



AITKIN COUNTY HEALTH & HUMAN SERVICES

204 First Street NW
Aitkin, MN 56431

Phone: 800-328-3744/218-927-7200
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Contract

2022 – 2027 MN DHS Local Collaborative Time Study Contract

Objective

This contract establishes Aitkin County Health and Human Services as the fiscal agent for Local Collaborative Time Study dollars and defines responsibilities of the agency in maintaining and distributing these dollars to our Family Service Collaborative.

Opportunity

The State and County have a shared interest in enhancing federal funding to Children’s Mental Health Collaboratives and Family Services Collaboratives by claiming reimbursement for eligible activities through the Local Collaborative Time Study (LCTS).

Existing or New Contract

This is an existing contract.

Changes to Existing Contract

No changes to the contract.

Timeline for Execution

July 1, 2022 to June 30, 2027

Conclusion

ACHHS is seeking approval of this contract.

“This institution is an equal opportunity provider.”

MINNESOTA DEPARTMENT OF HUMAN SERVICES
CONTRACT TO PARTICIPATE IN THE
LOCAL COLLABORATIVE TIME STUDY

THIS CONTRACT, which shall be interpreted under the laws of the State of Minnesota, is between the State of Minnesota, acting through its Department of Human Services (hereinafter STATE) and Aitkin County, Minnesota acting through its Social Services Department, 204 1st Street NW Aitkin, MN 56431 (hereinafter COUNTY).

RECITALS

WHEREAS, the STATE, under Minnesota Statutes, Section 256.01, subd. 2(a)(6) is authorized to enter into contracts and grants; and

WHEREAS, the STATE and COUNTY have a shared interest in enhancing federal funding to Children's Mental Health Collaboratives and Family Services Collaboratives by claiming reimbursement for eligible activities through the Local Collaborative Time Study (hereinafter LCTS); and

WHEREAS, the COUNTY represents that it is duly qualified and willing to perform the services set forth herein,

NOW, THEREFORE, it is agreed:

CONTRACT

ARTICLE I

COUNTY'S DUTIES

Section 1.1. *Administration of the LCTS.* The COUNTY shall act as the fiscal reporting and payment agent for purposes of administering the LCTS on behalf of one or more local Collaboratives. As fiscal reporting and payment agent, the COUNTY is responsible for:

1. Understanding all duties and responsibilities of the LCTS fiscal reporting and payment agent;
2. Serving as a fiscal liaison between the STATE and all participating partners of the Collaboratives located in or near the COUNTY;
3. Understanding cost schedules for all types of participating agencies and training LCTS fiscal site contacts on completing cost schedules;
4. Ensuring accurate and timely cost reporting for each organization submitting claims for reimbursement through the LCTS;
5. Reviewing web-based cost reports submitted for all local organizations participating in the LCTS prior to each quarterly deadline. Quarters are defined in Article 3, 3.1(b) below;

6. Printing, signing, and retaining a paper copy of the final cost report submissions for the length of six years, or per county retention policies, whichever is longer;
7. Receiving federal funding from the STATE on behalf of the various Collaboratives and disbursing accurate, proper, and timely related federal funds to the various Collaboratives;
8. Distributing LCTS funding to the integrated funds of the various Collaboratives as soon as possible, but no later than 30 days, after receiving quarterly payments from the STATE; and
9. Reporting annual LCTS expenditures to the State.

Section 1.2. *Relationship between the COUNTY and the Collaborative(s)*. It is understood that the COUNTY shall participate with other local partners in carrying out the Collaborative's functions. In light of this understanding, it is incumbent upon the COUNTY to see to it that appropriate arrangements are made and legal instruments executed with local partners to ensure the completion of the duties described in this contract.

Section 1.3. *Reporting requirements*. The COUNTY together with its collaborative partners shall submit reports as reasonably requested by the STATE. The reports will provide information on such matters as anticipated and actual use of all LCTS funds received from the STATE, outcome-based indicators used to determine whether the Collaborative is meeting its goals and complying with STATE LCTS policies, or such other items needed by the STATE to properly administer the LCTS and comply with all appropriate federal and state laws, rules, regulations, and policies.

Section 1.4. *LCTS training*. The COUNTY working with its collaborative partners shall ensure that LCTS Coordinators and staff sampled by the LCTS have completed training approved by the STATE in the LCTS.

Section 1.5. *Compliance with federal regulations*. (a) The COUNTY shall administer the federal funds claimed through the LCTS consistent with Code of Federal Regulations, Title 45, Parts 74 and 92.

