrecipient's records and financial statements as necessary for CDHS to meet the requirements of 2 CFR §200.331 Requirements for pass-through entities, §§ 200.300 Statutory and National Policy Requirements through §200.309 Period of performance, and Subpart F—Audit Requirements of this Part.
- 6) The appropriate terms and conditions concerning closeout of the subaward are listed in Section 16 of this Exhibit and N/A.
- 7) **Performance and Final Status.** Subrecipient shall submit all financial, performance, and other reports to CDHS no later than **30** calendar days after the period of performance end date or sooner termination of this Contract containing an evaluation and review of Subrecipient's performance and the final status of Subrecipient's obligations hereunder.
- 8) **Matching Funds**

If a box below is checked, the accompanying provision applies.

- i. ☒ Subrecipient is not required to provide matching funds.
- ii. ☐ Subrecipient shall provide matching funds as stated in **n/a**. Subrecipient shall have raised the full amount of matching funds prior to the Effective Date and shall report to CDHS regarding the status of such funds upon request. Subrecipient's obligation to pay all or any part of any matching funds, whether direct or contingent, only extends to funds duly and lawfully appropriated for the purposes of this Contract by the authorized representatives of the Subrecipient and paid into the Subrecipient's treasury or bank account. Subrecipient represents to CDHS that the amount designated as matching funds has been legally appropriated for the purposes of this Contract by its authorized representatives and paid into its treasury or bank account. Subrecipient does not by this Contract irrevocably pledge present cash reserves for payments in future fiscal years, and this Contract is not intended to create a multiple-fiscal year debt of the Subrecipient. Subrecipient shall not pay or be liable for any claimed interest, late charges, fees, taxes or penalties of any nature, except as required by Subrecipient's laws or policies.

1. DEFINITIONS.

- 1.1. For the purposes of these Federal Provisions, the following terms shall have the meanings ascribed to them below.
 - 1.1.1. "Award" means an award of Federal financial assistance, and the Contract setting forth the terms and conditions of that financial assistance, that a non-Federal Entity receives or administers.
 - 1.1.1.1. Awards may be in the form of:
 - 1.1.1.1.2. Grants;
 - 1.1.1.1.3. Contracts;
 - 1.1.1.1.4. Cooperative Contracts, which do not include cooperative research and development Contracts (CRDA) pursuant to the Federal Technology Transfer Act of 1986, as amended (15 U.S.C. 3710);
 - 1.1.1.1.5. Loans;
 - 1.1.1.1.6. Loan Guarantees;
 - 1.1.1.1.7. Subsidies;
 - 1.1.1.1.8. Insurance;

- 1.1.1.1.9. Food commodities;
- 1.1.1.1.10. Direct appropriations;
- 1.1.1.1.11. Assessed and voluntary contributions; and
- 1.1.1.1.12. Other financial assistance transactions that authorize the expenditure of Federal funds by non-Federal Entities.
- 1.1.1.1.13. Any other items specified by OMB in policy memoranda available at the OMB website or other source posted by the OMB.
- 1.1.1.2. Award **does not** include:
 - 1.1.1.2.1. Technical assistance, which provides services in lieu of money;
 - 1.1.1.2.2. A transfer of title to Federally-owned property provided in lieu of money; even if the award is called a grant;
 - 1.1.1.2.3. Any award classified for security purposes; or
 - 1.1.1.2.4. Any award funded in whole or in part with Recovery funds, as defined in section 1512 of the American Recovery and Reinvestment Act (ARRA) of 2009 (Public Law 111-5).
- 1.1.2. “Contract” means the Contract to which these Federal Provisions are attached and includes all Award types in § of this Exhibit.
- 1.1.3. “Contractor” means the party or parties to a Contract funded, in whole or in part, with Federal financial assistance, other than the Prime Recipient, and includes grantees, subgrantees, Subrecipients, and borrowers. For purposes of Transparency Act reporting, Contractor does not include Vendors.
- 1.1.4. “Data Universal Numbering System (DUNS) Number” means the nine-digit number established and assigned by Dun and Bradstreet, Inc. to uniquely identify a business entity. Dun and Bradstreet’s website may be found at: <http://fedgov.dnb.com/webform>.
- 1.1.5. “Entity” means:
 - 1.1.5.1. If the source of funding is a Grant:
 - 1.1.5.1.1. a Non-Federal Entity;
 - 1.1.5.1.2. a foreign public entity;
 - 1.1.5.1.3. a foreign organization;
 - 1.1.5.1.4. a non-profit organization;
 - 1.1.5.1.5. a domestic for-profit organization (for 2 CFR parts 25 and 170 only);
 - 1.1.5.1.6. a foreign non-profit organization (only for 2 CFR part 170) only);
 - 1.1.5.1.7. a Federal agency, but only as a Subrecipient under an Award or Subaward to a non-Federal entity (or 2 CFR 200.1); or
 - 1.1.5.1.8. a foreign for-profit organization (for 2 CFR part 170 only).
 - 1.1.5.2. If the source of funding is not a Grant:
 - 1.1.5.2.1. all of the following as defined at 2 CFR part 25, subpart C;
 - 1.1.5.2.2. A governmental organization, which is a State, local government, or Indian Tribe;
 - 1.1.5.3. a foreign public entity;
 - 1.1.5.4. a domestic or foreign non-profit organization;
 - 1.1.5.5. a domestic or foreign for-profit organization; and

1.1.5.6. a Federal agency, but only a Subrecipient under an Award or Subaward to a non-Federal entity.

- 1.1.6. “Executive” means an officer, managing partner or any other employee in a management position.
- 1.1.7. If the source of funding is a Grant, “Federal Awarding Agency” means a Federal agency providing a Federal Award to a Recipient as described in 2 CFR 200.1. If the source of funding is not a Grant, “Federal Award Identification Number (FAIN)” means an Award number assigned by a Federal agency to a Prime Recipient.
- 1.1.8. “FFATA” means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252. FFATA, as amended, also is referred to as the “Transparency Act.”
- 1.1.9. “Federal Provisions” means these Federal Provisions subject to the Transparency Act and Uniform Guidance, as may be revised pursuant to ongoing guidance from the relevant Federal or State of Colorado agency or institutions of higher education.
- 1.1.10. If the source of funding is a Grant, “Grant” as used herein is the Contract to which these Federal Provisions are attached.
- 1.1.11. “Grantee” means the party or parties identified as such in the Grant to which these Federal Provisions are attached if the source of funding is a Grant.
- 1.1.12. “Non-Federal Entity” means a State, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a Federal Award as a Recipient or a Subrecipient.
- 1.1.13. “Nonprofit Organization” means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:
 - 1.1.13.1. Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
 - 1.1.13.2. Is not organized primarily for profit; and
 - 1.1.13.3. Uses net proceeds to maintain, improve, or expand the operations of the organization.
- 1.1.14. “OMB” means the Executive Office of the President, Office of Management and Budget.
- 1.1.15. “Pass-through Entity” means a non-Federal Entity that provides a Subaward to a Subrecipient to carry out part of a Federal program.
- 1.1.16. “Prime Recipient” means a Colorado State agency or institution of higher education that receives an Award, or, if the source of funding is a Grant it is that agency or institution identified as the Grantor in the Grant to which these Federal Provisions are attached.
- 1.1.17. “Subaward” means an award by a Prime Recipient to a Subrecipient funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to the Subaward unless the terms and conditions of the Federal Award specifically indicate otherwise in accordance with 2 CFR 200.101 or 2 CFR 200.38, as applicable. The term does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- 1.1.18. “Subrecipient” or, if the source of funding is a Grant, “Subgrantee” means a non-Federal Entity (or a Federal agency under an Award or Subaward to a non-Federal Entity) receiving Federal funds through a Prime Recipient to support the performance of the Federal project or program for which the Federal funds were awarded. A Subrecipient is subject to the terms and conditions of the Federal Award to the Prime Recipient, including program compliance requirements. The term “Subrecipient” includes and may be referred to as Subgrantee. The term does not include an individual who is a beneficiary of a federal program.
- 1.1.19. “Subrecipient Parent DUNS Number” means the subrecipient parent organization’s 9-digit Data Universal Numbering System (DUNS) number that appears in the subrecipient’s System for Award Management (SAM) profile, if applicable.

- 1.1.20. “System for Award Management (SAM)” means the Federal repository into which an Entity must enter the information required under the Transparency Act, which may be found at <http://www.sam.gov>.
- 1.1.21. “Total Compensation” means the cash and noncash dollar value earned by an Executive during the Prime Recipient’s or Subrecipient’s preceding fiscal year (see 48 CFR 52.204-10, as prescribed in 48 CFR 4.1403(a), as applicable) and includes the following:
- 1.1.21.1. Salary and bonus;
 - 1.1.21.2. Awards of stock, stock options, and stock appreciation rights, using the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2005) (FAS 123R), Shared Based Payments;
 - 1.1.21.3. Earnings for services under non-equity incentive plans, not including group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of Executives and are available generally to all salaried employees;
 - 1.1.21.4. Change in present value of defined benefit and actuarial pension plans;
 - 1.1.21.5. Above-market earnings on deferred compensation which is not tax-qualified;
 - 1.1.21.6. Other compensation, if the aggregate value of all such other compensation (e.g., severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the Executive exceeds \$10,000.
- 1.1.22. “Transparency Act” means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252. The Transparency Act may also be referred to as FFATA.
- 1.1.23. “Uniform Guidance” means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which, unless the source of funding is a Grant, supersedes requirements from OMB Circulars A-21, A-87, A-110, and A-122, OMB Circulars A-89, A-102, and A-133, and the guidance in Circular A-50 on Single Audit Act follow-up. The terms and conditions of the Uniform Guidance flow down to Awards to Subrecipients unless the Uniform Guidance or the terms and conditions of the Federal Award specifically indicate otherwise.
- 1.1.24. “Vendor” means a dealer, distributor, merchant or other seller providing property or services required for a project or program funded by an Award. A Vendor is not a Prime Recipient or a Subrecipient and is not subject to the terms and conditions of the Federal award. Program compliance requirements do not pass through to a Vendor.

2. COMPLIANCE.

- 2.1. Contractor/Grantee shall comply with all applicable provisions of the Transparency Act and the regulations issued pursuant thereto, all applicable provisions of the Uniform Guidance, including, but not limited to, all applicable Federal Laws and regulations required by this Federal Award. Any revisions to such provisions or regulations shall automatically become a part of these Federal Provisions, without the necessity of either party executing any further instrument. The State of Colorado, at its discretion, may provide written notification to Contractor/Grantee of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.

3. SYSTEM FOR AWARD MANAGEMENT (SAM) AND DATA UNIVERSAL NUMBERING SYSTEM (DUNS) REQUIREMENTS.

- 3.1. SAM. Contractor/Grantee shall maintain the currency of its information in SAM until the Contractor/Grantee submits the final financial report required under the Award or receives final payment, whichever is later. Contractor/Grantee shall review and update SAM information at least annually after the initial registration, and more frequently if required by changes in its information.

- 3.2. DUNS. Contractor/Grantee shall provide its DUNS number to its Prime Recipient, and shall update Contractor's/Grantee's information in Dun & Bradstreet, Inc. at least annually after the initial registration, and more frequently if required by changes in Contractor's/Grantee's information.

4. TOTAL COMPENSATION.

- 4.1. Contractor/Grantee shall include Total Compensation in SAM for each of its five most highly compensated Executives for the preceding fiscal year if:
- 4.1.1. The total Federal funding authorized to date under the Award is \$30,000 or more if the source of funding is a Grant, or otherwise \$25,000 or more if the source of funding is not a Grant; and
- 4.1.2. In the preceding fiscal year, Contractor/Grantee received:
- 4.1.2.1. 80% or more of its annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and
- 4.1.2.2. \$30,000,000 or more in annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act if the source of funding is a Grant or otherwise \$25,000,000 or more in annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act if the source of funding is not a Grant; and
- 4.1.2.3. The public does not have access to information about the compensation of such Executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d) or § 6104 of the Internal Revenue Code of 1986.

5. REPORTING.

- 5.1. If Contractor/Grantee is a Subrecipient of the Award pursuant to the Transparency Act, Grantee shall report data elements to SAM and to the Prime Recipient as required in this Exhibit. No direct payment shall be made to Grantee for providing any reports required under these Federal Provisions and the cost of producing such reports shall be included in the Contract/Grant price. The reporting requirements in this Exhibit are based on guidance from the US Office of Management and Budget (OMB), and as such are subject to change at any time by OMB. Any such changes shall be automatically incorporated into this Contract/Grant and shall become part of Contractor's/Grantee's obligations under this Contract/Grant.

6. EFFECTIVE DATE AND DOLLAR THRESHOLD FOR REPORTING.

- 6.1. If the source of funding is a Grant, Reporting requirements in §8 below apply to new Awards as of October 1, 2010, if the initial award is \$30,000 or more. If the initial Award is below \$30,000 but subsequent Award modifications result in a total Award of \$30,000 or more, the Award is subject to the reporting requirements as of the date the Award exceeds \$30,000. If the initial Award is \$30,000 or more, but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the Award shall continue to be subject to the reporting requirements.
- 6.2. If the source of funding is not a Grant, Reporting requirements in §8 below apply to new Awards as of October 1, 2010, if the initial award is \$25,000 or more. If the initial Award is below \$25,000 but subsequent Award modifications result in a total Award of \$25,000 or more, the Award is subject to the reporting requirements as of the date the Award exceeds \$25,000. If the initial Award is \$25,000 or more, but funding is subsequently de-obligated such that the total award amount falls below \$25,000, the Award shall continue to be subject to the reporting requirements.
- 6.3. The procurement standards in §9 below are applicable to new Awards made by Prime Recipient as of December 26, 2015. The standards set forth in §11 below are applicable to audits of fiscal years beginning on or after December 26, 2014.

7. SUBRECIPIENT REPORTING REQUIREMENTS.

- 7.1. If Contractor/Grantee is a Subrecipient, Contractor/Grantee shall report as set forth below.

- 7.1.1. To SAM. A Subrecipient shall register in SAM and report the following data elements in SAM *for each* Federal Award Identification Number (FAIN) assigned by a Federal agency to a Prime Recipient no later than the end of the month following the month in which the Subaward was made:
 - 7.1.1.1. Subrecipient DUNS Number;
 - 7.1.1.2. Subrecipient DUNS Number if more than one electronic funds transfer (EFT) account;
 - 7.1.1.3. Subrecipient parent's organization DUNS Number;
 - 7.1.1.4. Subrecipient's address, including: Street Address, City, State, Country, Zip (+ 4 if source of funding is a Grant or as otherwise directed per SAM directives for proper reporting), and Congressional District;
 - 7.1.1.5. Subrecipient's top 5 most highly compensated Executives if the criteria in §4 above are met; and
 - 7.1.1.6. Subrecipient's Total Compensation of top 5 most highly compensated Executives if the criteria in §4 above met.
- 7.1.2. To Prime Recipient. A Subrecipient shall report to its Prime Recipient, upon the effective date of the Contract/Grant, the following data elements:
 - 7.1.2.1. Subrecipient's DUNS Number as registered in SAM.
 - 7.1.2.2. Primary Place of Performance Information, including: Street Address, City, State, Country, Zip code + 4, and Congressional District.

8. PROCUREMENT STANDARDS.

- 8.1. Procurement Procedures. A Subrecipient shall use its own documented procurement procedures which reflect applicable State, local, and Tribal laws and applicable regulations, provided that the procurements conform to applicable Federal law and the standards identified in the Uniform Guidance, including without limitation, 2 CFR 200.318 through 200.327 thereof.
- 8.2. If the source of funding is a Grant: Domestic preference for procurements (2 CFR 200.322). As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all contracts and purchase orders for work or products under this award.
- 8.3. Procurement of Recovered Materials. If a Subrecipient is a State Agency or an agency of a political subdivision of the State, its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247, that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

9. ACCESS TO RECORDS.

- 9.1. A Subrecipient shall permit Recipient/Prime Recipient and its auditors to have access to Subrecipient's records and financial statements as necessary for Recipient to meet the requirements of 2 CFR 200.311-200.332 (Requirements for pass-through entities), 2 CFR 200.300 (Statutory and national policy requirements) through 2 CFR 200.309 (Period of performance), and Subpart F-Audit Requirements of the Uniform Guidance.

10. SINGLE AUDIT REQUIREMENTS.

- 10.1. If a Subrecipient expends \$750,000 or more in Federal Awards during the Subrecipient's fiscal year, the Subrecipient shall procure or arrange for a single or program-specific audit conducted for that year in accordance with the provisions of Subpart F-Audit Requirements of the Uniform Guidance, issued pursuant to the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507). 2 CFR 200.501.
- 10.1.1. Election. A Subrecipient shall have a single audit conducted in accordance with Uniform Guidance 2 CFR 200.514 (Scope of audit), except when it elects to have a program-specific audit conducted in accordance with 2 CFR 200.507 (Program-specific audits). The Subrecipient may elect to have a program-specific audit if Subrecipient expends Federal Awards under only one Federal program (excluding research and development) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of Prime Recipient. A program-specific audit may not be elected for research and development unless all of the Federal Awards expended were received from Recipient and Recipient approves in advance a program-specific audit.
- 10.1.2. Exemption. If a Subrecipient expends less than \$750,000 in Federal Awards during its fiscal year, the Subrecipient shall be exempt from Federal audit requirements for that year, except as noted in 2 CFR 200.503 (Relation to other audit requirements), but records shall be available for review or audit by appropriate officials of the Federal agency, the State, and the Government Accountability Office.
- 10.1.3. Subrecipient Compliance Responsibility. A Subrecipient shall procure or otherwise arrange for the audit required by Subpart F of the Uniform Guidance and ensure it is properly performed and submitted when due in accordance with the Uniform Guidance. Subrecipient shall prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with 2 CFR 200.510 (Financial statements) and provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by Uniform Guidance Subpart F-Audit Requirements.

11. CONTRACT/GRANT PROVISIONS FOR SUBRECIPIENT CONTRACTS.

- 11.1. In addition to other provisions required by the Federal Awarding Agency or the Prime Recipient, Contractors/Grantees that are Subrecipients shall comply with the following provisions. Subrecipients shall include all of the following applicable provisions in all subcontracts entered into by it pursuant to this Contract/Grant.
- 11.1.1. [Applicable to federally assisted construction contracts.] Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 shall include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.
- 11.1.2. [Applicable to on-site employees working on government-funded construction, alteration and repair projects.] Davis-Bacon Act. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148).
- 11.1.3. Rights to Inventions Made Under a contract/grant or agreement. If the Federal Award meets the definition of "funding agreement"/ "funding Contract" under 37 CFR 401.2 (a) and the Prime Recipient or Subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement,"/"funding Contract", the Prime Recipient or Subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the Federal Awarding Agency.

- 11.1.4. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended. Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal awardee(s) to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal Awarding Agency and the Regional Office of the Environmental Protection Agency (EPA).
- 11.1.5. Debarment and Suspension (Executive Orders 12549 and 12689). A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- 11.1.6. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- 11.1.7. Never contract with the enemy (2 CFR 200.215). Federal awarding agencies and recipients are subject to the regulations implementing "Never contract with the enemy" in 2 CFR part 183. The regulations in 2 CFR part 183 affect covered contracts, grants and cooperative agreements that are expected to exceed \$50,000 within the period of performance, are performed outside the United States and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities.
- 11.1.8. Prohibition on certain telecommunications and video surveillance services or equipment (2 CFR 200.216). Grantee is prohibited from obligating or expending loan or grant funds on certain telecommunications and video surveillance services or equipment pursuant to 2 CFR 200.216.

12. CERTIFICATIONS.

- 12.1. Unless prohibited by Federal statutes or regulations, Recipient/Prime Recipient may require Subrecipient to submit certifications and representations required by Federal statutes or regulations on an annual basis. 2 CFR 200.208. Submission may be required more frequently if Subrecipient fails to meet a requirement of the Federal award. Subrecipient shall certify in writing to the State at the end of the Award that the project or activity was completed or the level of effort was expended. 2 CFR 200.201(3). If the required level of activity or effort was not carried out, the amount of the Award must be adjusted.

13. EXEMPTIONS.

- 13.1. These Federal Provisions do not apply to an individual who receives an Award as a natural person, unrelated to any business or non-profit organization he or she may own or operate in his or her name.
- 13.2. A Contractor/Grantee with gross income from all sources of less than \$300,000 in the previous tax year is exempt from the requirements to report Subawards and the Total Compensation of its most highly compensated Executives.

14. EVENT OF DEFAULT AND TERMINATION.

- 14.1. Failure to comply with these Federal Provisions shall constitute an event of default under the Contract/Grant and the State of Colorado may terminate the Contract/Grant upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30-day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Contract/Grant, at law or in equity.
- 14.2. Termination (2 CFR 200.340). The Federal Award may be terminated in whole or in part as follows:

- 14.2.1. By the Federal Awarding Agency or Pass-through Entity, if a Non-Federal Entity fails to comply with the terms and conditions of a Federal Award;
- 14.2.2. By the Federal awarding agency or Pass-through Entity, to the greatest extent authorized by law, if an award no longer effectuates the program goals or agency priorities;
- 14.2.3. By the Federal awarding agency or Pass-through Entity with the consent of the Non-Federal Entity, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated;
- 14.2.4. By the Non-Federal Entity upon sending to the Federal Awarding Agency or Pass-through Entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Federal Awarding Agency or Pass-through Entity determines in the case of partial termination that the reduced or modified portion of the Federal Award or Subaward will not accomplish the purposes for which the Federal Award was made, the Federal Awarding Agency or Pass-through Entity may terminate the Federal Award in its entirety; or
- 14.2.5. By the Federal Awarding Agency or Pass-through Entity pursuant to termination provisions included in the Federal Award.

