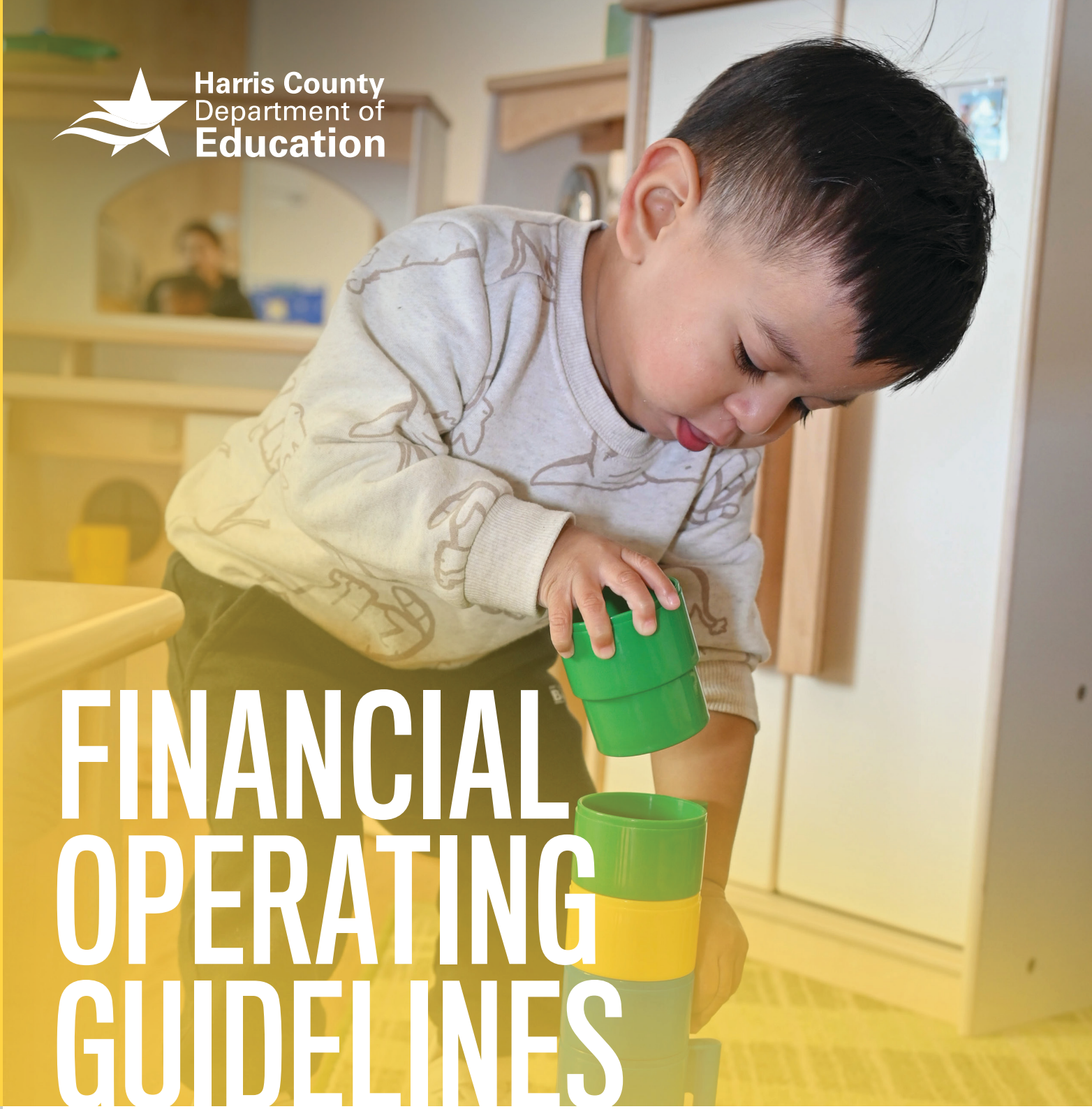
Harris County Department of Education



FINANCIAL OPERATING GUIDELINES

FISCAL YEAR 2025-2026

VIEW THE FINANCIAL OPERATING GUIDELINES AND OUR OTHER HCDE FINANCIAL REPORTS ONLINE

6300 IRVINGTON BLVD. | HOUSTON, TX 77022 | 713-694-6300 | WWW.HCDE-TEXAS.ORG

Table of Contents

INTRODUCTION

BSD Mission Statement....9
BSD Staff Assignments....10
BSD Organizational Chart....11
Conflict of Interest Disclosure-Budget Managers....12
BSD Contact List....13
Code of Ethics for Business Services and Purchasing Division Employees....16
Governmental Finance Officers Association (GFOA) Code of Ethics....19
Historical Tax Rates....21
Confidentiality and Use of Information Agreement....22
HCDE Fund Codes....23
Certification of Financial Statements....24

Accounts Receivable

Accounts Receivable Billing Process....26
Processing Non-Tax Deposits....28
Processing Tax Deposits....30
Processing Registrations....31
Handling Customer Refunds, Credit memos, Overpayments & Billing....32
Returned Checks....34
Employees Personal Checks....35
AR-Sales Tax Reporting....36
PayPal Deposits Procedure....37

Accounts Payable

Payment Authorization....39
Processing Purchasing Orders....43
AP Process for Payments....44
Request to Attend Procedures....46
Travel Reimbursements (Out of County or State)....47
Personal Vehicle Mileage Reimbursements....52
Tips & Gratuities....55
Processing Stale Dated Checks....56

Payroll

Payroll Distribution....58
Payroll Distribution Reports....60
Reporting Time Worked and Absences in Time Clock Plus....61
Timekeeping Guidelines....67
Time Clock Plus Quick Reference Guide....72
Time Clock Plus Adjustment Form....73
Processing Employee's Leave of Absences....74
Time Clock Plus Leave Request Instructions....76
Time Clock Plus Leave Exception Form....78

Time Clock Plus Overtime and/or Compensatory Designation ……..… 79
Processing Personal Discretionary and Non-Discretionary Leave…… 83
Time Clock Plus Reminders…… ..…85
Time Clock Plus FAQ's……...… 88
Certification of Comparison Reports…….. 91
Time and Effort Guidelines…… ..….92
Time and Effort Period Activity Report…… ....…98
Time and Effort Excel Worksheet……...… 99
Payroll Verification Checklist……..…100
Pay Distribution during and after extended leave……101
Voluntary & Non-voluntary Payroll Deductions 103
Direct Deposit 104
Processing W-2 Wage and Tax Statements 106
Processing Replacement and Supplemental Payroll Checks 108
Returned (Undeliverable) Mail).....110
TRS Processing & Reporting……...……111
Approval of FTE's…….....113
Approval of Stipends……...……115
Request for Bereavement Leave……..117

Procurement Services

Quick Reference Guide to HCDE Purchasing Policies 119
System Access Process…….....120
Standards of Conduct…….....122
Small & Minority Firms……..126
Selection of Award…….…….127
Finance Plus Permissions Responsibilities……..129
Code of Conduct……..132
General Purchasing Guidelines……....136
Lease or Purchasing Analysis……..138
Accessing contracts under Choice Partners Cooperative……140
Stamping Procurement Documents…… 142
Surplus Property Purchases……..…….…...143
Purchases under $50K……..145
Purchases over $50K……147
Commodity codes procedures……..150
Handling Requests for proposal/bid (Internal Coop)……...151
Cooperative Purchases……..…156
Instructions for Criminal History Background ……...161
Performance Bonds……..162
Pre-award Reviews……..163
Protest Procedures……....166
Emergency Purchases…….…167
Sole Source……..168
Felony Application Exemption form……...169
HCDE Cost Price Analysis……..170

Table of Contents

Requisition Procedures……...….173
Approval Status of Requisition……193
Processing Requisitions & Issuing Purchase Orders……..197
Changes to approved Purchase Orders……...…198
Written Quotes for Good / Services ……...200
Vendor Certification in Edgar HCDE Internal……...202
Vendor Certification in Edgar Choice Partners…….....213
Board Recommendation Form…….....223
RFP Procedures……...…225
Cost Price Analysis ……..……..…226
Recommendation Committees……228
Competitive Bids vs. Competitive Proposal……...…231
Effectiveness & Comp Form…….…..233
Independent Contractor Classification Checklist……234
Independent Estimate Guide HCDE (Internal)…….....235
Conflict of Interest Questionnaire……..…..239
EPLS & Sam procedures for debarment……..……242
Contract Prohibition under the Govt Code……...…246
Change Order form Construction……..……..248
Employee Purchase Form Technology……249
Selling of Technology Form……250
Grant Guidelines for Internal Charges…….....251
Sample Internal Charges Agreement……...…259

Procurement Contracts & Templates

Contracts Manual……..…...263
Contracts Formatting Instructions…….…...389
Checklist for Reviewing Contracts……..391
Contract Processing Form Instructions……..…..395
Contract Processing Form…….…...447
Expenditure Contract Memo……..…..448
Steps to create a New Contract……...….449
Sample Contract Clauses……...….451
Sample Contractor Agreement for Construction Projects……..….463
10 Sample Notice of Termination……...483
General Contract Guidelines……..….484
Addendum to Services Agreement-Adult Education……..…486
Addendum to Services Agreement -Head Start……..…494
Addendum to Services Agreement-Speaker……502
Cost Price Analysis…….….504
Contract Amendment……...505
CSSS Interlocal Agreement……...……..506
Early Head start Child Care Interlocal Agreement……..512
Employee/Independent Contractor Checklist……..523
HCDE Advertisement, Sponsorship Agreement…….524
Interdepartmental Contract……..531

Master Interlocal Contract Template……...532
Interlocal Contract Template……...537
New Fortis Academy Annual Contract…….....552
Participation Contract Template……..……559
Service Agreement……...……565
Expenditure Consultant Service Contract……580
Service Agreement- HCDE Expenditures……...…588
Service Agreement -HCDE Revenues……..…...604
Service Agreement Sample…….....608
FY 21 SERVICES AGREEMENT……..……614
Construction Contract under $50K……...……..…….615
Job Order Construction Service Template……..…….630
Internal HCDE RFP Template (one year)……..……..659
Internal HCDE RFP Template (five year)……..…….681
Choice Partners Cooperative…….……..706
HCDE Facilities Use Agreement.……..…….718

Procurement Card

Procurement Card Manual 733
Certification of P Card Reports – Divisions……755
Certification of P Card Reports – Purchasing and Business……756
Certification of P Card Training Form…….757

Budgeting

Budget Financial Guidelines.....759
Budget Transfer & Adjustment Procedures.....761
Budgeting for Replacement Assets 765
Processing journal entries for Inter divisions……...……767
Charges between Division - Procedures - FY21……..767
Handling access request to account codes - FY21……...769
Account Code Structure…… ……..……..771
HCDE Fund Codes……..…… ……772
Function Codes……773
Location Codes……774
Program Codes……775
Budget Manager Codes……776
Expenditure Codes with Description…..……778
Revenue Codes……790

Compliance

Internal Controls 792
Audit 794
Property Tax.....797
Fraud Prevention Model and Awareness Program 803
Risk Awareness Process 805

Contract Monitoring and Compliance 806
Grant Monitoring and Compliance 809
Authorization for Electronic Purchasing 811
Authorized Signature Form FY 21-22…….919
Compliance with Prevailing Wages Requirement 815
Bank Account Reconciliations……..……...820
Handling Open Records Request Procedures…….….821
Authorized Signature Head Start Form FY 21-22 8.14.2020……..825

Grants

Acceptance of Donations 827
Commitment of Resources and Grants Submission…….…829
Processing of Grant Awards with Education Foundation of Harris County…....835
Grant Indirect Cost – Establishing the Rate.....837
Grant Indirect Cost Calculation 839
Grant Indirect Distribution in General Fund ……...…840
Charges between Divisions Procedures…… 946
Grant Management & Accounting……...842
New Matrix-Revenue Contracts…… ..……935
Grant reimbursements procedures…… .....……936
HCDE Grant Manual…….937
HCDE Grant & Contracting monitoring……997
Federal Grant Contract Salary Reporting……..1003
Procedures for Employee Annual Giving……..1004
Proposal Development-Public Funding Procedure……1008
Donation Sponsorship Receipt Form....…….1015
Procedure Acceptance Donation ……...1016
Procedure Commitments-Grant Submission Procedure.……...1018
Proposal Development Procedures Private Funding …….....1024
Grant Signature Authority list……1029

Fixed Assets

Fixed Assets…….…….....1033
Budgeting for Replacement Assets……....1038
Fixed Asset Transfer Request Form……..1039
Fixed Asset tagging process FY21……1040

Personnel

Personnel Access Procedures…….....1043
Harris County Depart of Education Salary Schedule……1045

Appendix

Glossary of Accounting Terms……..……..……1080
Glossary of Purchasing Terms……..…….……...1090

Table of Contents

Glossary of Contract Terms……...1094

Introduction

Harris County Department of Education
Business Support Services

Mission Statement:

To exceed client expectations by maximizing fiscal resources and providing quality support services.

Harris County Department of Education

Quality Value System:

Timely
Efficient
Excellent Customer **S**ervice
Ethical
Resourceful
Collaborative

HCDE

Business Services' Fund Assignments
FY 2025-2026

Jesus Amezcua EXT 1371
Brenda Del Valle EXT 8249
Marcia Leiva EXR 8251
Kimberly Condit EXT 8240
Deanna Garcia EXT 1747

Katina Washington EXT 8289
Brandy Bullock EXT 8245
Ana Munoz EXT 1352
Desirae Deleon EXT 8244
Priscilla Hines EXT 1370
Jorge Garza EXT 8201

Julia Watts ext 1344

HCDE Annual Budget
Risk Assessment / Fraud Prevention
Accountability Report
Fixed Assets
Tax Revenue Reports
199 - GENERAL FUND
498 - LOCAL GRANTS
599 - DEBT SERVICE ADMIN
693 - DISASTER RELIEF FUND
811 - HIGHPOINT EAST ACTIVITY
814 - HIGHPOINT NORTH ACTIVITY

Anai Rodriguez ext 3131

Education Foundation
Bank Reconciliations
694 - Construction
695-Local Capital Project
697-Capital Project
698-PFC
699-PFC
265 and 268 - 21 st centuries
288 - Partnership
462 - Every Hour counts
468 - County Connections
498 - Local grants BM 922
224 - TCEQ Case
467-City of Houston
463-Houston Endowment

Lynette Adams ext 1745

Investment Report and Highlights
HCDE Financial Highlights
Tax Deposit Reconciliations
Bank Reconciliations
231-Adult Ed Federal
244 -Adult Ed Federal TWC fund
432 - Access
498-Local Grants-related to funds assigned
711 - Choice Partners

Stacey Kemper ext 1343

265 and 268 - 21 st centuries
288 - Partnership
462 - Every Hour counts
468 - County Connections
498 - Local grants BM 922
224 - TCEQ Case

Lizeth Gonzalez ext 8250

205-HeadStart Main
206-HeadStart Training
212 - TWC grant
209 -Coolwood Construction
214-Early Head Start Start-Up
215-Early Head Start Operations
216-Early Head Start T&TA
218 - HS Coolwood Land Acquisition
437 - Covid 19 HS
475-Early Head Start In-Kind
479-HeadStart In-Kind
495 - HOGG Foundation - Menthal Health
496-HOGG Foundation
498-Local Grants-related to funds assigned

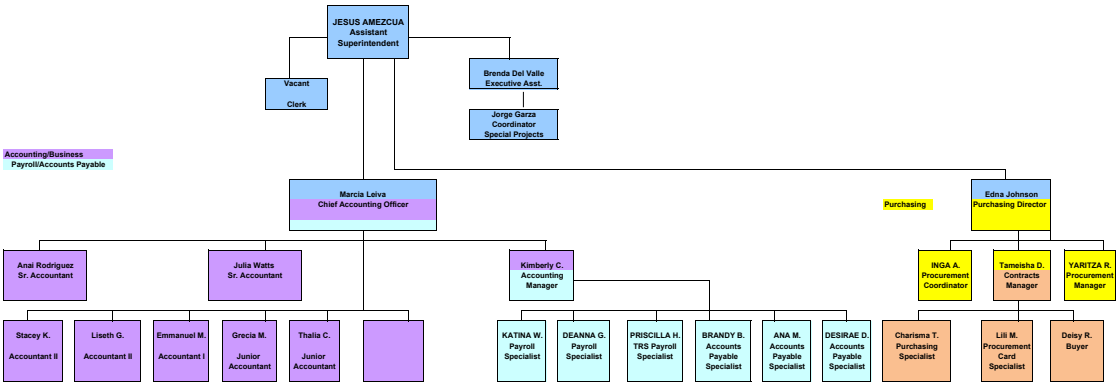
Vacant ext 1020

Accounts Receivable

Michelle Gomez ext 8248

Accounts Receivable

HARRIS COUNTY DEPARTMENT OF EDUCATION
Business Services Division
FY2025-2026 Organization Chart



Dr. Jesus J. Amezcua, Ph.D. CPA, RTSBA

James Colbert Jr. County Supt.

Attachment P

Harris County Department of Education

6300 Irvington Houston, Texas 77022-5618 (713) 696-1371

CONFLICT OF INTEREST DISCLOSURE
ALL BUDGET MANAGERS
2022-2023

Note: A budget manager is an individual that is authorized to approve purchase request of any kind (Requisitions, Grants, Bids, Purchase Requests, Campus and Student Activity) and/or is involved in any way in the procurement of any goods and services and is also involved in the approval of transfers or amendments (i.e. Principals, Directors, Supervisors, Budget Managers, etc.)

1. Have you accepted a cash gratuity of any amount that will result in personal gain while representing HCDE? Yes_____ No_____ If yes, please explain and disclose from whom _____
_____

2. Have you accepted any Non-Cash gratuities that have a retail value of more than $25.00 from a vendor this year? Yes_____ No_____ If yes, please disclose who and explain____
_____

3. Have you accepted a gratuity during duty and non duty periods and did you report it to your Supervisor within 72 hours? Yes_____ No_____ N/A_____ If no, explain_____
_____

4. Do you own a business or have an interest in a company that does business with HCDE? Yes ___ No_____ If yes, disclose name of company and your interest in the outside company_____
_____

5. Does any one in your family (brother, sister, mother, father, daughter, son, grandparents, uncles, aunts, etc.) work for, or have an interest in, a vendor or company doing business with HCDE? Yes_____ No_____ If yes, disclose name of company and your interest in the outside company_____
_____

I CERTIFY THAT THE INFORMATION ABOVE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

_____ _____
Employee's Signature Date

_____
Employee's Printed Name

FOR HCDE USE ONLY

NOTE: Failure to complete this form will prevent the employee from being authorized to approve any purchases within HCDE	
Reviewed By Compliance Officer:	**Authorized to participate in the procurement process by HCDE Assistant Supt for Business**

HARRIS COUNTY DEPARTMENT OF EDUCATION
Business Services Division Contact List

BUSINESS OFFICE – 1ST FLOOR 6300 IRVINGTON

FAX Number: 713-696-0740

Jesus J. Amezcua, Ph.D., CPA, RTSBA - Assistant Superintendent for Business Services
Phone 713-696-1371

- Business Office, Purchasing
- Financial Analysis & Board Agenda
- School Finance Council

Brenda Del Valle, Executive Assistant
Phone 713-696- 8249

- WIR
- Board Agenda / SFC Support
- Forms/Publications Support

Marcia Leiva, Chief Accounting Officer
Phone 713-696-8251

- Manages Business Service Division
- Financial and Budget Analysis
- Debt and AR Management

Julia Watts, Senior Accountant **Ext. 1344**

- General Fund
- Financial Reporting & Analysis
- Risk Assessment & Accountability
- HCDE Budget Process
- Debt Service

Liseth Gonzalez, Accountant II **Ext. 8251**

- Head Start Grants
- Financial Reporting & Analysis

Emmanual Mensah, Accountant I **Ext. 1745**

- Bank Reconciliations, Journal Entries
- Financial Statements, P-Card recording
- Adult Ed Grants
- Facilities Funds
- Financial Reporting & Analysis

Anai Rodriguez, Senior Accountant **Ext. 3131**

- Bank Reconciliations
- Education Foundation
- PFC Fund
- 21st Century/Case
- Choice Partners

Stacey Kemper, Accountant II **Ext. 1343**

- Financial Reporting & Analysis
- CASE Grants

Grecia Medrano, Junior Accountant **Ext. 8221**

- Account Receivable, Customer Invoicing

Thalia Copaus, Junior Accountant **Ext. 8250**

- Account Receivable, Customer Invoicing

Jorge Garza, Special Projects Workflow Specialist
Ext. 8201

Workflow automation

HARRIS COUNTY DEPARTMENT OF EDUCATION
Business Services Division Contact List Continued

<table>
<tr><td colspan="2">Kimberly Condit, Accounting Manager
Phone 713-696-8240 Fax 713-696-8240
• Payroll • Accounts Payable • TRS Reporting</td></tr>
<tr><td>Katina Washington, Payroll Specialist Ext. 8289
• Payroll Processing
• Time Reports</td><td>Deanna Garcia, Payroll Specialist Ext. 1747
• Payroll Processing
• Time Reports</td></tr>
<tr><td>Brandy Bullock, A/P Senior Specialist Ext. 8245
• HeadStart
• Business Services</td><td>Desirae DeLeon, A/P Specialist Ext. 8244
• Case
• General Fund
• Choice Partners</td></tr>
<tr><td>Ana Munoz, A/P Specialist Ext.1352
• Utilities (Electricity, Natural Gas, Water, Telephone/ Internet Payments
• Travel Reimbursements
• Adult Education
• PFC
• Facilities</td><td>Priscilla Hines, TRS Payroll Specialist Ext. 1370
• Payroll Processing
• Time Reports</td></tr>
</table>

Dr. Edna Johnson, Director of Purchasing
Phone 713-696-8242
Fax 713-696-8242
•Manages Purchasing Division • CH Local Compliance • Board Agenda Expenditures • P-Card Administration

Edna Johnson, Assistant Director of Purchasing **Ext. 1744**
• Contract Administration • Requisition/PO Processing • Board Agenda Items • Training

Inga Ash, **Ext. 2112**
Procurement Coordinator
- Choice Liaison
- Contract Processing
- RFPs, ITBs & Quotes
- Monthly Board Agenda - Expenditure Contracts

Yaritza Roman, **Ext. 8212**
Procurement Coordinator
- Requisitions/Purchase Order Processing
- RFPs, ITBs & Quotes
- Monthly Board Agenda - Expenditure Contracts
- P-Card Administration

Charisma Tolbert, Procurement Specialist Ext. 1760
- Process Purchase Orders
- Open New Credit Accounts
- Vendor Packets
- Support Internal Purchasing Department

Deisy Rubio, Quality Assurance Ext. 8242
- Requisitions/Purchase Order Processing
- RFPs, ITBs & Quotes
- Monthly Board Agenda - Expenditure Contracts
- P-Card Administration
- Support Internal Purchasing Department

Whitney Coachman, Quality Assurance Specialist
Ext. 1386
- EPLS Reporting
- P-Card Reconciliation
- Customer Service
- Support Internal Purchasing Department

MOST E-MAIL ADDRESSES are first name initial & last name @ hcde-texas.org unless noted otherwise.

Code of Ethics for
Business Support Services & Purchasing Division Employees

Introduction

In this age of accountability, activities and conduct of the Business Services office and the Purchasing office, staff are subject to greater scrutiny / criticism than ever before. It is understood that the actions of Business Services and the Purchasing office staff are observed / appraised by administration, clients, fellow professionals, and members of the community.

Harris County Department of Education ("HCDE", "Department") Business Support Services and Purchasing Division employees are professional and dedicated to public service. By assuming the responsibility of providing leadership and the expertise to maintain exemplary standards of professional conduct, they will strive to gain and continue to earn the public's trust and confidence.

Objective

The management of the Business Support Services and Purchasing Division is dedicated to making ethical and lawful choices by providing a structured code of ethics for its personnel to follow. Business Support Services and Purchasing Division employees shall model and promote ethical behavior to all HCDE employees through their behavior.

Applicability

The Code of Ethics for Business Support Services and Purchasing Division Employees, ("Code of Ethics") is applicable to all HCDE Business Support Services and Purchasing Division employees.

Principles and Standards

Business Support Services and Purchasing Division employees are responsible for adhering to and promoting the following principles and standards:

- Professional Conduct – They shall study, understand, and abide by both the letter and the spirit of legislation, governing regulations, board policies, approved professional practices, and recommended standards. They shall refrain from any actions or activities that give the appearance of moral impropriety.

- Honesty and Ethical Behavior in Professional Relationships – They shall not knowingly be a party to or condone any illegal or improper activity.

- Financial Impropriety – They shall act with integrity and diligence in duties involving Department fiscal resources.

- Act with Good Faith – They should make decisions that will do the most good over harm.

- Confidentiality – They shall demonstrate professional integrity in the issuance and management of information and maintain the confidentiality of clients', business partners', students', and employees' personal information. They shall respect and protect privileged information to which they have access.

- Fiduciary Responsibility – They shall not use public property or resources for personal or political gain; and shall safeguard the assets in their trust.

Conflict of Interest

Business Support Services and Purchasing Division employees shall do all that is possible to avoid any conflicts of interest. A "conflict of interest" arises when an employee's private, public, economic, or political activities have the potential of interfering with his or her allegiance and objectivity to the Department. Some examples of situations that could lead to a conflict of interest include: employment by outside entities; creating business interest with customers, suppliers, or competitors of the company; accepting payments or gifts from others; and taking advantage of business opportunities for personal gain.

Reporting Requirements

An HCDE employee who becomes aware of a situation or activity that violates, or appears to violate the Code of Ethics, HCDE policies, or applicable law, should contact their supervisor or the Compliance Officer immediately. If the potential violation cannot be resolved at that level, contact the Human Resources.

Certification Requirements

In order to prevent any new standards or policies from going unnoticed, Business Support Services and Purchasing Division employees will annually renew their acceptance of the Code of Ethics.

Statement of Certification

I, _____, hereby acknowledge that I have thoroughly read the Code of (PRINT LEGIBLY OR TYPE NAME)
Ethics for Business Support Services and Purchasing Division Employees and will, to the best of my ability, adhere to the Code of Ethics in my everyday work activities. I understand and agree to abide to the established principles and standards.

Signature: _____ Date: _____

GOVERNMENT FINANCE OFFICERS ASSOCIATION
Code of Professional Ethics

The Government Finance Officers Association of the United States and Canada (GFOA) is a professional organization of public officials united to enhance and promote the professional management of governmental financial resources by identifying, developing and advancing fiscal strategies, policies and practices for the public benefit.

To further these objectives, all government finance officers are enjoined to adhere to legal, moral and professional standards of conduct in the fulfillment of their professional responsibilities. Standards of professional conduct as set forth in this code are promulgated in order to enhance the performance of all persons engaged in public finance.

I. Personal Standards Government finance officers shall demonstrate and be dedicated to the highest ideals of honor and integrity in all public and personal relationships to merit the respect, trust and confidence of governing officials, other public officials, employees, and of the public.

- They shall devote their time, skills and energies to their office both independently and in cooperation with other professionals.
- They shall abide by approved professional practices and recommended standards.

II. Responsibility as Public Officials Government finance officers shall recognize and be accountable for their responsibilities as officials in the public sector.

- They shall be sensitive and responsive to the rights of the public and its changing needs.
- They shall strive to provide the highest quality of performance and counsel.
- They shall exercise prudence and integrity in the management of funds in their custody and in all financial transactions.
- They shall uphold both the letter and the spirit of the constitution, legislation and regulations governing their actions and report violations of the law to the appropriate authorities.

III. Professional Development Government finance officers shall be responsible for maintaining their own competence, for enhancing the competence of their colleagues, and for providing encouragement to those seeking to enter the field of government finance. Finance officers shall promote excellence in the public service.

IV. Professional Integrity-Information Government finance officers shall demonstrate professional integrity in the issuance and management of information.

- They shall not knowingly sign, subscribe to, or permit the issuance of any statement or report which contains any misstatement or which omits any material fact.

- They shall prepare and present statements and financial information pursuant to applicable law and generally accepted practices and guidelines.
- They shall respect and protect privileged information to which they have access by virtue of their office.
- They shall be sensitive and responsive to inquiries from the public and the media, within the framework of state or local government policy.

V. Professional Integrity-Relationships Government finance officers shall act with honor, integrity and virtue in all professional relationships.

- They shall exhibit loyalty and trust in the affairs and interests of the government they serve, within the confines of this Code of Ethics.
- They shall not knowingly be a party to or condone any illegal or improper activity.
- They shall respect the rights, responsibilities and integrity of their colleagues and other public officials with whom they work and associate.
- They shall manage all matters of personnel within the scope of their authority so that fairness and impartiality govern their decisions.
- They shall promote equal employment opportunities, and in doing so, oppose any discrimination, harassment or other unfair practices.

VI. Conflict of Interest Government finance officers shall actively avoid the appearance of or the fact of conflicting interests.

- They shall discharge their duties without favor and shall refrain from engaging in any outside matters of financial or personal interest incompatible with the impartial and objective performance of their duties.
- They shall not, directly or indirectly, seek or accept personal gain which would influence, or appear to influence, the conduct of their official duties.
- They shall not use public property or resources for personal or political gain.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Tax Rates *, FY 1969-70 to Current

* Per $100 valuation of all taxable property in Harris County.

ACTUAL

Tax Year	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
Fiscal Year	1960-61	1961-62	1962-63	1963-64	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70
Equalization Rate	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 0.01
Debt Service Rate	-	-	-	-	-	-	-	-	-	-
Total Tax Rate:	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 0.01**

ACTUAL

Tax Year	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Fiscal Year	1970-71	1971-72	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
Equalization Rate	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01	$ 0.01
Debt Service Rate	-	-	-	-	-	-	-	-	-	-
Total Tax Rate:	**$ 0.01**	**$ 0.01**	**$ 0.01**	**$ 0.01**	**$ 0.01**	**$ 0.01**	**$ 0.01**	**$ 0.01**	**$ 0.01**	**$ 0.01**

ACTUAL

Tax Year	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989
Fiscal Year	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86	1986-87	1987-88	1988-89	1989-90
Equalization Rate	$ 0.01	$ 0.00450	$ 0.00420	$ 0.00420	$ 0.00300	$ 0.00300	$ 0.00310	$ 0.00310	$ 0.00329	$ 0.00353
Debt Service Rate	-	-	-	-	-	-	-	-	0.00033	0.00031
Total Tax Rate:	**$ 0.01**	**$ 0.0045**	**$ 0.0042**	**$ 0.0042**	**$ 0.0030**	**$ 0.00300**	**$ 0.00310**	**$ 0.00310**	**$ 0.00362**	**$ 0.00384**

ACTUAL

Tax Year	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Fiscal Year	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00
Equalization Rate	$ 0.00355	$ 0.00367	$ 0.00390	$ 0.00428	$ 0.00466	$ 0.00513	$ 0.00562	$ 0.00611	$ 0.00611	$ 0.00629
Debt Service Rate	0.00029	0.00028	0.00026	-	-	-	-	-	-	-
Total Tax Rate:	**$ 0.00384**	**$ 0.00395**	**$ 0.00416**	**$ 0.00428**	**$ 0.00466**	**$ 0.00513**	**$ 0.00562**	**$ 0.00611**	**$ 0.00611**	**$ 0.00629**

ACTUAL

Tax Year	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Fiscal Year	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-2010
Equalization Rate	$ 0.00629	$ 0.00629	$ 0.00629	$ 0.00629	$ 0.00629	$ 0.00629	$ 0.00629	0.005853	$ 0.00584	$ 0.00605
Debt Service Rate	-	-	-	-	-	-	-	-	-	-
Total Tax Rate:	**$ 0.00629**	**$ 0.00629**	**$ 0.00629**	**$ 0.00629**	**$ 0.00629**	**$ 0.00629**	**$ 0.00629**	**0.005853**	**$ 0.00584**	**$ 0.00605**

ACTUAL

Tax Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Fiscal Year	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Equalization Rate	$ 0.006581	$ 0.006581	$ 0.006617	$ 0.006358	$ 0.005999	$ 0.005422	$ 0.005200	$ 0.005195	$ 0.005190	$ 0.005000
Debt Service Rate	-	-	-	-	-	-	-	-	-	-
Total Tax Rate:	**$ 0.0065810**	**$ 0.0065810**	**$ 0.006617**	**$ 0.006358**	**$ 0.005999**	**$ 0.005422**	**$ 0.005200**	**$ 0.005195**	**$ 0.005190**	**$ 0.005000**

ACTUAL

Tax Year	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Fiscal Year	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Equalization Rate	$ 0.005000	$ 0.004990	$ 0.004990	$ 0.004800	$ 0.004780	$ 0.004799	$ -	$ -	$ -	$ -
Debt Service Rate	-	-	-	-	-	-	-	-	-	-
Total Tax Rate:	**$ 0.0050000**	**$ 0.0049900**	**$ 0.004990**	**$ 0.004800**	**$ 0.004780**	**$ 0.004799**	**$ -**	**$ -**	**$ -**	**$ -**

Harris County Department of Education
Confidentiality and Use of Information Agreement

1. The Business Division function is to process data that includes information related to payroll records, vendor data, employee data and other sensitive data. We interact with employees, vendors, departments, and schools from our internal divisions and from external organizations.

2. The work performed by this Division is very vital to the success of the organization, and while most data is subject to open records, we must take steps to assure that data is handled with care and confidentiality.

3. There is a high level of trust that must be maintained between the Division and the employees and vendors of the department. Employees interact with division staff and discuss sensitive data while conducting their job duties; it is important to make sure that only appropriate data is discussed.

4. Any and all information related to the work performed by the Business Division should be kept confidential. This information should only be discussed with the employee, vendor, administrative supervisor, or Superintendent, as appropriate.

5. Information accessed should be added, changed, or deleted when properly authorized. Information that can be accessed should not be viewed or used for personal reasons or for mere curiosity.

6. I have read the above statements and I agree to keep any and all information related to the work performed by me confidential. I will only discuss this information with the individuals mentioned above, as appropriate. I will not add, change or delete information without proper authorization nor will I view or use information that I can access for personal reasons or curiosity. I understand that violation of this agreement could result in disciplinary action or termination.

_____
Division Employee Name

_____ _____
Employee Signature Date

HCDE FUND CODES 2021-2022

100 – GENERAL FUND
- 199 – General Fund

200 – FEDERAL GRANTS
- 205 – Head Start
- 206 – Head Start Training
- 207 – Head Start Disaster Training
- 208 – Educators & Families English
- 209 - Head Start Construction Coolwood
- 210 – Stop School Violence Grant
- 214 – Early Head Start Construction
- 215 – Early Head Start Operation
- 216 – Early Head Start – TT&A
- 218 – Head Start - Land Acquisition
- 230 – Adult Basic Education (ABE) Regular
- 265 – TX 21st Century Grant Cycle 11
- 268 – TX 21st Century Grant Cycle 10
- 288 – CASE After School Partnership

400 – LOCAL GRANTS
- 463 – Houston Endowment Grant
- 467 – CASE – City of Houston
- 475 – Early Head Start In-Kind
- 479 – Head Start In-Kind
- 491 – Stop School Violence - In Kind
- 496 – Head Start Hogg Grant
- 498 – Local Grants

500 – DEBT SERVICE
- 599 – Debt Service

600 CAPITAL PROJECTS FUNDS
- 693 - Covid 19 fund
- 694 – Capital Projects Local funds
- 695 – Capital Projects Local funds
- 697 – Capital Projects Bond Monies
- 698 – Public Facilities Corporation

700 – PROPRIETARY FUNDS
- 711 – Choice Partners – Enterprise Fund
- 753 – Workers Compensation
- 799 – Facility Support Services

800 – FIDUCIARY - TRUST/AGENCY FUNDS
- 811 – Highpoint – East Activity Funds
- 815 – Courtesy Committee
- 829 – Blair Endowment Scholastic Program

900 – ACCOUNT GROUPS
- 901 – General Capital Assets
- 902 – PFC Capital Assets
- 903 – Long Term Debt
- 904 – PFC Long Term Debt

Harris County Department of Education

Month:_____

HARRIS COUNTY DEPARTMENT OF EDUCATION
CERTIFICATION OF FINANCIAL STATEMENTS

Monthly Financial Reports & Drawdown Submitted to _____

We have reviewed the expenditures, revenues, and appropriations for accuracy and completeness in the general ledger for the month. Texas Education Agency's Financial Accountability System Resource Guide ("FASRG") has been followed to assure grant compliance.

By signing this report, I further certify to the best of my knowledge and belief that the monthly financial statements and drawdown reports along with supporting documentation are true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."

_____

Jesus J. Amezcua, PhD, CPA, RTSBA, Assistant Superintendent for Business Services/Date

_____

Marcia Leiva, Chief Accounting Officer/Date

_____

_____, Accountant/Date

_____

_____, Grant Manager/Date

Accounts Receivable

The Accounts Receivable Department is responsible for ensuring that all monies due to HCDE have been received and deposited in compliance with all state, local and federal regulations.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CCG(LEGAL)*
DATE DEVELOPED: 03/26/06		REVISED DATE: 05/25/2022
SUBJECT: Billing Processes		

Purpose
To provide guidelines for understanding the billing process.

Procedure
The invoices are generated by each division and submitted to the Business Office via email, paper copies, by excel, pdf or uploads. Each division must ensure an invoice has been created and submitted to the Business Office prior to accepting payment. Each invoice is assigned a unique number provided by the division which includes a prefix identifying each division. The maximum characters an invoice number can have are 10 characters. If an customer number is needed, please e-mail accountsreceivable@hcde-texas.org. Some invoices may have more than one revenue code. Invoices must include the customer's name, customer number, billing address, revenue code(s) and the amount(s). To add a new customer, please email your request to Accounts Receivable at accountsreceivable@hcde-texas.org. Each division should review monthly reports to avoid duplicate billing and must follow up on old outstanding invoices.

Accounts Receivable adjustments
Accounts Receivable adjustments, corrections, or voids require a detailed explanation and budget manager's approval. Adjustments between $0.01 cent and $499.99 will be approved by the Senior Accountant and the Chief Accounting Officer. Adjustments of $500.00 or more require the approval of the Senior Accountant, Chief Accounting Officer, and the Assistant Superintendent for Business Services. All Accounts Receivable adjustments, corrections, and voids are required to be routed through Adobe Sign. The accountsreceivable@hcde-texas.org e-mail address must be copied on each request to ensure timely processing. Once the required approvals are obtained and a completion e-mail is received from Adobe Sign, the Accounts Receivable specialist will process the adjustment.

Cash Receipts
Checks and cash received are processed by the Executive Assistant to Chief Accounting Officer of Business Services daily using the MICR image scanner machine which allows for same day accessibility. Two cash receipt forms are prepared 1) For all payments with invoices and 2) For all miscellaneous and deferred payments. The total of the two cash receipt forms will total the amount deposited for the day. The Executive Assistant enters the information for the miscellaneous and deferred cash receipts in eFinance which requires the review of the Senior Accountant and approval of the Chief Accounting Officer prior to posting to the general ledger. The invoice cash receipt form is given to the Accounts Receivable Specialist who will process the payments in the Accounts Receivable System. Once completed the transactions are interfaced to the general ledger via a journal entry which will require the review of the Senior Accountant and approval of the Chief Accounting Officer prior to posting.

Monthly Reports

Once a month Accounts Receivable generates four reports, the Assistant Superintendent sends out two which are the Customer Aging Report and Statements Grouped by Account Report, these are sent to each division manager. The Accounts Receivable Specialist provides the secretaries of each division the outstanding invoice statement and a Cash Receipt report, only the outstanding invoice statement is sent to the customer. Current cash receipt reports are available upon request.

The Outstanding Invoice report allows a division to review all outstanding invoices and how long each invoice has been outstanding. It also shows the balance of the outstanding invoice(s). Budget Managers are responsible for the collection of all invoices.

The Cash Receipt report allows a division to review all payments received for all invoices.

Workshop Management System (WMS) Receivables

The Workshop Management System allows individuals to sign up and pay for workshops that are offered through HCDE by credit card. Once a participant pays online confirmation is received through the WMS system. The payment is processed and posted to the division's revenue account or deferred account if the event has not occurred. If a division would like to review the payment status of any workshop for participants, a detailed revenue audit trail report may be produced in eFinance.

Once the event has occurred, the payment that was coded to the deferred account will be reclassified to the revenue account using a journal entry. All journal entries are reviewed by the Senior Accountant and approved by the Chief Accounting Officer prior to posting in the general ledger.

For verification of payments, please email Accounts Receivable at accountsreceivable@hcde-texas.org. Requests for credit card refunds are processed by Accounts Receivable as needed. All requests for refunds must be requested within 6 months of the payment/transaction date. **Division manager approval is required in order to process the refunds**.

Processing Deadlines

All invoices are due no later than the fourth working day of each month. Invoices received after this day will be processed on the following month. Deposits are made on a daily basis. WMS payments are captured and recorded on a weekly basis.

Check Return Processing

There is a $40.00 processing fee for all checks returned for non-sufficient funds. All NSF checks will be returned to the originating division for collection including the $40.00 NSF fee. The check will be returned to Division or re-deposited if the issuer requests it. If the issuer does not request to have the check re-deposited another acceptable form of payment must be made.

Accounts Receivable subsidiary closing

The Accounts Receivable Specialist will process all transaction received up to the fourth working day of the following month prior to closing the month in the subsidiary. The accounts receivable subsidiary will be closed by the fifth working day of following month once the subsidiary is reconciled to the general ledger. Invoices received after this day will be processed on the next month. Statement and reports will be generated once the month has been closed.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: CCG (LOCAL)
DATE DEVELOPED: 03/26/06		REVISED DATE: 05/25/2022
SUBJECT: Processing Non-Tax Deposits		

Purpose

To provide guidelines for bank deposits

Procedure

All deposits should be submitted to the Executive Assistant to the Assistant Superintendent of Business Services in the Business Office. A memo is required for all deposits (check or other non-monetary forms)**.** Cash is accepted at the HCDE schools only. Receipts will be provided for cash deposits **only.** Receipts for non-monetary deposits are available by request.

Delivery Options

Inter office Deliveries

All deposits delivered via interoffice mail should accompany a deposit memo. Only checks are accepted through interoffice mail.

Hand deliveries

All deposits delivered via hand delivery should accompany a deposit memo. Cash is accepted at the HCDE schools only. Exceptions to accepting cash deposit require the Assistant Superintendent for Business Services approval or designee.

Recording Deposits

All deposits are made via image direct deposit (IDD) which allows the Department to receive same day credit. A cash receipt log form is prepared listing all checks and supported by the IDD batch list which details the amount of the deposit. The cash receipt log form is reviewed and approved by the Chief Accounting Officer. Deposits are made in the following categories: (1) Deposits for invoices such as records management, therapy, and other billable services that are entered in Community Plus, (2) Miscellaneous or deferred deposits such as registration fees and insurance reimbursements and (3) Choice Partners related invoices. Once the form is fully executed, a journal entry is entered in eFinance in order to record these transactions on the books.

Processing Deadlines

Deposits are made daily. All checks received will be deposited unless information is pending from the division. All undeposited check will be kept in the Business Service

safe. The Accounts Receivable Specialist will follow up with the division manager in order to resolve any questions on the checks and deposit these checks in the month received.

Cash Deposits at the schools

HCDE schools are allowed to receive cash, checks or money orders as payment for services provided. The office clerk/bookkeeper responsible for collecting payments must secure all money in a safe or filing cabinet with a key. Checks received for deposit will be immediately endorsed with the statement “For Deposit Only” and the account number. A deposit ticket will be prepared listing all the cash and the checks. Bank deposits shall be made by the office clerk/bookkeeper or other designated employee daily (unless there is less than $100 to be deposited) to the closest CHASE bank and delivered in a secure deposit bag or hand deliver the money to the Executive Assistant to the Assistant Superintendent of Business Services who will process the deposit. Two copies of the deposit ticket and checks indicating the general ledger account number must be made prior to delivering the deposit to the bank. One set of copies will be maintained at the office for their records and the other copy will be submitted to the Executive Assistant to the Assistant Superintendent of Business Services at the Business Services for recording to the general ledger by the next business day.

The office clerk/bookkeeper will review on a weekly basis the detailed revenue report on eFinance to verify that all deposits are recorded accurately. If corrections are needed, please contact the Executive Assistant to the Assistant Superintendent of Business Services via TEAMS.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CCG(LEGAL)*
DATE DEVELOPED: 02/09/09		REVISED DATE: 07/27/21
SUBJECT: Processing Tax Deposits		

Purpose

To provide guidelines for processing tax deposits.

Procedure

HCDE tax deposits are collected and deposited through a third-party administrator, Harris County Tax Assessor and TexStar Investment Pool. The following steps are made to ensure that tax deposits are accurately recorded, receiving the maximum amount of interest and deposited in a timely manner:

- All tax deposit confirmations are received via email from TexStar Investment Pool and a hard copy confirmation is downloaded from the Harris County Tax Assessor's WinSCP software program.
- A journal entry is prepared to record the tax deposits in the general ledger.
- All tax deposit journal entries must be reviewed by the Senior Accountant and approved by the Chief Accounting Officer before being posted into the accounting system.
- The Junior Accountant will prepare monthly reconciliations to ensure accuracy and accountability of all tax deposits.
- All reconciliations of tax deposits must be reviewed and signed off by the Chief Accounting Officer.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: CCG (LOCAL)
DATE DEVELOPED: 02/06/09		REVISED DATE: 07/27/21
SUBJECT: Processing Registrations		

Purpose

To provide guidelines for processing registrations

Procedure

All participants who would like to attend a workshop(s) held at the HCDE Conference Center may (1) register online through HCDE Workshop Management Systems, also known as Ungerboeck or (2) register and pay on site. The following procedure should be followed to ensure that participants are registered in a timely manner:

Participants Responsibility

(1) Register for the workshop on HCDE website.
(2) Choose your payment option: check, money order, purchase order, or credit card.
(3) If credit card payment option is selected, no further action is required. If check, money order or purchase order is selected as the preferred payment method, an invoice will be generated and mailed to the participant.
(4) Payment is due upon participant's receipt of invoice. To ensure accuracy in processing the invoice number and or workshop number must be referenced on the money order, purchase order or check.

Business Office Responsibility

(1) Receive payments through mail.
(2) Apply payment to the appropriate division and notify Workshop Management coordinator of receipt.
(3) Process deposit(s)

Divisions Responsibility

(1) Ensure participants receive an invoice requesting payment prior to receipt of payment.
(2) Follow up with participants who have outstanding payments.
(3) Timely request cancellation of invoices from the Business Office in accordance with internal procedures.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CCG(LEGAL)*
DATE DEVELOPED: 11/25/08		REVISED DATE: 05/25/2022
SUBJECT: Customer Refunds, Credit memos, Overpayments, Billing adjustments		

Purpose

To provide guidelines for the handling customer refunds, credit memos, billing adjustments, overpayments and duplicate billings.

Procedure

All customer refunds, credit memos, billing adjustments, overpayments and duplicate billings are requested by the divisions and forwarded to Business Services, Accounts Receivable Specialist, for processing. Requests may be routed through Adobe Sign and accountsreceivable@hcde-texas.org copied on each submission. Division manager approval is required in order to process the accounts receivable adjustment. The following guidelines should be followed to ensure accurate and prompt processing of refund requests.

Responsibility of the Divisions

Customer refunds are requested and approved by the budget manager. The requester must prepare a payment authorization that includes (1) customer name or invoice number (2) reason for refund (3) amount of the refund and (4) Budget Manager signature. Credit card refunds request must be sent through Adobe Sign including accountsreceivable@hcde-texas.org stating the reason for the refund and budget manager approval.

Responsibility of the Business Service-Accounts Receivable

Once a fully approved request is received by the Accounts Receivable Specialist, the invoice will be researched for verification. The Accounts Receivable Specialist will start the process for the refund or credit memo in a reasonable time, usually within a week. A copy of the refund or credit memo is available upon request for the division.

All refunds, credit memos, adjustments and overpayments must be approved by the Senior Accountant and Chief Accounting Officer for amounts between $0.01 cent and $499.99 and the approval of the Asst. Superintendent of Business Services for anything exceeding $500.00 before processing. Documentation regarding the rationale for the adjustment, refunds, credit memo or overpayments must be included in the refund check request. Once the required approvals are obtained, the Accounts Receivable specialist will process the adjustment. All adjustments are subject to audit and be reviewed by the external auditors.

All refunds for Workshop Management System (WMS) credit card payments will be refunded via the credit card processing system. Customers will be notified by email for all WMS refunds.

All requests for refunds must be made within 6 months of the payment/transaction date. Refunds for payments made by check must be requested by the division using a payment authorization form, which needs to be submitted to the accounts payable for processing.

Reports

A monthly aging report is submitted to the Asst. Superintendent of Business Services for all accounts receivable accounts. This report is forwarded to all divisions for review and verification.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)*
DATE DEVELOPED: 03/26/06		REVISED DATE: 07/27/21
SUBJECT: Returned Checks		

Purpose

To provide guidelines for processing returned checks.

Procedure

HCDE accepts cash, checks, money orders and credit cards for payment. Deposits are made on a daily basis. In the event a check is returned due to insufficient funds, a fee of $40.00 will be assessed. The Business Office will notify the Division when a check is returned. The check will be returned to Division or re-deposited if the issuer requests it. If the issuer does not request to have the check re-deposited another acceptable form of payment must be made.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *DH (LOCAL)*
DATE DEVELOPED: 03/26/06		REVISED DATE: 07/27/2021
SUBJECT: Employees Personal checks		

Purpose

To provide guidelines for processing personal checks.

Procedure

HCDE accepts checks, money orders and credit cards as forms of payment. Checks are acceptable for payment of services and reimbursements only. **Under no circumstances should an employee's personal check be cashed.**

Harris County Department of Education	**DESK PROCEDURE** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *Accounts Receivable*
DATE DEVELOPED: 06/24/2015		REVISED DATE: 07/27/2021
SUBJECT: Reporting Annual Sales Tax		

Purpose:

To ensure accurate and timely filing of the Department's Limited Sales, Excise and Use Tax and to avoid cancellation of exemption.

Procedure:

In accordance with Tax Code Chapter 151 Limited Sales, Excise and Use Tax and the provisions set forth by the Texas Comptroller of Public Accounts, HCDE is exempt from Sale and Use taxes as verified on the Texas sales and use tax exemption certificate. A Sales and Use tax report must be filed on a calendar year basis on or before January 20 of the following year.

How to file taxes:

The Department uses the State Comptroller's Web File to report the annual Sales tax report electronically. Division managers must submit a monthly sales tax report to the Business Service if the division collected any sales taxes on items sold by the division. If there were no sales tax collections for the month, a sales tax report must still be submitted with a zero-dollar amount on or before January 20 following the calendar year end.

Responsible Parties:

The Accounts Receivable Specialist is responsible for the collection of the sales tax reports submitted by the divisions and for the preparation of the Limited Sales, Excise and Use Tax to the State Comptroller's office on an annual basis. The Chief Accounting Officer will review and approve the report and will forward the report to the Assistant Superintendent for final signature and approval.

Submission and Confirmation of the Sales Tax Report

The Senior Accountant is responsible for the timely submission of the report on the State Comptroller's WebFile. Once the report has been filed, a confirmation sheet should be printed and filed.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CCG(LEGAL)*
DATE DEVELOPED: 03/27/19		REVISED DATE: 07/27/2021
SUBJECT: Processing PayPal Deposits		

Purpose

To provide guidance on how to account for PayPal deposits.

Procedure

CASE for Kids and Scholastic Arts accepts PayPal for event fees. Fees are collected and deposited to Harris County Department of Education bank account. The following steps are made to ensure that PayPal deposits are accurately recorded.

The Division will do the following steps:

- Reports will be prepared on a weekly basis
- Log in to PayPal.com
- Select money tab
- Select money transfer
- Select from – PayPal balance
- Select to – JPMorgan Chase bank account
- Enter amount
- Select Enter
- Review amount
- Select Transfer
- Upon completion of PayPal Report, every Monday the money will get transferred to the bank account taking one business day.
- Print the Deposit Transfer transaction detail report
- Print the Transaction detail report for each payment received associated with deposit
- Complete CASE for Kids or Scholastic Arts PayPal Deposit spreadsheet
- Email a copy of the spreadsheet and deposited transfer transaction detail report to Business Services
- Reports will be prepared on a weekly basis.

Business Service will do the following:

- Once the money is deposited in the bank, the accountant will prepare the journal entry to record the cash and will attach the documents received from CASE or Scholastic Arts and a report from the bank showing the amount deposited.
- The accountant will record the money in the account listed on the PayPal Deposit form.

Accounts Payable

The Accounts Payable Department is responsible for ensuring that all obligations of HCDE have been paid in a timely manner and in compliance with all state, local, and federal regulations.

Payment Authorizations

Purpose

Payment Authorization is a request to process a payment for goods or services that have already been delivered that were not secured under a purchase order.

Procedure
Each requestor is responsible for completing a Payment Authorization electronic form located on the HCDE portal and obtaining approval from the budget manager or an authorized person. Division personnel are responsible for verifying that funds are available in the budget before initiating a payment authorization.

Authorized Signatures-*Only the budget manager or an authorized designee is allowed to approve and sign payment authorizations and invoices. Budget managers should ensure that the signature authorization form is updated at all times.*

Authorized Transactions-The following transactions are authorized for payments on a payment authorization:

Payment Authorization requires the vendor number, the original invoice with approved signatures for payment, receipt(s) and other supporting documentation before payment is processed. If invoices are for contracted services, the vendor contract must be attached to payment authorization. At the minimum, please provide the term and compensation sections of the contract. This is necessary to determine that the purchase was competitively procured in accordance with CH Local and CH Legal.

Supporting Documentation
The following documents must accompany a payment authorization, if applicable, before processing:

- Original invoice or receipt signed and dated or stated "OK to Pay"
- Registration forms (original & 1 copy)
- Application for renewals/permits (original & 1 copy)
- Subscriptions
- Billing receipts
- Hotel confirmations
- Copy of notices or advertisements
- Verification checklist
- Copy of consultant's contract

Note: Reimbursements will not be processed without receipts.

Sales Taxes

The Department is exempt from sales taxes, but not hotel taxes. Payment Authorizations should not include sales taxes for payment or reimbursements to employees for purchases made for the benefit of the Department. For more information on HCDE tax exemption privileges, refer to the Texas Sales Tax exemption procedure.

What to do when funds are unavailable (exceeds budget balance)?

If you were notified that your Payment Authorizations was not processed due to funds unavailable, follow the steps below:

(1) Contact your budget manager or designee.
(2) Initiate a budget transfer and forward to the Business Office.
(3) Confirm that the budget transfer was processed.
(4) Notify an Accounts Payable specialist after the budget transfer/amendment has been processed

Note: Payment will not be processed when funds are unavailable.

Payment Authorizations with no dollar limit restriction: (as required by agency and approved by supervisor)

- Credit card payments
- Grant payments to schools and school districts
- Payroll-related payables (types of insurance). These payables should be coded to a balance sheet account not an expenditure account
- Permits
- Legal notices and advertisements
- Licenses
- Registration fees
- Subscriptions
- Membership dues
- Postage
- Travel expenses (prepaid airfare and hotel only)
- Temporary staffing services

Payment Authorizations with $3,500 maximum limit:

- Catering and food for meetings
- Cell phone reimbursements
- Reimbursements for business meetings/luncheons
- Student fieldtrips (charter costs or admission costs)
    - Proper insurance must be reviewed by the division manager and a copy of the insurance should be attached to the payment authorization form
- Payments to a vendor that does not accept purchase orders

- Personal reimbursements for items spent in accordance with the Employee Recognition Manual (located on the HCDE Portal under Human Resources)
- Minor equipment repairs
- All Contracted services charged to 62190000 (with contract attached)
- Non-employee reimbursements paid from 64XX
- Merit awards, student awards and other educational related awards have a dollar threshold of $49.00 per item. All awards should be age appropriate. Purchases should never contain any mature or adult content or contain a "R" or "M" rating on audio/visual materials.

When in doubt, submit Purchase Orders instead of Payment Authorizations.
All other expenditures not listed above require a Purchase Order.

Payment Authorizations submitted for items that require a Purchase Order will not be approved unless authorized by the Assistant Superintendent for Business Services. A request for payment of goods /services without justification and is in violation of the procurement policies will be returned to the requestor.

It should be noted that any payment request above $3,500 requires either three written quotes or be part of a current Job Number duly approved by the Board of Trustees.
Any payment in violation of these guidelines may become a personal liability of the individual and/or the division manager. Also, payments made on a Payment Authorization that has $2000 or more of labor services provided must have a contract to comply with the David Bacon Act.

According to CH Local http://pol.tasb.org/Policy/Code/578, all single items or cumulative expenditures amounting to $50,000 are required to be pre-approved by the Board of Trustees prior to the cumulative purchases.

To meet this requirement, the Purchasing Office will submit to the Board of Trustees a monthly payment history report of all vendors with cumulative payments totaling $50,000.

Division Managers are required to plan and notify the Purchasing Office of any planned purchases amounting to $50,000 in a fiscal year so that these purchases are reported prior to the cumulative purchases.

Processing Deadlines and Check Distribution
Payment Authorizations submitted on Tuesday by 12:00 noon will be processed within 2 weeks of being approved provided that all submitted paperwork is complete, accurate and has not been returned. All checks will be mailed unless approved for pickup by the Asst. Superintendent for Business Services on a case-by-case basis. Refer to the Business Services Calendar for check distribution dates.

Form Completion (Previous School Year items received after August 31st Only)

Any Payment Authorization form that is for the previous school year (purchase made August 31st and prior) will need to be a paper form and turned into the Business Office by interoffice mail. When preparing a Payment Authorization paper form, the requestor should ensure that the form is complete, legible and accurate. Vendor and consultant's name should reflect the name on the W-9. The Payment Authorization should have the correct remit address for which payment should be mailed. If you need to get paper forms, please contact Account Payable for assistance.

Purchase Orders

Purpose

To provide guidelines for processing payments for items/services secured through a purchase order.

Procedure

Purchase orders are processed from an approved requisition. Budget managers are responsible for verifying that funds are available in the budget and a current contract exists on file **before** initiating a requisition (if applicable). Employees are encouraged not to order/receive purchases that have not been converted into a purchase order. All.

Types of Purchase Orders

One-time Purchase Order: A one-time purchase order is processed when purchases are made or services are requested, ordered, received, paid, and closed in a short period of time. This is the most common type of purchase order that HCDE utilizes. Items listed on the purchase order cannot be exchanged for a different item once the purchase order is issued.

Open or Blanket Purchase Order: An open or blanket purchase order is processed when a specific amount of money is encumbered to cover expenditures that are usually paid monthly. Examples are utilities, contractors, lease payments, etc. Divisions are responsible for forwarding all changes in contract prices to Accounts Payable.

Authorized Signatures-Only the Budget Manager / authorized designee can approve / sign invoices. Budget Managers should ensure that the signature authorization form is always updated.

Funds Availability

It is the division's responsibility to verify that funds are available when invoices are received. If necessary, a change order will need to be processed to increase funds. For example:

The July utility bill is $243.00, but you only have $50.00 left on the PO. A change order will need to be initiated to cover the balance as well as next month's utility bill.

Open Purchase Orders

It is the responsibility of the division to monitor all open purchase orders.

Closing a Purchase Order

Purchase orders are closed when available funds have been utilized. If a purchase order has funds available, but all items have been received, or all services have been rendered, budget managers/ authorized designee can send an email to Accounts Payable approving the closing of the purchase order.

Invoice Payment Process

Purpose

To provide guidelines for processing invoices for payments.

Vendor Invoices

All vendor invoices should be received by Accounts Payable directly from the vendor through either electronic mail or regular mail. Once an invoice has been received, it is placed in the division's folder that is accessible on SharePoint for review. Invoices are placed in folders daily and it is the responsibility of the admins to check the folder regularly.

Once reviewed, the budget manager sign/stamps "Okay to Pay" and returns the invoice to Accounts Payable for processing. Accounts Payable will stamp the invoice with the date of receipt and will process payment. Invoices that are received before Friday at noon will be processed within 2 weeks of receipt.

Division Personnel:

Division personnel should verify that the invoice is accurate and that goods or services on invoice have been received. They should obtain the "Okay to Pay," signature of the Budget Manager or designee and send the approved invoice to Accounts Payable for processing of payment. Accounts Payable will return the invoice to the division if initials are used instead of a full signature. It is the responsibility of the division to verify that funds are available in the budget at the time of approval. If funds are not available, a budget transfer will need to be initiated before the invoice can be processed for payment.

Business Office/Accounts Payable:

Accounts Payable will receive all approved invoices and process them in a timely manner for payment to the vendor. They will notify the division if there is an issue with the processing of the invoice once it has been received or if there is any documentation that is missing.

Common Issues:

- Missing "Okay to Pay"
- Initials instead of full signature
- Freight or shipping costs that are not included on the PO
- Insufficient funds requiring a change order
- The approved "invoice" is a quote

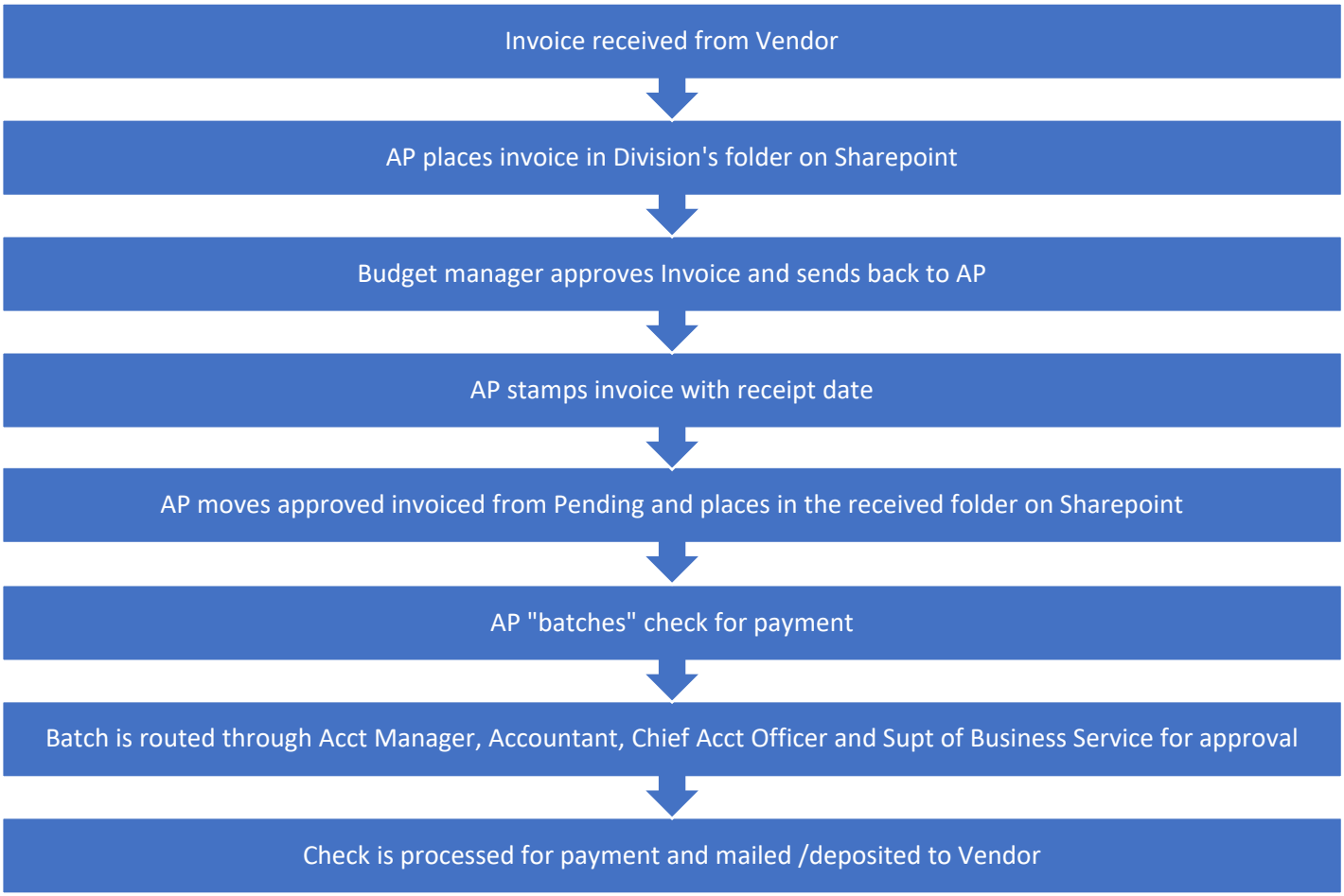
Check Runs

All approved batches are processed for payment on Tuesdays by Accounts Payable. This is subject to change at certain times of the year as business services need to adjust. Vendor checks are mailed within one day of processing. Vendors with direct deposit should receive funds within 48 hours of processing, but that is subject to the policies of their receiving bank.

Fiscal Year Closeout

After August 31st, invoices will need to include a receive date. We use this date to place the invoice in the correct year. If the date is missing, we will return the invoice to the division.

The approver path of invoices for payment:



Request to Attend

Purpose

To provide guidelines for processing a request to attend a workshop, conference, or attend an event on behalf of HCDE.

Request to Attend Form

A request to attend form should be submitted for all employees who are attending a workshop, conference, or event on behalf of HCDE.

Things to be aware of:

- All expenses should be approved by the budget manager or designee
- Out of State travel must be approved by the Superintendent or designee
- Mileage for in-county should have commute mileage deducted
- If a flight is required 3 quotes should be included with the RTA
- Rental cars for out of town travel purposes must be approved by the budget manager prior to RTA approval. If additional insurance is purchased, it is not reimbursable
- An agenda is required for all workshops and conference
- Mileage has to be submitted using Google Maps
- Registration confirmation should be included for the RTA

Please note that accounts payable does not receive any notice of the RTA

Upon return to the office, you will receive a "Welcome Back" email to initiate your travel reimbursement.

Travel Reimbursement

Purpose

To provide guidelines for processing a travel reimbursement for a workshop, conference, or attending an event on behalf of HCDE.

Employees are responsible for submitting their travel reimbursement for approval with all supporting documentation. If the travel reimbursement is rejected at any level, the employee will receive an email to correct and resubmit.

Travel Expenses

Meals:

Meals are reimbursed based on the GSA per diem rate and are divided in 4 quarters. If your conference registration fee includes meals (breakfast, including continental breakfast, lunch or dinner, including a scheduled reception that is hosted by the conference vendor) you will not be reimbursed per diem. You must reduce the number of quarters based on all meals provided. However, if you have an acceptable medical reason why you could not eat the meals provided and you purchased food on your own, you may be reimbursed up to the $17.00 per diem amount. The reason must be health related or due to a scheduled business meeting. All approved exceptions must be substantiated with documentation. Meal expenses that are approved and do not require an overnight stay may be reimbursed. However, non-overnight stay meal reimbursements will be processed through payroll and the reimbursed amount will be subject to applicable taxes.

Out-of-state meal expenses will be reimbursed at the GSA rate for that area. The employee will need to change the rate in the RTA and provide a copy of the GSA rate with their reimbursement. The rate can be found on the GSA.gov website (Travel resources | GSA).

No meetings should be held during conferences with P-Card payments unless pre-approved by the Assistant Superintendent for Business.

Transportation:

Travel expenses may include personal automobile mileage, common carrier cost, and other approved travel arrangements to and from the business-related destination. Travel reimbursements require itemized receipts.

Transportation services such as Uber and Lift are allowable if used for business purposes such as going from the hotel to the conference location if over reasonable walking distance.

Miscellaneous Expenses:

Miscellaneous expenses may include parking fees, conference materials, and telephone/internet expenses etc that are reasonable and necessary for business purposes. Itemized receipts are required.

Express Services
Employees are prohibited from participating in services that cause an additional expense incurred for personal convenience. Employees will not be reimbursed for these types of expenses unless deemed necessary and reasonable for the business agenda and approved by the budget manager. Examples of express services would include but not limited to:

- Airport Express Check-ins
- Early check-in or late check-out of hotel
- Valet parking (unless this is the only option for parking)

Parking at Houston Airports
Employees should choose the cost-effective rate not to exceed $30.00 per day for extended parking.

Rental Cars
All requests for rental vehicles for purposes of out-of-town travel require prior approval from the budget manager. Estimated rental costs should appear on the request to attend form (RTA) to confirm approval. The rental information can be entered in the "other" field on the RTA form. Employees should not purchase additional rental vehicle insurance since HCDE has coverage for Hired Car Damage. If additional insurance is purchased, the employee will not be reimbursed. Employees should request vehicles that will accommodate the number of passengers plus luggage according to the rental agency recommendation. For example, if you are traveling with 6 passengers, request a vehicle that will accommodate 6 passengers plus luggage. This may require a vehicle larger than a mid-size car.

Hotel Reservation insurance/refund coverage
HCDE will reimburse employees for the cost of insurance if deemed necessary, reasonable and allocable for valid reasons, if the hotel reservation needs to be changed due to itinerary changes or cancellations. Adequate documentation must be provided to ensure support for the expenditure such as receipts, credit card / bank statements if used for payment, and actual receipts. The cost of insurance must be included in the "Request to Attend" and prior approval is required. Employees should make every effort to ensure that hotel accommodation is made with anticipation (preferably 30 days or more) to take advantage of the discounted rate. Employees are expected to avoid all cancellations by calling the respective hotel before the deadline.

Hotel Reservation/ Airline Accommodations
HCDE will reimburse employees who pay travel expenses out of pocket for the hotel or airline accommodation. The employee must provide adequate documentation to ensure support for the expenditure such as itemized receipts.

Airfare/Bus Expenses
All reimbursement requests for airfare or bus expenses require three (3) quotes. An airfare/bus quote form must accompany the travel reimbursement form. Accounts Payable will only reimburse the employee for the first checked bag fee that is assessed.

Any additional baggage or overweight baggage fees will be the responsibility of the employee. HCDE is only responsible for round trip airfare from Houston to the conference.

Tips for Business Meals
Any meal expenses purchased for meetings, conferences or training are allowable up to a maximum of 15% gratuity in restaurants and up to 10% for delivery drivers Gratuities paid over the 15% maximum must accompany an itemized receipt that shows the gratuity amount charge by the restaurant.

Food (non-employees)
All food reimbursements for non-employees (students, parents, etc.) are allowable but are reimbursed to the current per diem rate or as authorized by the budget manager or as allowed by grant regulations. Actual and itemized receipt must be submitted with travel reimbursement.

Travel Reimbursements supporting documentation
The following documents must accompany the original travel reimbursement. Please attach all travel documentation as one attachment and not as separate attachments.

