



BOARD OF SUPERVISORS AGENDA ITEM REPORT
AWARDS / CONTRACTS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: June 21, 2022

* = Mandatory, information must be provided

or Procurement Director Award: ☐

*Contractor/Vendor Name/Grantor (DBA):

State of Arizona Early Childhood Development and Health Board dba First Things First

*Project Title/Description:

Pima Early Education Program Scholarships

*Purpose:

Pima County will reimburse First Things First for the costs associated with providing scholarships so that income eligible children can attend Quality First preschools.

*Procurement Method:

This Subrecipient agreement is a non-Procurement contract and not subject to Procurement rules.

*Program Goals/Predicted Outcomes:

To increase the number of 3-5 year old children from income eligible families attending high quality preschools in Pima County.
To increase the number and capacity of preschools recognized by the State as high quality

*Public Benefit:

A wealth of data shows that investing in high quality preschool, especially for economically disadvantaged, minority and dual language children provides short-term and lasting benefits to children, families, schools, employers, taxpayers and the community.

*Metrics Available to Measure Performance:

Number of children enrolled, quality rating of classes and satisfaction surveys.

*Retroactive:

No.

GMI approved
6/6/22

TO: COB 6-8-2022 (1)
vers: 1
pgs.: 18

JUN07'22PM0137 PD

THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (*) fields

Contract / Award Information

Document Type: CT Commencement Department Code: CR Contract Number (i.e., 15-123): 22-385
 Date: 7/01/22 Termination Date: 9/30/24 Prior Contract Number (Synergen/CMS): NA
☒ Expense Amount \$ 13,623,200.00 ☐ Revenue Amount: \$ _____

*Funding Source(s) required: US Department of Treasury American Rescue Plan Act-Coronavirus State & Local Recovery Funds

Funding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? ☒ Yes ☐ No

If Yes, is the Contract to a vendor or subrecipient? Subrecipient

Were insurance or indemnity clauses modified? ☐ Yes ☒ No
 If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☒ No
 If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
 Amendment No.: _____ AMS Version No.: _____
 Commencement Date: _____ New Termination Date: _____
 Prior Contract No. (Synergen/CMS): _____

☐ Expense ☐ Revenue ☐ Increase ☐ Decrease Amount This Amendment: \$ _____

Is there revenue included? ☐ Yes ☐ No If Yes \$ _____

*Funding Source(s) required: _____

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards) ☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____
 Commencement Date: _____ Termination Date: _____ Amendment Number: _____
☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

*All Funding Source(s) required: _____

*Match funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

*Match funding from other sources? ☐ Yes ☐ No If Yes \$ _____ % _____

*Funding Source: _____

*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?

Contact: Nicole Scott

Department: Community & Workforce Development

Telephone: 520-724-2696

Department Director Signature: [Signature] Date: 6/6/22

Deputy County Administrator Signature: [Signature] Date: 6 June 2022

County Administrator Signature: [Signature] Date: 6/16/2022

Pima County Department of Community & Workforce Development				
Project: Pima Early Education Program Scholarships				
Subrecipient: State of Arizona Early Childhood Development and Health Board dba First Things First				
Amount: \$13,623,200.00				
Contract No.: CT-CR-22-385				
Funding: U.S. Department of Treasury, American Rescue Plan Act - Coronavirus State & Local Fiscal Recovery Funds				
UEI No.: X4K2J75KFDN4				
Research or Development:		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Federal Contract No.: N/A				
Required Match:		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Match Amount: N/A
Indirect Cost Rate:		<input type="checkbox"/> Federal	<input type="checkbox"/> NICRA	<input checked="" type="checkbox"/> de minimis <input type="checkbox"/> None
Status of Agency:		<input checked="" type="checkbox"/> Subrecipient		<input type="checkbox"/> Contractor
CFDA	Program Description	National Funding	Pima County Award	FAIN
21.027	American Rescue Plan Act - Coronavirus State & Local Fiscal Recovery Funds	\$350,000,000,000	FY 21 \$101,710,834.00	SLFRP0180