EXHIBIT END

V.5



EXHIBIT F- SLFRF SUBRECIPIENT PROVISIONS EXHIBIT (CDHS)

This Exhibit and the Appendices hereto apply regarding the use of State and Local Fiscal Recovery Funds (SLFRF) to comply with requirements established by the U.S. Department of Treasury and the Colorado Department of Personnel & Administration, Office of the State Controller re the Colorado Department of Human Services (CDHS).

This SLFRF Provisions Exhibit may supplement other Exhibit(s) to the instant Agreement. In the event that terms on prior Exhibit(s) to the instant Agreement conflict with this SLFRF Provisions Exhibit, this Exhibit shall control and take precedence.

The Contractor/Vendor/Other Agency entity with which the Colorado Department of Human Services (CDHS) is contracting per this Agreement may be referred to as “Subrecipient” herein, the designation per controlling law and mandates. This “Subrecipient” designation shall apply in this context notwithstanding prior definition(s) of any entity to this agreement as “Contractor” or any other title.

Subrecipient must agree to and comply with the terms of these SLFRF Provisions in order to receive and use these funds. Subrecipient shall execute not only the instant Agreement, but also specifically the Certification Agreement appendix to the instant Exhibit. A failure to also separately execute the Certification Agreement appendix hereto shall not relieve Subrecipient of the rules/obligations set forth herein; such a clerical error must be promptly remedied upon discovery by notifying the CDHS office/program contact, who can then assist with the logistics of mandatory signing, which shall retroactively apply.

In the event that Subrecipient is/was in receipt of SLFRF funding from CDHS prior to execution of the instant Exhibit, Subrecipient understands that its obligations set forth herein with regards to that funding shall retroactively apply.

The regulations and requirements surrounding receipt and use of SLFRF funding is an evolving subject matter as established by the U.S. Department of Treasury and put into established policy by the Colorado Department of Personnel & Administration, Office of the State Controller for use with CDHS Agreements. As such, Subrecipient agrees to execute any additional Agreements/Amendments as required by CDHS to establish and/or update these procedures. Subrecipient agrees to accept written notice from CDHS of updates to these requirements and to comply with same forthwith, even if prior to or without a formal Amendment to the Agreement to

V.5

update this Exhibit or the rules/requirements established herein. Regardless, if CDHS requests that Subrecipient execute an Amendment to formalize implementation of and/or acknowledgment of updates to this Exhibit, Subrecipient shall promptly comply.

Subrecipient agrees to stay abreast of and comply with the most current iterations of the requirements re SLFRF funding set forth on <https://osc.colorado.gov/american-rescue-plan-act> (see SLFRF Grant Agreement Templates Tab).

APPENDIX 1 TO SLFRF EXHIBIT- BUDGET SUPPLEMENT

1. BUDGET BY US TREASURY EXPENDITURE CATEGORY

1.1 Expenditure Categories identified in this Appendix will determine what is reported on as outlined in all the following Appendices to this Exhibit.

Project Number	Project Title	US Treasury Expenditure Category Number and Name	Budget
NEI070	Behavioral Health Care Workforce: Innovative Recruitment & Retention Grants	2.36 Aid to Other Impactive Industries	\$187,057.00
Total			\$187,057.00

2. BUDGET BY FUNCTION

3. EXPENDITURE CATEGORY MODIFICATIONS

- 1.1 Increases or decreases in any Expenditure Category must be requested and approved by the State Agency by using the SLFRF Expenditure Modification Form. This form can be found at: <https://osc.colorado.gov/american-rescue-plan-act> (see SLFRF Grant Agreement Templates Tab). ***In no event may this be used to modify the overall total of this Agreement or otherwise any non SLFRF expenditures.***

APPENDIX 2 TO SLFRF EXHIBIT- FEDERAL PROVISIONS SUPPLEMENT

1. APPLICABILITY OF PROVISIONS.

V.5

- 1.1. The Grant to which these Federal Provisions are attached has been funded, in whole or in part, with an Award of Federal funds. In the event of a conflict between the provisions of these Federal Provisions, the Special Provisions, the body of the Grant, or any attachments or exhibits incorporated into and made a part of the Grant, the provisions of these Federal Provisions shall control.
- 1.2. The State of Colorado is accountable to Treasury for oversight of their subrecipients, including ensuring their subrecipients comply with the SLFRF statute, SLFRF Award Terms and Conditions, Treasury's Final Rule, and reporting requirements, as applicable.
- 1.3. Additionally, any subrecipient that issues a subaward to another entity (2nd tier subrecipient), must hold the 2nd tier subrecipient accountable to these provisions and adhere to reporting requirements.
- 1.4. These Federal Provisions are subject to the Award as defined in §2 of these Federal Provisions, as may be revised pursuant to ongoing guidance from the relevant Federal or State of Colorado agency or institutions of higher education.

2. DEFINITIONS.

- 2.1. For the purposes of these Federal Provisions, the following terms shall have the meanings ascribed to them below.
 - 2.1.1. "Award" means an award of Federal financial assistance, and the Grant setting forth the terms and conditions of that financial assistance, that a non-Federal Entity receives or administers.
 - 2.1.2. "Entity" means:
 - 2.1.2.1. a Non-Federal Entity;
 - 2.1.2.2. a foreign public entity;
 - 2.1.2.3. a foreign organization;
 - 2.1.2.4. a non-profit organization;
 - 2.1.2.5. a domestic for-profit organization (for 2 CFR parts 25 and 170 only);
 - 2.1.2.6. a foreign non-profit organization (only for 2 CFR part 170) only);
 - 2.1.2.7. a Federal agency, but only as a Subrecipient under an Award or Subaward to a non-Federal entity (or 2 CFR 200.1); or
 - 2.1.2.8. a foreign for-profit organization (for 2 CFR part 170 only).
 - 2.1.3. "Executive" means an officer, managing partner or any other employee in a management position.
 - 2.1.4. "Expenditure Category (EC)" means the category of eligible uses as defined by the US Department of Treasury in "Appendix 1 of the Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds" report available at www.treasury.gov.
 - 2.1.5. "Federal Awarding Agency" means a Federal agency providing a Federal Award to a Recipient as described in 2 CFR 200.1

V.5

- 2.1.6. “Grant” means the Grant to which these Federal Provisions are attached.
- 2.1.7. “Grantee” means the party or parties identified as such in the Grant to which these Federal Provisions are attached.
- 2.1.8. “Non-Federal Entity” means a State, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a Federal Award as a Recipient or a Subrecipient.
- 2.1.9. “Nonprofit Organization” means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:
 - 2.1.9.1. Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
 - 2.1.9.2. Is not organized primarily for profit; and
 - 2.1.9.3. Uses net proceeds to maintain, improve, or expand the operations of the organization.
- 2.1.10. “OMB” means the Executive Office of the President, Office of Management and Budget.
- 2.1.11. “Pass-through Entity” means a non-Federal Entity that provides a Subaward to a Subrecipient to carry out part of a Federal program.
- 2.1.12. “Prime Recipient” means the Colorado State agency or institution of higher education identified as the Grantor in the Grant to which these Federal Provisions are attached.
- 2.1.13. “Subaward” means an award by a Prime Recipient to a Subrecipient funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to the Subaward unless the terms and conditions of the Federal Award specifically indicate otherwise in accordance with 2 CFR 200.101. The term does not include payments to a Contractor or payments to an individual that is a beneficiary of a Federal program.
- 2.1.14. “Subrecipient” or “Subgrantee” means a non-Federal Entity (or a Federal agency under an Award or Subaward to a non-Federal Entity) receiving Federal funds through a Prime Recipient to support the performance of the Federal project or program for which the Federal funds were awarded. A Subrecipient is subject to the terms and conditions of the Federal Award to the Prime Recipient, including program compliance requirements. The term does not include an individual who is a beneficiary of a federal program. For SLFRF Grants, a subrecipient relationship continues to exist for Expenditure Category 6.1 Revenue Replacement.
- 2.1.15. “System for Award Management (SAM)” means the Federal repository into which an Entity must enter the information required under the Transparency Act, which may be found at <http://www.sam.gov>. “Total Compensation” means the cash and noncash dollar value earned by an Executive during the Prime Recipient’s or Subrecipient’s preceding fiscal year (see 48 CFR 52.204-10, as prescribed in 48 CFR 4.1403(a)) and includes the following:
 - 2.1.15.1. Salary and bonus;

V.5

- 2.1.15.2. Awards of stock, stock options, and stock appreciation rights, using the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2005) (FAS 123R), Shared Based Payments;
- 2.1.15.3. Earnings for services under non-equity incentive plans, not including group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of Executives and are available generally to all salaried employees;
- 2.1.15.4. Change in present value of defined benefit and actuarial pension plans;
- 2.1.15.5. Above-market earnings on deferred compensation which is not tax-qualified;
- 2.1.15.6. Other compensation, if the aggregate value of all such other compensation (e.g., severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the Executive exceeds \$10,000.
- 2.1.16. “Transparency Act” means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252.
- 2.1.17. “Uniform Guidance” means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The terms and conditions of the Uniform Guidance flow down to Awards to Subrecipients unless the Uniform Guidance or the terms and conditions of the Federal Award specifically indicate otherwise.
- 2.1.18. “Unique Entity ID Number” means the twelve-character alphanumeric ID assigned to an entity by SAM.gov to uniquely identify a business entity. Information on UEs can be found at: sam.gov/content/duns-uei.

3. COMPLIANCE.

- 3.1. Grantee shall comply with all applicable provisions of the Transparency Act and the regulations issued pursuant thereto, all applicable provisions of the Uniform Guidance, and all applicable Federal Laws and regulations required by this Federal Award. Any revisions to such provisions or regulations shall automatically become a part of these Federal Provisions, without the necessity of either party executing any further instrument. The State of Colorado, at its discretion, may provide written notification to Grantee of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.
- 3.2. Per US Treasury Final Award requirements, grantee programs or services must not include terms or conditions that undermine efforts to stop COVID-19 or discourage compliance with recommendations and CDC guidelines.

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4. SYSTEM FOR AWARD MANAGEMENT (SAM) AND UNIQUE ENTITY IDENTIFIER (UEI) REQUIREMENTS.

- 4.1. SAM. Grantee shall maintain the currency of its information in SAM until the Grantee submits the final financial report required under the Award or receives final payment, whichever is later. Grantee shall review and update SAM information at least annually.
- 4.2. UEI. Grantee shall provide its UEI Number to its Prime Recipient, and shall update Grantee's information in SAM at least annually.

5. TOTAL COMPENSATION.

- 5.1. Grantee shall include Total Compensation in SAM for each of its five most highly compensated Executives for the preceding fiscal year if:
 - 5.1.1. The total Federal funding authorized to date under the Award is \$30,000 or more; and
 - 5.1.2. In the preceding fiscal year, Grantee received:
 - 5.1.2.1. 80% or more of its annual gross revenues from Federal procurement Agreements and Subcontractors and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and
 - 5.1.2.2. \$30,000,000 or more in annual gross revenues from Federal procurement Agreements and Subcontractors and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and
 - 5.1.2.3. 5.1.2.3 The public does not have access to information about the compensation of such Executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d) or § 6104 of the Internal Revenue Code of 1986.

6. REPORTING.

- 6.1. If Grantee is a Subrecipient of the Award pursuant to the Transparency Act, Grantee shall report data elements to SAM and to the Prime Recipient as required in this Exhibit. No direct payment shall be made to Grantee for providing any reports required under these Federal Provisions and the cost of producing such reports shall be included in the Grant price. The reporting requirements in this Exhibit are based on guidance from the OMB, and as such are subject to change at any time by OMB. Any such changes shall be automatically incorporated into this Grant and shall become part of Grantee's obligations under this Grant.

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7. EFFECTIVE DATE AND DOLLAR THRESHOLD FOR FEDERAL REPORTING.

- 7.1. Reporting requirements in §8 below apply to new Awards as of October 1, 2010, if the initial award is \$30,000 or more. If the initial Award is below \$30,000 but subsequent Award modifications result in a total Award of \$30,000 or more, the Award is subject to the reporting requirements as of the date the Award exceeds \$30,000. If the initial Award is \$30,000 or more, but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the Award shall continue to be subject to the reporting requirements. If the total award is below \$30,000 no reporting required; if more than \$30,000 and less than \$50,000 then FFATA reporting is required; and, \$50,000 and above SLFRF reporting is required.
- 7.2. The procurement standards in §9 below are applicable to new Awards made by Prime Recipient as of December 26, 2015. The standards set forth in §11 below are applicable to audits of fiscal years beginning on or after December 26, 2014.

8. SUBRECIPIENT REPORTING REQUIREMENTS.

- 8.1. Grantee shall report as set forth below.
 - 8.1.1. Grantee shall use the SLFRF Subrecipient Quarterly Report Workbook as referenced in Appendix 4 to report to the State Agency within ten (10) days following each quarter ended September, December, March and June. Additional information on specific requirements are detailed in the SLFRF Subrecipient Quarterly Report Workbooks and "Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds" report available at www.treasury.gov.

EC 1 – Public Health**All Public Health Projects**

- a) Description of structure and objectives
- b) Description of relation to COVID-19
- c) Identification of impacted and/or disproportionately impacted communities
- d) Capital Expenditures
 - i. Presence of capital expenditure in project
 - ii. Total projected capital expenditure
 - iii. Type of capital expenditure
 - iv. Written justification
 - v. Labor reporting

COVID-19 Interventions and Mental Health (1.4, 1.11, 1.12, 1.13)

- a) Amount of total project used for evidence-based programs
- b) Evaluation plan description

COVID-19 Small Business Economic Assistance (1.8)

- a) Number of small businesses served

COVID-19 Assistance to Non-Profits (1.9)

- a) Number of non-profits served

COVID-19 Aid to Travel, Tourism, and Hospitality or Other Impacted Industries (1.10)

- a) Sector of employer
- b) Purpose of funds

V.5

c)

EC 2 – Negative Economic Impacts**All Negative Economic Impacts Projects**

- a) Description of project structure and objectives
- b) Description of project's response to COVID-19
- c) Identification of impacted and/or disproportionately impacted communities
- d) Amount of total project used for evidence-based programs and description of evaluation plan *(not required for 2.5, 2.8, 2.21-2.24, 2.27-2.29, 2.31, 2.34-2.36)*
- e) Number of workers enrolled in sectoral job training programs
- f) Number of workers completing sectoral job training programs
- g) Number of people participating in summer youth employment programs
- h) Capital Expenditures
 - i. Presence of capital expenditure in project
 - ii. Total projected capital expenditure
 - iii. Type of capital expenditure
 - iv. Written justification
 - v. Labor reporting

Household Assistance (2.1-2.8)

- a) Number of households served
- b) Number of people or households receiving eviction prevention services (2.2 & 2.5 only) *(Federal guidance may change this requirement in July 2022)*
- c) Number of affordable housing units preserved or developed (2.2 & 2.5 only) *(Federal guidance may change this requirement in July 2022)*

Healthy Childhood Environments (2.11-2.13)

- a) Number of children served by childcare and early learning *(Federal guidance may change this requirement in July 2022)*
- b) Number of families served by home visiting *(Federal guidance may change this requirement in July 2022)*

Education Assistance (2.14, 2.24-2.27)

- a) National Center for Education Statistics ("NCES") School ID or NCES District ID
- b) Number of students participating in evidence-based programs *(Federal guidance may change this requirement in July 2022)*

Housing Support (2.15, 2.16, 2.18)

- a) Number of people or households receiving eviction prevention services *(Federal guidance may change this requirement in July 2022)*
- b) Number of affordable housing units preserved or developed *(Federal guidance may change this requirement in July 2022)*

Small Business Economic Assistance (2.29-2.33)

- a) Number of small businesses served

Assistance to Non-Profits (2.34)

- a) Number of non-profits served

Aid to Travel, Tourism, and Hospitality or Other Impacted Industries (2.35-2.36)

- a) Sector of employer
- b) Purpose of funds
- c) If other than travel, tourism and hospitality (2.36) – description of hardship

V.5

EC 3 – Public Health – Negative Economic Impact: Public Sector Capacity**Payroll for Public Health and Safety Employees (EC 3.1)**

- a) Number of government FTEs responding to COVID-19

Rehiring Public Sector Staff (EC 3.2)

- a) Number of FTEs rehired by governments

EC 4 – Premium Pay**All Premium Pay Projects**

- a) List of sectors designated as critical by the chief executive of the jurisdiction, if beyond those listed in the final rule
- b) Numbers of workers served
- c) Employer sector for all subawards to third-party employers
- d) Written narrative justification of how premium pay is responsive to essential work during the public health emergency for non-exempt workers or those making over 150 percent of the state/county's average annual wage
- e) Number of workers to be served with premium pay in K-12 schools

EC 5 – Infrastructure Projects**All Infrastructure Projects**

- a) Projected/actual construction start date (month/year)
- b) Projected/actual initiation of operations date (month/year)
- c) Location (for broadband, geospatial data of locations to be served)
- d) Projects over \$10 million
 - i. Prevailing wage certification or detailed project employment and local impact report
 - ii. Project labor agreement certification or project workforce continuity plan
 - iii. Prioritization of local hires
 - iv. Community benefit agreement description, if applicable

Water and sewer projects (EC 5.1-5.18)

- a) National Pollutant Discharge Elimination System (NPDES) Permit Number (if applicable; for projects aligned with the Clean Water State Revolving Fund)
- b) Public Water System (PWS) ID number (if applicable; for projects aligned with the Drinking Water State Revolving Fund)
- c) Median Household Income of service area
- d) Lowest Quintile Income of the service area

Broadband projects (EC 5.19-5.21)

- a) Confirm that the project is designed to, upon completion, reliably meet or exceed symmetrical 100 Mbps download and upload speeds.
 - i. If the project is not designed to reliably meet or exceed symmetrical 100 Mbps download and upload speeds, explain why not, and
 - ii. Confirm that the project is designed to, upon completion, meet or exceed 100 Mbps download speed and between at least 20 Mbps and 100 Mbps upload speed, and be scalable to a minimum of 100 Mbps download speed and 100 Mbps upload speed.

V.5

- b) Additional programmatic data will be required for broadband projects and will be defined in a subsequent version of the US Treasury Reporting Guidance, including, but not limited to (*Federal guidance may change this requirement in July 2022*):
- i. Number of households (broken out by households on Tribal lands and those not on Tribal lands) that have gained increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, with the number of households with access to minimum speed standard of reliable 100 Mbps symmetrical upload and download and number of households with access to minimum speed standard of reliable 100 Mbps download and 20 Mbps upload
 - ii. Number of institutions and businesses (broken out by institutions on Tribal lands and those not on Tribal lands) that have projected increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, in each of the following categories: business, small business, elementary school, secondary school, higher education institution, library, healthcare facility, and public safety organization, with the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps symmetrical upload and download; and number of each type of institution with access to the minimum speed standard of reliable 100 Mbps download and 20 Mbps upload.
 - iii. Narrative identifying speeds/pricing tiers to be offered, including the speed/pricing of its affordability offering, technology to be deployed, miles of fiber, cost per mile, cost per passing, number of households (broken out by households on Tribal lands and those not on Tribal lands) projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, number of households with access to minimum speed standard of reliable 100 Mbps symmetrical upload and download, number of households with access to minimum speed standard of reliable 100 Mbps download and 20 Mbps upload, and number of institutions and businesses (broken out by institutions on Tribal lands and those not on Tribal lands) projected to have increased access to broadband meeting the minimum speed standards in areas that previously lacked access to service of at least 25 Mbps download and 3 Mbps upload, in each of the following categories: business, small business, elementary school, secondary school, higher education institution, library, healthcare facility, and public safety organization. Specify the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps symmetrical upload and download; and the number of each type of institution with access to the minimum speed standard of reliable 100 Mbps download and 20 Mbps upload.

All Expenditure Categories

- a) Program income earned and expended to cover eligible project costs

V.5

8.1.2. A Subrecipient shall report the following data elements to Prime Recipient no later than five days after the end of the month following the month in which the Subaward was made.

- 8.1.2.1. Subrecipient UEI;
- 8.1.2.2. Subrecipient UEI if more than one electronic funds transfer (EFT) account;
- 8.1.2.3. Subrecipient parent's organization UEI;
- 8.1.2.4. Subrecipient's address, including: Street Address, City, State, Country, Zip + 4, and Congressional District;
- 8.1.2.5. Subrecipient's top 5 most highly compensated Executives if the criteria in §4 above are met; and
- 8.1.2.6. Subrecipient's Total Compensation of top 5 most highly compensated Executives if the criteria in §4 above met.