- Full copy of agenda from the workshop, conference, and/or meeting
- Original itemized receipts with employee's signature
- Google map with calculated mileage
- Per Diem Rate if traveling outside of the state

Allowable Reimbursables VS Non-allowable Expenses

Meals – Reduction of quarters

Allowable	Reduce Quarters
• Dietary restrictions such as food allergies (if approved by manager)	• Conference/workshop has continental breakfast for every day of the event
• Non-overnight conference/workshops/events (will be processed through payroll)	• Conference has an evening dinner for attendees

Transportation Expense – Uber/Lift/Taxi

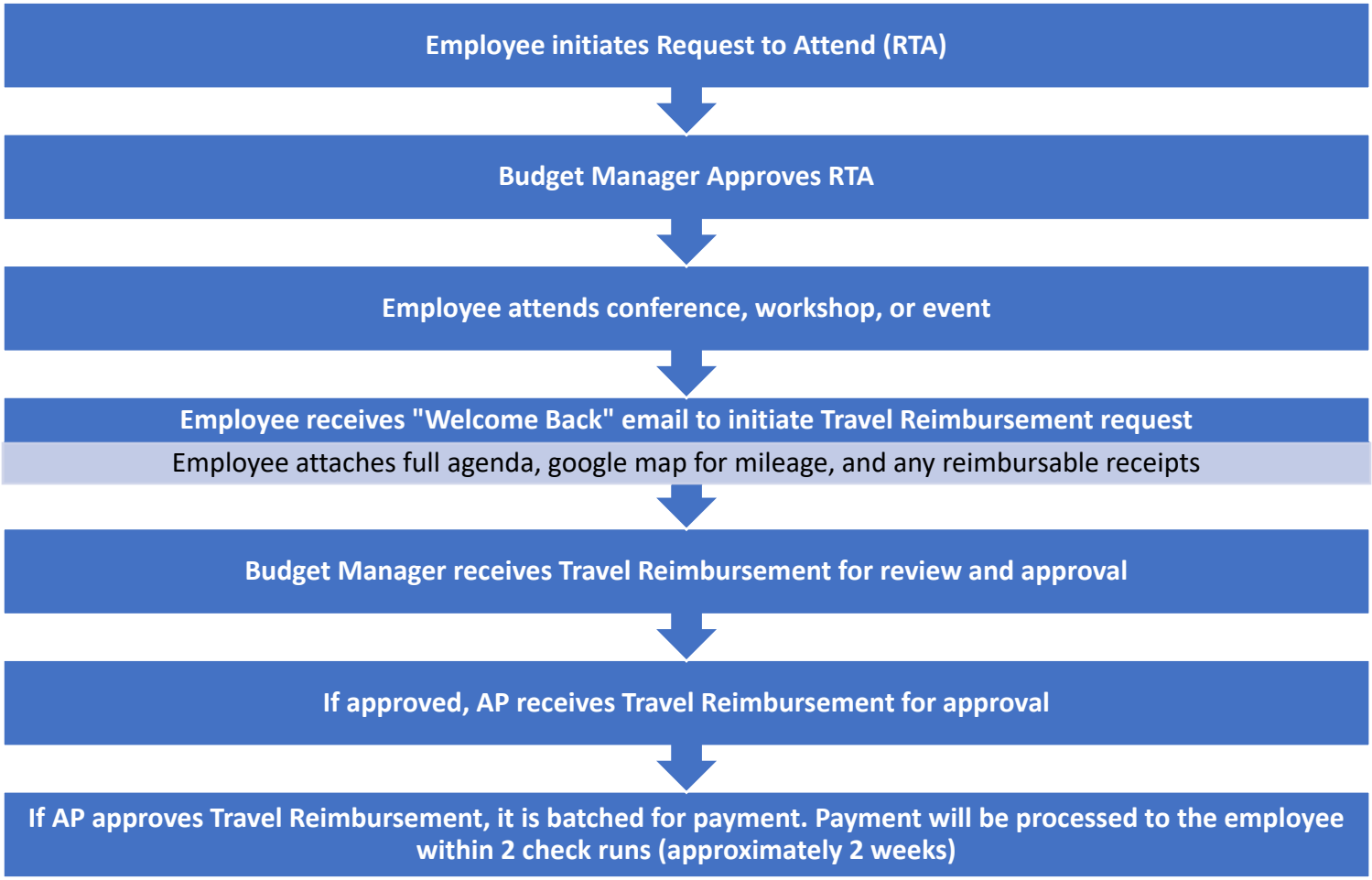
Allowable	Non-allowable
• Transportation to/from the airport	• Transportation to dinner
• Transportation from the hotel to the conference 3 miles away	• Transportation to any type of store for personnel use

Express Services

Allowable	Non-allowable
• First checked baggage • Valet parking at the hotel if it is the only option. You will need to submit proof that valet parking was the only option (a printout of the hotel website stating valet only would work) • Offsite self-parking that is over a mile away from the hotel • Self-parking that is unsafe	• Early check-in to the flights at the airport • Any baggage that is checked after the first • Valet parking when self-parking is available • Early check-in to the hotel • Late check-out at the hotel

If at any point in the process the request is not approved by the Budget Manager or AP, the employee will receive an email with the reason for the rejection. It is the employee's responsibility to correct the information and resubmit it for approval. Employees should periodically check on the progression of either their RTA or Travel Reimbursement. AP will only receive the request for Travel Reimbursement once the Budget Manager has approved. After AP has approved the Travel Reimbursement, it will be uploaded for batching for payment and the employee can expect to receive funds within 2 weeks after approval.

Flowchart for RTA to Travel Reimbursement



Mileage Reimbursement

Purpose
To provide guidelines for processing employees' personal vehicle mileage reimbursements.

Procedure
Personal vehicle mileage reimbursements are allowed for employees who have incurred travel related expenses while conducting business on behalf of HCDE in the state of Texas and within the boundaries of Harris County. All personal mileage reimbursements should be submitted through the Travel Management System or TMS for approval unless authorized to submit in another form. Reimbursements will be paid at the current effective state mileage rate and may be adjusted accordingly.

Method of pay
Division personnel are responsible for verifying if funds are available before the approval of TMS transactions. Personal vehicle mileage reimbursements are requested and processed electronically through the Travel Management System (TMS) unless the employee is no longer employed with HCDE. If a termed employee submits a reimbursement for personal mileage, the supervisor must prepare and submit a payment authorization and provide all required documentation for processing payment. Personal vehicle mileage reimbursements are processed via direct deposit to an employee's primary payroll account.

Required Documentation
Employees are not required to submit documentation of proof for mileage. Budget managers and supervisors are required to certify and approve that the travel is necessary and reasonable in accordance with state and federal guidelines. If mileage expense is related to a particular case number or cause number, the employee should document that case number or cause number with the request.

Automobile Insurance Coverage
Employees must submit a copy of their insurance at the beginning of each fiscal year with the first mileage reimbursement request. Proof of insurance is required before a mileage reimbursement request may be processed. Employee's name must appear on the document for proof of insurance. It is the employee's responsibility to ensure that the insurance is current. The proof of insurance is submitted to their admin for uploading.

Authorized Signatures-Only the budget manager or authorized designee is allowed to approve and sign personal vehicle mileage reimbursements. Budget managers should ensure that the signature authorization form is updated at all times.

Responsibility of the Employee and Budget Manager
All travel is subject to audit; therefore, budget managers may be required to submit additional information regarding employee travel during audit reviews.

Effective September 1, 2011, all travel reimbursements paid from General funds must be submitted within 30 days after the last date of travel and before September 15 of each fiscal year.

Mileage reimbursement expenses incurred that are charged to Special Revenue or grant funds may be requested through TMS no later than 30 business days after the last date of travel or no later than 15 days after the end of the grant period whichever comes first. (For example, an employee who is paid from grant funds traveled on July 13th and returned on July 16th and the grant ends on August 30, the reimbursement should be submitted and processed (paid) no later than September 15.

Allowable Expenses	*Supporting documentation needed*
• Parking fees	actual receipts, signed

Note: Notation of case number or cause number, if grant related

Note: Reimbursements will not be processed without receipts.

What to do when Funds are unavailable (budget exceeds balance)?
If you were notified that your personal vehicle mileage reimbursement was not processed due to funds unavailable, follow the steps below:

- Contact your budget manager or designee;
- Initiate a budget transfer and forward to the Business Office;
- Confirm that the budget transfer was processed and;
- Notify an Accounts Payable specialist after the budget transfer/amendment has been processed

Note: payment will not be processed when there are no funds available.

Commute Miles
Commute mileage is the distance an employee drives from their residence and:

- Their regular place of work-sometimes referred to as 'home base';
- The first assignment of the day (location where an employee starts work on different days of the week);
- Each assignment if an employee works a split shift or
- The first assignment when an employee telecommutes, and their residence is the worksite.

Commute miles must be deducted on day trips. This cost is a personal commuting expense and **will not** be reimbursed regardless of how far an employee's home is from their regular worksite.

If an employee works during his or her commute, commute mileage remains non-reimbursable. Example: Engaging in a business phone call during your commute does not

change the trip from personal commute to a business commute. Employees shall comply with state law with regards to using a cell phone while driving.

If an employee has been directed to make a stop at a location to conduct business (pickup supplies or materials) on behalf of HCDE, those miles must be included in the total travel miles. The employee should record mileage starting from his or her place of residence.

Commute miles calculation example:

Annie works at the main office and lives in Pearland. Her commute is 31 miles from her home to the office. She will be going to another location from home for an early morning meeting. Her reimbursable mileage would be 36 miles.

Total Mileage	Commute Miles	Reimbursable Mileage
67	-31	36

Employee Payment

Approved mileage request through TMS will be batched weekly. However, it could take up to 2 weeks depending on the approval process.

Tips & Gratuities

Purpose

To provide guidelines for reimbursement for tips and gratuities during business meetings on behalf of HCDE.

Procedure

A tip is always optional; it is intended to reward good customer service. HCDE employees have a fiduciary responsibility to be prudent regarding the use of public funds. Employees may give tips in excess of the established guidelines, but only the maximum amounts will be reimbursed as authorized in this procedure.

Tips for Meals:

For the purpose of business meetings, HCDE allows up to a maximum of 15% of the meal expense to the waitperson for excellent service. Gratuities established by a restaurant for parties over a certain number of people are allowable and will be reimbursed in full providing that the request for reimbursement accompany documents and receipts that substantiate (time, date, purpose and a list of the attendees) the business meeting. For example, if an establishment accesses an 18-25% gratuity (usually for larger parties) the employee will be reimbursed for the total of the bill.

Tips for Catering/Food Delivery:

The delivery fee for food often covers the expenses for delivery such as vehicle fuel and use, insurance expense and 'to go' supplies (containers, etc.) and not a gratuity for the delivery person. HCDE allows a maximum of 10% of the food total to be paid for catering/food delivery expenses. For example,

Invoice total: $ 75.00
LESS Delivery fee: - 10.00
Food Total: $ 65.00

Maximum allowable tip: $ 6.50

Tips for Transportation Services:

Transportation services such as Uber/Lift tips for the purpose of travel are allowable with receipts with a minimum of $2.00, but not to exceed 10% of the trip costs.

Non-Allowable Tips/Gratuities:

Reimbursements for tips/gratuities for the following services are considered personal services and are not allowable for reimbursements:

- Maid service
- Valet Parking
- Baggage handler
- Bell hopper
- Rest room attendant
- Concierge services

Replacement/Stale Dated Check

Purpose

To provide guidelines for processing checks that have not been submitted for payment.

Stale Dated Check:

Checks issued by Harris County Department of Education for payment of goods, services, or reimbursements may be voided 90 days after the date of issue. The Business Office will review all checks that have not been presented for payment and send a "Request for Replacement Check Form" to the payee. Payees must complete the request form before a replacement check can be processed. If no response is received within 30 days of the replacement check notice, checks may be submitted to the State of Texas Comptroller's office as unclaimed property.

Replacement Check:

Checks processed, mailed and not received by an employee/vendor may be replaced after notification has been received in the Business Office. There is a 7-business day waiting period after the issue date before a replacement check may be processed. Accounts Payable staff will verify the mailing address with the vendor, the status of the check with the bank and if necessary, place a stop payment. If a check is determined to be stolen or cashed without the authorization of the payee, HCDE will contact the bank for further instructions.

Suspected Fraud:

Vendors, who report their checks to be cashed without their knowledge, will be required to complete a bank affidavit. HCDE will not reissue a check until 30 days after the notice of incident.

Payroll

The Payroll Department is responsible for ensuring that all employees are paid accurately, timely and in accordance with all state, local and federal regulations.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *DEA (LOCAL)*
DATE DEVELOPED: 03/26/06	**REVISED: 07/31/2024**	
SUBJECT: **Payroll Distribution**		

Purpose
To provide guidelines on how employee's pay is processed.

Procedure
Employees are paid based on their classification (exempt or nonexempt) and the compensation package or contract. Employees are required to work the minimum number of hours or days to fulfill the contract agreement. Employees who work beyond the contract agreement must obtain prior approval from the division director. All employees will be paid according to the scheduled pay dates established by HCDE. Employees pay is processed via direct deposit.

Pay Distribution
All full-time employees are paid **1/24** of their annual salary each pay period. Part time employees are paid for hours worked two weeks behind based on an hourly or daily rate.

Standard Workweek
The Department's standard workweek begins on Monday and ends on Sunday.

Due Dates
All time and absences must be submitted to the Payroll Office via Time Clock Plus and/or on one of the payroll processing forms every Friday by 4:00pm reporting for the current work week.

Pay Frequency
The Department's pay frequency is **semimonthly**. All employees are paid on the 15th and at the last day of the month. For a detail listing of pay dates for the school year please refer to the Employee Handbook or the Business Services Calendar.

Employee Classifications
Employees are classified as **full time** exempt or non-exempt. Part time hourly employees are classified as non-exempt. Employee classification is determined by the Human Resources Division.

Contract days
Full time employees are required to work at least the minimum number of days in accordance with their contract.

Extra Duty and Above Contract Pay
Non-exempt employees who are working extra-duty or above contract, must clock in and out of Time Clock Plus to record time worked. Exempt employees must complete and submit an approved Time Clock Adjustment form to the payroll office every Friday by 4:00 pm. Employees must verify the job code with their manager to ensure that the correct budget code is used to

record time for a specific job. All above contract and extra duty pay rates must be approved by Human Resources.

Overtime Pay

All overtime pay will be processed on the following pay period after the work has been performed and the workweek as been closed. The time segment must be approved in Time Clock Plus before the week is closed.

For example: An employee works 2 hours overtime for the week of August 8-August 12, 2021. The workweek will be closed on Monday, August 15, 2021. Therefore, any overtime earned will be paid on the August 31, 2021 pay period.

Business Services Advisory

November 18, 2015

To:	All Budget Managers
From:	Business Services
Re:	New Reports-Payroll Distribution Reports

In an effort to assist you with grant management and personnel budgeting, particularly with employee's pay distribution, the Business Office will provide you with a report on a pay period basis that will list all of your employees including those who are split funded (paid from more than one budget code), for your review. The reports are set in the crystal reporting system to be emailed the 1st and the 15th of the month to the budget manager and the payroll contact for each division.

What you need to do?

When you receive the report, please review each employee on the list and the budget code(s) that the employee's pay is being paid from.

1. If the information is **correct**, please do the following:
   a. Sign the report and forward it to your assigned **Grant Accountant via email**. Your signature certifies that the employees were paid from the correct budget code and no redistribution is needed.
2. If the information is **incorrect,** please do the following:
   a. Correct the budget codes, sign the form and forward it to the **Human Resources Division** for processing before the next payroll so that the employee will be paid from the correct code in the future.
   b. Contact the Business Services Division (your assigned Grant Accountant) to request a redistribution. The time and the account codes must be provided.

If all your employees are coded 100% to one code, you are not required to submit the signed reports on a pay period basis back to the Business Service.

If any of the employees are split coded (coded to more than one account code) you must submit the signed report on a pay period basis. The Staff Accountant is responsible for monitoring the submission of these reports.

Semi-annual certifications for 100% federal paid employees will continue to be submitted to Kimberly Condit. If you have any additional questions or concerns, please contact your assigned Grant Accountant.

Thank you.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *DEC (LOCAL)* *DEA (LOCAL)*
DATE DEVELOPED: 03/26/06		**REVISED DATE: 07/26/2021**
SUBJECT: Submitting time worked and leave requests in Time Clock Plus		

Purpose
To provide guidelines for submitting time worked and leave requests in Time Clock Plus.

Procedure
Effective April 1, 2015, all time and absence reporting must be submitted and approved through the automated timekeeping system-Time Clock Plus. Paper time reports and absence reports used to record time worked and absences are no longer acceptable as the official document for payroll processing, reporting and retention purposes. However, employees and managers must use the new HCDE payroll forms for submitting and approving employee's time and absences that are considered **exception reporting** and for requesting to work overtime/comp. The HCDE payroll forms may be accessed on the Portal under the Time Clock Plus references.

Who is required to use Time Clock Plus?
All non-exempt (full and part time hourly, temporary and substitutes) employees must use the automated time keeping system for submitting all time worked and leave of absences. Employees are required to follow the procedures provided in the Timekeeping Guideline for submitting time worked and absences.

Exempt employees are not required to submit time worked through the automated time keeping system unless other instructions have been approved by Human Resources and/or directed by the Director of the division. All exempt employees are required to submit and obtain approval for all absences through Time Clock Plus.

Employees who are absent on extended leave are required to have time submitted in Time Clock Plus by his or her manager or an authorized person. Managers should enter a time segment in Time Clock Plus on behalf of the employee for each day until the employee returns to work. Managers should follow the instructions provided on the Leave Request instructions located on the HCDE portal. To ensure accurate reporting of an employee's attendance, managers should use the job code 690 and provide a note for all employees on extended leave.

Official timekeeping documents
Time and absence reporting exported from Time Clock Plus will serve as the official and permanent payroll records. **Retaining a log or a record of additional hours worked that have not been submitted in Time Clock Plus and approved by a supervisor is prohibited**. Failure to comply may result in disciplinary action up to termination.

***Authorized Signatures*-Only the budget manager or authorized designee (usually supervisor or manager) is authorized to approve employee's time worked and absences. Budget managers should ensure that the signature authorization form for their division is always updated.**

Accounting and reporting time worked in Time Clock Plus

Time worked for non-exempt employees must be submitted through Time Clock Plus. Non-exempt employees must clock in, clock out for break (lunch) and clock out at the end of their scheduled workday. For purposes of efficient timekeeping, the timekeeping system has been configured to round to the nearest 15-minute increment to conform to HCDE policy. Leave is processed in 15-minute increments. **Employees are responsible for ensuring that all hours worked and absences are submitted accurately in Time Clock Plus each work day and should review their time reports at least twice each week to ensure that they have met the minimum number of hours required per work week.** All hours worked and absences must be approved by a supervisor or manager before 4:00 pm each Friday for the current work week.

In addition, employees who work multiple jobs must ensure that they are using the correct job code at the beginning and ending of each shift. Incorrect job codes can lead to incorrect pay rate on employees' check. All incorrect entries submitted in Time Clock Plus must be edited and approved by a manager and accompany the appropriate exception reporting documents. The payroll staff cannot process time or absences without manager's approval.

Accounting for time away from work at conferences, meetings, and workshops

All non-exempt employees must submit time worked in Time Clock Plus for each workday. Attending conferences, meetings, and workshops away from the primary workplace constitutes hours worked. Managers may enter a time segment to the employee's regular default job code in Time Clock Plus for non-exempt employees for the specific time the employee is attending a conference, workshop, or meeting away from their primary workplace. Exempt employees do not require a time segment to be submitted in Time Clock Plus for attending conferences, workshops, or meetings away from the primary workplace unless otherwise directed by the Division Director.

Above Contract Pay

Employees who are working above contract must be approved. Exempt employees must complete a Time Clock adjustment form/Above Contract to record and submit above contract hours to Payroll for processing. Non-exempt employees who are approved to work above contract must record hours worked in Time clock Plus. Non-exempt employees must clock in and out as required for a regular scheduled workday. **Divisions that use the contract schedules in Time Clock Plus to adjust and or edit time schedules for employees are responsible for ensuring that the segments represent the actual time worked to avoid any overpayments or docks from employee wages**. All hours worked above contract must be approved and submitted to the Payroll Office every Friday by 4:00 pm for processing.

Missed Punches

A missed punch will be recorded in Time Clock Plus if an employee fails to Clock in or Clock out during a workday. If a missed punch occurs, employees should contact the division's verifier or manager immediately. Also, when an employee clocks in after a missed punch has occurred, the employee should respond YES to the question asked" Do you want to record a missed punch. Managers should follow the following steps to correct a missed punch:

1. Edit the segment to show the correct in or out time.
2. Right click on the segment and click on Approve the missed punch.
3. Right click on the segment and click on Approve and then management.

A consistent edit of missed punches may be cause for disciplinary action up to termination. Employees should refer to the Timekeeping Guidelines for details.

Conflicting segments

A conflicting segment is an error that will occur if an employee's clock in or clock out time overlaps the time submitted on an approved leave request. For example, if an employee clocks in at 8:00 am and previously submitted and received approval for a leave request on the same day from 10:00 am to 11:00 am but the employee did not clock out until 10:15 am, a conflict will occur. This will require a manager to edit the leave request to reflect the correct clock out time.

Reporting Overtime

All overtime must be approved prior to accumulating hours physically worked over 40 hours in a workweek (Monday-Sunday). Employees are prohibited from working beyond 40 hours in a workweek without prior approval. P**lease refer to the Overtime/Compensatory Time Reference sheet** for instructions on how to allocate overtime or compensatory time to an employee's time segment once the employee has physically worked over 40 hours in a workweek.

For purposes of calculating overtime **premium**, an employee must **physically** work 40 hours during a work week **not** a pay period. For example, if an employee works a total of 39 hours in the first week of a pay period and works 41 hours the second week, the employee will be docked for the 1-hour short in the first week, unless the employee uses accrued leave, and the employee will be paid one hour of overtime premium for the second work week in the pay period. An employee's time worked may not be averaged over 2 separate work weeks in considering overtime premium.

Split Work Week

An employee may not carryover hours worked from one work week to another to apply overtime unless there is a "**Split work week"**. For example:

Jan 14th	Jan 15th	Jan 16th	Jan 17th	Jan 18th	Jan 19th	Jan 20th
Mon	Tues	Wed	Thurs	Fri	Sat	Sun
10 hours	10 Hours	10 Hours	10 Hours	10 Hours		

Example: This employee worked a total of 50 hours Monday-Friday. However, because the pay period ended on Tuesday, January 15th, hours worked from Jan16-Jan 18 will be processed on the next pay period.

Lunch Periods

HCDE provides a paid 30-minute lunch break for all employees who are scheduled and actually works an 8-hour work shift. All non-exempt employees must clock out (use Break button) for lunch each day. If an employee does not clock out for lunch, the 30-minute lunch period does not entitle the employee to leave 30-minutes before their schedule work period ends. Example: An employee works from 8:00am to 4:00pm. The employee does not take the 30-minute lunch break. The employee is not entitled to leave at 3:30pm. Managers are responsible for monitoring lunch breaks for eligible employees.

Reporting and using compensatory time

Compensatory time is leave time given to an employee in lieu of paying wages for hours worked over 40 in a work week. The calculation for compensatory time is the same as applying overtime. The payroll office will deplete all compensatory time from an employee's leave bank

before applying any other type of leave. All requests to use compensatory time must be submitted and approved through Time Clock Plus as a leave request.

Compensatory time may not be accumulated for more than 40 hours in a contract year (Aug-July). Compensatory time earned more than 40 hours will be paid out on the next regularly scheduled pay date after July. All compensatory time balances must be taken by July 31. No comp time should be accrued or approved from July 1 through July 31. All remaining compensatory time balances will be paid on or after August 15 of each contract year. **All hours worked above an employee's regular work schedule must be approved and documented in Time Clock Plus. Retaining an additional or separate log of hours worked is prohibited.**

Call-back Pay

An employee who reports to work for Call-back duties, must clock in and out for the hours worked in Time Clock Plus. The employee should use the job code designated for Call back duties. A Call Back Pay adjustment form must be submitted to payroll for processing. Payroll will apply the call-back hours (4 hours) if the actual time worked at is less than the four-hour minimum. Note: If Call back hours plus regular work hours is greater than 40 hours in a work week, only the actual hours physically worked will count towards overtime hours.

Employees working at two or more rates for two separate job duties

An employee who works two or more jobs with different pay rates during a workweek, will be compensated using the weighted average or blended rate overtime methods. A new regular rate of pay will be determined by taking each job rate of pay and multiplying it by the number of hours worked to get the total compensation. Then, to get the premium rate, all overtime hours will be multiplied by the regular rate time .5 to get the total compensation for overtime due. The gross wages for that workweek will be the total compensation of all hours worked with respect to the new determined regular rate plus the premium for all overtime hours.

Deminimus Time Rule

For purposes of accurate and consistent time reporting, HCDE recognizes 7 minutes as insignificant when rounding the calculation for hours worked. An employee who clocks out for work 8 minutes after their regular scheduled work shift is considered late and the employee will be charged 15 minutes of leave time. If an employee clocks in 8 minutes before their regular scheduled work shift, the employee will accumulate 15 minutes of work time. Employees are prohibited from clocking in early unless prior approval has been granted.

Revised time and absence reporting

Revisions made to employee's time reports or absences from the prior workweek must be edited and approved in Time Clock Plus before 4:00 pm the following Monday. In addition, all edits and revisions to time segments must be supported by the appropriate payroll form (Leave Exception Form and/or Time Clock Adjustment Form) for exception processing. If the work week has been closed and the revision has not been submitted to the Payroll Office, the employee may receive a LWOP or be docked and the employee will have to wait until the next regular scheduled payroll to revise any time or absence reporting**. Once a leave request has been approved, submitted, processed and updated in the employees leave bank, the employee may not change the type of leave on the request.** Please refer to Board Policy regarding changing leave types on leave requests. http://pol.tasb.org/Policy/Code/578.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: DEC (LOCAL)
DATE DEVELOPED: 03/26/06	REVISED DATE**: 08/16/2020**	
SUBJECT: Processing employees leave of absences		

Purpose
To provide guidelines for processing employees leave of absences.

Procedure
Employees are encouraged to review and comply with the leave policies provided in the Employee Handbook and Board policy http://www.tasb.org/Policy/Code/578. All employees who are eligible to accrue leave will accrue leave monthly. Eligible employees are awarded personal leave and vacation. Accrued leave will be posted to the employee's pay stub on the first pay period of the following month**. Leave must be available and posted to the employee's leave balance before taken.** All leave requests must be approved by department heads through Time Clock Plus. Employees should refer to the Employee Access Center (EAC) for leave balances.

Employees are responsible for requesting, monitoring, and confirming all approved leave requests submitted through Time Clock Plus. Managers should respond to employee's emails regarding leave requests so that the employee's leave can be approved and recorded on the employee's time report in a timely manner. If an employee leave request is not submitted and approved through Time Clock Plus, the employee may be docked. Employees should follow the instructions provided on the Leave Request Instruction sheet located on the Portal. Leave of absences (personal and vacation) can only be taken in increments of 15 minutes (effective March 2012), unless the employee is on leave under FMLA.

***Authorized Signatures*-Only the budget manager or authorized designee (usually supervisor or manager) is authorized to sign employee's time and absence reports. Budget managers should ensure that the signature authorization form is always updated**

Official document
All time and absences submitted and approved through Time Clock Plus and processed in the Payroll Office will be considered the official and permanent records. **Retaining a log or records of additional or separate time worked that has not been documented on a time report and approved by a supervisor is prohibited**. Failure to comply may result in disciplinary action up to and including termination.

Processing Leave/Absences
Employees must submit a leave requests in Time Clock Plus using the appropriate leave code. Receiving a confirmation of approval is recommended. Note that employees leave is processed two weeks behind. For example, absences reported and processed from the 1st through the 15th of the month are reflected on the employee's pay stub on the last pay period of the month (usually the 31st). Absences reported and processed from the 16th through the end of the month are reflected on the employee's pay stub on the first pay period of the following month (usually

on the 15th). Leave time must be available and posted to the employee's leave balance before taken. If leave is not posted and is unavailable to process, the employee may receive a LWOP.

Coding Leave/Absences

Employees should only use the job codes as provided in the Leave Request Instructions. Only the job codes provided will be accepted and processed through payroll. Failure to use the correct job code may result in inaccurate payroll processing.

Types of Leave

Refer to the Employees Handbook for a list of leave types.

Accrued Personal Leave

Eligible employees must work at least 10 days in a month to accrue leave. Employees who are eligible to earn personal leave will receive ½ Local PL and ½ State PL each month during the fiscal year (Aug-Sept).

Employees who work 11 months and are eligible to earn personal leave will receive ½ local PL and ½ state PL in the months of August through May, plus 1 full day in the month of June for a total of 11 PL days.

Employees who work 12 months and are eligible to earn personal leave will receive ½ local PL and ½ state PL in the months of August through May, 1 full day in June and 1 full day in July for a total of 12 PL days.

Personal/local leave is not transferable or compensated upon termination unless the employee is retiring after five (5) years of service with HCDE.

LWOP (Leave without Pay):

The following scenarios may warrant a LWOP:

- The employee has no available leave.
- Policy violation.
- The discretion of the division director (personal discretionary leave not approved)
- The employee works less hours than his or her regularly scheduled work week requires.

Employees are prohibited from choosing LWOP when an employee has a leave balance available.

	PERSONNEL PROCEDURES HARRIS COUNTY DEPARTMENT OF EDUCATION	**Link to Policies** (Press control and click) *HCDE Board Policies* *DC* *DEA*
APPROVED DATE: December 1, 2014 REVISED DATE: January 12, 2015		
SUBJECT: Timekeeping Guidelines		

The purpose of this procedure is to provide time and absence reporting requirements for all employees of Harris County Department of Education. Non-exempt employees are required to have a record of hours worked. This record will serve as the official time record for employee compensation. HCDE uses an electronic timekeeping system called TimeClock Plus to capture and record employee's work time and absences. The electronic time keeping system allows employees to accurately monitor and account for all hours worked, leave taken, and it enables the Department to efficiently process payroll.

Effective January 16, 2015, Harris County Department of Education's electronic timekeeping system, TimeClock Plus, will serve as the official system for recording hours worked. It also serves as the official system for tracking attendance for non exempt employees (including part time and substitutes) as well as for recording the attendance of exempt employees.

Official Time Records
The TimeClock Plus electronic timekeeping system and related HCDE payroll forms are the official basis for recording hours worked for all non-exempt employees. HCDE payroll forms include:

- Call Back Pay Form
- Overtime and Comp Time Approval Form
- Leave Exception Form
- Time Clock Adjustment Form

Initial Set-Up
The Human Resources Division enters employee information into Pentamation, assigns employee identification numbers, and issues employee identification badges. Employee data is then exported to TimeClock Plus for identifying hours worked by employees. Human Resources will verify and make updates to employee's data in TimeClock Plus, as needed. The Technology Division enters and maintains information on the employees who have been assigned and authorized as Verifiers, Managers, or Administrators in the TimeClock Plus system.

Employee Identification Numbers
Every HCDE employee is assigned an HCDE identification number (employee number) upon hire. The HCDE identification number is not the employee's Social Security Number. The identification number is assigned by the Pentamation system, is unique to each employee, and is used for identification purposes throughout the Department.

Clock In/Out Requirements
Employees are expected to report to work according to their assigned work schedule. Failure to clock in at the beginning of the assigned work schedule will be recorded as a *missed in-punch*.

Employees shall clock out at the end of the scheduled work time or at any time during the day in which the employee is not on duty (e.g., leaving the work place for personal reasons, medical appointments, etc.) Failure to clock out is recorded as a *missed out-punch*.

Under certain conditions (such as trainings at an off-site location when an employee cannot clock in at their worksite, the employee should report time worked to the division supervisor or director using the Time Clock Adjustment form so that their time worked can be manually entered.

Employees may clock in and out using one of four methods authorized by the Department:

- Time Clock
- Tel Clock
- Mobile App Clock
- Web Clock

Employees may be restricted by the division director as to the method to use for clocking in and out based on the employee's assigned division, campus, center, or work location. An employee's failure to use the method approved or authorized by the employee's assigned division shall result in disciplinary action.

The timekeeping system has been configured to round time for non-exempt employees. Clock in/out time from 1 to 7 minutes will be "rounded down", and thus not counted as hours worked, but employee time from 8 to 14 minutes will be "rounded up" and counted as a quarter hour (15 minutes) of work time.

Example #1:

An employee is scheduled to work from 8a.m. to 4p.m. The employee arrives to work and clocks in at 7:55am. The system will round the employee's start time to 8a.m. At the end of the work day, the employee clocks out at 4:03p.m. The system will round the employee's end time to 4:00p.m. The employee will show 8 hours worked this day.

Example #2:

An employee is scheduled to work from 8a.m. to 4p.m. The employee arrives to work and clocks in at 7:50am. The system will round the employee's start time to 7:45a.m. The employee clocks out at the end of the work day at 4:08p.m. The system will round the employee's end time to 4:15p.m. The employee will show 8 hours and 30 minutes of time worked on this day.

Lunch Breaks

A thirty-minute paid lunch break is given to any employee (full or part-time) as long as the employee is scheduled to work an eight hour day. A thirty-minute lunch break is considered paid time. Non-exempt employees are required to clock out when going on lunch break and clock in upon returning from lunch break. Lunch breaks longer than 30 minutes will require the employee to work a quarter hour longer to allow for rounding.

Example:

Employee clocks in at 7:05am, goes on lunch break at 11am, clocks in from lunch break at 11:40am and clocks out at the end of the work day at 3pm. The employee will record only 7.45 hours of work time for this day. Because time is recorded in 15-minute increments, the employee will be short time by 10 minutes and will have to make up 15 minutes of work time. If approved, the employee can work until 3:15pm or use 15 minutes of leave time.

Multiple Job Codes

If an employee has more than one position within the Department, the employee will be assigned a separate job code for each non-exempt position. It is the responsibility of the employee to ensure that they are clocking in using the correct job code. If an employee is

unsure as to which job code to use, the employee should contact his/her supervisor or Human Resources for assistance.

Employees who have clocked in incorrectly using an incorrect job code will need to complete a Time Clock Adjustment form and submit to their manager prior to the close of the pay period to ensure the correct coding of pay.

Requesting/Using Leave
Exempt and non-exempt employees who are eligible for leave must use the TimeClock Plus Web Clock to request and receive approval for leaves and absences. Leave requests and notices of absences must be completed by the employee prior to the end of the pay period in order to be included on their pay check. Leave submitted after the close of a pay period will require a Leave Exception Form be submitted and will be adjusted or paid on the next regularly scheduled pay period.

Employees are responsible for monitoring their leave balances. Leave balances may be viewed through the Employee Access Center in the Leave Information section. Leave should be requested and approved before the employee takes time off. The employee should follow the instructions (located on the HCDE portal) for requesting leave and use the appropriate legends in the notes section to specify the leave type (PNDL-personal non-discretionary leave, PDL-personal discretionary leave, V-vacation, etc).

If an employee's time report does not record 40 hours in a work week or an absence request is not submitted and approved or the employee has no available leave or compensatory time available, then the employee's pay will be docked.

Holidays
A Board approved holiday is a non-paid day. If an employee is not scheduled to work on a day designated as a holiday, time or absences should not be entered or submitted in TimeClock Plus. If an employee is scheduled to work a day designated as a holiday, the employee is expected to clock in/out as the employee would on a regularly scheduled work day.

Unreported Hours
All hours worked by a non-exempt employee must be reported using the TImeClock Plus timekeeping system. Any time spent working while not clocked in is strictly prohibited. Employees are required to clock in before performing any work and are not permitted to clock out until all work has stopped. Non-exempt employees may not volunteer to continue working at the end of their work schedule, take work home to complete on the weekend or in the evening, or check, read, or review work-related email outside of regularly scheduled work hours.

Work Week Close Out
For purposes of Fair Labor Standards compliance, the regular workweek, which begins on Monday and ends on the following Sunday, is defined as seven consecutive days beginning at 12:01am on Monday morning and ending at 12:00pm (Midnight) on the following Sunday night.

Employees are responsible for verifying their time records and should report any discrepancies or concerns to the Verifier or Manager for the employee's assigned division as soon as possible. Managers should follow the Payroll Processing Schedule for deadlines for approvals and final submission of payroll documents.

Processing of Electronic Time Reports (Due Dates)
Time reports are due and submitted to Payroll according to the Business Office Payroll Processing Schedule. The Payroll Processing Schedules are posted on the HCDE portal. Verifiers and Managers must resolve all missed punches and schedule conflicts, reconcile and enter all leave taken, and review clock hours for staff. It is imperative that employees complete

any necessary adjustment forms and enter leave requests in a timely manner. All unresolved missed punches and unapproved time reports will not transfer to payroll and will cause an employee to not be paid.

Back-Up Verifier
Division directors must designate an individual to serve in the absence of the division's primary or regular Verifier. When necessary, the Back-Up Verifier will perform the duties of the Verifier and ensure that procedures are followed and that all reporting is timely. ***Under no circumstance shall the Verifier assume the role of the Manager, or make revisions to their own time record in TimeClock Plus.***

Back-Up to Manager
Division directors should designate an individual to serve as a Back-Up Manager in the absence of the division director, to perform the duties of the Manager, and to ensure that procedures are followed, and that all reporting is timely. In most cases, the back up to a Manager would be the manager's supervisor.

Docked Pay
Each work week stands alone. Employees may not be absent one workweek and make up the time in another workweek. When an employee is absent any part of a work day or work week, then employees must make up time by using available leave or compensatory time.

With prior approval, an employee may be allowed to make time up during the week in which the employee is short of fulfilling a 40 hour workweek. If an employee does not have leave available, then the employee's pay will be docked.

Unauthorized absences, chronic absenteeism, tardiness and failure to follow procedures for reporting an absence may be cause for disciplinary action, up to and including termination of employment. In addition, excessive absences are a reason for termination of employment. *Excessive* is defined as absences that are not in compliance with policies and procedures for taking available local, state or federal leave. See Board Policy DEC – Compensation and Benefits – Leaves and Absences or the Employee Handbook for more information related to employee leave benefits.

Overtime
All overtime is to be planned and approved in advance by the supervisor. Employees are not to work overtime without prior approval. Employees must obtain prior approval by using the *Overtime and Compensatory Time Request* form. Failure to obtain prior authorization will lead to corrective action. Please refer to the Overtime and Compensatory Time Procedure located on the HCDE portal for additional information related to overtime.

An employee's work schedule may be modified by the supervisor prior to the end of the work week to reduce overtime.

Time Clock or Computer Malfunction
If an employee is unable to clock in or clock out because of a time clock or computer malfunction, it is the employee's responsibility to immediately notify the Verifier or Manager. The employee should submit a TimeClock Adjustment form with the missed clock-in or clock-out time. The Verifier or Manager will note the reason in TimeClock Plus when entering the missed data and will contact the Technology Helpdesk to report equipment problems.

Falsification, Tampering, and Unauthorized Viewing
The following actions are prohibited and are grounds for disciplinary action, up to and including termination of employment:

- Clocking-in or out for another employee
- Interference with another employee's use of the TimeClock Plus system
- Unauthorized viewing of another employee's time in the TimeClock Plus system
- Any attempt to tamper with timekeeping hardware and software

Enforcement
Employees who fail to clock-in and out, and fail to report and request absences, will be subject to disciplinary action as follows:

First occasion:
- Counseled (verbal warning) to ensure that time reporting requirements are understood
- Advised of the consequences of further infractions
- Provided a copy of the Timekeeping Guidelines

Second occasion:
- Receive a written disciplinary warning to be placed in the personnel file
- Be subject to spot checks by their supervisor during the 30-day period following the infraction
- Review the timekeeping training video

Third occasion:
- Meet with supervisor and division director to review infraction
- Receive a second written disciplinary warning to be placed in their personnel file

Fourth occasion:
- Recommendation will be made for termination of employment

Contacts
For information on timekeeping procedures, payroll reporting or employee leave, please contact your supervisor or the Payroll Office at HCDEPayroll@hcde-texas.org.

For technical issues, to change employee information, or to report equipment problems, please contact the Technology Helpdesk at ext. 1300.

For information regarding an employee's status (exempt or nonexempt) or other demographic information, please contact the Human Resources division.

Time Clock Quick Reference Guide

Time Clock



Clocking In

1. Press the green **Clock In** button
2. Enter your employee number or wave your badge

Lunch Break

3. Press the **Start Break** button
4. Enter your employee number or wave your badge
5. When returning from lunch, press the green **Clock in** Button and enter your employee number

Clocking out

6. Press the red **Clock Out** button
7. Enter your employee number or wave your badge

Tel Clock



Clocking in

1. Dial 713-696-3103 or ext. 3103, enter your employee Number, and then press the #key
2. Press **1** to clock in

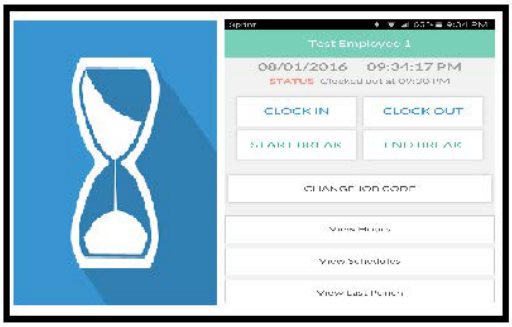
Lunch Break

3. Dial 713-696-3103 or ext. 3103, enter your employee Number, and then press the #key
4. Press **3** to go to lunch

Clocking out

5. Dial 713-696-3103 or ext. 3103, enter your employee Number, and then press the #key
6. Press **2** to clock out

Mobile App Clock



Clocking in

1. Open the previously configured application (For Assistance call the Help Desk)
2. Select **Clock In**
3. Select **Continue**

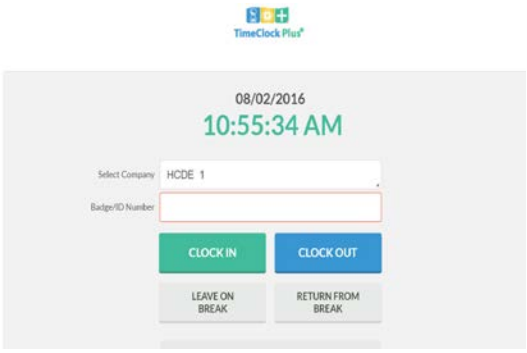
Lunch Break

4. Select **Leave on Break**
5. Select **Continue**
6. When returning from lunch, select the **Return from Break** and Continue

Clocking Out

7. Select the **Clock Out** button and **Continue**

Web Clock



Clocking In

1. Go to https://tcplus-v7.hcde-texas.org
2. Enter your employee number
3. Select **Clock In**
4. Press **Continue**

Lunch Break

5. Enter your employee number
6. Select **Go on Break**
7. When returning from lunch select **Return from Break**
8. Press Continue

Clocking out

9. Enter your employee number
10. Select **Clock Out**
11. Press **Continue**

HCDE
HARRIS COUNTY DEPARTMENT OF EDUCATION

Time Clock Adjustment Form

Employee Name:_____ Position:_____

Employee ID#:_____ Division:_____

Date of Adjustment:_____ Budget Code:_____

☐ Above Contract Pay (Exempt Status Only) ☐ Revised Entry ☐ New Entry

Time: _____ Clock In at the Beginning of the Work Day

Time: _____ Clock Out for Lunch

Time: _____ Clock In from Lunch

Time: _____ Clock Out at the End of the Work Day

_____ Total Hours/Days (Note: Days must be specified below: example Monday, May 15, 2015)

Reason for Adjustment:_____

_____

_____

I acknowledge by signing below that I understand that I am required to clock in at the start of my workday, out at lunch, back in at return from lunch and out at the end of my workday using the electronic time keeping method authorized by my division. Not clocking in/out as required may result in disciplinary action, up to and including termination of my employment.

_____ _____

Employee Signature Date

Time Clock Adjustment: [ ] Approved [ ] Not Approved

Comments:_____

_____

_____ _____

Supervisor's Signature Date

Completed form to be maintained by the employee's division and provided to payroll if requested for audit purposes or to report hours worked that were not submitted and recorded in TimeClock Plus. Pay will be process on the next regular scheduled pay date.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: DEC (LOCAL)
DATE DEVELOPED: 03/26/06	REVISED DATE: **07/31/2024**	
SUBJECT: **Processing employees leave of absences**		

Purpose
To provide guidelines for processing employees leave of absences.

Procedure
Employees are encouraged to review and comply with the leave policies provided in the Employee Handbook and Board policy http://www.tasb.org/Policy/Code/578. All employees who are eligible to accrue local leave will accrue leave monthly and State leave once a year. Eligible employees are awarded personal leave and vacation. Accrued leave will be posted to the employee's pay stub on the first pay period of the following month**. Leave must be available and posted to the employee's leave balance before taken.** All leave requests must be approved by department heads through Time Clock Plus. Employees should refer to the Employee Access Center (EAC) or payroll voucher for leave balances. Please be aware that attendance is posted two weeks behind.

Employees are responsible for requesting, monitoring, and confirming all approved leave requests submitted through Time Clock Plus. Managers should respond to employee's emails regarding leave requests so that the employee's leave can be approved and recorded on the employee's time report in a timely manner. If an employee leave request is not submitted and approved through Time Clock Plus, the employee may be docked. Employees should follow the instructions provided on the Leave Request Instruction sheet located on the Portal. Leave of absences (personal and vacation) can only be taken in increments of 15 minutes (effective March 2012), unless the employee is on leave under FMLA.

***Authorized Signatures*-Only the budget manager or authorized designee (usually supervisor or manager) is authorized to sign employee's time and absence reports. Budget managers should ensure that the signature authorization form is always updated**

Official document
All time and absences submitted and approved through Time Clock Plus and processed in the Payroll Office will be considered the official and permanent records. **Retaining a log or records of additional or separate time worked that has not been documented on a time report and approved by a supervisor is prohibited**. Failure to comply may result in disciplinary action up to and including termination.

Processing Leave/Absences
Employees must submit a leave requests in Time Clock Plus using the appropriate leave code. Receiving a confirmation of approval is recommended. Note that employees leave is processed two weeks behind. For example, absences reported and processed from the 1st through the 15th of the month are reflected on the employee's pay stub on the last pay period of the month (usually the 31st). Absences reported and processed from the 16th through the end of the month are reflected on the employee's pay stub on the first pay period of the following month (usually

on the 15th). Leave time must be available and posted to the employee's leave balance before taken. If leave is not posted and is unavailable to process, the employee may receive a LWOP.

Coding Leave/Absences
Employees should only use the leave codes as provided in the Leave Request Instructions. Only the leave codes provided will be accepted and processed through payroll. Failure to use the correct leave code may result in inaccurate payroll processing.

Types of Leave
Refer to the Employees Handbook for a list of leave types.

Accrued Personal Leave
Eligible employees must work at least 10 days in a month to accrue leave. Employees who are eligible to earn personal leave will receive ½ Local PL on the 15th of every month (as long as they are not out on extended leave).

Employees who work 12 months and are eligible to earn personal leave will receive 1 full day in the month of July and August.

Employees who are eligible to earn personal leave will be awarded 5 full days of State leave on the August 31st check for the school year. New hires will receive a prorated amount of State days authorized by Human Resources.

Personal/local leave is not transferable or compensated upon termination unless the employee is retiring after five (5) years of service with HCDE.

LWOP (Leave without Pay):
The following scenarios may warrant a LWOP:

- The employee has no available leave
- Policy violation
- The discretion of the division director (personal discretionary leave not approved);
- The employee works less hours than his or her regularly scheduled work week requires.

Employees are prohibited from choosing LWOP when an employee has a leave balance available.

Harris County Department of Education
Time Clock Quick Reference Guide

REQUESTING LEAVE

Used for:

1. Request to be absent
2. Notification of absences

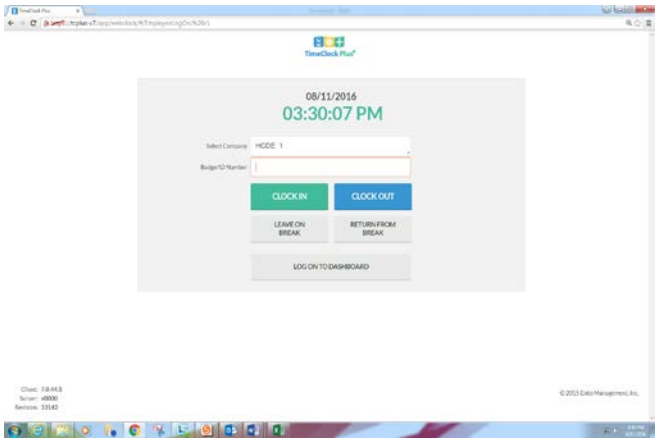
Log on

External:

http://tcplus.hcde-texas.org/webclock30/login.aspx

Internal:

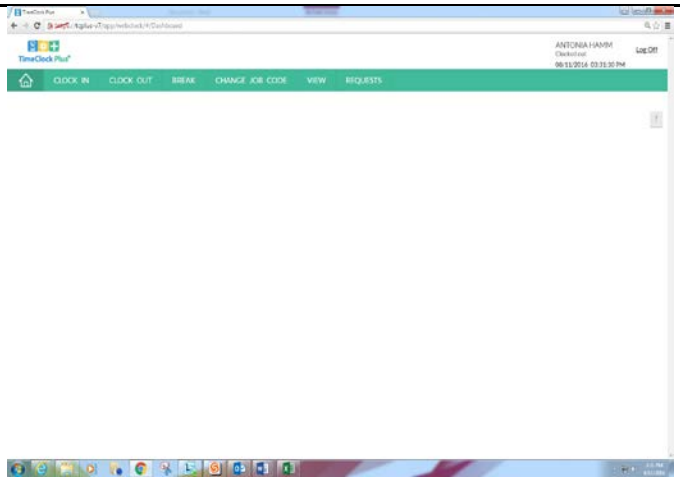
http://tcplus/webclock30/login.aspx



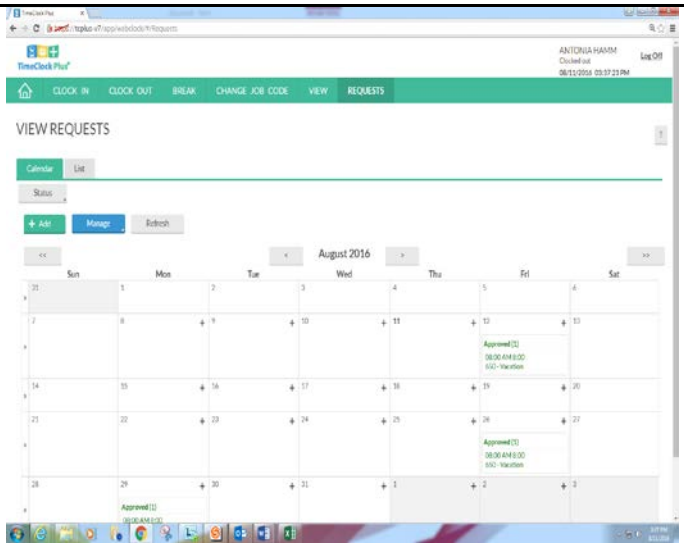
Enter employee ID number and CLICK on LOG ONTO DASHBOARD button

---

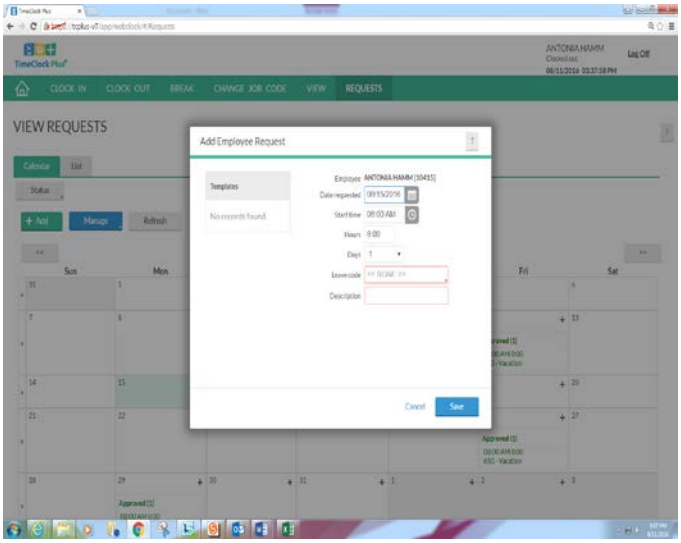
- CLICK on REQUESTS



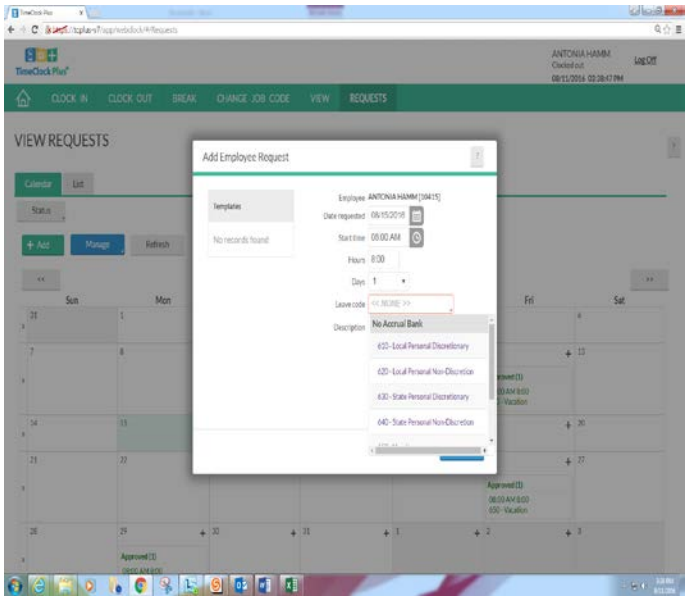
- CLICK on the plus sign on the date you want to request off

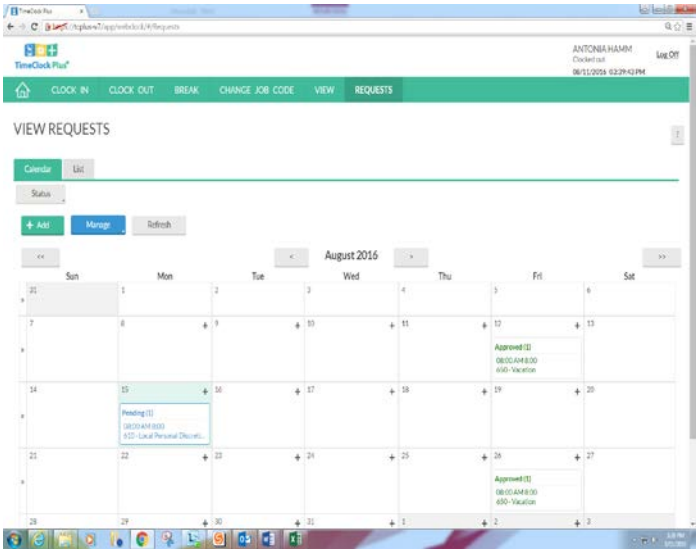


- Enter the number of hours.



- Enter **Leave Code** using the drop-down box.
- Enter **Notes** REQUIRED
- CLICK on SAVE





Your supervisor will receive notification of your request via email.

Harris County Department of Education

Leave Exception Form

Employee Name:_____ Position:_____

Employee ID#:_____ Division:_____

Date of Absence(s):_____

Time Requested: _____hours _____minutes

	Code	Description
☐	610	Local Persona1 Discretionary
☐	620	Local Persona1 Non-Discretionary
☐	630	State Personal Discretionary
☐	640	State Persona1 Non-Discretionary
☐	650	Vacation
☐	660	Comp Time
☐	690	Other – Please add a note

Note:_____

_____

_____

_____ _____

Employee Signature Date

Supervisor's Approval: ☐ Yes ☐ No

_____ _____

Supervisor Signature Date

Send completed form to Payroll@hcde-texas.org

Timeclock Plus Over time and /or Compensatory Designation

Time worked above 40 hours in a given week:

When an employee physically works more than 40 hours in a workweek (Monday-Sunday), managers will have an option to pay the employee at (1) the overtime rate and/or (2) approve compensatory time for all hours physically worked over 40 in a workweek. **Physical hours worked** means that the individual was present at work. Leave hours are not counted towards the 40 hours to pay overtime.

Showing 10 records of 10 Selected 0 records

Notes	Edited	Break Length	Time In	Actual Time In	Time Out	Actual Time Out	Hours	Shift Total	Week Total
	Y	30p	10/31/2016 09:00 AM	10/31/2016 09:00 AM	10/31/2016 01:00 PM	10/31/2016 01:00 PM	4:30		
	Y		10/31/2016 01:30 PM	10/31/2016 01:30 PM	10/31/2016 05:00 PM	10/31/2016 05:00 PM	3:30	8:00	
	Y	30p	11/01/2016 09:00 AM	11/01/2016 09:00 AM	11/01/2016 01:00 PM	11/01/2016 01:00 PM	4:30		
	Y		11/01/2016 01:30 PM	11/01/2016 01:30 PM	11/01/2016 05:00 PM	11/01/2016 05:00 PM	3:30	8:00	
	Y	30p	11/02/2016 09:00 AM	11/02/2016 09:00 AM	11/02/2016 01:00 PM	11/02/2016 01:00 PM	4:30		
	Y		11/02/2016 01:30 PM	11/02/2016 01:30 PM	11/02/2016 05:00 PM	11/02/2016 05:00 PM	3:30	8:00	
	Y	30p	11/03/2016 09:00 AM	11/03/2016 09:00 AM	11/03/2016 01:00 PM	11/03/2016 01:00 PM	4:30		
	Y		11/03/2016 01:30 PM	11/03/2016 01:30 PM	11/03/2016 05:00 PM	11/03/2016 05:00 PM	3:30	8:00	
	Y	30p	11/04/2016 09:00 AM	11/04/2016 09:00 AM	11/04/2016 01:00 PM	11/04/2016 01:00 PM	4:30		
	Y		11/04/2016 01:30 PM	11/04/2016 01:30 PM	11/04/2016 09:30 PM	11/04/2016 09:30 PM	8:00	12:30	44:30

Option # 1: Approve Overtime Pay for ALL hours worked over 40 hours:

When an employee is PRE-authorized to work overtime AND the manager wants to pay overtime instead of comp time, the manager should approve all the segments as he or she currently.

Option # 2: Approve for hours worked over 40 with Overtime Pay and Compensatory Time:

If the manager wants to split the overtime hours by (1) paying overtime pay on part of the hours and (2) approve comp time for part of the hours, the following steps should be taken.

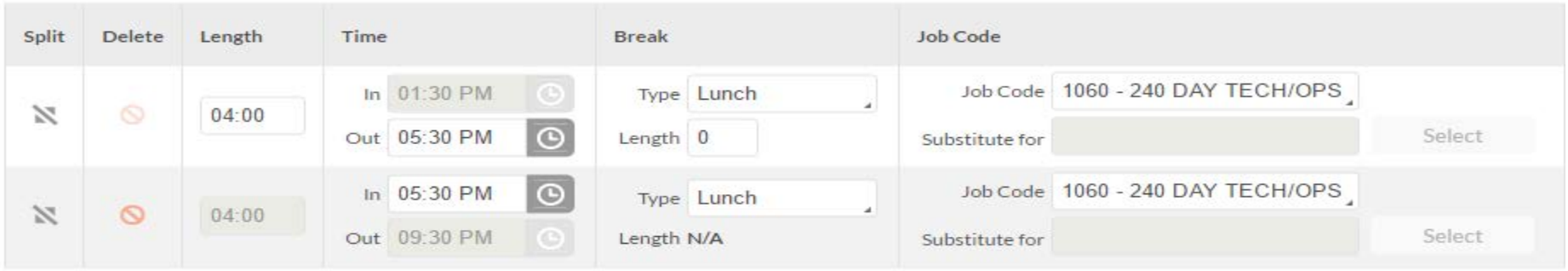
Applying Compensatory Time

1. First, select the segment with the additional hours worked, Right click or select the Manage Segments and choose **Split Segment by Length**

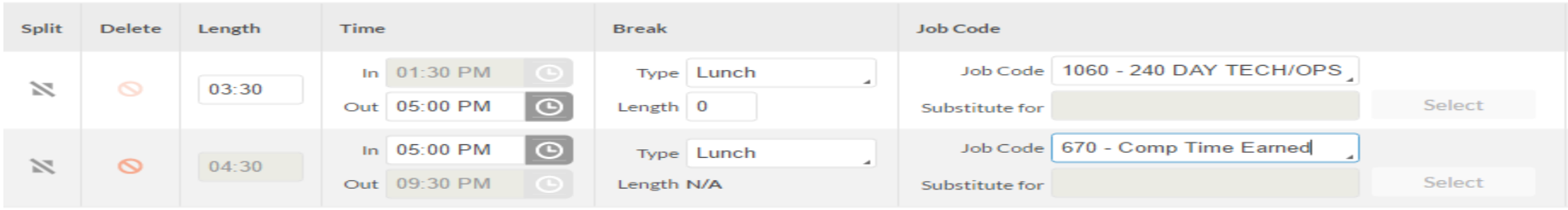
2. Then, select the Split Icon on the far left **to split the segment**.



3. **Once the segment has been split**, enter the length of time for the first split of hours. (In this scenario the 1st split is a part of the employee's regular hours and the employee should have 3:30 hours to complete 40 hours).



4. For the second split, if an employee has been **approved to earn compensatory time rather than overtime**, the job code should be changed to 670-Comp Time Earned.



5. Click Save.

Applying Compensatory and Overtime

Alternatively, hours worked over 40 in a work week may be paid with **both overtime and compensatory time.**

To select this option, follow the steps as above, but you will need include the overtime with the hours listed in the first split.

Using the example time segment above with 44.30 total hours for the workweek, the employee has earned 4:30 hours of overtime. The manager approved to pay 2 hours of overtime and 2:30 hours to be applied toward comp time.

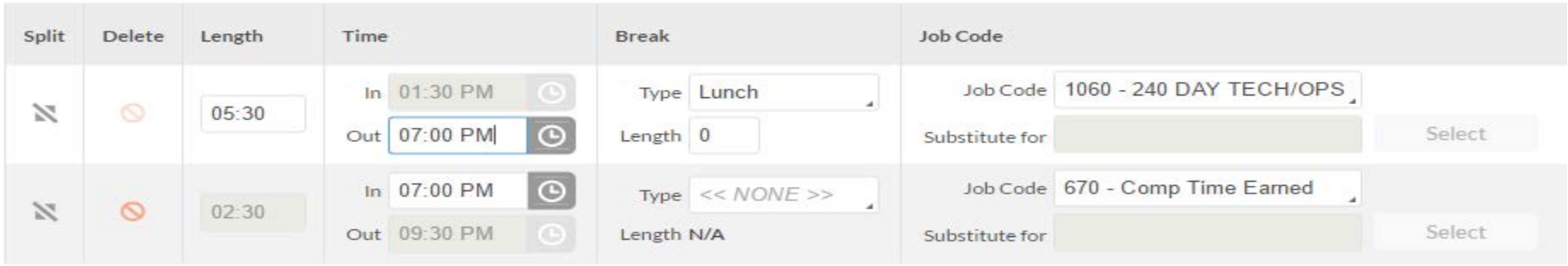
1. First, Select the segment with the additional hours worked, Right click or select the 

and choose Split **Segment by Length**

2. Then, Select the Split Icon on the far left **to split the segment**



3. **Once the segment has been split**, enter the length of time for the first split. (In this scenario this 1st split is still a part of the employee's regular hours. We will also add the additional 2 hours to this segment for the employees earned overtime)



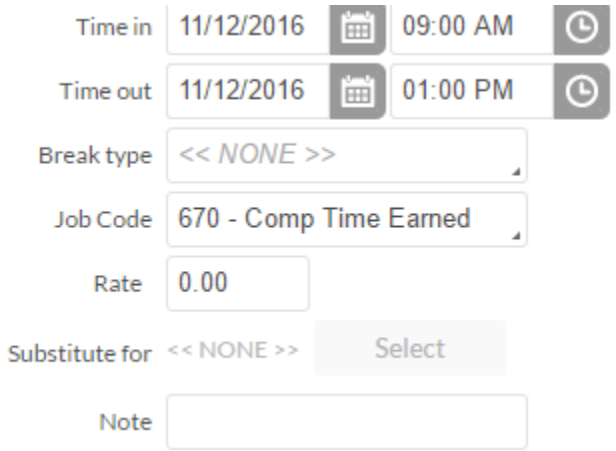
4. Next, select the 670 Comp Time Earned job code for the second segment.
5. Click Save.

Applying compensatory time when an employee worked on a non-workday

If an employee works on a non-workday, such as the weekend (Saturday or Sunday), you will not have to split the segment **if comp time is approved.**

1. First, Select the segment that with the additional hours worked, Right click or select the 

and select Edit
2. Change the job code for that segment to 670 Comp Time Earned



3. Click Save

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CFEA (LOCAL)*
DATE DEVELOPED: 05/13/09		REVISED DATE: 08/17/16
SUBJECT: Processing Discretionary and Non-Discretionary leave		

Purpose

To provide guidelines for processing discretionary and non-discretionary leave for purposes of time reporting.

Procedure

All personal leave is recorded as personal discretionary (PDL- Non-Health Related) or personal non-discretionary leave (PNDL – Health Related). For purposes of time and absence reporting, employees must specify personal discretionary or nondiscretionary personal leave types and choose whether the leave type should be deducted from local or state leave balances. Employees who exceed the maximum allowable personal discretionary days within a fiscal year will result in a leave without pay (LWOP). **Once leave is posted to the employee's leave balance, it may not be reversed or changed.**

Employees are responsible for monitoring their personal leave balances to avoid LWOP. It is recommended that all employees refer to Board policy website at http://www.pol.tasb.org/Policy/Code/578 for details and restrictions regarding personal discretionary and personal non-discretionary leave.

Personal Discretionary Leave (PDL- Non-Health Related)

Personal discretionary leave is a personal leave type that an employee may request to use for personal reasons only. This leave type does not qualify for illnesses, family emergencies or scheduled medical related appointments. Personal discretionary leave may be taken with prior approval at the employee's discretion and does not require a documented reason. However, when submitting the leave request in Time Clock Plus, the employee is required to add a note. The employee may type "Personal" as the note.

Employees working in a 10 or 11-month position are not allowed to take more than 5 personal discretionary days in any school year. Employees working in a 12-month position are not allowed to take more than 6 personal discretionary days in any school year.

Personal non-discretionary leave (PNDL- Health Related)

Personal non-discretionary leave is a personal leave type that an employee may request to use for personal or family illnesses, family emergencies or death in the immediate family as noted in Board policy. Personal non-discretionary leave has no maximum number of days that can be taken during the school year. However, absences exceeding 3 consecutive days must accompany a medical statement.

Submitting personal leave requests in Time Clock Plus

All leave requests must be submitted using Time Clock Plus. When requesting personal discretionary leave (PDL), the employee should choose the job code **610 (Local) or 630 (State)**. When requesting Personal Nondiscretionary leave (PNDL), the employee should choose the job code **620 (Local) or 640 (State)**. Failure to use the correct job code may cause the employee's attendance to be processed inaccurately. * Employees should enter a short note with all leave requests.

Leave unposted or unavailable

Employees are responsible for monitoring and ensuring that leave is available in their leave balance before taking leave. Local personal leave is accrued to employees leave bank on the 15th of each month provided that the employee has worked the required number of days (10) in the month. Leave must be available in the employees leave bank at the time payroll is processing attendance. Leave is posted two weeks behind. If leave is unavailable when payroll processes attendance, employees will be docked.

.

TIME CLOCK PLUS FRIENDLY REMINDERS

EMPLOYEES:

1. All nonexempt employees, including part time and substitutes must Clock in, choose "**Start Break"** for lunch**,** clock in for lunch break and Clock out at the end of your scheduled work day.
2. If you work multiple jobs, ensure that you change **job codes** for each time segment or work shift.
3. Ensure that you have accounted for all hours to complete your work schedule each week.
4. Submit all leave requests through Time Clock Plus as soon as possible. Paper leave requests are no longer needed. However, you must submit an approved **Leave Exception Form to the Payroll office** if your request was not submitted and approve in Time Clock Plus before the due date.
5. Ensure that all **time segments** are complete and leave requests have been submitted and approved in a timely manner. (Recommendation: Review your time reports periodically each week.)
6. Report and resolve **missed punches, conflicting segments** and other time clock issues to the Division verifier as soon as possible.
7. Get approval before you work any overtime. Have your supervisor complete a **Comp time/overtime form** before you begin working in an overtime capacity. (Note: Comp time/overtime accrues only after 40 hours of physical time worked.)
8. Substituting your **30 minute paid lunch** with work hours is not allowed. (Note: You may not skip a lunch break or take a shorter lunch break and leave early to make up or account for your regular scheduled work time.)

VERIFIER:

1. Resolve all Time Clock Plus issues for employees in your division in a timely manner.

2. Ensure that time segments or leave requests are entered for employees who are on extended leave.
3. Review all time segments in **HOURS** (individual/group) for accurate reporting and approve all segments. (Recommendation: Visit timeclock plus periodically during the week.)
4. Adhere to the **Payroll Processing Schedule**.
5. Refer to the **Time Keeping Procedures** located on the Portal.

MANAGERS:

1. Review and approve all time segments in Time Clock Plus in a timely manner.
2. Respond and take action on all employee leave requests. (Recommendation: Be aware of the automatic reports you receive requesting approvals.)
3. Ensure that all time clock issues are resolved before approving time segments. (Recommendation: Resolve all missed punches and conflicting segments.)
4. Ensure that all non exempt employees, including part time and substitutes are using the Timekeeping system to record all hours worked and lunch breaks.
5. Review all time segments for all employees for accurate reporting and approve all segments. (Recommendation: Visit Time Clock Plus periodically during the week).
6. Meet all payroll deadlines for approvals. Time is due to payroll every Monday by 4:00 p.m. unless other wise instructed of an earlier time. In some cases Payroll will ask that all divisions time is required at an earlier date to process in a timely manner.

Other Important Information:

1. A time segment consists of a series of clock in/out times and leave requests which completes a work schedule each day.
2. For requesting leave: Remember your employee ID number.

3. For accessing Time Clock Plus: You will need your **HCDE** email log in and password.

Time Clock Plus (TCP) Electronic Timekeeping System

Frequently Asked Questions

Q: How do I access TCP to report my hours worked?

A: There are four methods to report hours worked. Please refer to the Quick Reference Guide located on the HCDE Portal for further instructions. Please note that your employee ID number will be required.

Q: If I forgot to clock in, clock out for lunch or clock out at the end of the work day, what do I do?

A: Contact your immediate supervisor as soon as possible so that your missed punch can be edited to reflect the correct clock in, clock out or break time on your time report.

Q: How do I request time off?

A: Log onto TCP using the Webclock, Time Clock or Mobile App. Use the Time Clock Quick Reference Guide for Requesting Leave located on the HCDE Portal.

Q: If I requested time off that has already been approved and it appears on my time report but I changed my mind, how do I remove the leave request from my time report?

A: If a leave request has already been approved and the work week has not been closed, contact your Supervisor to remove the leave request from your time report.

Q: If I requested time off that has not been approved and I changed my mind, how do I remove or delete the request?

A: Log onto to TCP using the Web Clock, Time Clock / Mobile App then select Request. Click on Current Requests. Click on Remove and click OK.

Q: Can I request leave in less than one hour increments?

A: Yes, currently HCDE policy is that leave may be taken in 15 minute increments with supervisory approval. Please check with your supervisor for additional division requirements regarding leave and the amount of leave time an employee is allowed to take.

Q: How do I request to use Comp Time?

A: Follow the same process to request leave and select the comp time leave code 660.

Q: Do I have a choice to use all of the methods available to clock in and clock out?

A: No. Although there are four different methods available to clock in and clock out (Time Clock, Tel Clock, Mobile app Clock and the Web Clock), not all divisions, campuses or centers are allowed to use all four methods. Please contact your immediate supervisor for options available to you.

Q: If I want to change a leave code previously requested and the week is closed, what do I do?

A: Notify your immediate supervisor so that you can complete a Leave Exception form. If the week is closed, the change will not be corrected until the next regularly scheduled pay date. Leave cannot be changed from one leave type to another leave type after it has been posted to the employee's leave balances.

Q: What is a missed punch?

A: A missed punch is when an employee forgets to clock in, clock out or forgets to clock out for break.

Q: If I called in sick, what do I need to do to record my absence in TCP?

A: Follow the procedure for requesting leave when you return to work.

Q: What do I need to do if I do not have 40 hours recorded on my time report at the end of the work week?

A: You must request leave to make up the missed work hours or your pay will be docked for the equivalent time missing.

Q: If I am on FMLA or another type of extended leave how will my hours be recorded in TCP?

A: If you were not able to record your leave prior to the start date of your leave, your supervisor should record the leave for you on our time report.

Q: Where do I find the procedures regarding Time Clock Plus Timekeeping System?

A: Procedures regarding TimeClock Plus Timekeeping System may be found on the HCDE Portal.

Q: What do I do if I get an error message “conflicting shift”?