(b) The COUNTY shall comply with the requirements for claiming administrative services under Title IV-E of the Social Security Act in accordance with Code of Federal Regulations, Title 45, Section 1356.60. In addition, the COUNTY shall comply with the requirements for claiming expenditures as training costs in accordance with Code of Federal Regulations, Title 45, Sections 235.63 to 235.66.

(c) The COUNTY shall ensure that costs claimed for reimbursement through the LCTS shall be the actual costs, to be determined in accordance with cost principles outlined in 45 Code of Federal Regulations, Part 75 (formerly OMB Circulars, including A-21, A-87, and A-122), as appropriate. Properly constructed time studies shall be the basis for separating allowable from unallowable costs and for establishing appropriate costs. In the event the benefits of the activities to be claimed extend beyond the federal program, then either individual program eligibility shall be applied with the time study process, or eligibility ratios shall be applied to the final results in order to determine the proper share of each allowable activity's costs to be charged to the federal

program.

(d) The COUNTY shall comply with the reporting requirements of GASB 84 (Government Accounting Standards Board) Fiduciary Activities for LCTS, federal, and other grant funds received for the Collaborative(s).

Section 1.6. *Use of LCTS funds.* The COUNTY agrees that *all* revenue resulting from the LCTS shall be deposited in the Collaborative's integrated fund under the operating authority of each Collaborative's governing board. It is understood that the authority to decide how LCTS funds are spent shall reside with each local Collaborative's governing board. All LCTS funds are to be allocated to the Collaborative's integrated fund; therefore, the COUNTY cannot withhold payments to the Collaborative(s) or create separate escrow accounts or trust funds. The COUNTY can only withhold LCTS funds for administrative costs, such as coordination of the LCTS, with the annual approval of the Collaborative's governing board.

It is further understood that LCTS funds shall be used to expand prevention and early intervention services to children and families and be consistent with the following paragraphs:

(i) For Children's Mental Health Collaboratives, LCTS funds shall be used to expand the initial target population or to develop or provide mental health services through the local integrated service system to children in the target population pursuant to Minnesota Statutes, Section 245.495(a).

(ii) For Family Services Collaboratives, LCTS funds shall be used to expand expenditures for education, social, health, or health-related services to families and children pursuant to Minnesota Statutes, Section 256F.13, subd.(1)(b)(3).

(iii) LCTS funds shall not be used to fund out-of-home placements, pay for capital expenditures, or supplant other revenues.

Section 1.7. *Maintain accounting system.* The COUNTY and agencies participating in the LCTS shall maintain an accounting and financial management system adequate to support all claims for federal reimbursement through the LCTS, including a clear audit trail and any provisions specified in this contract. The STATE, COUNTY, and other organizations participating in the LCTS shall work together to ensure the implementation of an adequate accounting and financial management system.

Section 1.8. *Nonfederal share of expenditures.* The COUNTY and other organizations participating in the LCTS shall provide the nonfederal share of all expenditures for which federal revenue is claimed through the LCTS. In addition, the COUNTY and other organizations shall ensure that expenditures submitted for federal reimbursement shall be paid from public sources other than federal funds or funds used to match other federal funds.

ARTICLE 2

STATE'S DUTIES

Section 2.1. *Training.* The STATE shall provide training to the COUNTY and other collaborative partners regarding the administration of the LCTS.

Section 2.2. *Payment of LCTS funds.* The STATE shall pay the federal reimbursement earned under this Contract to the COUNTY based on their earnings pursuant to the terms of payment in Article 3.

Section 2.3. *Relationship to other funding.* Pursuant to Minnesota Statutes, Section 256F.13, subd. 1(a)(4), the STATE shall ensure that federal reimbursement earned pursuant to this contract shall not be used in determining the allocation or distribution of other funds to counties or Collaboratives.

ARTICLE 3

TERMS OF PAYMENT

Section 3.1. *Payment schedule.* (a) Except as provided in this Article, the STATE shall forward to the COUNTY on a quarterly basis federal funds earned through the LCTS.

(b) For purposes of this contract, the term “quarter” shall mean a period of three months ending on the last day of March, June, September, and December.

Section 3.2. *Basis of payments.* Payments to the COUNTY shall be based upon activities and costs eligible for reimbursement through Titles IV-E and XIX of the Social Security Act. If at any time such federal funds become unavailable, the COUNTY shall be paid on a pro rata basis, for services satisfactorily performed and for which federal reimbursement was received.