8.1.3. To Prime Recipient. A Subrecipient shall report to its Prime Recipient, the following data elements:

- 8.1.3.1. Subrecipient's UEI as registered in SAM.
- 8.1.3.2. Primary Place of Performance Information, including: Street Address, City, State, Country, Zip code + 4, and Congressional District.
- 8.1.3.3. Narrative identifying methodology for serving disadvantaged communities. See the "Project Demographic Distribution" section in the "Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds" report available at www.treasury.gov. This requirement is applicable to all projects in Expenditure Categories 1 and 2.
- 8.1.3.4. Narrative identifying funds allocated towards evidenced-based interventions and the evidence base. See the "Use of Evidence" section in the "Compliance and Reporting Guidance, State and Local Fiscal Recovery Funds" report available at www.treasury.gov. See section 8.1.1 for relevant Expenditure Categories.
- 8.1.3.5. Narrative describing the structure and objectives of the assistance program and in what manner the aid responds to the public health and negative economic impacts of COVID-19. This requirement is applicable to Expenditure Categories 1 and 2. For aid to travel, tourism, and hospitality or other impacted industries (EC 2.11-2.12), also provide the sector of employer, purpose of funds, and if not travel, tourism and hospitality a description of the pandemic impact on the industry.
- 8.1.3.6. Narrative identifying the sector served and designated as critical to the health and well-being of residents by the chief executive of the jurisdiction and the number of workers expected to be served. For groups of workers (e.g., an operating unit, a classification of worker, etc.) or, to the extent applicable, individual workers, other than those where the eligible worker receiving premium pay is earning (with the premium pay included) below

V.5

150 percent of their residing state or county's average annual wage for all occupations, as defined by the Bureau of Labor Statistics Occupational Employment and Wage Statistics, whichever is higher, OR the eligible worker receiving premium pay is not exempt from the Fair Labor Standards Act overtime provisions, include justification of how the premium pay or grant is responsive to workers performing essential work during the public health emergency. This could include a description of the essential workers' duties, health or financial risks faced due to COVID-19 but should not include personally identifiable information. This requirement applies to EC 4.1, and 4.2.

- 8.1.3.7. For infrastructure projects (EC 5) or capital expenditures in any expenditure category, narrative identifying the projected construction start date (month/year), projected initiation of operations date (month/year), and location (for broadband, geospatial location data).

- 8.1.3.7.1. For projects over \$10 million:

- 8.1.3.7.1.1. Certification that all laborers and mechanics employed by Contractors and Subcontractors in the performance of such project are paid wages at rates not less than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the "Davis-Bacon Act"), for the corresponding classes of laborers and mechanics employed on projects of a character similar to the Agreement work in the civil subdivision of the State (or the District of Columbia) in which the work is to be performed, or by the appropriate State entity pursuant to a corollary State prevailing-wage-in-construction law (commonly known as "baby Davis-Bacon Acts"). If such certification is not provided, a recipient must provide a project employment and local impact report detailing (1) the number of employees of Contractors and sub-contractors working on the project; (2) the number of employees on the project hired directly and hired through a third party; (3) the wages and benefits of workers on the project by classification; and (4) whether those wages are at rates less than those prevailing. Recipients must maintain sufficient records to substantiate this information upon request.

- 8.1.3.7.1.2. A Subrecipient may provide a certification that a project includes a project labor agreement, meaning a pre-hire collective bargaining agreement consistent with section 8(f) of the National Labor Relations Act (29 U.S.C. 158(f)). If the recipient does not provide such certification, the recipient must provide a project workforce continuity plan, detailing: (1) how the Subrecipient will ensure the project has ready access to a sufficient supply of appropriately skilled and

V.5

unskilled labor to ensure high-quality construction throughout the life of the project; (2) how the Subrecipient will minimize risks of labor disputes and disruptions that would jeopardize timeliness and cost-effectiveness of the project; and (3) how the Subrecipient will provide a safe and healthy workplace that avoids delays and costs associated with workplace illnesses, injuries, and fatalities; (4) whether workers on the project will receive wages and benefits that will secure an appropriately skilled workforce in the context of the local or regional labor market; and (5) whether the project has completed a project labor agreement.

8.1.3.7.1.3. Whether the project prioritizes local hires.

8.1.3.7.1.4. Whether the project has a Community Benefit Agreement, with a description of any such agreement.

8.1.4. Subrecipient also agrees to comply with any reporting requirements established by the US Treasury, Governor's Office and Office of the State Controller. The State of Colorado may need additional reporting requirements after this agreement is executed. If there are additional reporting requirements, the State will provide notice of such additional reporting requirements via Appendix 5– SLFRF Reporting Modification Form.

9. PROCUREMENT STANDARDS.

- 9.1. Procurement Procedures. A Subrecipient shall use its own documented procurement procedures which reflect applicable State, local, and Tribal laws and applicable regulations, provided that the procurements conform to applicable Federal law and the standards identified in the Uniform Guidance, including without limitation, 2 CFR 200.318 through 200.327 thereof.
- 9.2. Domestic preference for procurements (2 CFR 200.322). As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this section must be included in all subawards including all Agreements and purchase orders for work or products under this award.

V.5

- 9.3. Procurement of Recovered Materials. If a Subrecipient is a State Agency or an agency of a political subdivision of the State, its Contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247, that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

10. ACCESS TO RECORDS.

- 10.1. A Subrecipient shall permit Prime Recipient and its auditors to have access to Subrecipient's records and financial statements as necessary for Recipient to meet the requirements of 2 CFR 200.332 (Requirements for pass-through entities), 2 CFR 200.300 (Statutory and national policy requirements) through 2 CFR 200.309 (Period of performance), and Subpart F-Audit Requirements of the Uniform Guidance.

11. SINGLE AUDIT REQUIREMENTS.

- 11.1. If a Subrecipient expends \$750,000 or more in Federal Awards during the Subrecipient's fiscal year, the Subrecipient shall procure or arrange for a single or program-specific audit conducted for that year in accordance with the provisions of Subpart F-Audit Requirements of the Uniform Guidance, issued pursuant to the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507). 2 CFR 200.501.
- 11.1.1. Election. A Subrecipient shall have a single audit conducted in accordance with Uniform Guidance 2 CFR 200.514 (Scope of audit), except when it elects to have a program-specific audit conducted in accordance with 2 CFR 200.507 (Program-specific audits). The Subrecipient may elect to have a program-specific audit if Subrecipient expends Federal Awards under only one Federal program (excluding research and development) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of Prime Recipient. A program-specific audit may not be elected for research and development unless all of the Federal Awards expended were received from Recipient and Recipient approves in advance a program-specific audit.
- 11.1.2. Exemption. If a Subrecipient expends less than \$750,000 in Federal Awards during its fiscal year, the Subrecipient shall be exempt from Federal audit requirements for that year, except as noted in 2 CFR 200.503 (Relation to other audit requirements), but records shall be available for review or audit by appropriate officials of the Federal agency, the State, and the Government Accountability Office.

- 11.1.3. Subrecipient Compliance Responsibility. A Subrecipient shall procure or otherwise arrange for the audit required by Subpart F of the Uniform Guidance and ensure it is properly performed and submitted when due in accordance with the Uniform Guidance. Subrecipient shall prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with 2 CFR 200.510 (Financial statements) and provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by Uniform Guidance Subpart F-Audit Requirements.

12. GRANT PROVISIONS FOR SUBRECIPIENT AGREEMENTS.

- 12.1. In addition to other provisions required by the Federal Awarding Agency or the Prime Recipient, Grantees that are Subrecipients shall comply with the following provisions. Subrecipients shall include all of the following applicable provisions in all Subcontractors entered into by it pursuant to this Grant.
- 12.1.1. [Applicable to federally assisted construction Agreements.] Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all Agreements that meet the definition of “federally assisted construction Agreement” in 41 CFR Part 60-1.3 shall include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, Office of Federal Agreement Compliance Programs, Equal Employment Opportunity, Department of Labor.
- 12.1.2. [Applicable to on-site employees working on government-funded construction, alteration and repair projects.] Davis-Bacon Act. Davis-Bacon Act, as amended (40 U.S.C. 3141-3148).
- 12.1.3. Rights to Inventions Made Under a grant or agreement. If the Federal Award meets the definition of “funding agreement” under 37 CFR 401.2 (a) and the Prime Recipient or Subrecipient wishes to enter into an Agreement with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the Prime Recipient or Subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Agreements and Cooperative Agreements,” and any implementing regulations issued by the Federal Awarding Agency.

- 12.1.4. Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended. Agreements and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal awardees to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal Awarding Agency and the Regional Office of the Environmental Protection Agency (EPA).
- 12.1.5. Debarment and Suspension (Executive Orders 12549 and 12689). A Agreement award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in SAM, in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- 12.1.6. Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal Agreement, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- 12.1.7. Never Agreement with the enemy (2 CFR 200.215). Federal awarding agencies and recipients are subject to the regulations implementing “Never Agreement with the enemy” in 2 CFR part 183. The regulations in 2 CFR part 183 affect covered Agreements, grants and cooperative agreements that are expected to exceed \$50,000 within the period of performance, are performed outside the United States and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities.
- 12.1.8. Prohibition on certain telecommunications and video surveillance services or equipment (2 CFR 200.216). Grantee is prohibited from obligating or expending loan or grant funds on certain telecommunications and video surveillance services or equipment pursuant to 2 CFR 200.216.

V.5

12.1.9. Title VI of the Civil Rights Act. The Subgrantee, Contractor, Subcontractor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits recipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this Agreement (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42 U.S. C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CRF Part 22, and herein incorporated by reference and made part of this Agreement or agreement.

13. CERTIFICATIONS.

- 13.1. Subrecipient Certification. Subrecipient shall sign a "State of Colorado Agreement with Recipient of Federal Recovery Funds" Certification Form in separate Appendix hereto and submit to State Agency with signed grant agreement.
- 13.2. Unless prohibited by Federal statutes or regulations, Prime Recipient may require Subrecipient to submit certifications and representations required by Federal statutes or regulations on an annual basis. 2 CFR 200.208. Submission may be required more frequently if Subrecipient fails to meet a requirement of the Federal award. Subrecipient shall certify in writing to the State at the end of the Award that the project or activity was completed or the level of effort was expended. 2 CFR 200.201(3). If the required level of activity or effort was not carried out, the amount of the Award must be adjusted.

14. EXEMPTIONS.

- 14.1. These Federal Provisions do not apply to an individual who receives an Award as a natural person, unrelated to any business or non-profit organization he or she may own or operate in his or her name.
- 14.2. A Grantee with gross income from all sources of less than \$300,000 in the previous tax year is exempt from the requirements to report Subawards and the Total Compensation of its most highly compensated Executives.

EVENT OF DEFAULT AND TERMINATION.

- 14.3. Failure to comply with these Federal Provisions shall constitute an event of default under the Grant and the State of Colorado may terminate the Grant upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30-day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Grant, at law or in equity.
- 14.4. Termination (2 CFR 200.340). The Federal Award may be terminated in whole or in part as follows:
 - 14.4.1. By the Federal Awarding Agency or Pass-through Entity, if a Non-Federal Entity fails to comply with the terms and conditions of a Federal Award;

V.5

- 14.4.2. By the Federal awarding agency or Pass-through Entity, to the greatest extent authorized by law, if an award no longer effectuates the program goals or agency priorities;
- 14.4.3. By the Federal awarding agency or Pass-through Entity with the consent of the Non-Federal Entity, in which case the two parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated;
- 14.4.4. By the Non-Federal Entity upon sending to the Federal Awarding Agency or Pass-through Entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Federal Awarding Agency or Pass-through Entity determines in the case of partial termination that the reduced or modified portion of the Federal Award or Subaward will not accomplish the purposes for which the Federal Award was made, the Federal Awarding Agency or Pass-through Entity may terminate the Federal Award in its entirety; or
- 14.4.5. By the Federal Awarding Agency or Pass-through Entity pursuant to termination provisions included in the Federal Award.

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APPENDIX 3 TO SLFRF EXHIBIT- SUBRECIPIENT CERTIFICATION AGREEMENT

AGREEMENT WITH SUBRECIPIENT OF FEDERAL RECOVERY FUNDS

Section 602(b) of the Social Security Act (the Act), as added by section 9901 of the American Rescue Plan Act (ARPA), Pub. L. No. 117-2 (March 11, 2021), authorizes the Department of the Treasury (Treasury) to make payments to certain Subrecipients from the Coronavirus State Fiscal Recovery Fund. The State of Colorado has signed and certified a separate agreement with Treasury as a condition of receiving such payments from the Treasury. This agreement is between your organization and the State and your organization is signing and certifying the same terms and conditions included in the State's separate agreement with Treasury. Your organization is referred to as a Subrecipient.

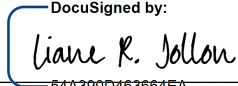
As a condition of your organization receiving federal recovery funds from the State, the authorized representative below hereby (i) certifies that your organization will carry out the activities listed in section 602(c) of the Act and (ii) agrees to the terms attached hereto. Your organization also agrees to use the federal recovery funds as specified in bills passed by the General Assembly and signed by the Governor.

Under penalty of perjury, the undersigned official certifies that the authorized representative has read and understood the organization's obligations in the Assurances of Compliance and Civil Rights Requirements, that any information submitted in conjunction with this assurances document is accurate and complete, and that the organization is in compliance with the nondiscrimination requirements.

Subrecipient Name: Health District of Norther Larimer County dba Health District of Northern Larimer County_

Authorized Representative: Liane R. Jollon

Title: Executive Director

Signature: 54A390D463664EA...

AGREEMENT WITH SUBRECIPIENT OF FEDERAL RECOVERY FUNDS TERMS AND CONDITIONS

1. Use of Funds.

- a. Subrecipient understands and agrees that the funds disbursed under this award may only be used in compliance with section 602(c) of the Social Security Act (the Act) and Treasury's regulations implementing that section and guidance.
- b. Subrecipient will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project.

2. Period of Performance. The period of performance for this subaward is shown on page one of this Agreement. Subrecipient may use funds to cover eligible costs incurred, as set forth in Treasury's implementing regulations, during this period of performance.

3. Reporting. Subrecipient agrees to comply with any reporting obligations established by Treasury as they relate to this award. Subrecipient also agrees to comply with any reporting requirements established by the Governor's Office and Office of the State Controller. The State will provide notice of such additional reporting requirements via separate Appendix hereto – Reporting Modification Form.

4. Maintenance of and Access to Records

- a. Subrecipient shall maintain records and financial documents sufficient to evidence compliance with section 602(c), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
- b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Subrecipient in order to conduct audits or other investigations.
- c. Records shall be maintained by Subrecipient for a period of five (5) years after all funds have been expended or returned to Treasury, whichever is later.

5. Pre-award Costs. Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this award.

6. Administrative Costs. Subrecipient may use funds provided under this award to cover both direct and indirect costs. Subrecipient shall follow guidance on administrative costs issued by the Governor's Office and Office of the State Controller.

Cost Sharing. Cost sharing or matching funds are not required to be provided by

V.5

7. Subrecipient.

8. Conflicts of Interest. The State of Colorado understands and agrees it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict of interest policy is applicable to each activity funded under this award. Subrecipient and Contractors must disclose in writing to the Office of the State Controller or the pass-through entity, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112. The Office of the State Controller shall disclose such conflict to Treasury.

9. Compliance with Applicable Law and Regulations.

- a. Subrecipient agrees to comply with the requirements of section 602 of the Act, regulations adopted by Treasury pursuant to section 602(f) of the Act, and guidance issued by Treasury regarding the foregoing. Subrecipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Subrecipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award.
- b. Federal regulations applicable to this award include, without limitation, the following:
 - i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.
 - ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
 - iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
 - iv. OMB Guidelines to Agencies on Government wide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (Agreements and Subcontractors described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.
 - v. Subrecipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.

V.5

- vi. Government wide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
 - vii. New Restrictions on Lobbying, 31 C.F.R. Part 21.
 - viii. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.
 - ix. Generally applicable federal environmental laws and regulations.
- c. Statutes and regulations prohibiting discrimination applicable to this award include, without limitation, the following:
- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
 - ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
 - iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
 - iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
 - v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

Remedial Actions. In the event of Subrecipient's noncompliance with section 602 of the Act, other applicable laws, Treasury's implementing regulations, guidance, or any reporting or other program requirements, Treasury may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in 2 C.F.R. § 200.339. In the case of a violation of section 602(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in section 602(e) of the Act and any

V.5

10. additional payments may be subject to withholding as provided in sections 602(b)(6)(A)(ii)(III) of the Act, as applicable.
11. Hatch Act. Subrecipient agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.
12. False Statements. Subrecipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or Agreements, and/or any other remedy available by law.
13. Publications. Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number SLFRF0126 awarded to the State of Colorado by the U.S. Department of the Treasury."
14. Debts Owed the Federal Government.
 - a. Any funds paid to the Subrecipient (1) in excess of the amount to which the Subrecipient is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Treasury Office of Inspector General to have been misused; or (3) that are determined by Treasury to be subject to a repayment obligation pursuant to sections 602(e) and 603(b)(2)(D) of the Act and have not been repaid by the Subrecipient shall constitute a debt to the federal government.
 - b. Any debts determined to be owed to the federal government must be paid promptly by Subrecipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made or if the Subrecipient knowingly or improperly retains funds that are a debt as defined in paragraph 14(a). Treasury will take any actions available to it to collect such a debt.
15. Disclaimer.
 - a. The United States expressly disclaims any and all responsibility or liability to Subrecipient or third persons for the actions of Subrecipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any Agreement, or Subcontractor under this award.
 - b. The acceptance of this award by Subrecipient does not in any way establish

V.5

an agency relationship between the United States and Subrecipient.

16. Protections for Whistleblowers.

- a. In accordance with 41 U.S.C. § 4712, Subrecipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal Agreement or grant, a gross waste of federal funds, an abuse of authority relating to a federal Agreement or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal Agreement (including the competition for or negotiation of an Agreement) or grant.
- b. The list of persons and entities referenced in the paragraph above includes the following:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Treasury employee responsible for Agreement or grant oversight or management;
 - v. An authorized official of the Department of Justice or other law enforcement agency;
 - vi. A court or grand jury; or
 - vii. A management official or other employee of Subrecipient, Contractor, or Subcontractor who has the responsibility to investigate, discover, or address misconduct.
- c. Subrecipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

17. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Subrecipient should encourage its Contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

1. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Subrecipient should encourage its employees, Subrecipients, and Contractors to adopt and enforce policies that ban text messaging while driving, and

V.5

Subrecipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

ASSURANCES OF COMPLIANCE WITH CIVIL RIGHTS REQUIREMENTS

ASSURANCES OF COMPLIANCE WITH TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

As a condition of receipt of federal financial assistance from the Department of the Treasury, the Subrecipient provides the assurances stated herein. The federal financial assistance may include federal grants, loans and Agreements to provide assistance to the Subrecipient's beneficiaries, the use or rent of Federal land or property at below market value, Federal training, a loan of Federal personnel, subsidies, and other arrangements with the intention of providing assistance. Federal financial assistance does not encompass Agreements of guarantee or insurance, regulated programs, licenses, procurement Agreements by the Federal government at market value, or programs that provide direct benefits.

The assurances apply to all federal financial assistance from or funds made available through the Department of the Treasury, including any assistance that the Subrecipient may request in the future.

The Civil Rights Restoration Act of 1987 provides that the provisions of the assurances apply to all of the operations of the Subrecipient's program(s) and activity(ies), so long as any portion of the Subrecipient's program(s) or activity(ies) is federally assisted in the manner prescribed above.

1. Subrecipient ensures its current and future compliance with Title VI of the Civil Rights Act of 1964, as amended, which prohibits exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin (42 U.S.C. § 2000d *et seq.*), as implemented by the Department of the Treasury Title VI regulations at 31 CFR Part 22 and other pertinent executive orders such as Executive Order 13166, directives, circulars, policies, memoranda, and/or guidance documents.
2. Subrecipient acknowledges that Executive Order 13166, "Improving Access to Services for Persons with Limited English Proficiency," seeks to improve access to federally assisted programs and activities for individuals who, because of national origin, have Limited English proficiency (LEP). Subrecipient understands that denying a person access to its programs, services, and activities because of LEP is a form of national origin discrimination prohibited under Title VI of the Civil Rights Act of 1964 and the Department of the Treasury's implementing regulations. Accordingly, Subrecipient shall

V.5

initiate reasonable steps, or comply with the Department of the Treasury's directives, to ensure that LEP persons have meaningful access to its programs, services, and activities. Subrecipient understands and agrees that meaningful access may entail providing language assistance services, including oral interpretation and written translation where necessary, to ensure effective communication in the Subrecipient's programs, services, and activities.

3. Subrecipient agrees to consider the need for language services for LEP persons when Subrecipient develops applicable budgets and conducts programs, services, and activities. As a resource, the Department of the Treasury has published its LEP guidance at 70 FR 6067. For more information on taking reasonable steps to provide meaningful access for LEP persons, please visit <http://www.lep.gov>.
4. Subrecipient acknowledges and agrees that compliance with the assurances constitutes a condition of continued receipt of federal financial assistance and is binding upon Subrecipient and Subrecipient's successors, transferees, and assignees for the period in which such assistance is provided.
5. Subrecipient acknowledges and agrees that it must require any sub-grantees, contractors, subcontractors, successors, transferees, and assignees to comply with assurances 1-4 above, and agrees to incorporate the following language in every Agreement or agreement subject to Title VI and its regulations between the Subrecipient and the Subrecipient's sub-grantees, Contractors, Subcontractors, successors, transferees, and assignees:

The sub-grantee, Contractor, Subcontractor, successor, transferee, and assignee shall comply with Title VI of the Civil Rights Act of 1964, which prohibits Subrecipients of federal financial assistance from excluding from a program or activity, denying benefits of, or otherwise discriminating against a person on the basis of race, color, or national origin (42 U.S.C. § 2000d et seq.), as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, which are herein incorporated by reference and made a part of this Agreement (or agreement). Title VI also includes protection to persons with "Limited English Proficiency" in any program or activity receiving federal financial assistance, 42

U.S.C. § 2000d et seq., as implemented by the Department of the Treasury's Title VI regulations, 31 CFR Part 22, and herein incorporated by reference and made a part of this Agreement or agreement.