A: Contact your supervisor as soon as possible so that your shift can be edited. A conflicting shift can occur if your leave request time overlaps with your clock in/out time. For example: An employee requested leave from 1:00 pm to 4:00 pm. The employee’s regular work shift is from 8:00 am to 4:00 pm. The employee clocks in at 8:00 am and clocks out at 1:15pm. This will cause a conflicting shift because the system shows that the employee’s has a leave request from 1:00 pm to 4:00 pm. This shift will not show in edit hours until the conflicting shift has been edited. The leave request should be edited to show the leave request to be from 1:15 pm to 4:00 pm. In addition, the edited conflicting shift must also be approved.

HARRIS COUNTY DEPARTMENT OF EDUCATION
REVIEW OF SEMI MONTHLY PAYROLL COMPARISON REPORTS

WEEK ENDING OF _____

We have reviewed the payroll comparison report and associated supporting documents for accuracy and completeness. Our desk procedures and applicable manuals have been followed for compliance.

By signing this report, I further certify to the best of my knowledge and belief that the reports along with supporting documentation are true, complete, and accurate.

I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."

Accounting Manager

Chief Accounting Officer

Jesus J. Amezcua, PhD, CPA, RTSBA, Assistant Superintendent for Business Services

	ACCOUNTING PROCEDURES HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: DEC (LOCAL)
DATE DEVELOPED: 07/13/15		**REVISED: 07/26/2021**
SUBJECT: Time and effort guidelines		

Purpose

To provide guidelines for the completion of time and effort (T&E) forms and required reconciliation of actual hours worked for split funded personnel.

Procedure

The grant manager is responsible for determining which staff member salary, if any, will be charged to different funding sources. The grant manager will provide Human Resources (HR) and the Business Services (BS) department the employee's name, the percentages to be used and the funding sources. These employees must keep track of the hours worked for each of the funding sources using the time and effort excel form (see sample below) daily. This form is located on the Portal under Business Services forms.

HARRIS COUNTY DEPARTMENT OF EDUCATION
PERIOD ACTIVITY REPORT (T & E)
SPLIT FEDERALLY FUNDED PERSONNEL

Name **Month**

Directions:

1. Enter Funding Source and Percentage
2. Place X by weekend dates.
3. Enter hours worked per day for each funding source and/or absence hours paid
4. Sign and submit to supervisor

Funding Source / Percentage	Fund 266 90%	Fund 288 10%		Absence Hours	Total Hours
1	7	1			8
2	5	3			8
3	X	X			
4	X	X			
5	6.5	1.5			8
6	7	1			8
7	6.5	1.5			8
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
Monthly Totals	**32**	**8**	**0**		**40**
Percentage	**80%**	**20%**	**0%**		
Total Hours Work	**40**				

I hereby certify that these are the actual hours worked for the programs reflected.

Employee Signature Date

Supervisor Signature Date

At the end of each pay period, the employee will sign and submit the T&E form to the immediate supervisor for review and approval. The immediate supervisor will compare the actual hours worked to the estimated salary distribution submitted to Human Resources department (see reconciliation form below). If the difference is 10% or greater, (or less if indicated in the grant policies), the immediate supervisor will contact the HR and the staff accountant for salary redistribution to match the actual percentage of hours worked. This form is located in the portal under business services forms.

TIME AND EFFORT FOR
SPLIT FEDERALLY FUNDED PERSONNEL
RECONCILIATION

Name _____ **Month** _____

Position _____ **Department** _____

Monthly Salary: $ 4,000.00

Account Distribution:	**2665-21-922-99-922 61190000**	**$3,600.00**
	2885-21-922-99-922 61190000	**$ 400.00**
		$4,000.00

Budget/Payroll Distribution Expenditures:

Funding Source	266	288		Grand Total
Percentage	90%	10%		100%
Monthly Salary	$ 3,600.00	$ 400.00		$ 4,000.00

Time & Effort Actual Hours Worked:

Funding Source	266	288		Grand Total
Percentage	80%	20%		100%
Monthly Salary	$ 3,200.00	$ 800.00		$ 4,000.00

Reconciliation [Difference between Budget/Payroll Distribution & T&E]:

Funding Source	266	288		Grand Total
Percentage	10%	10%		20%
Monthly Salary	$ (400.00)	$ 400.00	$ -	

Grant Administrator _____ Date _____

The budget manager will receive a staff salary distribution report (see sample report below) on a pay period basis for review and approval. If no corrections are needed, the budget manager must sign and return the executed document to the staff accountant for filing and supporting documentation. The grant manager must retain a copy for the permanent file. If corrections are needed, the procedure above must be followed.

07/07/15 **Harris County Department of Education** Page 1 of 2

Distribution

Employee Name	EIN	Division	Pay Gr	Job Title	F/P	Budget Unit	Account	Percent
MAGALLAN, CLAUDIA	64817	CTR FOR AFTERSCHL SUM & EX	A1087	COMM & FAMILY ENG SPECLST	F	26652192299922	61190000	90.00%
MAGALLAN, CLAUDIA	64817	CTR FOR AFTERSCHL SUM & EX	A1087	COMM & FAMILY ENG SPECLST	F	28852192299922	61190000	10.00%
THOMAS, CEDRIC	66896	CTR FOR AFTERSCHL SUM & EX	A1087	COMM & FAMILY ENG SPECLST	F	26552192299922	61190000	90.00%
THOMAS, CEDRIC	66896	CTR FOR AFTERSCHL SUM & EX	A1087	COMM & FAMILY ENG SPECLST	F	28852192299922	61190000	10.00%

The review of the salary distribution on a pay period basis by the grant manager will insure that only allowable, allocable and eligible expenses are posted to the grant.

Time and Effort

Time and effort must be documented and certified for all employees:

- who **do not** work 100% in administrating programs that are part of LEA's consolidated administrative funds;
- who work under multiple grant programs; or
- who work under multiple cost objectives.

Employees must prepare time and effort reports, at least monthly, to coincide with pay periods.

Reports must reflect an after the fact distribution of 100% of the actual time spent on each activity and must be signed by the employee. Charges to payroll must be adjusted at least quarterly to coincide with preparation and submittal of the quarterly expenditure report.

Budget estimates may be used for interim accounting purposes only provided that:

- the estimates are a reasonable approximation of the activity performed
- comparisons of actual costs based on time and effort reports to budgeted cost are made at least quarterly
- budget estimates are revised at least quarterly to reflect any changes in circumstances.

If the quarterly comparison between budgeted and actual costs shows a difference of less than 10%, adjustments to charges to the grant may be made annually.

Note: monthly time and effort reports are still required when using budget estimates.

CERTIFICATION:

For employees who work 100% in administrating programs that are part of consolidated administrative funds; who work under a single grant program; or who work under a single cost objective, including Title 1, Part A school wide programs funded from eligible multiple funding sources.

1. Time and effort not required

2. **Minimum requirement-Semi Annual written certification from each employee that they worked solely on the program(s) for the period covered by the certification. These documents are due to Business Services Accounting Manager.**

3. Signed by the employee **or** by the supervisor having first-hand knowledge of work performed.

HARRIS COUNTY DEPARTMENT OF EDUCATION
PERIOD ACTIVITY REPORT (T & E)
SPLIT FEDERALLY FUNDED PERSONNEL

Name **Month**

Directions:

1. Enter Funding Source and Percentage
2. Place X by weekend dates.
3. Enter hours worked per day for each funding source and/or absence hours paid
4. Sign and submit to supervisor

Funding Source	Fund 266	Fund 288		Absence	
Percentage	90%	10%		Hours	Total Hours
1	7	1			8
2	5	3			8
3	X	X			
4	X	X			
5	6.5	1.5			8
6	7	1			8
7	6.5	1.5			8
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
Monthly Totals	**32**	**8**	**0**		**40**
Percentage	**80%**	**20%**	**0%**		

Total Hours Worked **40**

I hereby certify that these are the actual hours worked for the programs reflected.

Employee Signature Date

Supervisor Signature Date

TIME AND EFFORT FOR
SPLIT FEDERALLY FUNDED PERSONNEL
RECONCILIATION

Name _____ **Month** _____

Position _____ **Department** _____

Monthly Salary: **$ 4,000.00**

Account Distribution:	**2668-21-922-99-922 61190000**	**$ 3,600.00**
	2888-21-922-99-922 61190000	**$ 400.00**
		$ 4,000.00

Budget/Payroll Distribution Expenditures:

Funding Source	266	288		Grand Total
Percentage	90%	10%		100%
Monthly Salary	$ 3,600.00	$ 400.00		$ 4,000.00

Time & Effort Actual Hours Worked:

Funding Source	266	288		Grand Total
Percentage	80%	20%		100%
Monthly Salary	$ 3,200.00	$ 800.00		$ 4,000.00

Reconciliation [Difference between Budget/Payroll Distribution & T&E]:

Funding Source	266	288		Grand Total
Percentage	10%	10%		20%
Monthly Salary	$ (400.00)	$ 400.00	$ -	

_____ _____

Grant Administrator Date

Payroll Verification Checklist

New Employees

- ☐ Have I obtained an employee number?
- ☐ Is the employee Exempt or Non-Exempt for purposes of Time Reporting?
- ☐ Has the employee submitted an *Authorization Agreement for Direct Deposit* to the Payroll Office?
- ☐ Have I requested and obtained an email address from Technology?

Time and Absence Reporting

- ☐ Have I entered or verified all time segments in Time Clock Plus for all employees including employees on leave of absence?
- ☐ Are the most current Payroll forms being used?
- ☐ Do I have supporting documentation for all absences (i.e. Return to Work, Jury Duty Release)?
- ☐ Do I have approval forms for Over Time/Compensatory Time, Leave Exception or Payroll?
- ☐ Have I verified all Time segments for accuracy and cleared all missed punches and conflicting schedules?
- ☐ Have I obtained all necessary signatures on exception documents?
- ☐ Have I retained copies for my files?
- ☐ Have I notified the Payroll Office in the event that I am unable to meet the due date?

Reporting Employees on Leave (FMLA, Worker's Comp, Temporary Disability, Administrative, Assault)

- ☐ Have I received notification from Human Resources?
- ☐ Have I entered time segments in Time Clock Plus?
- ☐ Is the employee's leave type recorded correctly in Time Clock Plus?
- ☐ Have I notified the Payroll Office of the employee returning to work?
- ☐ Upon returning to work, has the employee provided a *Release Notification* from the health care provider?

Contact:
HCDEPayroll@hcde-texas.org

Business Services **Mission Statement**
To support the mission of Harris County Department of Education to exceed client expectations by maximizing fiscal resources and providing quality support services.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CFE (LOCAL)*
DATE DEVELOPED: 05/30/08		REVISED DATE: 07/10/2017
SUBJECT: Pay Distribution (during and after) extended leave		

Purpose

To provide guidelines for the purpose of time reporting for employees on extended leave after all leave types have been exhausted.

Procedure

Directors, Managers, Supervisors and Principals are responsible for accounting for all employees who are out on leave and accurately reporting their staff time worked or absences in Time Clock Plus. Employees must determine the type of leave to use during extended leave and submit their request to Human Resources. Once approved by Human Resources, an email will be sent to the division and payroll authorizing the division to enter the absences using a specific leave type and date range of absences. A leave calculation worksheet will be prepared by Human Resources after an employee has exhausted all leave and compensatory time. The salary calculation worksheet is used to determine the effects of the employee's future compensation. **An official notification of the first day the employee returns to work must be received in the Payroll Office and HR along with a medical release form.**

Pay distribution DURING extended medical leave and AFTER the employee has exhausted all available leave

A determination of future compensation will be based on the following:

The employee salary earned from the beginning of his or her contract or the start of the school year will be subtracted from the employee's salary paid to date.

(1) If the remaining balance of pay due is a positive balance, the employee will receive up to a maximum of his or her semi-monthly gross amount per pay period until the remaining balance is depleted.

(2) If the remaining balance of pay is a negative balance, no further compensation will be disbursed. The negative balance will be subtracted from the employee's recalculated salary based on the number of days left in his or her contract when the employee returns back to work. An official notification of the first day the employee returns to work must be received in the payroll office and HR.

Salary Earned

Salary earned is calculated based on the number of days physically worked and number of days compensated by the employee's usage of leave multiplied by the employee's daily rate of pay.

Salary Paid

Salary paid is calculated based on the employee's semi-monthly gross (annual salary divided by 24 pay periods) multiplied by the number of pays received.

Remaining Balance of Pay

Remaining balance of pay is determined by the total salary earned (based on the number of days physically worked and days compensated by the use of leave) minus the salary paid.

Pay distribution AFTER employee has returned from extended medical leave

A determination of future compensation will be based on the following:

Salary earned (number of days worked including personal leave and vacation used) minus salary paid to date will be divided by the remaining number of pay periods equals the new semi-monthly gross (future compensation).

Note: All salary calculations are based on the employee's gross pay before any voluntary and/or involuntary deductions have been deducted.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CFEA (LOCAL)*
DATE DEVELOPED: 05/30/08		**REVISED DATE: 07/26/2021**
SUBJECT: Voluntary & Involuntary Payroll deductions		

Purpose

To provide guidelines for processing employees payroll deductions.

Procedure

The Payroll Office is required to process all involuntary deductions in accordance with the requesting agency rules and regulations. All involuntary deductions will be initiated and canceled only with written notification received from the agency. Employees should contact the requesting agency for further information regarding their involuntary deductions. Copies of notifications are available in the Payroll Office upon request.

Involuntary deductions

The following deductions **may not** be canceled at anytime by the employee:

- ✓ Garnishments
- ✓ IRS Tax Levies
- ✓ Court ordered Bankruptcies
- ✓ Child Support orders
- ✓ Student loans
- ✓ Certification program fees
- ✓ TRS contributions
- ✓ FICA/Medicare

Voluntary deductions

Employees should contact the Human Resources division to request changes to the following deductions:

- ✓ Medical
- ✓ Dental
- ✓ Vision
- ✓ Cancer / other types of insurance.
- ✓ Annuity / Retirement contributions; savings and other forms of investments.
- ✓ Badge Replacement
- ✓ Employee Association fees (flower fund, etc)
- ✓ Employee repayments because of overpayments, TRS deductions etc. (contact the Payroll Office).

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *DEA (LOCAL)*
DATE DEVELOPED: 02/17/09		REVISED DATE: 7/26/2021
SUBJECT**:** **Direct Deposit**		

Purpose
To provide guidelines for participation in the Direct Deposit program.

Procedure
Direct deposit is mandatory for **all** employees. Employees may elect his / her financial institution to have his / her pay direct deposited. Direct deposit forms and the required documentation should be submitted to the Payroll Office. Due to the personal data provided on the direct deposit forms, employees are encouraged to hand-deliver direct deposit forms to the Payroll Office. **Cancellations or changes to an employee's direct deposit information require written authorization from the employee and are not accepted via email/phone.**

Direct deposit in a financial institution
Employees must complete a direct deposit form provided by the payroll office. Direct deposit forms and the instructions maybe accessed on the **HCDE Portal under Business Services Forms/Payroll Forms/Direct Deposit forms**. An **actual voided check or** a **direct deposit information form** provided by the financial institution which includes the employee's name, account number, and bank routing number is required and must be submitted for each account. **This information will only be accepted in person or through an inter-office transit.**

Change request in a Financial Institution:
- ✓ Contact the bank and follow the instructions given. If an employee's direct deposit is canceled due to suspected fraud, the employee should obtain the new account information from the bank.
- ✓ Complete a new direct deposit form and attached the required documentation.
- ✓ Forward the new direct deposit information to the payroll office immediately.

Additional accounts through direct deposit
Employee's net pay may be disbursed into two (2) additional accounts other than his or her primary account. A new direct deposit form will be required before additional accounts can be processed.

Direct Deposit Pre-notes
All direct deposits are subject to go through an initial pre-note status. This process allows the payroll staff to verify all banking information. The initial pre-note process may require one pay period before the regular direct deposit processing is established. The employee may receive a paper check during the initial pre-note process.

Direct Deposit Returns
The payroll staff will notify employees of any direct deposit returns. **Direct deposit returns due to closed accounts, will require the employee to complete a new direct deposit form to be**

hand delivered to the Payroll Office before the return can be reissued. Direct deposit returns due to data entry, or an accounting error will be corrected, and a new direct deposit will be processed in a reasonable amount of time. All return direct deposits will require monies to be returned to the Department's bank account before another form of payment is processed.

Canceling Direct Deposit

Employees must complete a **new** direct deposit form and submit to the Payroll Office as soon as possible. **Cancellations via phone are not accepted.** Once the Payroll Office receives your direct deposit form someone will call to verify that the employee has requested this change before any changes will be applied to your direct deposit information.

Employees not on Direct Deposit

Direct deposit is mandatory for all employees. Direct deposits will be monitored for noncompliance. Employees will be notified by the Payroll Office for noncompliance. Employees who do not comply with the procedure will be required to pick up his or her payroll check in the payroll office. Employees must submit their direct deposit information before checks are released. Employee's payroll checks will not be mailed.

How employees should send direct deposit information to Payroll

All HCDE employees should send their direct deposit information to the Payroll Department through either the payroll fax line (713) 696-0740, through inter office mail, or through the mail at 6300 Irvington Blvd, Houston TX 77022. Direct Deposit request received through email are only accepted from employee assigned HCDE email. All other email request will not be accepted to prevent any kind of computer fraud information / to protect the identity of all HCDE employees.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: CFEA (LOCAL)
DATE DEVELOPED: 06/25/08	REVISED DATE: 07/26/2021	
SUBJECT: **W-2 Wage & Tax Statements**		

Purpose
To provide guidelines for understanding and processing of W-2 wage and tax statements.

Procedure
All employees are required to receive a W-2 Wage & Tax Statement postmarked on or before January 31. All active employees W-2 Wage & Tax Statements will be delivered electronically or mailed to the current address on file with the Human Resources office.

Steps for requesting a W-2 Wage and Tax Statements reprint
Employees are encouraged to allow a reasonable amount of time (at least 7 business days) after January 31 to receive W-2's before requesting a replacement.

If an employee does not receive his/her W-2 Wage & Statement 7 business days after January 31, the following steps should be followed:

- ✓ contact your local postal service
- ✓ verify current address with Payroll Office or Human Resources
- ✓ submit a request for W-2 to the Payroll Office
- ✓ make arrangements with a Payroll Specialist for pick up

Note: Upon request, each employee will receive current calendar year complimentary W-2 replacement 7 business days after January 31.

The Payroll Office will process all requests for replacements on **Wednesday** of each week.

Returned W-2 wage statements
If an active employee's W-2 wage and Tax statement is returned to the Payroll Office, the payroll staff will contact the employee to pick up this information from the payroll office. If undeliverable W-2 wage and tax statements are received in the payroll office for terminated employees, the Accounting Manager will reach out to the former employee for an updated address to forward the document to.

W-2 wage and tax statement discrepancies
If an employee disagrees with the information reported on his or her W-2 wage and tax statement, the employee should contact the Payroll Office to initiate research. It may take up to 2 weeks for research; however, if more time is necessary, the employee will be notified.

If an error was discovered on an employee's W-2 wage and tax statement by the Payroll Office **before** the submission of the file to the IRS, W-2 wage and tax statements will be corrected and reissued to the employee. If an error was discovered by the Payroll Office **after** the submission of the file to the IRS, a W-2c (a correction of an original W-2) will be processed. The employee

will be required to file all issued W-2c's and the original W-2 wage and tax statement with his or her income tax return.

Understanding your W-2 Wage and Tax Statements

All employees should retain a copy of his or her pay checks for future references and comparison with his or her annual W-2 wage and tax statement. The following is a detail description of what information is reported on an employee's W-2 wage and tax statement.

Box 1=Wages, tips & other compensation-Taxable Wages (gross wages minus any nontaxable or pre-taxed payroll deductions)

Box 2=Federal Income tax withheld (according to the employee's W-4)

Box 3=Social Security Wages-Gross Wages less tax deferred deductions (health, vision, dental and some cancer insurance and flex spending deductions

Box 4=Social Security tax withheld-Social security wages multiplied by 6.2% (amts may vary by pennies).

Box 5=Medicare wages and tips-Gross wages less tax deferred deductions (health, vision, dental and some cancer insurance and flex spending deductions).

Box 6=Medicare tax withheld-Medicare wages multiplied by 1.45% (amts may vary by pennies) Effective January 2013, an additional 0.9% Medicare tax on Medicare wages and tips above $200,000.00.

Box 9=Advance EIC payments- Effective January 1, 2011, this deduction is not reportable on employees W2 wage and tax statement.

Box 10=Dependent Care benefits (Flexible dependent care deductions), not Flexible Spending

Box 12=

- E=Deductions for 403B retirement plan or annuity contributions
- G=deductions for 457 retirement plans or annuity contributions
- DD=Effective January 2013, cost of employer-sponsored health coverage. The amount reported is not taxable.

Box 14=N/A

Retirement Plan-Box should be checked for employees participating in a retirement plan.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)* *CFE (LOCAL)*
DATE DEVELOPED: 06/28/08	**REVISED DATE: 08/16/2020**	
SUBJECT: **Processing replacement/supplemental payroll checks**		

Purpose
To provide guidelines on processing replacement/supplemental payroll checks.

Procedure
A replacement/supplemental check may be wage payment processed subsequent of a regularly scheduled wage payment. Examples may include: (1) overpayments /underpayments of employees pay (2) direct deposit returns (3) terminations (4) benefit refunds and (5) lost/ stolen checks.

Overpayments
If an employee discovers an overpayment, contact the Payroll Office immediately. If the error was discovered by a Payroll Specialist, the employee will be contacted. If pay was issued via direct deposit, a request will be initiated to have the funds returned. If pay was issued via paper check, a stop payment request will be initiated. An employee must submit a certified check, money order or cash in the amount of the overpayment if funds are not returned. In some instances, employees will be required to complete a repayment agreement before overpayments are processed. This process will require approval from Human Resources.

Underpayments
If an employee discovers an underpayment due to a data entry or an accounting error**,** the employee should contact the Payroll Office @ payroll @hcde-texas.org. Once the error has been researched and resolved, a check may be reissued, or the funds may be direct deposited into the employee's account. Some underpayments may require processing on the next regularly scheduled pay date.

Direct Deposit returns
Refer to direct deposit procedure.

Terminations
Employees who have been terminated involuntarily will receive their final pay issued through a check within 1 to 6 business days after the date of termination or the next scheduled payroll processing. Employees who have voluntarily terminated employment may receive their final pay via direct deposit or receive a paper check.

Benefit Refunds
All benefit refunds will be processed after the regularly scheduled pay date if any are due. Benefit refunds will be processed via direct deposit.

Lost or Stolen

The Payroll Office should be notified immediately of lost checks. Replacement checks may be issued within 3 business days after the issuance date. Checks assumed lost will be placed on a stop payment status.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)*
DATE DEVELOPED: 04/13/09		REVISED DATE: 04/29/10
SUBJECT: Returned (undeliverable) mail		

Purpose

To provide guidelines for handling returned (undeliverable) mail

Procedure

If mail is returned undeliverable to the Payroll Office, all efforts will be made to contact the employee. Employees must submit a change of address form in the Human Resources Division. Employees W-2 wage and tax statements returned undeliverable will not be forwarded. Undeliverable mail will be filed in the Payroll Office.

TRS Address Change:

When an employee makes an address change in Human Resources the employee must also submit a change of address to Teacher Retirement System of Texas (TRS) by completing the "Change of Address Notification" form. This form is available in the payroll office, online through the TRS member portal, and in the Human Resources office.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CFEA (LOCAL)*
DATE DEVELOPED: 06/25/08		REVISED DATE: 07/26/2021
SUBJECT: Teachers Retirement System (TRS) Processing & Reporting		

Purpose
To provide guidelines for reporting employees TRS contributions and request for distributions.

Procedure
Effective September 1, 2021, employees (members) contribution rate changed to 8.0 % of all eligible compensation. The TRS-Care insurance contribution will remain at .65%. Deductions are mandatory and will be processed according to the rules / regulations of the Texas Teachers Retirement System. Employees are not allowed to cancel the deductions for TRS.

Eligible compensation
All employees' compensation is subject to TRS excluding vacation payouts, compensatory time payouts, employee reimbursements and allowances. Each eligible member will receive an annual statement from TRS detailing all contributions credited to the employees account in accordance with the rules and regulations of TRS. Employees are encouraged to retain copies of his or her pay checks for comparison with the official TRS account statements.

Request for estimate of Retirement Benefits TRS 18
This form should be completed by prospective employees who are considering retiring and would like to get an estimate of retirement benefits.

Processing of TRS form TRS-6 (Request for Refunds)
Employees must complete a TRS-6 (Notice of Final Deposit and Request for Refund) in order to receive a refund. Employees should contact the Teachers Retirement System for eligibility and disbursement information.

Processing of TRS request forms TRS-7 (Distribution of Annuity payments)
All forms are completed by the Payroll Office and certified by the Accounting Manager in Business Services, Yolanda Davis. The Payroll Office cannot process the TRS-7 form until the employee's final pay has been processed and recorded in the payroll records as the final reporting month contribution is necessary for reporting to TRS. The forms are submitted electronically through the TRS portal, and a copy will be provided to the employee is requested. Employees should allow at least 2-6 weeks for processing by TRS.

Reporting of Retirees
Due to legislative changes and the additional reporting requirements, the Payroll Office is required to report to TRS those retirees who retired after September 2005 and worked half time or more each month. All hours and days worked will be reported based on the time worked reported in Time Clock Plus and processed by the Payroll Office. It is the responsibility of the retiree to monitor the number of hours worked during the month to avoid possible forfeiture of annuity payments and additional surcharges paid by the Department. Time worked in ½ increments will be reported in full days. Supervisors should encourage all retirees to contact

TRS for further information regarding status and eligibility. Retires working more than the part time hours allow by TRS should be familiar with The TRS Pension Surcharge amount of 15.75% & the TRS Care Surcharge amount of $535.00. The surcharges will be charged to the budget where the retiree's salary is paid. Please refer to the working calendar provided by TRS for the 2021-2022 school year.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *DEA(LOCAL)* *DEAA (LEGAL)*
DATE DEVELOPED: 7/1/2015	REVISED DATE:	
SUBJECT: Approval of Full Time Equivalent (FTEs)		

Purpose

To provide guidelines for the approval of FTEs

Procedure

By Divisions:

1. Directors, Principals, and Grant Managers are responsible for assessing the need for positions and FTEs for each division.

2. Directors, Principals, grant managers are responsible for recommending FTE positions, and are responsible to monitor that the work associated with the position is conducted to the satisfaction of the division and department in accordance with legal and local guidelines.

Human Resources Division:

1. The Human Resources Division is responsible for reviewing the FTEs and recommending them to the superintendent for the establishment of the type of position during the budget process and as needed on a periodic basis.

2. The Human Resources Division will review recommendations from the Divisions, and determine (1) whether the position has a job description, (2) whether the FTE has been approved by the board, and (2) all authorize the FTEs are included in the payroll system by inputting the FTE pay rates. Prior to the position being posted by the Human Resources Division, Human resources will prepare a Personnel Requisition Form / submit for each position to the Business Office for review /approval of budget availability if the position was not previously approved as part of the budget process.

Business Office:

1. The Business Office will review FTE payroll amounts recommended for budget availability and document approval on the Personnel Requisition Form if the position was not approved as part of the budget process.

2. The Payroll Office will run reports each pay period and compare amounts approved in the previous months by individual and compare it to the new payroll rates for positions as updated for the pay period and verify that all have been verified and duly approved.

3. The Comparison Report will be reviewed and approved by the Payroll Manager and the Chief Accounting Officer or the Assistant Supt for Business.

4. Any exceptions will be followed up with the Human Resource Office and resolved prior to processing the biweekly payroll.

FTEs approved by the Superintendent:

1. Reclassification of FTEs will require only the approval by the Superintendent prior to implementation on the following:
    a. An FTE change from a professional position to another similar position OR a clerical position to another similar position.
    b. Change in an FTE to a lower pay grade.
    c. Change in an FTE to the same paygrade.

FTEs approved by the Board:

2. A list of FTEs will be included in the annual budget to be implemented for the fiscal year. The budget availability will be considered during the budget process and submitted for approval by the Superintendent and the Board of Trustees.

3. Any FTEs not included in the approved annual budget will require board approval prior to implementation.

4. All FTEs require board approval regardless of whether they are included in a grant agreement or contract. If the grant agreement or contract was approved by the Board and included the FTE associated with the grant agreement or contract, additional board approval is not required,

5. FTE positions are monitored in the HCDE financial system through the Position Control System in SunGard. Any additions of FTEs require Board approval.

6. Reclassification of FTEs will require approval of the Superintendent and may require approval of the Board of Trustees prior to implementation (see below):

    a. An FTE reclassification or change from a non-contract position to a contract position requires superintendent AND board approval even if the change does not impact the budget.
    b. An FTE reclassification or change from a non-contract position to another non-contract position at a higher or lower pay grade requires superintendent approval, but no board approval subject to the following parameters:
        i. Changes in an FTE to a higher pay grade or increased number of work days may also require superintendent and board action if the reclassification or change results in an increase to the division's budget.
        ii. Changes in a FTE to a lower pay grade will not require board action, but will require superintendent approval.
        iii. Changes in same paygrade will require superintendent approval only.

7. Board policy DEA (Local) for mid- year pay increases shall be followed if an employee's pay is changed in the middle of the school year because of a position reclassification or change.

Annual Review:

1. FTEs will be reviewed during the annual budget process for adjustments needed by the Human Resources Division, the Business Office, & the Superintendent.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *DEA(LOCAL)* *DEAA (LEGAL)*
DATE DEVELOPED: 7/1/2015		**REVISED DATE: 07/26/2021**
SUBJECT: Approval of Stipends		

Purpose

To provide guidelines for the approval of stipends

Procedure

By Divisions:

1. Directors, Principals, and Grant Managers are responsible for assessing the need for stipends for division staff.

2. Directors, Principals, Grant Managers are responsible for recommending stipends, and are responsible for monitoring that the work associated with the stipend is conducted to the satisfaction of the department in accordance with legal and local guidelines.

Human Resources Division:

1. The Human Resources Division is responsible for reviewing the stipends and recommending them to the board to establish the type of stipend and the amount of the stipend during the budget process and as needed on a periodic basis.

2. The Human Resources Division will review recommendations from the Divisions, then determine (1) whether the stipend requirements are met, and (2) whether the stipend has been approved by the board. If the stipend has been approved by Board, then Human Resources Division will authorize the stipend to be included in payroll by inputting the stipend rates. If the stipend has not been approved by the Board the Human Resources will prepare a recommendation for approval by the Superintendent and the board.

Business Office:

1. The Payroll Office will run reports each pay period and compare amounts approved in the previous months. Then this information will be compared to the new payroll rates for stipends as updated for the pay period and that all have been verified/ duly approved.

2. The Business Office will review stipend amounts recommended for budget availability and document approval on the biweekly Payroll Comparison Report. The Comparison Report will be reviewed, approved by the Payroll Manager, the Chief Accounting Officer, and/or the Assistant Superintendent of Business Services.

3. Any exceptions will be followed up with the Human Resource Division and resolved prior to processing the biweekly payroll.

Stipends approved by the Board:

1. A list of stipends will be included in the annual budget to be implemented for the fiscal year. The budget availability will be considered during the budget process and submitted for approval by the Superintendent and the Board of Trustees. Board approved stipends will be included and listed in the Board Approved Salary Schedule for the year.

2. Any stipend not included in the approved annual budget will require board approval prior to implementation.

3. All stipends require board approval regardless of whether they are included in a grant agreement or contract.

Annual Review:

1. Stipends will be reviewed during the annual budget process for adjustments as needed by the Human Resources Division, the Business Office, & the Superintendent.

Harris County Department of Education

Request for Bereavement Leave

Full-time employees may receive bereavement leave and be absent without loss of pay and without deduction from accrued leave in the case of death of a spouse, child, parent, or sibling, for a period not to exceed three days per occurrence.

Additional days and all other funerals shall be charged to the employees' accrued leave balance, personal leave, vacation or compensatory time. The employee shall apply for bereavement leave in accordance with administrative procedures.

Employees who fraudulently claim bereavement leave benefits will be subject to unpaid leave and disciplinary action.

Employee Name: _____ Campus/Division: _____

Position: _____ Date(s) of Absence: _____
(Not to exceed 3 days)

Reason for Bereavement Leave:

Family Member's Name: _____ Date of Death: _____

Relationship to the Deceased: ☐ Spouse ☐ Child ☐ Parent ☐ Sibling

Bereavement request must be made no later than 10 days following date of death.

_____ _____
Employee Signature Date

_____ _____
Supervisor Signature Date

_____ _____
Executive Director of Human Resources Date

☐ Approved

☐ Denied / Reason for denial: _____

Procurement Services

The Procurement Services Division is responsible for ensuring that all purchasing transactions are following state, local and federal regulations.

HCDE Quick Reference Guide to Procurement Policies

Link: http://www.hcde-texas.org/default.aspx?name=017.purchasing

This guide is intended for anyone who approves purchase requests.

Procurement Contracts:

Purchase Orders — cumulative

Payment Authorizations

> $50,000	6 Methods see below for list
$10,000 to $50K	- 3 Written Quotes **
** If Choice Partners Vendor only 1 quote required	
< $3,500	- 1 Written Quote

Penalties:

A trustee, employee, or agent of the Department who knowingly or, with criminal negligence, violates the purchasing laws is subject to criminal penalties.

Receipt of Gifts:

* Public officials may NOT receive anything of value over $50
* Gifts may impair judgment to get the best value for the Department

6 Methods for Procurement:

1 - Competitive Bidding
2 - Competitive Sealed Proposals
3 - Request for Proposal
4 - Interlocal Contract
5 - Reverse Auction Procedure as defined by TLGC 2155.062d
6 - The formation of a Political Subdivision Corporation under LGC, Section 304.001

Bond requirements:

		Amount:	
Performance Bond	>	$ 100,000	
Payment Bond	>	$ 25,000	
Registered Engineer		$ 8,000	
Registered Architect		$ 100,000	new
Registered Architect		$ 50,000	alteration

Other Requirements:

*** Prevailing wage requirements.
*** Requirements in Standard Conditions for General Contractor and Sub-Contractors are part of a bid or proposal.

Sole Source, Types:

Patent, Copyright, Secret Process, Monopoly, Manuscript, Film, Book, Utility Service, Replacement Component, or Parts. **Sole Source** determination will be made by the Procurement Division ONLY upon review of the sole source letter.

Professional Services exempt from price competition

Exceptions to TEC 44.031 are professional services such as Architects, Attorneys or Fiscal Agents. Financial Consultants or Technology Consultants may be hired according to TGC 2254.026 and 2254.027

Competitive bids are NOT allowed for CPAs, Architects, Landscape Architect, Land Surveyor, Physician, State-certified or State-licensed Real Estate Appraiser, Optometrist, Professional Engineer, or Registered Nurse. These contracts shall be awarded on the basis of demonstrated competence and qualifications and for a fair and reasonable price.

Felony Conviction:

The Department must receive notice from a person or business if the person or an owner or operator of a business has been convicted of a felony. The Department may terminate the contract (1) due to the conviction, (2) if the person fails to provide notice, or (3) the person misrepresents the conduct resulting in the conviction.

Contracts:

Payments from 6200 codes require a contract unless the total is under $2,000.

Contracts may ONLY be signed by the Superintendent or the Assistant Supt. for Business Services

All contracts must be processed through Procurement Division.

Sample contracts are available on the HCDE Purchasing Portal

Factors to Consider when Awarding a Contract:

* Price
* Reputation (Vendor)
* Quality of Work
* Meets HCDE Needs
* Past Relationship
* HUB Compliance
* Long-term Costs
* Any Other Relevant
* Place of Business Factor

Vendor Package: Includes:

Vendor Information Form
W-9 Form
Conflict of Interest Form
Felony Conviction Form

Law:

Texas Education Code (TEC)
Chapter 44. Fiscal Management,
.031 Procurement Contracts

Texas Local Government Code (TLGC)
Section 304.001

Texas Government Code (TGC)
Section 2254. 026 & .027
Section 2155.062d

HCDE Policies:

CAA Local
CH Legal and Local
DBD Local

Legal Notices:

Required for bids and proposals

Selection:

Will be made public AFTER award

Delivery Method Selection:

Construction Project delivery method must be determined prior to advertising

Emergencies, Defined:

Equipment, facility, part of school or personal property is destroyed or damaged due to unforeseen disaster or emergency or undergoes major operational or structural failure and the Board of Trustees determines that the delay posed by methods in TEC 44.031 will prevent/substantially impair the conduct of classes or other essential [school] activities. Then contracts for the replacement or repair of equipment or facility may be made by methods other than those required by TEC 44.031.

Insurance:

Workers Compensation insurance is REQUIRED for any work where services are performed at Department locations: offices, centers, etc.) An exception may be Sole Proprietors, Partners, and Corporate Officers

Board Approvals:

** Contracts equal to or above $75,000.
** Construction contracts valued at or over $50,000.
** Change Orders over $50,000 shall be approved **prior to** beginning the approved work.
** A monthly report is made of vendors paid $50,000 or more Year-To-Date.

Cooperatives

* The Procurement Division will determine Cooperative Participation: HCDE Choice, Buy Board, Houston Galveston Area Council, Region 1 ESC,TCPN (R4ESC).

Additional Information:

Contact
Procurement

via email:
purchasing@hcde-texas.org
Edna.Johnson@hcde-texas.org

via phone:
(713) 696-1371

via FAX:
(713) 696-0740

The HCDE Website:
www.hcde-texas.org

Required Documents for Payment of a Purchase Order:

1) Requisition
2) Purchase Order
3) Receiving Report
4) Original Invoice

Retainage shall be retained at 5% and a checklist must be prepared before final payment.

Deliveries of Fixed Assets
MUST be made to the Warehouse or to the Technology Division for tagging and accountability.

Fraud:

Fraud must be reported to the Superintendent.

Examples of Fraud:
- Not receiving all items in an order; yet paying for all items.
- Not receiving value for services or goods.
- Paying to a fictitious vendor.

Fraud often requires collusion.

Refer to Fraud Policies and Procedures; CAA Local.

	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)* *CH (LEGAL)*
DATE DEVELOPED: 08/15/2018		REVISED DATE: 5/16/2022
SUBJECT: Computer system access		

Purpose

To provide guidelines for requesting access to various computer systems.

Procedure

Employees have various duties and responsibilities and in carrying out their work, they must have access to systems that will require password. Employees are required to check with their supervisor and the ELT member to make sure that they are assigned access to a particular system. Employee must keep in mind access must be maintained confidential and passwords may not be shared. Employees are required to adhere to the electronic technology policies and procedures.

Employees are assigned access based on their level of authority. That is, a director will have approval access and a clerk will have view and submission access only. Below are the different access levels:

1. ELT Member – Approval Level
2. Business Manager – Director Level
3. User Level – User Level

Also, below are the various systems that an administrator needs access:

System	Initiated by	Technology Contact	Process
General Systems:			
Email	Supervisor	Helpdesk	Portal access
H Drive	Supervisor	Helpdesk	Portal access
Division Shared Drive	Supervisor	Helpdesk	Portal access
Sharepoint	Supervisor	Helpdesk	Portal access
Business Systems:			
Efinance	Business Office	Helpdesk	Portal access
Time Clock	HR Office	Helpdesk	
Travel Management System	Business Office	Helpdesk	Portal access
Request to Attend System -Travel–	Business Office	Helpdesk	Portal access
E3 Systems – Risk	Business Office	Helpdesk	Portal access
Procurement Systems:			
Ebid System – Purchasing	Procurement Office	Helpdesk	Portal access
Appddiction RFP	Procurement Office	Helpdesk	Portal access
Agenda Items Systems:			
BASS System	Business Office	Helpdesk	Portal access
School Systems:			
Eschool	Special Schools	Helpdesk	Email
Ungerbeock	Special Schools	Helpdesk	Email
Facilities Systems:			
Work order	Facilities	Facilities Staff	Email
Other Systems:			

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CI Legal* *And* CI *Local*
DATE DEVELOPED: 6/15/2015	**REVISED DATE: 6/26/2023**	
SUBJECT: Standard of Conduct and Conflicts of Interest in the awarding of contracts		

Standards of Conduct & Conflicts of Interest

No employee, officer, or agent may participate in the selection, award, or administration of a contract if a real or apparent conflict of interest would be involved.

HCDE maintains written standards of conduct, which govern the performance of individuals engaged in the award and administration of contracts and provide for disciplinary action in the event that such standards are violated. HCDE has adopted CH Local to include standard of conduct in the selection of contracts. HCDE has specifically addressed definitions for immediate family and substantial interest.

No employee, officer, or agent of HCDE may participate in the selection, award, or administration of a contract that is supported by federal, state, or local funds if a conflict of interest or apparent conflict of interest would be involved.

In general, a conflict of interest exists when any of the following have a financial or other interest in a firm that is selected to receive an award:

- An employee, officer or agent
- Any member of the employee's immediate family
- The employee's partner
- Any organization that employs or is about to employ any of these groups

The standards of conduct shall prohibit the solicitation and/or acceptance of gratuities, favors or anything of monetary value by an officer, employee, or agent of HCDE from a bidder or subcontractor. However, rules may be set where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.

Conflict of Interest. In addition to written standards of conduct, HCDE has adopted a conflict-of-interest policy that includes the minimum requirements of state and federal laws and regulations. Furthermore, a Board member must:

- Not vote on the provision of services by the member or any organization which the member represents.

- Not vote on any matter that would provide a direct financial benefit to the member or the member's immediate family, or on matters of the provision of services by the member or the entity the member represents.
- Not participate in a decision in which the member has a direct or indirect interest, particularly a financial interest, which is in substantial conflict with the discharge of the duties of the Board.
- Avoid even the appearance of a conflict of interest. Prior to taking office, Board members must provide the Board chair a written declaration of all substantial business interests or relationships they, or their immediate families have with all businesses or organizations which have received, currently receive, or are likely to receive contracts or funding from the Board. Such declarations shall be updated within 30 days to reflect any changes in such business interests or relationships. The Board shall appoint an individual to timely review the disclosure information and advise the Board chair and appropriate members of potential conflicts; and
- Prior to discussion, vote, or decision on any matter before a Board, if a member, or a person in the immediate family of such member, has a substantial interest in or relationship to a business entity, organization, or property that would be pecuniary (financially) affected by any official Board action, that member shall disclose the nature and extent of the interest or relationship and shall abstain from voting on or in any way participating in the decision on the matter. All such abstentions shall be recorded in the minutes of the Board.

Prohibition Against Directly Delivering Services. A Board shall not directly deliver or determine eligibility for goods and services or contract with the following persons or entities to deliver or determine eligibility for goods and services:

- A Board member
- A business, organization, or institution that a Board member represents on the Board.
- A Board member's business, organization, or institution in which a Board member has a substantial financial interest.
- A Board employee

This prohibition does not apply to public education agencies (i.e., community colleges and independent school districts) that have Board members who fulfill the requirements in Texas Government Code §2308.256(a)(3)(A). Also, a Board may grant a one-year exception to these prohibitions as set out in 40 TAC §802.43.

Standards of Conduct. HCDE shall ensure that bidders and proposers comply with federal and state statutes and regulations regarding standards of conduct and conflict of interest provisions including, but not limited to:

- Uniform administrative requirements
- Professional licensing requirements, where applicable
- Requirements set forth in applicable Office of Management and Budget Circulars and the Uniform Grant Management Standards

Bidders and proposers shall also avoid any conflict of interest or any appearance of a conflict of interest. It shall refrain from using nonpublic information gained through a relationship with the

HCDE, an HCDE employee, a Board, or a Board employee, to seek or obtain financial gains that would be a conflict of interest or the appearance of a conflict of interest.

Disclosures. As required by Chapter 176 of the Local Government Code, a Board shall require a bidders and proposers to disclose the following in writing:

- A substantial financial interest that the contractor, or any of its contract employees in decision-making positions, have in a business entity that is a party to any business transaction with a Board member or Board employee who is in a Board decision-making position.
- A gift greater than $50 in value given to a Board member or Board employee by a provider or its employees.
- The existence of any conflict of interest and any appearance of a conflict of interest, or the lack thereof

The written disclosure must contain:

- Information describing the conflict of interest and/or the appearance of a conflict of interest
- Actions that the workforce service provider and its employees will take in order to prevent any conflict of interest from occurring.

The disclosure must be provided:

- At least annually, and as frequently as necessary, for any conflict of interest and any appearance of a conflict of interest
- Within 10 days of giving a gift greater than $50 in value
- At least annually for the disclosure that no conflict of interest and no appearance of conflict of interest exist.

Authority:

- Workforce Investment Act §117(g)
- 20 CFR §667.200(a)(4)
- OMB Circular A-110 § .42
- 29 CFR §97.36(b)(3)
- 45 CFR §92.36(b)(3)
- 7 CFR §3015.181
- Texas Government Code, §2308.257
- UGMS, Part III, § .36(b)(3)
- 40 TAC Chapter 802

Definitions:

Apparent Conflict of Interest

A circumstance in which the action of an individual in a decision-making position appears to be:

- Influenced by considerations of one or more of the following: gain to the person, entity, or organization for which the person has an employment interest, substantial financial interest, or other interest, whether direct or indirect (other than those consistent with the terms of the contract)
- Motivated by design to gain improper influence over the Commission, the Granting Agency, or HCDE.

Conflict of Interest

A circumstance in which an employee is in a decision-making position and has a direct or indirect interest, particularly a substantial financial interest that influences the individual's ability to perform job duties and fulfill responsibilities.

Immediate Family

Any person related within the first degree of affinity (marriage) or consanguinity (blood) to the person involved.

Substantial Interest

An interest in a business entity in which a person:

- Owns 10% or more of the stock, shares, fair market value, or other interest in the business entity.
- Owns more than $5,000 of the fair market value of the business entity.
- Owns real property if the interest is an equitable or legal ownership with a fair market value of $2,500 or more used for the business entity.
- Receives funds from the business entity that exceed 10% of the person’s gross income for the previous year.
- Is a compensated member of the board of directors or other governing board of the business entity?
- Serves as an elected officer of the business entity.
- Is related to a person in the first degree by consanguinity or affinity, as determined by Chapter 573, Texas Government Code, who has a substantial financial interest in the business entity, as listed in subparagraph (A) through (F) of this definition. First degree of consanguinity or affinity means the person’s parent, child, adopted child, or spouse.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL and CH LOCAL)*
DATE DEVELOPED: 6/15/2015		**REVISED DATE: 6/26/2023**
SUBJECT: Small & Minority Firms		

Small & Minority Firms

HCDE has undertaken steps to make sure that participation is requested from small and minority business firms and other historically underutilized businesses when possible.

Affirmative steps (as feasible) include:

- Placing qualified HUBs on solicitation lists, e.g., bidders list
- Assuring that HUBs are solicited whenever they are potential sources.
- Dividing total requirements when economically feasible, into smaller tasks or quantities to permit maximum participation by HUBs.
- Establishing delivery schedules, where the requirement permits, that encourages participation by HUBs.
- Using the services and assistance of the Small Business Administration (SBA), the U.S. Department of Commerce Minority Business Development Agency, and the Texas Comptroller of Public Accounts
- Requiring the prime contractor, if subcontractors are to be let, to take the steps above.

Authority:

- OMB Circular A-110 § .44(b)
- 29 CFR §97.36(e)
- 45 CFR §92.36(e)
- 7 CFR §3015.13 and §3015.180
- UGMS, Part III, § .36(e)

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL and CH LOCAL)*
DATE DEVELOPED: 6/15/2015		**REVISED DATE: 6/26/2023**
SUBJECT: Selection Procedures		

Selection Procedures

Written selection procedures exist for procurement transactions. An entity on the federal debarment list shall not be selected for an award.

Written selection procedures must identify all requirements and evaluation factors to be used in evaluating bids or proposals. A clear and accurate description of the technical requirements of the goods or services being procured must be included in the solicitation. Such description:

- Shall not, in competitive procurements, contain features that unduly restrict competition, or otherwise provide one competitor with an unfair advantage over others.
- May include a statement of the qualitative nature of the good or service being procured.
- When necessary, must set forth the minimum essential characteristics and standards that must be met to satisfy the intended use.
- Should avoid detailed product specifications, if possible

A "brand name or equal" description may be used to define performance or other salient procurement requirements only when it is impractical or uneconomical to provide a clear and accurate description of the technical requirements. The specific features that must be met must be clearly stated. See also Entity Specific Consideration below.

Debarment. HCDE shall not make awards to any party that is:

- Debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension
- Barred from participating in State contracts pursuant to Texas Government Code §2155.077, as implemented by 34 TAC §§20.105-20.107.
- Found on the Excluded Persons List System (EPLS) in compliance with Executive Order 13224 (Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism), as implemented by 29 CFR, Chapter XII, Part 1471

HCDE uses the following to conduct a search for such persons or entities prior to awarding or renewing a contract:

- At the state level, the Texas Comptroller of Public Accounts website

- At the federal level, the System for Award Management (SAM)

- OMB Circular A-110 §__.44
- 29 CFR §97.36(c)(3)
- 45 CFR §92.36(c)(3)
- 7 CFR §3015.180
- UGMS Part III §__.36(c)(3) 

Financial System Access Roles
(eFinancePlus)

Technology Support Services is responsible for granting user access to eFinancePlus upon approval by Business Services. Technology has created the following four roles in order to grant appropriate access to eFinance Plus:

- Budget Manager
- Budget Manager Assistant
- Budget Prep User
- Warehouse User

(1) The **Budget Manager Role** has access to do the following in eFinancePlus:
(This role is generally designed to provide access to budget managers that authorize disbursements for the division. Includes employees such as Assistant Superintendents and Directors)

- MAY APPROVE REQUISITIONS
- MAY RUN AUDIT TRAIL REPORTS
- SUPERVISOR FOR DISPLAYS AND QUERIES (Read-only permission to view financial data)
- SUPERVISOR FOR FINANCIAL STATEMENTS (Expenditure Status reports, etc.: Reports > Fund Acct > Financial Statements)
- MAY ENTER/UPDATE REQUISITIONS
- MAY PRINT REQUISITIONS
- MAY RUN PROCUREMENT REPORTS
- MAY ENTER/UPDATE CHANGE ORDERS
- MAY RUN RECEIVE ORDERED MATERIAL
- MAY RUN QUERIES FOR PROCUREMENT
- MAY RUN FUND ACCOUNTING REPORTS
- MENU USER (Required to see menu item on the left hand side.)

(2) The **Budget Manager Assistant Role** has access to do the following in eFinancePlus:
(This role is generally designed to provide access to budget managers assistant that enter information but cannot authorize disbursements for the division. Includes employees such as administrative assistants and secretaries)

- MAY RUN AUDIT TRAIL REPORTS
- SUPERVISOR FOR DISPLAYS AND QUERIES (Read-only permission to view financial data)

- SUPERVISOR FOR FINANCIAL STATEMENTS (Expenditure Status reports, etc.: Reports > Fund Acct > Financial Statements)
- MAY ENTER/UPDATE REQUISITIONS
- MAY PRINT REQUISITIONS
- MAY RUN PROCUREMENT REPORTS
- MAY ENTER/UPDATE CHANGE ORDERS
- MAY RUN RECEIVE ORDERED MATERIAL
- MAY RUN QUERIES FOR PROCUREMENT
- MENU USER (Required to see menu item on the left-hand side.)

(3) The **Budget Prep User Role** has access to do the following in eFinancePlus: (This role is generally designed to provide access to budget prep users that enter information in the budget section for budget manager approval. Includes employees such as administrative assistants and secretaries)

- MAY RUN BUDGET REPORTS
- MAY RUN USER DEFINED REPORTS
- MAY RUN EXPENDITURE BUDGET REPORT
- MAY RUN DETAIL EXPENDITURE BUDGET REPORT
- MAY RUN REVENUE BUDGET REPORT
- MAY RUN DETAIL REVENUE BUDGET REPORT
- MAY RUN TASK BUDGET REPORT
- MAY RUN PROJECT BUDGET REPORT
- MAY RUN TASK BUDGET SUMMARY REPORT
- MAY RUN 5 YEAR EXPENDITURE REPORTS
- MAY RUN 5 YEAR REVENUE REPORTS
- MAY RUN 5 YEAR PROJECT REPORTS
- MAY PRINT GENERIC EXPENSE REPORT
- MAY PRINT GENERIC REVENUE REPORT
- MAY PRINT GENERIC PROJECT REPORT
- MAY ENTER ALL BUDGET FIELDS (EXPENDITURE.)
- MAY ENTER ALL BUDGET FIELDS (REVENUE.)
- MAY ENTER ALL BUDGET FIELDS (PROJECTS.)

(4) The **Warehouse User Role** has access to do the following in eFinancePlus: (This role is generally designed to provide access to warehouse users that enter information for budget manager approval. Includes employees such as administrative assistants and secretaries)

- MAY ENTER WAREHOUSE REQUISITIONS
- MAY RUN WAREHOUSE DISPLAYS AND QUERIES

Technology Support Services will not remove or add permissions on the above four roles without resubmitting a copy of this document (with the changes) to Business Services for approval. These access roles are effective June 10, 2015.

Directory of Technology:
Christian Hoesel _____

Date: _____

Assistant Superintendent for Business Service:
Jesus Amezcua _____

Date: _____

	PROCUREMENT PROCEDURES **HARRIS COUNTY DEPARTMENT OF EDUCATION**	Reference: *BBFB (Legal)*
DATE DEVELOPED: 3/16/2006		**REVISED DATE: 6/26/2023**
SUBJECT: Code of Conduct		

HCDE employees must adhere to following code of conduct when conducting business on behalf of HCDE:

- Avoid accepting any monetary or non-monetary items including gifts valued at $50 or more. This includes tickets to sporting events, use of facilities, equipment or other services that would normally cost user $50 or more.
- Do not accept payment for public speaking engagements on company time.
- Do not use position at HCDE to gain benefit or with intent to harm or defraud another. This includes misuse of HCDE property and personnel for personal gain.
- Avoid hiring anyone that will report directly to you that is tied to you by blood (consanguinity) within the third degree or by marriage (affinity) within the second degree.
- Limit or avoid situations that have the appearance of favoritism, special treatment or privilege.
- Adhere to conflict-of-interest guidelines under EDGAR, provision 2 CFR 200 rules and Chapter 176 of the Texas Local Government Code.

Code of Ethics for
Business Support Services & Procurement Services Division Employees

Introduction

In this age of accountability, activities and conduct of the Business Services office and the Procurement Services office, staff are subject to greater scrutiny / criticism than ever before. It is understood that the actions of Business Services and the Procurement Services office staff are observed / appraised by administration, clients, fellow professionals, and members of the community.

Harris County Department of Education ("HCDE", "Department") Business Support Services and Procurement Services Division employees are professional and dedicated to public service. By assuming the responsibility of providing leadership and the expertise to maintain exemplary standards of professional conduct, they will strive to gain and continue to earn the public's trust and confidence.

Objective

The management of the Business Support Services and Procurement Services Division is dedicated to making ethical and lawful choices by providing a structured code of ethics for its personnel to follow. Business Support Services and Procurement Services Division employees shall model and promote ethical behavior to all HCDE employees through their behavior.

Applicability

The Code of Ethics for Business Support Services and Procurement Services Division Employees, ("Code of Ethics") is applicable to all HCDE Business Support Services and Procurement Services Division employees.

Principles and Standards

Business Support Services and Procurement Services Division employees are responsible for adhering to and promoting the following principles and standards:

- Professional Conduct – They shall study, understand, and abide by both the letter and the spirit of legislation, governing regulations, board policies, approved professional practices, and recommended standards. They shall refrain from any actions or activities that give the appearance of moral impropriety.

- Honesty and Ethical Behavior in Professional Relationships – They shall not knowingly be a party to or condone any illegal or improper activity.

- Financial Impropriety – They shall act with integrity and diligence in duties involving Department fiscal resources.

- Act with Good Faith – They should make decisions that will do the most good over harm.

- Confidentiality – They shall demonstrate professional integrity in the issuance and management of information and maintain the confidentiality of clients', business partners', students', and employees' personal information. They shall respect and protect privileged information to which they have access.

- Fiduciary Responsibility – They shall not use public property or resources for personal or political gain; and shall safeguard the assets in their trust.

Conflict of Interest

Business Support Services and Procurement Services Division employees shall do all that is possible to avoid any conflicts of interest. A "conflict of interest" arises when an employee's private, public, economic, or political activities have the potential of interfering with his or her allegiance and objectivity to the Department. Some examples of situations that could lead to a conflict of interest include: employment by outside entities; creating business interest with customers, suppliers, or competitors of the company; accepting payments or gifts from others; and taking advantage of business opportunities for personal gain.

Reporting Requirements

An HCDE employee who becomes aware of a situation or activity that violates, or appears to violate the Code of Ethics, HCDE policies, or applicable law, should contact their supervisor or the Compliance Officer immediately. If the potential violation cannot be resolved at that level, contact the Human Resources.

Certification Requirements

In order to prevent any new standards or policies from going unnoticed, Business Support Services and Procurement Services Division employees will annually renew their acceptance of the Code of Ethics.

Statement of Certification

I, _____, hereby acknowledge that I have thoroughly read the Code of (PRINT LEGIBLY OR TYPE NAME)
Ethics for Business Support Services and Procurement Services Division Employees and will, to the best of my ability, adhere to the Code of Ethics in my everyday work activities. I understand and agree to abide to the established principles and standards.

Signature: _____ Date: _____

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 5/19/2008	REVISED DATE: 5/16/2022	
SUBJECT: GENERAL PROCUREMENT GUIDELINES		

1. All requisitions must be submitted to the Procurement Services Division via eFinancePlus. Divisions should ensure funds are available prior to submitting a requisition.
2. All contracts require a purchase order; a requisition must be submitted to the Procurement Services Division. A copy of the contract will be on file on the Purchasing Division Portal.
3. A Sample Request for Proposal (RFP) has been developed to use for bids and proposals. RFPs require an evaluation to take place along with possible negotiations. All divisions must submit their requests to the Procurement Services Division (see sample RFP).
4. TEC.4.35(a) A trustee, officer, agent, or employee of a school district who intentionally recklessly or with criminal negligence violate Subsection (a) or (b) or Section 44.031 of the Texas Education Code or who makes or authorizes split, separate, sequential, or component purchases with intent to avoid the competitive requirements of those subsection commits an offense. The offense is a Class B misdemeanor and is an offense involving moral turpitude. The conviction of a person other than trustees under Subsection (a) of this section results in the immediate removal from office or employment of that person.
5. The disposition of purchase orders are as follows: electronic or faxed copy will be sent to vendor, scan copy to receiving division, and scan copy to IT on computer hardware/software (only), copy to Accounts Payable and copy for procurement file. Purchase Orders issued for professional services consultants, utilities, leases, phones, division requested purchase orders will not be faxed. These are used as a monitoring tool to manage and control maximum commitments and expenditures.
6. The Business Division and the Superintendent's Office are the only divisions that may commit/obligate the Department via a purchase order. Notice of award must be made by the Business Division through the Procurement Services Division.
7. Purchases made through the Buy Board, Department of Information Resources (DIR), Region 4 (TCPN), and Choice Partners Cooperative do not require advertising. Instead, these require documentation of the source of quote. If the item is $50,000 or more, it will require Board approval as per CH Local.
8. Single, budgeted procurement contracts totaling $75,000 or more require Board approval according to CH Local.
9. Formal competitive procurement is required for purchasing of $50,000 or more. Additional quantities may be purchased at the same bid price from the successful vendor as per CH Legal.
10. Written quotations from at least three vendors, if possible, shall be secured for purchases of at least $10,000 but less than $50,000 (If using an approved cooperative vendor, only one

quote is required). Awards in this category are to be approved by the Procurement Services Director or designee.

11. Purchases less than $10,000 require one written quote.
12. Follow up on purchase orders must be coordinated with Procurement Services and Accounts Payable in order to clear any outstanding requisitions. For year-end procedures, all requisitions/ encumbrances must be cleared no later than 30 days after the end of the fiscal or grant year.
13. All non-compliance procurement matters will be addressed to the Program Director in charge and the Superintendent.
14. The bid advertisement, prepared by the Procurement Services Division, stating a brief description of the item(s) bid, where the bidding documents, plans, or specifications may be examined, the time and place for submitting bids, and the time and place where the bids will be opened (if applicable), will be published in a local paper in two separate weeks prior to the bid opening. Bid openings must be at least ten (10) days from the date of the second publication.
15. Purchase orders in the amount below $10,000 - the purchase order will be the contract with attached proposal or bid documents. Additional contracts are required for Facilities purchases of services.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 4/30/2007		REVISED DATE: 5/16/2022
SUBJECT: LEASE OR PURCHASE ANALYSIS		

Lease vs. purchasing is a decision that comes up from time to time. The table in the next page will assist you in arriving at the best decision. Below are some of the terms you may encounter when performing the lease or purchase analysis.

DEFINITIONS:

- Term (in months) - Term number of months for payment of the lease.
- Down Payment - Initial amount paid before monthly lease payments begin.
- Other Fees - Other fees, besides the down payment, including license, title transfer fees, etc., may be required to be paid at the close (at the signing) of the lease or purchase.
- Total Purchase Price - Purchase price plus all fees, shipping and set-up costs and less the manufacturer's rebate.
- Interest Rate - Annual interest rate for lease or purchase.
- Sales Tax Rate - HCDE does not pay Texas sales taxes; however, HCDE does pay the sales taxes of all other states. Percentage sales taxes to be charged on the purchase. Sales taxes may be included in lease payment. Sales taxes for purchasing are charged on the total sale amount.
- Residual Percent - For leases, this is remaining value after the lease term expires. Typically, the higher the residual percent, the lower your lease payment will be.
- Market Value of Vehicle-Value of your auto after the lease term is over.
- Investment Rate of Return - Rate of return on investments. This is the return that you would make if you were to invest your down payment and monthly lease payments instead of using it to purchase.
- Lost Interest on Buy Option - This is any interest you would have earned at your investment rate of return had you used the purchase option.
- Lost Interest on Lease Option - This is amount of interest you would have earned at your investment rate of return had you used the lease option.

DIRECTIONS:

Complete both schedules.

PURCHASE			
Item	**Description**	**Add/Subtract**	**Dollar Amount**
1.	Down Payment Amount	+	
2.	Lost Interest on Purchase Option	+	
3.	Loan Payment Amt. X Number of Installments	+	
4.	Maintenance Cost (if applicable)	+	
5.	Insurance Cost (if applicable)	+	
6.	Operating Cost	+	
8.	Salvage Market Value (if applicable)	-	
	Net Cost of Purchasing:		

LEASE			
Item	**Description**	**Add/Subtract**	**Dollar Amount**
1	Down Payment + Other Up-Front Fees	+	
2	Total Lease Payments (Monthly Amt. X Number of Mos.)	+	
3.	Maintenance Cost (if applicable)	+	
4.	Operating Cost	+	
5.	Insurance Cost (if applicable)	+	
5	Lost Interest Lease Option	+	
	Net Cost of Leasing:		

The table showing the lower “Net Cost” represents the lease or purchase alternative that is more cost effective.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)*
DATE DEVELOPED: 1/7/09		**REVISED DATE: 05/16/2022**
SUBJECT: How to do business through the Choice Partners Cooperative		

Purpose

Provide procedures for conducting business through the Choice Partners Cooperative.

Procedure

The procedure for accessing HCDE's Choice Partners Cooperative contracts includes the following steps.

Step # 1

A government organization (client) that wishes to participate in the Cooperative and access these contracts must become a member of the Cooperative. There is a list of client members on the website.

If not a member, the government must**:**

A. Approve the interlocal contract located on the Choice Partners Cooperative (CPC) website. It can be downloaded, completed, signed and returned to:

Harris County Department of Education (HCDE)
Dr. Edna Johnson, Procurement Services Director
Edna.Johnson@hcde-texas.org
Phone: 713-696-2104
6300 Irvington Boulevard
Houston, Texas 77022-5618

B. This action makes the purchase order to the Cooperative contractor a legally compliant purchase under Chapter 44 of the Texas Education Code and Chapter 791 of the Texas Government Code.

Step # 2

After becoming a member:

Once the client becomes a Cooperative member, the client can access any of the Cooperative's contracts. All contractors are located on the website www.choicepartners.org along with their contact information.

Step # 3

Contacts

The client member contacts the awarded contractor and identifies the required scope of work and issues a purchase order to the contractor.

Pricing

A. Once the client member agrees to the contract pricing and scope of work, a copy of the purchase order will be sent to the contractor with a copy to CPC.

B. Choice Partners Cooperative staff is available if either party needs clarification or verification of contract terms and conditions.

Harris County Department of Education (HCDE)
Jeff Drury, Choice Partners Director
jdrury@hcde-texas.org Ph: 713-696-0786
6005 Westview Drive
Houston, Texas 77055

Contract Terms

A. Contracts on each contractor may be requested from CPC by the client member. *Contractor territories and contracts allowed* under each contract are posted on the CP website.

B. CPC contractors are required to adhere to the contract pricing and standard terms and conditions as approved through the Choice Partners Cooperative.

C. CPC contractors are required to meet education code requirements in terms of payment and performance bonds. CPC contractors will provide an estimate of the additional costs involved.

D. CPC contractors are required to meet architectural and engineering requirements if above the state requirements. CPC contractors will provide an estimate of the additional costs involved.

Step # 4

Contract Monitoring

A. Contract monitoring and management will be the responsibility of the government entity unless additional services are requested of the cooperative. CPC will quote on management fees as needed.

B. Contract monitoring and contractor inspections will be conducted on an as needed basis by the Choice Partners Cooperative.

Harris County Department of Education	**PROCURMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: April 7, 2008		REVISED DATE: 5/16/2022
SUBJECT: Stamping Procurement Documents at Receptionist's Desk at 6300 Irvington Blvd.		

NOTE:

This procedure is a joint responsibility of the Procurement Services and Facilities Divisions.

PURPOSE:

All correspondence that is delivered to 6300 Irvington Blvd's receptionist desk that is going to Procurement Services Division needs to be stamped with time and date. This will ensure the exact time when sensitive documents are received.

PROCESS:

All procurement documents should be date and time-stamped at the front receptionist desk immediately upon arrival. A time clock has been provided for this purpose. Those packages or boxes that are so large that they cannot be physically stamped should be handled by stamping a blank yellow post-it note (3" X 3") or other suitable blank paper that will then be taped onto the package or box.

PICK-UP:

Procurement will be notified of deliveries by the receptionist desk.

MAINTENANCE AND REPAIR:

Maintenance and repair of the time clock will remain the responsibility of the Procurement Services Division. However, notification that the clock requires repair and/or maintenance will reside with the Facilities Division and the personnel at the receptionist's desk.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CI Legal and CI Local*
DATE DEVELOPED: 6/15/2015	**REVISED DATE: 5/16/2022**	
SUBJECT: SURPLUS PROPERTY PURCHASES		

Whenever cost effective and feasible, federal and state salvage and surplus property should be purchased in lieu of new property.

The Texas Facilities Commission (TFC) manages the disposition of both salvage and surplus personal property from state agencies, as well as, property that has been donated to the state by federal programs. State agencies, political subdivisions, and assistance organizations are eligible to purchase through the state surplus property program. Federal property is available to those entities that TFC certifies as eligible to receive and use salvage and surplus. For more information and property listings go to the Texas Facilities Commission website.

http://www.tfc.state.tx.us/divisions/supportserv/prog/statesurplus/

When using the state surplus property program, send a written request to the state agency that listed the property via the respective state agency contact listed on the TFC website. If HCDE listed the property, eligible Contractors may apply in writing to the Agency's Property Manager no earlier than the first business day of the month. The request may be submitted by email, fax or mail, and will be considered on a "first come-first serve" and "as is-where is" basis. The Agency will coordinate required actions with the Contractor.

Contractors are solely responsible for maintaining, transporting, and disposing of all property acquired through the state surplus property program. When no longer needed by the Contractor, the property shall be disposed of according to the disposition instructions in HCDE's CI Local and Legal policies. The Contractor shall remove all State property tags when it takes possession of the property.

Authority:

- 29 CFR §97.36(b)(6)
- 45 CFR §92.36(b)(6)
- 7 CFR §3015.180
- Texas Government Code, §2175.001 and §2175.061
- UGMS, Part III, §__.36(b)(6)
-

Definitions:

Assistance Organization

As defined by the Texas Government Code §2175.001(1) refers to:

- A nonprofit organization that provides educational, health, human services, or assistance to homeless individuals
- A nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals
- Texas Partners of the Americas, a registered agency with the Advisory Committee on Voluntary Foreign Aid, with the approval of the Partners of the Alliance office of the Agency for International Development
- A group, including a faith-based group, that enters into a financial or nonfinancial agreement with a health or human services agency to provide services to that agency's clients
- A local workforce development board created under Section 2308.253
- A nonprofit organization approved by the Supreme Court of Texas that provides free legal services for low-income households in civil matters
- The Texas Boll Weevil Eradication Foundation, Inc., or an entity designated by the commissioner of agriculture as the foundation's successor entity under Section 74.1011, Texas Agriculture Code
- A nonprofit computer bank that solicits, stores, refurbishes, and redistributes used computer equipment to public school students and their families

Contractor

The recipient of an award or agreement from the granting agency for the purpose of providing services under a federal grant. Unless specifically stated, the requirements that are applicable to a Contractor will also apply to that Contractor’s subcontractors.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL)* *CH (LOCAL)* *Uniform Grant Guidance (EDGAR)*
DATE DEVELOPED: 3/16/2006		REVISED DATE: 5/16/2022
SUBJECT: PURCHASES UNDER $50,000		

When making purchases for goods or services less than $50,000, use the following guidelines:

1. If a good or service is available through an Internal Procurement or Choice Partners awarded vendor, the good or service **must** be purchased through the Internal Procurement or Choice Partners awarded vendor, **regardless of dollar amount.**

2. If the product or service is **unavailable** through Internal Procurement or Choice Partners awarded vendors, other vendors may be solicited.

3. Contracts below $10,000 (cumulative)require one written quote. See "New Micro-Purchase Flexibility" below.

4. Contracts between $10,000 and $49,999 cumulative, (See New Micro-Purchase Flexibility" below) inclusive, require three written quotes using the "Request for Written Quotes for Goods/Service" form (one form per vendor) and the quote directly from the vendor, unless the good or service is available through an awarded Internal or Choice Partners vendor (only one quote required). If unavailable internally or through Choice Partners, other cooperative contracts with which HCDE has an established interlocal contract may be used (e.g. Buy Board, DIR, TCPN, HGAC, etc.).

   - If a good or service is not available Internally or through Choice Partners, it is not feasible to obtain three written quotes, and federal funds will not be used, a memorandum explaining why three quotes cannot be obtained that is signed by an Executive Leadership Team (ELT) member **must** be submitted with the requisition.

A list of current Internal Procurement awarded vendors is located in the Purchasing Portal; Choice Partners awarded vendors are located in the Choice Partners website.

The award is normally made to the lowest bidder meeting specifications and requirements of HCDE. A vendor who is other than low bidder may be selected, but valid written justification as to why HCDE is not using low bidder must be documented for audit purposes.

During any one fiscal period, the Procurement Services Office will monitor purchases under $50,000 by commodity code to determine the need for a bid (job). After reaching the $50,000 for that commodity code, the divisions are required to formally procure the goods or services or use vendors from other cooperatives.

A Certificate of Insurance is required if vendor will perform work on HCDE premises regardless of dollar amount.

HCDE defines Like Kind as commodity codes

New Micro-Purchase Flexibility

As required under EDGAR, the micro-purchase threshold of $10,000 is an aggregate amount. The LEA may expend no more than $10,000 on micro-purchases throughout the fiscal year. The threshold amount applies to the sum of all the federal grants received by the LEA.

To increase LEAs' micro-purchase flexibility, TEA is providing the following guidance:

- The $10,000 "aggregate amount" threshold applies to purchases of "like-types" of items.
- In its local policies and procedures, the LEA must define what like-types of items may be micro-purchased.
- The $10,000 threshold applies to each like-type that the LEA defines.
- Once the LEA reaches the $10,000 threshold, it must follow small purchase procedures and collect at least two price quotes for additional purchases of items for that like-type.
- A like-type may correlate to a subcategory of a commodity code (not to the commodity code itself).
- Like-type may not be defined as a single purchase order or a single vendor.
- For each like-type that the LEA defines in its local policies and procedures, it may expend up to the $10,000 threshold across all its federal grant funds for the entire fiscal year.
- TEA does not limit the number of like-types that the LEA may define, nor does TEA limit the cost of the items categorized as like-types. LEAs must be aware, however, that their like-type definitions are subject to monitoring and audit.