FEDERAL FINANCIAL ASSISTANCE SUBAWARD

1. Parties, Authority, and Background.

- 1.1. **Parties.** This Federal Financial Assistance Subaward ("Agreement") is between Pima County, a body politic and corporate of the State of Arizona ("County"), and the Arizona Early Childhood Development and Health Board known as First Things First ("FTF" and "Subrecipient"), an Arizona state agency.
- 1.2. **Authority.** County received the first tranche of Coronavirus State & Local Fiscal Recovery Funds (CSLFRF) in the amount of \$101,710,834.00, from the U.S. Department of the Treasury ("Treasury") as part of the American Rescue Plan Act ("ARPA"), signed by President Biden on March 11, 2021 (American Rescue Plan Act of 2021, sec. 9901, Pub. L. 117-2, codified as 42 U.S.C 802, *et seq.*) Treasury issued the Final Rule for State, Territorial, Local, and Tribal Governments (the "FR") on January 27, 2022, codified at 31 C.F.R. Part 35. Treasury also published CSLFRF Frequently Asked Questions ("FAQs") that were last updated in January 2022, which set forth Treasury's interpretation of the CSLFRF's provisions for the use of funds. County is authorized by 31 C.F.R. §35.6(b)(3)(ii)(A)(3) to use funds to respond to the negative economic impacts of the COVID-19 public health emergency on early

learning services. County is also authorized by A.R.S. § 11-254.04 to spend public monies to improve and enhance the economic welfare and health of the inhabitants of the County.

- 1.3. **Intergovernmental Agreement Authority.** The parties' authority to enter into this Agreement comes from A.R.S. §§ 8-1151(B)(1) and 8-1192(B)(4) for FTF and A.R.S. §§ 11-254.04 and 11-952 for County.
- 1.4. **Background.** On May 4, 2021, the Pima County Board of Supervisors approved the Year 1 plan for the Pima Early Education Program ("PEEP"). County is authorized by A.R.S. § 11-254.04 to appropriate and spend public monies for and in connection with activities that the County Board of Supervisors finds and determines will assist in the creation or retention of jobs or will otherwise improve or enhance the economic welfare of County Inhabitants. County determined that funding preschool expansion for low-income families that wish to enroll their preschool-age children in high quality preschools would improve the economic health and welfare of those children, their parents, employers, and taxpayers. County subsequently selected FTF. Under the previous agreement (CT-CR-21-407), FTF administered a Pima County Scholarship Program in Pima County using funding provided by County. County wants to expend \$13,623,200.00 in state fiscal years 2023 and 2024 for an estimated 1200 (600 per year) childcare scholarships for preschool children aged 3 to 5. FTF already administers a childcare scholarship program in Pima County called Quality First Scholarships. County and FTF agreed to use FTF's existing Quality First Scholarships system and infrastructure to administer the Pima County Scholarships funded by County.
2. **Term.** The term of this Agreement commences on July 1, 2022 and will terminate on September 30, 2024. If the commencement date of the Term is before the signature date of the last party to execute this Agreement, the parties will, for all purposes, deem the Agreement to have been in effect as of the commencement date. The term of this Agreement will survive and remain in effect during any period that Subrecipient has control over any funds provided under this Agreement.
3. **Scope of Services.** Subrecipient will provide County with the services described in **Exhibit A** (2 pages). Subrecipient will also undertake the same obligations to County, as County does to Treasury. Subrecipient will hold County harmless against any liability of County to Treasury arising out of any action (or omission) of Subrecipient that directly results in any failure on the part of County to fulfill County's obligations to Treasury, except in the event that County assented to or requested certain performance (or omission) by Subrecipient that results in County's failure to fulfill County's obligations to Treasury. Subrecipient will employ suitably trained and skilled personnel to perform all services under this Agreement. Subrecipient will maintain an accounting manual that describes its financial procedures in sufficient detail to ensure that its financial practices are easily understood.
4. **Monitoring and Evaluation.**
 - 4.1. County will monitor Subrecipient's activities and information sources in the management, fiscal, and services systems of Subrecipient and any subcontracted parties relating to performance of duties and obligations under this Agreement to ensure that Subrecipient uses the funding as allowed by the CSLFRF. Monitoring may include making sure that Subrecipient is:

- 4.1.1. Assuring adequate and acceptable progress in the provision of services;
- 4.1.2. Assessing adequacy of Subrecipient's systems to document services and expenditures; and
- 4.1.3. Verifying that all funds provided pursuant to this Agreement are used effectively to accomplish the purposes for which funds were made available.
- 4.2. Subrecipient must cooperate in County's monitoring and evaluation process and in any monitoring or oversight by Treasury's Inspector General. To the greatest extent permissible by law, and in addition to the provisions below in Section 6, Audit, and Section 23, Books and Records, County, and any authorized federal, state or local agency, including, but not limited to the U.S. Department of the Treasury and the Comptroller of the United States, will at all reasonable times have the right of access to Subrecipient's facilities. Subrecipient must assist County in providing reports and documentation related to Subrecipient's performance and, where applicable, the impact of the CSLFRF-funded activities on the community. If County finds that Subrecipient's performance is inconsistent with CSLFRF or with 2 C.F.R. Part 200, Subrecipient will be in default of this Agreement. If Subrecipient fails to take appropriate actions to correct the default within 15 calendar days from date of notice, this Agreement may be suspended or terminated. If County agreed with or requested certain performance by Subrecipient, including the services identified in **Exhibit A**, and County later finds that agreement or request is inconsistent with CSLFRF, then Subrecipient will not be in default of the Agreement; however, County and Subrecipient will take appropriate actions to address the inconsistency within 30 calendar days from date of notice.

5. **Compensation and Payment.**

- 5.1. **Not-to-Exceed Amount.** County may pay Subrecipient up to **\$13,623,200.00** (the "NTE Amount"). Subrecipient may not provide any services, payment for which will cause County's total payment under this Agreement to exceed the NTE Amount. If Subrecipient does so, it is at Subrecipient's own risk. Subrecipient may pay for audit related costs and request direct administrative costs, and indirect costs, that are determined by County to be reasonable, allocable and allowable per federal grant regulations.
- 5.2. **Scholarship Rates.** County will pay Subrecipient on a cost reimbursement basis in accordance scholarship rates as specified in **Exhibit A**. Part-time scholarships will be prorated accordingly.
- 5.3. **Use of Funds.** Subrecipient understands and agrees that the funds disbursed under this Agreement may only be used in compliance with Section 603(c) of the Social Security Act (the Act), Treasury's regulations implementing the Act, and guidance issued by Treasury regarding the Act. Subrecipient will undertake the same obligations to County, as County does to Treasury. Subrecipient will hold County harmless against any liability of County to Treasury arising out of any action (or omission) of Subrecipient that directly results in any failure on the part of County to fulfill County's obligations to Treasury, except in the event that County assented to or requested certain performance (or omission) by Subrecipient that results in County's failure to fulfill County's obligations to Treasury. County is responsible for informing Subrecipient of all updates to the regulations, the FAQs, and Treasury's Compliance and Reporting Guidance.

5.4. **Timing of Invoices.** Subrecipient will invoice County on a monthly basis as set forth in **Exhibit B** (1 page). County must receive invoices no more than 60 days after the end of the billing period in which Subrecipient delivered the invoiced services to County. County may refuse to pay for any service for which Subrecipient does not timely invoice County.

5.5. **Content of Invoices.** Each monthly request for reimbursement must be completed on the form provided by County similar to the form in **Exhibit B**. Each monthly request for reimbursement must have a unique invoice identifier and include this Agreement number. The person(s) that prepared the invoice and an authorized manager, supervisor or executive of Subrecipient must approve and sign each invoice to insure proper internal financial controls. Subrecipient must provide the following documentation with each invoice:

5.5.1. Adequate accounting report to support scholarship reimbursement to Quality First providers.

5.5.2. Any other documentation requested by County in **Exhibit A** Scope of Services.

5.6. **Payments to Subrecipient.** County will not make payments to Subrecipient, until: (1) Subrecipient has completed and submitted a W-9 Taxpayer Identification Number form; (2) Subrecipient has registered as a Pima County Vendor through the Pima County Procurement website; (3) Subrecipient is currently registered on SAM.gov; (4) this Agreement is fully executed; and (5) adequate and accurate documentation is provided with each request for payment or invoice. County may at any time question any payment to Subrecipient. If County raises a question about the propriety of a past payment, Subrecipient will cooperate with County in reviewing the payment. Subrecipient must also provide copies of Subrecipient's Core Documents in **Exhibit C** (2 pages) before County will disburse any funds to Subrecipient.