6. Subrecipient understands and agrees that if any real property or structure is provided or improved with the aid of federal financial assistance by the Department of the Treasury, this assurance obligates the Subrecipient, or in the case of a subsequent transfer, the transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If any personal property is provided, this assurance obligates the Subrecipient for the period during which it retains ownership or possession of the property.
7. Subrecipient shall cooperate in any enforcement or compliance review activities by the Department of the Treasury of the aforementioned obligations. Enforcement may include

V.5

investigation, arbitration, mediation, litigation, and monitoring of any settlement agreements that may result from these actions. The Subrecipient shall comply with information requests, on-site compliance reviews and reporting requirements.

8. Subrecipient shall maintain a complaint log and inform the Department of the Treasury of any complaints of discrimination on the grounds of race, color, or national origin, and limited English proficiency covered by Title VI of the Civil Rights Act of 1964 and implementing regulations and provide, upon request, a list of all such reviews or proceedings based on the complaint, pending or completed, including outcome. Subrecipient also must inform the Department of the Treasury if Subrecipient has received no complaints under Title VI.
9. Subrecipient must provide documentation of an administrative agency's or court's findings of non-compliance of Title VI and efforts to address the non-compliance, including any voluntary compliance or other agreements between the Subrecipient and the administrative agency that made the finding. If the Subrecipient settles a case or matter alleging such discrimination, the Subrecipient must provide documentation of the settlement. If Subrecipient has not been the subject of any court or administrative agency finding of discrimination, please so state.
10. If the Subrecipient makes sub-awards to other agencies or other entities, the Subrecipient is responsible for ensuring that sub-Subrecipients also comply with Title VI and other applicable authorities covered in this document. State agencies that make sub-awards must have in place standard grant assurances and review procedures to demonstrate that they are effectively monitoring the civil rights compliance of sub-Subrecipients.

The United States of America has the right to seek judicial enforcement of the terms of this assurances document and nothing in this document alters or limits the federal enforcement measures that the United States may take in order to address violations of this document or applicable federal law.

APPENDIX 4 TO SLFRF EXHIBIT- SLFRF SUBRECIPIENT QUARTERLY REPORT REQUIREMENTS

1. SLFRF SUBRECIPIENT QUARTERLY REPORT WORKBOOK

- 1.1 The SLFRF Subrecipient Quarterly Report Workbook must be submitted to the State Agency within ten (10) days following each quarter ended September, December, March and June. The SLFRF Subrecipient Quarterly Report Workbook can be found at: <https://osc.colorado.gov/american-rescue-plan-act> (see SLFRF Grant Agreement Templates Tab).
- 1.2 The requirements set forth in this Appendix 4 do not apply if the instant Agreement is between two Colorado State Agencies.

V.5

**APPENDIX 5 TO SLFRF EXHIBIT- SAMPLE SLFRF REPORTING
MODIFICATIONS FORM**

Grantee:			Grant Agreement No:		
Project Title:			Project No:		
Project Duration:	To:		From:		
State Agency:					

This form serves as notification that there has been a change to the reporting requirements set forth in the original SLFRF Grant Agreement.

The following reporting requirements have been (add/ remove additional rows as necessary):

Updated Reporting Requirement (Add/Delete/Modify)	Project Number	Reporting Requirement

By signing this form, the Grantee agrees to and acknowledges the changes to the reporting requirements set forth in the original SLFRF Grant Agreement. All other terms and conditions of the original SLFRF Grant Agreement, with any approved modifications, remain in full force and effect. Grantee shall submit this form to the State Agency within 10 business days of the date sent by that Agency.

Grantee

Date

State Agency Grant Manager

Date



AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT:

2023 Annual Financial Audit

PRESENTER: Lorraine Haywood and CliftonLarsonAllen

OUTCOME REQUESTED: ☒ **Decision** ☐ **Consent** ☐ **Report**

PURPOSE/ BACKGROUND

Each District must have an audit performed annually and the audit report must be submitted to the Board of Directors by the auditor by June 30 and filed with the State Auditor within 30 days after the report is received by the District. (C.R.S. 29-1-606).

Attachment(s): 2023 Annual Financial Audit and Governance Communications Letter

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Staff recommend that the Board of Directors accept the 2023 Financial Audit.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY

**BASIC FINANCIAL STATEMENTS AND
REQUIRED SUPPLEMENTARY INFORMATION**

YEAR ENDED DECEMBER 31, 2023



CPAs | CONSULTANTS | WEALTH ADVISORS

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**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
TABLE OF CONTENTS
YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	12
STATEMENT OF ACTIVITIES	13
BALANCE SHEET – GOVERNMENTAL FUND	14
RECONCILIATION OF THE BALANCE SHEET – GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION	15
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND	16
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES	17
NOTES TO FINANCIAL STATEMENTS	18
REQUIRED SUPPLEMENTARY INFORMATION	
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET TO ACTUAL – GENERAL FUND	33
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION	34



INDEPENDENT AUDITORS' REPORT

Board of Directors
Health Services District of Northern Larimer County
Fort Collins, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Health Services District of Northern Larimer County, Colorado as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Health Services District of Northern Larimer County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Health Services District of Northern Larimer County, as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Health Services District of Northern Larimer County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 2 to the financial statements, effective January 1, 2023, the Health Services District of Northern Larimer County adopted new accounting guidance for software subscriptions. The guidance required recognition of a subscription asset and corresponding subscription liability for all subscriptions with terms greater than twelve months. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Health Services District of Northern Larimer County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Health Services District of Northern Larimer County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Health Services District of Northern Larimer County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Broomfield, Colorado
May 7, 2024

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

This section of the financial report is a required component of the annual financial statements for governmental organizations and is intended to help explain the financial activity for the fiscal year ended December 31, 2023, through a brief narrative overview and analysis of financial statements. All interested persons are encouraged to read this report and to review the financial statements in conjunction with the descriptions of activity as highlighted below.

Financial Highlights

- Assets for the Health Services District of Northern Larimer County (Health District) exceeded liabilities and deferred inflows of resources by \$17,510,833 an increase of \$1,748,756 over the prior year.
- As of the close of the fiscal year, the Health District's governmental fund balance totaled \$8,021,778 an increase of \$1,734,604 over the prior year. Approximately 83% of this amount (\$6,621,865) is available at the Health District's discretion (unassigned).
- Approximately \$9.7 million of the revenues received in 2023 were used to provide health related services to residents in the northern two-thirds of Larimer County.

Overview of Financial Statements

This discussion and analysis serve as an introduction to the Health District's basic financial statements. The Health District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Required Financial Statements

The financial statements of the Health District report information about the Health District using accounting methods similar to those used by private-sector companies. These statements provide both long-term and short-term information about the Health District's overall financial status.

The Statement of Net Position presents information on all of the Health District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. This statement provides information about the nature and the amounts of investments in resources (assets) and the obligations to Health District creditors (liabilities). Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Health District is improving or deteriorating. The Health District currently has reserve resources that are intended to be gradually spent down based on directives from the Health District's Board of Directors, so some decrease is to be expected.

The Statement of Activities presents information showing how the Health District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

These two statements report the Health District's net position and changes in net position. This change in net position is important because it tells the reader whether the financial position of the Health District has improved or diminished. However, in evaluating the overall position of the Health District, non-financial information such as changes in economic conditions and the Health District's property tax base will also need to be evaluated.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Health District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Health District has only one fund, the general fund.

Governmental Fund

The presentation for the Health District's general fund focuses on how resources flow into and out of it and the balance that is left at year-end that is available for spending in future periods. The governmental fund is reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view to cash, the governmental fund operations and the services provided. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Health District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and the general fund is reconciled in the financial statements.

The Health District annually adopts an appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget. Actual expenditures were less than budgeted expenditures even after exclusions of fund budgeted for contingency.

Financial Analysis

As previously noted, net position may serve over time as a useful indicator of an entity's financial position. In the case of the Health District, assets exceed liabilities and deferred inflows of resources by \$17,510,833 at the close of the most recent fiscal year.

Cash and investments represent 10% of total assets. The funds on hand represent resources available for operations and contingencies of the Health District and are invested in local government investment pool and certificates of deposit.

Approximately 11% of the Health District's total assets reflect investment in capital assets (e.g. land, buildings, medical equipment, dental equipment, right-to-use lease building, subscription-based information technology arrangements (SBITA) and computer hardware). The Health District uses these capital assets to provide health services to citizens of the northern two-thirds of Larimer County; consequently, these assets are not available for future spending. Unrestricted net position may be used to meet the Health District's ongoing obligations to creditors.

The Health District entered into a lease in 1994 with Poudre Valley Health Care, Inc. dba Poudre Valley Health System (PVHS) for the use of certain assets.

In 2012, the Health District Board of Directors approved an amendment to the lease. The amendment was in response to a request by PVHS for changes required to enable a joint-operating agreement under which PVHS and University of Colorado Hospital Authority would join to create a new regional health system, University of Colorado Health (UCHealth) to be operated by a new joint-operating company. The amended lease provided an extension of the term of the lease until 2062.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

The Health District reports a lease receivable as disclosed in Note 4. As of December 31, 2023, the lease receivable was \$59,529,666 or 67% of total assets and is the main driver of the increase in current and other assets as listed in Table A-1.

The following statement of net position (Table A-1) summarizes the Health District's assets, liabilities, and deferred inflows of resources, and net position.

Table A-1
Condensed Statement of Net Position

	2023	2022	Dollar Change	Percent Change
Current and Other Assets	\$ 79,106,629	\$ 75,534,539	\$ 3,572,090	4.73%
Capital Assets	9,904,834	9,864,652	40,182	0.41%
Total Assets	<u>89,011,463</u>	<u>85,399,191</u>	<u>3,612,272</u>	<u>4.23%</u>
Current Liabilities	869,986	845,886	24,100	2.85%
Noncurrent Liabilities	415,779	389,749	26,030	6.68%
Total Liabilities	<u>1,285,765</u>	<u>1,235,635</u>	<u>50,130</u>	<u>4.06%</u>
Deferred Inflows of Resources	<u>70,214,865</u>	<u>68,401,479</u>	<u>1,813,386</u>	<u>2.65%</u>
Total Net Position	<u><u>\$ 17,510,833</u></u>	<u><u>\$ 15,762,077</u></u>	<u><u>\$ 1,748,756</u></u>	<u><u>11.09%</u></u>

Net position consists of the following components:

	2023	2022	Dollar Change	Percent Change
Investment in Capital Assets	\$ 9,854,844	\$ 9,861,149	\$ (6,305)	-0.06%
Restricted	383,596	381,593	2,003	0.52%
Unrestricted	7,272,393	5,519,335	1,753,058	31.76%

A portion of the Health District's net position of \$383,596 represents resources that are subject to external restrictions (TABOR reserve). The balance of unrestricted net position of \$7,272,393 may be used to meet the Health District's obligations to citizens and creditors.

The unassigned fund balance of \$6,621,865 presented in the governmental fund balance sheet on page 14 provides a succinct view of the Health District's liquid resources that are available to the Health District on a short-term basis. Board policy requires the Health District to maintain a minimum of \$1 million dollars in liquid reserves.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

Table A-2
Condensed Statement of Activities

	2023	2022	Dollar Change	Percent Change
REVENUES				
Program Revenues:				
Net Charges for Services	\$ 1,088,043	\$ 1,047,583	\$ 40,460	3.86%
Operating Grants and Contributions	486,121	664,487	(178,366)	-26.84%
General Revenues:				
Property and Specific				
Ownership Tax	9,280,948	9,343,693	(62,745)	-0.67%
Lease Revenue	1,526,116	1,802,669	(276,553)	-15.34%
Other Revenue	496,252	177,580	318,672	179.45%
Total Revenues	<u>12,877,480</u>	<u>13,036,012</u>	<u>(158,532)</u>	<u>-1.22%</u>
EXPENSES				
Dental Services	3,483,925	3,237,708	246,217	7.60%
Grants, Partnerships, and Special Projects	892,714	1,460,045	(567,331)	-38.86%
Connections: Mental Health/ Substance Use Issues Services	2,252,756	1,889,256	363,500	19.24%
MH/SA/Primary Care	1,127,528	1,097,326	30,202	2.75%
Healthcare Access	757,052	1,034,409	(277,357)	-26.81%
General Government	1,174,854	1,061,557	113,297	10.67%
Health Promotion	707,537	781,321	(73,784)	-9.44%
Community Impact	470,607	600,563	(129,956)	-21.64%
Assessment, Research and Evaluation	261,751	247,475	14,276	5.77%
Resource Development	-	152,577	(152,577)	-100.00%
Total Expenses	<u>11,128,724</u>	<u>11,562,237</u>	<u>(433,513)</u>	<u>-3.75%</u>
CHANGE IN NET POSITION	1,748,756	1,473,775	274,981	
Net Position - Beginning of Year	<u>15,762,077</u>	<u>14,288,302</u>	<u>1,473,775</u>	<u>10.31%</u>
NET POSITION - END OF YEAR	<u><u>\$ 17,510,833</u></u>	<u><u>\$ 15,762,077</u></u>	<u><u>\$ 1,748,756</u></u>	<u><u>11.09%</u></u>

The Health District's net position increased by \$1,748,756 during the current fiscal year.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

Revenues

Property and specific ownership taxes accounts for 72% of the Health District's revenue. The amount of revenue from property taxes is driven by the assessed valuation of the taxable properties within the Health District boundaries and by the voter approved mill levy for the Health District. Lease revenue accounts for 12% of the Health District's revenue and the remaining 16% comes from net program fees for services provided, grants, contributions, and investment income.

Significant changes in revenue include the following:

Net charges for services increased 3.86% (\$40,460) when compared to 2022. The Family Dental Clinic experienced a 6.5% (\$55,429) increase in revenue as a result of a 9.6% increase in patients served. Integrated Care Program revenue decreased 7% (\$10,467).

Other revenue increased 179% (\$318,672) over the previous year due to rising rates on investment earnings as well as a large in-kind donation received by the Family Dental Clinic.

In 2023, the Health District received \$1,526,116 from their lease with PVHS and the tenants at the new Mulberry office location. This is a 15% (\$276,553) decrease over 2022.

Expenses

The Health District's direct expenditures were approximately 35% (\$5,858,451) less than budgeted. During 2023, the Health District experienced a decrease in staffing levels resulting in a decreased capacity to serve clients and community.

Significant changes in expenses include the following:

Health District program expenses realized a 3% (\$433,513) net decrease when compared to 2022.

Health District projects funded through grants, community partnerships and Board approved reserve expenses decreased 38.9% (\$567,331) over prior year as a result of multi-year projects funded by both grants and Health District funds and priority time-limited projects coming to an end. The pursuit of additional grant funding was minimal during the year.

The Mental Health Connections program expenditures increased 19.24% (\$363,500) due to the hiring of four staff positions during 2023 that were vacant in 2022.

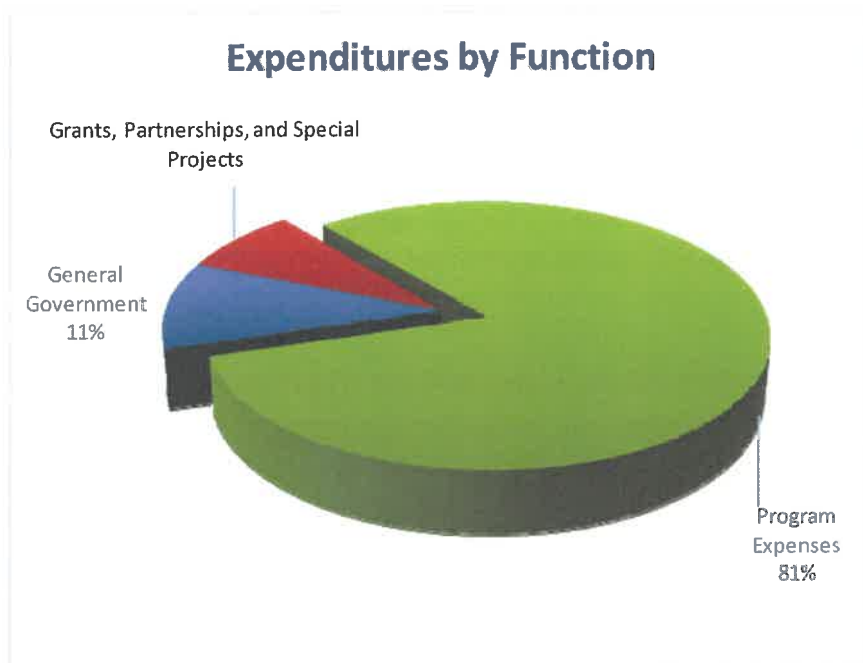
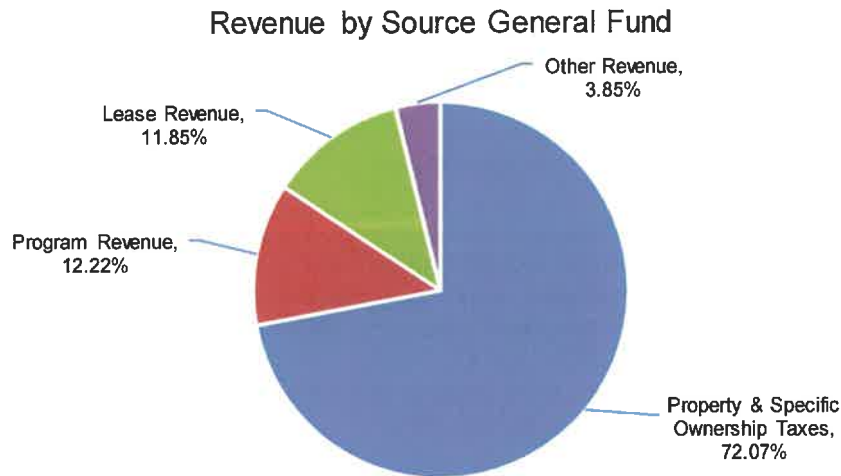
Health Care Access experienced a 26.81% (\$277,357) decrease in expenditures in 2023 primarily due to the inability to fill open positions until the end of the second quarter.

The Community Impact Team realized 21.64% (\$129,956) decrease in expenditures as a result of two positions remaining unfilled in 2023 and one position being hired late in the fourth quarter.

The Dental Services program realized a 7.6% (\$246,217) increase in expenses over the prior year due to lower staffing numbers and some continued COVID related measures in place.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

While the condensed statement of activities presented on page 7 Table A-2, provides information as to the nature and sources of these changes, the following charts show the sources of the Health District's revenue and how these funds are spent.



**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

Budgetary Highlights

The Health District adopts annual Operations and Capital budgets outlining the estimated expenditures for programs or projects already authorized or to be considered by the Health District's Board of Directors. Funds budgeted but not spent from the current year's budget may be re-appropriated for future use. Periodically, the Health District has opportunities to provide unique, time-limited programs that are funded with external grant funds, the Health District reserve funds and/or in partnership with others in the community. These partnerships relate to the mission of the Health District and generally relate to programs of the Health District, but given their short-term nature are classified as grants, partnerships, or special projects in the accompanying financial statements to distinguish them from the normal programmatic expenditures of the Health District.

The Health District's 2023 budget includes revenues for actual external grant awards as well as potential external grant awards. In order to appropriate adequate revenues and expenditures so that budgets will not have to be revised mid-year, every possible external grant application is included in the budget, even though many will not be awarded, and some may not be submitted.

Revenue from investment earnings was 89% greater than was budgeted. Much of this significant shift was due to the increased interest earnings during 2023.

A comparison of 2023 budget to actual revenue and expenditures can be found on page 33.

Capital Assets and Debt Administration

Capital Assets

As of December 31, 2023, the Health District's investment in capital assets totaled \$9.9 million (net of accumulated depreciation and amortization). This investment in capital assets includes buildings, improvements, renovations, dental equipment, office equipment, subscription assets and computer software.

During 2023, \$299,534 was expended on capital assets. These capital expenditures include office equipment, dental equipment, building improvements, and subscription assets. See Note 5.

Table A-3
Capital Assets
Net of Accumulated Depreciation and Amortization

	2023	2022
Land	\$ 4,592,595	\$ 4,592,595
Construction in Progress	-	195,108
Buildings and Building Improvements	5,010,044	4,901,150
Subscription Asset	57,632	-
Equipment	244,563	175,799
Net Capital Assets	<u>\$ 9,904,834</u>	<u>\$ 9,864,652</u>

Debt Administration

The Health District has no outstanding debt. Additional information on the Health District's contingent obligations can be found in Note 9 to the financial statements.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

Economic Factors and Next Year's Budget

During 2023, Colorado outperformed most other states in terms of employment, labor force and Gross Domestic Product (GDP) growth. Northern Colorado's real GDP decreased by .05% between 2020 and 2021 while the U.S. GDP increased by 5.8% over the same time period. The combined unemployment rate in the Weld and Larimer area was 3.1%. Northern Colorado experienced a tight labor market which was reflected in the number of open positions Health District programs experienced in 2023. (University of Colorado 2023 Business Economic Outlook). Inflation has fallen over the prior year but will remain a challenge into 2024 along with increased labor costs and a tight labor market.

Property and specific ownership taxes are anticipated to account for approximately 69% of the Health District's operating revenues in 2024. The Health District expects a 24% increase in property tax revenue based upon current property valuations. Specific ownership tax revenue is expected to increase slightly over the prior year. Investment earnings increased significantly over the prior year and are anticipated to decrease from current rates by the end of 2024.