LEAs must be prepared to submit their like-type definitions to TEA monitors and auditors.

	PROCUREMENT PROCEDURES HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL)*
DATE DEVELOPED: 3/16/2006		REVISED DATE: 5/16/2022
SUBJECT: PURCHASES $50,000.00 or more		

PROCUREMENT CONTRACTS

Section 44.031 of the Texas Education Code indicates that all contracts, except contracts for the purchase of produce or vehicle fuel, valued at $50,000 or more in the aggregate for each 12-month period shall be made by the method, of the following methods, that provides the best value to the Department:

1. competitive bidding for services other than construction services;
2. competitive sealed proposals for services other than construction services;
3. a request for proposals, for services other than construction services;
4. an interlocal contract;
5. the reverse auction procedure as defined by Section 2155.062(d), Government Code; or
6. the formation of a political subdivision corporation under Section 304.001, Local Government Code.

The Procurement Services Division and using division must determine the best purchasing method to use. If one of the first three methods is selected, the job will require advertisement.

ADVERTISEMENT REQUIREMENTS

Notice of the time by when and place where the bids or proposals, or the responses to a request for qualifications, will be received and opened shall be published in Harris County, once a week for at least two weeks before the deadline for receiving bids, proposals, or responses to a request for qualifications.

AWARDING FACTORS

In awarding a proposal contract the Department or the Division shall consider the following factors:

1. the purchase price;
2. the reputation of the vendor and of the vendor's goods and services;
3. the quality of the vendor's goods or services;
4. the extent to which the goods or services meet the Department's or the division’s needs;
5. the vendor's past relationship with the Department or the division;
6. the impact on the ability of the Department or the division to comply with laws relating to historically underutilized businesses;
7. the total long-term cost to the Department or the division to acquire the goods or services;
8. for a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the vendor or the vendor's ultimate parent company or majority owner:
    a. has its principal place of business in this state; or
    b. employs at least 500 persons in this state; and
9. any other relevant factor specifically listed in the request for bids or proposals.

The Department or the Division may apply one, some, or all the criteria listed above, but it may not completely ignore them.

In awarding a bid contract the Department or the division shall make award to lowest responsible bidder and, as the governing body determines, may be let on a lump-sum basis or unit price basis.

COMMITTEE EVALUATION PROCESS

1. The Procurement Services Office has the oversight responsibility to ensure that a fair and consistent evaluation be made for each procurement.
2. The Procurement Services Director will ensure that all requests for proposals, competitive sealed proposals or other method under Chapter 41 of the education code be evaluated, except interlocal agreements do not need to be evaluated.
3. The evaluation shall include at least three individuals.
4. All members of the committee must evaluate as a committee, if possible, to make sure that information is shared among the evaluation team.

5. All members of the committee will complete the evaluation and the CIS form. The evaluation committee shall sign the recommendation memo and will include the justification for the recommendation.
6. The Procurement Services Director will notify the Assistant Supt for Business or other Executive Leadership Team member regarding any challenges, inconsistencies or problems encountered during the evaluation. The notification should be prior to the agenda review meeting.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 8/21/2020	REVISED DATE: 5/16/2022	
SUBJECT: Commodity Codes procedures		

The State of Texas uses commodity codes and has authorized HCDE to do the same. Commodity codes are developed and maintained by NIGP (National Institute of Government Procurement)

Beginning September 1, 2020, Procurement Services, with the assistance of Technology, will run a list of expenses by commodity codes. When the $10,000 threshold is reached, all single quote purchases for that commodity must end. From a practical matter, this will happen very early in the year, so multiple quote purchases will be the standard.
When $50,000 threshold is reached, purchases must be by formal procurement (RFP, Interlocal agreement, Procurement Cooperatives including Choice Partners)
See below for sample of list

107	63970038	SOFTWARE-SFC	208	COMPUTER SOFTWARE FOR MICROCOMPUTERS, SYSTEMS, INCLUDING CLOUD-BASED (PREPROGRAM	$	1,888.00
108	63980000	FOOD-CLASSROOM CAMPUS	963	MISCELLANEOUS FEES, DUES, PERMITS, REGISTRATIONS, REBATES, POSTAGE, TAXES	$	66,631.75
109	63990000	GEN SUPPLIES & MATERIALS	615	OFFICE SUPPLIES, GENERAL	$	427,102.90
110	63990004	SUPPLIES-WALK-UP COPIERS	615	OFFICE SUPPLIES, GENERAL	$	7,225.83
111	63990006	SENSITIVE ITEMS $1-$999	615	OFFICE SUPPLIES, GENERAL	$	100,898.75
112	63990016	ANNUAL PRODUCT EXHIBIT	615	OFFICE SUPPLIES, GENERAL	$	3,423.61
113	63990020	GENL SUPPLIES-COVID19	615	OFFICE SUPPLIES, GENERAL	$	26,232.29
114	63990021	GENERAL SUPPLIES	615	OFFICE SUPPLIES, GENERAL	$	-
115	63990051	GENL SUPPLIES-TECHNOLOGY	615	OFFICE SUPPLIES, GENERAL	$	683.49
116	63990066	GENL SUPPLIES-FOOD EXPO	615	OFFICE SUPPLIES, GENERAL	$	1,996.64
117	63990101	GENL SUPP-FAMILY ENGAGE	615	OFFICE SUPPLIES, GENERAL	$	803.28
118	63990119	GEN SUPP-LENDING LIBRARY	615	OFFICE SUPPLIES, GENERAL	$	5,477.90
119	63990130	GEN SUPP-ECOBOT	615	OFFICE SUPPLIES, GENERAL	$	12,032.26
120	63990610	GENERAL SUPPLIES IRVINGTO	615	OFFICE SUPPLIES, GENERAL	$	4,249.40
121	64110000	EMPL TRAVEL-LODGING	993	TRAVEL, HIGHER EDUCATION	$	9,536.40
122	64110021	EMPL TRAVEL-LODGING	993	TRAVEL, HIGHER EDUCATION	$	151.25
123	64120000	EMPL TRAVEL-MEALS	993	TRAVEL, HIGHER EDUCATION	$	21,636.05
124	64120021	EMPL TRAVEL-MEALS	993	TRAVEL, HIGHER EDUCATION	$	495.00
125	64130000	EMPL TRVL-TRANSPORTATION	993	TRAVEL, HIGHER EDUCATION	$	24,942.34
126	64130021	EMPL TRVL-TRANSPORTATION	993	TRAVEL, HIGHER EDUCATION	$	971.64
127	64140000	EMPL TRVL-CONF REG & FEES	993	TRAVEL, HIGHER EDUCATION	$	17,564.00
128	64150000	BUSINESS MEETING MEALS	952	HUMAN SERVICES	$	11,103.09
129	64150001	FOOD-SPECIAL EVENTS	952	HUMAN SERVICES	$	4,577.54
130	64150004	FOOD-NEW EMPL ORIENT	952	HUMAN SERVICES	$	1,120.27
131	64150005	FOOD FOR CONFERENCES	952	HUMAN SERVICES	$	8,299.43
132	64150038	BUSINESS LUNCHS-SFC	952	HUMAN SERVICES	$	3,506.95

Harris County Department of Education	**PROCUREMENT COOPERATIVE PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH Legal* *and* *CH Local*
DATE DEVELOPED: 12/10/08		**REVISED DATE: 5/16/2022**
SUBJECT: Handling Requests for Proposals or Bids (Internal and Cooperatives)		

Purpose

To provide guidelines for handling bids and request for proposals by Internal Procurement or any cooperative of the Harris County Department of Education

Definition

A cooperative is an arrangement for members to aggregate requirements for services and goods to obtain lower prices from awarded vendors. Choice Partners is an HCDE Procurement Cooperative.

Procedures

1. All divisions must perform a needs assessment annually to determine the proposals that must be developed by the Procurement Services Department.
2. All technology-related purchases require the participation and approval of the Technology Division. In addition:
    a. All purchases of technology above $500 must be purchased from a vendor approved by the HCDE Procurement Cooperative or be a Texas Department of Information Resources (DIR) Vendor.
    b. One quote is required from DIR vendors or from HCDE Choice Partners Purchasing Cooperative Vendor
    c. Vendors who are not on DIR or the HCDE Procurement Cooperative cannot be used to purchase technology hardware or software.
3. All facility-related (i.e. construction) purchases require the participation and approval of the Facilities Division.
4. All temporary services (i.e. temp employees) purchases require the participation and approval of the Human Resource Division.
5. All items considered for purchase must adhere to the Procurement Policy of the Department which is codified primarily in CH Legal and CH Local. Other local government codes, education codes, and government rules and regulations may apply as appropriate depending on the type of commodity being purchased.

6. The Procurement Policy must be reviewed annually by a Policy Committee and the Board of Trustees for updates.
7. All purchases shall require the Procurement Services Director to identify the method of procurement in accordance with CH Legal and CH Local.
8. All methods of procurement shall be reviewed and approved by the Procurement Services Director.
9. All requests for proposals or bids must be reviewed and approved by the Procurement Services Director and the Assistant Superintendent for Business before issuance of the proposal on the market.
10. All Procurement staff shall review and become acquainted with the procurement policies adopted by the State of Texas and the HCDE Board of Trustees.
11. Procurement staff will make sure that all purchases adhere to CH Legal and CH Local and other applicable laws.
12. Procurement staff will follow the Procurement threshold established by the Board of Trustees.
13. The Procurement Services Director shall develop a template for standard conditions for bids and proposals.
14. All proposals (jobs) must be posted in accordance with procurement laws of the State of Texas and shall be awarded by the Board of Trustees.
15. All contract renewals (jobs) must be submitted for recommendation to the Board of Trustees.

Guidelines

The following guidelines should be followed to ensure the efficient procurement of the commodities:

*Responsibility of the **Buyer or Procurement Officer***

1. Adhere to these procurement policies and procedures
2. Adhere to CH Legal, CH Local and other policies.
3. Adhere to HCDE Code of Ethics policies and Fraud Prevention procedures
4. Prepare a needs assessment review of the division's or the member's needs; these needs assessment reviews include confirming quantities, specs, delivery dates, quality and any information required by the requester of the commodity or service.
5. Prepare a template for proposal or bid.
6. Prepare a notice on two (2) subsequent weeks as required by State laws.
7. Identify and assign recommendation committee members for the bid or request for proposal evaluations

8. Prepare guidelines for committee members and provide guidance concerning procurement issues.
9. Coordinate the agenda items by:
    a. Reviewing recommendations
    b. Preparing anticipated agenda items and board agenda items
    c. Prepare supporting documentation for the agenda
    d. Attend the agenda review meeting
10. Prepare a monthly CH Local Report on commodities above $20,000
11. Prepare an annual review of the procurement policy by the HCDE Board of Trustees
12. Update the website and PSA for HCDE Cooperative vendors
13. Follow up with vendors quarterly to secure the Cooperative fees from vendors.
14. Update vendor file as needed
15. Update vendors insurance and certifications, as needed, prior to renewal of contract
16. For renewals, secure recommendation from division manager and vendor prior to placing on the agenda
17. Update central contract monitoring list and coordinate with Contract Coordinator for contract review, contract form processing and signature

*Responsibility of the **Procurement Director***

1. Adhere to HCDE procurement policies and procedures
2. Adhere to CH Legal, CH Local and other applicable policies
3. Adhere to HCDE Code of Ethics policies and Fraud Prevention procedures
4. Prepare a needs assessment review of the division's or the member's needs; these needs assessment reviews include confirming quantities, specs, delivery dates, quality and any information required by the requester of the commodity or service.
5. Prepare a template for proposal or bid.
6. Prepare a notice on two (2) subsequent weeks as required by State laws.
7. Identify and assign recommendation committee members for the bid or request for proposal evaluations
8. Prepare guidelines for committee members and provide guidance concerning procurement issues.
9. Coordinate the agenda items by:
    a. Reviewing recommendations

b. Preparing anticipated agenda items and board agenda items
c. Prepare supporting documentation for the agenda
d. Attend the agenda review meeting

10. Prepare a monthly CH Local Report on vendors equal or exceeding $20,000

*Responsibility of **Division Manager***

1. Adhere to HCDE procurement policies and procedures
2. Adhere to CH Legal, CH Local and other applicable policies
3. Adhere to HCDE Code of Ethics policies and Fraud Prevention procedures
4. Prepare a needs assessment review of the division's needs; this needs assessment review include confirming quantities, specs, delivery dates, quality and any information required by the requester of the commodity or service.
5. Participate in the Recommendation Committee or assign a division professional staff member.
6. Attend the agenda review meeting and Board Meeting
7. Follow up and submit a purchase order to encumber the funds
8. Monitor expenditures and adhere to contract requirements and limits

*Responsibility of **Cooperative Member***

1. Adhere to these procurement policies and procedures
2. Adhere to CH Legal, CH Local and other applicable policies
3. Adhere to Code of Ethics Policies and Fraud Prevention Policies
4. Prepare a needs assessment review of the member needs; this needs assessment review includes confirming quantities, specs, delivery dates, quality and any information required by the requester of the commodity or service.
5. Participate in the Recommendation Committee or assign a professional staff member.
5. Follow up and submit a purchase order to encumber the funds and reference job number
6. Send copy of purchase order to HCDE for monitoring sales of vendors under Cooperative contracts.

Additional review for Choice Partners Cooperative **construction contracts:**

1. Choice Partners staff will review contracts and requirements under Job Order Contracting

2. Choice Partners staff will monitor the contracts to make sure that quality is provided under the contracts
3. Choice Partners will audit contracts periodically for compliance with law and contract

Approved	Date	Reviewed by	Date

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL) and CH LOCAL)*
DATE DEVELOPED: 6/15/2015		**REVISED DATE: 5/16/2022**
SUBJECT: COOPERATIVE PURCHASES		

Cooperative Purchases

Participation in procurement agreements and cooperatives is encouraged to foster greater economy and efficiency in the procurement of common goods and services. A number of cooperative procurement opportunities are available to Contractors, as discussed below.

Procurement Cooperatives- Purchases made through a purchasing cooperative or purchasing network satisfy the procurement for grant requirements if:

- The Contractor is eligible to participate under the rules of the particular cooperative or network
- The procurement procedures used by the cooperative or network satisfy the procurement requirements of this manual, e.g. full and open competition, requirements for small purchase, competitive proposal, and sealed bid requirements, conflicts of interest, federal debarment, etc.

HCDE certifies that all cooperatives used adhere to these requirements.

Where a Contractor determines that it has met these requirements, it shall retain documentation: (1) that supports its eligibility to participate in the cooperative or network (inter local agreement required); and (2) of its assessment of the procurement procedures used by the cooperative or network. In making its assessment, it is recommended that the Contractor contact the cooperative or network directly to discuss and gain an understanding of the procurement procedures used, rather than rely solely on a description provide on the Internet or other literature.

Texas Comptroller of Public Accounts (CPA) Texas Procurement and Support Services Cooperative Purchasing Program (State of Texas CO-OP). Goods and services purchased through the State of Texas CO-OP have been procured through sealed bids or competitive proposals and are made available to CO-OP members through state term contracts, without requirements to conduct additional procurement activities. Membership is available to eligible entities that apply for membership and pay an annual subscription fee. Documentation must include identification of the state term contract number under which a good or service is purchased, the requisition, and the purchase order.

The following entities are eligible to apply for membership in the State of Texas CO-OP:

- Local governments (like HCDE), as defined by Texas Government Code §791.003 and Texas Local Government Code §271.081 (including cities, counties, school districts, etc).
- Mental health and mental retardation community centers that receive state grants-in-aid under Subchapter B, Chapter 534, Texas Health and Safety Code
- Assistance organizations, as defined by Texas Government Code §2175.001 (including Boards)
- Child care providers that meet the Texas Rising Star Provider criteria in Texas Workforce Commission rules

More information about the State of Texas CO-OP and procurement instructions can be found on the Texas Comptroller of Public Accounts website.
http://comptroller.texas.gov/procurement/prog/coop/

Choice Partners Cooperative. Goods and services purchased through the Choice Partners CO-OP have been procured through sealed bids or competitive proposals and are made available to CO-OP members through inter local agreements, without requirements to conduct additional procurement activities. Membership is available to eligible entities that apply for membership at no cost to the organization. Documentation must include identification of the inter-local contract and the awarded contract number under which a good or service is purchased, the requisition, and the purchase order.

The following entities are eligible to apply for membership in the Choice Partners CO-OP:

- Local governments (like HCDE), as defined by Texas Government Code §791.003 and Texas Local Government Code §271.081 (including cities, counties, school districts, etc).
- Mental health and mental retardation community centers that receive state grants-in-aid under Subchapter B, Chapter 534, Texas Health and Safety Code
- Assistance organizations, as defined by Texas Government Code §2175.001 (including Boards)
- Child care providers that meet the Texas Rising Star Provider criteria in Texas Workforce Commission rules

More information about the Choice Partners CO-OP and procurement instructions can be found on the Choice Partners website. http://www.choicepartners.org/

Texas Department of Information Resources (DIR) Information and Communications Technology (ICT) CO-OP Contracts Program. Goods and services purchased through the ICT CO-OP Contracts program have been procured through sealed bids or competitive proposals and are made available through state term contracts without requirements to conduct additional procurement activities. Participation is limited to eligible entities. There is no membership fee to participate in the program. Documentation must include identification of the state term contract number under which a good or service is purchased, the requisition, and purchase order.

The following entities are eligible to participate in the DIR ICT CO-OP Contracts Program:

- State agencies, as defined by Texas Government Code §2251.001
- Public institutions of higher education, as defined by Texas Education Code §61.003
- Public school districts
- Local governments (like HCDE) and political subdivisions, as defined by Texas Government Code §791.003 (interpreted by the Agency to include Boards)

More information can be found on the Texas Department of Information Resources website.

Texas Multiple Award Schedule (TXMAS) Program. CPA and DIR have established, as an alternative purchasing method, the use of TXMAS contracts for selected goods and services. These contracts are an extension of contracts already competitively awarded by the federal government or any other governmental entity of any state, and as such may be used for purposes of this Chapter without additional procurement activities. (Note: The prices on TXMAS contracts are the most favored customer prices, but under some circumstances, individual entities may negotiate lower prices). To access the TXMAS contracts and TXMAS Purchasing Program, go to the Texas Comptroller of Public Accounts website.

http://dir.texas.gov/View-About-DIR/Pages/Content.aspx?id=41

The following entities are eligible to participate in CPA's TXMAS Program:

- State agencies (does not include Boards)
- State of Texas CO-OP members
- Local governments, as defined by Texas Local Government Code §271.101(2) (does not include Boards)
- Child care providers that meet the Texas Rising Star Provider criteria in Texas Workforce Commission rules

The following entities are eligible to participate in the DIR TXMAS Program:

- State agencies, as defined by Texas Government Code §2054.003(3)
- Units of local government, as defined by Texas Government Code §2054.003(9)
- Institutions of higher education, as defined by Texas Education Code §61.003
- Assistance organizations, as defined by Texas Government Code §2175.001
- Public entities outside Texas, as defined by Texas Government Code §2054.0565

Council on Competitive Government (CCG) Contracts. CCG contracts meet competitive bidding requirements and are made available through managed state term contracts without requirements to conduct additional procurement activities. Use of the contracts is limited to eligible entities. Counties, municipalities, special districts, school districts, junior college districts, and other legally constituted political subdivisions of the state are eligible to use CCG contracts. For more information, go to the Council on Competitive Government website.
http://www.ccg.state.tx.us/

TASB Buy Board Cooperative. Goods and services purchased through the Buy board CO-OP have been procured through sealed bids or competitive proposals and are made available to CO-OP members through inter local agreements, without requirements to conduct additional procurement activities. Membership is available to eligible entities that apply for membership at no cost to the organization. Documentation must include identification of the inter local contract and the awarded contract number under which a good or service is purchased, the requisition, and the purchase order.

The following entities are eligible to apply for membership in the Buy Board CO-OP:

- Local governments (like HCDE), as defined by Texas Government Code §791.003 and Texas Local Government Code §271.081 (including cities, counties, school districts, etc).
- Mental health and mental retardation community centers that receive state grants-in-aid under Subchapter B, Chapter 534, Texas Health and Safety Code
- Assistance organizations, as defined by Texas Government Code §2175.001 (including Boards)
- Child care providers that meet the Texas Rising Star Provider criteria in Texas Workforce Commission rules

More information about the Buy Board CO-OP and procurement instructions can be found on the Buyboard website. https://www.buyboard.com/

TCPN (Region 4) Cooperative. Goods and services purchased through the TCPN CO-OP have been procured through sealed bids or competitive proposals and are made available to CO-OP members through inter local agreements, without requirements to conduct additional procurement activities. Membership is available to eligible entities that apply for membership at no cost to the organization. Documentation must include identification of the inter local contract and the awarded contract number under which a good or service is purchased, the requisition, and the purchase order.

The following entities are eligible to apply for membership in the TCPN CO-OP:

- Local governments (like HCDE), as defined by Texas Government Code §791.003 and Texas Local Government Code §271.081 (including cities, counties, school districts, etc).
- Mental health and mental retardation community centers that receive state grants-in-aid under Subchapter B, Chapter 534, Texas Health and Safety Code
- Assistance organizations, as defined by Texas Government Code §2175.001 (including Boards)
- Child care providers that meet the Texas Rising Star Provider criteria in Texas Workforce Commission rules

More information about the TCPN CO-OP and procurement instructions can be found on the TCPN website. http://www.tcpn.org/Pages/default.aspx

Definitions:

Assistance Organization

As defined by the Texas Government Code §2175.001(1) refers to:

- A nonprofit organization that provides educational, health, human services, or assistance to homeless individuals
- A nonprofit food bank that solicits, warehouses, and redistributes edible but unmarketable food to an agency that feeds needy families and individuals
- Texas Partners of the Americas, a registered agency with the Advisory Committee on Voluntary Foreign Aid, with the approval of the Partners of the Alliance office of the Agency for International Development
- A group, including a faith-based group, that enters into a financial or nonfinancial agreement with a health or human services agency to provide services to that agency's clients
- A local workforce development board created under Section 2308.253
- A nonprofit organization approved by the Supreme Court of Texas that provides free legal services for low-income households in civil matters
- The Texas Boll Weevil Eradication Foundation, Inc., or an entity designated by the commissioner of agriculture as the foundation's successor entity under Section 74.1011, Texas Agriculture Code
- A nonprofit computer bank that solicits, stores, refurbishes, and redistributes used computer equipment to public school students and their families

Boards:

Refers to a Local Workforce Development Board created under Texas Government Code, Chapter 2308.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 2/20/2008		REVISED DATE: 05/16/2022
SUBJECT: Instructions to School District Contractors Regarding Criminal History Background Searches Under Senate Bill 9		

Senate Bill 9 directs school district contractors to obtain state and national criminal history background searches on their employees who will have direct contact with students, and to receive those results through the DPS criminal history clearinghouse (Fingerprint-based Applicant Clearinghouse of Texas –FACT). In order for contractors to receive the information through FACT, they must first establish an account with the DPS for FACT clearinghouse access. The Company owner must sign a user agreement with the DPS. To obtain the user agreement and more information, please contact via email or telephone (for faster service):

Access and Dissemination Bureau
Texas Department of Public Safety
Crime Records Service
P. O. Box 149322
Austin, Texas 78714-9322

Email: FACT@txdps.state.tx.us
Phone: (512) 424-2365

State in the message that you are a school district contractor and need to have an account established for DPS FACT clearinghouse access. Please include:

Company Name
Company Address
Company Phone
Name of Company point of contact
Phone of Company point of contact
Company email to be used for notification of FACT records and messages

The information in the DPS FACT Clearinghouse is confidential, and access must be restricted to the least number of persons needed to review the records. The account must include at least one designated supervisor to make necessary changes and to monitor the site's security and the access to the criminal history data retrieved. Additional users must be limited to those who need to request, retrieve, or evaluate data regarding the individual applicants.

PLEASE NOTE: After you sign the DPS User Agreement for FACT, DPS will provide you with a revised ***FAST Fingerprint Pass*** that you will have to provide to your employees and applicants. Your employees and applicants will use that ***FAST Fingerprint Pass*** when scheduling their FAST fingerprinting.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL)*
DATE DEVELOPED: 6/15/2015		**REVISED DATE: 5/16/2022**
SUBJECT: Performance Bonds		

Bonding for construction or facility improvements must adequately protect the federal and/or state government's interest.

Except as otherwise required by statute, Contractors must require any contractor or subcontractor for construction or facility improvements to demonstrate that it is adequately bonded. The policy varies by the amount of the contract as follows:

Contracts < or = $100,000. A Contractor may follow its own policy relating to bonding requirements for construction or facility improvement contracts; i.e. bid guarantees, performance bonds.

Contracts > $100,000. The bidder must provide a performance bond for 100 percent of the contract price, and a payment bond for 100 percent of the contract price.

Bonds are required under the HCDE's Board Policy - CV Legal.

Authority:

- OMB Circular A-110 § .48(c)
- 29 CFR §97.36(h)
- 45 CFR §92.36(h)7 CFR §3015.180
- UGMS Part III § .36(h)

Definitions:

Contractor

The recipient of an award or agreement from the granting agency for the purpose of providing services under a federal grant. Unless specifically stated, the requirements that are applicable to a Contractor will also apply to that Contractor's subcontractors.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: CH (LEGAL and CH LOCAL)
DATE DEVELOPED: 6/15/2015		**REVISED DATE: 5/16/2022**
SUBJECT: Pre-Award Review for Sub recipients		

Pre-Award Review

A pre-award review should be conducted to determine the adequacy of an offeror's Financial Management system prior to award of a subcontract for a federal, state or local grant by HCDE.

In accordance with federal and state regulations, prior to awarding a contract and any time subsequent to award, HCDE may evaluate an offeror's Financial Management system and may make an assessment of the offeror's level of risk of noncompliance or nonperformance under the contract. A bidder or proposer may be considered "high risk" if it:

- Has a history of poor performance
- Is not financially stable
- Has a management system that does not meet the standards under title 2 subtitle A section 200 of the uniform grant guidance.
- Has not conformed to the terms and conditions of a previous award
- Is not otherwise responsible

If the bidder or proposer is considered "high risk" but will still be awarded the contract, HCDE shall impose additional restrictions on the bidder or proposer until the risk conditions have been corrected. When additional requirements will be imposed, HCDE will notify the bidder or proposer in writing as to:

- The nature of the additional requirements
- The reason why the additional requirements are being imposed
- The nature of the corrective action needed
- The time allowed for completing the corrective actions
- The method for requesting reconsideration of the additional requirements imposed

Special conditions or restrictions may include

- Requiring additional, more detailed financial reports
- Additional project monitoring
- Requiring technical or management assistance
- Establishing additional prior approvals
- Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given funding period

Any special conditions or restrictions must be promptly removed once the risk conditions have been corrected.

Entity Specific Considerations:

Local Workforce Development Boards. The rules at 40 TAC §802.21 requires Boards to perform fiscal integrity evaluations of bidders and providers and sets forth requirements for the performance of such reviews as follows.

- HCDE shall develop fiscal integrity evaluation indicators designed to appraise the fiscal integrity of its bidders and providers.
- The fiscal integrity evaluation shall include the following provisions for ensuring that bidders and providers are meeting performance measures in compliance with requirements contained in:
    - Federal and state statutes and regulations and directives of the granting agency
    - Office of Management and Budget (OMB) circulars applicable to the entity, such as OMB Circulars A-21, A-87, or A-122, and the Uniform Grant Management Standards; and
    - Any other safeguards HCDE has identified that are designed to ensure the proper and effective use of funds placed under the control of the bidders or providers.
- The fiscal integrity evaluation shall also include the review and consideration of the prospective or renewing bidders and provider's prior three-year financial history before HCDE awards or renews a contract. The review shall include any adverse judgments or findings, such as administrative audit findings; Commission, Agency, or HCDE monitor findings; or sanctions by a Board or court of law.
- The fiscal integrity evaluation may include provisions such as accounting for program income in accordance with federal regulations, resolving questioned costs and the repayment of disallowed costs in a timely manner, and safeguarding fixed assets, as well as those referenced in grant manual.

The fiscal integrity evaluation required by 40 TAC §802.21 can be accomplished by relying on the work of other reviews, audits, or examinations, to the extent that such work meets the rule's stated objectives and requirements. Where the previous work only partially meets the rule's objectives and requirements, additional work is required prior to making the award, but may build upon work performed for the other reviews, audits, or examinations.

To meet the intent of the purpose for the fiscal integrity evaluation, the work of a review, audit, or examination that will be relied on to satisfy performance of the fiscal integrity evaluation will need to have been performed within the last few months of the contract that is being considered for renewal, or for a new contract, within a few months prior to the contract's start date (i.e., 40 TAC §802.21 requires that the evaluation be performed prior to award and at each renewal.)

Authority:

- OMB Circular A-110 § __.14
- 29 CFR §97.12 and §97.20(c)
- 45 CFR §92.12 and §92.20(c)

- 7 CFR §3015.180
- UGMS Part III §§__.12-.13 and __.20(c)
- 40 TAC §802.21

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL and CH LOCAL)*
DATE DEVELOPED: 6/15/2015		REVISED DATE: 5/16/2022
SUBJECT: Protest Procedures		

Protest Procedures

HCDE has protest procedures in place to handle and resolve disputes relating to procurements.

In all instances, information regarding the protest must be disclosed to the Procurement Services Office. A protester must exhaust all administrative remedies with HCDE or subcontractor before pursuing a protest with the granting agency. Reviews of protest by HCDE will be limited to:

- Violations of federal law or regulations and procurement standards established by federal regulations (violations of state or local law will be under the jurisdiction of state or local authorities)
- Violations of the Contractor's or subcontractor's protest procedures for failure to review a complaint or protest

HCDE will review any protests and provide a response addressing each protest. The Procurement Services Director will report all protests to the Assistant Superintendent of Business and prepare a summary report.

Authority:

- 29 CFR §97.36(b)(12)
- 45 CFR §92.36(b)(12)
- 7 CFR §3015.180
- UGMS Part III § .36(b)(12)

Harris County Department of Education	**PROCUREMENT PROCEDURES** **HARRIS COUNTY DEPARTMENT OF EDUCATION**	Reference: *CH (LEGAL)*
DATE DEVELOPED: 3/16/2006		**REVISED DATE: 5/16/2022**
SUBJECT: EMERGENCY PURCHASES		

If HCDE has damages due to a catastrophe, emergency or Act of God (force majeure) that prevents or substantially impairs the conduct of classes, delivery of services, or other essential Department or division activities, then normal procurement methods may be by-passed, upon order of the Superintendent.

This means that purchases, including those $50,000 or more, will be made as follows:

1. Secure quote from the vendor (company) providing the goods or services. Three (3) quotes is still the preferred method if at all possible; otherwise obtain one (1) quote. Use of Existing RFPs and Procurement Cooperatives is highly encouraged.
2. Obtain insurance certificate for work that is going to be performed on HCDE premises.

No advertisement will be required for purchases of $50,000 or more. Purchases over $50,000 will appear on the next Board Agenda for ratification.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL*
DATE DEVELOPED: 3/16/2006		REVISED DATE: 5/16/2022
SUBJECT: Sole Source Purchases		

Per Texas Education Code 44.031:

(j) Without complying with Subsection (a), a school district may purchase an item that is available from only one source, including:

(a) an item for which competition is precluded because of the existence of a patent, copyright, secret process, or monopoly.

(b) a film, manuscript, or book.

(c) a utility service, including electricity, gas, or water; and

(d) a captive replacement part or component for equipment.

(k) The exceptions provided by Subsection (j) do not apply to mainframe data-processing equipment and peripheral attachments with a single-item purchase price in excess of $15,000.

For sole source purchases, a letter on company letterhead, addressed to HCDE, and signed by the company's authorized representative is required; it must state that they are the sole manufacturer and sole distributor of the goods or services being offered.

Harris County Department of Education

Approval to accept vendor with felony background

Date: _____

Vendor Name: _____

Address: _____

Is the vendor going to have contact with students? ___Yes_____ No_____

Justification for request:

_____

_____

Division: _____

Requested by Division Director _____

Approved by ELT Member _____

Note: Attached is the disclosed felony conviction information.

For Business Office Staff:

Approval from Assistant Supt for Business _____Yes _____No

Approved by Superintendent _____Yes _____No

Complete after receive Proposals / Quotes but before contract award

Harris County Department of Education

DETERMINATION OF COST OR PRICE ANALYSIS (REASONABLENESS)

Purpose: Federal regulations require documentation of cost analysis or price analysis for every procurement action at or above $150,000 (*see* 2 C.F.R. § 200.323). The Determination of Cost or Price Reasonableness form is used to document the analysis showing that the offered price is fair and reasonable. The form is kept as part of the procurement file to demonstrate that the procurement process was conducted in an open and fair manner and that HCDE received the most advantageous price. This form is required by the Grant Director who is responsible for grant oversight and implementation of internal controls to meet the grant requirements.

Instructions:

1. Complete a separate Determination of Cost or Price Reasonableness form for each vendor being recommended for contract award. Complete all sections.
2. Provide a detailed discussion of your price analysis or cost analysis. A Determination of Cost or Price Reasonableness form that lacks sufficient detail cannot be approved.
3. Sign in blue ink and date the form.
4. Maintain a copy on the grant file subject to retention schedules
5. Submit completed form to the Purchasing Director prior to contract award.

An improperly completed and/or unsigned form will be returned to the Grant Director.

Prepared by: _____ Date: _____
(Grant Director)

Email: _____ Phone Number: _____

Division: _____

Subject: Determination of Cost or Price Reasonableness

Good or service to be acquired: _____

RFP #: _____

Independent Estimate Produced before Receiving Bids or Proposals: ☐ Yes (attach supporting document(s))

Vendor: _____

Amount: _____

(Attach written quotation or other information that documents the estimate of cost or price reasonableness)
(As necessary include unit costs, rates, schedules, price estimates, and budgets, etc.)

I. This expenditure is being made under one or more of the following (check those that apply and attach supporting documentation):

- ☐ A. Sole source (as defined under TEC 44.031(j))
- ☐ B. Emergency procurement (as defined under TEC 44.031(h))
- ☐ C. Interlocal agreement or purchasing cooperative (TEC 44.031(a)(4) / Tex. Gov't Code Ch. 791; 2 C.F.R. § 200.318(e))
- ☐ D. Request for Quotations for goods or services at or above $150,000 (HCDE has a procedure of procuring and securing quotes for items under $50,000 and above $2,500)
- ☐ E. Request for Proposals for goods or services at or above $150,000 (HCDE has a policy of procuring goods and services valued at $50,000 or above in accordance with TEC 44.031(a))
- ☐ F. Request for Quotations or Requests for Proposals (where the solicitation is publicly posted) where only one (1) quote/proposal is received
- ☐ G. Professional services (as defined under TEC 44.031(f) and/or Ch. 2254 of the Tex. Gov't Code)
- ☐ H. Price adjustment to Purchase Order No. _____ or Contract No. _____ and already procured under item A – G)
- ☐ I. Extension of an existing contract past its initial term. Contract extension is allowed under procurement method or contract. Extension must adhere to CH Local requirements for board approval and rationale is beneficial to HCDE.

_____

_____

- ☐ J. Other condition (specify):

_____

_____

II. Cost or price offered or fee negotiated is considered fair and reasonable for the following reason(s), and if applicable, is supported by attached documentation and/or a detailed discussion of the cost or price analysis *(select at least one applicable situation):*

- ☐ Comparison of previous HCDE purchase order and contract prices with current proposed price, for the same or similar items. Both the validity of the comparison and the reasonableness of the previous price(s) have been established *Attach the referenced HCDE purchase orders/contracts, amounts, issuance dates, and how they are similar to the current purchase.*
- ☐ Comparison with Vendor's published price lists, market prices, pricing indexes, and discount or rebate arrangements. *Attach published price list or other published pricing information used (a vendor's quotation or correspondence does not qualify as a published price list).*
- ☐ Comparison of proposed price with independent cost estimates. *Attach estimates used*.
- ☐ Comparison of proposed price with prices obtained through market research for the same or similar items. *Attach documentation of research conducted*.
- ☐ Analysis of Offeror's cost information. *Attach cost information*.
- ☐ The order is priced in accordance with existing HCDE Purchase Order No. _____ and/or HCDE Contract No. _____, which was competitively established.
- ☐ Other reason (specify):

_____

_____

CERTIFICATION:
I certify that the information provided above is true and correct to the best of my knowledge and belief. I further certify that I have determined that the costs or prices proposed are necessary, fair, and reasonable.

_____
Full Name of Individual Preparing Form

_____ _____
Signature Date

APPROVED:

_____
Level One: Full Name of Program Manager (Grant)

_____ _____
Signature Date

_____
*Level Two: Full Name of Director of Procurement

_____ _____
Signature Date

_____
*Level Three: Full Name of Assistant Superintendent for Program (grant)

_____ _____
Signature Date

_____
*Level Four: Full Name of Assistant Superintendent for Business

_____ _____
Signature Date

* Items above $50,000

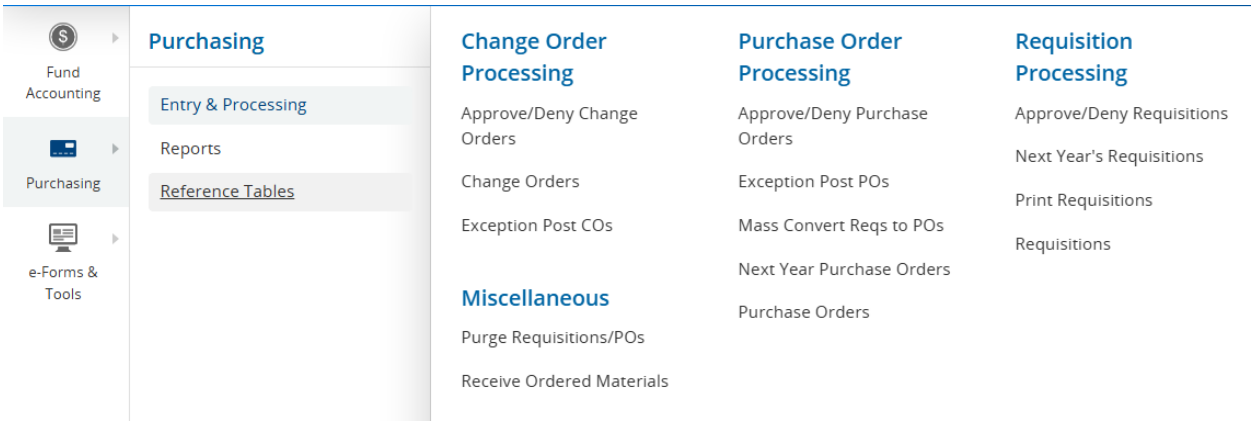
Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 6/17/2008		REVISED DATE: 6/24/2025
SUBJECT: REQUISITION PROCEDURES		

CREATING REQUISITIONS

1. Access Pentamation by clicking on eFinancePlus icon in the Portal with your Single Signon:
   a. Click on "PowerSchool ERP"

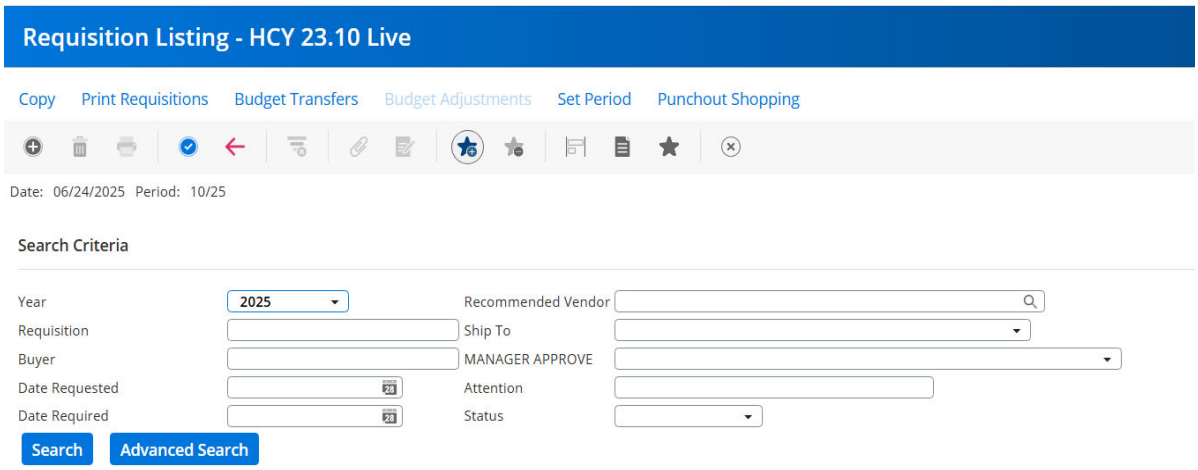


2. You may initiate a requisition by selecting from the drop-down menus or clicking on a "favorites" shortcut:
   a. To enter a requisition by selecting from the drop-down menu, go to (1) Purchasing, (2) Entry & Processing, (3) Requisition Processing, and (4) Requisitions (See image below).

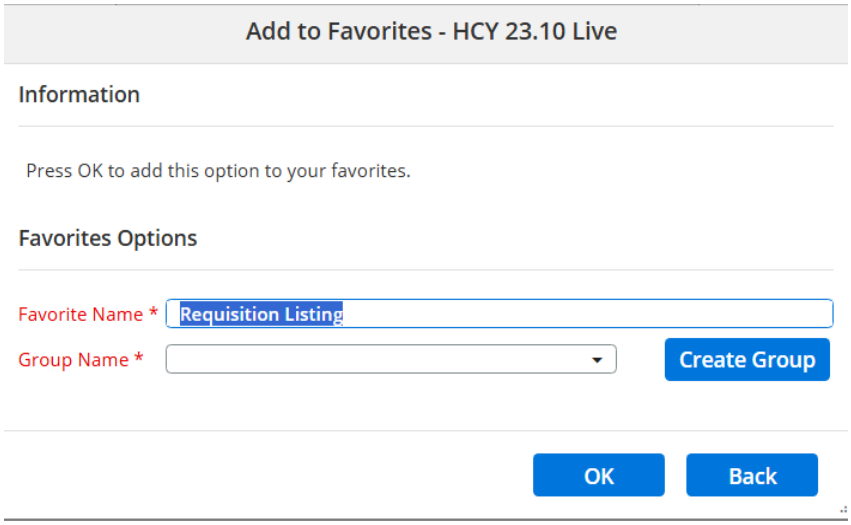


   b. To go directly by clicking on the "Favorites" icon you must add a shortcut button to your "favorites" screen; to do so please follow these steps:

i. Follow Step 2 (a) and once in Requisition Listing click on the star with the plus sign and select “Add to Favorites” (see below):

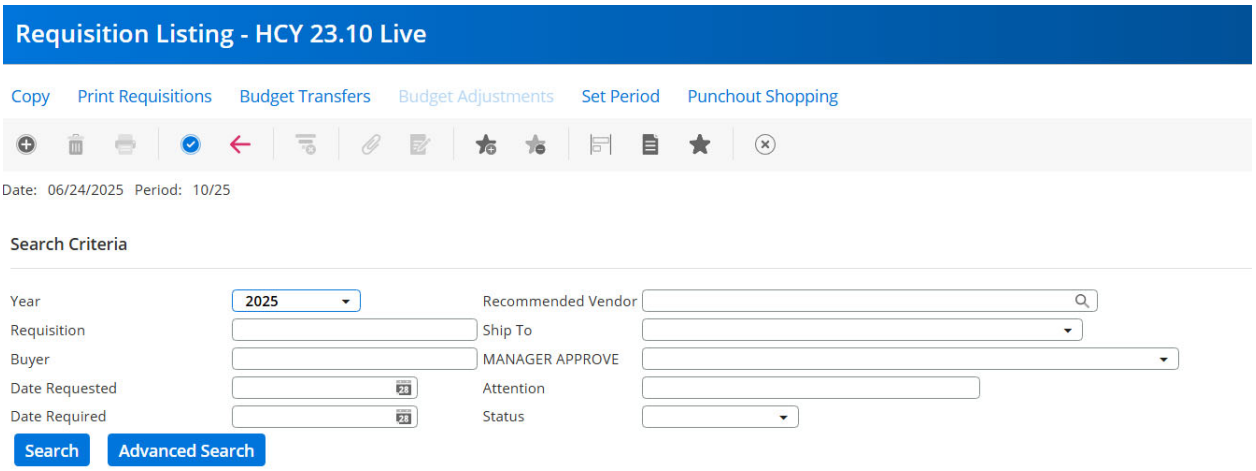


ii. The following screen will appear; make sure to name Favorite, add Group name or create Group name and select OK.

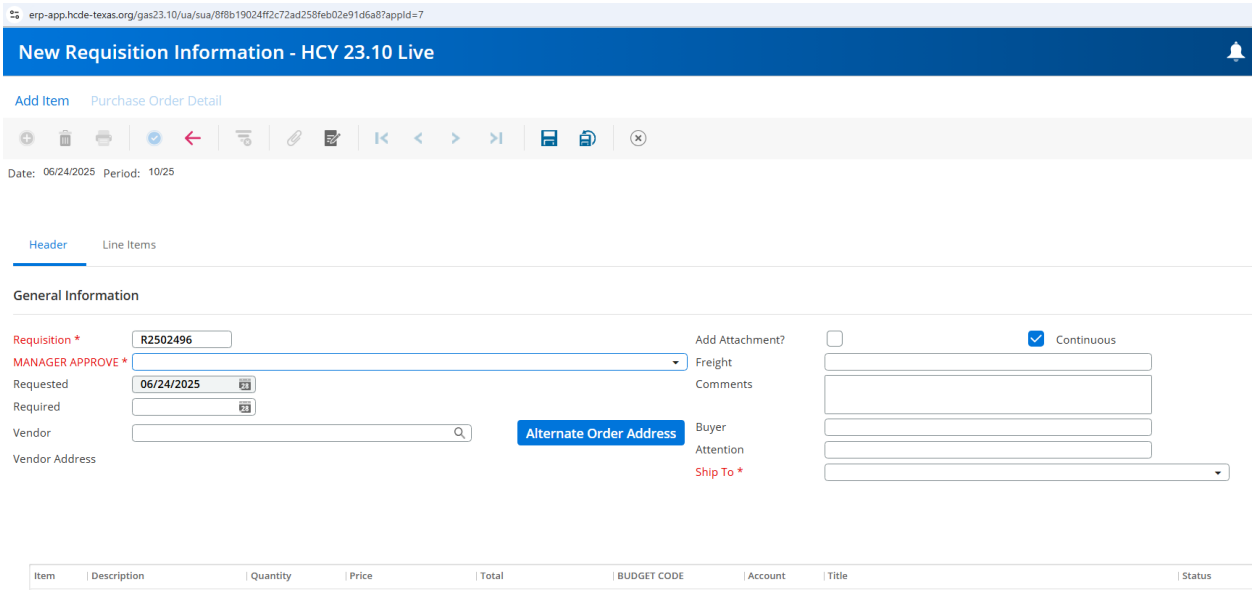


iii. The next time you log in to Pentamation your shortcut icon will appear on the screen and you may go directly to Requisitions Listing by clicking on it.

3. To add a new requisition:
   a. Click on the plus sign at the top of icon on the toolbar



   b. The following screen appears, indicating your requisition number:



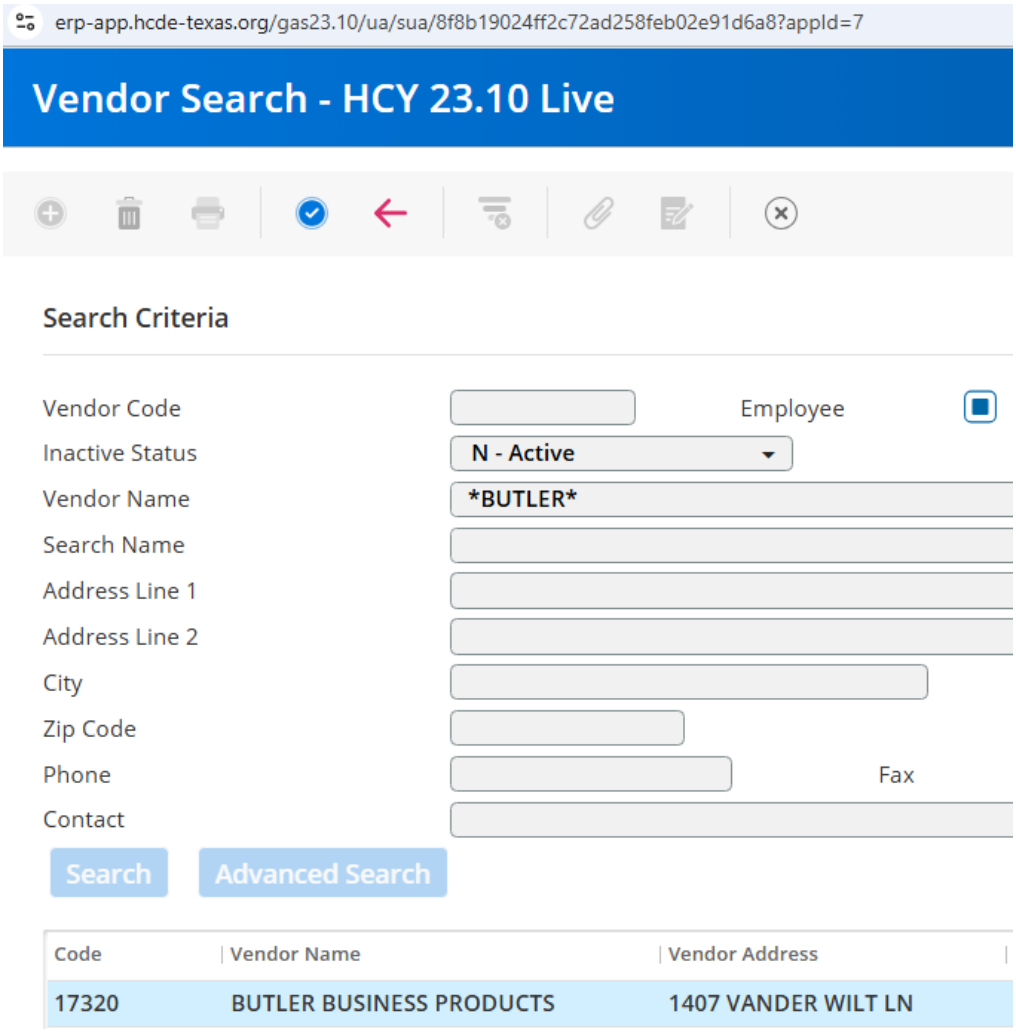
   c. **Manager Approve Field** – Select your department from the dropdown menu. Make sure to write down the requisition number on your paperwork.
      - All requisitions over $10,000.00 need three (3) quotes; if utilizing an approved cooperative vendor, you only need to obtain one (1) quote.
      - Please make sure the quote has not expired as of the date you are entering the requisition

   d. **Delivery Dates:**
      i. The Requested date defaults to the present date

ii. The Required date should be at least 10 days from the Requested date

iii. The icon to the right of the Required date is the planner icon (click anywhere outside of the Required date and the date you selected will appear)

e. **Vendor Number** – Enter the vendor number if you know it, if not, click on the magnifying glass and the "Vendor Search" window will open (see below). Please note that any fields with search capability have a magnifying glass.



i. Under "Vendor Name" enter an asterisk (*) followed by the name of the vendor and another asterisk (e.g. if you are looking for the vendor number for Butler Business Products, you would type *Butler* and click on the "Find" button).

ii. A list of vendors which include your search in their name will appear.

iii. Select your desired vendor and click OK; this step will return you to the Requisition Information screen you were entering.

iv. If the vendor is not listed, please email Charisma Tolbert in Procurement Services. The Business Office requires at least the following forms to be submitted before payment can be made to a new vendor:

- Completed W-9 Form
- Completed Conflict of Interest Questionnaire (CIQ) Form
  (This form must be signed and dated)
- Completed Felony Conviction Notice Form

v. Once these forms have been submitted, Charisma Tolbert will need the following information to set up a new vendor:

a. Complete Company Name
b. Company Address
c. Contact Person
d. Phone Number
e. Fax number

If a company changes their name, we will require a new vendor packet to be submitted. There are times when a vendor will submit a W-9 using their Social Security number and the information will be entered on Pentamation under the individual name first. The Second line information will have their company name.

f. **Freight Field** – Please make sure that you enter "FOB DEST FFA" on all requisitions that require freight.
(FOB) Destination Full Freight Allowed – This means Seller keeps title of goods until delivery is made and pays for freight.

g. **Comments Field** - Since Purchase Orders are emailed, the person submitting the requisition must enter the vendor's email address. Since there are only 25 characters allowed in this section, please only enter the email address. If additional information is necessary, please add a note; see step 8 – Notes Section.

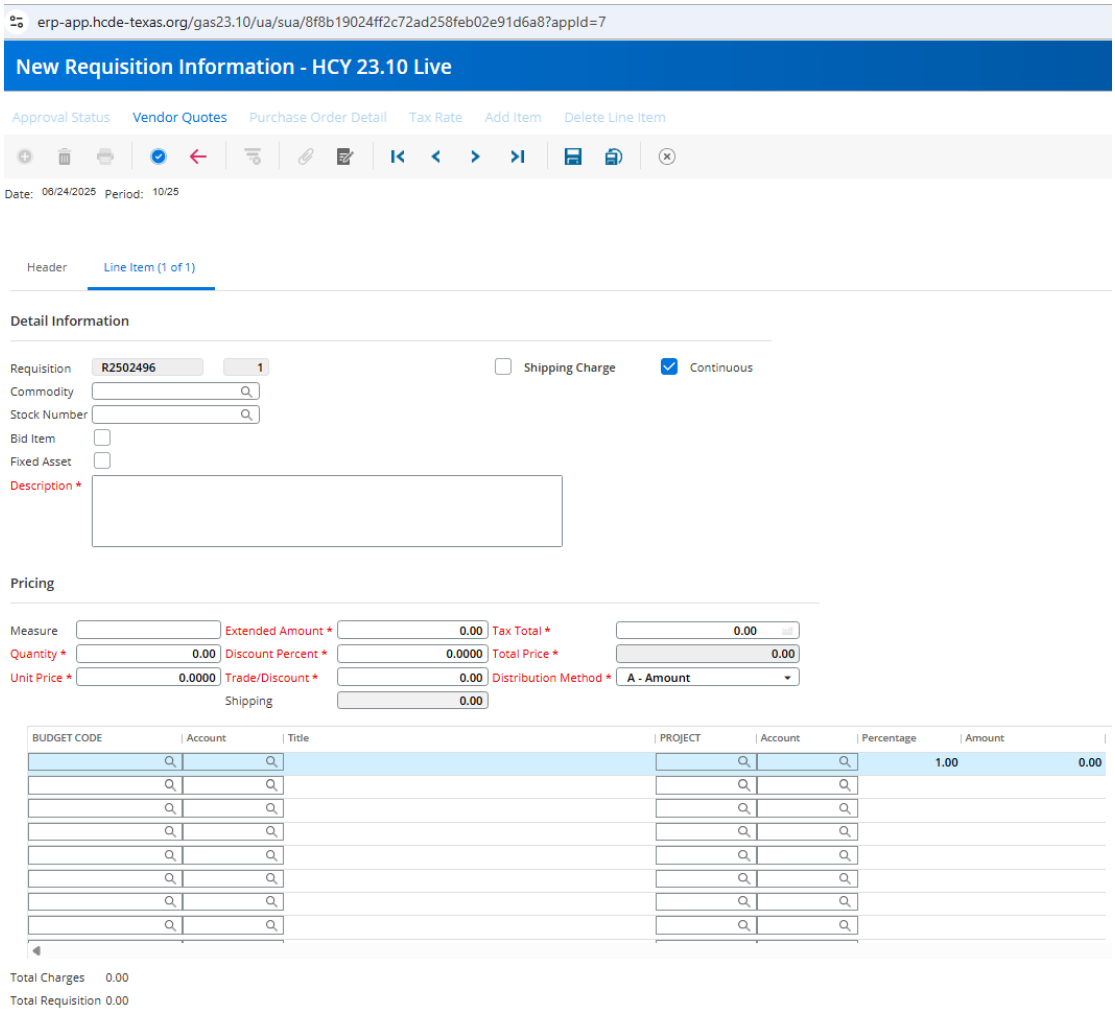
h. **Buyer Field** – The person who processes the requisition should enter his/her name in this field. Full first and last name.

i. **Attention Field** – Enter your department name in this field; also include your first initial and last name (e.g., Purchasing/C Tolbert.).

j. **Ship to Field** – Use the drop-down arrow to the right of this field to find the address where you want your merchandise delivered.

- All merchandise, except for furniture, should be shipped to the warehouse if you are in the Administration building (Use 078 – HCDE Warehouse).
- If you are at one of the schools, please have the merchandise shipped to your location.
- Technology merchandise must be shipped to the warehouse. *Technology needs to be aware of any items that are to be used on computers or any other electronic merchandise. If ordering this merchandise for someone else in your area, please make sure you write their name on the back up sent to Procurement Services.*

4. Click OK; the Line-Item Descriptions screen appears (see below); now you may start adding line items.



a. **Description Field –** Enter the description of the item or service you are requesting (for open purchase orders, please enter description first, e.g., Consulting Services for Jane Doe – Open Purchase Order).

b. **Pricing Section –** Complete the Measure, Quantity, and Unit Price Fields (Make a note in your backup if you have free shipping)

   i. Measure Field – Enter unit of measure, e.g.:
      - Each – EA
      - Pack – PK
      - Dozen – DZ

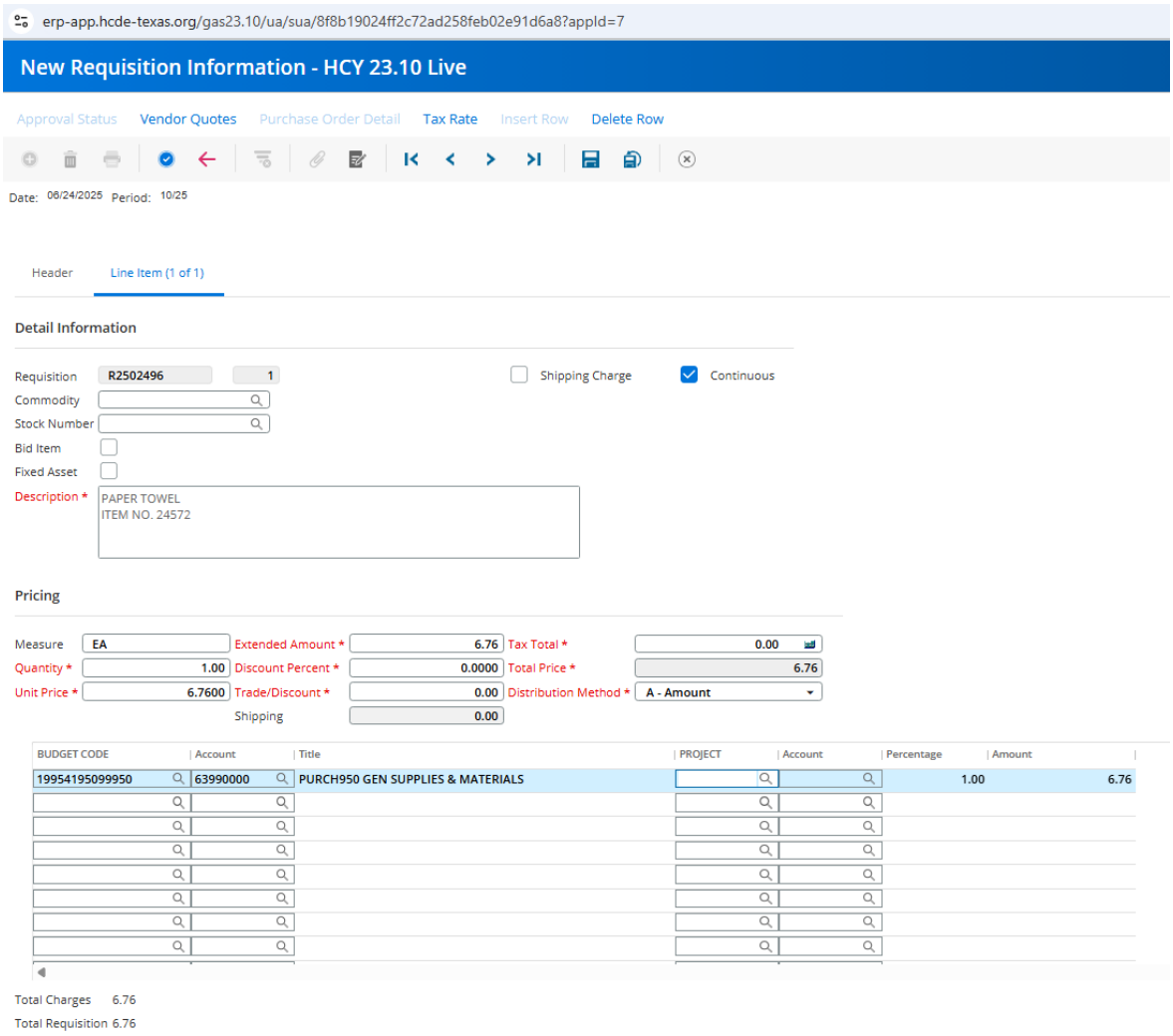
   ii. Quantity Field – Enter the quantity of the item you are ordering

   iii. Unit Price Field – Enter the dollar amount of the item you are requesting

   iv. Distribution Method – Used to select how the item's cost is to be distributed amongst more than one budget manager code. Select one of the following:
      - A – Amount Distributes accounting charges based on amount
      - P – Percentage Distributes accounting charges by percentage
      - Q – Quantity Distributes accounting charges based on the quantity

   v. TAB down to proceed to entering the budget codes

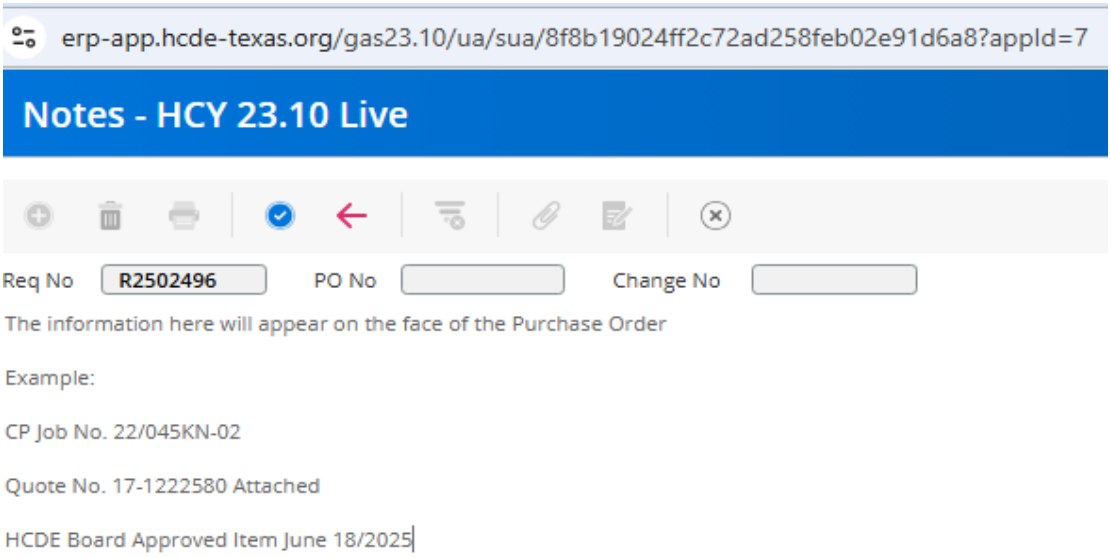
5. Enter budget and account codes (See Screen Below)



6. Click OK after you are done entering the information for that line item. For each additional line item repeat steps 4 and 5

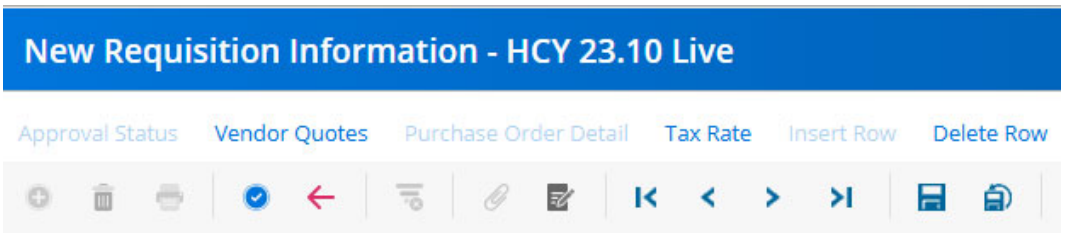
7. After you are done entering line items for that requisition click on the Back button. The system will take you back to the original requisition screen and include the information you entered (see below).

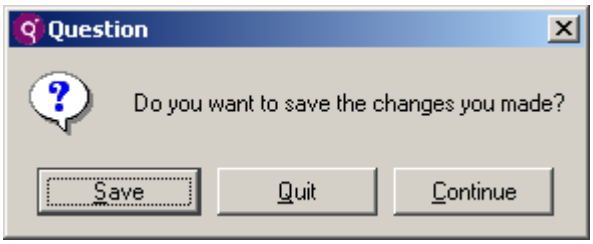
8. Notes Button – You may enter special instructions or additional information here, which will appear on the Purchase Order. For example:
    i. Any orders made to CDW Government Inc, PC Mall, Lenovo or any other items that are computer related need to include the Quote No and the name of the person who will be receiving the merchandise (e.g., Quote #53489 for Jane Doe)
    ii. To include a message that your items need to be received before a cut-off date (e.g., Order must be received by July 31, 2025)
    iii. If purchase was approved by the HCDE Board or using a cooperative vendor (e.g. HCDE Board Approved Item #7 on June 18, 2025)



9. Click OK and you will return to the original requisition screen; if a note was entered, the note icon will appear on the bottom, right hand corner of the general information screen.

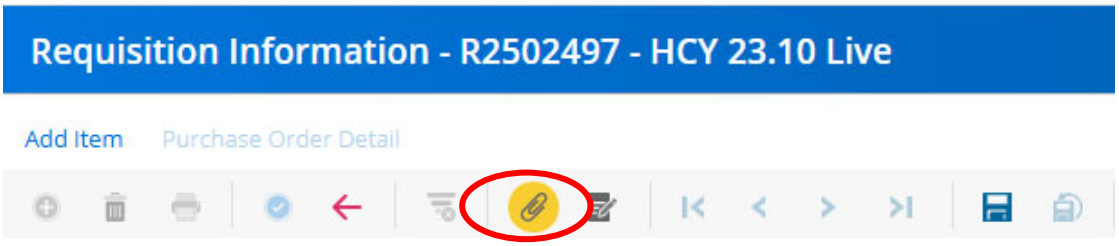
10. Review the information entered and complete the requisition by clicking the Save button. The system will ask you if you want to save the requisition.



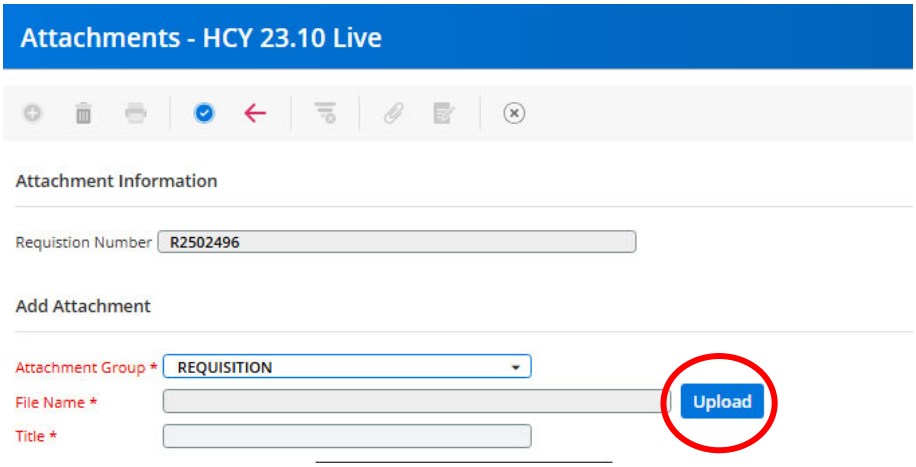


- You must click “Save” so the requisition can go through the approval levels.
- If you click “Quit” none of the information entered will be saved.
- If you click “Continue” it will take you back to the requisitions where you can review it again and make any necessary changes.

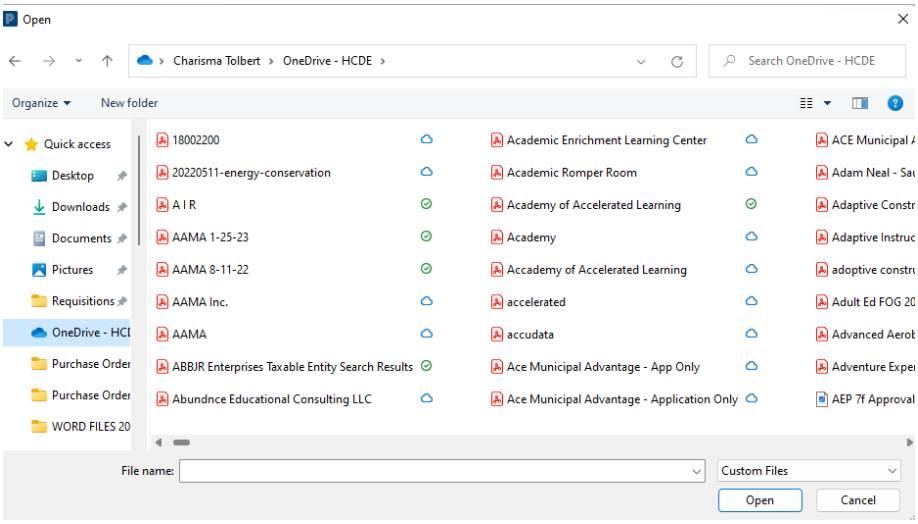
11. **Attachments Button** - To add back up documentation to your requisition, you must first have your documents saved in your computer. Click the “Attachments” button.



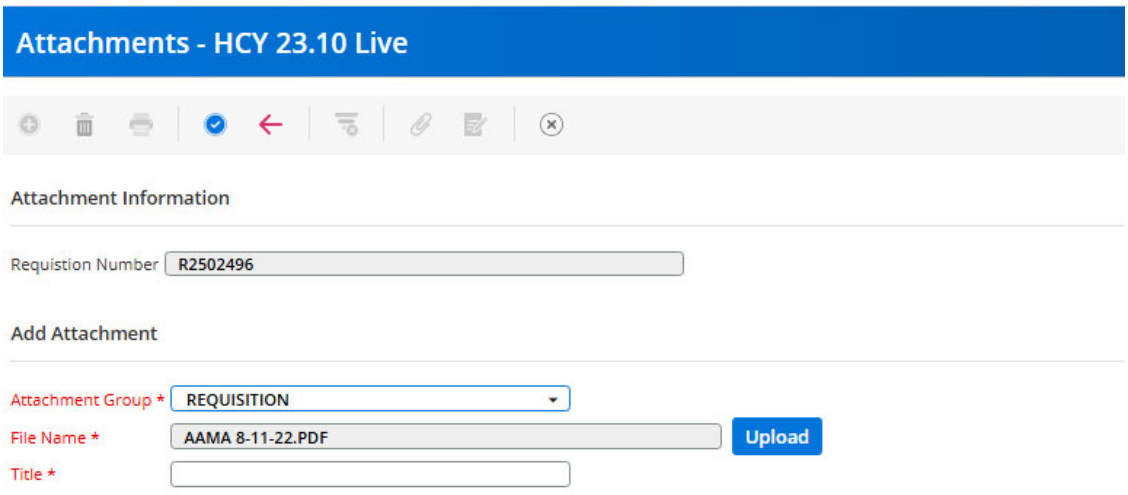
12. The following screen appears after clicking on the “Attachments” button; Click the “Upload” button.