Section 3.3. *Submission of reports.* (a) The amount forwarded to the COUNTY shall be based on eligible activities identified through the LCTS and quarterly costs. The COUNTY shall submit LCTS cost reports within twenty (20) days after the end of the quarter. Cost reports received by the STATE more than twenty (20) days after the end of the quarter and amended cost reports shall be processed one (1) year after the original cost report was due unless otherwise agreed to by the STATE. Cost reports submitted more than one (1) year after the original due date will not be eligible for reimbursement.

(b) Per the STATE’s federally-approved cost allocation plan, the COUNTY working with its collaborative partners shall submit LCTS response data to the STATE within three (3) days after the date and time of the random moment.

Section 3.4. *DHS administrative fee.* The STATE will invoice the COUNTY on an annual basis, using a form approved by the STATE, for the STATE’s total expenditures during the designated annual period in order to repay the special revenue maximization account for state expenses incurred exclusively in administering the LCTS. Payment in full is due to the STATE no more than thirty (30) days past the date of the invoice. If efforts to rectify payment issues with the COUNTY are unsuccessful, the STATE may suspend or terminate the COUNTY’S participation in the Local Collaborative Time Study (LCTS) until such time as the delinquent invoice is paid in full.

Section 3.5. *Disallowances.* The STATE shall recover from the COUNTY any federal fiscal disallowances or sanctions attributable to actions of the COUNTY, COUNTY’S subcontractors, organizations participating in the LCTS, or other members of the Collaborative. If

federal fiscal disallowances or sanctions are based on either a statewide sample or a categorical disallowance imposed across the State, the STATE shall recover the proportional share of the disallowance or sanction from the COUNTY.

Section 3.6. *Conditions of payment.* All services and reporting provided by the COUNTY or the members of the Collaborative pursuant to this contract shall be performed to the satisfaction of the STATE, as determined at the sole discretion of its authorized representative, and in accord with all applicable federal, state, and local laws, rules, regulations, and policies. The STATE reserves the right to suspend, reduce, or terminate the distribution of LCTS funds to the COUNTY for terms of participation in the LCTS as well as services, LCTS reporting, or reporting provided pursuant to Section 1.3 of this contract found by the STATE to be unsatisfactory or in violation of federal or state laws, rules, regulations, and policies.

Section 3.7. *Payment recoupment.* The COUNTY must reimburse the STATE upon demand or the STATE may deduct from future payments made pursuant to the contract, any amounts paid by the STATE under this contract, for which invoices and progress reports have not been received, or for which the COUNTY's or Collaborative's books, records, or other documents are not sufficient to clearly substantiate that those amounts were used by the COUNTY or Collaborative to perform the services described in this contract.

ARTICLE 4

TERM OF CONTRACT

Section 4.1. *Term of contract.* This contract shall be effective July 1, 2022, or upon the date that the final required signature is obtained by the STATE pursuant to Minnesota Statutes, Section 16C.05, subd. 2, whichever occurs later, and shall remain in effect until June 30, 2027, or until canceled or terminated according to the provisions set forth in Section 4.2.

Section 4.2. Cancellation and Termination

A. *Cancellation.* This contract may be canceled by the STATE, COUNTY, or the Commissioner of the Department of Administration at any time, with or without cause, upon thirty (30) days' written notice to the parties of this contract. In the event of such cancellation, the COUNTY shall be entitled to payment, determined on a pro rata basis, for work or services satisfactorily performed.

B. *Termination.* The STATE may immediately terminate this contract if it does not obtain funding from the Minnesota Legislature, or other funding source; or if funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination will be by written or fax notice to the COUNTY. The STATE is not obligated to pay for any services that are provided after notice and effective date of termination. However, the COUNTY will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The STATE will not be assessed any penalty if the contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The STATE must provide the COUNTY notice of the lack of funding within a reasonable time of the STATE's receiving that notice.

ARTICLE 5

GENERAL PROVISIONS

Section 5.1. *State's authorized representative.* The STATE's authorized representative for the purposes of administration of this contract is Amber Ganyaw or her successor. Such representative shall have final authority for acceptance of services and reports provided by the COUNTY or members of the Collaborative.

County's authorized Representative. The COUNTY'S authorized representative is Cynthia Bennett cynthia.bennett@co.aitkin.mn.us, or their successor.

Section 5.2. *Amendments.* Any amendments to the contract shall be in writing, and shall be executed by the same parties who executed the original contract or their successors in office.