5.7. **Final Payment.** Subrecipient must submit its request for final payment for compensation earned and/or eligible costs incurred to County within 15 calendar days after the end of the contract term. The request must meet the requirements in Paragraph 5.6 and include a report summarizing Subrecipient's performance during the term of the Agreement. County may deny any request for reimbursement received after October 15, 2024.

6. **Audit Requirements.**

6.1. Subrecipient will comply with the Audit Requirements for Federal Awards in 2 CFR Part 200, Subpart F. In addition, Subrecipient will establish and maintain a separate, identifiable accounting of all funds provided by County under this Agreement. The accounting must record all expenditures which are used to support invoices and requests for payment from County. Subrecipient will also establish and maintain accounting records which identify the source and application of any funds not provided under this Agreement used to support these activities and ensure that all accounting records meet Federal, State, and County requirements, and generally accepted accounting principles laws and regulations. If there are federal or state authorities requesting information that cannot be provided any other way, upon written notice from County, Subrecipient will provide County a program-specific and/or financial audit. Such notice from County will specify the period to be covered by the audit, the type of

audit, and the deadline for completion and submission of the audit. Subrecipient will assure that any audit conducted pursuant to this Agreement is performed by a qualified, independent accounting firm and will be submitted to County within six months of completion of the audit required pursuant to this Section 6, unless a different time is specified by County. The audit submitted must include Subrecipient responses, if any, concerning any audit findings.

7. **False Statements.** Subrecipient understands that making false statements or claims in connection with this subaward 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 contracts, and/or any other remedy available by law.
8. **Insurance.** Subrecipient is self-insured through coverage under A.R.S. § 41-621 *et seq.*
9. **Indemnification.** Each party (as Indemnitor) agrees to indemnify, defend and hold harmless the other party (as Indemnitee) from and against any and all claims, losses, liability, costs or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as "claims") for bodily injury of any person (including death) or property damage, but only to the extent that such injury or damage is caused by a negligent or intentionally wrongful act or omission of the Indemnitor, or of any of its officers, officials, agents, employees, or volunteers.
10. **Laws and Regulations.**
 - 10.1. **Compliance with Laws.** In addition to the requirements in **Exhibit D** (4 pages), Subrecipient will comply with all applicable federal, state, and local laws, rules, regulations, standards, and Executive Orders and Subrecipient will require such compliance by other parties in any agreements it enters into relating to this Agreement.
 - 10.2. **Choice of Law; Venue.** The laws and regulations of the State of Arizona govern the rights and obligations of the parties under this Agreement. Any action relating to this Agreement must be filed and maintained in the appropriate court of the State of Arizona in Pima County.
 - 10.3. **Domestic Preference for Procurements.** As specified in 2 C.F.R. § 200.322, as appropriate and to the extent consistent with law, Subrecipient should, to the greatest extent practicable under 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 sub-awards including all contracts and purchase orders for work or products under this award.
 - 10.4. **Telecom Prohibition.** Subrecipient will comply, as applicable, with requirements of the prohibition on certain telecommunications and video surveillance services or equipment as specified in 2 C.F.R. § 200.216.
 - 10.5. **Environmental Laws.** Subrecipient will comply with all applicable standards, orders or regulations issued under the Clean Air Act (42 USC 7401-7671q.) and the Federal

Water Pollution Control Act (33 U.S.C. 1251-1387) as amended (Contracts and subgrants in excess of \$150,000).