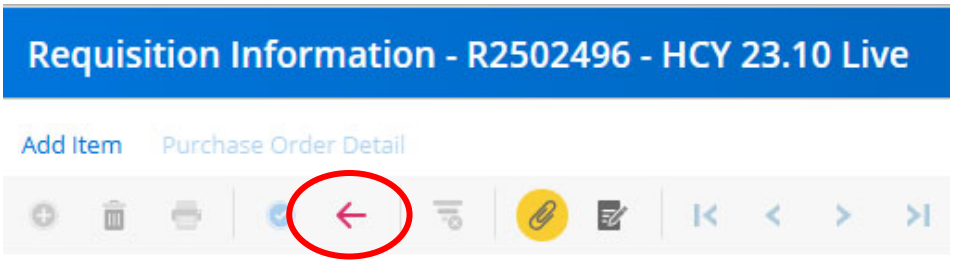
13. Browse the dialog box for your scanned back up documents and click the “Open” button.



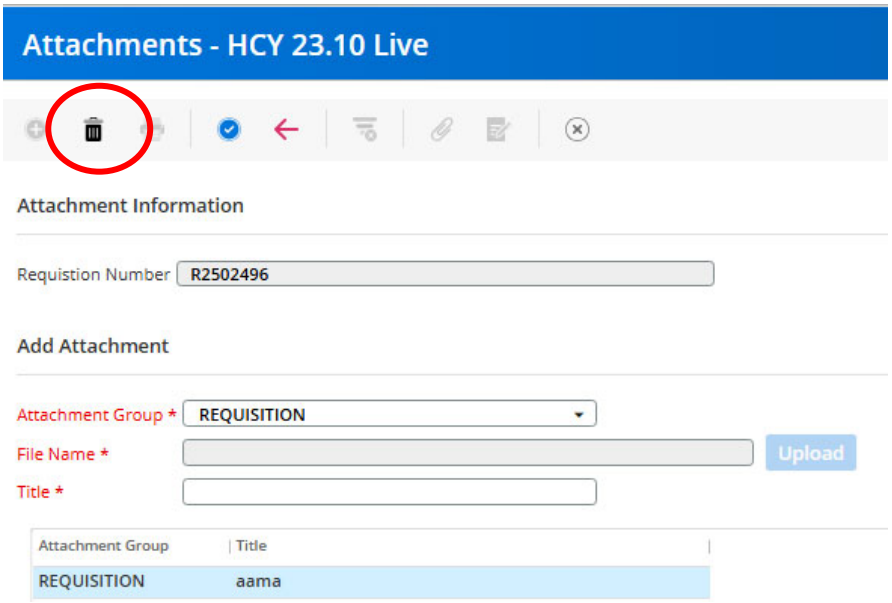
14. The file name of the attachment will appear and you will give it a title name once the file has been successfully attached. You may repeat steps 11 through 13 until you have attached all the necessary documents to your requisition.



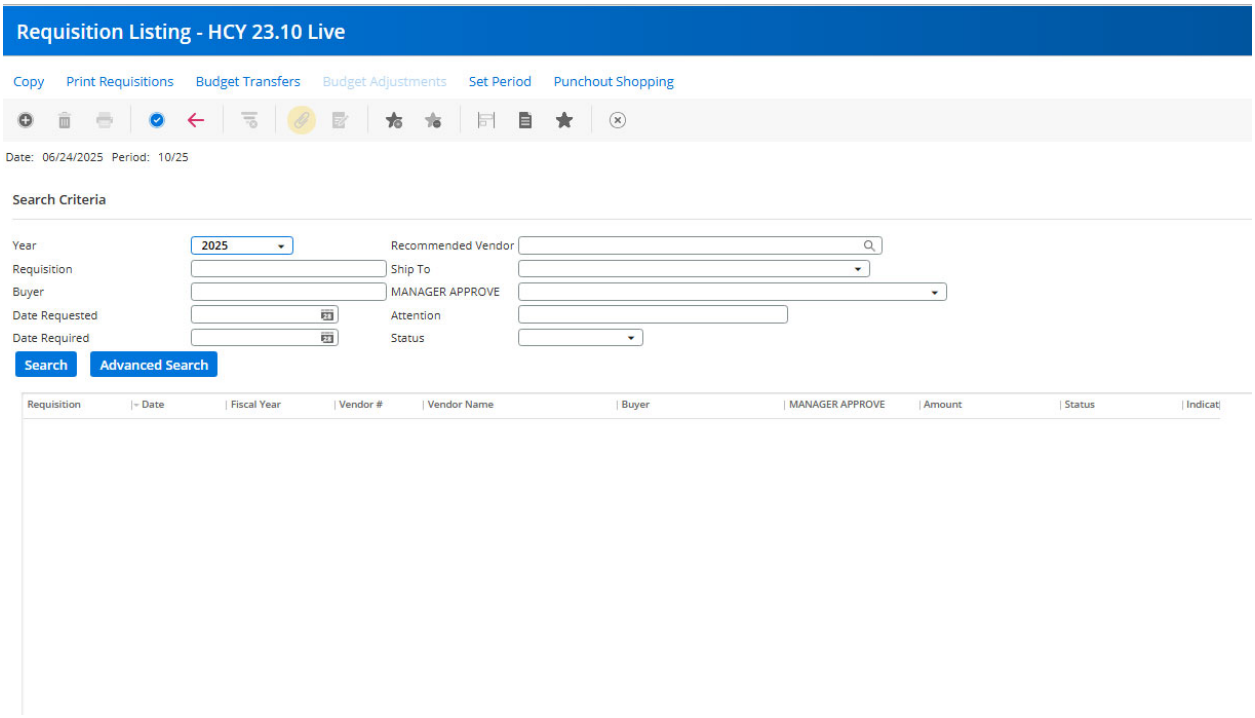
15. Once you have attached all documents, click the “Back” button. This will bring you back to the requisition screen. Note: In the middle top of the screen under the “Attachment” icon will appear yellow indicating that documents have been attached to the requisition.



16. Deleting Attachments – If you accidentally attached the wrong document, click on the Attachments button and the Attachments screen will appear listing all your attached documents; highlight the document you want to remove and click the “Delete” button:

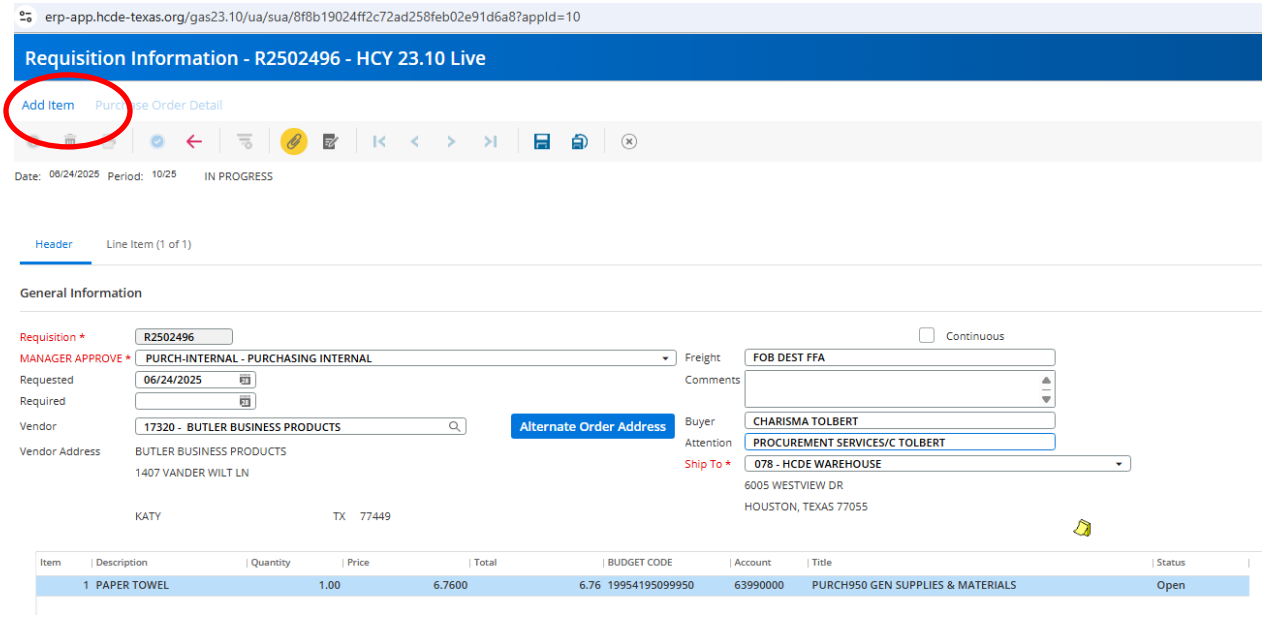


17. After saving the requisition, the system will take you back to the original screen where you may enter more requisitions, if needed.



ADDING LINE ITEMS AFTER A REQUISITION HAS BEEN SAVED:

1. Enter the requisition number on the Requisition Listing screen and click OK twice. The requisition information screen will appear:

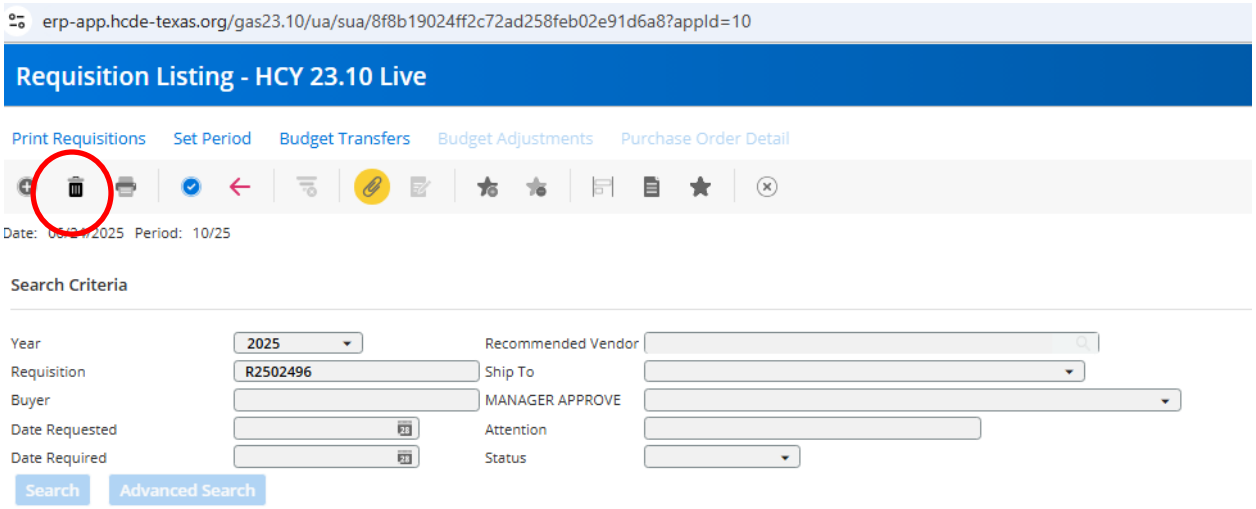


2. To add a line item, click on the “Add Item” button
3. A new line-item screen will appear, enter the information by following the steps 4-7 for creating requisitions
4. After finishing entering the additional line items, you must click the “Save” button. Note: you are only able to make changes to a requisition that has not yet been approved

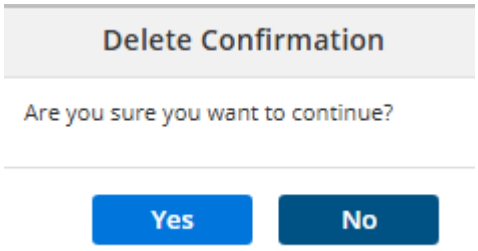
DELETING REQUISITIONS

To delete a requisition, follow these steps:

1. Go to the Requisition Listing screen by clicking on your "Favorites" Icon or following the procedure delineated in Step 2 for Creating Requisitions. The following screen will appear:



2. Enter the requisition number under the Requisition box
3. Highlight the requisition
4. Click on the "Delete" button (trash can icon), the following screen will appear:



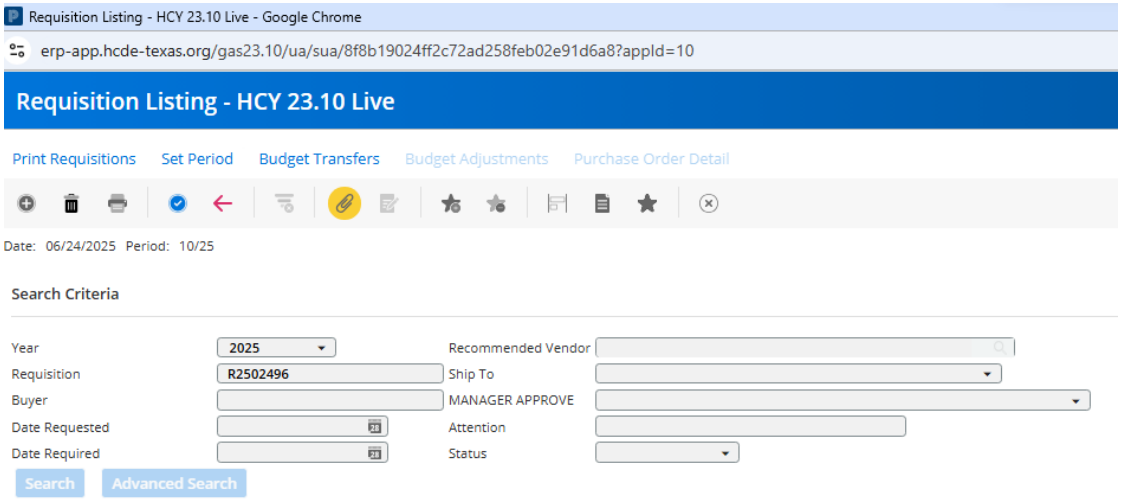
5. Click Yes to delete requisition

Note: Only requisitions which have not been approved at any level may be deleted. Once the requisition has been approved, you must contact Procurement Service Division to delete it.

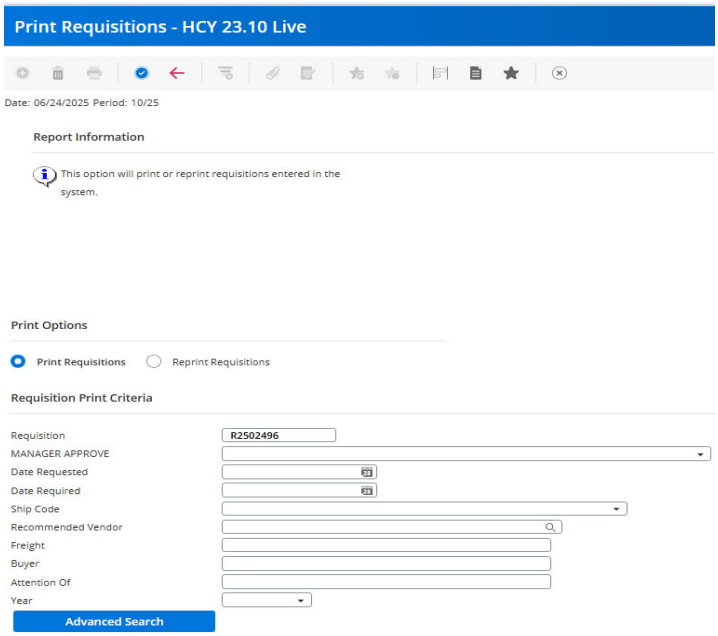
PRINTING REQUISITIONS

To print any requisition, follow these steps:

6. Go to the Requisition Listing screen by clicking on your “Favorites” Icon or following the procedure delineated in Step 2 for Creating Requisitions. The following screen will appear:

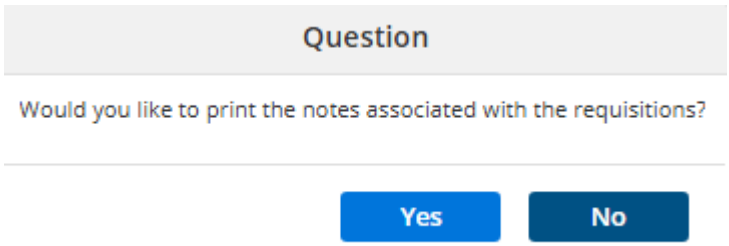


7. Enter the requisition number under the Requisition box
8. Highlight the requisition
9. Click on the “Print Requisitions” button, the following screen will appear:

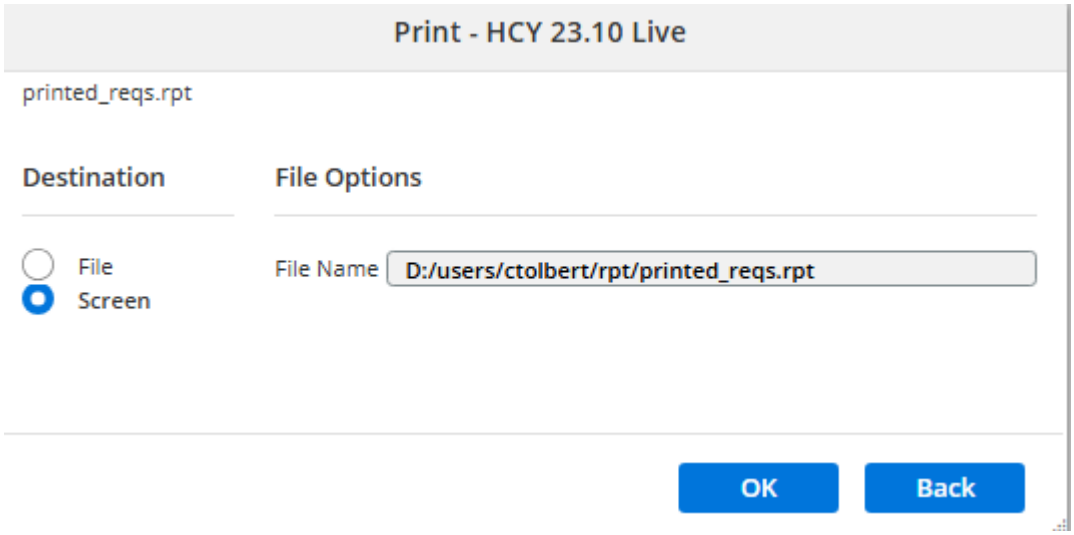


a. If it is the first time printing this requisition, click the “Print Requisitions” button.
b. If this requisition has been printed in the past, click the “Reprint Requisitions” button.

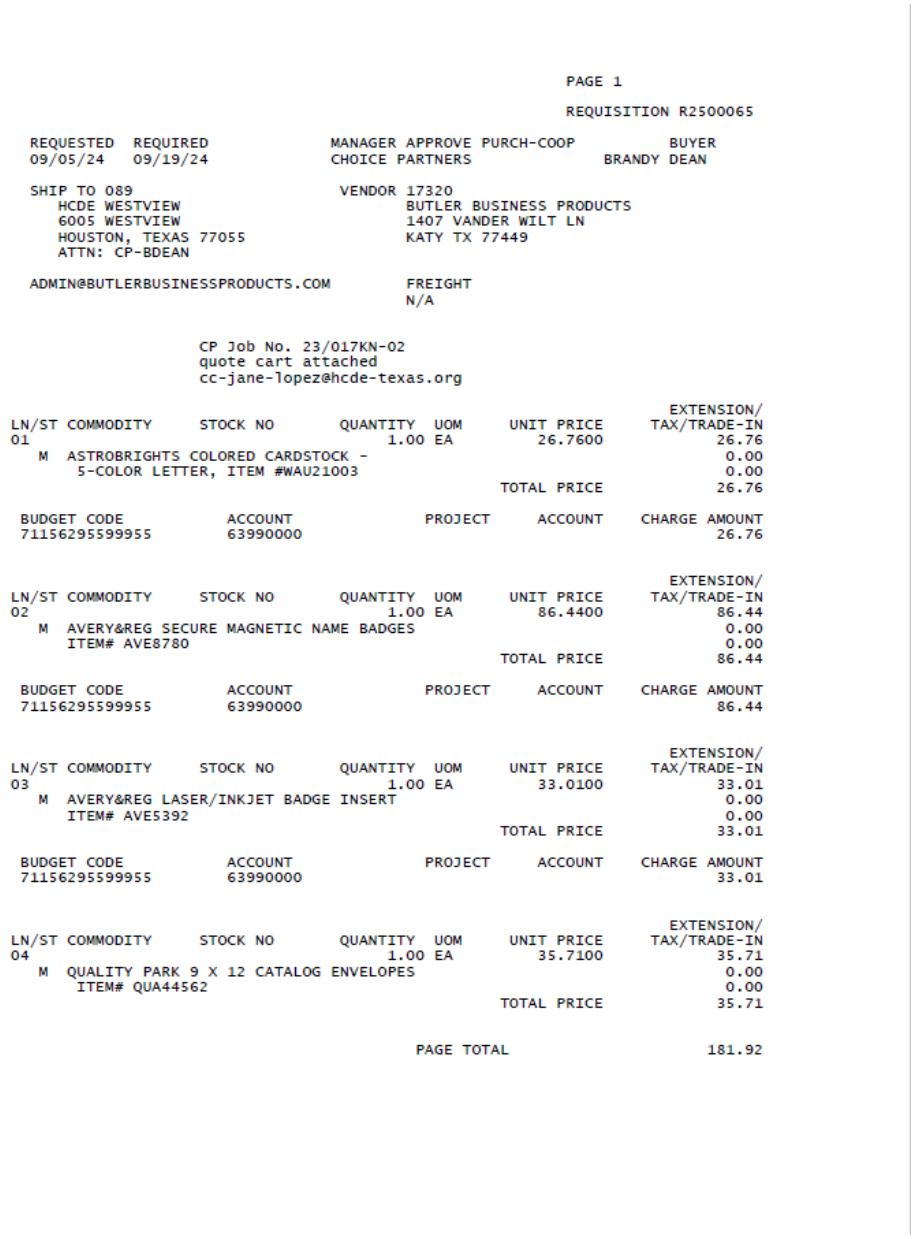
10. Click OK 2 times and the following screen will appear asking if you would like to print the notes associated with the requisition, click “Yes”.



11. The Print screen will appear; click OK and your requisition will print to a PDF file.



12. Your requisition will appear on the screen, you may save it to a file or print it.



PAGE 1

REQUISITION R2500065

REQUESTED	REQUIRED	MANAGER APPROVE PURCH-COOP	BUYER
09/05/24	09/19/24	CHOICE PARTNERS	BRANDY DEAN

SHIP TO 089
HCDE WESTVIEW
6005 WESTVIEW
HOUSTON, TEXAS 77055
ATTN: CP-BDEAN

VENDOR 17320
BUTLER BUSINESS PRODUCTS
1407 VANDER WILT LN
KATY TX 77449

ADMIN@BUTLERBUSINESSPRODUCTS.COM

FREIGHT
N/A

CP Job No. 23/017KN-02
quote cart attached
cc-jane-lopez@hcde-texas.org

LN/ST	COMMODITY	STOCK NO	QUANTITY	UOM	UNIT PRICE	EXTENSION/ TAX/TRADE-IN
01			1.00	EA	26.7600	26.76
M	ASTROBRIGHTS COLORED CARDSTOCK - 5-COLOR LETTER, ITEM #WAU21003					0.00
						0.00
					TOTAL PRICE	26.76

BUDGET CODE	ACCOUNT	PROJECT	ACCOUNT	CHARGE AMOUNT
71156295599955	63990000			26.76

LN/ST	COMMODITY	STOCK NO	QUANTITY	UOM	UNIT PRICE	EXTENSION/ TAX/TRADE-IN
02			1.00	EA	86.4400	86.44
M	AVERY&REG SECURE MAGNETIC NAME BADGES ITEM# AVE8780					0.00
						0.00
					TOTAL PRICE	86.44

BUDGET CODE	ACCOUNT	PROJECT	ACCOUNT	CHARGE AMOUNT
71156295599955	63990000			86.44

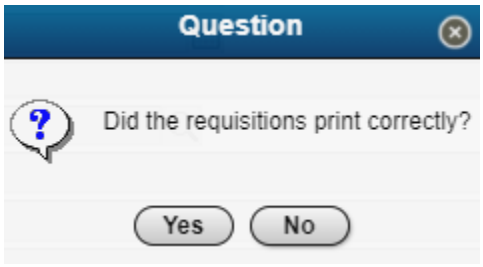
LN/ST	COMMODITY	STOCK NO	QUANTITY	UOM	UNIT PRICE	EXTENSION/ TAX/TRADE-IN
03			1.00	EA	33.0100	33.01
M	AVERY&REG LASER/INKJET BADGE INSERT ITEM# AVE5392					0.00
						0.00
					TOTAL PRICE	33.01

BUDGET CODE	ACCOUNT	PROJECT	ACCOUNT	CHARGE AMOUNT
71156295599955	63990000			33.01

LN/ST	COMMODITY	STOCK NO	QUANTITY	UOM	UNIT PRICE	EXTENSION/ TAX/TRADE-IN
04			1.00	EA	35.7100	35.71
M	QUALITY PARK 9 X 12 CATALOG ENVELOPES ITEM# QUA44562					0.00
						0.00
					TOTAL PRICE	35.71

PAGE TOTAL 181.92

13. The following screen will appear; click “Yes” and it will take you back to the “Requisition Printing” screen, to exit, click “Back”.

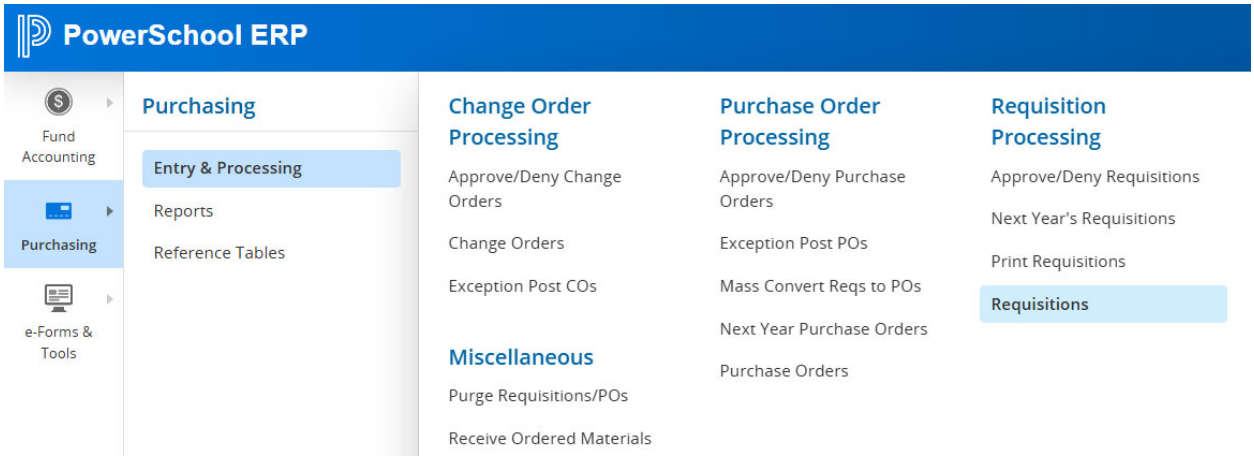


14. The system will return you back to the “Requisition Listing Screen”, to exit, click “Back”.

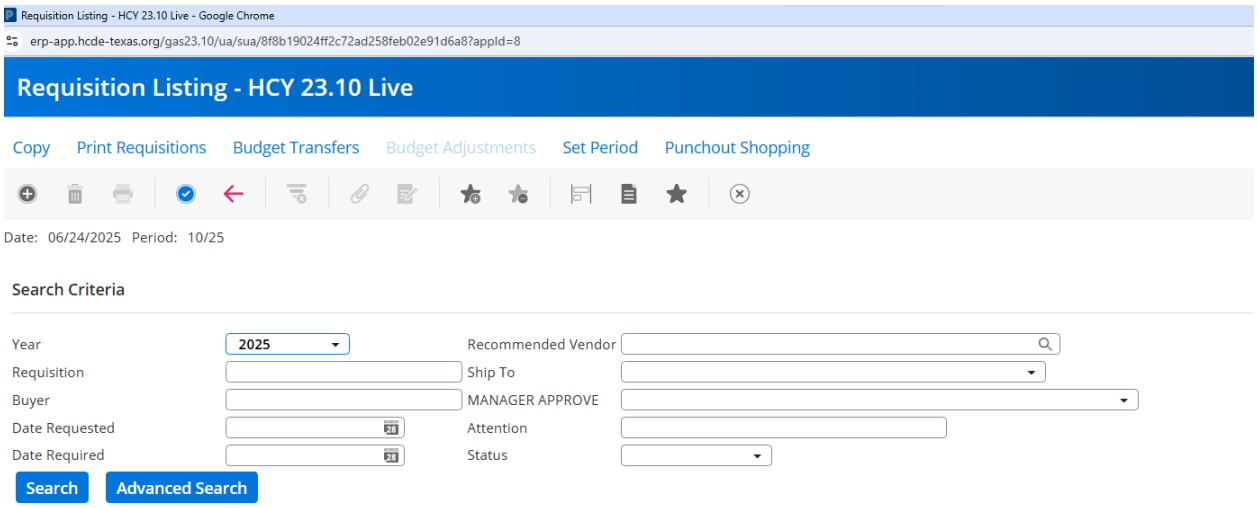
Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 6/22/2010		REVISED DATE: 6/24/2025
SUBJECT: VIEWING APPROVAL STATUS OF REQUISITIONS		

To view the approval status of a requisition, please follow these steps:

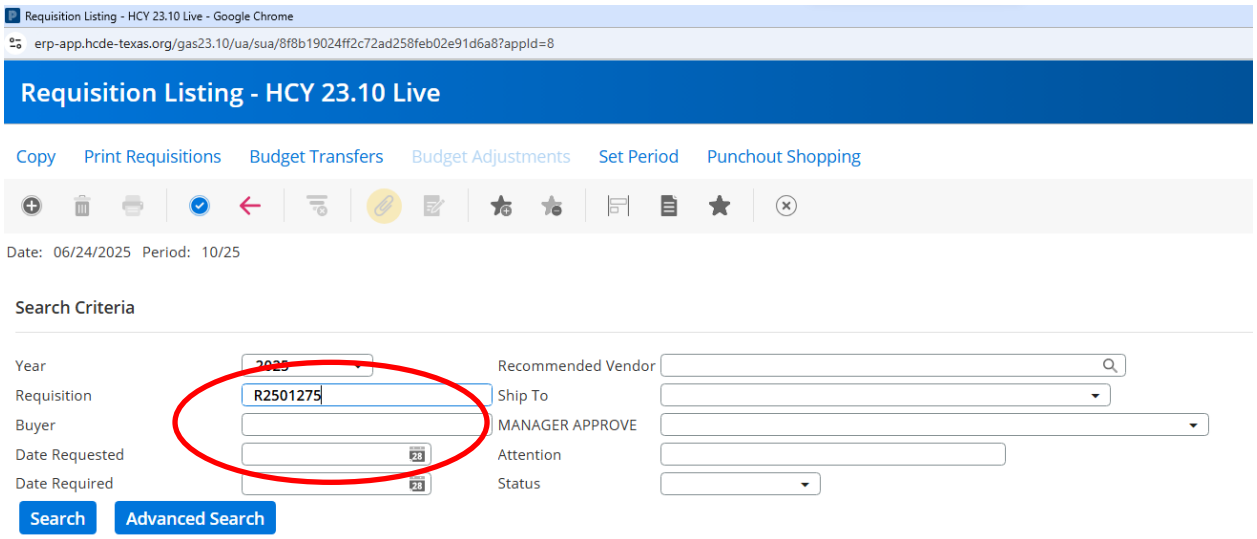
1. Open the Requisition Listing screen by
    a. selecting from the Applications drop-down menu: Purchasing → Requisition Processing → Requisitions (see image below)



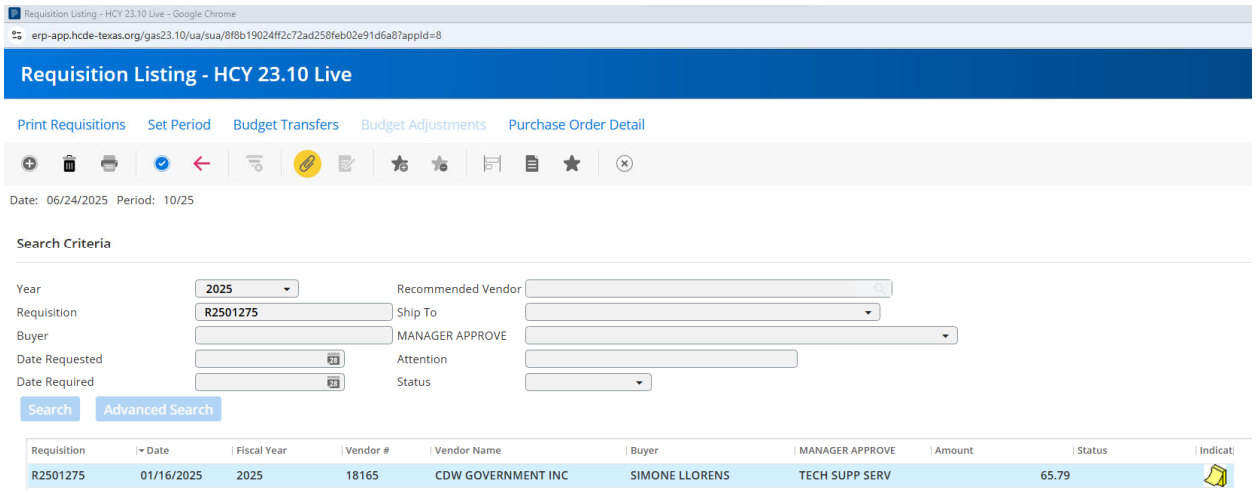
The following screen will appear:



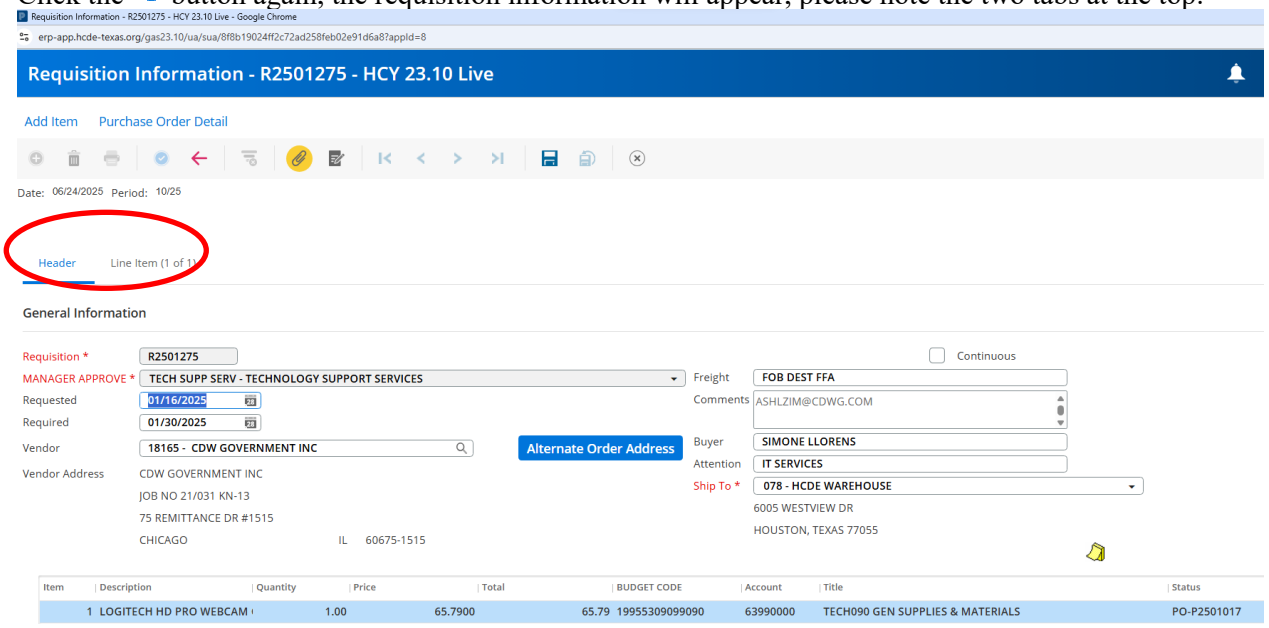
2. Note that the fiscal year defaults to the current one; enter the requisition number on the Requisition box (for this example we are using requisition no. R2501275):



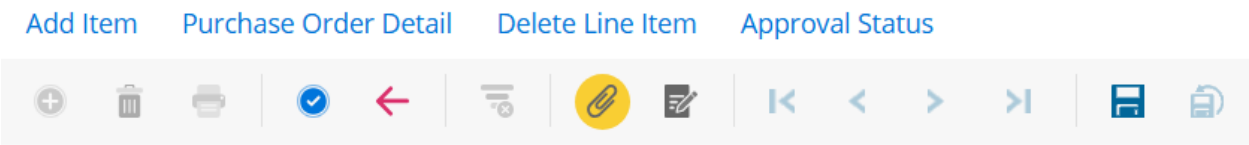
3. Click the button; the requisition will appear highlighted on the bottom section:



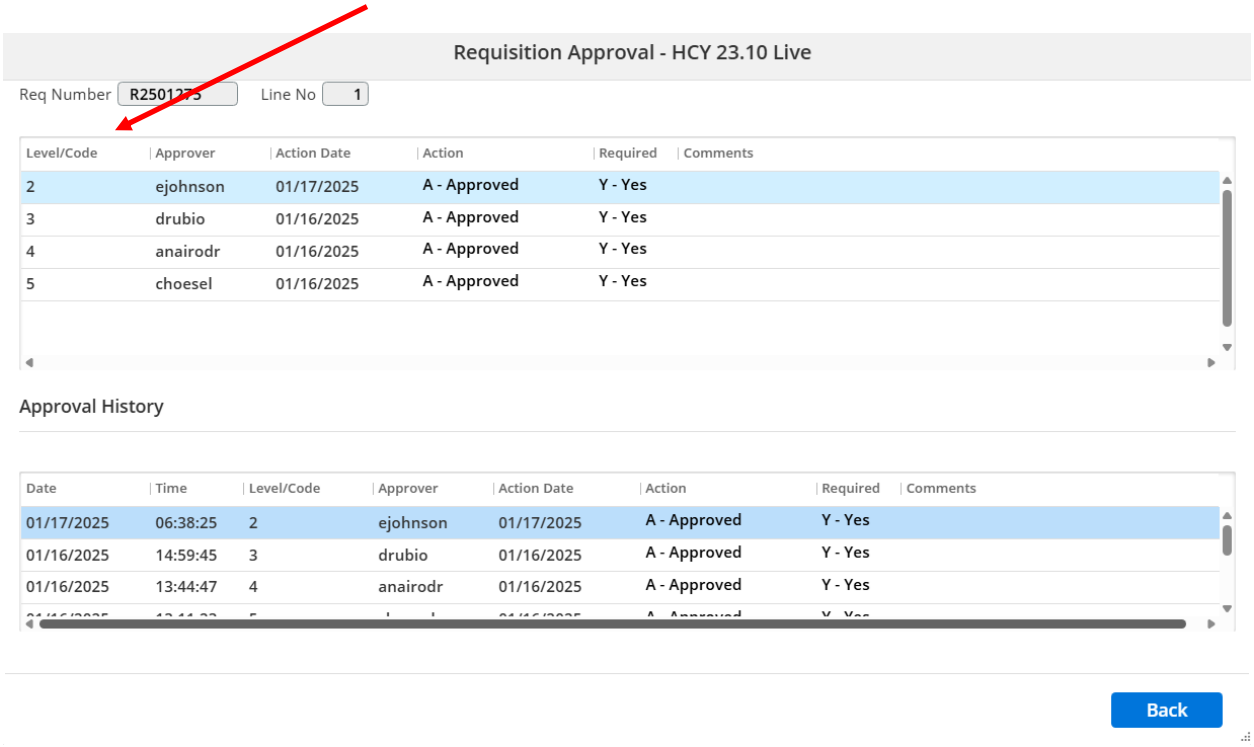
4. Click the button again, the requisition information will appear, please note the two tabs at the top:



5. Click the “Line Item” tab and notice a new set of buttons on the top of the screen:



6. Click on the Approval Status button; the Requisition Approval screen appears and shows four (4) or five (5) levels of approval:



This screen shows if the requisition has been approved, by whom, and when.

- Level 1 - Assistant Superintendent for Business Services or designee
- Level 2 - Director of Procurement or designee
- Level 3 - Procurement Specialist (Procurement Department)
- Level 4 - Financial Accounting Management or designee
- Level 5 - Budget Manager (issuing department)

7. When done click on the Back button.
8. Note: When a requisition has been approved at all levels it is then converted into a Purchase Order.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)*
DATE DEVELOPED: 03/26/06		REVISED DATE: 6/24/2025
SUBJECT: Processing Requisitions and Issuing Purchase Orders		

Purpose

To provide guidelines for processing requisitions into purchase orders.

Procedure

All purchase orders are processed from a formal requisition entered in the eFinance software. After all approvals and proper documentation have been received by the Procurement Department, a purchase order is generated and forwarded to Accounts Payable for processing, as well as to the vendor and Division.

Time Line

Internal Procurement Services policy on processing requisitions is to complete them in three business days after the budget manager's approval. To ensure that your requisitions are processed in a timely manner, please make sure to enter all the required information into the system.

Proper Approvals

All eFinance requisitions need to be approved by proper personnel in the approval chain before a requisition is officially ready to be converted into a purchase order. Divisions are prohibited from having products shipped against a requisition number that has not been converted into a purchase order; this causes confusion for the receiving department because they are not able to match packing slips with proper purchase order numbers. Vendors will also use requisition numbers to invoice, and this will also cause a delay in accounts payable making a timely payment to vendor.

For information on purchase order processing, including handling vendor invoices and vendor payments, please refer to the "Purchase Orders" policy located in the Accounts Payable section of the Financial Operating Guidelines.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL)*
DATE DEVELOPED: 7/02/2009		REVISED DATE: 06/24/2025
SUBJECT: CHANGES TO APPROVED PURCHASE ORDERS		

Purchase orders that have been processed at all approval levels (i.e., approved by the Assistant Superintendent for Business Services) are considered FINAL in all respects.

The Procurement Services Division Staff will not make any changes to any purchase order(s) that have reached the FINAL stage; the only exceptions are as follows:

1) Changes in quantities, prices, and/or total increase or decrease to final amount, that have been approved by the board. (a copy of the board agenda must be attached),
2) Changes to budget codes due to funding issues,
3) Changes in amounts to public utilities,
4) Changes to Interlocal contracts when amended total is still less than $75,000,
5) Construction contract change orders less than $50,000

No changes to Vendors or to Vendor names allowed

Please fill out the Change Order request through InformedK12. Also attach any other required backup, such as a signed construction change order. Send request to the budget manager. Budget Manager will send to the next approver in InformedK12.

In all other cases, you will need to request to close the purchase order and issue a new one with the correct information. This is necessary internal control over the procurement approval levels.

All forms must be routed through InformedK12 System.

Harris County Department of Education

Informed K12 Forms

A Series Form #1 - Signature Authority Form

A Series Form #3 - Reclassification of Funds Form

A Series Form #5 - CASE 21 Century Drawdown Routing Form

A Series Form #6 - Fixed Asset Transfer Forms

A Series Form #7 - Billing Adjustment/Invoice Void

P Series 1 - PO Change Order Form 2023-2024

P Series 2 - P-Card Request/Agreement/Application Notice

P Series Form 3 GRANTS - Purchase Authorization Request (PAR)

Approval Levels

1. **Budget Manager – email varies by Division**
2. **Chief Accounting Officer – Marcia Leiva**-mleiva@hcde-texas.org
3. **Procurement Services Director – Edna Johnson** -edna.johnson@hcde-texas.org
4. **Assistant Superintendent of Business – Jesus Amezcua –** jamezcua@hcde-texa.org
5. **Change Order Processor – Procurement –** change.orders@hcde-texas.org
6. **Accounts Payable – Business Services** – accountspayable@hcde-texas.org

Modified 06/24/2025

REQUEST FOR WRITTEN QUOTES FOR GOODS/SERVICES:

PLEASE EVALUATE EACH VENDOR USING THE EVALUATION FACTORS BELOW. FACTORS 8 & 9 DOES NOT NEED TO BE CONSIDERED. A SEPARATE EVALUATION IS REQUIRED FOR EACH VENDOR. PLEASE ATTACH THE VENDOR'S QUOTE TO THIS FORM.

NAME OF DIVISION: _____

1.GOODS TO BE PURCHASED

Name the good (*i.e. Computers, books, etc.)*

_____

(PLEASE NOTE THAT GOODS MUST BE COMPARABLE (I.E. A COMPUTER VERSUS A COMPUTER)

2.EVALUATION FACTORS

Evaluation Factors	**Maximum Weighted Value**	**Score**
1. Price	30 Points	_____
2. Reputation of Vendor and of Vendor's goods and/or services	15 Points	_____
3. Quality of Vendor's goods and/or services	15 Points	_____
4. Extent to which the goods and/or services meet HCDE's needs	15 Points	_____
5. Vendor's past relationship with HCDE	15 Points	_____
6. Impact on the ability of HCDE to comply with laws and rules relating to HUBs	0 Points	_____
7. Total long-term cost to HCDE to acquire Vendor's goods and/or services	10 Points	_____
8. For a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the Vendor or the Vendor's ultimate parent company or majority owner: (A) has its principal place of business in this state; or (B) employs at least 500 persons in this state	0 Points	_____
9.Other (Ability to allow other local government entities to piggy-back from this contract)	0 Points	_____
	100 Points	_____

****

VENDOR NAME: _____

PRICE QUOTE: _____

NOTE:

The vendor packet is required to be on file with the department prior to award of any proposal to include the vendor certification forms as required for federal funds (EDGAR).

REQUEST FOR WRITTEN QUOTES FOR SERVICES: (RECOMMENDATION SUMMARY)

Justification of vendor recommendation:

VENDOR NAME:

PRICE QUOTE:

The person recommending acknowledges that he/she does not have a conflict of interest and a CIS form is not required.

Name and title of person(s) recommending: _____

Signature/Date _____

HARRIS COUNTY DEPARTMENT OF EDUCATION
PROPOSER/VENDOR CERTIFICATION FORMS

CERTIFICATION REGARDING TERRORIST ORGANIZATIONS

Vendor hereby certifies that it is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State.

_____Initials of Authorized Representative of Vendor

CERTIFICATION REGARDING BOYCOTTING OF ISRAEL

If (a) Vendor is not a sole proprietorship; (b) Vendor has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more, the following certification shall apply; otherwise, this certification is not required. Pursuant to Chapter 2271 of the Texas Government Code, the Vendor hereby certifies and verifies that neither the Vendor, nor any affiliate, subsidiary, or parent company of the Vendor, if any (the "Vendor Companies"), boycotts Israel, and the Vendor agrees that the Vendor and Vendor Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

_____Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING CONTRACTING INFORMATION

If Vendor is not a governmental body and (a) this Agreement has a stated expenditure of at least $1 million in public funds for the purchase of goods or services by HCDE; or (b) this Agreement results in the expenditure of at least $1 million in public funds for the purchase of goods or services by HCDE in a fiscal year of HCDE, the following certification shall apply; otherwise, this certification is not required. As required by Tex. Gov't Code § 552.374(b), the following statement is included in the RFP and the Agreement (unless the Agreement is (1) related to the purchase or underwriting of a public security; (2) is or may be used as collateral on a loan; or (3) proceeds from which are used to pay debt service of a public security of loan): "The requirements of Subchapter J, Chapter 552, Government Code, may apply to this RFP and Agreement and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter." Pursuant to Subchapter J, Chapter 552, Texas Government Code, the Vendor hereby certifies and agrees to (1) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to HCDE for the duration of the Agreement; (2) promptly provide to HCDE any contracting information related to the Agreement that is in the custody or possession of the Vendor on request ofHCDE; and (3) on completion of the Agreement, either (a) provide at no cost to HCDE all contracting information related to the Agreement that is in the custody or possession of Vendor, or (b) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to HCDE.

_____Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING BOYCOTTING CERTAIN ENERGY COMPANIES

If (a) Vendor is not a sole proprietorship; (b) Vendor has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more that is to be paid wholly or partly from public funds, the following certification shall apply; otherwise, this certification is not required. Pursuant to TEX. Gov'T CODE Ch. 2274 of

SB 13 (87th session), Vendor hereby certifies and verifies that Vendor, or any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of these entities or business associations, if any, does not boycott energy companies and will not boycott energy companies during the term of the Agreement. For purposes of this Agreement, the term "company" shall mean an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, that exists to make a profit. The term "boycott energy company" shall mean "without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law, or (b) does business with a company described by paragraph (a)." *See* TEX. Gov'T CODE§ 809.001(1).

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION PROHIBITING DISCRIMINATION AGAINST FIREARM AND AMMUNITION INDUSTRIES

If (a) Vendor is not a sole proprietorship; (b) Vendor has at least ten (10) full-time employees; (c) this Agreement has a value of at least $100,000 that is paid wholly or partly from public funds; (d) the Agreement is not excepted under TEX. Gov'T CODE§ 2274.003 of SB 19 (87th leg.); and (e) HCDE has determined that Vendor is not a sole-source provider or HCDE has not received any bids from a company that is able to provide this written verification, the following certification shall apply; otherwise, this certification is not required. Pursuant to TEX. Gov'T CODE Ch. 2274 of SB 19 (87th session), Vendor hereby certifies and verifies that Vendor, or association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary parent company, or affiliate of these entities or associations, that exists to make a profit, does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this contract against a firearm entity or firearm trade association. For purposes of this Agreement, "discriminate against a firearm entity or firearm trade association" shall mean, with respect to the entity or association, to: "(1) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (2) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (3) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association. *See* TEX. Gov'T CODE § 2274.001(3) of SB 19. "Discrimination against a firearm entity or firearm trade association" does not include: "(1) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (2) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency, or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association." *See* TEX. Gov'T CODE§ 2274.001(3) of SB 19.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING CERTAIN FOREIGN-OWNED COMPANIES IN CONNECTION WITH CRITICAL INFRASTRUCTURE

HCDE is prohibited from entering into a contract or other agreement relating to critical infrastructure that would grant to Vendor direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by HCDE for product warranty and support purposes. Vendor certifies that neither it nor its

parent company nor any affiliate of Vendor or its parent company, is (1) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; (2) a company or other entity, including governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (3) headquartered in China, Iran, North Korea, Russia, or a designated country. For purposes of this Agreement, "critical infrastructure" means "a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility." *See* TEX. Gov'T CODE § 2274.0101(2) of SB 1226 (87th leg.). Vendor verifies and certifies that Vendor will not grant direct or remote access to or control of critical infrastructure, except for product warranty and support purposes, to prohibited individuals, companies, or entities, including governmental entities, owned, controlled, or headquartered in China, Iran, North Korea, Russia, or a designated country, as determined by the Governor.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING EMPLOYMENT ASSISTANCE PROHIBITED

Vendor certifies and agrees that it shall not assist an employee, contractor, or agent ofHCDE or of any other school district in obtaining a new job if the Vendor knows, or has probable cause to believe, that the individual engaged in sexual misconduct regarding a minor or student in violation of the law. Routine transmission of an administrative or personnel file does not violate this prohibition. *See* HCDE Policy CJ (Legal) and (Local).

___ Initials of Authorized Representative of Vendor

REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY/RECIPIENT AND SUBRECIPIENT CONTRACTS UNDER FEDERAL AWARDS - APPENDIX II TO 2 C.F.R. PART 200

The following provisions are required and apply when federal funds are expended by HCDE for any contract resulting from this procurement process. In **the event of a conflict or inconsistency between the following terms and conditions and any provision of any contract, agreement, or Purchase Order, the following terms and conditions shall control. Accordingly, the parties agree that the following terms and conditions apply to the Contract/PO between HCDE and Vendor in all situations where Vendor has been paid or will be paid with federal funds:**

(A) Contracts for more than the simplified acquisition threshold currently set at $250,000 (2 CFR §200.320), which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when federal funds are expended by HCDE, HCDE reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

Pursuant to Federal Rule (B) above, when federal funds are expended by HCDE, HCDE reserves the

right to immediately terminate any agreement in excess of $10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation; (4) to the greatest extent authorized by law, if an award no longer effectuates the program goals or priorities of the Federal awarding agency or HCDE. HCDE also reserves the right to terminate the contract immediately, for convenience, if HCDE believes, in its sole discretion that it is in the best interest of HCDE to do so. The vendor will be compensated for work performed and accepted and goods accepted by HCDE as of the termination date if the contract is terminated for convenience of HCDE. If HCDE terminates the contract for any reason, written notice of termination will be provided to vendor. Any award under this procurement process is not exclusive and HCDE reserves the right to purchase goods and services from other vendors when it is in the best interest of HCDE.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(C) 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 must include the equal opportunity clause provided under 41 CFR 60-l.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 ofLabor."

Pursuant to Federal Rule (C) above, when federal funds are expended by HCDE on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does vendor agree to abide by the above? YES_____Initials of Authorized Representative of vendor

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by recipients or subrecipients must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146- 3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The recipients or subrecipients must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The recipient or subrecipient must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The recipient or subrecipient must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when federal funds are expended by HCDE, during the term of

an award for all contracts and subgrants for construction or repair, the vendor will be in compliance with all applicable Davis-Bacon Act provisions.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the recipient or subrecipient in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(F) Rights to Inventions Made Under a Contract or Agreement. If **the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the 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," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401 and any implementing regulations issued by the awarding agency.**

Pursuant to Federal Rule (F) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(G) 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 award 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).

Pursuant to Federal Rule (G) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(H) 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 0MB 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.

Pursuant to Federal Rule (H) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency or by the State of Texas. Vendor shall immediately provide written notice to HCDE if at any time the vendor learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. HCDE may rely upon a certification of a vendor that the vendor is not debarred, suspended, ineligible, or voluntarily excluded from the covered contract, unless HCDE knows the certification is erroneous.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(I) **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.**

Pursuant to Federal Rule (I) above, when federal funds are expended by HCDE, the vendor certifies that during the term and after the awarded term of an award for all contracts by HCDE resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Fonn-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certificate is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Does vendor agree? YES____ .Initials of Authorized Representative of vendor

(J) Procurement of Recovered Materials- When federal funds are expended by HCDE, HCDE and 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: (1) 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; (2) procuring solid waste management services in a manner that maximizes energy and resource recovery; and (3) establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

HCDE and its contractors will, to the greatest extent practicable and consistent with law, purchase, acquire, or use products and services that can be reused, refurbished, or recycled; contain recycled content, are biobased, or are energy and water efficient; and are sustainable. This may include purchasing compostable items and other products and services that reduce the use of single-use plastic products. See Executive Order 14057, section 101, Policy.

Pursuant to Federal Rule (J) above, when federal funds are expended HCDE, as required by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6962(c)(3)(A)(i)), the vendor certifies, by signing this document, that (1) the percentage of recovered materials content for EPA-designated items to be delivered or used in the performance of the contract will be at least the amount required by the applicable contract specifications or other contractual requirements; and (2) vendor will ensure compliance with all of the aforementioned requirements in Federal Rule (J) above.

Does vendor agree? YES _____Initials of Authorized Representative of vendor

(K) Consideration of Small, Minority, Women's Business Enterprises, Veteran-Owned Businesses, and Labor Surplus Area Firms for Contracts Paid for with Federal Funds - 2 CPR § 200.321 - When federal funds are expended by HCDE, Vendor must ensure that small businesses, minority businesses, women's business enterprises, veteran-owned businesses, and labor surplus area firms (See U.S. Department of Labor's list) are considered for any subcontracting opportunities on the project by: 1) including these business types on solicitation lists; 2) soliciting these business types whenever they are deemed eligible as potential sources; 3) dividing procurement transactions into separate procurements to permit maximum participation by these business types; 4) establishing delivery schedules (for example, the percentage of an order to be delivered by a given date of each month) that encourage participation by these business types; and 5) utilizing organizations such as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

Does vendor agree? YES _____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH NEVER CONTRACT WITH THE ENEMY - 2 C.F .R. § 200.215

When federal funds are expended by HCDE for grant and cooperative agreements, or any contract resulting from this procurement process, that are expected to exceed $50,000 during the period of performance, and are performed outside of the United States, including U.S. territories, to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, HCDE will terminate any grant or cooperative agreement or contract resulting from this procurement process as a violation of Never Contract with the Enemy detailed in 2 CPR Part 183. The vendor certifies that it is neither an excluded entity under the System for Award Management (SAM) nor Federal Awardee Performance and Integrity Information System (FAPIIS) for any grant or cooperative agreement

terminated due to Never Contract with the Enemy as a Termination for Material Failure to Comply. HCDE has a responsibility to ensure no Federal award funds are provided directly or indirectly to the enemy, to terminate subawards in violation of Never Contract with the Enemy, and to allow the Federal Government access to records to ensure that no Federal award funds are provided to the enemy.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE EQUIPMENT OR SERVICES-2 C.F.R. § 200.216

HCDE, as a recipient, is prohibited from obligating or expending Federal financial assistance, to include loan or grant funds, to: (1) procure or obtain, (2) extend or renew a contract to procure or obtain, or (3) enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services. Covered telecommunications equipment or services means any of the following: (1) Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities); (2) for the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities); (3) telecommunications or video surveillance services provided by such entities or using such equipment; (4) telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country. For the purposes of Section 200.216, covered telecommunications equipment or services also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. The vendor certifies that vendor will not procure or obtain, as set forth above, covered telecommunications equipment or services, as defined herein.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH WIDSTLEBL0WER PR0TECTJONS-2 C.F.R. § 200.217

If vendor is a subrecipient of HCDE, vendor must not discharge, demote, or otherwise discriminate against an employee as a reprisal for disclosing to a person or body described in paragraph (a)(2) of 41 U.S.C. 4712 information that the employee reasonably 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 contract or grant, a substantial and specific danger to public health or safety, or a violation oflaw, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant. Vendor must inform its employees in writing of employee whistleblower rights and protections under 41 U.S.C. 4712. See statutory requirements for whistleblower protections at 10 U.S.C. 4701, 41 U.S.C. 4712, 41 U.S.C. 4304, and 10 U.S.C. 4310.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

RECORD RETENTION REQUIREMENTS FOR CONTRACTS PAID FOR WITH FEDERAL FUNDS- 2 C.F.R.§200.334

When federal funds are expended by HCDE for any contract resulting from this procurement process, the vendor certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.334. The vendor further certifies that vendor will retain all records as required by 2 CFR § 200.334, including, without limitation, financial records, supporting documentation, and statistical records, for a period of three years after grantees or

subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH EPA REGULATIONS APPLICABLE TO GRANTS, SUBGRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS IN EXCESS OF $100,000 OF FEDERAL FUNDS

When federal funds are expended by HCDE for any contract resulting from this procurement process in excess of $100,000, the vendor certifies that the vendor is in compliance with all applicable standards, orders, regulations, and/or requirements issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When federal funds are expended by HCDE for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF EQUAL EMPLOYMENT STATEMENT

It is the policy of HCDE not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or handicapping conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Contract, with respect to hire, tenure, terms, conditions and privileges of employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Contract shall contain a provision requiring non-discrimination in employment herein specified binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE AS A RESPONSIBLE CONTRACTOR - 2 C.F.R. § 200.318

When federal funds are expended by HCDE for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory regulations, legal requirements, standards, and policies relating to: contractor integrity, public policy compliance, proper classification of employees (see the Fair Labor Standards Act, 29 U.S.C. 201, chapter 8), past performance record, and financial and technical resources when conducting a procurement transaction.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF DOMESTIC PREFERENCES FOR PROCUREMENTS AND COMPLIANCE WITH BUY AMERICA PROVISIONS- 2 C.F.R. § 200.322(a) and {b)

To the greatest extent practicable and consistent with law, HCDE has 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) when spending federal funds. Vendor agrees that the requirements of this section will be included in all subawards, contracts, and purchase orders under this federal award. (Purchases that are made with non-federal funds or grants are excluded from the Buy America Act.) Vendor certifies that it is in compliance with all applicable provisions of the Buy America Act. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF DOMESTIC PREFERENCES FOR PROCUREMENTS AND COMPLIANCE WITH BUY AMERICA PROVISIONS - 2 C.F.R. § 200.322(c)

2 CFR § 200.322(c) requires federal agencies providing Federal financial assistance for infrastructure projects to implement the Buy America preferences set forth in 2 CFR part 184. Consequently, to the extent applicable and pursuant to the Build America, Buy America Act ("BABA"), when HCDE is the recipient of an award of Federal financial assistance from a program for infrastructure, none of the funds provided under the award may be used for an infrastructure project unless all iron and steel, manufactured products, and construction materials incorporated into the project are produced in the United States. **"Infrastructure"** means public infrastructure projects in the United States, which includes, at a minimum, the structures, facilities, and equipment for roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property; and structures, facilities, and equipment that generate, transport, and distribute energy including electric vehicle (EV) charging. Vendor hereby certifies and agrees that it is in compliance with all applicable provisions and requirements of the Buy America Preference, including, but not limited to, all BABA requirements and/or guidance that are specific to the Federal agency awarding the Federal financial assistance, including, but expressly not limited to: the U.S. Department of Education, the U.S. Department of Health and Human Services, and the U.S. Department of Agriculture (collectively, the "Buy America Preference Requirements").

The Buy America Preference Requirements shall flow down to and be included in all subawards of the Federal award to all subrecipients at all tiers, including all contracts and purchase orders for work performed or products supplied under the Federal award. Vendor shall be responsible to obtain certifications of compliance with the Buy America Preference Requirements from such subrecipients, to retain such certifications in accordance with the record retention requirements applicable to the Federal award, and to provide copies of such certifications, upon request, to HCDE, and/or the awarding Federal agency.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF ACCESS TO RECORDS- 2 C.F.R. § 200.337

Vendor agrees that HCDE, Inspector General, Department of Homeland Security, FEMA, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any records of Vendor, and its successors, transferees, assignees, and subcontractors that are pertinent to the Contract for the purpose of performing audits, executing site visits, or any other official use. This right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents, this Contract, or the Federal award in general. Vendor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. Vendor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the Contract.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Vendor agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF NON-COLLUSION STATEMENT

Vendor certifies under penalty of perjury that its response to this procurement solicitation is in all respects bona fide, fair, and made without collusion or fraud with any person, joint venture, partnership, corporation or other business or legal entity.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

Vendor agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that vendor certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Vendor's Name/Company Name: _____

Address, City, State, and Zip Code: _____

Phone Number:_____Fax Number: _____

Printed Name and Title of Authorized Representative: _____

Email Address: _____

Signature of Authorized Representative: _____

Date:_____Federal Tax ID# _____

CERTIFICATION REGARDING TERRORIST ORGANIZATIONS

Vendor hereby certifies that it is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State.

_____ Initials of Authorized Representative of Vendor

CERTIFICATION REGARDING BOYCOTTING OF ISRAEL

If (a) Vendor is not a sole proprietorship; (b) Vendor has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more, the following certification shall apply; otherwise, this certification is not required. Pursuant to Chapter 2271 of the Texas Government Code, Vendor hereby certifies and verifies that neither the Vendor, nor any affiliate, subsidiary, or parent company of the Vendor, if any (the "Vendor Companies"), boycotts Israel, and the Vendor agrees that the Vendor and Vendor Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and includerefusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

_____ Initials of Authorized Representative of Vendor

CERTIFICATION REGARDING CONTRACTING INFORMATION

If Vendor is not a governmental body and (a) this Agreement has a stated expenditure of at least $1 million inpublic funds for the purchase of goods or services by HCDE or a CP member; or (b) this Agreement results inthe expenditure of at least $1 million in public funds for the purchase of goods or services by HCDE or a CP member in a fiscal year of HCDE or the purchasing CP member, the following certification shall apply; otherwise, this certification is not required. As required by Tex. Gov't Code § 552.374(b), the following statement is included in the RFP and the Agreement (unless the Agreement is (1) related to the purchase or underwriting of a public security; (2) is or may be used as collateral on a loan; or (3) proceeds from which areused to pay debt service of a public security of loan): "The requirements of Subchapter J, Chapter 552, Government Code, may apply to this RFP and Agreement and the contractor or vendor agrees that the contractcan be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement ofthat subchapter." Pursuant to Subchapter J, Chapter 552, Texas Government Code, the Vendor hereby certifiesand agrees to (1) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to HCDE or the purchasing CP member for the duration of the Agreement;(2) promptly provide to HCDE or the purchasing CP member any contracting information related to the Agreement that is in the custody or possession of the Vendor on request of HCDE or the purchasing CP member; and (3) on completion of the Agreement, either (a) provide at no cost to HCDE or the purchasing CPmember all contracting information related to the Agreement that is in the custody or possession of Vendor, or (b) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to HCDE or the purchasing CP member.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING BOYCOTTING CERTAIN ENERGY COMPANIES

If (a) Vendor is not a sole proprietorship; (b) Vendor has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more that is to be paid wholly or partly from public funds, the following certification shall apply; otherwise, this certification is not required. Pursuant to TEX. GOV'T CODE Ch. 2274 of SB 13 (87th session), Vendor hereby certifies and verifies that Vendor,

or any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of these entities or business associations, if any, does not boycott energy companies and will not boycott energy companies during the term of the Agreement. For purposes of this Agreement, the term "company" shall mean an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, that exists to make a profit. The term "boycott energy company" shall mean "without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law, or (b) does business with a company described by paragraph (a)." *See* TEX. GOV'T CODE § 809.001(1).

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION PROHIBITING DISCRIMINATION AGAINST FIREARM AND AMMUNITION INDUSTRIES

If (a) Vendor is not a sole proprietorship; (b) Vendor has at least ten (10) full-time employees; (c) this Agreement has a value of at least $100,000 that is paid wholly or partly from public funds; (d) the Agreement is not excepted under TEX. GOV'T CODE § 2274.003 of SB 19 (87th leg.); and (e) HCDE or a CP member has determined that Vendor is not a sole-source provider or HCDE or a CP member has not received any bids from a company that is able to provide this written verification, the following certification shall apply; otherwise, this certification is not required. Pursuant to TEX. GOV'T CODE Ch. 2274 of SB 19 (87th session), Vendor hereby certifies and verifies that Vendor, or association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary parent company, or affiliate of these entities or associations, that exists to make a profit, does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this contract against a firearm entity or firearm trade association. For purposes of this Agreement, "discriminate against a firearm entity or firearm trade association" shall mean, with respect to the entity or association, to: "(1) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (2) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (3) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association. *See* TEX. GOV'T CODE § 2274.001(3) of SB 19. "Discrimination against a firearm entity or firearm trade association" does not include: "(1) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (2) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency, or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association." *See* TEX. GOV'T CODE § 2274.001(3) of SB 19.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING CERTAIN FOREIGN-OWNED COMPANIES IN CONNECTION WITH CRITICAL INFRASTRUCTURE

HCDE and many CP members are prohibited from entering into a contract or other agreement relating to critical infrastructure that would grant to Vendor direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by HCDE or a CP member for product warranty and support purposes. Vendor certifies that neither it nor its parent company nor any affiliate of Vendor or its parent company, is (1) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; (2) a company or other entity, including governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (3) headquartered in China, Iran, North Korea, Russia, or a designated country. For purposes of this Agreement, "critical infrastructure" means "a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility." *See* TEX. GOV'T CODE § 2274.0101(2) of SB 1226 (87th leg.). Vendor verifies and certifies that Vendor will not grant direct or remote access to or control of critical infrastructure, except for product warranty and support purposes, to prohibited individuals, companies, or entities, including governmental entities, owned, controlled, or headquartered in China, Iran, North Korea, Russia, or a designated country, as determined by the Governor.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING EMPLOYMENT ASSISTANCE PROHIBITED

Vendor certifies and agrees that it shall not assist an employee, contractor, or agent of HCDE or of any other school district in obtaining a new job if the Vendor knows, or has probable cause to believe, that the individual engaged in sexual misconduct regarding a minor or student in violation of the law. Routine transmission of an administrative or personnel file does not violate this prohibition. *See* HCDE Policy CJ (Legal) and (Local).

_____ Initials of Authorized Representative of Vendor

REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS – APPENDIX II TO 2 C.F.R. PART 200

The following provisions are required and apply when federal funds are expended by HCDE or any CP member for any contract resulting from this procurement process. In the event of a conflict or inconsistency between the following terms and conditions and any provision of any contract, agreement, or Purchase Order, the following terms and conditions shall control. Accordingly, the parties agree that the following terms and conditions apply to the Contract/PO between HCDE or any CP member and Vendor in all situations where Vendor has been paid or will be paid with federal funds:

(A) Contracts for more than the simplified acquisition threshold currently set at $250,000 (2 CFR §200.320), which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when federal funds are expended by HCDE or any CP member, HCDE/CP member reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

Pursuant to Federal Rule (B) above, when federal funds are expended by HCDE or any CP member, HCDE/CP member reserves the right to immediately terminate any agreement in excess of $10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation; (4)) to the greatest extent authorized by law, if an award no longer effectuates the program goals or priorities of the Federal awarding agency or HCDE/CP . HCDE/CP member also reserve the right to terminate the contract immediately, with written notice to vendor, for convenience, if HCDE/CP member believes, in its sole discretion that it is in the best interest of HCDE/CP member to do so. The vendor will be compensated for work performed and accepted and goods accepted by HCDE/CP member as of the termination date if the contract is terminated for convenience of HCDE/CP member. Any award under this procurement process is not exclusive and HCDE/CP member reserves the right to purchase goods and services from other vendors when it is in the best interest of HCDE/CP member.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(C) 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 must 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."

Pursuant to Federal Rule (C) above, when federal funds are expended by HCDE or CP member on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does vendor agree to abide by the above? YES_____Initials of Authorized Representative of vendor

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when federal funds are expended by HCDE or any CP member, duringthe term of an award for all contracts and subgrants for construction or repair, the vendor will be in compliance with all applicable Davis-Bacon Act provisions.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term of an award for all contracts by HCDE/CP member resulting from this procurement process, the vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the 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," the 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 awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term of an award for all contracts by HCDE/CP member resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(G) 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 award 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).

Pursuant to Federal Rule (G) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term of an award for all contracts by HCDE/CP member resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(H) 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.

Pursuant to Federal Rule (H) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term of an award for all contracts by HCDE/CP member resulting from

this procurement process, the vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency or by the State of Texas. Vendor shall immediately provide written notice to HCDE/CP if at any time the vendor learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. HCDE/CP may rely upon a certification of a vendor that the vendor is not debarred, suspended, ineligible, or voluntarily excluded from the covered contract, unless HCDE/CP knows the certification is erroneous.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(I) 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.