Section 5.3. *Assignment.* The COUNTY shall neither assign nor transfer any rights or obligations under this contract without the prior written consent of the STATE. However, in the event of a disallowance or sanction imposed by the federal government, the COUNTY may pass part or all of the disallowance or sanction risk to other members of the Collaborative by incorporation of a risk sharing provision into the Collaborative's governance agreement or the County's subcontracts with the organizations participating in the LCTS.

Section 5.4. *Liability.* To the extent provided for in Minnesota Statutes, Section 466.01 to 466.15, the COUNTY agrees to be responsible for any and all claims or causes of action arising from the performance of this contract by COUNTY, Collaborative's members, or any agents of the COUNTY or collaborative members. The STATE's liability, if any, shall be governed by Minnesota Statutes, Section 3.736. This clause shall not be construed to bar any legal remedies the COUNTY may have for the STATE's failure to fulfill its obligations pursuant to this contract.

Section 5.5. *State and federal audits.* Under Minnesota Statutes, Section 16C.05, subd. 5, the books, records, documents, and accounting procedures, and practices of the COUNTY, Collaborative, and any Collaborative's members relevant to this contract shall be subject to examination by the STATE's contracting department, the legislative auditor, Office of the State Auditor, DHS Internal Audits Office, and appropriate federal auditors. Records shall be sufficient to reflect all costs incurred in performance of the contract, and shall be maintained for six years after the contract expires, is cancelled or is terminated.

Section 5.6. *Ownership of materials and intellectual property rights.* (a) All materials conceived or originated by the COUNTY or Collaborative's members either individually or jointly with others arising out of the performance of this contract shall be owned by the COUNTY or Collaborative's member(s) as appropriate under the circumstances. The COUNTY shall bring such materials to the attention of the STATE. The COUNTY shall ensure that the STATE shall have the right to reproduce, publish, or otherwise use, and to authorize others to use, the materials for government and collaborative-related purposes. Materials include any report, study, computer software, database, model, invention, photograph, negative, audio or video recording, or other item or document, in whatever form, created or prepared by the COUNTY or Collaborative's members in the performance of its obligations under this contract.

(b) Pursuant to 2 Code of Federal Regulations, Section 200.315(b), if any copyrightable material is developed in the course of or under this contract, the STATE and the U.S. Department of Health and Human Services shall have a royalty free, non-exclusive, and irrevocable right to

reproduce, publish, or otherwise use, and to authorize others to use, the work for government purposes. The COUNTY shall ensure that this license provision is included in all relevant contracts it enters into with others related to the performance of services under this contract.

Section 5.7. *Workers' compensation.* COUNTY certified that it is in compliance with the workers' compensation insurance coverage requirements of Minnesota Statutes, Section 176.181, subd. 2. The COUNTY's employees and agents will not be considered employees of the STATE. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees or agents and any claims made by any third party as a consequence of any act or omission on the part of these employees or agents are in no way the STATE'S obligation or responsibility.

Section 5.8. *Purchase of equipment.* The COUNTY shall obtain the STATE's approval before purchasing an information management system or any equipment to support an information management system using LCTS funds.

Section 5.9. *Ownership of equipment.* (When applicable) Disposition of all equipment purchased pursuant to this contract shall be in accordance with Title 45, Code of Federal Regulations, Part 74, subpart C. For all equipment having a unit acquisition of \$5,000.00 or more, the STATE shall have the right to require transfer of the equipment (including title) to the Federal government or to an eligible non-Federal party named by the STATE. This right will normally be exercised by the STATE only if the project or program for which the equipment was acquired is transferred from one COUNTY to another.

Section 5.10. *Federal audit requirements and COUNTY debarment information.* To the extent federal funds are used for this CONTRACT, COUNTY acknowledges that COUNTY and STATE shall comply with the requirements of 2 C.F.R. § 200.331 and 2 C.F.R. § 200.501 et seq., as applicable. COUNTY certifies it will comply with the Single Audit Act, CFR Part 75 (formerly OMB Circulars including A-128 and OMB Circular A-133), as applicable. Failure to comply with these requirements could result in forfeiture of federal funds.

COUNTY DEBARMENT, SUSPENSION AND RESPONSIBILITY CERTIFICATION

A. *State Debarment.* The COUNTY certifies that neither it nor its principles is presently debarred or suspended by the STATE, or any of its departments, commissions, agencies, or political subdivisions. The COUNTY'S certification is a material representation upon which the contract award was based. The COUNTY shall provide immediate written notice to the STATE'S authorized representative if at any time it learns that this certification was erroneous when submitted or becomes erroneous by reason of changed circumstances.