11. **No Joint Venture.** It is not intended by this Agreement to, and nothing contained in this Agreement will be construed to, create any partnership, joint venture or employment relationship between the parties or create any employer-employee relationship between a party and the employees of the other party. Neither party will be liable for any debts, accounts, obligations or other liabilities whatsoever of the other, including (without limitation) the other party's obligation to withhold Social Security and income taxes for itself or any of its employees.
12. **Sub-subrecipients.** Subrecipient will not enter into any subawards for any services to be performed under this Agreement without County's prior written approval of the subaward. Prior written approval from County is not required for Subrecipient's contracts with Valley of the Sun United Way (VSUW) or for Valley of the Sun United Way's contracts with Quality First service providers and Quality First participants. Prior written approval from County is not required for the purchase of supplies that are necessary and incidental to Subrecipient's performance under this Agreement. Subrecipient is fully responsible for all acts and omissions of any sub-subrecipients, and of persons directly or indirectly employed by any sub-subrecipients, and of persons for whose acts any of them may be liable, to the same extent that the Subrecipient is responsible for the acts and omissions of its own employees. Nothing in this Agreement creates any obligation on the part of County to pay or see to the payment of any money due any sub-subrecipient, except as may be required by law. Subrecipient must follow all applicable Federal, State, and County rules and regulations for obtaining sub-subrecipients. Subrecipient must include the provisions in **Exhibit D** in all agreements between Subrecipient and its subrecipients providing goods or services pursuant to this Agreement. Subrecipient is responsible for sub-subrecipients' compliance with the provisions in **Exhibit D** and for any disallowances or withholding of reimbursements resulting from noncompliance of any subrecipients with **Exhibit D**.
13. **Non-Discrimination.** The parties will not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin in the course of carrying out their duties under this Agreement. The parties will comply with the provisions of Executive Order 2009-09, which is incorporated into this Agreement by reference.
14. **Assignment.** Subrecipient may not assign its rights or obligations under this Agreement, in whole or in part, without County's prior written approval. County may withhold approval at its sole discretion.
15. **Legal Authority.** Neither party warrants to the other its legal authority to enter into this Agreement. If a court, at the request of a third person, should declare that either party lacks authority to enter into this Agreement, or any part of it, then the Agreement, or parts of it affected by such order, will be null and void, and no recovery may be had by either party against the other for lack of performance or otherwise.
16. **Full and Complete Performance.** The failure of either party to insist, in one or more instances, upon the other party's complete and satisfactory performance under this Agreement, or to take any action based on the other party's failure to completely and satisfactorily perform, is not a waiver of that party's right to insist upon complete and satisfactory performance, or compliance with any other covenant or condition in this

Agreement, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time is not an accord and satisfaction.

17. **Cancellation for Conflict of Interest.** This Agreement is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511, the pertinent provisions of which are incorporated into this Agreement by reference.

18. **Termination.**

18.1. **Without Cause.** A party may terminate this Agreement at any time without cause by notifying the other party, in writing, at least 30 days before the effective date of the termination. Early termination of this Agreement will be effective at the end of the month specified in the notice. In the event of such termination, County's only obligation to Subrecipient will be payment for services rendered prior to the date of termination.

18.2. **With Cause.** A party may terminate this Agreement at any time without advance notice and without further obligation to the party when the party finds the other party to be in default of any provision of this Agreement.

18.3. **Non-Availability of Funds.** Every payment obligation of the parties under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Agreement by a party, this Agreement may be terminated by that party at the end of the period for which funds are available. No liability will accrue to the party in the event this provision is exercised, and the party will not be obligated or liable for any damages as a result of termination under this paragraph.

19. **Notice.** Notices under this Agreement must be addressed to:

County:

Jenifer Darland
Deputy Director
Pima County Community & Workforce Development
2791 E. Ajo Way, 3rd Floor
Tucson, AZ 85713
Jennifer.Darland@pima.gov

Subrecipient:

Josh Allen
Finance Division
4000 North Central, Suite 800
Phoenix, AZ 85012
jallen@firstthingsfirst.org

20. **Non-Exclusive Contract.** Subrecipient understands that this Agreement is nonexclusive and is for the sole convenience of County. County reserves the right to obtain like services from other sources for any reason.
21. **Remedies.** Either party may pursue any remedies provided by law for the breach of this Agreement. No right or remedy is intended to be exclusive of any other right or remedy and each is cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Agreement.
22. **Severability.** Each provision of this Agreement stands alone, and any provision of this Agreement found to be prohibited by law will be ineffective to the extent of such prohibition without invalidating the remainder of this Agreement.