The budget for 2024 was planned with a conservative outlook due to state-wide conversations about potential changes to the property taxes in future tax years along with possible impacts from inflation potentially remaining high during the year.

The Health District continues to seek external resources from foundations, corporations, local, state, and federal governmental agencies to supplement, expand, and enhance services and programs consistent with the Health District's strategic plan.

The Health District approved a \$25.1 million budget for 2024 with total operations expenditures of \$17.3 million.

Request for Information

This financial report is designed to provide a general overview of the Health District's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed in writing to: Laura Mai, Finance Director Health District of Northern Larimer County 120 Bristlecone Drive Fort Collins, CO 80524, Imai@healthdistrict.org.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
STATEMENT OF NET POSITION
DECEMBER 31, 2023

ASSETS

Cash and Investments	\$ 8,703,872
Receivables:	
Patients, Net of Allowances of \$2,506	60,575
Grants Receivable and other	5,682
Property Taxes	10,685,119
Specific Ownership Taxes	42,647
Prepaid Items	79,068
Lease Receivable - Current	230,522
Lease Receivable - Non Current	59,299,144
Capital Assets Not Being Depreciated:	
Land	4,592,595
Capital Assets - Net of Accumulated Depreciation and Amortization:	
Buildings and Building Improvements	5,010,044
Subscription Asset	57,632
Equipment	244,563
Total Assets	<u>89,011,463</u>

LIABILITIES

Accounts Payable	196,787
Accrued Payroll and Payroll Taxes	336,019
Deposits	21,905
Unearned Revenue:	
Grants and Partnerships	315,162
Dental Services	113
Long-Term Liabilities:	
Subscription Liability, Due Within One Year	49,990
Compensated Absences, Due Within One Year	345,828
Compensated Absences, Due in More than One Year	19,961
Total Liabilities	<u>1,285,765</u>
Deferred Inflows of Resources:	
Property Taxes	10,685,198
Leases	59,529,667
Total Deferred Inflows of Resources	<u>70,214,865</u>
Net Position:	
Net Investment in Capital Assets	9,854,844
Restricted for TABOR Reserve	383,596
Unrestricted	<u>7,272,393</u>
Total Net Position	<u><u>\$ 17,510,833</u></u>

See accompanying Notes to Financial Statements.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

		Program Revenue		Net Revenue
	Expenses	Net Charges for Services	Operating Grants and Contributions	(Expense) and Changes in Net Position
Functions/Programs				
Governmental Activities:				
Dental Services	\$ 3,483,925	\$ 911,681	\$ -	\$ (2,572,244)
Grants, Partnerships and Special Projects	892,714	-	486,121	(406,593)
Connections: Mental Health/ Substance Use Issues Services	2,252,756	37,110	-	(2,215,646)
MH/SA/Primary Care	1,127,528	139,252	-	(988,276)
Healthcare Access	757,052	-	-	(757,052)
General Government	1,174,854	-	-	(1,174,854)
Health Promotion	707,537	-	-	(707,537)
Community Impact	470,607	-	-	(470,607)
Assessment, Research and Evaluation	261,751	-	-	(261,751)
Total Governmental Activities	<u>\$ 11,128,724</u>	<u>\$ 1,088,043</u>	<u>\$ 486,121</u>	(9,554,560)
General Revenues:				
Property and Specific Ownership Taxes				9,280,948
Lease Revenue				1,526,116
Investment Earnings				434,456
Other Income				<u>61,796</u>
Total General Revenues				11,303,316
CHANGE IN NET POSITION				1,748,756
Net Position - Beginning of Year				<u>15,762,077</u>
NET POSITION - END OF YEAR				<u><u>\$ 17,510,833</u></u>

See accompanying Notes to Financial Statements.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
BALANCE SHEET – GOVERNMENTAL FUND
DECEMBER 31, 2023

	<u>General Fund</u>
ASSETS	
Cash and Investments	\$ 8,703,872
Receivables:	
Patients, Net of Allowances of \$2,506	60,575
Grants Receivable and Other	5,682
Property Taxes	10,685,119
Specific Ownership Taxes	42,647
Leases	59,529,666
Prepaid Items	<u>79,068</u>
Total Assets	<u><u>\$ 79,106,629</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	
Liabilities:	
Accounts Payable	\$ 196,787
Accrued Payroll and Payroll Taxes	336,019
Deposits	21,905
Unearned Revenue:	
Grants and Partnerships	315,162
Dental Services	<u>113</u>
Total Liabilities	<u>869,986</u>
Deferred Inflows of Resources:	
Property Taxes	10,685,198
Leases	<u>59,529,667</u>
Total Deferred Inflows of Resources	<u>70,214,865</u>
Fund Balance:	
Nonspendable - Prepaid Items	79,068
Restricted - TABOR Reserve	383,596
Assigned - Subsequent Year	937,249
Unassigned	<u>6,621,865</u>
Total Fund Balance	<u><u>8,021,778</u></u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u><u>\$ 79,106,629</u></u>

See accompanying Notes to Financial Statements.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
RECONCILIATION OF THE BALANCE SHEET –
GOVERNMENTAL FUND TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2023**

Total Fund Balance - Governmental Fund	\$ 8,021,778
Amounts Reported for Governmental Activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund.	9,904,834
Long-term liabilities are not due and payable from current financial resources, and therefore are not reported as liabilities on the fund financial statements. Long-term liabilities at year-end consist of subscription liability.	(49,990)
Compensated absences are not uses of financial resources in governmental activities and are therefore not reported in the fund. However, compensated absences are treated as a liability in the statement of net position. This is the total of the liability as of December 31, 2023.	<u>(365,789)</u>
Total Net Position	<u><u>\$ 17,510,833</u></u>

See accompanying Notes to Financial Statements.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
YEAR ENDED DECEMBER 31, 2023**

	<u>General Fund</u>
REVENUE	
Property and Specific Ownership Taxes	\$ 9,280,948
Net Charges for Services	1,088,043
Lease Income	1,526,116
Grants and Partnerships	486,121
Investment Earnings	434,456
Miscellaneous Income	61,796
Total Revenue	<u>12,877,480</u>
EXPENDITURES	
General Government	1,150,628
Program Operations:	
Dental Services	3,340,896
MH/SA/Primary Care	1,100,696
Health Promotion	689,306
Community Impact	449,413
Connections: Mental Health/Substance Use Issues Services	2,183,523
Grants, Partnerships, and Special Projects	892,281
Assessment, Research and Evaluation	253,054
Health Care Access	727,553
Subtotal	<u>10,787,350</u>
Capital Outlay	299,534
Debt Service - Principal	55,559
Debt Service - Interest	433
Total Expenditures	<u>11,142,876</u>
NET CHANGE IN FUND BALANCE	1,734,604
Fund Balance - Beginning of Year	<u>6,287,174</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 8,021,778</u></u>

See accompanying Notes to Financial Statements.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

Net Change in Fund Balance - Governmental Fund	\$ 1,734,604
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Amounts Reported for Governmental Activities in the
Statement of Activities are different because:

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense and the net book value of disposed assets exceeded capital outlay in the current period.	(61,864)
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The issuance of long-term debt (leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction however, has any effect on net position. This is the amount by which repayments exceeded proceeds:

Principal Payments on Lease	3,503
Principal Payments on Subscription	52,056

Compensated absences are not uses of financial resources in governmental activities and are therefore not reported in the fund. However, in the statement of activities, these costs are reported as expenses. This is the amount of these expenses in the current period	<div style="border-top: 1px solid black; border-bottom: 3px double black;">20,457</div>
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Change in Net Position	<div style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 1,748,756</div>
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HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 REPORTING ENTITY

The Health Services District of Northern Larimer County (Health District) is a political subdivision of the state of Colorado and is governed by a five-member board elected by residents of the Health District. Until May 1, 1994, the Health District owned and operated Poudre Valley Hospital (the Hospital). On that date, the Health District transferred the operations and certain net assets of the Hospital to Poudre Valley Health Care, Inc. (PVHCI), a tax-exempt organization incorporated March 14, 1994, for the purpose of operating the Hospital. As part of this transaction, the Health District retained certain assets and entered into a lease arrangement where PVHCI, later referred to as Poudre Valley Health Systems (PVHS), leased certain assets for a period of 50 years. During 2012, PVHCI/PVHS and University of Colorado Hospital Authority entered into a joint operating agreement creating a combined health system called University of Colorado Health (UCHealth), at which time the terms of the lease agreement were amended (see Note 9).

As a political subdivision of the state of Colorado, the Health District is exempt from income taxes under section 115 of the Internal Revenue Code. In addition, the Health District has qualified as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code.

In conformance with Governmental Accounting and Financial Reporting Standards, the Health District is the reporting entity for financial reporting purposes. The Health District is the level of government having financial accountability and control to provide community health services and to lease certain of its assets to PVHCI/PVHS and UCHealth. The Health District is not included in any other governmental reporting entity. The Health District officials are publicly elected and are empowered to adopt a budget to expend Health District revenues, select management, significantly influence operations, and are accountable for fiscal matters.

The financial statements of the Health District include all funds that are controlled by, or dependent upon, the elected officials. Control by, or dependence on, the elected officials is determined on the basis of budget adoption, taxing authority, outstanding debt which may be secured by general obligation of the Health District, and the responsibility of the Health District to finance debt.

NOTE 2 SUMMARY OF ACCOUNTING POLICIES

The accounting policies of the Health District conform to accounting principles generally accepted in the United States of America. The following is a summary of the Health District's significant accounting policies.

Basic Financial Statements, Measurement Focus, and Basis of Accounting

Basic financial statements consist of the government-wide financial statements and the fund financial statements. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the primary government. The fund financial statements provide a more detailed level of financial information for the governmental fund.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Basic Financial Statements, Measurement Focus, and Basis of Accounting (Continued)

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Program revenues include, 1) net charges to patients or applicants who receive services provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures are recorded only when payment is due.

The Health District reports only one fund – the general fund, a governmental fund. The general fund accounts for all financial resources of the Health District.

Adoption of New Accounting Standards

In May 2020, the GASB issued GASB Statement No. 96, Subscription-Based Information Technology Arrangements. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The Health District adopted the requirements of the guidance effective January 1, 2023 and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard resulted in the Health District reporting a SBITA asset and SBITA liability disclosed in Note 5 and 7, respectively.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Cash and Investments

Cash includes highly liquid investments with a maturity of three months or less when purchased and are stated at cost, which approximates market. Investments include certificates of deposit, which are valued at amortized cost, and investments in investment pools set up under state statute (ColoTrust), which are valued at net asset value.

Patient Receivable and Credit Policy

Patient receivables are uncollateralized patient and third-party payor obligations. The Health District does not charge interest on delinquent accounts. Payments of patient receivables are allocated to the specific services identified in the remittance advice or, if unspecified, are applied to the earliest services provided.

The Health District records receivables at the amount invoiced to patients. The Health District does not obtain collateral for its accounts receivable. The Health District does not hold any accounts receivable for sale.

Patient accounts receivable are reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Health District regularly analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for doubtful accounts and provision for bad debts.

The Health District's process for calculating the allowance for doubtful accounts for self-pay patients has not significantly changed from December 31, 2022 to December 31, 2023. The Health District does not maintain a material allowance for doubtful accounts from third-party payors, nor did it have significant write offs from third-party payors.

For receivables associated with services provided to patients who have third-party coverage, the Health District analyzes contractually due amounts and provides an allowance for contractual adjustments, if necessary.

Contractual adjustments represent the difference between the Health District's established billing rate for covered services and amounts reimbursed by third-party payors, pursuant to reimbursement contracts. Contractual adjustments reduce the amount of revenue the Health District recognizes.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Property Tax Receivable

The Health District's property tax revenues, levied by January 1 on assessed valuation of the preceding year, are due and payable in the current calendar year. Assessed values are established by the county assessor. Property taxes attach as an enforceable lien on property as of January 1 of the year in which payable. The taxes are payable under two methods: 1) in full on or before April 30, or 2) one-half on or before February 28 and the remaining one-half on or before June 15. Taxes are collected by the Larimer County Treasurer and are remitted to the Health District on the 10th of the month following collection. All current taxes receivable are offset by the full amount of the deferred inflow of resources – property taxes. Management has determined there are no significant uncollectible amounts; therefore, property taxes receivable are reported without allowance for uncollectible accounts.

Budgeted property tax revenues reflected in the accompanying financial statements are based on the assessed valuation at the time of budget adoption. Actual property tax revenues are based on the final assessed valuation including changes recorded by the county assessor through December 14.

Other Receivables

Other receivables consist primarily of grant receivables from governmental entities and nonprofit organizations. Other receivables are reported at gross as management has determined no significant uncollectible amounts.

Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements. The expenditure will be appropriately recognized using the consumption method in the benefitting period.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the Health District as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the estimated useful lives of the assets which range from three to forty years.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Leases

Lessor

The Health District is a lessor for noncancellable leases of buildings. The Health District recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities in the government-wide and in the governmental fund financial statements.

At the commencement of a lease, the Health District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Health District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Health District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Health District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

SBITAs

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. The Health District recognizes SBITA assets with an initial value of \$2,500. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Compensated Absences

The Health District's employees earn paid time off days at varying rates depending on years of service. Employees may accumulate paid time off up to a specific maximum. Employees begin accruing paid time off upon the first day of employment with the total number of days accrued being determined by eligible years of service. Paid time off may be used for vacation, sick leave, dependent sick leave, or other personal needs. Compensated absences are calculated at the employee's base pay rate at the time the paid time off or compensatory time is used. It does not include overtime or other special forms of compensation. Compensated absences do include compensatory time, which is earned by employees in lieu of overtime payments for nonexempt employees. Compensatory time is awarded to nonexempt employees at a rate of one and one-half hours for each hour worked over forty hours in a work week. Employees are paid for accumulated unused paid time off and accumulated unused compensatory time upon termination.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position and the governmental fund balance sheet will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Health District has two items that qualify for reporting in this category in both the statement of net position and balance sheet – governmental fund. The Health District reports property taxes as receivables and deferred inflows of resources when levied in the statement of net position and balance sheet – governmental fund. The statement of net position and the governmental funds balance sheet also report a deferred inflow of resources related to leases.

In addition, the governmental fund financial statements may report a deferred inflow of resources for unavailable revenue. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between assets, liabilities, and deferred inflows of resources. The net position component "investment in capital assets" consists of capital assets, net of accumulated depreciation. Net position is restricted when constraints place on the net position are externally imposed. The remaining balance of net position is reported as restricted. It is the Health District's policy to use restricted net position first before using unrestricted net position.

Fund Balance

In the fund financial statements, fund balance of the Health District's governmental fund is classified as nonspendable, restricted, committed, assigned, or unassigned.

Nonspendable fund balance indicates amounts that cannot be spent either a) due to form; for example, inventories and prepaid amounts or b) due to legal or contractual requirements to be maintained intact.

Restricted fund balance indicates amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation as described in Note 9.

Committed fund balance indicates amounts constrained for a specific purpose by a government using its highest level of decision-making authority. It would require an ordinance by the Health District's board to remove or change the constraints placed on the resources. This action must occur prior to year-end; however, the amount can be determined in the subsequent period.

Assigned fund balance indicates amounts for the governmental fund, other than the general fund, any remaining positive amounts not classified in the above categories. For the general fund, amounts constrained for the intent to be used for a specific purpose has been delegated to the executive director.

Unassigned fund balance indicates amounts in the general fund that are not classified as nonspendable, restricted, committed, or assigned. The general fund is the only fund that would report a positive amount in unassigned fund balance. Board policy requires the Health District to maintain a minimum of \$1 million in liquid reserves.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Health District considered restricted funds to have been spent first. When both unassigned and committed, or assigned resources are available for use, it is the Health District's policy to use committed or assigned resources first, then unassigned as needed.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Net Medical/Dental Service Revenue

The Health District has agreements with third-party payors that provide for payments to the Health District at amounts different from its established rates. Payment arrangements include prospectively determined rates. Net medical/dental service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated contractual adjustments under reimbursement agreements with third-party payors. Contractual adjustments are accrued on an estimated basis in the period the related services are rendered.

For uninsured patients, the Health District recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy).

For the year ended December 31, 2023, approximately 82.2%, 17.6%, and 0.2% of net dental service revenue from third-party payors was received from Medicaid, other governments, and other third-party providers, respectively.

Grants

The Health District receives grants from governmental entities, corporations, and nonprofit organizations. Revenues from grants are recognized when all eligibility requirements, including time requirements are met. Grants are restricted for specific program purposes. Grants received prior to eligibility and time requirements being met are reflected as unearned revenue in the financial statements.

Insurance Pool

In 1996, the Health District transferred its property and liability insurance to Colorado Special Districts Insurance Pool. As a requirement of this Pool, the Health District placed into an Insurance Surplus Contribution Fund a specified amount (\$5,132) of cash. This surplus is subject to future insurance needs or a refund to the Health District if there are excess funds in the future. The Colorado Special District Property & Liability Pool (CSDPLP) was made up of 1,955 members who are local governments. It is an organization created by an inter-government agreement in 1988 solely to provide property and casualty coverage to its members. Coverage is provided through pooling of self-insured losses and the purchase of stop-loss insurance coverage. A seven-member board elected by and from its members governs CSDPLP. The governing board is autonomous as to budgeting and fiscal matters.

In 2008, the Health District joined the Colorado Employer Benefit Trust (the Trust), a multiemployer trust of approximately 300 public institutions providing employee benefits. The purpose of the Trust is to spread the risk of adverse claims over a larger base of members and to reduce administrative costs.

Coverage is provided through pooling of self-insured losses and the purchase of coverage from third-party providers. The Trust is governed by a board of trustees made up of representatives from participating groups.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 2 SUMMARY OF ACCOUNTING POLICIES (CONTINUED)

Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions may affect the reported amounts of assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

NOTE 3 CASH AND INVESTMENTS

Cash

Colorado statutes govern the Health District's deposits of cash and investments. The Colorado Public Deposit Protection Act (PDPA) requires that all units of a local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

At December 31, 2023, the Health District's carrying amount of deposits was \$464,013 and the bank balance was \$629,378. Cash balances may be transferred overnight in order to maximize interest income. The Health District also had petty cash balances amounting to \$1,425 at December 31, 2023.

Investments

The Health District is authorized by Colorado statutes to invest in the following:

- Obligations of the United States and certain U.S. government agency securities.
- Certain international agency securities.
- General obligation and revenue bonds of local government entities.
- Banker's acceptance of certain banks.
- Commercial paper.
- Local government investment pools.
- Obligations of the Health District.
- Written repurchase agreements collateralized by certain authorized securities.
- Certain money market funds.
- Guaranteed investment contracts.

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

The Health District categorizes its investments fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure fair value of the asset. The Health District has the following investments, of which they have determined do not meet the requirements for classification within the fair value hierarchy:

- Nonnegotiable certificates of deposit investments valued at amortized cost with average maturities of approximately eleven months. These certificates of deposits had a value of \$1,032,378 at December 31, 2023.
- The Health District participates in a local government investment pool, ColoTrust, an SEC-registered investment pool. The investment pool operates similarly to a money market fund; each share is equal in value to \$1.00. The investment in ColoTrust is measured at Net Asset Value. ColoTrust has a daily redemption frequency period and a one-day redemption notice period. At December 31, 2023, the Health District had \$7,206,056 invested in ColoTrust.

Interest Rate Risk

As a means of limiting local government exposure to fair value losses arising from interest rates, state law limits maturities to five years or less. The Health District is in compliance with state law.

The Health District participates in a local government investment pool, ColoTrust, an SEC-registered investment pool. The investment pool operates similarly to a money market fund; each share is equal in value to \$1.00. The carrying amount and fair value of the investment are the same. ColoTrust invests solely in securities that are permitted pursuant to Colorado Revised Statutes. A designated custodial bank provides safekeeping and depository services in connection with direct investment and withdrawal functions of the investment pools. Substantially all securities owned by the investment pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by each investment pool.

Credit Risk

The government investment pool has received a rating of AAAM by Standard & Poor's.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Health District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. This type of risk is minimized by limiting investments to the types of securities allowed by state law.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Concentration of Credit Risk

The Health District has no policy that would limit the amount that may be invested with any one issuer; however, the Health District's investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities.

NOTE 4 LEASE RECEIVABLES

In 1994, the Health District, acting as a lessor, entered into a lease arrangement whereby it leased certain assets to PVHCI.

In 2012, PVHCI/PVHS entered into a joint operating agreement with the University of Colorado Hospital Authority, creating a combined health system called University of Colorado Health, at which time the lease arrangement was amended. The lease includes a 3% annual increase, expires April 2062 and is cancelable only upon mutual agreement of both parties, default, or other terms of the revised lease. During the year ended December 31, 2023, the Health District recognized \$93,263 and \$1,174,696 in lease revenue and interest revenue, respectively, pursuant to this contract.