Pursuant to Federal Rule (I) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term and after the awarded term of an award for all contracts by HCDE/CP member resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certificate is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(J) Procurement of Recovered Materials – When federal funds are expended by HCDE or any CP member, HCDE/CP members and their 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: (1) 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; (2) procuring solid waste management services in a manner that maximizes energy and resource recovery; and (3) establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Pursuant to Federal Rule (J) above, when federal funds are expended HCDE or any CP member, as required by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6962(c)(3)(A)(i)), the vendor certifies, by signing this document, that the percentage of recovered materials content for EPA-designated items to be delivered or used in the performance of the contract will be at least the amount required by the applicable contract specifications or other contractual requirements.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(K) Required Affirmative Steps for Small, Minority, And Women-Owned Firms for Contracts Paid for with Federal Funds – 2 CFR § 200.321 – When federal funds are expended by HCDE or any CP member, Vendor is required to take all affirmative steps set forth in 2 CFR 200.321 to solicit and reach out to small, minority and women owned firms for any subcontracting opportunities on the project, including: 1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; 2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; 3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; 4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and 5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH NEVER CONTRACT WITH THE ENEMY – 2 C.F.R. § 200.215

When federal funds are expended by HCDE or any CP member for grant and cooperative agreements,or any contract resulting from this procurement process, that are expected to exceed $50,000 within theperiod of performance, and are performed outside of the United States, including U.S. territories, to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, HCDE or CP member will terminate any grant or cooperative agreement or contract resulting from this procurementprocess as a violation of Never Contract with the Enemy detailed in 2 CFR Part 183. The vendor

certifies that it is neither an excluded entity under the System for Award Management (SAM) nor Federal Awardee Performance and Integrity Information System (FAPIIS) for any grant or cooperative

agreement terminated due to Never Contract with the Enemy as a Termination for Material Failure to Comply. HCDE or CP member has a responsibility to ensure no Federal award funds are provided directly or indirectly to the enemy, to terminate subawards in violation of Never Contract with the Enemy, and to allow the Federal Government access to records to ensure that no Federal award funds are provided to the enemy.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT – 2 C.F.R. § 200.216

HCDE or CP member, as a non-federal entity, is prohibited from obligating or expending Federal financial assistance, to include loan or grant funds, to: (1) procure or obtain, (2) extend or renew a contract to procure or obtain, or (3) enter into a contract (or extend or renew a contract) to procure or obtain, equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system.Covered telecommunications equipment is telecommunications equipment produced HuaweiTechnologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities) and physicalsecurity surveillance of critical infrastructure and other national security purposes, and video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiaryor affiliate of such entities) for the purpose of public safety, security of government facilities, physicalsecurity surveillance of critical infrastructure, and other national security

purposes detailed in 2 CFR §200.216. The vendor certifies that vendor will not purchase equipment, services, or systems that use covered telecommunications, as defined herein, as a substantial or essential component of any system,or as critical technology as part of any system.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

RECORD RETENTION REQUIREMENTS FOR CONTRACTS PAID FOR WITH FEDERAL FUNDS – 2 C.F.R. § 200.334

When federal funds are expended by HCDE or any CP member for any contract resulting from this procurement process, the vendor certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.334. The vendor further certifies that vendor will retain all records as required by 2 CFR § 200.334 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH EPA REGULATIONS APPLICABLE TO GRANTS, SUBGRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS IN EXCESS OF $100,000 OF FEDERAL FUNDS

When federal funds are expended by HCDE or any CP member for any contract resulting from this procurement process in excess of $100,000, the vendor certifies that the vendor is in compliance with all applicable standards, orders, regulations, and/or requirements issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When federal funds are expended by HCDE or any CP member for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF EQUAL EMPLOYMENT STATEMENT

It is the policy of HCDE (and most CP members) not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or handicapping conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Contract, with respect to hire, tenure, terms, conditions and privileges of employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Contract shall contain a provision requiring non-discrimination in employment herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF DOMESTIC PREFERENCES FOR PROCUREMENTS AND COMPLIANCE WITH BUY AMERICA PROVISIONS – 2 C.F.R. § 200.322

As appropriate and to the extent consistent with law, HCDE or CP member has 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) when spending federal funds. Vendor agrees that the requirements of this section will be included in all subawards including all contracts and purchase orders for work or products under this award, to the greatest extent practicable under a Federal award. Purchases that are made with non-federal funds or grants are excluded from the Buy America Act. Vendor certifies that vendor is in compliance with all applicable provisions of the Buy America Act. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

"Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.

"Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.337

Vendor agrees that HCDE, CP member(s), Inspector General, Department of Homeland Security, FEMA, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records of Vendor, and its successors, transferees, assignees, and subcontractors that are directly pertinent to the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and

discussion relating to such documents. Vendor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. Vendor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the Contract.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Vendor agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF NON-COLLUSION STATEMENT

Vendor certifies under penalty of perjury that its response to this procurement solicitation is in all respects bona fide, fair, and made without collusion or fraud with any person, joint venture, partnership, corporation or other business or legal entity.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

Vendor agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that vendor certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Vendor's Name/Company Name: _____
Address, City, State, and Zip Code:
Phone Number:_____Fax Number: _____
Printed Name and Title of Authorized Representative: _____
Email Address: _____
Signature of Authorized Representative: _____
Date: _____

Harris County Department of Education
Business Office /Procurement Services Division
Job (Bid-Proposal) Recommendation Form
Program Review

[This form is used to document due diligence by Recommendation Committee]

To: **Procurement Services Division**
From: **Recommendation Committee**

Venetia Peacock
Jamese Stancill
Gulshan Rahman
Lisa Boone

Job (Bid or RFP#) and Name: 20/039YR
Early Head Start Child Care Partnership

Board Meeting Date: June 17, 2020

Date: May 20, 2020

Procurement Requirements Available:

Check One

_____ Under $10,000 (Requires Division Director and Asst Supt. Approval)
_____ From $10,000 to $25,000 (Requires Buyer, Director of Procurement/CFO Approval)
__X__ Over $50,000 (Requires Board Approval)

I certify that I have reviewed the attached Job (bid or RFP) and certify that all of my actions as a Recommendations Committee Member are within the procurement requirements in accordance with local Board Policies (CH local/legal) and legal (federal and state) policies and administrative guidelines set by the Business Office and Procurement Services Division.

I certify that I have adhered to the Procurement Policies of HCDE concerning the review of this job (bid or RFP) to include policies on conflict of interest (CIQ).

I certify that I am aware of all Purchasing Policies (CH Local and CH Legal) and administrative procedures of HCDE.

I certify that I am aware of the penalties of not following the purchasing policies and procedures and in specific with section 44.032 of the Texas Education Code which deals with the penalties related to sequential or component purchases.

I further certify that I recommend the issuance of a purchase order after Board approval and execution of a contract.

(Note: This form is required of all jobs (bids and RFPs) prepared by all Buyers & Director)

Justification:

Job no. 20/039YR

This RFP was developed to procure Early Head Start Child Care Partnership.

This job was competitively bid and advertised. The result of the bid generated the following responses:

Invitation to propose was sent to three hundred sixty-six (366) vendors.

HCDE received six (6) responses.

Recommendation:

HCDE is recommending the following vendors for award:

- **John G. Jones Learning Center**
- **Fellowship of Purpose Early Childhood Learning Center**
- **Let's Learn Christian Learning Center, Inc.**
- **Deskot, LLC dba Kool Kids Daycare**

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL and CH LOCAL)*
DATE DEVELOPED: 6/15/2015	**REVISED DATE: 5/18/2022**	
SUBJECT: RFP approval		

RFP Procedures

HCDE has Request for proposals (RFP) procedures in place to handle procurements. All requests for proposal shall require review of the following:

1. Initiated by either the Procurement Services Office or the Originating Budget manager
2. Review and approve by originating division (via email)
3. Review and approve by Director of Procurement Services and Assistant Supt for Business
4. RFP templates will be handled through the HCDE attorney at least one per year for changes in laws.

In all instances, all RFPs must be handled through the Procurement Services Office. The following is the flowchart of the RFP process:



Authority: UGMS Part III § .36(b)(12)

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL and CH LOCAL)*
DATE DEVELOPED: 7/1/2015	**REVISED DATE: 8/13/2020**	
SUBJECT: Cost or Price Analysis		

Cost or Price Analysis

HCDE must make independent estimates before receiving bids or proposals. Beyond that, the method and degree of cost analysis or price analysis may vary dependent on the facts surrounding each procurement situation. Note that costs or prices based on estimated costs are allowable only to the extent that costs incurred or cost estimates are consistent with federal cost principles.

A cost analysis is required when an offeror must submit the elements of its estimated cost. It is also required when adequate price competition is lacking (i.e., sole source procurements, contract modifications or change orders) unless price reasonableness can be established using: 1) a catalog or market price of a commercial product that is sold in substantial quantities to the general public; or 2) based on prices set by law or regulation. **A price analysis** will be used in all other instances to determine the reasonableness of the proposed contract price. For micro-purchases, price reasonableness may be determined as described below:

HCDE Divisions must obtain price or rate quotations for micro-purchases if:

- The purchasing entity has information that the price is not reasonable (i.e., based on comparison to the previous price paid, or personal knowledge of the supply or purchase)
- Purchasing a good or service for which comparative pricing is not readily available (i.e., purchasing a good or service that is not the same as, or similar to other goods or services that have recently been purchased on a competitive basis)

HCDE Divisions can make micro-purchases without soliciting price or rate quotations if the division considers the price to be reasonable based on information such **as research, experience, prior purchases, or other information**. The basis (e.g., research, experience, purchases, or other information) used by the division to determine price reasonableness of a purchase should be **noted in support documentation via the bids comparison or bid tabulation**, HCDE will review micro-purchases for price reasonableness.

The price quote will be the cost analysis for items under $10,000. HCDE will utilize **the bid tabulations and price comparison** for items between $10,000 and $50,000. For items above $50,000, HCDE will document price comparisons and analysis by using the attached form (Cost Price Analysis Form).

Profit, when applicable, must be negotiated as a separate element of the price anytime a cost analysis is performed. Considerations for determining a fair and reasonable profit must include:

- Complexity of the work to be performed
- Risk borne by the subcontractor
- Subcontractor's investment
- Amount of subcontracting (by the subcontractor)
- Quality of its record of past performance
- Industry profit rates in the surrounding geographical area for similar work

Optional supplemental guidance on performing a cost or price analysis can be found in the Federal Acquisition Regulation (FAR) at 48 CFR §13.106-3 (Small Purchase Method) and 48 CFR §15.404-1 (Sealed Bid and Competitive Negotiation Methods). The FAR sets forth procurement regulations that apply to federal agencies.

Authority:

- OMB Circular A-110 § .45
- 29 CFR §97.36(f)(1)-(3)
- 45 CFR §92.36(f)(1)-(3)
- 7 CFR §3015.180
- UGMS Part III § .36(f)(1)-(3)
- Uniform Guidance (2 C.F.R. § 200)

Harris County Department of Education
Business Office/Procurement Services Division
Instructions
to Recommendation Committee

[This form is used to document due diligence by Procurement Services Division]

To: **Recommendation Committee**

Jeff Drury
Joann Nichols
Stephen Kendrick
Kendra Jackson

From: **Procurement Services Division – Contract Manager**: **Yaritza Román**

Job (Bid or RFP) # and Name: 19/055YR Contracted Services for Choice Partners Cooperative

Board Meeting Date: October 16, 2019

Today's Date: September 9, 2019

Attached are the following materials for your review and possible recommendation to the Superintendent and the Board of Trustees:

- Vendor Response
- Bid Attributes
- Evaluation form

Your responsibility for review of this job (RFP 19/055YR) is to make sure that HCDE receives the best value for the goods and services sought. Please review the attached job (bid or RFP) and certify that all of the procurement requirements have been met in accordance with local Board Policies and legal (federal and state) policies and administrative guidelines set by the Business Office and the Procurement Services Division.

A quick reminder on the penalties of not following the purchasing policies and procedures and in specific with section 44.032 of the Texas Education Code which deals with the penalties related to sequential or component purchases. In addition, Board policy CH Local and Legal are required to be met as part of your contractual obligation with HCDE.

EDGAR Conflict of Interest Requirements

It should be noted that in accordance with EDGAR requirements as amended on Dec 26, 2014 under 2 CFR Part 200 to include the following: No employee, officer, or agent may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to

employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of HCDE may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, HCDE has set a de minimis amount of less than $50 per year for items that are unsolicited and of minimal and promotional items.

Violations of this standard by an employee will be reported to the Superintendent's Office and addressed through our personnel policies. Violations of this standard by an officer or the Superintendent shall be addressed to the **Board President and addressed through the board policies.**

State of Texas Conflict of Interest requirements

In addition, Chapter 176 of the Local government Code, a local government officer shall file a **conflict of interest disclosure** with respect to a vendor if

(1) the vendor enters into a contract with the local government entity or the local governmental entity is considering entering into a contract with the vendor **AND**,

(2) the vendor has

(A) an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family receiving taxable income, other than investment income, that exceeds **$2,500** during the 12-month preceding the date that the officer becomes aware that:

(i) A contract between the local governmental entity and vendor has been executed by
(ii) The local governmental entity is considering entering into a contract with the vendor

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than $100 in the 12-month period preceding the date the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed or
(ii) the local governmental entity is considering entering into a contract with the vendor or

(C) has a family relationship with the local government officer.

It should be noted that if a required document is not provided by the bidder, the Procurement Services Division will not be able to make a recommendation and or issue a purchase order.

Please review the responses to the job (bid or RFP).

Received memo:

To: Recommendation Committee

Jeff Drury _____

Joann Nichols _____

Stephen Kendrick _____

Edna Johnson _____

_____

From: Procurement Services Division – Yaritza Román – Contract Manager

Harris County Department of Education	**PROCUREMENT PROCEDURES** **HARRIS COUNTY DEPARTMENT OF EDUCATION**	Reference: *CH (LEGAL)*
DATE DEVELOPED: 3/16/2006		**REVISED DATE: 8/12/2020**
SUBJECT: COMPETITIVE BID VS COMPETITIVE PROPOSAL		

A competitive bid and a competitive proposal are both purchasing methods that may be used when making formal purchases valued at $50,000 or greater. The key difference between the two methods is that the competitive bid does not allow for negotiation and the competitive proposal does allow for negotiations.

Competitive Bid

Competitive Bids, or Invitation to Bid (ITB), are used when you are able to clearly define what goods or services you need. Below are examples of defined goods or services:

- The purchase of an automobile might read: Qty. 2/each, 4/door sedan (handle 5/adults comfortably), 5.0-liter engine, rear wheel drive, white in color, cloth seating material, am/fm radio, AC, automatic transmission, and tinted windows.
- The purchase of books might read: Qty. 1,500/each, Merriam-Webster's Collegiate Thesaurus, hard bound edition, ISBN 0-8779-169-4.
- The purchase of window cleaning services might read: Qty. 1/year service, contractor shall clean storefront windows (10/ea, 72" X 72") both on the outside and inside of each window once-a-week at the following address: HCDE, 6300 Irvington Blvd., Houston, TX 77022-5618.
- The purchase of garbage collection services night read: Qty. 1/year service, contractor shall be responsible for emptying one (1) 4/cubic yard dumpster on Mondays-Wednesdays-Fridays, located at HCDE, 6300 Irvington Blvd., Houston, TX 77022-5618

Typically, a competitive bid is awarded to the lowest bidder meeting specification requirements. At times, the low bidder can be by passed if the bid does not meet the specification criteria or other critical information requested in the bid such as delivery dates.

Competitive Proposal

Competitive Proposals, Request for Proposal (RFP), are used when the user has a good idea of what he/she wants but there might be different ways of arriving at the same goal. Competitive proposals may be the preferred method of acquisition when the need exists to generate a spectrum of alternative responses to the need proposed and to retain the ability to refine these responses through negotiation.

The competitive proposal will have a scope of work that describes the goods or services being purchased and the application, but HCDE is going to leave it up to the company as to how to best accomplish the end result.

For example, HCDE may be looking for a software system that accomplishes the following:

- Financial software system
- Windows based
- Service up to 1000 users
- Meets Texas' Public Education Information Management System (PEIMS) reporting requirements
- Expandable with HCDE growth

HCDE will also explain in the competitive proposal how proposals will be evaluated using the pre-determined evaluation criteria. The evaluation criteria may consist of *some or all* the following items with an attached weight or point system:

SAMPLE CRITERIA	**SAMPLE POINT SYSTEM**
1. Purchase price.	(30/pts.)
2. The reputation of the vendor and the vendor's goods and services.	(20/pts.)
3. The quality of the vendor's goods or services.	(20/pts.)
4. The extent to which the goods or services meets HCDE's needs.	(10/pts.)
5. The vendor's past relationship with HCDE.	(5/pts.)
6. The impact on the ability of HCDE to comply with laws relating to historically underutilized businesses.	(0/pts.)
7. The total long-term cost to HCDE to acquire the goods or services.	(10/pts.)
8. for a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the vendor or the vendor's ultimate parent company or majority owner: a. has its principal place of business in this state; or b. employs at least 500 persons in this state; and	(0/pts.)
9. Any other relevant factor specifically listed in the ITB or RFP.	(5/pts.)

Typically, a competitive proposal is awarded to the most responsive and responsible respondent receiving the highest overall ranking, as decided by an evaluation committee using evaluation criteria set in the competitive proposal. In addition, HCDE may elect to negotiate any part of the final contract that both parties agree as the final contract. Multiple awards may be given.

Harris County Department of Education
Business Office /Procurement Services Division
EC Form
Effectiveness and Compliance Review

[This form is used to document due diligence by Buyer]

To: Procurement Services Audit File and Jesus J. Amezcua, Ph.D., CPA, Assistant Supt. for Business

From: Yaritza Román – Contract Manager

Job- Bid or RFP# and Name: 20/039YR Early Head Start Child Care Partnership

Board Meeting Date: June 17, 2020

Date: May 20, 2020

Procurement Requirements Applicable:

Check One

_____ Under $10,000 (Requires Division Director and Asst Supt. Approval)
_____ From $10,000 to $49,999 (Requires Buyer, Procurement Director/CFO Approval)
__X__ Over $50,000 (per CH Local)
_____ Cooperative Programs (Requires Board Approval)

I certify that I have reviewed the attached job (bid or RFP) and certify that all of my actions as a Recommendations Committee Member are within the procurement requirements in accordance with local Board Policies (CH local/legal) and legal (federal and state) policies and administrative guidelines set by the Business Office and the Purchasing Division.

I certify that I have adhered to the Purchasing Policies of HCDE concerning the review of this job (bid or RFP) to include policies on conflict of interest.

I certify that I am aware of all purchasing policies (CH Local and CH Legal) and administrative procedures of HCDE.

I certify that I am aware of the penalties of not following the purchasing policies and procedures and in specific with section 44.032 of the Texas Education Code which deals with the penalties related to sequential or component purchases.

I further certify that I recommend the issuance of a purchase order after Board approval and execution of a contract.

(Note: This form is required of all jobs (bids and RFPs) prepared by all buyers and Director)

HARRIS COUNTY DEPARTMENT OF EDUCATION
EMPLOYEE/INDEPENDENT CONTRACTOR CLASSIFICATION CHECKLIST

The information provided below will assist the Business Office in determining whether the individual performing the services will be classified as an independent contractor or an employee of HCDE for federal and FICA tax purposes.

SECTION I – INDIVIDUAL'S INFORMATION

Provider Name:

HCDE Division completing this form:

SECTION II – MULTIPLE RELATIONSHIPS WITH HCDE

☐ Yes ☐ No Does this individual currently work for HCDE as an employee?

☐ Yes ☐ No Will this individual perform the same or similar services as other HCDE employees?

☐ Yes ☐ No Has this individual been an employee of HCDE or performed the same proposed services as an employee of HCDE in the past?

- If the answer is **YES** to any of these questions this individual is **NOT** eligible for "Independent Contractor" status; skip to Section IV.
- If the answer is **NO** to any of these questions proceed to Section III.

SECTION III – CLASSIFICATION GUIDELINES

A. Conference speakers and presenters hired to perform services for HCDE are presumed to be "Independent Contractors" (vendors) of HCDE.

B. Consultants hired to perform professional services (intellectual in nature as outlined in the Professional Services Act) are considered "Independent Contractors" IF the following are met:

☐ Yes ☐ No Will the individual provide the same or similar services he/she offers to other entities or to the general public as part of his/her trade of business?

☐ Yes ☐ No Will the individual handle the services independently and will HCDE rely on that individual's expertise?

☐ Yes ☐ No Will the individual set his/her own number of hours and/or workdays required to work as opposed to HCDE setting the work schedule?

☐ Yes ☐ No Will the individual NOT supervise and evaluate staff during the course of his/her contract?

- If the answer is **YES** to any of these questions this individual **MEETS** the "Independent Contractor" criteria and can be classified as an Independent Contractor.
- If the answer is **NO** to any of these questions the individual **DOES NOT MEET** the "Independent Contractor" criteria and must be classified as an employee.

SECTION IV – DETERMINATION

This individual is to be classified as (check one): ☐ Independent Contractor ☐ Employee

Reason(s) for Determination:

SECTION V – REQUIRED SIGNATURES

Budget Manager:	Date:

Submit to Procurement Services Division along with Contract Processing Form and Independent Contractor Agreement

Complete before soliciting or advertising for Proposals / Quotes

Harris County Department of Education

HARRIS COUNTY DEPARTMENT OF EDUCATION
INDEPENDENT ESTIMATE DETERMINATION

Purpose: Federal regulations require documentation of cost analysis or price analysis for every procurement action at or above $150,000. As part of the analysis, the regulations require documentation of an independent estimate reached before receiving bids or proposals (*see* 2 C.F.R. § 200.323) or before receiving quotes or proposals from other governmental entities through an interlocal contract or a purchasing cooperative (*see* 2 C.F.R. § 200.318 (e)). The Independent Estimate Determination is a form used to document HCDE's estimated range of fair and reasonable costs for the goods and/or services to be acquired and to document the analysis **PRIOR** to seeking bids, proposals, or quotes. The form is kept as part of the procurement file along with the cost or price analysis, which is conducted after receiving proposals but before awarding a contract, to demonstrate that the procurement process was conducted in an open and fair manner and that HCDE received the most advantageous price.

Instructions:

1. Complete one (1) Independent Estimate Determination form **PRIOR** to either (1) advertising and receiving bids or proposals or (2) seeking quotes or proposals from other governmental entities through an interlocal contract or a purchasing cooperative and complete all sections.
2. Provide a detailed discussion of your independent estimate and attach the required supporting information.
3. Sign in blue ink and date the form.
4. Maintain a copy in the procurement/contract file along with the cost or price analysis (as completed before contract award), subject to retention schedules.

Prepared by: _____ **Date:** _____

Email: _____ **Phone Number:** _____

Division: _____

Subject: Independent Estimate Determination

PART I
SCOPE AND/OR SPECIFICATIONS

Please attach documentation reflecting the Scope or Proposal/Work and/or Specifications.
The attached Scope of Proposal/Work and/or Specifications contains the following (check all that apply):

For Goods/Equipment	For Services
☐ Estimated quantity of items and/or goods required	☐ List of services/responsibilities to be performed
☐ Detailed description of each item required	☐ Detailed list of deliverables/tasks required
☐ Specifications and/or drawings for materials required	☐ Anticipated contract term and start date
☐ Date items and/or goods are required	☐ Location of project
☐ Delivery address and point of contact	☐ Specifications, drawings, and/or pictures of job site or projected

	results

PART II
INDEPENDENT ESTIMATE GUIDE

Below is a guide for the completion of the Independent Estimate Determination. Please attach the documents requested under "items to include with independent estimate" to this Determination.

Estimate Type	Items to Include with Independent Estimate	Where to Find Supporting Information
Goods/Equipment	1. Product needed 2. Estimated quantity 3. Unit price 4. Markups – overheads – profit 5. Desired delivery schedule 6. Warranty	1. Vendor survey/market survey 2. Current or past contracts for the same or similar product 3. Historical price and costs data
Services (other than professional services, as defined by Tex. Educ. Code § 44.031(f) and/or Tex. Gov't Code Ch. 2254)	1. Tasks you want done 2. Types of people needed 3. Positions required 4. Estimated hours by position 5. Salary/billing rates applied 6. Prevailing wage rate category applied (if applicable) 7. Profit/applied fee 8. Direct expenses 9. Completion schedule	1. Current or past contracts for similar services 2. Other departments doing similar work 3. Historical price and cost data

PART III
INDEPENDENT ESTIMATE

Please complete the following form.

This Independent Estimate is for: ☐ Goods/Equipment ☐ Services

Discussion of independent estimate before receiving bids or proposals including HCDE's estimated reasonable price range for the goods and/or services (attach additional explanation if necessary): _____

_____
_____
_____
_____
_____

Goods/Equipment

Source Used to Develop Independent Estimate of Goods/Equipment (check all that apply and attach supporting documentation):

☐ Vendor survey/market survey
☐ Current or past contracts for the same or similar product
☐ Historical price and costs data
☐ Other (please specify source and attach supporting documentation): _____
_____
_____

Services

Source Used to Develop Independent Estimate of Services (check all that apply and attach supporting documentation):

☐ Current or past contracts for similar services
☐ Other departments doing similar work
☐ Historical price and costs data
☐ Other (please specify source and attach supporting documentation): _____
_____
_____

PART IV
ATTACHMENT CHECKLIST

The following required documentation is included as attachments to this Independent Estimate Determination (please check boxes to certify compliance with required documentation):

☐ **Scope of Proposal/Work and/or Specifications (as required by Part I).**

☐ **For goods/equipment, documentation reflecting the following (as required by Part II):**
- Product needed
- Estimated quantity
- Markups-overhead-profits
- Unit price
- Desired delivery schedule
- Warranty

☐ **For services, documentation reflecting the following (as required by Part II):**
- Tasks you want done
- Types of people needed
- Positions required
- Estimated hours by position
- Salary/billing rates applied
- Prevailing wage rate category applied
- Profit/applied fee
- Direct expenses
- Completion schedule

☐ **Documentation reflecting the source used to develop the independent estimate (as required by Part III).**

☐ **If applicable, additional supporting documentation (e.g., explanation of the process and/or sources used or explanation of the estimate reached). Please provide a brief explanation of the additional documents:**

PART V
CERTIFICATIONS

I certify that I developed this independent estimate prior to receiving bids or proposals as required by 2 C.F.R. § 200.323. I further certify that, to the best of my knowledge and belief, the information provided above and attached hereto is true and correct and that the independent estimate reflects a necessary, fair, and reasonable range of costs or prices for the future procurement.

_____
Full Name of Individual Preparing Form

_____ _____
Signature Date

APPROVED:

_____
Level One: Full Name of Program Manager (Grant)

_____ _____
Signature Date

_____
*Level Two: Full Name of Director of Purchasing

_____ _____
Signature Date

_____
*Level Three: Full Name of Assistant Superintendent for Program (grant)

_____ _____
Signature Date

_____
*Level Four: Full Name of Assistant Superintendent for Business

_____ _____
Signature Date

* Items above $50,000

HCDE CONFLICT OF INTEREST DISCLOSURE STATEMENT

Harris County Department of Education (HCDE) is required to comply with Texas Local Government Code Chapter 176, Disclosure of Certain Relationships with Local Government Officers. House Bill 23 significantly changed Chapter 176 as well as the required disclosures and the corresponding forms. As of September 1, 2015, any vendor who does business with HCDE or who seeks to do business with HCDE must fill out the new Conflict of Interest Questionnaire (CIQ) whether or not a conflict of interest exists. A conflict of interest exists in the following situations:

1) If the vendor has an employment or other business relationship with a local government officer of HCDE or a family member of the officer, as described by section 176.003(a)(2)(A) of the Texas Local Government Code; or
2) If the vendor has given a local government officer of HCDE, or a family member of the officer, one or more gifts with the aggregate value of $100, excluding any gift accepted by the officer or a family member of the officer if the gift is: (a) a political contribution as defined by Title 15 of the Election Code; or (b) a gift of food accepted as a guest; or
3) If the vendor has a family relationship with a local government officer of HCDE.

"Vendor" means a person who enters or seeks to enter into a contract with a local governmental entity. The term includes an agent of a vendor. The term includes an officer or employee of a state agency when that individual is acting in a private capacity to enter into a contract. The term does not include a state agency except for Texas Correctional Industries. *Texas Local Government Code 176.001(7).*

"Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on: (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity; (B) a transaction conducted at a price and subject to terms available to the public; or (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency. *Texas Local Government Code 176.001(3).*

"Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code. *Texas Local Government Code 176.001(2-a).*

"Local government officer" means: (A) a member of the governing body of a local governmental entity; (B) a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or (C) an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. *Texas Local Government Code 176.001(4).*

- ***HCDE Board of Trustees and Superintendent include:***

Ms. Andrea Duhon	Ms. Erica Davis
Mr. Richard Cantu	Mr. David Brown
Dr. John McGee	Ms. Amy Hinojosa
Mr. Eric Dick	Mr. James Colbert, Jr., Superintendent

- ***Current local government officers include, but are not limited to:***

Dr. Jesus J. Amezcua	Danielle Clark
Dr. C.J. Rodgers	Danielle Bartz
Jonathan Parker	Dr. Michelle Williams
Dr. Tyrone Sylvester	

If no conflict of interest exists, you must fill out Box 1 and type N/A on Box 3 of the CIQ form, sign and date it. In the event of changed circumstances, an updated CIQ must be filed within seven (7) business days after the vendor becomes aware that a conflict of interest exists.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

_____
Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

_____ _____
Signature of vendor doing business with the governmental entity Date

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 1/1/2021

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

(A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;

(B) a transaction conducted at a price and subject to terms available to the public; or

(C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

***

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds $2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than $100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

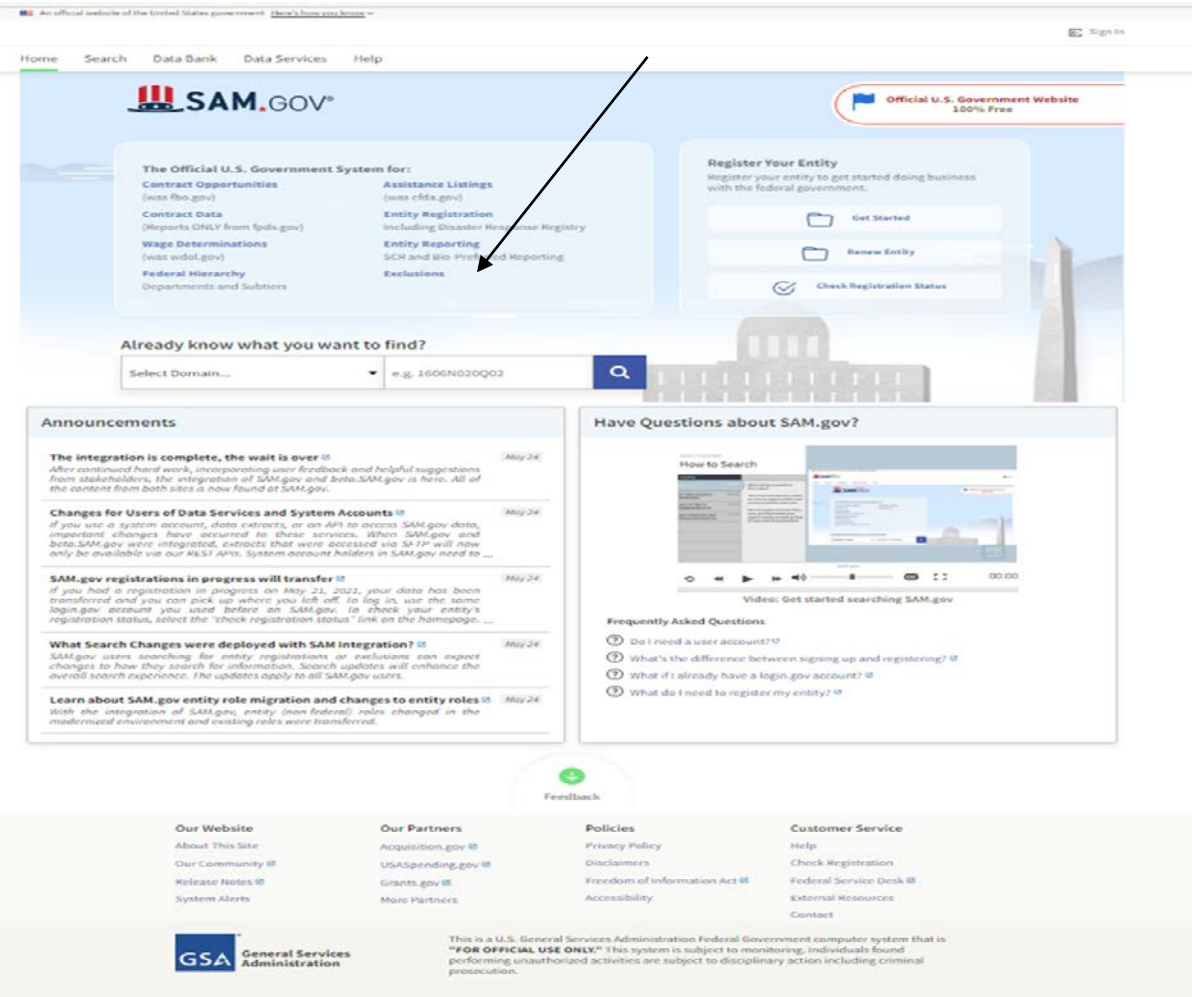
(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

Harris County Department of Education	**PROCUREMENT PROCEDURES** Harris County Department of Education	Reference: *EDGAR* *2 CFR & 200*
DATE DEVELOPED: 6 -19-2015	**REVISED DATE: 7-22-2021**	
SUBJECT: EXCLUDED PARTIES LIST SYSTEM (EPLS) PROCEDURES		

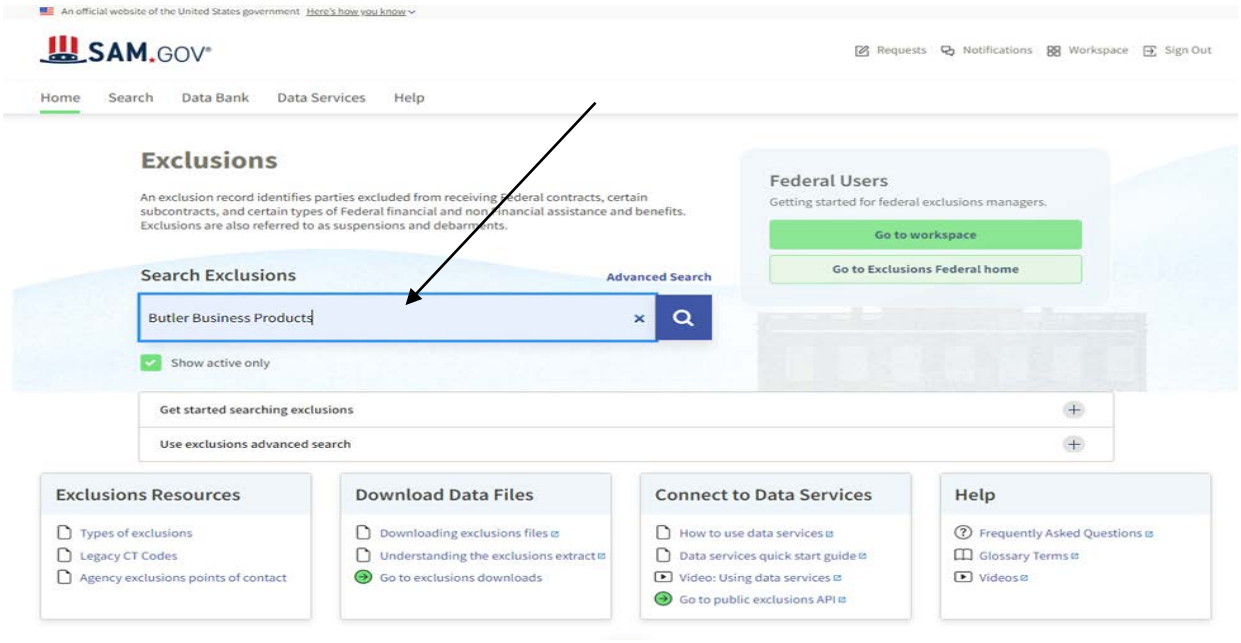
CREATING VENDORS ON EPLS

1. Access the EPLS system by going to the following website and following these steps:
    a. Click on "www. https://www.sam.gov/portal/public/SAM
    b. Go to the Home page and click on Exclusions:

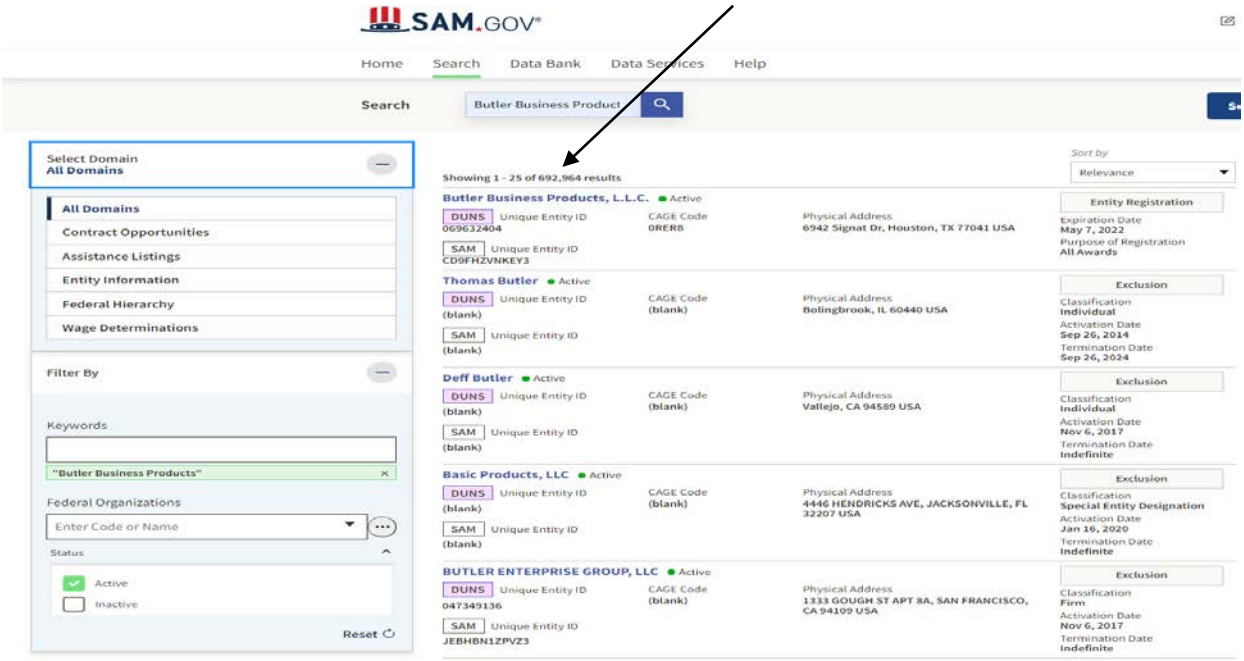


2. Click on Search Exclusions

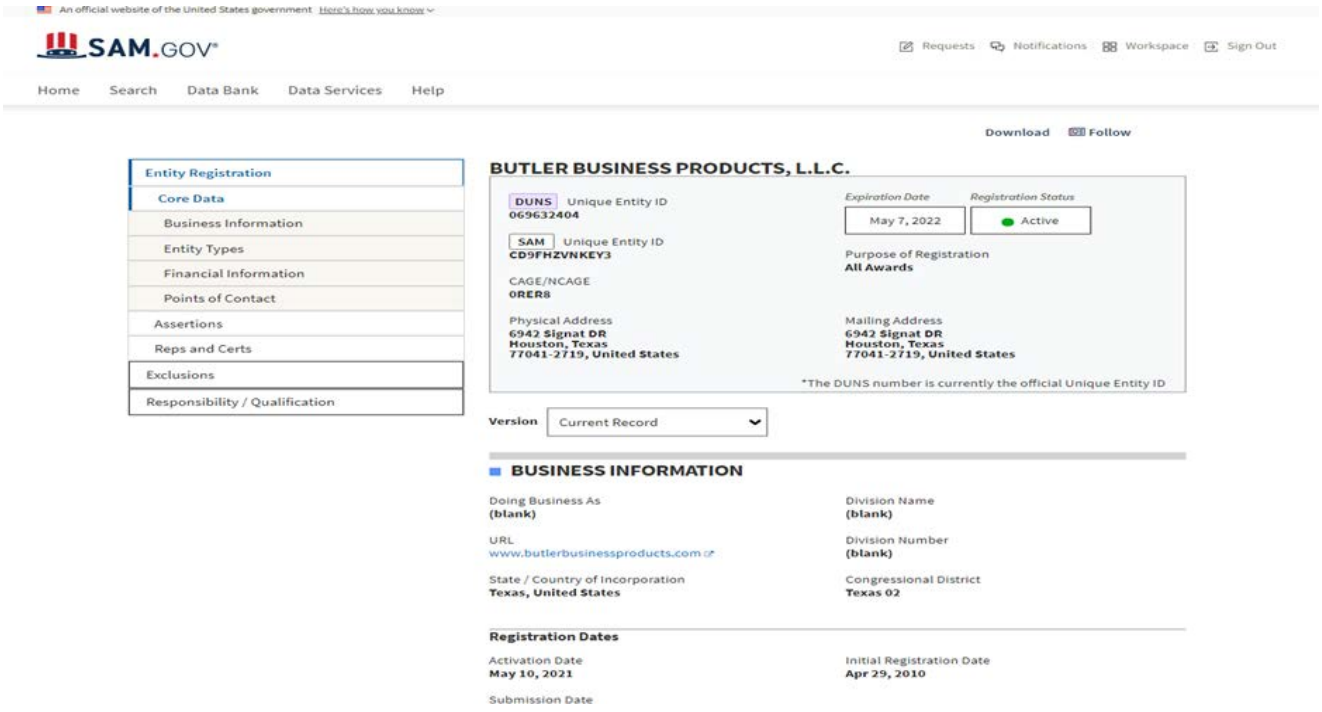
    a. Enter your name of the vendor AS IT APPEARS AS A VENDOR on the vendor master list.



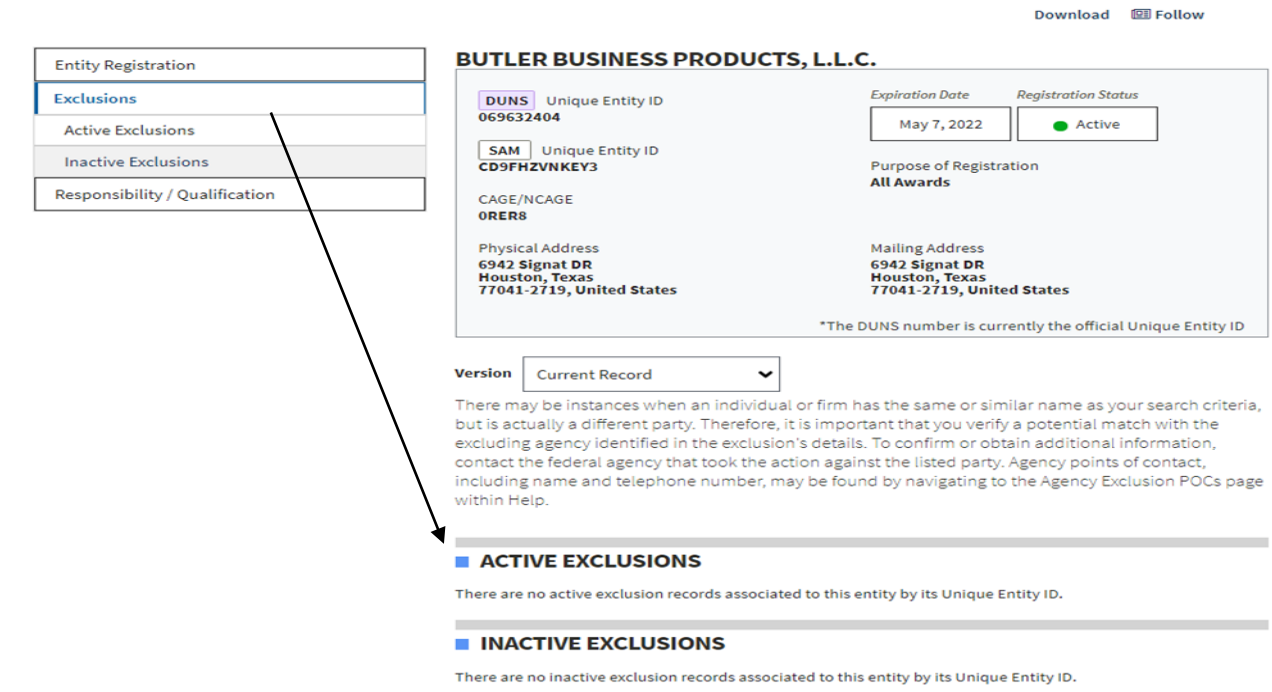
    b. *Enter vendor's name in the Search field and change the Domain to "All Domains". Searched vendor will now move to the first row. Click on the vendor's name to access the vendor's complete profile.



c. **You may select from the menu the information needed on the report:**



d. Once you press enter to submit the search, the following result will be provided by the website. The results must show active and/or no results. If results are returned and the vendor is debarred, a copy must be provided to the CFO and action must be taken not to conduct business with a debarred vendor.



3. EPLS Procedure:

Business Office:

The staff will check the EPLS for the following vendors:

1. Each month for all purchasing contracts above $10,000 after the Disbursement Report is issued. All new vendors identified in the Disbursement Report must be checked.
2. A print screen of the verification of EPLS will be maintained on file in PDF in the Business Services Internal Shared Drive.

All Federal Programs:

The staff will check the EPLS for the following vendors:

1. For each contract paid by federal funds, the federal program staff will check the EPLS System.
2. A print screen of the verification of EPLS will be maintained on file in PDF in the Business Services Internal Shared Drive.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL and CH LOCAL)*

DATE DEVELOPED: 7/1/2015 **REVISED DATE: 5/18/2022**

SUBJECT: Contract Prohibition with companies that boycott Israel and organizations that are identified as terrorist organizations

Contract Prohibitions under the Government Code

HB 89 and SB 252 were approved by the legislature and are effective 9-1-2017. HCDE must verify before contracting with a vendor that they are in compliance with HB 89 and SB 252. HB 89 has been codified under Government Code 808.51c, and SB 252 into Government Code 2252.

A district may not enter into a governmental contract with a company identified on a list prepared and maintained under Government Code 806.051 (now Government Code 2270.0201) (companies with business operations in Sudan), 807.051 (now Government Code 2270.0102) (companies with business operations in Iran), and 2252.153 (companies known to have contracts with or provide supplies or services to foreign terrorist organization). *Gov't Code 2252.152*

HCDE must verify that no company is identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State.

HCDE must further verify that no vendor, nor any affiliate, subsidiary, or parent company of a Vendor,

if any (the "Vendor Companies"), boycotts Israel, and that no Vendor agrees that Vendor and Vendor

Companies will not boycott Israel during the term of this Agreement. This provision applies only to a

contract that:

1. Is between a district and a company with ten or more full-time employees; and
2. Has a value of $100,000 or more that is to be paid wholly or partly from public funds of the district.

For purposes of this Agreement, the term "boycott" shall mean and include terminating business activities or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory.

HCDE Divisions must obtain price or rate quotations through the following processes:

For purchases of $50,000 or above that require a formal RFP or job#, HCDE will require the certification from the vendor through the electronic bidding process. The **procurement staff** will review the form, and verify the form by printing it, comparing it to the comptroller list and sign the form to document verification.

For purchases below $50,000, the division and procurement office will require the certification by the awarded vendor. The **division staff** will require the form to be completed by the vendor and sent to the purchasing office prior to the PO being issued. For Payment authorizations, this form is required to be attached to the request. The **Accounts Payable Staff** will verify for this form. Vendor payment will not be made until the form is attached.

The **Procurement Staff** will review each PO and compare to the list by requiring the form to be signed by the vendor and post it on an intranet folder. This form will be required annually through the vendor packet.

Authority: **Government Code 2252 & 808.51c**

CHANGE ORDER NO.

This document is a Change Order ("Change Order") to the **Contractor Agreement/Job Order Contractor Agreement** between **Harris County Department of Education** ("HCDE") and _____, with an original Effective Date of _____, in the original Contract Sum of **$**_____, for the Project known as _____, with an original Final Completion Date of _____ ("Contractor Agreement"). This Change Order is intended to supplement, amend, change, and/or modify *only* the Scope of Work, Contract Sum, and Contract Time as described herein. All other provisions of the Contractor Agreement remain unchanged.

The party/parties requesting this Change Order is/are: The Effective Date of this Change Order is: _____	This Change Order includes the following (check all that apply): ____Increase ____Decrease _____Scope of Work _____Scope of Work _____Contract Sum _____Contract Sum _____Contract Time _____Contract Time

DESCRIPTION OF CHANGES

Note: Please indicate whether the change is an increase (+) or a decrease (–) from the Contractor Agreement. If there is no change to a particular item, please state N/A. Pursuant to TEX. EDUC. CODE § 44.411, a contract with an original contract price of $1 million or more may not be increased by more than 25 percent; if a change order for a contract with an original contract price of less than $1 million increases the contract amount to $1 million or more, the total of the subsequent change orders may not increase the revised contract amount by more than 25 percent of the original contract price. Any documents supporting this Change Order, including any change proposal/request, drawings, estimates of cost, and/or any other documents as applicable, must be attached hereto and, upon such attachment, are incorporated herein by reference.

Change in Scope of Work	**Change in Contract Sum**	**Change in Contract Time** (# calendar days)
+/– ****Execution of this change order represents full and final costs of all direct, indirect, and delay costs for the scope of services identified hereon unless noted otherwise****	**+/– $**	**+/–**
Total Change in Contract Sum	**+/– $**	
Revised Final Completion Date		**___/___/20___**

APPROVALS

Harris County Department of Education

HCDE approval is required on all Change Orders. Additional approval by HCDE's Board of Trustees is required *only if* this Change Order increases the original Contract Sum by more than $50,000. *See* HCDE Policy CV (Local).

_____

Signature of Authorized Representative *Printed Name* *Title* *Date*

_____

Board President *Printed Name* *Date*

Contractor

Contractor Name (as it appears in the Contractor Agreement):_____ _____

_____

Signature of Authorized Representative *Printed Name* *Title* *Date*

Architect

Architect Name (as it appears in the Contractor or Architect Agreement):_____

_____

Signature of Authorized Representative *Printed Name* *Title* *Date*

Upon the required approval(s) above and attachment of this Change Order to the Contractor Agreement, this Change Order is hereby incorporated in and made part of the Contractor Agreement.

Harris County Department of Education

Approval for Employee Purchase of Technology Equipment

Employee Name: _____

Division: _____

Type of Equipment (circle one):

iPAD/TABLET *LAPTOP* *DESKTOP COMPUTER* *MONITOR* *TV* *PRINTER* *OTHER* _____

Age of equipment (if known): _____ **Brand of equipment:** _____

Asset Tag Number (if applicable): _____

Were Federal Funds used to buy this equipment? YES ☐ ☐ NO

I certify that the above information is true to the best of my knowledge and that the equipment being purchased is more than three years old and is no longer being used.

Employee Signature: _____ Date: _____

Division Manager Signature: _____ Date: _____

Technology Director Signature: _____ Date: _____

Technology and Business Services Use Only:

Cost of device for employee: _____

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CI Local*
DATE DEVELOPED: 6/1/2018		REVISED DATE: 7/15/2021
SUBJECT: Selling of Technology Items		

The Harris County Department of Education purchases technology assets to be used during operations. The sale of obsolete assets will follow Ci local and the following procedures. These will be adhered to by the Facilities Division, the Technology Division, and the Business Office.

1. The cost of the assets will include the invoice prices and any costs of installation.

2. All assets have an end of life, and it is the policy of the department to utilize all assets at least until the end of life.

3. Some assets are utilized beyond the end of life, and the replacement of such assets will depend on available funds.

4. If a division has approved budgeted funds to replace assets, the end-of-life asset will be reported to the fixed assets division under the facilities department for proper warehousing and sale as obsolete equipment.

5. If the division has replaced the assets and the obsolete asset is pending to be displaced, the division director may recommend to the technology department to sell the equipment to an interested employee in the division.

6. Division employees have first right of refusal for equipment in the division, and then other division employees will have the ability to submit an interest in writing to the division director.

7. All assets end of life will be based on the depreciation period as follows:

8. Computers costing above $1,000 including all related costs will be depreciated over a 5-year period on a straight-line basis.

9. iPad including of related keyboard / covers will be depreciated over a 3-year period.

10. Printers above $1,000 will be depreciated over a 5-year period, and under $1,000 over a three-year period.

Financial Operating Guidelines – Internal Charges Procedure for all Internal Divisions

Harris County Department of Education

www.hcde-texas.org

Table of Contents

Table of Contents

Signature Page 2

Time and Reporting 3

DIVISION Billing Process for Internal Operating Services 4

HCDE Billing Process Chart 5

Internal Contract Form 6

Reclassification of Funds Request form 7

Signature Page

Assistant Superintendent for Business Services / Date

Chief Accounting Officer / Date

Senior Accountant / Date

Program Director / Date

Time and Reporting

Time and Effort Record Keeping
For those personnel whose salaries **will be charged to a division**, time and effort records will be maintained by the division that will confirm the services provided. Division Manager must adjust payroll records and expenditures based on this documentation.

Copy of time and effort documents must be sent to the Business Office prior to the drawdown of state funds or billing to client.

This requirement applies to all projects, regardless of funding source. Time and effort is required if a charge is generated between HCDE divisions. Ultimately, the oversight agency will approve allocation charges.

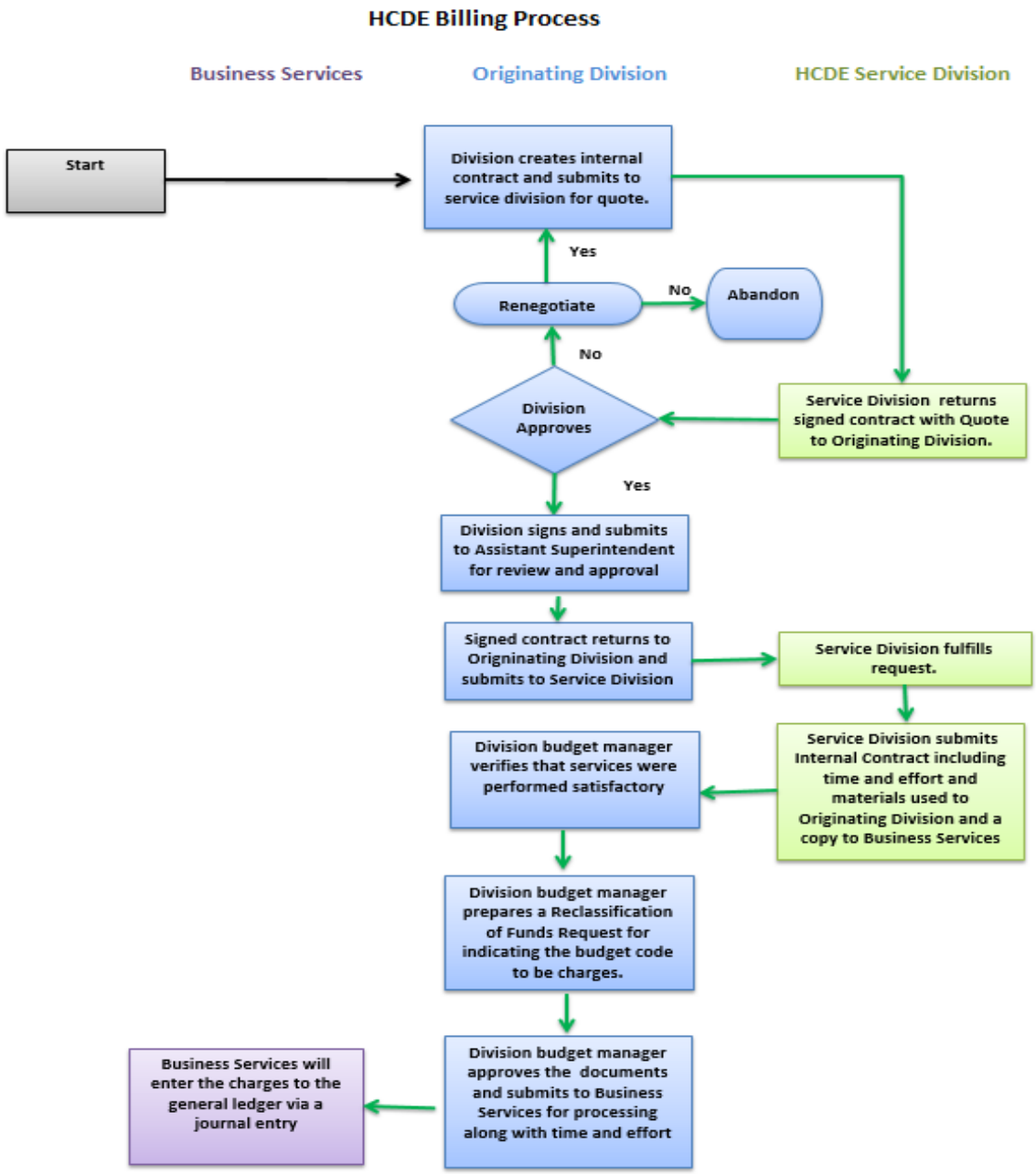
DIVISION Billing Process for Internal Operating Services

Processing Contracts, Quotes & Invoices from Other HCDE Divisions

1. DIVISION budget manager creates internal contract to agree on the scope and the cost. The contract must be signed by each division manager and the Asst. Supt for Business.
2. DIVISION budget manager submits Internal Contract Form to designated HCDE service division for quote of services and materials
3. Service division returns signed Internal Contract Form with quote of services and materials to DIVISION budget manager for approval
4. DIVISION budget manager submits to granting agency (if applicable) for approval.
5. Granting agency (if applicable) approves or denies request.
6. After DIVISION approves request, DIVISION budget manager signs Internal Contract Form and submits the contract to the Assistant Superintendent for Business Services for approval
7. Assistant Superintendent reviews and approves the contract. Questions will be addressed and the cleared with the Division Manager, is any. Once contract is signed, it will be returned to Division Manager who will work with the service division to complete the services.
8. When service is completed, service division submits Internal Contract Form (including time and effort for each task and any materials used) form to DIVISION budget manager and copy to Business Services.
9. DIVISION budget manager verifies that the services were satisfactory provided as indicated in the internal contract form and prepares a Reclassification of Funds Request form indicating the budget codes to be charged.
10. DIVISION budget manager approves the documents and submits to Business Services for processing along with time and effort documents for personnel charged to DIVISION and a copy of the fully executed internal contract.
11. Business Services will enter the charges to the general ledger via a journal entry.

HCDE	**FOG – Internal Charges Procedures**	Reference: EDGR CFR 200
EFFECTIVE DATE: 9/1/2017		REVISED DATE: 9/22/2017
SUBJECT: Billing Process for Internal Operating Services		

HCDE Billing Process Chart



Internal Contract Form

Harris County Department of Education

Internal contract

I.C. #: [100]
Service Division: [Division Name] **Date:**
Contact Name: [Contact Name] **Requested By:**
Building: [Building] **Division:**
Phone: [Phone] **Phone:**

Job: [Job Description]

Division Authorization:_____ Date:_____

Service and Labor	Estimated Hrs.	Actual Hrs.	Employee Int.	Line Total
			SUBTOTAL	$ -

Parts and Materials		Qty	Unit Price	Line Total
			SUBTOTAL	$ -
			TOTAL	$ -

I agree that all work has been performed to my satisfaction.

Completed Date:_____

Signature:_____ Date:_____

5/26/2017

Reclassification of Funds Request form

HARRIS COUNTY DEPARTMENT OF EDUCATION
Reclassification of Funds Request Form

For Business Services Purposes Only

Date:	Period:	Control #:	J.E. #:

Division/Budget:

Budget Code	Account Code	Explanation	Debit	Credit *

Budget Manager Approval: Date:

Division/Budget:

Budget Code	Account Code	Explanation	Debit	Credit *

Budget Manager Approval: Date:

* When reclassifying expenditures a credit will decrease your expense. When relcassifying revenue a credit will increase your revenue.

AFTER COMPLETED PLEASE FORWARD REQUEST TO: BUSINESS SERVICES DIVISION Attn: Rosa Maria Torres

Business Services Accountant Approval: Date:

Business Services Approval: Date:

HARRIS COUNTY DEPARTMENT OF EDUCATION

Internal Charges Agreement

To: Venetia Peacock, Senior Director, Head Start Program

From: Darlene Breaux, Director of Research and Evaluation Institute

Date: January 12, 2017

Re: **A**greement for direct services provided by the Research and Evaluation Institute to the Head Start Program

---

Background

Contracting Division: (needing the services) Head Start Division

Provider Division: (delivering services) Research and Evaluation Division

HCDE's Research and Evaluation Institute ("Institute") will work with HCDE's Head Start Program to provide project-based program evaluation services to HCDE's Head Start Program beginning January 1, 2017 through December 31, 2017. The specifc services to be performed by the Institute are listed below, by project, and will be conducted throughout the 2017 calendar year according to timelines approved in writing by both Divisions.

Head Start funds will be allocated to the Institute upon completion of each project as documented by an accepted final report (deliverable). Funding is based on an hourly rate of $45 per hour. Total funding to be allocated for all nine projects shall not exceed $77,490 without prior written approval by the Directors of both Divisions and the Assistant Superintendent of Business Services, who will ensure that any increase in funding is allocable and warranted.

The Institute must maintain detailed records of the time and expenses associated with each project, specifically a record of the time spent on each project, the specific tasks and services performed for each time entry, the person who performed the work, and expenses, if any, incurred in performance of the service to which the Institute seeks reimbursement from Head Start funds. The Institute shall provide the detailed time and expense records to the Director of Head Start

and the Assistant Superintendent of Business Services at the completetion of each project.

Both Divisions and their Directors shall ensure that all applicable laws, rules, and regulations, including but not limited to those regulations outlining direct cost allocation and recording principals, are followed. (2 C.F.R. Part 200 and Appendicies). The Directors will adhere to the Internal Charges Policies and Procedures included in the Financial Operating Guidelines.

The Contracting Division will be responsible for any approvals required by the granting agency for this agreement and to determine the eligibility of costs charged to a grant.

Specific Requirements

The Provider Division will follow time and effort standarfds and provide detailed costs of material, labor and overhead on the invoice to the contracting division. Labor rates will be the actual salary rates adopted by HCDE for each staff member. Material costs will be only direct materials. Overhead will be any indirect costs associated with the services such as prorated postage,

Projected Budget and Deliverables

The 2017 projects and their projected costs per deliverable include the following:

Services

Student Outcomes: data handling, analysis and reports

1. Beginning of the year (BOY): $9,900
2. Middle of the year (MOY): $9,900
3. End of the year (EOY): $9,900
4. School Readiness: $6,480

Staff Satisfaction – Surveys, analysis and reports

5. Fall Organizational Feedback: $8,100
6. Spring Organizational Feedback: $8,100

SuperMentor

7. Three surveys, analysis and report: $13,320

Family Connection

8. Survey, analysis and report: $5,850

Nutrition

9. Survey, analysis and report: $5,940

Timeline and changes

The agreement shall begin on _____and end on _____.

Amendments to the agreement shall be in writing and cosigned by both directors prior to the end of the agreement.

Invoices and Copy of document

Invoices shall be sent to the director for approval and then sent to the accounting office within 5 days of receipt in order for the contracting division is charged the expenditure and the providing division provided the revenue earned.

All invoices should be sent to the Chief Accounting Officer to record the appropriate revenue and expense. All invoices after 30 days of the year end will be honored and recorded.

Approved:

_____	_____	_____	_____
Darlene Breaux,	Date	Venetia Peacock, M.B.A.	Date
Research and Evaluation Institute		Head Start Program	

_____	_____
Jesus J. Amezcua, Ph.D.	Date
Assistant Superintendent for Business Services	

Contracts

The Contracts Manager is responsible for ensuring that all contracts are accounted for, distributed and in compliance with all state, local and federal regulations.



Procurement Services Contracts Manual FY 2025 2026



Table of Contents

1.0 Overview **4**
2.0 Purpose **4**
3.0 Introduction to Contract Management **4**
4.0 Contract Payment Processing **4**
5.0 Code of Ethics **5**
6.0 Formation of Written Contracts **6**
7.0 Boilerplates ..... Error! Bookmark not defined.
8.0 When is a contract needed for services? **7**
9.0 When is the contract reviewed by our attorney? **7**
10.0 Contract Templates **8**
11.0 Contract Preparation **8**
12.0 Expenditure Contracts Flowchart **10**
13.0 Revenue Contracts Flowchart **12**
14.0 Contract Monitoring **13**
15.0 Contract Templates **14**
16.0 Contract Terms and Definitions **126**



Harris County Department of Education Procurement Services Division is pleased to provide the FY 2024 Contracts Manual. This manual provides instructions, contract templates, and flowcharts to make the contracting process easier. In addition, this manual contains basic contracting information to assist you in the processing and review of your contracts/agreements.

HCDE is committed to executing contracts in compliance with applicable federal and state laws, regulations, and agency advisory opinions, judicial and administrative determinations.

For your convenience, frequently used contract templates are located on the HCDE Purchasing portal. Those include Speaker Agreements, Service Agreements, Construction Services, and other required forms. In addition to these frequently used contracts, the Procurement Services Division also processes leases, rental agreements, letters of agreements, memorandums of understandings/agreements, board resolutions, and notification of grant awards.

Changes to this manual may be made over time as policies and procedures are developed and new or unforeseen purchasing situations arise.

If you have any questions or comments about this manual, please contact the Procurement Division.

1.0 Overview

To better serve our customers and ensure a level of accountability appropriate for a public institution, this manual has been compiled to provide instructions and guidelines for contract processing and management. Texas law governs certain aspects of contracting for state agencies. Several types of purchases and contracts may be subject to different statutory standards, practices, processes, and strategies for successful implementation. The suggestions, comments, techniques, examples and recommendations included in this manual are NOT appropriate for every type of contract. The nature and level of risk associated with each of these elements vary depending on the nature of the business relationship.

2.0 Purpose

The purpose of this manual is to offer HCDE employees' guidance on preparing and submitting contracts for approval and to provide guidance over contract management and monitoring. This manual is not intended to be a manual on the law of contracts or constitute legal advice. ALWAYS CONSULT THE PROCUREMENT DIVISION FOR ADVICE CONCERNING CONTRACTS.

3.0 Introduction to Contract Management

Contract management is the coordination and management of five core processes:

- Planning – identifying the need.
- Procurement - the process of finding, agreeing terms and acquiring goods, services or works from an external source, often via a tendering or competitive bidding process.
- Contract Formation - establishment of pricing, dates, scope of work, and other relevant terms and conditions.
- Contract Administration - the management of contracts made with vendors, contractors and other governmental entities.
- Contract monitoring – ensuring that a vendor/contractor adequately performs a contracted service.

4.0 Contract Payment Processing

Ensuring that HCDE receives value and payment terms are adhered to. All Budget Managers must monitor all aspects of the contract, but in particular the payment terms so that the Department receives appropriate discounts, and the vendor is paid on the discount required for payment processing:

1. All contracts must have been encumbered through a purchase order and a purchase order was issued and is available in the Accounts Payable office.

2. Once an invoice is received, the Budget Manager must verify the contract terms have been followed, and a recommendation for payment is made.

3. The invoice should state “ok to pay” with the Budget Manager’s signature and sent to the Accounts Payable office for further matching and processing.

4. All payments will be mailed to the vendor.

5. If a Purchase Order was not initiated, a Payment Authorization must then be initiated and requested. If the amount is above $2,500, the Assistant Superintendent must approve.

6. The Financial Operating Guidelines (FOG) must be followed throughout the fiscal year.

5. Code of Ethics

HCDE officials and employees are responsible for protecting the safety and welfare of the public’s monies. All HCDE officials and employees should endeavor to pursue a course of conduct that does not raise suspicion among the public. Therefore, they shall avoid acts which are improper or give the appearance of impropriety. This conduct is particularly important for HCDE procurement personnel and contract management personnel who are charged with the disposition of HCDE funds.

HCDE procurement personnel must adhere to the highest level of professionalism in discharging their official duties. The nature of procurement functions makes it critical that everyone in the procurement process remains independent and free from the perception of impropriety. Any erosion of public trust or any shadow of impropriety is detrimental to the integrity of the procurement process. Consequently, the credibility of a procurement program requires that a clear set of guidelines and rules be established. Such guidelines are designed to prevent actual and potential vendors from influencing state officers or employees in discharging their official duties. Furthermore, these guidelines will help prevent state officials’ and employees’ independent judgment from being compromised. Therefore, with these principles in mind and in accordance with state law, the following policies and procedures should be adhered to by all HCDE employees, contractors and potential contractors.

A. HCDE Ethics Policy

It is the policy of the HCDE that an HCDE Official or employee may not have a direct or indirect interest, including financial and other interests, or engage in a business transaction or professional activity, or incur any obligation of any nature that is in substantial conflict with the proper discharge of the officer’s or employee’s duties in the public interest. In an effort to disclose any conflict-of-interest issues, the CIS Form is required to be completed by the HCDE official or employee within 7 days of learning of a

potential conflict of interest. See CIS form requirements under the Financial Operating Guidelines (FOG).

B. Standards of Conduct

A HCDE Official or employee should not:

1. Accept or solicit any gift, favor, or service that might reasonably tend to influence the officer or employee in the discharge of official duties or that the officer or employee knows or should know is being offered with the intent to influence the officer's or employee's official conduct;

2. Accept other employment or engage in a business or professional activity that the officer or employee might reasonably expect would require or induce the officer or employee to disclose confidential information acquired because of the official position;

3. Accept other employment or compensation that could reasonably be expected to impair the officer's or employee's independence of judgment in the performance of the officer's or employee's official duties;

4. Make personal investments that could reasonably be expected to create a substantial conflict between the officer's or employee's private interest and the public interest; or

5. Intentionally or knowingly solicit, accept or agree to accept any benefit for having exercised the officer's or employee's official powers or performed the officers or employees' official duties in favor of another.

6.0 Formation of Written Contracts

The purpose of any written contract is to serve as a reference document recording the terms of the agreement to prevent misunderstanding and conflict as to those terms later. A contract creates a legal, binding and enforceable obligation between the parties. Clarity of the terms is of primary importance. The person drafting the contract must know the subject matter and concerns of the parties well enough to anticipate potential areas of disagreement and address them in the contract.

It is important to be thorough when determining the scope of the contract, as contract law does not allow parties to add terms to the contract without the consent of both parties.

When creating contracts for the Department, potential conflicting interests must be balanced, including federal, state requirements, fiscal constraints, statutory requirements and contractor requirements. The main concern should be the benefit of the contract to the Department and state as a whole, more specifically, the taxpayers. The best contract for the Department does not mean taking advantage of the contractor. Harsh provisions may be legal, but typically have negative impact that can outweigh the initial gain. Contractors who feel they are being taken advantage of typically provide less quality work and are more likely to take legal action if a conflict arises. They may also decide not to do work for the Department or state again, thus limiting competition for future contracts.

7.0 Boilerplates

The best scenario is when you can use one of HCDE attorney-reviewed contract templates as the terms and conditions have already been reviewed. If instead, you use a vendor boilerplate, be careful and keep your eyes open for potential contract pitfalls.

8.0 When is a contract needed for services?

Contract Amount	Contract needed
Expenditure under $2,500*	No
Expenditure $2,500 to $49,999	Yes
Expenditure $50,000 and over	Yes
Interlocal Agreements	Yes
Memorandum of Understanding (MOU)	Yes
Non-Monetary contracts	Yes
Revenue $50,000 and over	Yes

***Purchase Order may serve as the contract.**

9.0 When is the contract reviewed by our attorney?

Division Managers should utilize our contract templates because they have been reviewed by our legal counsel. If the vendor or organization requires their contract, the Assistant Supt for Business will determine if the contract requires review by the legal counsel.

10.0 Contract Templates

1. Services Agreement for Revenue – To be used when HCDE is receiving revenue
2. Services Agreement for Expenditures – To be used when HCDE is paying for a service – most divisions – under contracted services (6200)
3. Services Agreement subject to an Interlocal Agreement – To be used for contracting with ISDs, Therapy Services, TLC, and Special Schools (other Divisions may apply)
4. Addendum for a specific grant- Adult Ed, Head Start – To be used with service agreement for expenditures
5. Addendum for Speaker agreement – To be used along with service agreement for expenditures
6. CASE - Interlocal agreements (Grant) and contracts for CASE- As created by attorney
7. Choice - Interlocal Template – To be used when contracting with a local government
8. Participation contract template – To be used when contracting with non-for-profit organizations

   Facilities:
9. Construction contract – To be used for construction projects
10. JOC Construction contract – to be used for JOC Construction projects

11.0 Contract Preparation

Step 1. Each Division determines the need and initiates a contract.