23. **Books and Records.** Subrecipient must keep and maintain proper and complete books, records and accounts, which will be open at all reasonable times for inspection and audit by duly authorized representatives of County, and any authorized federal, state or local agency, including, but not limited to, the U.S. Department of the Treasury and the Comptroller of the United States. In addition, Subrecipient will retain all records relating to this Agreement for at least five years after Subrecipient submits its single or last expenditure report or until completion of any action and resolution of all issues which arise from any related litigation, claim, negotiations, audit or other action involving the records that was started before the expiration of the five-year period, whichever is later.
24. **Other Documents.** In entering into this Agreement, County has relied on the Interim Final Rule and Final Rule for State, Territorial, Local, and Tribal Governments, FAQs and the Compliance and Reporting Guidance that are available for review at <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>. The requirements in these documents are incorporated into this Agreement to the extent they are consistent with the provisions of this Agreement, including all exhibits. A party will promptly bring any provisions which the party believes are inconsistent to the other party's attention, and County will provide Subrecipient with its interpretation of the provisions in question. In the event of an irreconcilable inconsistency, the provisions of the federal awarding agency's documents will govern over the conditions of this Agreement, unless otherwise required by law.
25. **Amendment.** The parties may modify, amend, alter or extend this Agreement only by a written amendment signed by the parties and, where applicable, by the federal sponsoring agency, before any services under the amendment commences. Minor modifications may be made by written memorandum approved and signed by the Director of Community & Workforce Development or designee. Minor modifications are changes in the scope, which do not change the specified purpose, outcomes or the total compensation provided through this Agreement and do not in any way increase the direct or indirect liability of County under this Agreement.
26. **Arbitration.** To the extent required by A.R.S. § 12-1518 and after exhausting applicable administrative review, the parties agree to use arbitration to resolve any dispute arising under this Agreement.
27. **Disposal of Property.** This Agreement does not involve the sharing, purchasing or acquisition of property. Accordingly, the parties will retain their own property upon termination of the Agreement.
28. **No Third-Party Beneficiaries.** Nothing in this Agreement is intended to create duties or obligations to or rights in third parties not parties to this Agreement or affect the legal liability of either party to the Agreement by imposing any standard of care with respect to the maintenance of public facilities different from the standard of care imposed by law.
29. **Entire Agreement.** This document constitutes the entire agreement between the parties pertaining to the subject matter it addresses, and this Agreement supersedes all prior or contemporaneous agreements and understandings, oral or written.
30. **Effective Date.** This Agreement will become effective when all parties have signed it. The effective date of the Agreement will be the date this Agreement is signed by the last party as indicated by the date associated with that party's signature.

SIGNATURE PAGE TO FOLLOW

**FOR AND BEHALF OF
Pima County**

Sharon Bronson
Chair, Board of Supervisors

Date

ATTEST

Clerk of the Board

Date

**FOR AND BEHALF OF THE
Arizona Early Childhood Development
and Health Board/First Things First**

Josh Allen
CFO/COO

Date

Approval

The foregoing agreement between Pima County and the Arizona Early Childhood Development and Health Board/First Things First has been reviewed by the undersigned and is hereby approved as to content.

Jan Leshner, Pima County Administrator

Approval as to Form

The foregoing agreement between County and First Things First has been reviewed by the undersigned, each of whom has determined that it is in proper form and is within the powers and authority granted under the laws of the State of Arizona to the party he or she represents.