B. *Federal Debarment.* Federal Regulation 45 Code of Federal Regulations, Section 92.35 prohibits the STATE from purchasing goods or services with federal money from vendors who have been suspended or debarred by the federal government. Similarly, Minnesota Statutes, Section 16C.03, subd. 2 provides the Commissioner of Administration with the authority to debar and suspend vendors who seek to contract with the STATE. Vendors may be suspended or debarred when it is determined, through a duly authorized hearing process, that they have abused the public trust in a serious manner.

By signing this contract, COUNTY certifies that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from transacting business by or with any federal, state, or local governmental department or agency; and
2. Have not within a three-year period preceding this Contract: a) been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (federal, state, or local) transaction or contract; b) violated any federal or state antitrust statutes; or c) committed embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and
3. Are not presently indicted or otherwise criminally or civilly charged by a governmental entity for: a) commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction; b) violating any federal or state antitrust statutes; or c) committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and
4. Are not aware of any information and possess no knowledge that any subcontractor(s) that will perform work pursuant to this contract are in violation of any of the certifications set forth above.
5. Shall immediately give written notice to the State should the COUNTY come under investigation for allegations of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing; a public (federal, state, or local government) transaction; violating any federal or state antitrust statutes; or committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.

C. *Debarred Vendors.* In the provision of goods or services under this Contract, COUNTY must not contract with vendors who are suspended or debarred in Minnesota or under federal law. Before entering into a subcontract, COUNTY must check if vendors are suspended or debarred by referencing the Minnesota Department of Administration's [Suspended/Debarred Vendor Report](#). A link to vendors debarred by Federal agencies is provided at the bottom of the web page.

Section 5.11. *Data privacy.* It is expressly agreed that the COUNTY and the Collaborative's members shall abide by all applicable state and federal laws and regulations concerning the handling and disclosure of private and confidential data on individuals or other data made not public by such laws or regulations. The COUNTY agrees to indemnify and save and hold the STATE, its agents and employees, harmless from all claims arising out of, resulting from, or in any manner attributable to any violation of any state or federal laws and regulations governing the disclosure of data by the COUNTY or Collaborative's members, including legal fees and disbursements paid or incurred to enforce the provision of this contract.

It is expressly agreed that the COUNTY, COUNTY's subcontractors, organizations participating in the LCTS, and other collaborative members are not members of or included within the welfare system for purposes of the Minnesota Government Data Practices Act solely as a result of this

contract.

Section 5.12 *Jurisdiction and Venue.* This contract, and amendments and supplements, are governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this contract, or breach of the contract, shall be in the state or federal court with competent jurisdiction in Ramsey County, Minnesota.

Section 5.13 *Legal Compliance.*

A. *General Compliance.* All performance under this Contract must be in compliance with state and federal law and regulations, and local ordinances. Allegations that STATE deems reasonable, in its sole discretion, of violations of state or federal law or regulations, or of local ordinances, may result in Contract cancellation or termination and/or reporting to local authorities by STATE.

B. *Nondiscrimination.* COUNTY will not discriminate against any person on the basis of the person's race, color, creed, religion, national origin, sex, marital status, gender identity, disability, public assistance status, sexual orientation, age, familial status, membership or activity in a local commission, or status as a member of the uniformed services. COUNTY must refrain from such discrimination as a matter of its contract with STATE. "Person" includes, without limitation, a STATE employee, COUNTY's employee, a program participant, and a member of the public. "Discriminate" means, without limitation, to: fail or refuse to hire, discharge, or otherwise discriminate against any person with respect to the compensation, terms, conditions, or privileges of employment, or; exclude from participation in, deny the benefits of, or subject to discrimination under any COUNTY program or activity.

COUNTY will ensure that all of its employees and agents comply with Minnesota Management and Budget Policy #[1329](#) (Sexual Harassment Prohibited) and #[1436](#) (Harassment and Discrimination Prohibited).

Section 5.14. *Contract Complete.* This contract contains all negotiations and agreements between the STATE and the COUNTY. No other understanding regarding this contract, whether written or oral may be used to bind either party

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Signature Page Follows

IN WITNESS WHEREOF, the parties have caused this contract to be duly executed intending to be bound thereby.

APPROVED:

**1. AITKIN COUNTY
SOCIAL SERVICES**

**2. MINNESOTA DEPT OF
HUMAN SERVICES**

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

By: _____

Title: _____

Date: _____