Step 2. Select a contract template from the Purchasing Portal and complete.

Step 3. Obtain signatures from the contracting party if using an HCDE template.

Step 4. Attach a completed, signed Contract Processing form (CPF) to the contract alone with other required documentation (resume, EICC, etc.) if applicable.

Step 5. Run the SAM report at www.sams.gov and attach to contract.

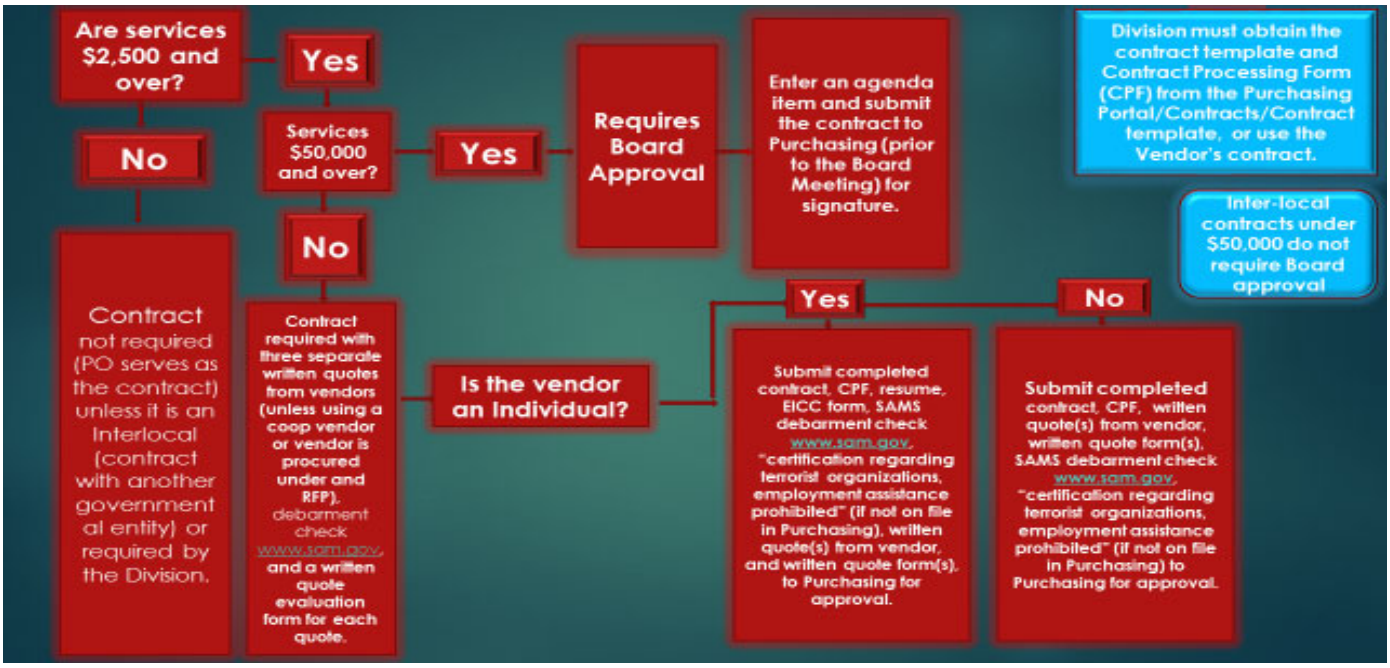
Step 6. Submit contract and backup documentation to Procurement for processing and approval.

Step 7. Once the contract is received in Procurement, it is processed and submitted to the Assistant Superintendent of Business for approval.

Step 8. Once the contract is approved, Procurement will keep and one original and submit copies back to the Division unless otherwise noted.

Step 9. The contract is uploaded to the Procurement Portal under “Master Contracts”.

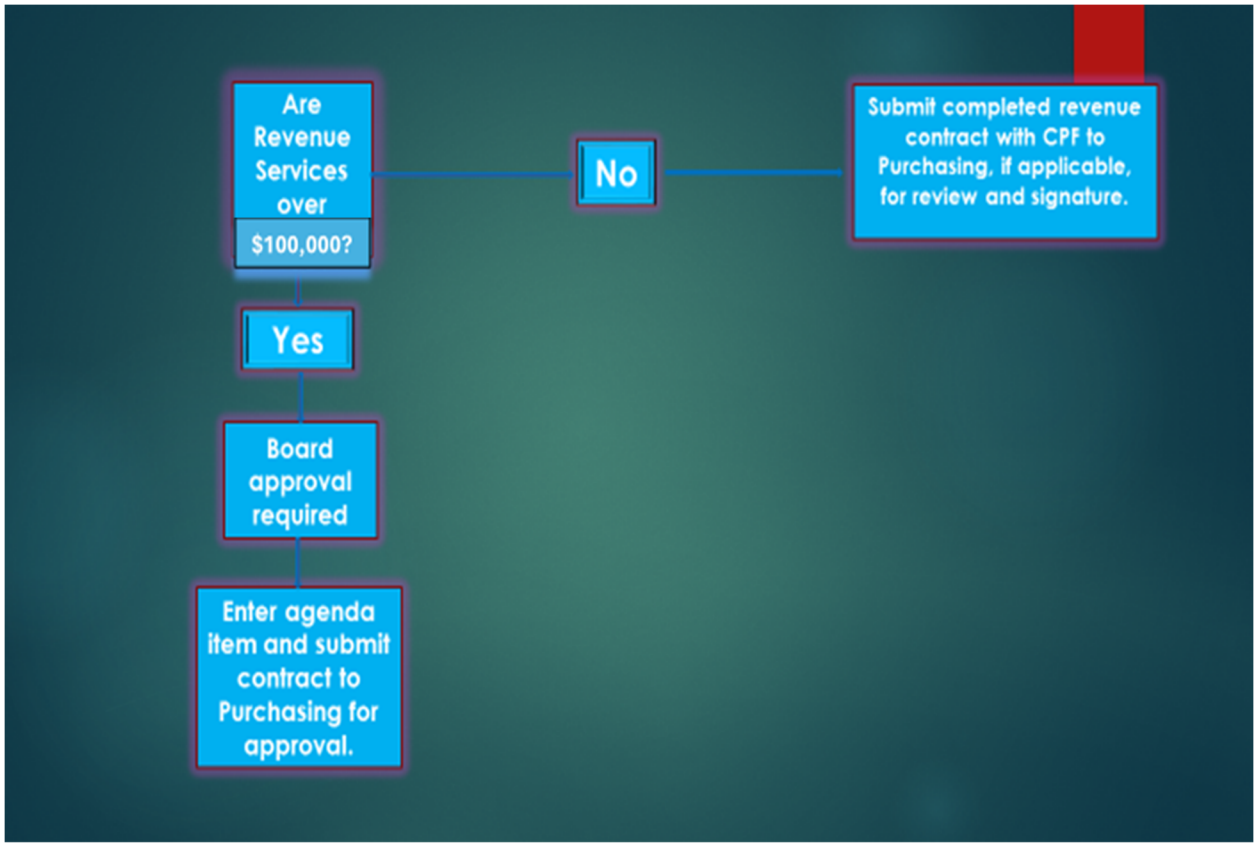
12.0 Expenditure Contracts Flowchart



- All expenditure contracts must include a vendor packet on file for payment to the vendor. Payments made directly to a teacher, service center, federal government or state agency, university, city or other local government agencies that is currently employed by a school district, only requires a W-9. Vendor Packages should include the following:
    - Vendor Information Sheet
    - Conflict of Interest Questionnaire (Exempt for Governmental Agencies)
    - IRS W-9 Form
    - Felony Conviction Notice (Exempt for Governmental Agencies)
    - SB9 Contractor/Subcontractor Certification (Required if contractor meets requirements) (State)
    - Proposer/Vendor Certification Forms (Federal)
    - Form HB89 (State)
    - Form 1295 (if board action required) (State)

- The Procurement Division ensures that all forms have been received and if required will add the vendor to the eFinance System Vendor List.
- All contracts sent to the Procurement Division must include a Contract Processing Form Contract Processing Form (CPF), completed and signed by the submitting Division's Budget Manager.
- If the vendor is an individual (sole proprietor), a resume and EICC form must be included with the contract.
- All contracts sent to the Procurement Division must include a Contract Processing Form (CPF), completed and signed by the submitting Division's Budget Manager. The CPF can be found on the HCDE portal. Contracts must be signed by the other party prior to submitting to the Procurement Division, except when the contract being processed is the other parties' contract template.

13.0 Revenue Contracts Flowchart



14.0 Contract Monitoring

Contract Monitoring

All Division Managers that are assigned to monitor and manage a contract have the following obligations:

1. Make sure that the work is not started prior to the contract effective date and or after the end date.
2. Ascertain that the Department receives value for its services prior to payment
3. Verify that work was provided in accordance with the contract agreement
4. Monitor the contract so that HCDE complies
5. Monitor that the contract is in effect during the date of performance
6. Verify that the invoices are reviewed and certified for payment
7. Adhere to board policies regarding procurement, contracting, and payment
8. Maintain records necessary to document work performed
9. Report any misappropriation or waste of taxpayers' dollars
10. Adhere to special provisions under federal or state laws as required (Davis Bacon Act, CIS, 1295, and others)

Contract Amendments and Change orders

Administrators overseeing a contract often see the need for amending the contract. The following steps should be undertaken to make changes:

1. Make sure that the contract has not expired
2. Make sure that the contract Change order requirements are adhered in the contract
3. Check if change orders are allowed under board policy
4. Submit a contract change and attach it to a new contract processing form signed by the supervisor (ELT Member).
5. Submit the change to the Procurement Office and provide any required forms
6. Request a change in the Purchase Order and send a pdf file of the contract amendment to the Procurement Clerk for amending the Purchase Order.

15.0 Contract Templates

These are posted under the portal.

Go to:

https://hcdeportal.hcde-texas.org/Docs/Purchasing/default.aspx

Portal/Purchasing/Contracts/Contract templates

SERVICES AGREEMENT FOR HCDE EXPENDITURES

This Services Agreement ("Agreement") is made and entered into by and between the Harris County Department of Education ("HCDE"), located at 6300 Irvington Boulevard, Houston, Texas 77022, and _____ ("Contractor"), located at _____, (collectively "the Parties"), for Contractor to provide services to HCDE in accordance with the terms and conditions specified herein.

Recitals

HCDE is a political subdivision of the State of Texas, established to promote education in Harris County, Texas. Both HCDE and Contractor desire to set forth in writing the terms and conditions of their agreement. In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound agree as follows:

1. Purpose. HCDE agrees to retain Contractor and Contractor agrees to provide services to HCDE as Contractor and to perform the duties and all necessary labor and resources needed to provide the services set forth in Section 3 Scope of Work. Contractor shall also perform such other related services and duties as are customarily performed by a contractor in a similar position.

2. Term. This Agreement is for services beginning _____ and ending _____ ("Term") unless terminated as provided herein. All extensions of this Agreement shall be subject to the terms and conditions specified herein. This Agreement may be extended by mutual written consent of the Parties, contingent upon approval of HCDE's Board of Trustees, as may be required.

3. Scope of Work. Exhibit A, attached and incorporated herein, includes a detailed Scope of Work that sets out the services ("Services") Contractor agrees to provide.

4. Independent Contractor Status. It is the intention of the parties that Contractor be an independent contractor and not an employee, agent, joint venturer, or partner of HCDE. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between HCDE and either Contractor or any employee or agent of Contractor, nor shall anything in this Agreement be construed as creating or establishing a joint venture or business partnership between HCDE and either Contractor or any employee or agent of Contractor. Contractor is not entitled to participate in any pension plans, bonus, stock, or similar benefits that HCDE provides for its employees. HCDE and Contractor agree that neither Contractor nor Contractor's subcontractors, agents, or employees shall be covered under any HCDE insurance policy, including but not limited to HCDE's liability, property and casualty, or workers' compensation insurance policies. Contractor agrees that HCDE has no responsibility for any conduct of any of Contractor's staff, participants, visitors, employees, agents, representatives, personnel, contractors, subcontractors, invitees, or licensees. Contractor assumes full responsibility for the actions of its staff, participants, visitors, employees, agents, representatives, personnel, contractors, subcontractors, invitees, and licensees and shall remain solely responsible for their supervision, daily direction and control, payment of salary (including withholdings), workers' compensation, disability benefits, and like requirements and obligations. As an independent contractor, Contractor will be solely responsible for determining the means and methods for performing Services and shall furnish all tools, materials, transportation, and personal incidentals necessary in the performance of Services. Contractor shall be responsible for any and all

applicable social security and personal income taxes that may become due as a result of any payments made by HCDE hereunder and Contractor shall indemnify and hold HCDE harmless in this regard.

5. Review of Progress. Contractor will work to meet all timelines mutually established by Contractor and HCDE. HCDE reserves the right to monitor the progress of Contractor. Upon request by HCDE, Contractor shall provide periodic status reports to HCDE with approximate timelines for completion of Services and other information reasonably requested by HCDE.

6. Changes & Amendments. During the Term of the Agreement (see Section 2), HCDE and Contractor reserve the right to make changes to the Services that Contractor is required to provide pursuant to this Agreement. This Agreement may be amended only by the mutual agreement of the Parties, in writing to be attached to and incorporated in this Agreement.

7. Assignment. Neither this Agreement nor any duties or obligations under it shall be assignable by Contractor without the prior written acknowledgement and authorization of HCDE.

8. Compensation. HCDE will pay Contractor an amount not to exceed $_____ plus expenses of $_____ per day for Services provided in Exhibit A. Contractor will invoice HCDE periodically throughout the Term of the Agreement in accordance with Section 36 – Invoices. HCDE is Texas sales and use tax exempt and will not reimburse Contractor for any Texas sales taxes incurred by Contractor. In the event that any payment(s) to Contractor under this Agreement are subsequently disallowed by a state or federal grant awarding agency or in the event that HCDE is required to refund any funding received from a state or federal grant awarding agency relating to Contractor's Work, to the maximum extent permitted by applicable law, Contractor shall repay to HCDE, on demand, the amount of any such disallowed costs and/or refund. HCDE may, in its sole discretion, deduct the amount(s) of any such disallowed costs and/or refund(s) from subsequent payments to Contractor under this Agreement.

9. Intellectual Property. Contractor represents that it has all intellectual property rights necessary to enter into and perform its obligations in this Agreement.

10. Ownership of Work Product. All work product, including any concepts, products, software, research, reports, studies, data, photographs, negatives, or other documents, drawings or materials prepared by Contractor in the performance of its obligations under this Agreement will be deemed works for hire and the exclusive property of HCDE, the Texas Education Agency, the State of Texas, and/or the federal government, as applicable. Contractor shall deliver all such materials to HCDE upon completion, termination, or cancellation of this Agreement. Any programs, data, or other materials furnished by HCDE for use by Contractor in connection with the Services performed under this Agreement will remain HCDE's property. Any pre-existing programs, data, or other materials furnished and owned by Contractor for use by Contractor in connection with the Services performed under this Agreement will remain Contractor's property.

11. Professional Services. This Agreement (check applicable box) ☐ is ☐ is not for professional services and governed by the Professional Services Procurement Act, TEX. GOV'T CODE Chp. 2254. Contractor represents and warrants that Contractor has demonstrated competence and possesses qualifications to perform the Services and is performing the Services for a fair and reasonable price. Contractor further represents and warrants that the professional fees under the Agreement do not exceed any maximum provided by law.

12. Conflict of Interest. During the Term of Contractor's service to HCDE, Contractor shall not, directly or indirectly, whether for Contractor's own account or for or with any other person or entity whatsoever, employ, solicit, or endeavor to entice away any person who is employed by HCDE.

13. Vendor Packet, including Criminal History Certification. Contractor shall complete the HCDE Vendor Packet and/or completed bid attributes, including the "Criminal History Certification" regarding the criminal history of covered employees and the "Felony Conviction Notice." The completed Vendor Packet is incorporated by reference herein. Noncompliance or misrepresentation regarding any statement or certification in the Vendor Packet/bid attributes may be grounds for termination of this Agreement.

14. Indemnity. TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS HCDE, ITS TRUSTEES, OFFICERS, EMPLOYEES, AND AGENTS FROM AND AGAINST ALL LIABILITY, LOSS, DAMAGE, EXPENSE (INCLUDING REASONABLE LITIGATION COSTS AND ATTORNEY'S FEES), AND CLAIMS FOR INJURY TO OR DEATH OF ANY PERSON, OR INJURY OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ARISING OUT OF OR OCCASIONED BY, DIRECTLY OR INDIRECTLY, PERFORMANCE UNDER THIS AGREEMENT (COLLECTIVELY, "CLAIM"), INCLUDING CLAIMS ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OF HCDE, WHETHER OR NOT THE CLAIM ARISES FROM THE NEGLIGENCE, WILLFUL ACT, BREACH OF CONTRACT, OR VIOLATION OF LAW BY CONTRACTOR, ITS EMPLOYEES, AGENTS, CONTRACTORS, OR SUBCONTRACTORS.

15. Non-appropriation of funds. The Term of this Agreement is a commitment of HCDE current revenue only. Notwithstanding anything to the contrary in this Agreement, HCDE is obligated to make payments only as approved each year by HCDE's Board of Trustees. HCDE's Board of Trustees retains the right to terminate the Agreement at the expiration of each budget period of HCDE. To the extent that HCDE will use federal grant funds to fulfill its obligations under this Agreement, Contractor acknowledges that federal funds will be used to pay for all or a portion of funds due under this Agreement and that this Agreement is only effective upon receipt of the Notice of Grant Award ("NOGA") by HCDE from the awarding agency. As such, if HCDE does not receive sufficient funding for the services provided in this Agreement, HCDE may terminate this Agreement without penalty or further obligation to Contractor, at any time upon written notice to Contractor. Services rendered in accordance with this Agreement shall be funded by _____ *[funding source(s)]*. Payment for services rendered shall be allocated as follows: _____% funded by _____ *[funding source]*; and ____% funded by _____ *[additional funding source, if applicable]*.

16. Non-Exclusivity. Nothing in this Agreement may be construed to imply that Contractor has the exclusive right to provide HCDE Services. During the Term of this Agreement, HCDE reserves the right to use all available resources to procure other services as needed and doing so will not violate any rights of Contractor. In addition, nothing in this Agreement may be construed to require that HCDE purchase any specific amount, quantity, or quota of Services from Contractor.

17. Performance. Contractor agrees that Contractor's Services will be performed with reasonable care, skill, judgment, and experience in a professional business-like manner, with no direct supervision from HCDE. If Contractor is unable to complete the work in this manner based on the mutually agreed upon time, Contractor shall notify HCDE's Director of _____ in writing.

18. Termination. Either Party may terminate this Agreement for any reason, with or without cause, by giving thirty (30) calendar days' written notice to the other party. In the event of such early termination, HCDE will make payment only for Services accepted by HCDE up to the effective date of the Agreement's termination. HCDE is entitled to a pro-rata refund for any Services for which HCDE has paid but which have not yet been provided by Contractor or accepted by HCDE. Upon breach of this Agreement by HCDE, Contractor may terminate this Agreement by giving thirty (30) days' advance written notice to HCDE, with HCDE having the right to cure the breach within such notice period. HCDE may, by written notice, immediately terminate this Agreement if Contractor has defaulted in whole or in part, refuses or fails to comply with the provisions of this Agreement, fails to make progress, does not cure such failure after written notice within a reasonable period of time, or fails to perform the Services within the same time period specified or any written extension thereof. In such event, HCDE may obtain comparable services elsewhere and either deduct the costs of obtaining such Services from any amount owed Contractor or Contractor shall reimburse HCDE for such costs incurred by HCDE. In the event this Agreement is terminated because of a violation or breach of the Agreement's terms by the Contractor, HCDE shall be entitled to all administrative, contractual, and legal remedies, including sanctions and penalties.

19. Inspection and Acceptance of Service. HCDE reserves the right to inspect the Services provided under this Agreement at all reasonable times and places during the Term. If any of the Services do not conform to the requirements set forth in this Agreement, HCDE may (i) require Contactor to perform the Services again in conformity with such requirements, with no additional charge to HCDE; or (ii) equitably reduce payment due Contractor to reflect the reduced value of the Services performed. These remedies do not limit other remedies available to HCDE in this Agreement or otherwise available by law.

20. Subcontractors. If HCDE gives written permission for Contractor to subcontract any of the Services, Contractor shall ensure that each subcontractor complies with all provisions of this Agreement. Contractor shall require each subcontractor to maintain and to furnish Contractor with satisfactory evidence of Workers Compensation, Employer's Liability and such other forms and amounts of insurance which Contractor deems reasonably adequate. Contractor will remain liable for the acts and omissions of such subcontractor(s) and the proper performance and delivery of the Services.

21. Insurance. Unless an appropriate HCDE representative agrees to waive the requirements by initialing the designated space near the signature block below, Contractor shall comply with all of HCDE's insurance requirements. Contractor shall, at all times during the Term of this Agreement, maintain insurance coverage with not less than the type and requirements shown below. Such insurance is to be provided at the sole cost of Contractor. These requirements do not establish limits of Contractor's liability. Contractor shall cause the insurance policies to: provide that any losses will be payable notwithstanding any act or negligence of HCDE or any other person; provide that the insurer will have no right of subrogation against HCDE; and be reasonably satisfactory to HCDE in all other respects. Certificates of Insurance, name and address of Contractor, the limits of liability, the effective dates of each policy, and policy number shall be delivered to HCDE prior to commencement of any work under this Agreement. The insurance company insuring Contractor shall be licensed in the State of Texas and shall be acceptable to HCDE. Contractor shall give HCDE a minimum of ten (10) days' notice prior to any modifications or cancellation of said policies of insurance. Contractor shall require all subcontractors performing any work under or relating to this Agreement to maintain coverage as specified below.

Minimum Insurance Requirements:

- All policies of insurance shall waive all rights of subrogation against HCDE, its officers, employees, and agents.
- Upon request, certified copies of original insurance policies shall be furnished to HCDE.
- HCDE shall be named as an "additional insured" on all insurance policies except worker's compensation.
- HCDE reserves the right to require additional insurance should HCDE deem additional insurance necessary, in HCDE's sole discretion.

A. Workers' Compensation (with Waiver of subrogation to HCDE) Employer's Liability, including all states, U.S. Longshoremen, Harbor Workers and other endorsements.

B. Statutory, and Bodily Injury by Accident: $100,000 each employee. Bodily Injury by Disease: $500,000, policy limit $100,000 each employee. Commercial General Liability Occurrence Form including, but not limited to, Premises and Operations, Products Liability Broad Form Property Damage, Contractual Liability, Personal and Advertising Injury Liability and where the exposure exists, coverage for watercraft, blasting collapse, and explosions, blowout, catering and underground damage.

- $300,000 each occurrence Limit Bodily Injury and Property Damage combined
- $300,000 Products-Completed Operations Aggregate Limit $500,000 per Job Aggregate
- $300,000 Personal and Advertising Injury Limit

C. Automobile Liability Coverage: $300,000 Combined Liability Limits Bodily Injury and Property Damage Combined.

☐ Insurance requirements waived (only if approved by HCDE Assistant Superintendent of Business Services)

22. Force Majeure. The Parties to this Agreement may be excused from performance hereunder during the time and to the extent that they are prevented from performance due to an act of God, fire, strike or lockout, when satisfactory evidence thereof is presented to the other party and provided that such non-performance is not due to the fault of the non-performing party.

23. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and may be affected by certified mail, return receipt requested. Notice to either party shall be sufficient if made or addressed as to the address listed in the signature line of this Agreement.

Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified mail, return receipt requested.

24. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be a court of competent jurisdiction in Harris County, Texas.

25. No Waiver of HCDE's Immunity. The execution of this Agreement and the performance of HCDE of any of its obligations hereunder are not, and are not intended to waive or relinquish, and HCDE shall not

waive or relinquish, any governmental, sovereign immunity or defense from or to liability or prosecution available to HCDE, its trustees, officers, employees, or agents under federal or Texas laws.

26. No Waiver. No failure on the part of either party at any time to require the performance by the other party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such party's right to enforce such term, and no waiver on the part of either party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.

27. Entire Agreement. The Agreement, Vendor's completed Vendor Packet (including all federal, state, and local certifications therein) and/or bid attributes (including all federal, state, and local certifications therein), the procurement solicitation issued by HCDE or the cooperative contract, RFP # _____ (the "RFP"), the portion of Contractor's proposal submitted in response to the RFP that is accepted by HCDE, and the attached and incorporated addendum, exhibits, and documents/forms contain the entire agreement of the Parties relative to the purpose(s) of the Agreement and supersede any other representations, agreements, arrangements, negotiations, or understanding, oral or written, between the Parties to this Agreement. In the event of a conflict between this Agreement and the procurement solicitation issued by HCDE or Contractor's proposal submitted in response to HCDE's procurement solicitation, this Agreement shall control. In the event of a conflict among the documents forming the Agreement, the following order of precedence shall control: (1) Vendor's completed Vendor Packet and/or bid attributes (including all federal, state, and local certifications therein); (2) this Agreement; (3) the RFP; and (4) the portion of Contractor's proposal submitted in response to the RFP that is accepted by HCDE. This Agreement supersedes any conflicting terms and conditions on any purchase or work orders, invoices, checks, order acknowledgements, forms, purchase orders, or similar commercial documents relating hereto and which may be issued by Contractor after the Effective Date of this Agreement.

28. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

29. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement.

30. Authorized Signatory. By signing this Agreement, the undersigned representative for Contractor represents and warrants that s/he has authority to enter into this Agreement on behalf of Contractor.

31. No Third-Party Beneficiaries. Nothing in this Agreement shall be deemed or construed to create any third-party beneficiaries or otherwise give any third party any claim or right of action against any party to this Agreement.

32. Attorneys' Fees. The prevailing party in any adjudication relating to or arising out of this Agreement shall be awarded all reasonable and necessary attorneys' fees and costs.

33. Indebtedness; HCDE Property. Contractor represents that to the best of its knowledge, it is not indebted to HCDE. Indebtedness to HCDE may be grounds for termination of this Agreement. In the event of loss, damage, or destruction of any property owned by or loaned by HCDE that is caused by Vendor or Vendor's representative, agent, employee, or contractor, Vendor shall indemnify HCDE and pay to HCDE the full value of or the full cost of repair or replacement of such property, whichever is greater, within thirty (30) days of Vendor's receipt of written notice of HCDE's determination of the amount due. If Vendor fails to make timely payment, HCDE may obtain such money from Vendor by any means permitted by law, including, without limitation, offset or counterclaim against any money otherwise due to Vendor by HCDE.

34. Non-Collusion. The undersigned affirms that Contractor has not prepared its submission in collusion with any other company, corporation, firm, partnership or individual, and that the contents of Contractor's submission as to prices, terms or conditions of said submission have not been communicated by the undersigned nor by any employee or agent of Contractor to any other person engaged in this type of business prior to the official opening of Contractor's submission.

35. Invoices. Contractor is required to submit original invoices to the HCDE Business Office ATTN: Accounts Payable. The invoices can be mailed through the postal service to HCDE Business Office ATTN: Accounts Payable, 6300 Irvington Boulevard, Houston, Texas 77022, or emailed to accountspayable@hcde-texas.org.

The invoices should include the following:

1. Date of invoice
2. Period of service
3. List of services provided, including, without limitation, sign-in sheets, participant roster, etc., as applicable
4. Location where services were provided
5. Invoice and Purchase Order number(s)
6. Contact information
7. Deliverables under the contract
8. Certification of service provided through a signature by company representative

Contractor is required to submit to HCDE a completed Vendor Packet/bid attributes before payment is rendered. Payment to Contractor shall be made only after Services are performed and not before. Advance payment to Contractor is strictly prohibited.

Contractor shall submit invoices within a timely manner during HCDE's fiscal year or HCDE grant period in which the good(s) and/or services are purchased. In accordance with Texas Government Code § 2251.021, payments are due to Contractor within forty-five (45) days after the later of the following: (1) the date HCDE receives the goods under the Agreement; (2) the date the performance of the service under the Agreement is completed; or (3) the date HCDE receives an invoice for the goods or service. Contractor agrees to pay any subcontractors, if any, the appropriate share of the payment received from HCDE not later than the tenth (10th) day after the date Contractor receives the payment from HCDE. The exceptions to payments made by HCDE and/or Contractor listed in Texas Government Code § 2251.002 shall apply to this Agreement. Invoices received more than 60 days after the date the work was performed will not be honored by HCDE.

Failure to send the invoices to the Accounts Payable Office will delay payment. Contractor certifies that no work has been performed before the effective date of this Agreement. Invoices submitted by Contractor for work performed prior to the effective date of the Agreement may not be honored by HCDE, in HCDE's sole discretion. HCDE may purchase Services from Contractor through the HCDE Business Office using HCDE's purchase order process; this Agreement shall govern all conditions and service terms between Contractor and HCDE. In the event that Contractor's personnel begin work before Contractor receives a valid purchase order and/or the signing of this Agreement, Contractor agrees that HCDE is not liable for payment of such Services rendered.

In addition to all other rights and remedies that HCDE may have, HCDE shall have the right to setoff, against any and all amounts due to Contractor by HCDE, whether due under this Agreement or any other agreement between HCDE (including any division of HCDE) and Contractor, any sums for which HCDE is entitled to under this Agreement, as determined by HCDE in its sole discretion, including, without limitation, sums due by Contractor to HCDE as a result of indemnification obligations, warranty claims, and/or HCDE/Choice Partners Administrative Fee(s), as applicable.

37. Compliance with Applicable Laws. Contractor agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable, including, but not limited to the Education Department General Administrative Regulations ("EDGAR"), 2 C.F.R. Parts 200 and 3474, and 34 C.F.R. Parts 75-77 and 81. If applicable, Contractor certifies compliance with all provisions, laws, acts, regulations, rules, and ordinances as detailed in HCDE's Vendor Packet, including, without limitation, the "Required Contract Provisions for Recipient and Subrecipient Contracts under Federal Awards – Appendix II to 2 CFR Part 200," which is incorporated by reference herein. Contractor further certifies compliance with all applicable provisions, laws, acts, regulations, rules, and ordinances, including those referenced in the HCDE Vendor Packet completed by Contractor, which is incorporated by reference herein.

38. Confidential Data of HCDE. In the course of performing duties under this Agreement, Contractor may view, obtain, or have access to financial, accounting, statistical, personnel, and other information of a confidential nature concerning students and school districts being served by HCDE and employees of HCDE. All such information is confidential and shall not be disclosed, directly or indirectly, to any person other than authorized officials of HCDE, either during the Term of this Agreement or after such Term.

Contractor acknowledges that HCDE would be irreparably injured if Contractor were to disclose such information to third parties not entitled to receive such information or to misappropriate such confidential information for Contractor's own purposes or benefit and that money damages would not compensate HCDE for such irreparable injury.

Contractor further acknowledges that to the extent Contractor receives confidential student information during the performance of duties under this Agreement, Contractor is considered a "school official" in accordance with the Family Educational Rights and Privacy Act ("FERPA"), 20 U.S.C. § 1232g, and shall not disclose confidential student information or education records.

39. Educational Records. Contractor agrees that Contractor and its employees, agents, and/or representatives may receive access to student information for certain students of HCDE, pursuant to this Agreement. Contractor shall secure the confidentiality of all information and records in accordance with applicable federal and state laws, rules, and regulations, including but not limited to all privacy laws. Contractor understands that the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g,

governs the privacy and security of educational records and information, and Contractor agrees to abide by FERPA rules and regulations, as applicable. Pursuant to FERPA, Contractor must protect the confidentiality of HCDE student records and shall not release any information without written consent from HCDE student's parent/guardian or eligible student unless required to do so by applicable law. Contractor further acknowledges that to the extent Contractor, including but not limited to, Contractor's staff, employees, and/or representatives, receives confidential HCDE student information during the performance of duties under this Agreement, Contractor is considered a "school official" in accordance with FERPA and shall not disclose confidential student information or education records except as otherwise permitted by applicable law. Contractor shall require its employees and other agents to execute written agreements requiring that such information be kept confidential. The Parties agree to enter into a Data-Sharing Addendum in the event confidential student information is to be shared, as required by applicable law. Contractor and its employees/ representatives shall at all times abide by applicable laws, including FERPA and the Health Insurance Portability and Accountability Act (HIPAA). Contractor shall immediately provide notice to HCDE of any violation of the terms of this paragraph.

Contractor agrees that HCDE's student data, including, but not limited to, documents and information concerning any individual student ("HCDE student data"), is to be held in strictest confidence and assures that procedures are in place for safeguarding, monitoring, and protecting the confidentiality of HCDE student data. Contractor shall keep all media containing HCDE student data in a secure area. In addition, Contractor agrees that any data sets or output reports generated by its employees, agents, and/or representatives with HCDE student data are confidential. Contractor shall not disclose to any unauthorized person any data sets or reports with HCDE student data. Contractor agrees to monitor and be responsible for any access to HCDE student data by tracking access through the use of password(s). Contractor shall provide HCDE immediate notice of any security and/or data breaches and shall comply with any and all requirements to notify users of such security and/or data breaches as required by federal law or the laws of the state of Texas. HCDE or its designee shall have access to all education records and other documents in the possession of Contractor concerning students served by HCDE for purposes of monitoring student progress, conducting evaluations, and making reports.

Upon termination of this Agreement for any reason, Contractor shall return to HCDE within ten (10) calendar days all HCDE student data delivered to or collected by Contractor during the course of this Agreement, together with the Contractor's written certification that all copies of HCDE student data stored by Contractor or in Contractor's possession (including, but not limited to, on servers, backup servers, backup media, or other media including paper copies) have been returned to HCDE, and/or permanently erased or destroyed using industry best practices to assure complete destruction.

Contractor shall be responsible for ensuring compliance with the obligations of this section by each of its employees, agents, representatives, and subcontractors providing services pursuant to this Agreement, including but not limited to informing those persons and entities of these obligations and exercising adequate supervision and oversight over said persons and entities to ensure their compliance. Contractor shall be solely responsible for any breach of the obligations of this section by any of its employees, agents, representatives, or subcontractors.

40. <u>Warranties.</u> All goods and/or services provided by Contractor under this Agreement must be warranted to be free from defects in material, workmanship, and free from such defects in design for a period of one (1) year upon the later of HCDE's acceptance of the product and/or service or payment of the applicable invoice. Contractor warrants that all goods and/or services furnished under this Agreement shall conform in all respects to the terms of this Agreement, including any drawings, specifications, and/or standards incorporated herein, including, without limitation, those detailed in the procurement solicitation issued by HCDE. In addition, Contractor warrants that goods and/or services are suitable for and will perform in accordance with the purposes for which they are intended. Contractor shall assume all liabilities incurred within the scope of consequential damages and incidental expenses, as set forth in the vendor or manufacturer's warranty, which result from either delivery or use of product, which does not meet the specifications within this Agreement or the solicitation procurement.

In witness whereof, HCDE and Contractor have executed this Agreement to be effective as of the date of the last signature below ("Effective Date").

Notice to Contractor: Any change(s) made to the provisions above will nullify this Agreement.

Harris County Department of Education

By:_____
Jesus Amezcua, Ph.D., CPA, RTSBA
Assistant Superintendent –Business Services
6300 Irvington Blvd.
Houston, TX 77022-5618
713-696-1371
jamezcua@hcde-texas.org
Date: _____

Contractor: _____

By:_____
Name: _____
Title: _____
Address: _____
_____
Phone: _____
Email: _____
Date: _____

EXHIBIT A
SCOPE OF WORK

Contractor	HCDE
• Services/Obligations/Deadlines/Deliverables	• Obligations (*if any – payment terms already addressed in contract*)

Ch. 22 Criminal History Records Contractor Certification: Contractor/Subcontractor Employees

Background: Texas Education Code Chapter 22 requires that criminal history records be obtained regarding covered employees of entities that contract with a school district to provide services to the school district ("Contractors") and entities that contract with school district contractors ("Subcontractors"). Covered employees with disqualifying criminal histories are prohibited from serving at a school district. Contractors/Subcontractors shall (1) complete this form certifying compliance with the requirements of Texas Education Code Chapter 22 to HCDE; and (2) require that each of their subcontractors complies with the requirements of Texas Education Code Chapter 22.

Criminal history records will be obtained by either the Contractor/Subcontractor or HCDE, as follows:

(1) Contractor/Subcontractor: The only Contractors/Subcontractors who will be granted access to obtain criminal history record information are those "qualified school contractors" that (1) contract or subcontract to provide services to HCDE; and (2) are determined eligible by the Texas Department of Public Safety (DPS) to obtain criminal history record information under the National Child Protection Act of 1993 (34 U.S.C. § 40101 *et seq.*) (NCPA), specifically, those contractors/subcontractors who provide "care or care placement services" and are based in Texas, for an employee, applicant for employment, or volunteer of the "qualified school contractor." All "qualified school contractors" are required to obtain their covered employees' criminal histories, certify compliance to HCDE, and obtain similar certifications from their subcontractors. Before or immediately after employing or securing the services of a person who is a "covered employee" (as defined below) the Contractor/Subcontractor shall send or ensure that the employee sends to DPS all information that is required by DPS for obtaining the person's national criminal history record information, which may include (but is not limited to) a complete set of the person's fingerprints and a recent electronic digital image photograph of the person, as required by DPS. DPS shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Texas Government Code 411.0845. For more information or to set up an account, Contractor/Subcontractor should contact the Texas Department of Public Safety's Crime Records Service at 512.424.2474. Contractor/Subcontractor shall obtain all criminal history record information that relates to all covered employees through the criminal history clearinghouse as provided by Texas Government Code 411.0845. In addition, Contractor/Subcontractor shall require that each of its subcontracting entities obtains all criminal history record information that relates to its covered employees, if the subcontracting entity is also a "qualified school contractor." Contractor/Subcontractor shall: (1) provide HCDE with a fitness determination (as set forth below) as to each covered employee, based on all criminal history record information obtained; and (2) certify to HCDE that Contractor/Subcontractor has received all criminal history record information relating to a person who is employed by or under a current offer of employment by Contractor/Subcontractor.

(2) HCDE: All Contractors/Subcontractors who are not "qualified school contractors" (in other words, all Contractors/Subcontractors who do not provide "care or care placement services" or are not based in Texas) are required to follow the instructions listed below, so that HCDE may obtain their covered employees' criminal history record information, as applicable. Contractor/Subcontractor shall also require that any of its subcontracting entities that are not "qualified school contractors" follow the instructions listed below, so that HCDE may obtain their covered employees' criminal history record information. **Contractor/Subcontractor is responsible for the payment of all fingerprinting costs. Should HCDE pay any costs of fingerprinting Contractor/Subcontractor employees, Contractor agrees to reimburse HCDE for such costs; in the event Contractor fails to reimburse HCDE for the costs of fingerprinting Contractor/Subcontractor employees, Contractor agrees that HCDE may deduct such costs from any payment due and owing by**

HCDE to Contractor.

Definitions:

- Covered employees: Employees of a Contractor/Subcontractor who have or will have continuing duties related to the service to be performed at a school district and have or will have direct contact with students. HCDE will be the final arbiter of what constitutes *continuing duties* and *direct contact* with students.
- Continuing duties related to contracted services: Work duties that are performed pursuant to a contract to provide services to a school entity on a regular, repeated basis rather than infrequently or one-time only. *See* 19 Tex. Admin. Code §153.1101(2).

- Direct contact with students: The contact that results from activities that provide substantial opportunity for verbal or physical interaction with students that is not supervised by a certified educator or other professional district employee. Contact with students that results from services that do not provide substantial opportunity for unsupervised interaction with a student or students, such as addressing an assembly, officiating a sports contest, or judging an extracurricular event, is not, by itself, direct contact with students. However, direct contact with students does result from any activity that provides substantial opportunity for unsupervised contact with students, which might include, without limitation, the provision of coaching, tutoring, or other services to students. *See* 19 Tex. Admin. Code § 153.1101(7).

- Public Works Contractor: An entity that contracts directly or subcontracts with an entity that contracts with a school district to provide construction services to the school district.

- Exception for Certain Public Works Contractors' Employees and Applicants: The criminal history record information requirements outlined above do not apply to an employee or applicant for employment of a public works contractor (as defined above) if: (1) the public work does not involve the construction, alteration, or repair of an instructional facility as defined by Texas Education Code Section 46.001; (2) the employee's duties will be completed not later than the seventh (7th) day before a new instructional facility will be used for instruction; or (3) for an existing instructional facility, the work area contains sanitary facilities and is separated from all areas used by students by a secure barrier fence at least six (6) feet high, and the Contractor adopts, informs employees of, and enforces a policy prohibiting employees and any subcontractor's employees from interacting with students or entering areas used by students.

Disqualifying criminal history:

- (1) a conviction or other criminal history information designated by HCDE; or (2) a felony or misdemeanor offense that would prevent a person from being employed under Texas Education Code § 22.085(a), that is: (a) conviction of a felony offense under Title 5, Texas Penal Code if at the time of the offense, the victim was under 18; (b) conviction of or placement on deferred adjudication community supervision for an offense for which a defendant is required to register as a sex offender under Chapter 62, Texas Code of Criminal Procedure; or (c) conviction of an offense under federal law or the laws of another state that is equivalent to (a) or (b).

Types of Criminal History Record Information:

- National criminal history record information from the Texas Department of Public Safety criminal history clearinghouse. HCDE and/or Contractor/Subcontractor may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to a covered employee.

On behalf of_____("Contractor/Subcontractor"), I, the undersigned authorized signatory for Contractor/Subcontractor, certify to Harris County Department of Education ("HCDE") (and, in the case of a Subcontractor, certify to Contractor and HCDE) that [**check one**]:

[ ] **OPTION A: Contractor/Subcontractor certifies that none of the employees of Contractor/Subcontractor are *covered employees*, as defined above.** For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor certifies to HCDE that it will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE. If this box is checked, I further certify that Contractor/Subcontractor has taken precautions or imposed conditions to ensure that its employees will not become *covered employees*. Contractor/Subcontractor will ensure that these precautions or conditions continue to exist throughout the time that the contracted services are provided. If HCDE, in its sole discretion, determines that employees of Contractor/Subcontractor are *covered employees*, as defined above, Contractor/Subcontractor will provide HCDE with the name, date of birth, and any other requested information of such covered employees so that HCDE may obtain criminal history record information on the covered employees, upon request by HCDE.

Or

[ ] **OPTION B: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, but the criminal history record information requirements do not apply to its employees or applicants for employment because:**

(1) Contractor/Subcontractor is a public works contractor (an entity that contracts directly or subcontracts with an entity that contracts with a school district to provide construction services to the school district); **and**

(2) the public work does not involve the construction, alteration, or repair of an instructional facility as defined by Texas Education Code Section 46.001; the employee's duties will be completed not later than the seventh (7th) day before a new instructional facility will be used for instruction; **or** for an existing instructional facility, the work area contains sanitary facilities and is separated from all areas used by students by a secure barrier fence at least six (6) feet high, and the Contractor adopts, informs employees of, and enforces a policy prohibiting employees and any subcontractor's employees from interacting with students or entering areas used by students.

If this option is selected, Contractor/Subcontractor further certifies to HCDE that:

(a) Contractor/Subcontractor shall ensure that the conditions or precautions that resulted in the determination that the criminal history record information requirements do not apply to its employees or applicants for employment continue to exist throughout the time that the contracted services are provided;

(b) For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE; and

(c) If HCDE, in its sole discretion, determines that the conditions in paragraph (1) and/or (2) above are not satisfied as to Contractor/Subcontractor, Contractor/Subcontractor will provide HCDE with the name, date of birth, and any other requested information of its covered employees so that HCDE may obtain criminal history record information on the covered employees, upon request by HCDE.

Or

[ ] **OPTION C: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, and Contractor/ Subcontractor is a "qualified school contractor."** For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor certifies to HCDE that it will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE. If this option is selected, I further certify that:

(1) Contractor/Subcontractor certifies to HCDE that Contractor/Subcontractor has received all criminal history record information relating to a person who is employed by or under a current offer of employment by Contractor/Subcontractor. Contractor/Subcontractor provides HCDE with the following fitness determination as to each covered employee, based on all criminal history record information obtained: None of the covered employees has a disqualifying criminal history.

(2) If Contractor/Subcontractor at any time receives information that a covered employee subsequently has a reported disqualifying criminal history, Contractor/Subcontractor will immediately remove the covered employee from contract duties and notify HCDE in writing within 3 business days.

(3) Upon request by HCDE, Contractor/Subcontractor will provide HCDE with the name, date of birth, and any other requested information of covered employees so that HCDE may obtain criminal history record information on the covered employees.

Or

[ ] **OPTION D: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, and Contractor/Subcontractor is not a "qualified school contractor."** If this option is selected, I further certify that:

(1) For each covered employee **who is employed by or under a current offer of employment by Contractor/Subcontractor**, **Contractor/Subcontractor certifies to HCDE that will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE**, providing the following information regarding each covered employee as required by DPS in order to provide criminal history record information, so that HCDE may obtain the covered employees' criminal history record information: (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph; (f) if the employee has ever been fingerprinted by a public school district in Texas (and if so, the name of the school district); and (g) the person's written consent to the release of his or her criminal history record information.

(2) Contractor/Subcontractor shall provide HCDE's "Texas Fingerprint Service Code Form" document to all covered employees and ensure that they schedule fingerprinting appointments in a timely manner. Contractor/Subcontractor shall be solely responsible to send or ensure that each covered employee sends to DPS all information that may be required by DPS for obtaining national criminal history record information, which may include, but is not limited to, a complete set of the person's fingerprints and a recent electronic digital image photograph of the person. Any covered employee whose criminal history record information is not received by HCDE at least ten (10) HCDE business days prior to the start of the services to be performed by Contractor/Subcontractor at HCDE is subject to exclusion from service, in HCDE's sole discretion, until his or her criminal history record information can be obtained and reviewed by HCDE. **Contractor/Subcontractor is responsible for the payment of all fingerprinting costs.** Because Contractor/Subcontractor is not a "qualified school contractor," it will not be permitted to view the criminal history record information obtained by HCDE.

(3) DPS shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Texas Government Code 411.0845. Contractor/Subcontractor agrees that HCDE will obtain all criminal history record information that relates to a covered employee through the criminal history clearinghouse as provided by Texas Government Code 411.0845. Contractor/Subcontractor agrees that HCDE will review each covered employee's criminal history record information, together with the employee's qualifications, background, and experience, based on information gathered by HCDE through the procurement and/or contracting processes, to determine, in HCDE's sole discretion, whether any covered employee(s) should be prohibited from serving at HCDE. HCDE will notify Contractor/Subcontractor of its determination.

(4) If HCDE at any time receives information that a covered employee subsequently has a reported disqualifying criminal history or should be prohibited from serving at HCDE, in HCDE's sole discretion, for any other reason, including, but not limited to, the employee's qualifications, background, and experience, based on information gathered by HCDE through the procurement and/or contracting processes, HCDE will notify Contractor/Subcontractor of its determination. Contractor/Subcontractor will immediately remove the covered employee from contract duties.

Upon contract award and/or initiation of PO/contract from HCDE, the winning proposer/Contractor shall complete HCDE's "Contractor Criminal History Background Check Certification" form, providing the following information regarding each covered employee as required by DPS in order to provide criminal history record information, so that HCDE may obtain the covered employees' criminal history record information: (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph; (f) if the employee has ever been fingerprinted by a public school district in Texas (and if so, the name of the school district); and (g) the person's written consent to the release of his or her criminal history record information. Contractor/Subcontractor shall be solely responsible to send or ensure that each covered employee sends to DPS all information that may be required by DPS for obtaining national criminal history record information, which may include, but is not limited to, a complete set of the person's fingerprints and a recent electronic digital image photograph of the person.

If, during the term of the contract with HCDE, Contractor/Subcontractor employs additional covered employees or assigns new covered employees to perform services at HCDE, Contractor shall immediately notify HCDE and provide HCDE with all of the information listed in the preceding paragraph as to each additional covered employee, so that HCDE may obtain the additional covered employees' criminal history record information. If, during the term of the contract with HCDE, Contractor/Subcontractor ceases to employ a covered employee in connection with an HCDE contract, whose information was previously provided to HCDE, Contractor/Subcontractor shall immediately notify HCDE of the same and provide HCDE with each former covered employee's (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; and (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph, so that HCDE may unsubscribe from that individual's criminal history record.

If HCDE, in its sole discretion, objects to the assignment of a covered employee for any reason, including, but not limited to, on the basis of the covered employee's criminal history record information and/or insufficient qualifications, lack of experience, and the like, based on information gathered by HCDE through the procurement and/or contracting processes, Contractor/Subcontractor agrees to discontinue using that covered employee to provide services at HCDE.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Ch. 22 Contractor/Subcontractor Certification Form under Section 13 of the contract

I also certify to HCDE (and, in the case of a Subcontractor, certify to Contractor and HCDE) on behalf of Contractor/Subcontractor that Contractor/Subcontractor has required its subcontractors to comply with Texas Education Code, Chapter 22 and obtained certifications from its subcontractors of such compliance. Noncompliance or misrepresentation regarding this certification may be grounds for contract termination.

List of Covered Employees

Name (First, Middle, Last Name)	**Date of Birth**	**If already fingerprinted, provide (SID)**

Signature Title Date

HCDE's "Texas Fingerprint Service Code Form"

IdentoGO
By MorphoTrust USA

Local Education Entities - Harris County Departn

Texas Fingerprint Service Code Form

Service Name: Local Education Entities - Harris County Department of F

To schedule your ten-minute fingerprint appointment, simply visit **https://uenroll.identogo.com** and enter the following Service Code

11FJ5N

When prompted, please provide or enter the following Agency Number TX922641Z

Background Check Waiver

I certify that all information I provided in relation to this criminal history record check is true and accurate. I authorize the Texas Department of Public Safety (DPS) to access Texas and Federal criminal history record information that pertains to me and disseminate that information to the designated Authorized Agency or Qualified Entity with which I am or am seeking to be employed or to serve as a volunteer, through the DPS Fingerprint-based Applicant Clearinghouse of Texas and as authorized by Texas Government Code Chapter 411 and any other applicable state or federal statute or policy.

I authorize the Texas Department of Public Safety to submit my fingerprints and other application information to the FBI for the purpose of comparing the submitted information to available records in order to identify other information that may be pertinent to the application. I authorize the FBI to disclose potentially pertinent information to the DPS during the processing of this application and for as long hereafter as may be relevant to the activity for which this application is being submitted. I understand that the FBI may also retain my fingerprints and other applicant information in the FBI's permanent collection of fingerprints and related information, where all such data will be subject to comparisons against other submissions received by the FBI and to further disseminations by the FBI as may be authorized under the Privacy Act of 1974 (5 USC 552a). I understand my fingerprints will be searched by and against civil, criminal and latent fingerprints in the Next Generation Identification (NGI) system. I understand I am entitled to obtain a copy of any criminal history record check and challenge the accuracy and completeness of the information before a final determination is made by the Qualified Entity. I also understand the Qualified Entity may deny me access to children, the elderly, or individuals with disabilities until the criminal history record check is completed. If a need arises to challenge the FBI record response, you may contact the agency that submitted the information to the FBI, or you may send a written challenge request to the FBI's Criminal Justice Information Services (CJIS) Division at FBI CJIS Division, Attention: Correspondence Group, 1000 Custer Hollow Road, Clarksburg, WV 26306.

Don't have access to the Internet? You can still schedule an appointment by calling 888.467.2080

SERVICES AGREEMENT FOR HCDE REVENUE

This Services Agreement ("Agreement") is made and entered into by and between the Harris County Department of Education ("HCDE"), located at 6300 Irvington Boulevard, Houston, Texas 77022, and _____ ("Entity"), located at _____, (collectively "the Parties"), for _____ in accordance with the terms and conditions specified herein.

Recitals

HCDE is a local governmental entity, established to promote education in Harris County, Texas. Both Entity and HCDE desire to set forth in writing the terms and conditions of their agreement. In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound agree as follows:

1. Purpose. The purpose of this Agreement is to state the terms and conditions under which HCDE will provide services for Entity. Entity agrees to retain HCDE and HCDE agrees to provide services to _____ and to perform the duties and all necessary labor and resources needed to provide the services set forth in Section 3 Scope of Work.

2. Term. This Agreement is for services beginning _____ and ending _____ ("Term"). This Agreement may be extended by mutual written agreement of the Parties, contingent upon approval of HCDE's Board of Trustees, as may be required. All extensions of this Agreement shall be subject to the terms and conditions specified herein.

3. Scope of Work. Exhibit A, attached and incorporated herein, includes a detailed Scope of Work that sets out the "Services" HCDE agrees to provide.

4. Independent Contractor Status. It is the intention of the Parties that HCDE be an independent contractor and not an employee, agent, joint venturer, or partner of Entity. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between Entity and either HCDE or any employee or agent of HCDE. Entity agrees that HCDE has no responsibility for any conduct of any of Entity's staff, participants, visitors, employees, agents, representatives, personnel, contractors, subcontractors, invitees, or licensees. Entity assumes full responsibility for the actions of its staff, participants, visitors, employees, agents, representatives, personnel, contractors, subcontractors, invitees, and licensees and shall remain solely responsible for their supervision, daily direction and control, payment of salary (including withholdings), workers' compensation, disability benefits, and like requirements and obligations. As an independent contractor, HCDE will be solely responsible for determining the means and methods for performing Services and shall furnish all tools, materials, transportation, and personal incidentals necessary in the performance of Services. HCDE shall be responsible for any and all applicable social security and personal income taxes that may become due as a result of any payments made by Entity hereunder and Entity shall indemnify and hold HCDE harmless in this regard to the maximum extent permitted by Texas law.

5. Changes & Amendments. During the Term of the Agreement, this Agreement may be amended only by the mutual agreement of the Parties, in a writing to be attached to and incorporated into this Agreement. All such changes shall be made in writing and agreed to by both Parties.

6. Assignment. Neither this Agreement nor any duties or obligations under it shall be assignable by HCDE without the prior written acknowledgement and authorization of Entity.

7. Compensation. Entity will pay HCDE $_____, plus expenses of $_____ per day for services provided in Exhibit A. HCDE will invoice Entity within thirty (30) days of the completion of Services. Upon receipt of an invoice, Entity agrees to timely make payment to HCDE, including, as applicable, in compliance with the Texas Prompt Pay Act, Chapter 551 of the Texas Government Code.

8. Conflict of Interest. During the Term of HCDE's service to Entity, HCDE shall not, directly or indirectly, whether for HCDE's own account or for or with any other person or entity whatsoever, employ, solicit, or endeavor to entice away any person who is employed by Entity.

9. Warranties and Limitation of Liability. EXCEPT AS MAY OTHERWISE BE PROVIDED HEREIN, HCDE MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, HCDE DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF PERFORMANCE, MERCHANTIBILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, OMISSIONS, COMPLETENESS, AND DELAYS. EXCEPT AS EXPRESSLY PROVIDED HEREIN OR AS REQUIRED BY LAW, UNDER NO CIRCUMSTANCES SHALL HCDE BE HELD LIABLE FOR EXEMPLARY, SPECIAL, PUNITIVE, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, BUSINESS REVENUE, OR GOODWILL DUE TO ANY CAUSE WHATSOEVER, EVEN IF HCDE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10. Indemnity. TO THE FULLEST EXTENT PERMITTED BY LAW, ENTITY SHALL INDEMNIFY AND HOLD HARMLESS BOTH HCDE ITS TRUSTEES, OFFICERS, EMPLOYEES, AND AGENTS FROM AND AGAINST ALL LIABILITY, LOSS, DAMAGE, EXPENSE (INCLUDING REASONABLE LITIGATION COSTS AND ATTORNEY'S FEES), AND CLAIMS FOR INJURY TO OR DEATH OF ANY PERSON, OR INJURY OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ARISING OUT OF OR OCCASIONED BY, DIRECTLY OR INDIRECTLY, PERFORMANCE UNDER THIS AGREEMENT (COLLECTIVELY, "CLAIM"), INCLUDING CLAIMS ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OF HCDE, WHETHER OR NOT THE CLAIM ARISES FROM THE NEGLIGENCE, WILLFUL ACT, BREACH OF CONTRACT, OR VIOLATION OF LAW BY ENTITY, ITS EMPLOYEES, AGENTS, CONTRACTORS, OR SUBCONTRACTORS.

11. Performance. HCDE further agrees that HCDE's Services will be performed with reasonable care, skill, judgment, and experience, and in a professional business-like manner, with no direct supervision from _____. If HCDE is unable to complete the work in this manner based on the mutually agreed upon time, HCDE shall notify _____ in writing.

12. Termination. Either party for any reason upon thirty (30) days written notice may terminate this Agreement without cause. Entity will be responsible for payment for any Services that have been provided by HCDE up to the termination date. Upon material breach of this Agreement by HCDE, Entity may terminate this Agreement by

giving thirty (30) days' advance written notice to HCDE, with HCDE having the right to cure the breach within such notice period. HCDE may, by written notice, immediately terminate this Agreement if Entity has defaulted in whole or in part or refuses or fails to comply with the provisions of this Agreement. In the event this Agreement is terminated because of a violation or breach of the Agreement's terms by the _____, HCDE shall be entitled to all administrative, contractual, and legal remedies, including sanctions and penalties.

13. Force Majeure. The Parties to this Agreement may be excused from performance hereunder during the time and to the extent that they are prevented from performance due to an act of God, fire, strike or lockout, when satisfactory evidence thereof is presented to the other party and provided that such non-performance is not due to the fault of the non-performing party.

14. Intellectual Property. HCDE represents that it has all intellectual property rights necessary to enter into and perform its obligations in this Agreement. Nothing in this Agreement grants Entity any rights to HCDE's materials, work product, or any other intellectual property developed or used in performance of this Agreement or otherwise.

15. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and may be affected by certified mail, return receipt requested. Notice to either party shall be sufficient if made or addressed as to the address listed in the signature line of this Agreement.
Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified mail, return receipt requested.

16. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be a court of competent jurisdiction in Harris County, Texas.

17. No Waiver of HCDE's Immunity. The execution of this Agreement and the performance of HCDE of any of its obligations hereunder are not, and are not intended to waive or relinquish, and HCDE shall not waive or relinquish, any governmental, sovereign immunity or defense from or to liability or prosecution available to HCDE, its trustees, officers, employees, or agents under federal or Texas laws.

18. Entire Agreement. The Agreement and Exhibit A represent the entire and exclusive agreement between the Parties thereto and replaces in their entirety any previous agreements, written or oral.

19. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

20. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement.

21. Authorized Signatory. By signing this Agreement, the undersigned representative for Entity represents and warrants that s/he has authority to enter into this Agreement on behalf of Entity.

22. No Third-Party Beneficiaries. Nothing in this Agreement shall be deemed or construed to create any third-party beneficiaries or otherwise give any third party any claim or right of action against any party to this Agreement.

23. Attorneys' Fees. The prevailing party in any adjudication relating to or arising out of this Agreement shall be awarded all reasonable and necessary attorneys' fees and costs.

24. Confidential Data of HCDE. In the course of HCDE rendering Services under this Agreement, Entity may view, obtain, or have access to financial, accounting, statistical, personnel, and other information of a confidential nature concerning students and school districts being served by HCDE and employees of HCDE. All such information is confidential and shall not be disclosed, directly or indirectly, to any person other than authorized officials of HCDE, either during the Term of this Agreement or after such Term.
Entity acknowledges that HCDE would be irreparably injured if Entity were to disclose such information to third parties not entitled to receive such information or to misappropriate such confidential information for Entity's own purposes or benefit and that money damages would not compensate HCDE for such irreparable injury.
Entity further acknowledges that to the extent HCDE receives confidential student information during the performance of duties under this Agreement, HCDE is considered a "school official" in accordance with the Family Educational Rights and Privacy Act ("FERPA"), 20 U.S.C. § 1232g, and shall not disclose confidential student information or education records.

25. Compliance with Applicable Laws. Both Parties agree to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable.

In witness whereof, HCDE and Entity have executed this Agreement to be effective as of the date of the last signature below ("Effective Date").

Notice to Entity: Any change(s) made to the provisions above will nullify this Agreement.

Harris County Department of Education
By:_____
Jesus Amezcua, Ph.D., CPA, RTSBA
Assistant Superintendent –Business Services
6300 Irvington Blvd.
Houston, TX 77022-5618
713-696-1371
jamezcua@hcde-texas.org
Date: _____

Entity: _____
By:_____
Name: _____
Title: _____
Address: _____
_____
Phone: _____
Email: _____
Date: _____

EXHIBIT A
SCOPE OF WORK

Contractor	HCDE
• Services/Obligations	• Obligations

Interlocal Agreement
between Harris County Department of Education
&_____

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and Chapter 271, Subchapter F of the Texas Local Government Code, and other similar, applicable laws of other states, this Interlocal Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located in Houston, Texas, and _____, a local governmental entity and/or political subdivision ("LGE"), located in _____ (*city*), _____ (*state*), for the purpose of contracting for the performance of governmental functions and services. The undersigned may be referred to in this Agreement individually as a "Party" and collectively as the "Parties."

Preamble

HCDE is a local governmental entity established to promote education in Harris County, Texas and is duly authorized to provide programs and services in the State of Texas. Both HCDE and LGE desire to set forth, in writing, the terms and conditions of their agreement.

General Terms and Conditions

In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Term. The term of this Agreement shall commence on the date of the first signature of this Agreement ("Effective Date") and shall automatically renew annually, unless either Party gives thirty (30) days prior written notice of non-renewal.

2. Agreement. The terms of this Agreement shall apply and will be considered a part of any addendum, purchase order, or contract for programs and services delivered by HCDE. This Agreement and the attached and incorporated addenda, purchase orders, or exhibits, if any, contain the entire agreement of the parties, and there are no representations, agreements, arrangements, or undertakings, oral or written, between the Parties to this Agreement other than those set forth in this Agreement and duly executed in writing.

3. Purpose and Scope of Work.
   A. HCDE agrees to:

   - Provide LGE with descriptive offerings of each of the programs and services that HCDE provides.
   - Provide programs and services upon LGE's submission of independent contracts or purchase orders to HCDE and HCDE's acceptance thereof. HCDE's obligations to provide programs and services is contingent on HCDE acquiring and maintaining sufficient staffing

through reasonable efforts to satisfy HCDE's obligations under this Agreement and all similar obligations under its contracts with other local governmental entities.
- Conduct, at a minimum, an annual audit or survey, as appropriate, for each of the programs and services that HCDE delivers.

B. LGE agrees to:

- Participate in any or all of the programs and services that HCDE offers, in LGE's sole discretion.
- Submit purchase order(s) or independent contract(s) for each of the HCDE programs and/or services that LGE desires to purchase and/or collaborate.
- Agree to follow the terms and conditions of each independent contract or purchase order.
- Designate a person to act as LGE's representative to each respective HCDE program and/or service delivered.

4. As is. HCDE makes this Agreement available to HCDE participating entities "as is" and is under no obligation to revise the terms, conditions, scope, prices, and/or any requirements of the Agreement for the benefit of LGE.

5. Master Contract. This Agreement can be utilized as a Master Contract. The general terms and conditions in this Agreement will serve to outline the working relationship between HCDE and LGE.

   LGE agrees to adhere to the specific terms and conditions set forth for the HCDE programs and/or services as contracted by LGE. In the case of a conflict between this Agreement and any addendum, purchase order, or individual contract for a specific HCDE program or service, the provisions of the addendum, purchase order, or individual contract will govern.

6. Payments. The Parties agree that all payments made under this Agreement will be in an amount that fairly compensates the performing Party for the services or functions performed under this Agreement. The Parties further agree that each Party paying for the performance of governmental functions or services pursuant to this Agreement must make those payments from current revenues available to the paying Party.

7. Invoices. HCDE will invoice LGE for the HCDE programs and services that LGE purchases from HCDE. LGE agrees to remit payment to HCDE within thirty (30) days after the later of the following: (1) the date LGE receives the goods; (2) the date the performance of the service is completed; or (3) the date LGE receives an invoice for the goods or service. If LGE makes a payment to HCDE with a credit card, LGE agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and/or costs incurred by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).

8. Participation in HCDE's Cooperative Purchasing Program. If LGE elects to participate in HCDE's cooperative purchasing program, Choice Partners, LGE shall be permitted to purchase goods and services using the contracts competitively procured by HCDE. HCDE does not assess a fee to LGE for participation in Choice Partners. LGE shall make payments directly to vendors. LGE shall be responsible for ordering, inspecting, and accepting the goods and services purchased through

Choice Partners. LGE shall further be responsible for the vendors' compliance with provisions relating to the specific quality of goods and services delivered and terms of delivered, as set forth between LGE and the vendor. HCDE is not responsible or liable for the performance of any vendor used by LGE as a result of this Agreement or LGE's participation in Choice Partners.

9. Compliance with Laws. Each Party is responsible for complying with applicable laws and regulations relating to this Agreement and any purchase made under this Agreement.

10. Termination. This Agreement may be terminated prior to the expiration of the Term hereof as follows:

- By either Party, with or without cause, upon thirty (30) days' prior written notice;
- By mutual written agreement of the Parties; or
- By either Party immediately if the other Party commits a material breach of any of the terms of this Agreement and no remedial action can be agreed upon by the Parties.

Termination of this Agreement by a Party shall not terminate an existing purchase order or individual contract between HCDE and LGE or between LGE and an HCDE cooperative purchasing program vendor. In the event of termination of this Agreement or any purchase order or individual contract, LGE shall be responsible for compensating HCDE for programs and services provided by HCDE up to the effective date of termination.

11. Assignment. Neither this Agreement nor any duties or obligations entered in subsequent contracts because of this agreement shall be assignable by either party without the prior written acknowledgment and authorization of both parties.

12. Conflict of Interest. During the Term of HCDE's service to LGE, LGE, its personnel and agents, shall not, directly or indirectly, whether for LGE's own account or with any other person or entity whatsoever, employ, solicit or endeavor to entice away any person who is employed by HCDE.

13. Contract Amendment. This Agreement may be amended only by the mutual agreement of all Parties, in writing, to be attached to and incorporated into this Agreement.

14. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be sent by **certified mail, return receipt requested**. Notice to shall be sufficient if made or addressed as follows:

Harris County Department of Education	_____("LGE")
Attn: James Colbert, Jr.	Attn: _____
County School Superintendent	Title: _____
6300 Irvington Blvd.	Address: _____
Houston, Texas 77022	City, State, Zip: _____
713-694-6300	Phone: _____
	Email: _____

15. Relation of Parties. It is the intention of the parties that LGE is independent of HCDE and not an employee, agent, joint venturer, or partner of HCDE and nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and LGE or HCDE and any of LGE's representatives.

16. Non-Exclusivity of Services. Nothing in this Agreement may be construed to imply that HCDE has exclusive right to provide LGE with programs or services. During the Term of this Agreement, LGE reserves the right to use all available resources to procure other programs and services as needed and, in doing so, will not violate any rights of HCDE.

17. Disclaimer. HCDE DOES NOT WARRANT THAT THE OPERATION OR USE OF HCDE PROGRAMS AND/OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. HCDE HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT, PROGRAM, OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

18. Limitation of Liability. Without waiver of the Disclaimer in Article 17 of this Agreement, the Parties agree that:
    - Neither Party waives any immunity afforded to it under applicable law; and
    - Neither Party shall be liable to the other Party for special, incidental, or exemplary damages with regard to any lawsuit or formal adjudication arising out of or relating to this Agreement.

19. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegality, or unenforceable provision had never been contained in it.

20. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Houston, Harris County, Texas.

21. No Waiver. Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or equity to a Party, including the defense(s) of immunity. No failure on the part of either Party at any time to require the performance by the other Party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such Party's right to enforce such term, and no waiver on the part of either Party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.

22. Benefit for Signatory Parties Only. Neither this Agreement, nor any term or provisions hereof, not any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

23. Authorization. Each party acknowledges that the governing body of each Party to the Agreement has authorized and approved this Agreement.

24. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original constituting one and the same instrument.

In witness whereof, HCDE and LGE have executed this Agreement to be effective on the date specified in Article 1. Term above:

_____	Harris County Department of Education
Name of Local Governmental Entity	
_____	_____
Authorized Signature	
_____	James Colbert, Jr.
Printed Name	
_____	County School Superintendent
Title	
_____	_____
Date	Date

Type of Local Governmental Entity (*select one*):

□ School District □ Charter School

□ County □ City/Municipality

□ University □ College

□ State Entity

□ Governmental entity/other: _____

Participation Agreement

between Harris County Department of Education &_____

This Participation Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located in Houston, Texas, and _____, a non-profit corporation ("Non-Profit"), located in _____ (*city*), _____ (*state*), for the purpose of permitting Non-Profit to participate in any or all of the programs and services that HCDE offers, including, without limitation, HCDE's cooperative purchasing program, Choice Partners. The undersigned may be referred to in this Agreement individually as a "Party" and collectively as the "Parties."

Preamble

HCDE is a local governmental entity established to promote education in Harris County, Texas and is duly authorized to provide programs and services in the State of Texas. Non-Profit certifies, represents, and warrants that it is a non-profit, tax-exempt entity. Both HCDE and Non-Profit desire to set forth, in writing, the terms and conditions of their agreement.

General Terms and Conditions

In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

4. Term. The term of this Agreement shall commence on the date of the first signature of this Agreement ("Effective Date") and shall automatically renew annually, unless either Party gives thirty (30) days prior written notice of non-renewal.

5. Agreement. The terms of this Agreement shall apply and will be considered a part of any addendum, purchase order, or contract for programs and services delivered by HCDE. This Agreement and the attached and incorporated addenda, purchase orders, or exhibits, if any, contain the entire agreement of the parties, and there are no representations, agreements, arrangements, or undertakings, oral or written, between the Parties to this Agreement other than those set forth in this Agreement and duly executed in writing.

6. Purpose and Scope of Work.

A. HCDE agrees to:

- Provide Non-Profit with descriptive offerings of each of the programs and services that HCDE provides.
- Provide programs and services upon Non-Profit's submission of independent contracts or purchase orders to HCDE and HCDE's acceptance thereof. HCDE's obligations to provide programs and services is contingent on HCDE acquiring and maintaining sufficient staffing through reasonable efforts to satisfy HCDE's obligations under this Agreement and all similar obligations under its contracts with other local governmental entities.

- Conduct, at a minimum, an annual audit or survey, as appropriate, for each of the programs and services that HCDE delivers.

B. Non-Profit agrees to:

- Participate in any or all of the programs and services that HCDE offers, in Non-Profit's sole discretion.
- Submit purchase order(s) or independent contract(s) for each of the HCDE programs and/or services that Non-Profit desires to purchase and/or collaborate.
- Agree to follow the terms and conditions of each independent contract or purchase order.
- Designate a person to act as Non-Profit's representative to each respective HCDE program and/or service delivered.

4. As is. HCDE makes this Agreement available to HCDE participating entities "as is" and is under no obligation to revise the terms, conditions, scope, prices, and/or any requirements of the Agreement for the benefit of Non-Profit.

4. Master Contract. This Agreement can be utilized as a Master Contract. The general terms and conditions in this Agreement will serve to outline the working relationship between HCDE and Non-Profit.

Non-Profit agrees to adhere to the specific terms and conditions set forth for the HCDE programs and/or services as contracted by Non-Profit. In the case of a conflict between this Agreement and any addendum, purchase order, or individual contract for a specific HCDE program or service, the provisions of the addendum, purchase order, or individual contract will govern.

5. Payments. The Parties agree that all payments made under this Agreement will be in an amount that fairly compensates the performing Party for the services or functions performed under this Agreement. The Parties further agree that each Party paying for the performance of governmental functions or services pursuant to this Agreement must make those payments from current revenues available to the paying Party.

6. Invoices. HCDE will invoice Non-Profit for the HCDE programs and services that Non-Profit purchases from HCDE. Non-Profit agrees to remit payment to HCDE within thirty (30) days after the later of the following: (1) the date Non-Profit receives the goods; (2) the date the performance of the service is completed; or (3) the date Non-Profit receives an invoice for the goods or service. If Non-Profit makes a payment to HCDE with a credit card, Non-Profit agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and/or costs incurred by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).