For Pima County

For Arizona Early Childhood Development
and Health Board/First Things First



Kathryn Ore, Deputy County Attorney

Casey Cullings, General Counsel

June 3, 2022

Date

Date

Exhibit A (2 pages)
Scope of Services

Pima County wants to expend \$13,623,200 in state fiscal year 2023 and 2024 for an estimated 600 child care scholarships per fiscal year for low-income preschool children aged 3 to 5. FTF already administers a child care scholarship program in Pima County called Quality First Scholarships for children whose family household income is at or below 300% of the Federal Poverty Level. Pima County wishes to expand this system to help address the negative economic impacts of COVID-19 and their disproportionate impacts on low-income families with young children. Pima County and FTF have agreed to use FTF's existing Quality First Scholarships system and infrastructure to administer these Pima County Scholarships funded by Pima County. FTF contracts with Valley of the Sun United Way (VSUW) to manage the Quality First Scholarship system and infrastructure. FTF passes through the entirety of Pima County funding to VSUW as FTF's grantee for scholarships, with the exception of FTF's direct administrative costs that are determined by Pima County to be reasonable, allocable and allowable per federal grant regulations.

Project Services: FTF will administer the Pima County Scholarships in the same way that it administers Quality First Scholarships except as described here:

- A. Pima County Scholarships will be funded with money received from Pima County.
- B. Pima County Scholarships will be limited to children aged 3 to 5, not yet eligible for kindergarten.
- C. Pima County Scholarships will be limited to Pima County, including tribal lands and cities and towns within Pima County's geographic boundaries.
- D. Quality First participants located in Pima County with a public rating of 2-5 stars that are full participants, rating only participants or FTF funded assessment and coaching participants will be eligible to receive Pima County Scholarships. This includes Quality First participants rated at 3-5 stars and already receiving Quality First Scholarships, as well as Quality First participants rated at 3-5 stars and not currently receiving Quality First Scholarships due to zip code targeting, and Quality First participants rated at 2 stars. This also includes new Quality First DES Expansion participants.
- E. A family can have up to two Pima County scholarships in addition to two Quality First Scholarships.
- F. Reimbursement rate per scholarship will be \$7,296 for full-time 12 month for 3-5 star providers and \$6,000 for 2 star providers. If FTF pays a higher rate to providers, the reimbursement rate will increase accordingly not to exceed \$12,600 for 3-5 providers and \$10,600 for 2 star providers.
- G. Pima County and FTF will draft guidance for providers on the use of Pima County scholarships versus Quality First scholarships.

By way of example, FTF will administer the Pima County Scholarships in the same way that it administers Quality First Scholarships with respect to families qualifying for the scholarships, the use of full time and part time scholarships, allocation of scholarships among the providers, and reallocation of unused scholarships to different providers. With respect to allocation of scholarships among the providers, this means the number of scholarships offered to each provider will be based on the provider's star rating and licensed capacity for children up to age 5, with larger programs and higher rated programs being initially offered more combined Quality First and Pima County Scholarships than smaller programs and lower rated programs. Allocation of scholarships will also be based on the type of program (home or center) and the ability and willingness to use the scholarships.

FTF will establish and maintain a budget for the Pima County Scholarship Program in the same way it maintains a budget for the Quality First Scholarship Program. FTF will also adjust the number of Pima County Scholarships, if necessary, to prevent the program from going over budget for the fiscal year.

Reports: FTF will provide monthly performance reports to Pima County that include, as applicable:

- For child care providers receiving Pima County Scholarships slots, the providers' name, address, star rating, program type (center or home) and size;
- For Pima County Scholarships slots, the number of initially allocated, the number currently allocated and the number filled with enrolled children by each provider;
- The number of unique children enrolled with Pima County Scholarships in a month and year to date by each provider;
- The amount paid out for Pima County Scholarships in a month and year to date by each provider;
- Countywide totals of Pima County Scholarships allocated, children enrolled, and money spent; and
- For Quality First Scholarships slots in Pima County, the number initially allocated, the number currently allocated, the number used, the number used for 3-5 year olds, current month unique 3-5 year olds, and total 3-5 year olds.

The parties understand that data about scholarships usage and payouts will refer to an earlier month. For example, the September 1 report will include data for the month of July because the July data is collected during the month of August.