The Health District, acting as a lessor, also leases building office space under long-term, noncancelable lease agreements. The leases expire at various dates through 2025. During the year ended December 31, 2023, the Health District recognized \$163,010 and \$6,442 in lease revenue and interest revenue, respectively, pursuant to these contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>
2024	\$ 230,522
2025	233,405
2026	222,691
2027	267,133
2028	316,925
2029-2033	2,400,866
2034-2038	3,999,519
2039-2043	5,977,773
2044-2048	8,414,044
2049-2053	11,392,328
2054-2058	15,014,502
2059-2062	11,059,958
Total Minimum Lease Payments	<u>\$ 59,529,666</u>

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance*	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 4,592,595	\$ -	\$ -	\$ 4,592,595
Construction in Progress	195,108	157,603	(352,711)	-
Total Capital Assets, Not Being Depreciated	4,787,703	157,603	(352,711)	4,592,595
Capital Assets Being Depreciated:				
Building	7,154,579	298,045	-	7,452,624
Building Improvements	16,667	-	-	16,667
Right-to-Use Lease Building	44,896	-	(44,896)	-
Subscription Asset	102,046	5,700	-	107,746
Equipment	1,173,950	136,231	(50,674)	1,259,507
Total Capital Assets Being Depreciated	8,492,138	439,976	(95,570)	8,836,544
Less Accumulated Depreciation/Amortization:				
Building	(2,253,429)	(189,151)	-	(2,442,580)
Building Improvements	(16,667)	-	-	(16,667)
Right-to-Use Lease Building	(44,896)	-	44,896	-
Subscription Asset	-	(50,114)	-	(50,114)
Equipment	(998,151)	(67,467)	50,674	(1,014,944)
Total Accumulated Depreciation/Amortization	(3,313,143)	(306,732)	95,570	(3,524,305)
Total Capital Assets, Being Depreciated, Net	5,178,995	133,244	-	5,312,239
Governmental Activities Capital Assets, Net	\$ 9,966,698	\$ 290,847	\$ (352,711)	\$ 9,904,834

*As a result of implementation of GASB Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*, as of January 1, 2023, \$102,046 was added to the beginning balance presented above for SBITA asset. As the adjustment to the beginning balance for these assets is offset by an equal amount of liabilities, the Health District does not report a restatement of beginning net position for the implementation of GASB 96.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 5 CAPITAL ASSETS (CONTINUED)

Depreciation/amortization expense for the year ended December 31, 2023, was charged to functional programs as follows:

Dental Services	\$ 100,018
MH/SA/Primary Care	30,604
Connections	74,196
Health Care Access	31,109
Health Promotion	20,123
Community Impact	22,323
General Government	19,085
Assessment, Research, and Evaluation	9,274
Total	<u>\$ 306,732</u>

NOTE 6 LONG-TERM LIABILITIES

A summary of the changes in long-term liabilities for the year ended December 31, 2023 are as follows:

	January 1, Balance*	Additions	Reductions	December 31, Balance	Due Within One Year
Governmental Activities:					
Lease Liability	\$ 3,503	\$ -	\$ 3,503	\$ -	\$ -
Subscription Liability	102,046	-	52,056	49,990	49,990
Compensated Absences	386,246	553,855	574,312	365,789	345,828
Total Long-Term Obligations	<u>\$ 491,795</u>	<u>\$ 553,855</u>	<u>\$ 629,871</u>	<u>\$ 415,779</u>	<u>\$ 395,818</u>

*As a result of implementation of GASB Statement No. 96 (GASB 96), *Subscription-Based Information Technology Arrangements*, as of January 1, 2023, \$102,046 was added to the beginning balance presented above for SBITA Liability. As the adjustment to the beginning balance for these liabilities is offset by an equal amount of assets, the Health District does not report a restatement of beginning net position for the implementation of GASB 96.

NOTE 7 SUBSCRIPTION LIABILITY

The Health District subscribes to various software under a noncancelable agreements for which the right to use the software expires between January and August 2025. The total future minimum subscription payments for the subscriptions are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>
2024	\$ 49,990
Total Minimum Subscription Payments	<u>\$ 49,990</u>

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 8 EMPLOYEE RETIREMENT PLANS

Money Purchase Plan

The Health District offers its employees a defined contribution money purchase plan administered by Nationwide Financial Services. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate from the date of employment. The plan requires both employer and employees to contribute amounts of 5% and 3%, respectively, of the base salary each pay period. Contributions made by the Health District are not taxable to the employee until they are withdrawn. Employee contributions are made with pre-tax dollars, and the earnings on the Health District and employee contributions are not taxed until withdrawn. Employees are fully vested in the plan upon completion of two years of service. The Health District contributions to the plan were \$327,485 for the year ended December 31, 2023. Covered payroll was \$6,631,639 for the year ended December 31, 2023.

Deferred Compensation Plan

The Health District established a deferred compensation plan in accordance with Internal Revenue Code Section 457 in 1994. All fees are paid by participants, and there is no employer contribution. The funds are invested and administered by an independent third party. The Health District had 30 employees participate during 2023.

NOTE 9 COMMITMENTS AND CONTINGENCIES

Hospital Lease Agreement

In 1994, the Health District entered into a lease agreement that leased certain assets owned by the Health District to PVHCI (see Note 4). In 2012, PVHCI/PVHS entered into a Joint Operating Agreement with the University of Colorado Hospital Authority, creating a combined health system UCHHealth, at which time the lease agreement between the Health District and PVHCI/PVHS was amended. The amended lease agreement expires April 30, 2062.

There are certain circumstances in which PVHCI/PVHS assets would be transferred to the Health District, and in which the Health District might be required to assume the obligations of PVHCI/PVHS. These situations include: 1) termination (either early termination, or at the end of the lease period) of the Operating Lease Agreement between PVHCI/PVHS, the Health District, and UCHHealth; and 2) early termination of the Joint Operating Agreement between PVHCI/PVHS, UCHA, and UCHHealth. The exact terms of when these situations would apply, as well as what assets would be transferred, are governed by 1) the original Operating Lease Agreement, and all subsequent amendments, including the "Operating Lease Amendment and Consent Agreement" executed in February 2012, and 2) the Joint Operating Agreement between PVHCI/PVHS, UCHA, and UCHHealth, executed in January 2012.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 9 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Revenue Limitations and Restrictions of Fund Balance

The state of Colorado enacted a constitutional amendment (the TABOR amendment) effective December 31, 1992, to limit increases in government revenues. The limitation generally restricts growth in revenue of a governmental entity to a base amount plus increases for growth and inflation. In addition, the amendment requires government entities to create an emergency "reserve" of 3% of annual spending excluding bonded debt service. In November 2000, voter approval was given to the Health District to remove the restriction on growth in revenue. At December 31, 2023, the Health District has complied with the requirements to include emergency reserves in its budgetary-basis fund balance.

NOTE 10 RISK MANAGEMENT

The Health District is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omissions, professional liability, cyber liability, injuries to employees, and natural disasters. The Health District utilizes the Colorado Special Districts Property and Liability Pool and COPIC Insurance Company to manage its risks. Insurance coverage provides protection for professional liability losses on an incidental basis subject to a limit of \$1 million per incident and an annual aggregate limit of \$3 million. The Health District has not had any settlements in excess of insurance coverage for any of the previous three years.

NOTE 11 RELATED PARTY TRANSACTIONS

The Health District is a member of the Colorado Employer Benefit Trust (CEBT), which provides the Health District with health, life, and vision insurance coverage. The deputy director of the Health District serves as a member on the board of trustees of CEBT. The Health District paid \$899,676 to CEBT during the year ended December 31, 2023. The deputy director also serves on the board of directors for the Colorado Special Districts Property and Liability Pool, which provides the Health District with insurance services. The Health District paid approximately \$73,040 to the Colorado Special Districts Property and Liability Pool during the year ended December 31, 2023.

NOTE 12 TAX ABATEMENTS

The Health District does not directly abate taxes. However, for the year ended December 31, 2023 the Health District's property tax revenues were reduced by \$500,894 under various tax increment financing agreements entered into by the City of Fort Collins and Town of Timnath.

HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2023

	Original and Final Budget	Actual Amounts	Variances Over (Under)
REVENUE			
Property and Specific Ownership Taxes	\$ 9,250,165	\$ 9,280,948	\$ 30,783
Lease Income	1,455,433	1,526,116	70,683
Investment Earnings	230,000	434,456	204,456
Net Charges for Services	1,020,803	1,088,043	67,240
Grants and Partnerships	1,099,614	486,121	(613,493)
Miscellaneous Income	23,984	61,796	37,812
Total Revenue	<u>13,079,999</u>	<u>12,877,480</u>	<u>(202,519)</u>
EXPENDITURES			
Current:			
General Government	1,330,474	1,150,628	179,846
Program Operations:			
Dental Services	3,932,630	3,340,896	591,734
MH/SA/Primary Care	1,374,101	1,100,696	273,405
Health Promotion	740,660	689,306	51,354
Community Impact	827,355	449,413	377,942
Connections: Mental Health			
Substance Use Issues Services	2,864,217	2,183,523	680,694
Grants, Partnerships and			
Special Projects	4,110,058	892,281	3,217,777
Assessment, Research and Evaluation	363,059	253,054	110,005
Health Care Access	1,073,247	727,553	345,694
Total Current Expenditures	<u>16,615,802</u>	<u>10,787,350</u>	<u>5,828,451</u>
Capital Outlay	619,072	299,534	319,538
Debt Service - Principal	-	55,559	(55,559)
Debt Service - Interest	-	433	(433)
Contingency	698,722	-	698,722
Total Expenditures	<u>17,933,596</u>	<u>11,142,876</u>	<u>6,790,719</u>
NET CHANGE IN FUND BALANCE	(4,853,597)	1,734,604	(6,993,238)
Fund Balance - Beginning of Year	<u>7,391,604</u>	<u>6,287,174</u>	<u>(1,104,430)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,538,007</u></u>	<u><u>\$ 8,021,778</u></u>	<u><u>\$ (8,097,668)</u></u>

**HEALTH SERVICES DISTRICT OF NORTHERN LARIMER COUNTY
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2023**

NOTE 1 BUDGETS AND BUDGETARY ACCOUNTING

The Health District conforms to the following procedures, in compliance with Colorado Revised Statutes, in establishing the budgetary guidelines reflected in the operations of the Health District.

Prior to or by October 15, the director submits a proposed operating budget for the fiscal year commencing the following January 1, to the Health District Board of Directors (elected officials). The operating budget includes proposed expenditures and the means of financing.

Public hearings are held at regular Health District meetings to obtain taxpayer input.

Prior to or by December 15, the budget is legally enacted through passage of a budget resolution.

The Health District is authorized to transfer budgeted amounts within the accounts of the Health District. The Health District Board of Directors must approve revisions that change total expenditures.

The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Appropriations are controlled and the budget is only amended in conformity with Colorado Revised Statutes. The Health District charter requires a balanced budget.



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Board of Directors and Management
Health Services District of Northern Larimer County
Fort Collins, Colorado

We have audited the financial statements of the governmental activities and the major fund of Health Services District of Northern Larimer County (the District) as of and for the year ended December 31, 2023, and have issued our report thereon dated May 7, 2024. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, as well as certain information related to the planned scope and timing of our audit in our statement of work dated December 22, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Health Services District of Northern Larimer County are described in Note 2 to the financial statements.

As described in Note 2, the entity changed accounting policies related to software subscriptions by adopting Statement of Governmental Accounting Standards Board (GASB Statement) No. 96, *Subscription-Based Information Technology Arrangements*, in 2023, which required recognition of certain subscription assets and subscription liabilities. Accordingly, the accounting change has been applied to the beginning period of adoption.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

The following immaterial misstatement was detected as a result of our audit procedures and was corrected by management:

1. Adjustment to lease payments receivable and lease deferred inflow of resources of \$43,427.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Management representations

We have requested certain representations from management that are included in the attached management representation letter dated May 7, 2024.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during

the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

* * *

This communication is intended solely for the information and use of the board of directors and management of Health Services District of Northern Larimer County and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Broomfield, Colorado
May 7, 2024

May 7, 2024

CliftonLarsonAllen LLP
370 Interlocken Boulevard, Suite 500
Broomfield, CO 80021

This representation letter is provided in connection with your audit of the financial statements of Health Services District of Northern Larimer County, which comprise the respective financial position of the governmental activities and the major fund as of December 31, 2023, and the respective changes in financial position for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to misstatements that are material. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm, to the best of our knowledge and belief, as of May 7, 2024, the following representations made to you during your audit of the financial statements as of and for the year ended December 31, 2023.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement agreement dated December 22, 2023, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. The financial statements include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
2. We acknowledge and have fulfilled our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates are reasonable.
5. Significant estimates have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Significant estimates are estimates at the financial statement date that could change materially within the next year.
6. Related party relationships and transactions, including, but not limited to, revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable

May 7, 2024
CliftonLarsonAllen LLP
Page 2

from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

7. No events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
8. We have not identified or been notified of any uncorrected financial statement misstatements.
9. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
10. Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed in accordance with U.S. GAAP.
11. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the financial statement date, and the carrying amounts of those receivables and related allowances are determined in accordance with U.S. GAAP.
12. We have analyzed all lease contracts and have considered and recorded material embedded leases contained within other contracts in accordance with U.S. GAAP.
13. We have implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, during the audit period. We have implemented the new accounting standard in accordance with the transition guidance prescribed in the standard. We have sufficient and appropriate documentation supporting all estimates and judgments underlying the amounts recorded and disclosed in the financial statements.
14. We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
15. We believe that all material expenditures that have been deferred to future periods will be recoverable.
16. Participation in a public entity risk pool has been properly reported and disclosed in the financial statements.

Information Provided

1. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records (including information obtained from within and outside of the general and subsidiary ledgers), documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.

May 7, 2024
CliftonLarsonAllen LLP
Page 3

- c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Complete minutes of the meetings of the governing board and related committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - e. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with, or deficiencies in, financial reporting practices.
 - f. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with the provisions of laws, regulations, contracts, and grant agreements.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others when the fraud could have a material effect on the financial statements.
5. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, grantors, regulators, or others.
6. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations and provisions of contracts and grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.
7. We not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments, that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
8. There are no other material liabilities or gain or loss contingencies that are required to be accrued or disclosed in accordance with U.S. GAAP.
9. We have disclosed to you the identity of all the entity's related parties and all the related party relationships and transactions of which we are aware, including any side agreements.

May 7, 2024
CliftonLarsonAllen LLP
Page 4

10. The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral, except as made known to you and disclosed in the financial statements.
11. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to Health Services District of Northern Larimer County, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
12. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
13. The entity has complied with all aspects of contractual or grant agreements that would have a material effect on the financial statements in the event of noncompliance.
14. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
15. We are responsible for determining whether we have received, expended, or otherwise been the beneficiary of any federal awards during the period of this audit. No federal award, received directly from federal agencies or indirectly as a subrecipient, was expended in an amount that cumulatively totals from all sources \$750,000 or more. For this representation, "award" means financial assistance and federal cost-reimbursement contracts that non-federal entities receive directly from federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, user grants, or contracts used to buy goods or services from vendors.
16. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
17. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures, jointly governed organizations, and other related organizations.
18. The financial statements properly classify all funds and activities.
19. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.

20. Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
21. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
22. Provisions for uncollectible receivables have been properly identified and recorded.
23. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
24. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
25. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
26. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly valued and disclosed.
27. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
28. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
29. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
30. As part of your audit, you prepared the draft financial statements, related notes, and supplementary information. We have designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee your services; have made all management judgments and decisions; and have assumed all management responsibilities. We have evaluated the adequacy and results of the service. We have reviewed, approved, and accepted responsibility for those financial statements, related notes, and supplementary information. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.
31. We understand TABOR (Section 20 to Article X of the Colorado Constitution) is complex and subject to interpretation and that many of the provisions will require judicial interpretation. We have reviewed the various provisions and interpretations and believe to the best of our knowledge at this time that the District is in compliance with TABOR.

May 7, 2024
CliftonLarsonAllen LLP
Page 6

32. We have informed all banking and savings and loan institutions that our deposits are subject to the respective Public Deposit Protection Act and have provided banking institutions with our assigned number.

DocuSigned by:
Liane Jellon
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Signature: _____ Title: Executive Director

DocuSigned by:
Lorraine Haywood
B638A46214D94B5

Signature: _____ Title: Deputy Director

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT:

Deconflict Board Policies 99-01 and 2010-01 with Board Resolution 24-08; Approve Signatories for Certificate of Deposit Accounts

PRESENTER: Lorraine Haywood

OUTCOME REQUESTED: ☒ **Decision** ☐ **Consent** ☐ **Report**

PURPOSE/ BACKGROUND

The Board approved 24-08 – Resolution for Signatures for All Financial Accounts on April 23, 2024. In reviewing current Board policies, it was determined policies 99-01 and 2010-01 must be amended to deconflict with Resolution 2024-08.

Resolution 24-08 approved signature authority by position for all Financial Accounts. While updating Resolution 24-08 with financial institutions that hold Health District Certificates of Deposit, some financial institutions are requiring a Board Resolution with named signatories. The Health District will be working with these institutions to utilize Resolution 24-08 moving forward.

Attachment(s):

- 24-08 Resolution for Signatures for All Financial Accounts
- 99-01 Pol: Contract Signature Policy 1-25-22 (redlined)
- 99-01 Pol: Contract and Expenditure Signature Policy for (amended for approval)
- 2010-01 Financial Accounts Signature Policy 11-14-2022 (redlined)
- 2010-01 Financial Accounts Signature Policy (amended for approval)
- Resolution 2023-23 – Resolution to Approve Signatories for Certification of Deposit Accounts
- Resolution 2024-14 – Resolution to Approve Signatories for Certification of Deposit Accounts

FISCAL IMPACT

None.

STAFF RECOMMENDATION

Staff recommends the Board of Directors approve the proposed amendments to Board Policies 99-01 and 2010-01 and approve Resolution 2024-14.

**Health District of Northern Larimer County
Resolution No. 24-08**

**A Resolution of the Board of Directors of the Health District of
Northern Larimer County Approving Signatories for All Financial
Accounts**

Whereas, the Board of Directors of the Health District of Northern Larimer County wishes to approve signatories for all financial accounts and transactions of the District.


Now Therefore be it Resolved by the Board of Directors of the Health District of Northern Larimer County that:

Section 1. On behalf of the District, the following individuals may execute checks, fund transfers and automated clearing house transactions, and may purchase, renew or close Certificates of Deposit:

- a. Executive Director;
- b. Interim Executive Director;
- c. Finance Director;
- d. Interim Finance Director;
- e. Board President; and
- f. Board Treasurer.

Section 2. Two approvals shall be required for all actions identified in Section 1, by the individuals identified in Section 1, but only one authorized signature shall be required on any documents.

Adopted this 23rd day of April, 2024.



Molly Gutilla, President

Attest:



John McKay, Secretary



99-01 Pol: Contract and Expenditure Signature Policy

Approved July 23, 1996

Amended ~~January 25, 2022~~ June 25, 2024

Preamble: The business of operating the Health District of Northern Larimer County requires the execution of a wide variety of agreements and contracts. In order to facilitate the execution of those documents, it is appropriate for the Board to determine a policy of limitation of authority for contracts in which Health District funds (not grant, partner, or other funds) will be expended.

Note: *For the ~~second~~fourth and ~~third~~fifth categories below, if time is of the essence and the Board President determines that the contract is likely to be non-controversial to the Board, the Board President may approve and sign the contract, subject to ratification by the Board at the subsequent meeting.*

1. ~~Memorandums of Agreement, and~~ Contracts and Expenditures Under \$10,000

When a ~~memorandum of agreement~~, contract, expenditure or other document implements a Board-adopted program or budget, and is in an amount less than \$10,000, the Program Director is authorized to sign the agreement. If a Memorandum of Agreement with a health care provider or consultant sets a price per service or hour but does not set a total amount, the Program Director is responsible for monitoring payments on the contract to insure that expenditures do not exceed the approved budget.

2. Contracts and Expenditures Under \$25,000

When a contract, expenditure or other document implements a program or budget that has been included in the budget authorized by the Board of Directors, and is in an amount less than \$25,000, a Deputy Director is authorized to sign the agreement.

3. ~~Memorandums of Agreement, and~~ Contracts and Expenditures Under \$50,000

When a ~~memorandum of agreement~~, contract, expenditure or other document ~~implements a program or budget~~ that has been included in the budget authorized by the Board of Directors, and is in an amount less than \$50,000, the Executive Director (or, in the Executive Director's absence, their staff designee) is authorized to sign the agreement.

Adopted, on the 23rd day of July, 1996

Ratified, on the 11th day of February, 1999

Ratified, on the 24th day of February, 2004

Amended, on the 23rd day of October, 2012

Amended on the 23rd day of August, 2016

Amended, on the 28th day of September, 2021

Amended, on the 25th day of June, 2024

4. Memorandums of Agreement, and Contracts and Expenditures \$50,000 to \$150,000

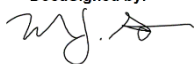
Projects that are in the amount of \$50,000 to \$150,000 require general approval of the Board of Directors, and the corresponding contract or other document will be signed by the Executive Director (or, in the Executive Director's absence, their staff designee), and the Board President (or, in the Board President's absence, the Board Vice President). "General approval" means that the Board has considered the general concept of the project in a board meeting and has voted to approve the expenditure.

5. Memorandums of Agreement, and Contracts and Expenditures Exceeding \$150,000

Projects that are in an amount exceeding \$150,000 will require specific approval of the Board of Directors, and the wording of the actual contract or other document will be submitted to board members for their review prior to signature. The document will be signed by the Executive Director (or, in the Executive Director's absence, their staff designee), and the Board President (or, in the Board President's absence, the Board Vice President).

~~ADOPTED, on the 23rd day of July, A.D., 1996~~
~~RATIFIED, on the 11th day of February, A.D., 1999~~
~~RATIFIED, on the 24th day of February, A.D., 2004~~
~~AMENDED, on the 23rd day of October, A.D., 2012~~
~~AMENDED, on the 23rd day of August, A.D., 2016~~
~~AMENDED, on the 28th day of September, A.D., 2021~~
Amended, on the 25th day of January, 2022

Attested by:

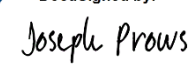
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Molly J. Gutilla, MS, DrPH, President

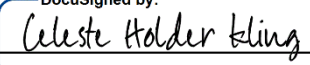
DocuSigned by:

910B9CCE265F41D...
Julie Kunce Field, JD, Vice President

DocuSigned by:

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Ann Yanagi, MD, Secretary

DocuSigned by:

35DE8BF7DEE344A...
Joseph Prows, MD, Treasurer

DocuSigned by:

ABCF4BE3BEE0448...
Celeste Holder Kling, JD, Liaison to PVHS Board

Adopted, on the 23rd day of July, 1996
Ratified, on the 11th day of February, 1999
Ratified, on the 24th day of February, 2004
Amended, on the 23rd day of October, 2012
Amended on the 23rd day of August, 2016
Amended, on the 28th day of September, 2021
Amended, on the 25th day of June, 2024



99-01 Pol: Contract and Expenditure Signature Policy

Approved July 23, 1996
Amended June 25, 2024

Preamble: The business of operating the Health District of Northern Larimer County requires the execution of a wide variety of agreements and contracts. In order to facilitate the execution of those documents, it is appropriate for the Board to determine a policy of limitation of authority for contracts in which Health District funds (not grant, partner, or other funds) will be expended.

Note: *For the fourth and fifth categories below, if time is of the essence and the Board President determines that the contract is likely to be non-controversial to the Board, the Board President may approve and sign the contract, subject to ratification by the Board at the subsequent meeting.*

1. Contracts and Expenditures Under \$10,000

When a contract, expenditure or other document implements a Board-adopted program or budget, and is in an amount less than \$10,000, the Program Director is authorized to sign the agreement. If a Memorandum of Agreement with a health care provider or consultant sets a price per service or hour but does not set a total amount, the Program Director is responsible for monitoring payments on the contract to insure that expenditures do not exceed the approved budget.

2. Contracts and Expenditures Under \$25,000

When a contract, expenditure or other document implements a program or budget that has been included in the budget authorized by the Board of Directors, and is in an amount less than \$25,000, a Deputy Director is authorized to sign the agreement.

3. Contracts and Expenditures Under \$50,000

When a contract, expenditure or other document that has been included in the budget authorized by the Board of Directors, and is in an amount less than \$50,000, the Executive Director (or, in the Executive Director's absence, their staff designee) is authorized to sign the agreement.

Adopted, on the 23rd day of July, 1996
Ratified, on the 11th day of February, 1999
Ratified, on the 24th day of February, 2004
Amended, on the 23rd day of October, 2012
Amended on the 23rd day of August, 2016
Amended, on the 28th day of September, 2021
Amended, on the 25th day of June, 2024

4. Contracts and Expenditures \$50,000 to \$150,000

Projects that are in the amount of \$50,000 to \$150,000 require general approval of the Board of Directors, and the corresponding contract or other document will be signed by the Executive Director (or, in the Executive Director's absence, their staff designee), and the Board President (or, in the Board President's absence, the Board Vice President).

"General approval" means that the Board has considered the general concept of the project in a board meeting and has voted to approve the expenditure.

5. Contracts and Expenditures Exceeding \$150,000

Projects that are in an amount exceeding \$150,000 will require specific approval of the Board of Directors, and the wording of the actual contract or other document will be submitted to board members for their review prior to signature. The document will be signed by the Executive Director (or, in the Executive Director's absence, their staff designee), and the Board President (or, in the Board President's absence, the Board Vice President).

AMENDED, on the 25th day of June, 2024.

Molly J. Gutilla, President

Attest:

John P. McKay, Secretary

Adopted, on the 23rd day of July, 1996
Ratified, on the 11th day of February, 1999
Ratified, on the 24th day of February, 2004
Amended, on the 23rd day of October, 2012
Amended on the 23rd day of August, 2016
Amended, on the 28th day of September, 2021
Amended, on the 25th day of June, 2024



2010-01: FINANCIAL ACCOUNTS SIGNATURE POLICY

[Amended ~~October 27, 2022~~ November 14, 2022]

Presented for Approval: ~~November 14, 2022~~ June 25, 2024

Purpose of Policy

In order to maintain internal control on the financial accounts for the Health District of Northern Larimer County while still allowing for a reasonable flow of business, the following designations and restrictions on signatures shall apply:

1) Designated officials for expenditures (excluding funds transfers):

- ~~Expenditures of Up to \$25,000: require one of the following signatures~~
- ~~Expenditures of Over \$25,000: require two of the following signatures (officials with an asterisk "*" must be one of the signatures)~~
 - *Executive Director
 - Finance Director ~~(limit: \$15,000)~~
 - Board President
 - Board Secretary
 - *Board Treasurer

Generally the signatures of the Finance Director and/or Executive Director will be used.

2) Fund Transfers ~~by Phone~~, ONLY to Health District Accounts

The following individuals are authorized to contact banks and investment firms to transfer funds, but only between Health District accounts. There is no limit on the amount of funds that can be transferred between Health District accounts. Expenditures from those accounts are limited by the policies above. Funds transfer report forms will be kept and filed with bank statements

- Finance Director
- Executive Director
- Board Treasurer
- Board Secretary

3) Automated Clearing House (ACH) transactions

The following individuals are authorized to initiate Automated Clearing House (ACH) transactions through the First National Bank Cash Management System for:

- ♦ Vendor payments for goods and services (excluding employee benefit premiums and insurance premiums). Individual vendor invoices for payment must include authorized signature(s) in accordance with Policy 21-01: Contract Signature Policy. ~~(Invoices over \$25,000 require two signatures)~~. No dollar amount limit).

- ♦ Payments of employee benefit premiums and insurance premiums (No dollar amount limit).

○ ~~Lee Thielen, Interim~~ Executive Director
○ ~~Laura Mai~~, Finance Director

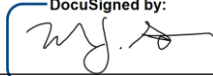
4) Wire Transfers

Most fund transfers will take place only between District accounts. In rare occasions, a wire transfer may be necessary from the District checking account. Should such a wire transfer be necessary, the following procedure will apply:

- Individuals authorized to initiate wire transfers include:
 - Finance Director
 - Executive Director
 - Board Secretary
 - Board Treasurer
- Wire transfer authorization must be performed in person at the bank by **two** of the individuals listed above, which must include one staff member and one board member.
- Wire transfer report forms will be kept and filed with bank statements.

ADOPTED, this ~~14th day of November, A.D., 2022~~ 25th day of June, 2024.

Attest:

DocuSigned by:

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 Molly J. Gutilla, President

DocuSigned by:

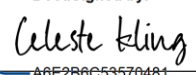
 11513FE1BD399A4F71...
~~Julie Kance Field, Vice President~~

DocuSigned by:

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 Ann Yanagi, Secretary

DocuSigned by:

 35DE8BF7DEE344A...
~~Joseph W. Prows, Treasurer~~

DocuSigned by:

 A6E2B6C53570481...
~~Celeste Holder Kling,~~
~~UCHealth North/PVHS Board Liaison~~

2010-01: FINANCIAL ACCOUNTS SIGNATURE POLICY

[Amended November 14, 2022]

Presented for Approval: June 25, 2024

Purpose of Policy

In order to maintain internal control on the financial accounts for the Health District of Northern Larimer County while still allowing for a reasonable flow of business, the following designations and restrictions on signatures shall apply:

1) Designated officials for expenditures (excluding funds transfers):

- *Executive Director
- Finance Director
- Board President
- Board Secretary
- *Board Treasurer

Generally the signatures of the Finance Director and/or Executive Director will be used.

2) Fund Transfers ONLY to Health District Accounts

The following individuals are authorized to contact banks and investment firms to transfer funds, but only between Health District accounts. There is no limit on the amount of funds that can be transferred between Health District accounts. Expenditures from those accounts are limited by the policies above. Funds transfer report forms will be kept and filed with bank statements

- Finance Director
- Executive Director
- Board Treasurer
- Board Secretary

3) Automated Clearing House (ACH) transactions

The following individuals are authorized to initiate Automated Clearing House (ACH) transactions through the First National Bank Cash Management System for:

- ♦ Vendor payments for goods and services (excluding employee benefit premiums and insurance premiums). Individual vendor invoices for payment must include authorized signature(s) in accordance with Policy 21-01: Contract Signature Policy. No dollar amount limit).

- ♦ Payments of employee benefit premiums and insurance premiums (No dollar amount limit).
 - Executive Director
 - Finance Director

4) Wire Transfers

Most fund transfers will take place only between District accounts. In rare occasions, a wire transfer may be necessary from the District checking account. Should such a wire transfer be necessary, the following procedure will apply:

- a) Individuals authorized to initiate wire transfers include:
 - Finance Director
 - Executive Director
 - Board Secretary
 - Board Treasurer
- b) Wire transfer authorization must be performed in person at the bank by **two** of the individuals listed above, which must include one staff member and one board member.
- c) Wire transfer report forms will be kept and filed with bank statements.

ADOPTED, this 25th day of June, 2024.

Molly J. Gutilla, President

Attest:

John P. McKay, Secretary



RESOLUTION TO APPROVE SIGNATORS FOR CERTIFICATE OF DEPOSIT ACCOUNTS

Resolution 2023-23

BE IT RESOLVED BY THE Board of Directors of the Health District of Northern Larimer County that the following signators are approved for signing authorization to purchase, renew or close Certificates of Deposit at any eligible public depository bank approved by the Colorado Division of Banking in accordance with the Health District of Northern Larimer County Investment Guidelines. All allowable signatures or authorizations must conform to Policy 97-11: Investment Guidelines ratified by the Health District on the 24th day of February 2004.

Approved to purchase or close Certificates of Deposit (two signatures required); requires prior approval by Executive Director or designee. The disbursement of funds from closed Certificates of Deposit must be made through an Automated Clearing House (ACH) transaction only to an authorized Health District bank account or by check made payable to the Health District.

Liane R. Jollon, Executive Director
Laura B. Mai, Finance Director
Joseph W. Prows, Treasurer

Approved to renew Certificates of Deposit (one signature required).

Liane R. Jollon, Executive Director
Laura B. Mai, Finance Director
Joseph W. Prows, Treasurer

ADOPTED, this 26th day of September, A.D., 2023.

Attest:


Molly J. Gutilla, President


John P. McKay, Secretary


Erin Hottenstein, Assistant Treasurer

DocuSigned by:

515FE1BD399A4F7...

DocuSigned by:

Joseph Prows

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Joseph W. Prows, MD, Treasurer

Replaces the Following Resolutions:

2018-11 Adopted September 25, 2018
2022-13 Adopted April 14, 2022
2022-32 Adopted September 27, 2022



RESOLUTION TO APPROVE SIGNATORS FOR CERTIFICATE OF DEPOSIT ACCOUNTS

Resolution 2024-14

BE IT RESOLVED BY THE Board of Directors of the Health District of Northern Larimer County that the following signatories are approved for signing authorization to purchase, renew or close Certificates of Deposit at any eligible public depository bank approved by the Colorado Division of Banking in accordance with the Health District of Northern Larimer County Investment Guidelines. All allowable signatures or authorizations must conform to Policy 97-11: Investment Guidelines ratified by the Health District on the 24th day of February 2004.

Approved to purchase or close Certificates of Deposit (two signatures required); requires prior approval by Executive Director or designee. The disbursement of funds from closed Certificates of Deposit must be made through an Automated Clearing House (ACH) transaction only to an authorized Health District bank account or by check made payable to the Health District.

Liane R. Jollon, Executive Director
Xochitl Fragoso, Interim Finance Director
Joseph W. Prows, Treasurer

Approved to renew Certificates of Deposit (one signature required).

Liane R. Jollon, Executive Director
Xochitl Fragoso, Interim Finance Director
Joseph W. Prows, Treasurer

ADOPTED, this 25th day of June, 2024.

Molly J. Gutilla, President

Attest:

John P. McKay, Secretary

Replaces the Following Resolutions:

2018-11 Adopted September 25, 2018
2022-13 Adopted April 14, 2022
2022-32 Adopted September 27, 2022
2023-23 Adopted September 26th, 2023

AGENDA DOCUMENTATION

Meeting Date: 6/25/2024

SUBJECT: Spending approval: Mental Health Connections Electronic Health Record & Clinic Workflow Consultant

PRESENTER: Dana Turner

OUTCOME REQUESTED: ☐ Decision ☒ Consent ☐ Report

PURPOSE/ BACKGROUND

Policy 99-01, Contract Signature Policy: Memos of Agreement and Contracts \$50,000 to \$150,000
Projects that are in the amount of \$50,000 to \$150,000 require general approval of the Board of Directors, and the corresponding contract or other document will be signed by the Executive Director (or, in the Executive Director's absence, their staff designee), and the Board President (or, in the Board President's absence, the Board Vice President). "General approval" means that the Board has considered the general concept of the project in a board meeting and has voted to approve the expenditure.

The Health District is procuring a new electronic health record for the Mental Health Connections program and is undertaking robust workflow mapping of current program processes for three primary purposes: (1) Increasing access to mental health care by increasing the efficiency of program operations and output; (2) Stewarding resources by enabling Medicaid revenue capture; and (3) Increasing the quality and professionalism of the Health District's mental health services.

The Health District solicited bids for a contractor to support change management and implementation associated with the new EHR, optimization of appointment scheduling and staffing workflows, and optimizing data management for program evaluation with an equity lens. We seek the Board's general approval to proceed with expending grant dollars from Rocky Mountain Health Plans, intended to support access to care for the Health District's Medicaid members, to support this initiative. Rocky Mountain Health Plans has approved this as an acceptable grant expenditure.

Attachment(s):

None.

FISCAL IMPACT

No impact on operational budget. Allocation of up to \$127,700 of existing Rocky Mountain Health Plans grant funds that are required to be spent on infrastructure to support access to care for Medicaid members.

STAFF RECOMMENDATION

Approval of the use of grant dollars to fund an EHR implementation and workflow consultant.

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT: Policy Update: End of Legislative Session

PRESENTER: Alyson Williams

OUTCOME REQUESTED: ____ Decision ____ Consent __x__ Report

PURPOSE/ BACKGROUND

Staff will provide an overview of the high-level outcomes of the 2024 state legislative session.

In addition, staff will present key findings from a brief evaluation of the policy program's work during the legislative session.

Attachment(s):

- ***Overview of 2024 Legislative Session***

FISCAL IMPACT

N/A

STAFF RECOMMENDATION

N/A - Informational only.

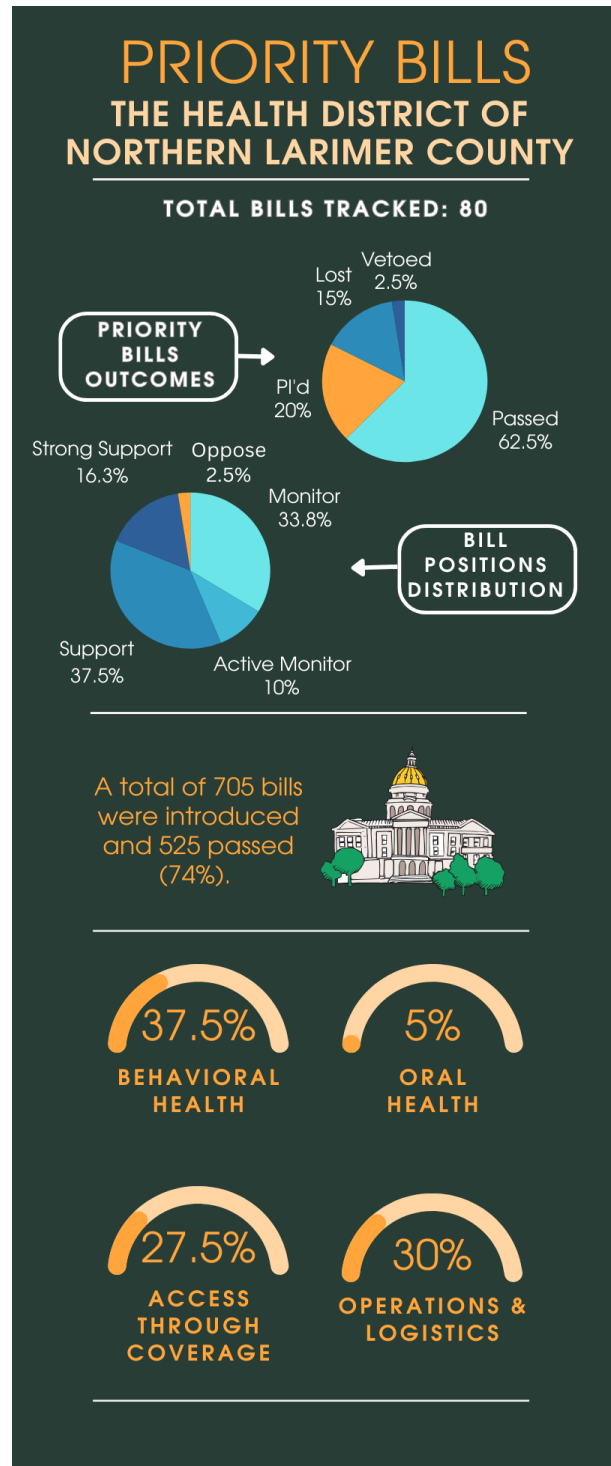
Overview of the 2024 Legislative Session

The 74th General Assembly, running from January 10 to May 8, 2024, addressed several pressing issues, such as housing, firearms, property taxes, behavioral health, and environmental concerns. This session marked a significant legislative activity with the highest number of introduced bills in recent years, totaling 705, with 525 bills (74%) passed by the legislature. The House introduced 472 bills, and the Senate introduced 233 bills. This legislative productivity surpassed previous years: 486 of 617 bills (79%) passed in 2023, 513 of 657 bills (78%) in 2022, and 502 of 623 bills (81%) in 2021. The governor signed 519 of these bills into law, with the remaining either vetoed or enacted administratively.

The Colorado state budget for state fiscal year 2024-2025 is \$42.88 billion, a \$1.06 billion increase from the previous year. This increase is primarily due to the budgets of the Department of Health Care Policy and Financing (HCPF) and the Department of Human Services (DHS) due to higher provider reimbursement rates, investments in existing programs (e.g., SNAP, child welfare, behavioral health), and increased medical premiums and administrative costs. Additionally, the state 'swapped' the use of federal American Rescue Plan Act (ARPA) funds to cover state personnel expenses, free up the state General Fund for priority spending, and ensure ARPA funds are expended by the federal deadline.

Total Bills Tracked: 80 bills: 52 passed (1 vetoed), 16 postponed indefinitely, 12 lost¹.

Board Positions: The Board of Directors considered and took positions on 53 pieces of legislation and 3 budgetary issues during the 2024 legislative session. The included graphic illustrates the distribution of bill positions by type of position and the Policy Agenda anchor associated with tracked bills.



¹ Lost bills are ones that did not get final action before the end of the session, were lost during a vote on the House or Senate floor, or were placed on the calendar for after the session, effectively postponing action until after the time that the General Assembly can take such action.

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT: 2024-2025 Strategic Planning Update

PRESENTER: Liane Jollon & Amber Blake

OUTCOME REQUESTED: ☐ Decision ☐ Consent ☒ Report

PURPOSE/ BACKGROUND

Health District of Northern Larimer County Board of Directors Bylaws (Article IV, Section 1.C):
"Functions of the Board of Directors shall include, but not be limited to, the following: ... To approve a strategic plan based on the mission, vision, strategy and values; and to review and evaluate the plan annually."

In follow-up to the Board of Directors' organizational strategic planning retreat in May, the Health District's facilitator has prepared a "proof of concept" strategic planning document. General approval of and feedback on the direction of the strategic planning document is requested prior to finalization and presentation of the complete Strategic Plan at the Board of Directors meeting in July 2024.

Simultaneously, Health District leadership are facilitating the alignment of planning and budgeting timelines throughout 2024. The expected final output is a 2025 budget and accompanying programmatic priorities that reflect the Board's strategic vision.

Health District leadership will facilitate ongoing Board visibility into timelines and processes.

Attachment(s):

None.

FISCAL IMPACT:

N/A

STAFF RECOMMENDATION

Staff recommend that the Board of Directors provide feedback and/or general approval of the direction of the Strategic Plan "proof of concept."

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT:

2024-2025 Budgeting Timeline

PRESENTER: Xochitl Fragoso

OUTCOME REQUESTED: ☐ Decision ☐ Consent ☒ Report

PURPOSE/ BACKGROUND

Health District of Northern Larimer County Board of Directors Bylaws (Article IV, Section 1.C):

"Functions of the Boards of Directors shall include, but not be limited to, the following: ... To approve a strategic plan based on the mission, vision, and values; and to review and evaluate the plan annually."

As a continuation to the Board of Directors organizational strategic planning retreat in May, Health District leadership are facilitating the alignment of planning and budgeting timelines throughout 2024. The expected final output is a 2025 budget and accompanying programmatic priorities that reflect the Board's strategic vision.

Health District leadership will facilitate ongoing Board visibility into timelines and processes.

Attachment(s): None

FISCAL IMPACT

N/A

STAFF RECOMMENDATION

N/A; for awareness.