END OF EXHIBIT A

Subrecipient will submit requests for reimbursement using the following invoicing template provided in excel format by Pima County:

[illegible]

Page 12 of 18

EXHIBIT C (2 Pages)
Subrecipient Core Documents

All Subrecipients are required to submit the following agency core documents to County within 30 days of approval of this Agreement as applicable:

1. Audited Financial Statement(s)(most current)
2. Single Audit (in accordance with per 2 CFR Part 200.331(f) and Part 200.501(a) Audit requirement(s). 2 CFR Part 200.501 Audit Requirements:
 - a. Non-Federal entities that expend \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single or program-specific audit conducted for that year in accordance with the provisions of this part.
3. Organizational Charts
4. Chart of Accounts with Cost Centers
5. Internal Control Procedure(s) including but not limited to:
 - a. Procurement/Purchasing Policy(ies)
 - b. Procedure for budgeting grants
 - c. Personnel Policies
 - d. Drug-free Workplace Policy
 - e. Code of Conduct
 - f. Conflict of Interest
 - g. Whistle Blower Protection
 - h. Employee Travel
6. The following administrative and/or financial management procedures for administering federal grants including but not limited to:
 - a. Cost Allocation Plan
 - b. Cash Management Procedure(s)
 - c. Methodology for reporting accrued expenditures for Pima County contracts
 - d. Financial Management Systems
 - e. Determination of Allowable costs
 - f. Financial Reporting
 - g. Records Retention
7. Certificate of Insurance or Fidelity Bond for construction projects (if applicable)
8. Indirect Cost Rate (most current issued by your agency).

Please note that per federal regulation at 2 CFR §200.331(4), Pima County will accept the following types of indirect cost rates:

 - a. An approved federal recognized indirect cost rate negotiated between the Federal Government; or
 - b. If no such rate exists, a de minimis indirect cost rate as defined in 2 CFR §200.414 Indirect (F&A) costs paragraph (f).

If additional documents are required, Subrecipient will be notified by the respective County representative. Core documents may be submitted via email to GMI_Development@pima.gov

or via Surface Mail to Grants Management & Innovation, Development Division, 130 W. Congress, 3rd Floor, Tucson, Arizona 85701.

END OF EXHIBIT C

EXHIBIT D (4 Pages)
SPECIAL CONDITIONS

U.S. DEPARTMENT OF THE TREASURY
CORONAVIRUS STATE & LOCAL FISCAL RECOVERY FUND
AWARD 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 603(c) of the Social Security Act (the Act), Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
 - 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. Reporting. Subrecipient agrees to comply with any reporting obligations established by Treasury as they relate to this award.
3. Maintenance of and Access to Records.
 - a. Subrecipient shall maintain records and financial documents sufficient to evidence compliance with section 602(c) of the Act, 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.
4. Pre-award Costs. Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this award.
5. Administrative Costs. Subrecipient may use funds provided under this award to cover both direct and indirect costs.
6. Cost Sharing. Cost sharing or matching funds are not required to be provided by Subrecipient.
7. Conflicts of Interest. Subrecipient 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. Subrecipients must disclose in writing to Treasury 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.
8. 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 603(f) of the Act, and guidance issued by Treasury regarding the foregoing. Subrecipient also agrees to comply with all the other applicable federal statutes, regulations, and executive orders, and Subrecipient shall provide for such compliance by other parties in any contracts 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 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 in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
 - iv. OMG Guidelines to Agencies on Governmentwide 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 (contracts and subcontracts 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 in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
 - vi. Governmentwide 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.
9. Remedial Actions. In the event of Subrecipient's noncompliance with section 603 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 in 2 C.F.R. § 200.339. In the case of a violation of section 603(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in section 603(e) of the Act.
10. 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.
11. 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 contracts, and/or any other remedy available by law.
12. 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 [enter project FAIN] awarded to [name of Subrecipient] by the U.S. Department of the Treasury.
13. 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 contract , or subcontract under this award.

- b. The acceptance of this award by Subrecipient does not in any way establish an agency relationship between the United States and Subrecipient.

14. 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 reasonable believes is evidence of gross mismanagement of a federal contract 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 a contract) 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 contract 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.

15. 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.

16. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Subrecipient should encourage its employees and contractors to adopt and enforce policies that ban text messaging while driving, and Subrecipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

END OF EXHIBIT D