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT:

2023 Annual Investment Report

PRESENTER: Lorraine Haywood

OUTCOME REQUESTED: ____ Decision ____ Consent X Report

PURPOSE/ BACKGROUND

Board Policy 97-11 Pol: Investment Guidelines requires an Annual Investment Report summarizing the Health District's investment accomplishments in the prior calendar year to be presented annually at the same meeting the Board receives the annual financial audit.

Attachment(s):

2023 Annual Investment Report

FISCAL IMPACT

Report summarizes investment earnings for 2023.

STAFF RECOMMENDATION

N/A - Informational only.

HEALTH DISTRICT OF NORTHERN LARIMER COUNTY
Annual Investment Report
2023

Net 2023 Investment Earnings: \$ 434,456

Total investment portfolio as of 12/31/23: \$8,483,523

Allocation: \$7,206,056 in a professionally managed, local government investment pool
\$1,277,467 in Certificates of Deposit and Savings

Overall Yield Rates: During 2023, the Health District's average yield rates on its funds, which were invested in legally available investments for government entities, fluctuated between 3.83% and 5.23% during the year.

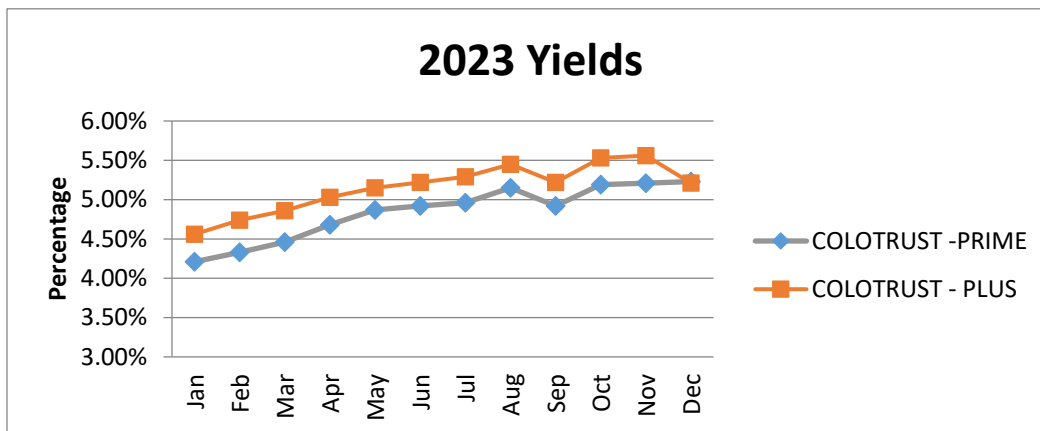
Investment Strategies

Government Investment Pool: The Health District invests the majority of its funds in a government investment pool called Colorado Local Government Liquid Asset Trust (COLOTRUST), which is set up to invest government entities' funds strictly within the investment parameters set by state law.

Yield rates on investments in COLOTRUST – Plus+ averaged 5.15% for 2023. The yield rate on investments in COLOTRUST – PRIME averaged 4.84% for 2023. Approximately eighty-five percent (\$5,206,056) of investments were held in one of two funds (PRIME and PLUS+) managed by COLOTRUST. As of December 31, 2023, 0.02% was invested in PRIME and 84.92% was invested in PLUS+.

The PRIME portfolio invests in U.S. Treasury Securities, Federal Instrumentality Securities, Agency Securities, Repurchase Agreements and Tri-Party Repurchase Agreements.

The PLUS+ portfolio invests U.S. Treasury Securities, Federal Instrumentality Securities, Agency Securities, Repurchase Agreements and Tri-Party Repurchase Agreements, collateralized bank deposits, and Commercial Paper that, at the time of purchase, is rated in its highest rating category by one or more nationally recognized organizations which regularly rate such obligations, and highly rated corporate bonds.



Collateralized Bank Deposits: In addition to investing with a government pool, the Health District is allowed to invest in collateralized bank deposits such as certain CDs and savings accounts, but only in banks authorized to accept public funds. The accounts listed within the Chart of Total Investments, below, under the categories of Certificates of Deposit and Flexible Savings Account, are held at local banks authorized to accept public funds. All checking, savings and certificates of deposit accounts are covered by FDIC insurance up to \$250,000. Accounts with balances in excess of \$250,000 are covered by securities pledged by the specific bank holding the funds.

Certificates of deposit yield rates ranged between .25% and 5.61% during 2023. As of December 31, 2023, the Health District had six certificates of deposits at local banks totaling \$1,277,467 with varying maturity dates.

As of December 31, 2023, \$245,069 was held in a Flexible Savings Account. The interest rate available on this savings account during 2023 ranged from 2.02% to 2.58%. Funds were transferred from the Flexible Savings Account into the general checking account to cover monthly cash needs. A small amount will remain in the account to allow for readily accessible funds, if needed.

**Total Investments
as of December 31, 2023**

Type	Name	Amount	Yield Rate	% of Total
Government Investment	COLOTRUST- PRIME	\$ 1,472	5.23%	
	COLOTRUST- PLUS+	\$ 7,204,584	5.57%	
	<i>Total Gov't Investment Pool</i>	<u>\$ 7,206,056</u>		84.94%
Certificate of Deposit	Advantage Bank	\$ 143,495	0.40%	
	Advantage Bank	\$ 117,131	5.36%	
	Points West	\$ 118,697	3.87%	
	Points West	\$ 158,864	0.32%	
	Adams State Bank	\$ 244,180	5.61%	
	Mountain Valley Bank	\$ 250,031	3.50%	
	<i>Total Certificates of Deposits</i>	<u>\$ 1,032,398</u>		12.17%
Other	Flexible Savings Account	\$ 245,069	2.58%	
	<i>Total Other</i>	<u>\$ 245,069</u>		2.89%
	Total Investments	<u>\$ 8,483,793</u>		100.00%

The available rates for the Certificate of Deposit Account Registry Service (CDARS) continued to be well below those offered by regular certificate of deposits, so the Health District did not have funds invested through CDARS (a service that breaks up large deposits and places them across a network of qualified banking institutions. This allows the Health District to deal with a single bank that participates in CDARS and avoids having funds in any one bank above the Federal Deposit Insurance Corporation (FDIC) deposit insurance limits).

The Health District periodically checks with local banks (authorized to accept public funds) to determine if the bank is accepting CD investments with public funds. Some authorized banks may not accept public funds for the purchase of certificates of deposit (even under the \$250,000 FDIC threshold). As certificates of deposits mature, investment options are examined to determine which investment offers the highest yield rate.

Short-Term Investments: The Health District did not have any short-term investments during 2023.

AGENDA DOCUMENTATION

Meeting Date: June 25, 2024

SUBJECT:

Executive Director Staff Report

PRESENTER: Liane Jollon

OUTCOME REQUESTED: ☐ Decision ☐ Consent ☒ Report

PURPOSE/BACKGROUND

Please find the Executive Director Staff Report attached with current departmental summaries.

Liane Jollon attended the following events and met with the following external partners since the April 23, 2024 board meeting:

- Drew Canning, Husch Blackwell
- Anna Kenyon, CSPH student
- Allison Slife and Victor Kraft, CliftonLarsonAllen LLP
- Dayneesa McMillan, CliftonLarsonAllen LLP
- Lori Seager, Vice President of Finance and Chief Financial Officer, Colorado College
- Mental Health Substance Use Alliance
- Changing Minds Larimer/ Rise Above Colorado
- Michael Allen, Chief Executive Officer, Summitstone Health Partners
- Harvard Kennedy School Gates Fellows Alumni webinar
- Tom Gonzales, Public Health Director, Larimer County
- Harvard Kennedy School Gates Fellows luncheon
- Board and Staff Strategic Planning and Strategic Budgeting
- Faraz Naqvi, Board Member, UCHealth North
- Scott Haberman, CPA Partner, Eide Bailly
- Laura Walker, Human and Economic Health Services Director, Larimer County
- UCHealth Poudre Valley Hospital Ribbon Cutting Event
- Spring Soiree by Boys & Girls Clubs of Larimer County
- UCHealth Community Benefit Public Meeting
- Kevin Patterson, Chief Executive Officer, Connect for Health Colorado
- Sam Light, Deputy Executive Director/General Counsel, Colorado Intergovernmental Risk Sharing Agency (CIRSA)

Attachment(s):

- ***Departmental Summaries***

FISCAL IMPACT

None.

STAFF RECOMMENDATION

N/A - Informational only.

Staff Summary: Health Services

Family Dental Clinic

The Family Dental Clinic is continuing to enhance the facility by replacing furniture and equipment in two operatories, ensuring smooth operations without disrupting patient schedules. The clinic welcomed a highly experienced hygienist, who has been a great addition to the team and has quickly established positive relationships with our patients. Meanwhile, the Health District forged a new partnership with Fuerza Latina, an organization committed to enhancing lives of immigrants in our community through education and advocacy. During a successful outreach event, dental team members provided dental screenings to 32 participants, and shared valuable information about clinic services to all participants. The team continues to work with Human Resources to explore creative to approach recruitment for hard to fill positions.

Staffing Update: The Family Dental Clinic has the following vacancies: 2 (1.0 FTE) Dental Assistant (In process, not yet posted); 1 (1.0) FTE Dental Hygienist (Currently posted)

Health Care Access (Larimer Health Connect, Prescription Assistance, Outreach & Education)

The Larimer Health Connect (LHC) team has remained committed to assisting individuals and families throughout the Medicaid Public Health Emergency (PHE) Unwinding process by supporting people in renewing coverage, maintaining current coverage while issues with their cases were addressed, and exploring other health insurance options if no longer eligible for Health First Colorado or CHP+. Final outreach efforts targeting Rocky Mountain Health Plan customers were conducted to ensure renewals were completed. Additionally, LHC held 12 successful walk-in dates to accommodate customers who hadn't scheduled appointments.

Significant work was completed to right-size staffing and maximize grant funding, some of which will be reflected in ongoing positive financial variances.

The Prescription Assistance program continues to see an increase in customers seeking assistance with their prescriptions. Program policies and procedures are currently being updated to maximize the services provided and efficiently assist customers facing challenges in affording their medications.

The Outreach and Education has been very active, conducting 8 presentations to educate community partners about Health District services, attending 9 partnership meetings and hosting tables at 12 community events. Notable events with high contact interactions included Peakview Academy's Pozole Dinner Night, Be Kind FoCo Kindness Fest, and the Community Empowerment Clinic, in which the Family Dental Clinic participated and provided Dental screenings. The current schedule includes 27 community events, 10 partnership meetings and 3 educational presentations.

Staffing Update: The Health Care Access Team has no current vacancies.

Mental Health Connections (Connections – Adult & CAYAC)

Connections has selected a new electronic health record (EHR) – ICANotes – which will enable the ability to bill Medicaid and gather previously uncaptured revenue. In preparation for the EHR launch, several projects are underway. Also, in progress is finalizing a new partnership between Poudre School District (PSD), SummitStone Health Partners, and CAYAC to create a single-entry point for PSD students and families in need of behavioral health services. In April, CAYAC staff provided a group crisis debriefing for

a local recreational sports team. Connections has also set a date in July for the return of Therapist Networking and Training (TNT), which supports local community behavioral health providers.

Staffing Update: Mental Health Connections has the following vacancies: 1 (0.6 FTE) CAYAC Psychiatric Nurse Practitioner (Currently posted) *grant funded*; 1 (1.0 FTE) CAYAC Behavioral Health Provider (In process, not yet posted)

Integrated Care

The Program Manager provided didactic training to medical residents and interested staff on Eye Movement Desensitization and Reprocessing (EMDR), which is a therapeutic modality utilized to help people move through disturbing life events. The goal of the training was for medical residents to be aware of the modality and refer appropriate patients. The Program Manager received program kudos from a client, specifically highlighting the work of the Medically Assisted Treatment (MAT) BHCTs who helped them regain sobriety. The client reported that the support allowed them to maintain steady employment and support their young children.

Staffing Update: The Integrated Care Program's new Behavioral Health Clinical Therapist (BHCT) started on June 10th. There are no current vacancies.

Staff Summary: Health Promotion

MOU drafts have been received from both SummitStone (the Murphy Center) and Poudre Fire Authority (PFA) for their Community Health Program for proposed partnerships.

Our involvement with the Red Feather Lakes area in looking at providing medical services has ended with the excellent news that they were able to get a sizeable grant to provide robust telehealth services to the community as was recommended by Liane and UC Health early on in the process.

Staffing Update: Dr. Mayer has given 90 days' notice to resign his position with the Health District. From Dr. Mayer: "I want to express how much I respect the work of the Health District and the constant diligence on behalf of all the employees in making sure we are efficiently working to fulfill the mission of our Board."

Staff Summary: Planning, Policy, Research, & Evaluation

Research & Evaluation

We have made progress in advancing the Research and Evaluation Team's mission. Our focus remains on integrating internal and external expertise to ensure impactful and cost-effective research and evaluation protocols.

Internal Program Evaluation:

Internal Enhancements: Despite reduced staffing, we have continued to enhance legacy evaluation practices. Key accomplishments include:

- Redesigning the client satisfaction assessment protocol to improve response rates, representativeness, and cost-effectiveness.
- Auditing the completeness of information in the Health District Database and beginning to design plans to improve data quality.
- Developing more detailed service provision report templates.

External Expertise Integration: In line with our commitment to integrating external expertise, we have initiated a Request for Proposal (RFP) process to identify a consulting firm to enhance and standardize our program evaluation processes. The chosen firm will help us build capacity for standardized evaluation processes.

Community Health Assessment:

We have convened an internal cross-program steering committee to guide methodological and design adjustments. The committee aims to:

- Revamp survey questions and methods to gather information to develop Health District initiatives that address current community health needs.
- Consult with programs and community partners to ensure the proposed survey changes align with their priorities.
- Summarize proposed changes in a presentation to the Board of Directors in October 2024.

Dissemination: There have been no new dissemination activities since our last report.

Staffing Update: Two positions are vacant and staffing strategy will be informed by the selected internal evaluation consultant.

Community Impact Team (CIT)

Mental Health & Substance Use Alliance of Larimer County (MHSU Alliance):

- The Health District facilitated a successful MHSU Alliance retreat in April and has continued to build momentum towards a strategic plan. The group is updating and finalizing its collective vision and values, has established a workgroup dedicated to providing recommendations for

structural improvements, and will be moving into exploring strategies that will support the priorities identified at the retreat.

Overdose Prevention Training:

- CIT continues to work with the Outreach & Education Team to provide free Narcan and opioid overdose prevention education to community members and organizations. We anticipate a continued demand. As of the last count, CIT and Outreach & Education have distributed 674 boxes of Narcan.

Changing Minds:

- As presented in the January Board Meeting, CIT is moving forward with updating the Changing Minds campaign and has sent out an RFP for a vendor to support a variety of objectives to update campaign language, develop a clear social media strategy, and create new messaging targeted to specific audiences.

Staffing Update:

- CIT hired a Community Projects Coordinator, who started in May, to focus on work related to behavioral health and the MHSU Alliance.
- Community Project Coordinator (1 position vacant, to be posted in the third quarter).

Policy

The legislative session ended on May 8, 2024 with passed bills going to the Governor's desk for final action. During this period, staff analyze and disseminate information on legislative session outcomes and stay connected to conversations and plans regarding policy implementation. Staff will meet with programs and enabling functions to discuss relevant passed bills and the state budget. Implementation efforts and staff engagement are underway, such as with the Department of Health Care Policy and Financing (HCPF) regarding expanding Medicaid coverage to include specific housing and nutritional benefits. Staff continue to monitor the Commission on Property Tax as it continues to meet this summer.

Health Equity

Staff are working with Health Services and Human Resources to complete the National Standards for Culturally and Linguistically Appropriate Services (CLAS) in Health and Health Care Checklist. Completing CLAS checklist will assist in informing a health equity plan and the priorities for the Health Equity Strategist.

Staffing Update:

- Health Equity Strategist (1 position vacant). Currently conducting a hiring process to fill the vacancy.

Staff Summary: Human Resources

The Human Resources (HR) Team hired/onboarded three (3) employees during May and June. In May we onboarded the Facilities Manager and filled an externally advertised position with an internal candidate. Mid-June we onboarded a new Behavioral Health Clinical Therapist for Integrated Care and will onboard the new Compliance Officer. Eight (8) employees were offboarded. Three (3) of those offboarded were retirements.

As of June 12th, we have four (4) open positions posted, two (2) are new positions and two (2) are vacancies. There are two (2) positions in the que to be posted.

Human Resources Information System Update

We continue to wait on contract approval for the new Human Resources Information System (HRIS)/Human Capital Management (HCM) system. The contract is under review and once final, a work plan will be created, and an implementation team will be assigned for the project. This work will be approximately 4-6 months.

Trainings

In partnership with SummitStone Health Partners at the end of May, 51 of our staff members, a majority of which are in client-facing positions, attended Question, Persuade, Refer (QPR) Suicide Prevention training. On June 12th our SummitStone Health Partners provided Adult Mental Health First Aid (MHFA) training to 25 of our client facing staff members. An additional MHFA training will be held in September.

Policies & Procedures

Lorraine, Misty, and Julie Kenney are currently visiting with consultants to assist in creating Personnel Policies and Procedures. Part of this work will be revisions to the Employee Handbook. This work is a top priority and will be completed no later than end of first quarter of 2025.

Staff Summary: Finance

The Assistant Finance Director was appointed as Interim Finance Director, and the Budget Analyst Accountant was appointed as the Assistant Finance Director to provide coverage during the Finance Director's absence.

Two accountant positions on the team are vacant. Due to the accountant vacancy, two accountants have been reassigned to different positions and are in the process of learning these new positions. Additional duties were assigned to all accountants to cover the current personnel shortage.

Audit

The auditors presented the preliminary financial audit to the Board Treasurer, Board Assistant Treasurer, and staff.

Strategic Planning & Budgeting

The preliminary strategic plan for the Finance Department was completed in preparation for the Board strategic planning retreat in May. In June, program budget worksheets were reviewed and updated to align with changes to be implemented for the 2025 budget process.

Accounting System Updates

Request for Proposals for a cloud based Financial Accounting System was issued. Proposals were under review in May, and in June, three vendors were scheduled for software demonstrations.

Staff Summary: Communications

Health Coverage Outreach Campaign

Wrapped up the Health Coverage Outreach Campaign at the end of May. The campaign generated significant engagement on the Health District's social media channels and is responsible, in part, for increased utilization of Larimer Health Connect services.

Highlight: When compared with averages for the prior three years, the Health District saw a **26% increase in appointments** and a **12% increase in enrollments** for Colorado Health Connect Marketplace and Medicaid through Larimer Health Connect over the course of the campaign.

Routine Deliverables and Internal Program Products

- Created and implemented a social media review process to support enhanced efficiency and quality of social media posts and collateral.
- Recently surpassed 500 followers on the Health District Instagram (@healthdistrict).
- The Health District Instagram following has increased by 10% since the start of the year.
- Visits to the Health District Facebook page since the start of the year have increased 73% over the prior six-month period.
- Launched Communications Toolbox resource for all-staff use to increase branding consistency. We are in the process of inventorying existing materials and external-facing collateral to continue to build out this resource with standardized materials and templates that meet the specific needs of individual programs.
- Launched 30th anniversary-related "30 Ways to a Healthier Community" campaign on social media and internally.

Websites:

- Currently evaluating the RFPs submitted for the website redesign project.
- Reviewing proposed contract with a finalist to perform ongoing web accessibility monitoring services for Health District web properties.
- Assisting the Community Impact Team in evaluating RFP submittals for the strategic update to the Changing Minds campaign.
- Working with prospective technical maintenance vendor for HealthInfoSource.
- Evaluating potential vendors to host the websites for Changing Minds and the Mental Health & Substance Use Alliance in response to upcoming end of contract with current provider, which will no longer be offering the service.

Staffing Update: The Digital Media Specialist has been serving as Interim Communications Director following the retirement of the Communications Director on May 14, 2024.

Staff Summary

The Support Services team has spent much of its time working on creating and starting the implementation of our strategic plan for 2024. This includes setting up and becoming proficient in new software to manage operations as well as collecting information to begin planning and implementing some large facility enhancements.

Facilities

- A consultant has been selected to perform a facility condition assessment. We have provided information and coordinated inspections and expect a report before the end of July.
- Support Services staff have set up our new Computerized Maintenance Management System, MaintainX, and are in the process of rolling it out to the rest of the staff.
- Two new fleet vehicles have been selected and are being manufactured. Procedures for managing the expanded fleet are being written.
- Suite 108 at the 425 West Mulberry building is being renovated to put it on the market as an additional leased space to create revenue for the Health District.
- An architect has been hired and the process started to redesign the front desk area in the 202 Building to enhance ergonomics, ADA accessibility, safety and improve efficiency in serving clients.
- Staffing Update: A new Facilities Manager was hired in late May and is being trained. We are currently utilizing his construction expertise to accomplish several necessary projects.

Information Technology (IT)

- Single Sign-On capabilities were enabled for several software applications allowing staff to log in more efficiently and reducing opportunities for an outside attack by using a single set of credentials.
- New printers were deployed, and existing printers shifted to other staff, providing in-office scanning capabilities for all Finance staff.
- Completed technology upgrades in two Dental operatories, providing dual monitor capabilities. One Dental Hygiene operatory received reconfigured technology for our new left-handed Hygienist.
- Received 110 work orders and completed 104 work orders in April, totaling 31.5 hours, and received 79 work orders and completed 68 work orders in March, totaling 9.5 hours.