7. Participation in HCDE's Cooperative Purchasing Program. If Non-Profit elects to participate in HCDE's cooperative purchasing program, Choice Partners, Non-Profit shall be permitted to purchase goods and services using the contracts competitively procured by HCDE. HCDE does not

assess a fee to Non-Profit for participation in Choice Partners. Non-Profit shall make payments directly to vendors. Non-Profit shall be responsible for ordering, inspecting, and accepting the goods and services purchased through Choice Partners. Non-Profit shall further be responsible for the vendors' compliance with provisions relating to the specific quality of goods and services delivered and terms of delivered, as set forth between Non-Profit and the vendor. HCDE is not responsible or liable for the performance of any vendor used by Non-Profit as a result of this Agreement or Non-Profit's participation in Choice Partners.

8. Compliance with Laws. Each Party is responsible for complying with applicable laws and regulations relating to this Agreement and any purchase made under this Agreement.

9. Termination. This Agreement may be terminated prior to the expiration of the Term hereof as follows:
   - By either Party, with or without cause, upon thirty (30) days' prior written notice;
   - By mutual written agreement of the Parties; or
   - By either Party immediately if the other Party commits a material breach of any of the terms of this Agreement and no remedial action can be agreed upon by the Parties.

   Termination of this Agreement by a Party shall not terminate an existing purchase order or individual contract between HCDE and Non-Profit or between Non-Profit and an HCDE cooperative purchasing program vendor. In the event of termination of this Agreement or any purchase order or individual contract, Non-Profit shall be responsible for compensating HCDE for programs and services provided by HCDE up to the effective date of termination.

10. Assignment. Neither this Agreement nor any duties or obligations entered in subsequent contracts because of this agreement shall be assignable by either party without the prior written acknowledgment and authorization of both parties.

11. Conflict of Interest. During the Term of HCDE's service to Non-Profit, Non-Profit, its personnel and agents, shall not, directly or indirectly, whether for Non-Profit's own account or with any other person or entity whatsoever, employ, solicit or endeavor to entice away any person who is employed by HCDE.

12. Certificate of Interested Parties. HCDE is required to comply with House Bill 1295, which amended the Texas Government Code by adding Section 2252.908, Disclosure of Interested Parties. Section 2252.908 prohibits HCDE from entering into a contract with a business entity unless the business entity submits a Disclosure of Interested Parties (Form 1295) to HCDE at the time business entity submits the signed contract. Non-Profit agrees to complete the Certificate of Interested Parties electronically with the Texas Ethics Commission and submit the original signed, notarized certificate to HCDE with submission of this signed Agreement.

13. Contract Amendment. This Agreement may be amended only by the mutual agreement of all Parties, in writing, to be attached to and incorporated into this Agreement.

14. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be sent by **certified mail, return receipt requested**. Notice to shall be sufficient if made or addressed as follows:

Harris County Department of Education	_____(" Non-Profit")
Attn: James Colbert, Jr.	Attn: _____
County School Superintendent	Title: _____
6300 Irvington Blvd.	Address: _____
Houston, Texas 77022	City, State, Zip: _____
713-694-6300	Phone: _____
	Email: _____

15. Relation of Parties. It is the intention of the parties that Non-Profit is independent of HCDE and not an employee, agent, joint venturer, or partner of HCDE and nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and Non-Profit or HCDE and any of Non-Profit's representatives.

16. Non-Exclusivity of Services. Nothing in this Agreement may be construed to imply that HCDE has exclusive right to provide Non-Profit with programs or services. During the Term of this Agreement, Non-Profit reserves the right to use all available resources to procure other programs and services as needed and, in doing so, will not violate any rights of HCDE.

17. Disclaimer. HCDE DOES NOT WARRANT THAT THE OPERATION OR USE OF HCDE PROGRAMS AND/OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. HCDE HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT, PROGRAM, OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

18. Limitation of Liability. Without waiver of the Disclaimer in Article 17 of this Agreement, the Parties agree that:
    - Neither Party waives any immunity afforded to it under applicable law; and
    - Neither Party shall be liable to the other Party for special, incidental, or exemplary damages with regard to any lawsuit or formal adjudication arising out of or relating to this Agreement.

19. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity,

illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegality, or unenforceable provision had never been contained in it.

20. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of law's provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Houston, Harris County, Texas.

21. No Waiver. Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or equity to a Party, including the defense(s) of immunity. No failure on the part of either Party at any time to require the performance by the other Party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such Party's right to enforce such term, and no waiver on the part of either Party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.

22. Benefit for Signatory Parties Only. Neither this Agreement, nor any term or provisions hereof, not any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

23. Authorization. Each party acknowledges that the governing body of each Party to the Agreement has authorized and approved this Agreement.

24. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original constituting one and the same instrument.

In witness whereof, HCDE and Non-Profit have executed this Agreement to be effective on the date specified in Article 1. Term above:

Master Job Order Contract

This Master Job Order Contract ("Contract") is made by and between Harris County Department of Education ("Owner"), a political subdivision of the state of Texas, whose main office address is 6300 Irvington Boulevard, Houston, Texas 77022, and_____ ("Contractor"), whose main office address is_____for Job Order Contracting Services, effective as of_____(date).

RECITALS

Whereas, Owner is in need of job order contracting services; and

Whereas, this Contract is for the provision of job order contracting services, to be performed on a non-exclusive, indefinite quantity basis, as requested by Owner, in accordance with the terms of this Contract;

Whereas, Contractor has been procured as a Job Order Contractor vendor under Harris County Department of Education ("HCDE") Choice Partners Contract # _____, and is available to Owner through the Choice Partners purchasing cooperative as permitted by Subchapter I, Chapter 2269 of the Texas Government Code; and

Whereas, Contractor represents that he has the knowledge, ability, skills and resources to provide such job order contracting services in accordance with the terms and requirements of this Contract.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Contract, the receipt and sufficiency of which are hereby acknowledged, Owner and Contractor, intending to be legally bound, hereby agree as follows:

I. DEFINITIONS

1.1 The term "**Owner**" means the Harris County Department of Education and includes Owner's duly authorized representative, including any person specifically authorized to act for Owner by executing the Contract and any modification thereto. Owner's duties include administration of the Contract, including the issuance of Job Order(s) and modifications and assessing progress; inspecting and periodically reporting on such performance and progress during the stated period of performance, and finally certifying as to the acceptance of the Work in its entirety or any portion thereof, as required by the Contract.

1.2 The term "**Contractor**" means _____ and includes Contractor's senior manager or its duly authorized representative, including any person specifically authorized to act for Contractor by executing the Contract and any modifications thereto. Contractor's duties include administration of the

Contract and performance of the Work.

1.3 The term "**Contract**" as used herein means the documents that form the agreement between Owner and Contractor. The Contract consists of this agreement, including its exhibits and any modifications thereto, any Job Order(s) that may be issued, Choice Partners Contract #_____, and Contractor's proposal submitted in response to the solicitation issued by HCDE/Choice Partners for Choice Partners Contract #_____, including the Vendor/Attachment Packet and all certifications therein, which are fully incorporated herein for any and all purposes.

1.4 The term "**Subcontract**" as used herein means any agreement, including purchase orders (other than one involving an employer-employee relationship) entered into by Contractor calling for equipment, supplies or services required for Contract performance, including any modifications thereto.

1.5 The term "**job order contracting**" means maintenance, repair, alteration, renovation, remediation or minor construction of a facility when the work is of a recurring nature but the delivery times, type, and quantities of the work required are indefinite.

1.6 The term "**Job Order**" means a specific written agreement between the Owner and the Contractor for Work to be performed under this Contract, in the form of Attachment A hereto.

1.7 The term "**Unit Price Guide**" means the unit price book specified by HCDE/Choice Partners in the procurement of Choice Partners Contract #_____.

1.8 The term "**Coefficient Multiplier**" means the numerical factor required to be applied pursuant to Contractor's award under Choice Partners Contract #_____ which is applied to the Unit Price Guide unit prices to cover all of Contractor's costs in performing the Work of a Job Order.

1.9 The term "**Non-Pre-priced items**" means the necessary, but incidental, parts of a Job Order that are not susceptible to unit pricing using the pre-priced tasks in the Unit Price Guide.

1.10 The term "**Work**" means the doing of all things described in, reasonably related to, and necessary, proper, or incidental to the work and services required by this Contract and/or a Job Order, whether in whole or in part, and includes all labor, materials, tools, resources, supplies, equipment, permits, insurance, transportation, supervision, management, operations, and performance of all tasks provided or to be provided by Contractor to fulfill Contractor's obligations under this Contract, including any specific project requirements defined and further described in any Job Order.

1.11 The term "**pre-priced item**" means pre-described and pre-priced tasks based on a unit price guide and coefficient multiplier.

II. TERM OF AGREEMENT

2.1 **Term**: The initial term of this Contract is one (1) year and shall be effective _____(date) through_____(date). Owner may exercise renewal options for up to four additional one-year terms, in Owner's sole discretion, provided that Contractor is still an eligible vendor under the Choice Partners purchasing cooperative. Job Orders may be issued at any time during the term of this Contract. This Contract will remain in full force and effect during the performance of any Job Order issued by Owner.

2.2 **Completion of Work in Progress**: Owner has the option to extend the term of this Contract, or any renewal period, as necessary for Contractor to complete work on any Job Order approved by Owner prior to the expiration of the Contract.

III. AUTHORIZED CONTRACT SUM

3.1 **Contract Sum:** The maximum aggregate contract expenditures for the initial one (1) year term is _____. The cost of each specifically authorized Job Order will be established in a "Job Order" issued by Owner and executed by Owner and Contractor. Established cost amounts shall not be increased except by written change order to a previously issued Job Order executed by Owner and Contractor. As required by Texas Government Code Section 2269.403, the Owner's Board of Trustees must approve any Job Order that exceeds $500,000. The Owner's Board of Trustees may be required to authorize Job Orders for lesser amounts as required by local Board policy.

3.2 **No Minimum Amount of Work:** It is expressly understood that Owner is under no obligation to request any services from Contractor and no minimum amount of work is required under this Contract. All service requests will be made by Owner on an as-needed basis, subject to future agreement on the scope of the work and its cost(s), detailed in a specific Job Order.

IV. SPECIFICATIONS AND DRAWINGS

4.1 **Retention of Drawings:** Contractor shall keep on the Work site a copy of any drawings and/or specifications for a Job Order and shall at all times give Owner access thereto. Anything mentioned in the specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, shall be of like effect as if shown or mentioned in both. In case of differences between drawings and specifications, the drawings shall govern. In case of discrepancy, either in the figures, drawings, or the specifications, the matter shall be promptly submitted to Owner, who shall promptly make a determination in writing regarding such discrepancy. Any adjustment by Contractor without such prior written determination shall be at Contractor's own risk and expense and without any liability to Owner for any adjustment made by Contractor. Owner shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

4.2 **Shop Drawings**: Shop drawings means drawings submitted to Owner by Contractor showing in detail:

a. the proposed fabrication and assembly of structural elements;

b. the installation (i.e., form, fit and attachment details) of materials or equipment; and

c. the construction and detailing of elements of the Work.

Shop drawings include sketches, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, performance and test data, and similar materials furnished by Contractor to explain specific portions of the Work. Owner may duplicate, use, and disclose in any manner and for any purpose shop drawings delivered under the Contract.

4.3 Contractor shall coordinate all shop drawings, and review them for accuracy, completeness, and compliance with Contract and Job Order requirements and shall indicate its approval thereon as evidence of such coordination and review. Owner will indicate its approval or disapproval of the shop drawings in writing and if not approved as submitted shall indicate Owner's reasons therefore. Any work done before such prior written approval by Owner shall be at Contractor's own risk and without any liability whatsoever to Owner.

4.3 Contractor shall submit to Owner for approval in writing an appropriate number of copies of all shop drawings. Sets of all shop drawings will be retained by Owner and one set will be returned to Contractor.

4.4 "As-built" Drawings and Shop Manuals: Contractor is required to submit two complete sets of "as-built" drawings to Contractor within 30 days after project acceptance. "As builds" shall be submitted on paper as well as electronically. Contractor must also submit three copies of shop manuals at that time if equipment has been installed as part of the Job Order.

4.5 Omissions from the drawings or specifications or the incorrect description of details of work which are manifestly necessary to carry out the intent of the drawings and specifications shall not relieve Contractor from performing such omitted or incorrectly described details of the Work.

4.6 Contractor shall check all of Owner's furnished drawings immediately upon receipt and shall promptly notify Owner of any discrepancies. Figures marked on drawings shall be followed in preference to scale measurements. Large scale drawings shall govern small scale drawings. Contractor shall compare all drawings and verify the figures before laying out the Work and will be responsible for any errors which might have been avoided thereby.

V. USE OF SPECIFICATIONS, DRAWINGS AND NOTES

5.1 All drawings (to include as-built drawings), sketches, designs, design data, specifications, note books, technical and scientific data provided to Contractor or developed by Contractor pursuant to the Contract and all photographs, negatives, reports, findings, recommendations, data and memoranda of

every description relating thereto, as well as all copies of the foregoing relating to the Work or any part thereof, shall be the property of Owner and may be used by Owner without any claim by Contractor for additional compensation, unless such material developed by Contractor does not result in an issued Job Order. In such cases, Contractor will receive reasonable reimbursement for the development of such materials before Owner uses them in any manner whatsoever. If Owner chooses not to use such materials and no Job Order was issued, Contractor shall not be entitled to any compensation by Owner for any expenses incurred by Contractor for the preparation or development of any of said materials, which includes any and all general overhead costs for preparation of the materials.

VI. MATERIAL AND WORKMANSHIP

6.1 All equipment, material, and articles incorporated in the Work covered by this Contract shall be new and of the most suitable grade for the purpose intended, unless otherwise specifically provided in the Job Order. References in the Job Order and/or its specifications to equipment, material, article, or patented process by trade name, make, or catalog number, shall be regarded as establishing a standard of quality and shall not be construed as limiting competition.

6.2 Contractor shall obtain Owner's prior written approval of the machinery and mechanical and other equipment to be incorporated into the Work. When requesting approval, Contractor shall furnish to Owner in writing the name of the manufacturer, the model number, and other information concerning the performance, capacity, nature, and rating of the machinery and mechanical and other equipment. When required by the Contract or by Owner, Contractor shall also obtain Owner's written approval of the material or articles which Contractor contemplates incorporating into the Work. When requesting approval, Job Order Contractor shall provide full information concerning the material or articles. Machinery, equipment, material and articles that do not have the required prior approval by Owner shall be installed or used at the Contractor's risk of subsequent rejection and Owner shall not be liable for any costs incurred by Contractor for said Machinery, equipment, material, articles.

VII. CONTRACTOR'S GENERAL RESPONSIBILITIES

7.1 **In General:** Contractor agrees to provide general and specific job order contracting services on a per-project basis as requested by Owner in accordance with the terms of this Contract. Contractor shall furnish all of the materials and perform all of the Work described in a Job Order. Contractor shall do everything required by this Contract, the Job Order and any other requirements incorporated into this agreement or a specific Job Order by reference.

7.2 **Project Manager:** Contractor shall manage and provide all labor and material necessary and reasonably inferable for the complete performance of the Work on any project and/or Job Order authorized pursuant to this Contract.

7.3 **Standard of Care:** Contractor agrees to use commercially reasonable best efforts, skill, judgment, and abilities to perform the Work detailed in the Job Order in an expeditious and timely manner. Contractor shall at all times provide a sufficient number of qualified, skilled personnel, who shall be supervised by Contractor, to accomplish the Work within the time limits set forth in the Job

Order. Contractor shall also be responsible for all damages to persons or property that occur as a result of Contractor's fault or negligence and shall take proper safety and health precautions to protect the Work, the workers, the public, and the property of others. All Work under the Contract shall be performed in a skillful and workmanlike manner. Contractor and all subcontractors shall maintain all required licenses, certifications, permits, and any other documentation necessary to perform this Contract and all Word detailed in a Job Order. Unless otherwise specified in a Job Order, Contractor shall be responsible for any required testing of materials prior to incorporation into the Work.

7.4 **Compliance with Laws:** Contractor shall comply with all applicable federal, state, and local laws, regulations, codes, ordinances, orders and with those of any other body having jurisdiction over the project detailed in the Job Order. Contractor shall comply with all state and local building code requirements unless otherwise specifically detailed in the Job Order. Contractor is required to adhere to all applicable local, state, and national design codes and requirements as well as Owner's construction design standards.

7.5 **Existing Conditions:** Contractor shall use commercially reasonable best efforts to verify the accuracy and suitability of any drawings, plans, sketches, instructions, information, requirements, procedures, requests for action, and other data supplied to Contractor by Owner, or any other party, that Contractor uses for the Job Order.

7.6 **Correction of Work:** Contractor shall promptly correct any known or discovered error, omission, or other defect in the Work without any additional cost or expense to Owner.

7.7 **Phasing:** Contractor shall not proceed beyond any previously authorized phase of the Work for a project unless authorized by Owner in writing, except at the Contractor's own financial risk. Applicable phases of the scope of work shall be identified in the Job Order Proposal.

7.8 **Representative:** Contractor shall designate a representative primarily responsible for the Work under this Contract and a specific Job Order. The designated representative shall act on behalf of Contractor with respect to all phases of the Work and shall be available as required for the benefit of any Job Order and Owner. The designated representative shall not be changed without prior written approval of Owner, which approval shall not be unreasonably withheld.

7.9 **Documentation:** Contractor shall fully document its project activities, in drawings, reports or other methods as appropriate to the scope of work and as identified in the Job Order Proposal and/or Job Order. Unless otherwise stated in the Job Order or provided by Owner, Contractor shall bear the cost of providing all plans, specifications and other documents used by Contractor and its consultants. **Owner will reimburse Contractor for the actual, documented costs of construction permits required for the performance of the Work as specified in the Job Order.** Unless otherwise stated in the Job Order, Contractor shall secure and pay for all governmental fees, licenses, and inspections necessary for the proper execution and completion of the Work.

7.10 Contractor shall be responsible for compliance with all safety rules and regulations of the Federal Occupational Safety and Health Act of 1970 (OSHA), all applicable state and local laws, ordinances, and

regulations during the performance of the Work. Contractor shall indemnify Owner for fines, penalties, and corrective measures that result from the acts of commission or omission of Contractor, its subcontractors, if any, agents, employees, and assigns and its failure to comply with such safety rules and regulations.

7.11 In accordance with Texas Business & Commerce Code § 116.001, as soon as practicable after beginning construction of the project, Contractor shall visibly post the following information at the entrance to the construction site: (1) the name and contact information of the Contractor; and (2) a brief description of the project.

VIII. JOB ORDER PROCEDURES

8.1 **Job Order Procedures**

a. At Owner's discretion, Owner will submit a Job Order Proposal Request to Contractor for the individual project(s). This request will include, at a minimum, the following: project number, project title, name of Owner's project manager, Owner's customer point of contact, location, the project architect and/or engineer, if any, and a general description of the project. If a Job Order requires architectural or engineering services that constitute the practice of architecture or engineering within the meanings of the Texas Occupations Code, Owner shall select or designate an architect or engineer to prepare the construction documents for the project.

b. Upon receipt of the Job Order Proposal Request, Contractor shall promptly schedule a site visit with the Owner's project manager. The site visit will be conducted at a mutually agreed upon time, normally not later than three (3) business days from the time of notification.

c. During the site visit, the following will be accomplished:
    1. Pre-construction site inspection
    2. Review and validate the description of work
    3. Develop draft detailed statement of work
    4. Mark-up existing drawings to show required work (when existing drawings are readily available)
    5. Discuss project with end-user customer, ensure proposed work meets their objectives
    6. Establish Contractor's due date for the Job Order Proposal

d. Contractor will keep adequate notes of the site visit, including a before picture, in color, of the conditions, and provide a copy to Owner following completion of the site visit.

e. Contractor shall submit Contractor's Job Order Proposal within three (3) business days of receipt of Owner's Job Order Proposal Request. Contractor's Job Order Proposal shall include the following:
    i. A narrative description of Contractor's understanding of the project's scope of work;

ii. A description of particular phases of the scope of the work;

iii. A cost proposal detailing:

1. the cost of the 'pre-priced' items as taken from the unit price guide (The cost proposal for each Job Order should be based substantially on the use of pre-priced items);
2. the cost of any 'non-pre-priced' items (The proposed cost of all non-pre-priced items in the cost proposal shall include all of Contractor's cost items otherwise included in the coefficient multiplier used for pre-priced items. No coefficient multiplier shall be applied to non-pre-priced items;
3. any other costs that the Contactor intends to charge to the project (Note that other costs include extraordinary costs that are unique to a specific project and not generally or reasonably included in the coefficient multiplier; other costs may be added only if authorized or confirmed in writing by Owner. Other costs may be calculated as a lump sum for the Job Order or on a "not to exceed" basis.);
4. a statement that all Contractor fees, overhead expenses and general conditions are included in the cost proposal; and
5. a lump sum figure for performing the Work, if appropriate;

iv. A description of all plans, specifications and other documents, including construction permits, to be used by Contractor in the performance of the Work;

v. A proposed time schedule showing the sequence in which Contractor proposes to perform the Work and dates on which Contractor proposes to complete each phase of the scope of the work, including a proposed date to commence the Work and a proposed completion date of the Job Order.

vi. If required by Owner, Contractor must submit a schedule chart, which may be a formal computerized schedule or a progress chart in a bar chart format of suitable scale to indicate appropriately the percentage of Work scheduled for completion by any given date during the period. The schedule chart, if required, must contain:

a. A list of the different types of work activities or work elements.
b. Show the logical dependencies (ties) to indicate what Work must be accomplished before other Work can begin.
c. Include proposed start and completion dates or time frames for each work activity or work element.
d. Calculate the "weighting" or relative worth each work activity or work element is of the total project either as a percentage or dollar amount.
e. Proposed traffic control methods providing all necessary traffic control, such as street blockages, traffic cones, flagmen, etc.

vii. Contractor's designated representative primarily responsible for the Work;

viii. A list of all subcontractors who Contractor proposes to use in the performance of the Work;

ix. Any qualifications or conditions applicable to the Job Order Proposal; and

f. After Contractor's submission of its Job Order Proposal, Owner will review the Job Order Proposal and either proceed to issuance of a Job Order or schedule a time to review the Job Order Proposal with Contractor and negotiate any changes, clarifications or

modifications.

g. Following the review of Contractor's Job Order Proposal, Owner shall issue Job Order in writing, in a form materially consistent with Attachment A hereto, incorporating any changes, clarifications or modifications to Contractor's Job Order Proposal made in the review process, and attaching the final Job Order Proposal as an exhibit.

h. Once issued, the Job Order is a not to exceed contract amount for the Job Order. No line item will be added to a Job Order because a line item was excluded by Contractor in Contractor's Job Order Proposal or draft or final Job Order; however, the Owner shall have no obligation to pay for goods or services contained in the Job Order Proposal that are not provided.

i. **Notice to Proceed:** If a Commence Date is not stated in the specific Job Order, Owner shall issue a written Notice to Proceed. The Notice to Proceed authorizes the Contractor to begin the Work identified in the Job Order on the date fixed in the Notice to Proceed. Upon the Commencement Date specified in the Job Order or Notice to Proceed, Contractor is fully responsible for the scheduling, quality control, safety, and all other aspects of the management of the project detailed in the Job Order. Owner may make periodic inspections of the job site to ensure compliance; however, quality control is ultimately the Contractor's responsibility.

j. **Quality Assurance/Quality Control Plan:** If requested by the Owner for a particular Job Order, Contractor shall submit, for Owner approval, a Quality Assurance/Quality Control Plan. This plan should address all aspects of quality control including responsibility for surveillance of work, documentation, trend analysis, corrective action and interface with the Owner's inspectors.

k. **Weekly Reports**: Contractor is required to submit weekly progress reports on each active Job Order electronically or in paper form to Owner at the end of each work week, which shall include a current schedule.

l. **Schedule**: Time is of the essence in rendering the services hereunder. The Job Order shall include a time schedule for each phase of the Work for the Job Order, and Contractor agrees to perform all obligations and render services in accordance with the schedule(s) established in the Job Order. In emergency or non-standard situations, Owner may require Contractor to complete a Job Order on an expedited basis. All Job Orders are to be completed within the timelines agreed to by Owner and Contractor as detailed in the Job Order. If Contractor falls behind the schedule detailed in the Job Order, Contractor shall take steps necessary to improve its progress, including those that may be reasonably required by Owner. Without additional cost to Owner, Owner may require Contractor to increase the number of shifts, overtime operations, days of work, and/or the amount of construction plant or equipment, and to submit for approval any supplementary schedule or schedules in chart form as Owner deems necessary to demonstrate how the approved rate of progress will be regained.

m. **Emergency Work:** Contractor will give top priority to any emergency work Owner may have and will allocate all resources necessary to accomplish such work in accordance with Owner's schedule requirements.

IX. OWNER'S RESPONSIBILITIES

9.1 **Representative:** Owner designates the Executive Director of Facilities or his/her designee as its representative authorized to act in Owner's behalf with respect to the Job Order(s). Contractor shall coordinate its work solely through the designated representative.

9.2 **Special Information:** Unless otherwise detailed herein or in the Job Order, Owner shall furnish available any relevant property, boundary, easement, right-of-way, topographic and utility surveys; plans and specifications; and other special data and conditions relevant to the project. Owner makes no warranties or representations as to the accuracy or suitability of information provided to Contractor by Owner or by others.

9.3 **Entry on Land:** Owner shall assist Contractor in gaining entry to Owner's property as necessary for Contractor to perform its services under this Contract.

9.4 **Review of Work:** Owner will review the Work in progress as appropriate. At the completion of the Job Order, Owner (or Owner's Architect/Engineer, if any) shall do a walk through to ensure that the Work is completed in accordance with the Job Order. Owner will notify Contractor in writing of any material error or omission or other defect in the Work or any conflict in the contract documents that Owner becomes aware of, but Owner shall have no obligation or duty to investigate whether such faults, defects, or conflicts exist.

9.6 **Time for Response:** Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of Contractor's services and of the Work.

X. SITE INVESTIGATION AND CONDITIONS AFFECTING THE WORK

10.1 Contractor's acceptance of a Job Order entered into pursuant to this Contract shall constitute Contractor's acknowledgement that Contractor has taken steps reasonably necessary to ascertain the nature and location of the Work for the specific Job Order, and that Contractor has investigated and satisfied itself as to the general and local conditions which can affect the Work or its cost, including but not limited to:

a. Conditions bearing upon transportation, disposal, handling, and storage of materials;
b. The availability of labor, water, electric power, and roads;
c. Uncertainties of weather, river stages, tides, or similar physical conditions at the site;
d. The conformation and conditions of the ground; and
e. The character of equipment and facilities needed preliminary to and during work

performance.

10.2 Contractor's acceptance of a Job Order entered into pursuant to this Contract shall constitute Contractor's acknowledgement that Contractor has satisfied itself as to the character, quality, and quantity of surface and subsurface materials or obstacles to be encountered insofar as this information is reasonably ascertainable from an inspection of the site, including all exploratory work done by Owner, as well as from the drawings and specifications made a part of this Contract.

10.3 **Owner Furnished Utilities:** Owner shall provide, at no cost to Contractor, wet and dry utilities and toilet facilities that are existing and available at each site for Work performed under the Job Order. If utilities and/or toilet facilities are not existing and available, the costs for such shall be included in the Job Order Proposal. It is the responsibility of Contractor to determine the extent to which existing Owner utilities are adequate for the needs of the Job Order.

10.4 **Asbestos Certification Statement**: If required by Owner, Contractor shall provide a certification statement for each Job Order, stating that no asbestos-containing materials or work is included within the scope of the Job Order. If required by Owner, Contractor shall provide, at completion of the Job Order, a notarized affidavit to Owner stating that no asbestos-containing materials or work was provided, installed, furnished or added to the project.

10.5 If required, Owner shall provide a survey in accordance with the Texas Asbestos Health Protection Rules prior to the commencement date of the Job Order. Contractor shall take whatever measures he deems necessary to insure that all employees, suppliers, fabricators, material men, subcontractors, or their assigns, comply with this requirement. All materials used on a Job Order shall be certified as non-Asbestos Containing Building Materials (ACBM). Contractor shall insure compliance with the following acts from Contractor and all of Contractor's subcontractors and assigns:

a. Asbestos Hazard Emergency Response Act (AHERA—40 CFR 763-99 (7));
b. National Emission Standards for Hazardous Air Pollutants (NESHAP—EPA 40 CFR 61, National Emission Standard for Asbestos;
c. Texas Asbestos Health Protection Rules (TAHRP—Tex. Admin. Code Title 25, Part 1, Ch. 295C, Asbestos Health Protection

Every subcontractor shall provide a notarized statement that no ACBM has been used, provided, or left on a Job Order. Contractor shall provide, in hard copy and electronic form, all necessary material safety data sheets (MSDS) of all products used in the Job Order to the Texas Department of Health licensed inspector or Owner's architect or engineer, if any, who will compile the information from the MSDS and, finding no asbestos in any of the product, make a certification statement.

10.6 **Differing Site Conditions**: Contractor shall promptly, and before the conditions are disturbed, give a written notice to Owner of:

a. Subsurface or latent physical conditions at the site which differ materially from those indicated in the Contract, or

b. Unknown physical conditions at the site, of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

10.7 **Investigation by Owner**: Owner shall investigate the site conditions promptly after receiving the notice. If the conditions do materially differ and cause an increase or decrease in Contractor's cost or the time required for performing any part of the Work, an equitable adjustment shall be made and the Job Order modified in writing accordingly.

10.8 **Equitable Adjustment**: No request by Contractor for an equitable adjustment to the Job Order under this Article shall be allowed unless Contractor has given the written notice required. No request by Contractor for an equitable adjustment to the Job Order for differing site conditions shall be allowed if made after final payment under such Job Order.

XI. INSPECTION OF CONSTRUCTION AND OWNER'S ACCEPTANCE OF WORK

11.1 **Contractor Inspection System**: Contractor shall maintain an adequate inspection system and perform such inspections as well as ensure that the Work called for conforms to the Job Order. Contractor shall maintain complete inspection records and make them available to Owner. All work is subject to inspection and testing by Owner at all places and at all reasonable times before final acceptance of the Work to ensure strict compliance with the terms of the Contract and the Job Order.

11.2 **Owner's Satisfaction:** All Work performed under this Contract shall be completed to the satisfaction of Owner's representative assigned to the Job Order. Owner's representative shall decide all questions regarding Contractor's performance under the Contract and Job Order, and such decisions shall be final and conclusive.

11.3 **Non-Conformance**: Contractor shall, without charge, replace or correct Work found by Owner not to conform to a Job Order's requirements, unless Owner consents, in writing, to accept the Work with an appropriate adjustment in contract price. Contractor shall promptly segregate and remove rejected material from the premises, if required by Owner.

11.4 **Failure to Conform**: If Contractor does not promptly replace or correct rejected Work, Owner may:

a. By contract or otherwise, replace or correct the Work and charge the cost to Contractor, and/or
b. Terminate the Contractor for default upon seven (7) days written notice.

11.5 **Liability:** Owner's approval or acceptance of Contractor's Work shall not release Contractor from any liability for any defects in the Work.

11.6 Owner inspections and tests, if any, are for the sole benefit of Owner and do not:

a. Relieve Contractor of responsibility for providing adequate quality control measures;
b. Relieve Contractor of responsibility for damage to or loss of the material before acceptance;
c. Constitute or imply acceptance; or
d. Affect the continuing rights of Owner after acceptance of the complete work.

11.7 The presence or absence of an inspector does not relieve Contractor from any Contract or Job Order requirement, nor is the inspector authorized to change any term or condition of the Job Order without Owner's written authorization.

11.8 Contractor shall promptly furnish, without additional charge, all facilities, labor, and material reasonably needed for performing such safe and convenient inspections and tests as may be required by Owner. Owner may charge to Contractor any additional cost of inspection or test when Work is not ready at the time specified by Contractor for inspection or test, or when prior rejection makes re-inspection or retest necessary. Owner shall perform all inspections and tests in a manner that will not unnecessarily delay the Work. Special, full size and performance tests shall be performed as described in the Job Order.

11.9 If, before acceptance of the entire Work, Owner decides to examine already-completed Work by removing it or tearing it out, Contractor, on request, shall promptly furnish all necessary facilities, labor, and material for this task. If the Work is found to be defective or nonconforming in any material respect due to the fault of Contractor or its Subcontractors, Contractor shall bear the expenses of the examination and of satisfactory reconstruction. However, if the Work is found to meet requirements, Owner shall make an equitable adjustment for the additional services involved in the examination and reconstruction, including, if completion of the Work was thereby delayed, an extension of the period of time for performance.

11.10 Substantial Completion means the date on which the Work, or an agreed-upon portion of the Work, is sufficiently complete so that Owner can occupy and use the Work or a portion thereof for its intended purposes. Unless otherwise specified in the Job Order, Owner shall accept, as promptly as practicable after completion and inspection, all Work required by the Job Order or that portion of the Work Owner determines can be accepted separately. Acceptance shall be final and conclusive, except for latent defects, fraud, gross mistakes amounting to fraud, or Owner's rights under any warranty or guarantee.

11.11 **Use and Possession Prior to Completion:** Owner shall have the right to take possession of or use any completed or partially completed part of the Work. Before taking possession of or using any work, Owner shall furnish Contractor a list of items of work remaining to be performed or corrected on those portions of the Work that Owner intends to take possession of or use. However, failure of Owner to list any item of work shall not relieve Contractor of responsibility for complying with the terms of this Contract or the Job Order. Owner possession or use shall not be deemed an acceptance of any work under this Contract. While Owner has such possession or use, Contractor shall be relieved of the responsibility for the loss of or damage to the Work resulting from Owner's possession or use. If prior

possession or use by Owner delays the progress of the Work or causes additional expense to Contractor, and such expenses or delays are adequately documented and substantiated by Contractor, an equitable adjustment shall be made in the Job Order price and/or the period of performance, and the Job Order shall be modified in writing accordingly.

11.12 **Close-Out Documentation:** Contractor shall provide the following as part of the close-out documentation:

a. An electronic file of all documentation specific to every job order project shall be submitted with close-out documents.

b. All forms below must be included with the final payment documentation of the project, as applicable:
   1) Owner's Manual(s)
   2) MSDS
   3) Submittals (Ex: Paint colors, carpet, equipment, supplies, and etc.)
   4) Warranties
   5) Conditional Lien Release
   6) Copies of all applicable permits, licenses, and/or other regulatory documents.

c. Contractor shall be required to submit any / all additional documentation that is related to any project upon request by the Director of Maintenance.

XII. PROTECTION OF EXISTING VEGETATION, STRUCTURES, UTILITIES AND IMPROVEMENTS; TRAFFIC CONTROL

12.1 **Preservation**: Contractor shall preserve and protect all structures, equipment and vegetation (such as trees, shrubs, and grass) on or adjacent to the Job Order site, which is not to be removed and which does not unreasonably interfere with the Work required under the Job Order. Contractor shall **only remove trees when specifically authorized by Owner to do so**, and shall avoid damaging vegetation that will remain in place. If any limbs or branches of trees are broken during performance by the operation of equipment, or by workmen, Contractor shall trim those limbs or branches with a clean cut and paint the cut with a tree pruning compound as directed by Owner.

12.2 **Existing Improvements**: Contractor shall protect from damage all existing improvements and utilities at or near the Job Order site and on adjacent property of third parties, the locations of which are made known to or should be known by Contractor. Contractor shall repair any damage to those facilities, including those that are the property of third parties, resulting from failure to comply with the requirements of this Contract or the Job Order or failure to exercise reasonable care in performing the Work. If Contractor fails or refuses to repair the damage promptly, Owner may have the necessary repair work performed and charge the cost to Contractor.

12.3 **Traffic Control:** Contractor shall be responsible for providing all necessary traffic control, such as street blockages, traffic cones, flagmen, etc., as required for each Job Order. Proposed traffic control methods and costs shall be submitted to Owner for approval in Contractor's Job Order Proposal.

XIII. CLEANING UP AND REFUSE DISPOSAL

13.1 Contractor shall at all times keep the Job Order site, including storage areas, free from accumulations of waste materials. Before completing the Work, Contractor shall remove from the premises any rubbish, tools, scaffolding, equipment, and materials that are not the property of Owner. Upon completing the Work, Contractor shall leave the site in a clean and orderly condition satisfactory to Owner. Contractor shall be responsible and liable for all construction refuse disposal containers and their removal from the site. Disposal of any hazardous materials not addressed and priced in the Job Order will be segregated for disposal by Owner unless Owner requires Contractor to dispose of the materials, in which case, an equitable adjustment in the price will be negotiated and agreed upon. Contractor shall not use Owner's trash containers for any reason.

XIV. WARRANTY OF CONSTRUCTION

14.1 **Warranty**: In addition to any other warranties specified in any Job Orders, Contractor warrants, for the maximum period allowed by law, and except as otherwise specifically provided herein, that Work performed conforms to the Job Order and is free of any defect in equipment, material or design furnished, or workmanship performed by Contractor or any of its subcontractors or suppliers at any tier. The Contractor shall be obligated to repair or replace any defective or non-conforming Work for a period of one (1) year from the date of final acceptance of the Work. If Owner takes possession of any part of the Work before final acceptance, this one (1) year correction period shall continue for a period of one (1) year from the date possession is taken.

14.2 **Non-Conformance**: Contractor shall remedy, at Contractor's sole expense, any failure of the Work to conform to the Job Order, or any construction defect occurring during the warranty period. In addition, the Contractor shall remedy, at Contractor's expense, any damage to Owner's real or personal property, when that damage is the result of:

a. Contractor's failure to conform to requirements in this Contract or the Job Order; or
b. Any defect of equipment, material, workmanship, or design furnished by the Contractor.

If Contractor, after notice, fails to proceed promptly and remedy the problem within thirty (30) calendar days or within another period of time which has been agreed to in writing, in compliance with the terms of the warranty, Owner may have the defects corrected and the Contractor and its surety shall be liable for all expenses incurred.

14.3 **Restoration**: Contractor shall restore any work damaged in fulfilling the terms and conditions of this Section. Contractor's warranty with respect to work repaired or replaced will run for one (1) year from the date of repair or replacement. Owner shall notify Contractor, in writing, within a reasonable time after the discovery of any failure, defect, or damage. If Contractor fails to remedy any failure, defect, or damage within a reasonable time after receipt of notice, Owner shall have the right to replace, repair, or otherwise remedy the failure, defect or damage at Contractor's expense, and Contractor shall be liable to owner for any damages sustained by Owner as a result of the failure, defect, or damage.

14.4 **Third-Party Warranties:** With respect to all warranties, expressed or implied, from

subcontractors, manufacturers, or suppliers for work performed and materials furnished for Job Orders issued under this Contract, Contractor shall:

a. Obtain all warranties required by the Job Order;
b. Require all warranties to be executed, in writing, for the benefit of Owner; and
c. Enforce all warranties for the benefit of Owner;

14.5 **Warranty Expiration**: In the event Contractor's warranty under paragraph 14.1 of this Article has expired, Owner may bring suit to enforce a subcontractor's, manufacturers, or supplier's warranty.

14.6 **Owner Liability**: Unless a defect is caused by the negligence or intentional act or failure to act of Contractor or subcontractor or supplier at any tier, Contractor shall not be liable for the repair of any defects of material or design furnished by Owner or for the repair of any damage which results from any defect in Owner-furnished material or design. Contractor is not responsible for and does not warranty pre-existing work or facilities that may be assigned to Contractor except as stated in the Job Order.

14.7 This warranty shall not limit Owner's rights under this Contract and/or applicable law with respect to latent defects, gross mistakes, breach of contract or fraud.

XV. PAYMENT

15.1 **Compensation**: Costs for equipment, material, and labor shall be in accordance with the Contract. Owner shall pay Contractor for Work performed on Job Orders authorized by Owner in writing, subject to allowable additions and deductions. Owner shall pay all unpaid and undisputed amounts due Contractor under this Contract within forty-five (45) days of receipt of invoice. Undisputed amounts unpaid after the date on which payment is due shall bear interest pursuant to Texas Government Code Section 2251.025Owner shall notify Contractor of an error or disputed amount in an invoice submitted for payment by Contractor no later than the 21st day after the date Owner receives the invoice and shall include in such notice a detailed statement of the amount of the invoice that is disputed, in accordance with Texas Government Code Section 2251.042(a). If Work or any portion thereof has not met the satisfactory approval of Owner's Representative, current and future payments shall not be made until both parties agree that the Work or the portion thereof has been completed in a satisfactory manner or the Work is acceptable; notwithstanding the foregoing, Owner may withhold from payments required no more than 110% of the disputed amount. Notwithstanding any provision herein to the contrary, no payment of amounts owed hereunder shall be considered past due or not paid when due except in accordance with Section 2251.021 of the Texas Government Code.

15.2 **Progress Payments**: If required by the Job Order, Owner shall make progress payments monthly as the Work proceeds, or at more frequent intervals as determined by Owner, on estimates of Work completed submitted by Contractor and approved in writing by Owner. Contractor shall use an acceptable invoice form and shall include supporting documents to reflect a written breakdown of the total price showing the amount included therein for each principal category of the Work, in such detail as requested, to provide a basis for determining progress payments. In the estimation of Work completed, Owner will authorize payment for material delivered on the site and preparatory work done if Contractor furnishes satisfactory evidence that it has acquired title to such material and that the

material will be used to perform the Work.

15.3 **Application for Payment:** With each Application for Payment, Contractor must attach/detail the following information:

(1) Defective Work not remedied.
(2) Legal claims filed against Contractor or reasonable evidence indicating probable filing of claims;
(3) Failure of Contractor to make payments properly to any subcontractor or supplier for material or labor;
(4) A reasonable doubt that the Job Order can be completed for the unpaid Job Order balance; and
(5) Damage to another contractor.

15.4 **Payment Retention**: In the processing of progress payments, Owner shall retain a percentage of the estimated amount until final completion and acceptance of all Work performed under the Job Order as retainage as follows: if the Job Order is valued at less than $5 million, Owner shall retain ten percent (10%); if the Job Order is valued at $5 million or more, Owner shall retain five percent (5%). Retention applicable to each Job Order shall be released within thirty (30) days after final completion of the Job Order and acceptance of the Work under the Job Order. Per Tex. Gov't Code Section 2252.032(f), on application to Owner for final payment and release of retainage, Owner may withhold retainage if there is a bona fide dispute between Owner and the Contractor and the reason for the dispute is that labor, services, or materials provided by the Contractor, or by a person under the direction or control of the Contractor, failed to comply with the express terms of the Contract or if the surety on any outstanding surety bond executed for the Contract does not agree to the release of retainage. Owner shall provide to Contractor written notice of the basis on which Owner is withholding retainage under this section.

15.5 **Liquidated Damages**: Contractor is expected to complete each Job Order on a timely basis. Liquidated damages may be assessed at Owner's option for Contractor's failure to timely complete each Job Order and/or phase of the scope of work detailed in a Job Order. Owner may withhold as liquidated damages, or require Contractor to pay a "per day" amount, to be set forth in the Job Order, as liquidated damages for any Work not completed by the completion day set forth in the Job Order. These liquidated damages are not a penalty but are compensation to Owner for additional expenses incurred and inconvenience caused by Contractor's failure to allow Owner to receive the premises at the designated time of completion. Execution of this Contract under these specifications shall constitute the agreement by Owner and Contractor that the liquidated damages amounts stated in the Job Order are the minimum value of the costs and actual and direct damages caused by failure of Contractor to complete the Work within the allotted or agreed extended times of completion (including Substantial or Final Completion), that such sums are liquidated direct damages and as all not be constructed to be as a penalty, and that such sums may be deducted from payments due Contractor if such delay occurs. Liquidated damages shall be in addition to, and not in lieu of, any other rights or remedies Owner may have against Contractor for failure to timely achieve each Job Order and/pr phase of the scope of work.

15.6 **Right of Setoff: In addition** to all other rights and remedies that Owner may have, Owner shall have the right to setoff, against any and all amounts due to Contractor by Owner, whether due under this Contract or any other agreement between Owner (including any division of Owner) and Contractor,

any sums for which Owner is entitled to under this Contract, as determined by Owner in its sole discretion, including, without limitation, sums due by Contractor to Owner as a result of indemnification obligations, warranty claims, and/or HCDE/Choice Partners Administrative Fee(s), as applicable.

XVI. TERMINATION FOR CONVENIENCE OF OWNER

16.1 **Termination**: Owner may, with or without cause, terminate performance of the Work under this Contract or any Job Order in whole or, from time to time, in part, if Owner determines that termination is in Owner's interest. Owner shall effect such termination by delivering to Contractor a Notice of Termination specifying the extent of termination and the effective date.

16.2 After receipt of a Notice of Termination, and except as directed by Owner, Contractor shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due under this Article:

a. Stop work as specified in the notice;

b. Place no further subcontracts or orders (referred to as subcontracts in this Article) for materials, services or facilities, except as necessary to complete any Work not terminated;

c. Assign to Owner, as directed by Owner, all right, title, and interest of Contractor under the subcontracts to the extent they relate to the Work terminated, in which case Owner shall have the right to settle or to pay any termination settlement proposal arising out of those terminations, or with approval or ratification to the extent required by Owner, Contractor shall settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts, the approval or ratification of which will be final for purposes of this Section;

d. As directed by Owner, transfer title and deliver to Owner:

   i. The fabricated or un-fabricated parts, Work in process, completed Work, supplies, and other material produced or acquired for the Work terminated, and

   ii. The completed or partially completed plans, drawings, information, and other property that, if the Contract and/or Job Order had been completed, would be required to be furnished to Owner;

e. Complete performance of the Work not terminated;

f. Take any action that may be necessary, or that Owner may direct, for the protection and preservation of the property related to this Contract and/or the Job Order that is in the possession of Contractor and in which Owner has or may acquire an interest;

g. Use its best efforts to sell, as directed or authorized by Owner, any property of the types referred to in paragraph 16.2(c) above; provided, however, that Contractor is not required to extend credit to any purchaser and may acquire the property under the conditions prescribed by, and at prices approved by, Owner. The proceeds of any transfer or disposition will be applied to reduce any payments to be made by Owner under the Contract and/or Job Order, credited to the price or cost of the Work, or paid in any other manner directed by Owner.

XVII. DEFAULT

17.1 **Termination of Right to Proceed**: If Owner determines that Contractor is not prosecuting the Work with sufficient diligence to ensure completion within the time specified in the Job Order, or fails to complete the Work within this time, Owner may terminate the Contractor's right to proceed with the Work (or separable part of the Work), upon seven (7) calendar days' written notice to the Contractor. In this event, Owner may take over the Work and complete it by contract or otherwise and may take possession of and use any materials, appliances, and plant on the site necessary for completing the Work.

Contractor's right to proceed shall not be terminated under this Section, if:

a. The delay in completing the Work arises from unforeseeable causes beyond the control and without the fault or negligence of Contractor. Examples of such causes include:

i. acts of God or of the public enemy,

ii. acts of Owner in its contractual capacity,

iii. acts of another Contractor in the performance of a written Contract with Owner,

iv. fires,

v. floods,

vi. epidemics,

vii. quarantine restrictions,

viii. strikes,

ix. freight embargoes, or

x. unusually severe weather

b. Contractor, within seven (7) calendar days from the beginning of any such delay (unless extended by Owner), shall notify Owner in writing of the causes of delay. Owner shall

ascertain the facts and the extent of delay. If, in the judgment of Owner, the findings of fact warrant such action, the time for completing the Work under the Job Order shall be extended.

If, after termination of Contractor's right to proceed, it is determined that Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of Owner. The rights and remedies of Owner in this Article are in addition to any other rights and remedies provided by law or under this Contract.

17.2 **Termination for Default:** In the event Contractor fails to carry out or comply with any of the terms and conditions of this Contract or any Job Order, Owner may notify Contractor of such failure or default in writing and demand that the failure or default be remedied within seven (7) calendar days; in the event Contractor fails to remedy such failure or default within seven (7) day period, Owner shall have the right to terminate this Contract and/or any Job Order. Without limiting the foregoing, the following shall constitute a material breach by Contractor, upon the occurrence of which Contractor shall immediately notify Owner: Contractor: (i) ceases its business operations; (ii) makes a general assignment for the benefit of creditors; (iii) is adjudged bankrupt; or (iv) becomes insolvent.

17.3 **Effect of Termination:** Termination of this Contract or any Job Order under any circumstances whatsoever shall not effect or relieve Contractor from any obligation or liability that may have been incurred or will be incurred, and such termination by Owner shall not limit any other right or remedy available to Owner at law or in equity.

XVIII. CANCELLATION FOR CONFLICT OF INTEREST

18.1 Pursuant to applicable law, Owner may cancel this Contract, without penalty or further obligation to Contractor, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Contract on behalf of the Owner was at any time while this Contract or extension of this Contract is in effect, an employee or agent of any other party to this Contract in any capacity or consultant to any other party of this Contract. A cancellation made pursuant to this provision shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time.

XIX. INSURANCE

19.1 Contractor shall purchase and maintain in effect during the term of this Contract insurance of the types and with minimum limits of liability as stated below. Such insurance shall protect Contractor from claims which may arise out of or result from Contractor's operations whether such operations are performed by Contractor or by any subcontractor or by anyone for whose acts any of them may be liable.

a. WORKERS' COMPENSATION INSURANCE providing statutory benefits in accordance with the laws of the State of Texas or any federal statutes as may be applicable to the Work being performed under this Contract.

b. EMPLOYER'S LIABILITY INSURANCE with limits of liability not less than:

$1,000,000	Each Accident
$1,000,000	Policy Limits
$1,000,000	Each Employee

c. COMMERCIAL GENERAL LIABILITY INSURANCE including products/Completed Operations and Contractual Liability with limits of liability not less than:

Occurrence / Personal Injury / Advertising /

$1,000,000 CSL	Products / Completed Operations
$2,000,000 CSL	Annual Aggregate
$2,000,000 CSL	Products Aggregate
$1,000,000 CSL	Fire, Lightning or Explosion
$5,000 Per Person	Medical Expense

d. AUTOMOBILE LIABILITY INSURANCE covering all owned, hired and non- owned motor vehicles used in connection with the Work being performed under this Contract with limits of liability not less than:

$1,000,000	Bodily Injury / Property Damage

19.2 Such insurance as is provided herein shall be primary and non-contributing with any other valid and collectible insurance available to Owner.

19.3 All policies providing Contractor's insurance as required in paragraph 19.1 above shall be endorsed to provide the following:

a. Ninety (90) days written notice of cancellation or non-renewal given to Owner at the address designated in Section 23.

b. Owner be named as Additional Insured on all policies except Workers Compensation (Prohibited by Law).

c. Waiver of Subrogation added by endorsement on all policies.

19.4 The limits of liability as required above may be provided by a single policy of insurance or by a combination of primary, excess or umbrella policies. In no event, however, shall the total limits of liability available for any one occurrence or accident be less that the amount(s) required above.

19.5 Proof of compliance with these insurance requirements shall be furnished to Owner in the form of an original certificate of insurance signed by an authorized representative or agent of the insurance company(ies) within ten (10) days of execution of this Contract. Renewal or replacement certificates shall be furnished to Owner not less than twenty-one (21) days prior to the expiration or termination date of the applicable policy(ies). If Contractor fails to maintain the required amounts of insurance or allows the policies to lapse or expire during the term of the Contract, Owner may purchase said insurance and deduct the cost of obtaining the insurance from Contractor's contract sum.

19.6 Contractor shall require any and all subcontractors performing Work under this Contract to carry insurance of the types and with limits of liability as Contractor shall deem appropriate and adequate for the Work being performed. Contractor shall obtain and make available for inspection by Owner upon request current certificates of insurance evidencing insurance coverage carried by such subcontractors.

19.7 Mail the original certificate of insurance to:

Harris County Department of Education
Attn: Executive Director of Facilities
6300 Irvington Boulevard
Houston, Texas 77022

XX. CHANGES

20.1 Owner may, at any time, without notice to the sureties, if any, by written order designated or indicated to be a change order, make changes in the Work within the general scope of a Job Order, including changes:

a. In the specifications (including drawings and designs);

b. In Owner-furnished facilities, equipment, materials, services, or site; or

c. Directing acceleration in the performance of the Work, or otherwise altering the schedule for performance of the Work.

20.2 Any other written order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from Owner that causes a change shall be treated as a change order under this Article; provided, that Contractor gives Owner timely written notice stating the date, circumstances, and source of the order and that Contractor regards the order as a change order.

20.3 Except as provided in this Article, no order, statement, or conduct of Owner shall be treated as a change under this Article or entitle Contractor to an equitable adjustment hereunder.

20.4 Contractor must submit any proposal under this Article within thirty (30) calendar days after:

a. Receipt of a written change order under Paragraph 20.1 above or;

b. The furnishing of a written notice under Paragraph 20.2 above,

by submitting to Owner a written statement describing the general nature and amount of the proposal, unless this period is extended by Owner. The statement of proposal for adjustment may be included in the notice under Paragraph 20.2 above.

20.5 No proposal by Contractor for an equitable adjustment shall be allowed if asserted after final payment under the Job Order.

XXI. PAYMENT AND PERFORMANCE BONDS

21.1 Payment Bond:

Contractor shall furnish a Payment Bond in the amount equal to one hundred percent (100%) of the contract amount if the Job Order is in excess of $25,000.

21.2 Performance Bond:

Contractor shall furnish a Performance Bond in the amount equal to one hundred percent (100%) of the Job Order amount if the Job Order is in excess of $100,000.00. The bonds must be executed by a corporate surety authorized to do business in Texas and licensed in Texas to issue surety bonds and must be executed by a surety company that is authorized and admitted to write surety bonds in Texas. If the amount of the bond exceeds $100,000.00, the surety must:

(a) Hold a certificate of authority from the U.S. Secretary of the Treasury to qualify as a surety on obligations permitted or required under federal law; or

(b) Have obtained reinsurance for any liability in excess of $100,000.00 from a reinsurer that is authorized and admitted as a reinsurer in Texas and is the holder of a certificate of authority from the U.S. Secretary of the Treasury to qualify as a surety or reinsurer on obligations permitted or required under federal law.

21.3 The Performance and/or Payment Bonds must be submitted to Owner before commencement of any work. The bonds must be made payable to Owner.

XXII. PREVAILING WAGE RATES

22.1 Contractor shall comply with, and ensure each subcontractor complies with, all applicable laws regarding prevailing wage rates, including, but not limited to, Chapter 2258 of the Texas Government Code and any related federal requirements applicable to a Job Order. Contractor and all subcontractors shall comply with all state and federal laws including, but not limited to, laws of labor, minimum wage, safety, and equal employment opportunity. Contractor and all subcontractors must pay not less than the general prevailing wage rate plus any applicable fringe benefits. Contractor shall pay not less than the wage scale of the various classes of labor as detailed in the prevailing wage schedule detailed in Attachment B.

XXIII. MISCELLANEOUS PROVISIONS

23.1 **Independent Contractor:** Contractor acknowledges that it is engaged as an independent contractor and that Owner shall have no responsibility to provide Contractor or its employees with transportation, insurance or other fringe benefits normally associated with employee status. Contractor is responsible for all income taxes required by applicable law. It is the intention of the parties that Contractor is independent of Owner and is not an employee, agent, joint venture, or partner of Owner. Contractor acknowledges that Owner has no responsibility for any conduct of any Contractor's employees, agents, representatives, contractors, or subcontractors.

23.2 **Confidentiality:** Contractor shall treat any information supplied by Owner or information pertaining to Owner as confidential and shall not disclose any such information to others except as necessary for the performance of this Contract or a Job Order or as authorized by Owner in writing or except when required by law.

23.3 **Successors and Assigns:** Owner and Contractor, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to the terms and conditions of this Contract. This Contract is a personal service contract for the services of Contractor, and Contractor's interest in this Contract, duties hereunder and/or fees due hereunder may not be assigned or delegated to a third party without written consent of Owner. The benefits and burdens of this Contract are, however, assignable by Owner.

23.4 **Loss of Funding:** Performance by Owner under this Contract may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature") and/or allocation of funds by the Owner's Board of Trustees. If the Legislature fails to appropriate or allot the necessary funds, or the Board fails to allocate the necessary funds, then Owner shall issue written notice to Contractor and Owner may terminate this Contract without further duty or obligation hereunder. Contractor acknowledges that appropriation, allotment, and allocation of funds are beyond the control of Owner. The parties agree that this Contract and any Job Order issued by Owner are commitments of Owner's current revenue only. Every payment obligation of Owner under this Contract 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 Contract or any Job Order, this Contract or any Job Order may be terminated by Owner at the end of the period for which funds are available.

23.5 **Open Records:** Contractor acknowledges that Owner is subject to the Texas Public Information Act, and Contractor waives any claim against and releases from liability Owner, its officers, employees,

agents, and attorneys with respect to disclosure of information provided under or in this Contract or otherwise created, assembled, maintained, or held by Contractor or Owner and determined by Owner, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act.

23.6 **Franchise Tax Certification:** A corporate or limited liability company Contractor certifies that it is not currently delinquent in the payment of any franchise taxes due under Chapter 171 of the Texas Tax Code, or that the corporation or limited liability company is exempt from the payment of such taxes, or that the corporation or limited liability company is an out-of-state corporation or limited liability company that is not subject to the Texas Franchise Tax, whichever is applicable.

23.7 **Taxes:** Owner is tax exempt, and Contractor shall avail itself of all tax exemptions applicable to Contractor's work or expenses. Owner shall provide a tax exemption certificate to Contractor upon Contractor's request. Owner shall not be liable for any taxes resulting from this Contract, except where otherwise required by law.

23.8 **Captions:** The captions of paragraphs in this Contract are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

23.9 **Severability:** Should any provisions(s) of this Contract be held invalid or unenforceable in any respect, that provision shall not affect any other provisions, and this Contract shall be construed as if the invalid or unenforceable provision(s) had not been included.

23.10 **Waivers:** No delay or omission by either party in exercising any right or power provided under the provisions of this Contract shall impair any such right or power or be construed to be a waiver of the right or power. A written waiver granted by either of the parties of any provision of this Contract shall not be construed as a future waiver of that provision or a waiver of any other provision of the Contract.

23.11 **Force Majeure:** No party shall be liable or responsible to the other for any loss or damage or for any delays or failure to perform under this Contract due to causes beyond its reasonable control, including, but not limited to, acts of God, employee strikes, epidemics, war, riots, flood, fire, sabotage, terrorist acts or any other circumstances of like character.

23.12 **Governing Law and Venue:** This Contract shall be construed, interpreted and applied in accordance with the laws of the State of Texas without regard for choice of law principles. All obligations of the parties created hereunder are enforceable in Houston, Harris County, Texas, which shall be the exclusive venue for any dispute hereunder.

23.13 **Entire Contract:** This Contract, as defined herein, constitutes the sole and only agreement between the parties with respect to the services contracted for and supersedes any prior understandings, written or oral. No modification, alteration or waiver of this Contract or any of its provisions shall be effective unless in writing and signed by both parties. No course of prior dealings, no usage of trade, and no course of performance shall be used to modify, supplement or explain any terms used in this Contract.

23.14 **Financial Interest**: By signature hereon, Contractor certifies that no member of Owner's Board of Trustees has a financial interest, directly or indirectly, in the transaction that is the subject of this Contract.

23.15 **Authority to Act**: If Contractor is a corporation or a limited liability company, Contractor warrants, represents, and agrees that (1) it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization; (2) it is duly authorized and in good standing to conduct business in the State of Texas; (3) it has all necessary power and has received all necessary approvals to execute and deliver this Contract; and (4) the individual executing this Contract on behalf of Contractor has been duly authorized to act for and bind Contractor.

23.16 **Records:** Records of expenses pertaining to additional services, services performed on the basis of a Worker Wage Rate or Monthly Salary Rate, or reimbursable expense, if allowed, shall be kept on the basis of generally accepted accounting principles and in accordance with cost accounting standards promulgated by the Federal Office of Management and Budget Cost Accounting Standards Board and shall be available for audit by Owner or Owner's authorized representative on reasonable notice.

23.17 **Illegal Dumping:** Contractor shall ensure that it and all of its subcontractors prevent illegal dumping of litter in accordance with Title 5, Texas Health and Safety Code, Chapter 365.

23.18 **Interpretation:** Contractor agrees that the normal rules of construction that require that any ambiguities in the Contract are to be construed against the drafter shall not be employed in the interpretation of this Contract or any Job Order.

23.19 **Modification:** This Contract may only be modified by a written instrument executed by the parties to be incorporated into this Contract.

23.20 **Assignment:** Contractor may not assign this Contract or any of its rights, duties or obligations hereunder without the prior written approval of Owner. Any attempted assignment of this Contract by Contractor shall be null and void. Any Job Order made as a result of this Contract may not be transferred, assigned, subcontracted, mortgaged, pledged, or otherwise disposed of or encumbered in any way by Contractor without the prior written approval of Owner.

23.21 **Immunity:** Nothing in this Contract will be construed to waive, modify, or amend any legal defense available to Owner or any of Owner's past or present trustees, officers, agents, or employees, including, without limitation, governmental immunity from suit as provided by law.

XXIV. NOTICES

24.1 All notices, consents, approvals, demands, requests or other binding communications under this Contract shall be in writing. Written notice may delivered in person to the designated representative of the Contractor or Owner; mailed by U. S. mail to the last known business address of the designated representative; or transmitted by fax machine to the last known business fax number of the designated

representative. Mail notices are deemed effective three business days after the date of mailing. Fax notices are deemed effective the next business day after faxing.

24.2 The initially designated representatives of the parties for receipt of notices are as follows. Either party may change their designated representative for receipt of notices by written notice.

24.2.1 If to OWNER:

Harris County Department of Education

Attn: Assistant Superintendent of Business Services

6300 Irvington Boulevard

Houston, Texas 77022

24.2.2 With Copies to:

Harris County Department of Education

Attn: Executive Director of Facilities

6300 Irvington Boulevard

Houston, Texas 77022

24.2.3 If to Contractor: _____ (Company Name)
_____ (Address)
_____ (City, State, Zip Code)
_____ (Contact Person)
_____ (Fax)

XXV. OTHER CONTRACTS

25.1 Owner may undertake or award other contracts for additional work at or near the site of Work under this Contract or a Job Order. Contractor shall fully cooperate with the other contractors and with Owner's employees and shall carefully adapt scheduling and performing the Work under this Contract to accommodate the additional work, heeding any direction that may be provided by Owner. Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by Owner's employees.

25.2 Owner may award or enter into other contracts in its sole discretion, and nothing in this Contract may be construed to imply that Contractor has the exclusive right to provide job order contracting services to Owner.

XXVI. INDEMNIFICATION

26.1 **CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS OWNER, ITS AGENTS, EMPLOYEES, TRUSTEES AND OTHER OFFICERS FROM ANY AND ALL CLAIMS, LIABILITY, COSTS, SUITE OF LAW OR IN EQUITY, EXPENSES, ATTORNEYS' FEES, FINES, PENALTIES, OR DAMAGES ASSERTED AGAINST IT BY REASON OF THE INTENTIONAL OR NEGLIGENT ACTS OR OMISSIONS OF THE CONTRACTOR, ITS AGENTS, SERVANTS, SUBCONTRACTORS, AND EMPLOYEES IN THE PERFORMANCE OF THE CONTRACT.**

XXVII. CONTRACT ORDER OF PRECEDENCE

27.1 In the event of an inconsistency between provisions of this Contract, the inconsistency shall be resolved by giving precedence in the following order:

a. Contract Modifications, if any;

b. this Contract, including exhibits;

c. Job Orders;

d. Drawings;

e. Specifications;

f. The contract documents for Choice Partners Contract # _____, including any addenda and attachments thereto;

g. Contractor's proposal submitted in response to the solicitation for Choice Partners Contract #_____.

XXVIII. PARTY ANTITRUST VIOLATIONS

28.1 Contractor assigns to Owner any claim for overcharges, resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to Contractor toward fulfillment of this Contract.

XXIX. AUDIT OF RECORDS

29.1 Pursuant to applicable laws, the Contractor shall retain and shall contractually require each subcontractor to retain all data, books, documents and other records ("records") relating to this Contract for a period of five (5) years after completion of this Contract or any Job Order issued hereunder. This includes all books and other evidence bearing on Contractor's costs and expenses under this Contract or the Job Order. All records shall be subject to inspection and audit by the Owner at reasonable times, without cost to Owner. Upon request, Contractor shall produce the original of any or all such records. If approved by Owner, photographs, microphotographs or any authentic reproductions may be maintained instead of original records and documents. If an audit or a

compliance review has been announced, Contractor shall retain its records and accounts until such audit or compliance review has been completed.

IN WITNESS WHEREOF, Owner and Contractor have executed and delivered this Contract effective as of the date identified above.

OWNER

By: _____ _____
Jesus Amezcua, Ph.D., CPA, RTSBA Date
Assistant Superintendent of Business Services

CONTRACTOR

By: _____
Name: _____
Title: _____ _____
Date

ATTACHMENTS

The following Attachments are incorporated by reference for all purposes:

ATTACHMENT A: Job Order Form
ATTACHMENT B: Prevailing Wage Rates

ATTACHMENT A

JOB ORDER

This Job Order is subject to all terms and conditions of the Master Contract ("Master Contract") between Harris County Department of Education (Owner) and _____ (Job Order Contractor) dated _____, and shall become part of the Contract upon execution by Owner. This Job Order is issued in accordance with Choice Partners contract #_____ and Contractor's proposal submitted in response to the solicitation issued by HCDE/Choice Partners for Choice Partners contract #_____. Any amendment or modification of this Job Order must be in writing and signed by both parties.

1. **Agreed Work**. The agreed Work shall include: _____
   _____
   If applicable, any additional agreed Work, technical specifications, and/or drawings shall be as set forth and listed in the Job Order Proposal attached hereto as Exhibit 1.

2. **Deadline for Performance**. Job Order Contractor shall complete performance of the Work specified herein on or before _____. The parties agree that the "per day" amount for Liquidated Damages, as defined in Master Contract, shall be $1,000.00. The Date of Commencement is: [ ] the date on which both parties duly execute this Job Order or [ ] will be fixed in a Notice to Proceed issued by the Owner.

3. **Place of Performance**. Contractor shall perform the Work specified herein at the following location(s) _____.

4. **Agreed Total Price**. The parties hereby agree that the Total Price for all Work under this Job Order is $_____, as specified in the Job Order Proposal attached hereto as Exhibit 1. Services rendered in accordance with this Job Order shall be funded by _____ *[funding source(s)]*. Payment for services rendered shall be allocated as follows: _____% funded by _____ *[funding source]*; and ____% funded by _____ *[additional funding source, if applicable]*.

5. **Bonding**. Pursuant to Section XXI of the Master Contract, Contractor shall furnish a Payment Bond in the amount equal to one hundred percent (100%) of the contract amount if the Job Order is in excess of $25,000 and shall furnish a Performance Bond in the amount equal to one hundred percent (100%) of the Job Order amount if the Job Order is in excess of $100,000.00.
   A Payment Bond [ ] is required, [ ] is not required for this Job Order.
   A Performance Bond [ ] is required, [ ] is not required for this Job Order.

6. **Insurance**. Contractor shall provide certificate(s) of insurance as required by Section XIX of the Master Contract, evidencing that Contractor has purchased and maintained insurance of the types and with minimum limits of liability as stated in Section XIX of the Master Contract.

7. **Owner's Authorized Representative**. Owner's authorized representative for acceptance of any completed Work under this Job Order is: _____.

AUTHORIZED AND ACCEPTED:

JOB ORDER CONTRACTOR/_____

By: _____ Date: _____

Name: _____ Title: _____

OWNER/HARRIS COUNTY DEPARTMENT OF EDUCATION

By: _____ Date: _____

Name: _____ Title: _____

EXHIBIT A: Contractor's Job Order Proposal, dated _____

ATTACHMENT B

OWNER'S ADOPTED PREVAILING WAGE RATES

Prevailing Wage Rate Determination Information

The following information is from Chapter 2258 Texas Government Code:

2258.021. Right to be Paid Prevailing Wage Rates.

(a) A worker employed on a public work by or on behalf of the state or a political subdivision of the state shall be paid:
  (1) not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed; and
  (2) not less than the general prevailing rate of per diem wages for legal holiday and overtime work.
(b) Subsection (a) does not apply to maintenance work.
(c) A worker is employed on a public work for the purposes of this section if the worker is employed by a contractor or subcontractor in the execution of a contract for the public work with the state, a political subdivision of the state, or any officer or public body of the state or a political subdivision of the state.

2258.023. Prevailing Wage Rates to be Paid by Contractor and Subcontractor; Penalty.

(a) The contractor who is awarded a contract by a public body or a subcontractor of the contractor shall pay not less than the rates determined under Section 2258.022 to a worker employed by it in the execution of the contract.
(b) A contractor or subcontractor who violates this section shall pay to the state or a political subdivision of the state on whose behalf the contract is made, $60 for each worker employed for each calendar day or part of the day that the worker is paid less than the wage rates stipulated in the contract. A public body awarding a contract shall specify this penalty in the contract.
(c) A contractor or subcontractor does not violate this section if a public body awarding a contract does not determine the prevailing wage rates and specify the rates in the contract as provided by Section 2258.022.
(d) The public body shall use any money collected under this section to offset the costs incurred in the administration of this chapter.
(e) A municipality is entitled to collect a penalty under this section only if the municipality has a population of more than 10,000.

2258.051. Duty of Public Body to Hear Complaints and Withhold Payment.

A public body awarding a contract, and an agent or officer of the public body, shall:

(1) take cognizance of complaints of all violations of this chapter committed in the execution of the contract; and
(2) withhold money forfeited or required to be withheld under this chapter from the payments to the contractor under the contract, except that the public body may not withhold money from other than the final payment without a determination by the public body that there is good cause to believe that the contractor has violated this chapter.

Prevailing Wage Rates – School Construction Trades

Effective: June 12, 2019

Texas Gulf Coast Area

CLASSIFICATION	2019 HOURLY RATE
ASBESTOS WORKER	$18.00
BRICKLAYER; MASON	$18.98
CARPENTER; CASEWORKER	$18.90
CARPET LAYER; FLOOR INSTALLER	$19.80
CONCRETE FINISHER	$13.90
DATA COMM/TELE COMM	$22.58
DRYWALL INSTALLER; CEILING INSTALLER	$16.40
ELECTRICIAN	$25.50
ELEVATOR MECHANIC	$31.50
FIREPROOFING INSTALLER	$19.17
GLAZIER	$19.67
HEAVY EQUIPMENT OPERATOR	$21.00
INSULATOR	$14.90
IRONWORKER	$23.00
LABORER, HELPER	$11.75
LATHERER;PLASTERER	$18.60
LIGHT EQUIPMENT OPERATOR	$13.25
METAL BUILDING ASSEMBLER	$16.33
MILLWRIGHT	$26.30
PAINTER; WALL COVERING INSTALLER	$14.67
PIPEFITTER	$25.17
PLUMBER	$31.00
ROOFER	$15.10
SHEET METAL WORKER	$20.25
SPRINKLER FITTER	$20.61
STEEL ERECTOR	$23.33
TERRAZZO WORKER	$16.42
TILE SETTER	$15.30
WATERPROOFER;CAULKER	$14.90

This document was developed by PBK Architects, Inc., in strict accordance with Chapter 2258 of the Texas Government Code.

Prevailing Wage Rates

Worker Classification Definition Sheet

CLASSIFICATION	DEFINITION
ASBESTOS WORKER	Worker who removes and disposes of asbestos materials.
BRICKLAYER; MASON	Craftsman who works with masonry products, stone, brick, block, or any material substituting those materials and accessories.
CARPENTER; CASEWORKER	Worker who build wood structures or structures of any material which has replaces wood. Includes rough and finish carpentry, hardware and trim.
CARPET LAYER; FLOOR INSTALLER	Worker who installs carpets and/or floor coverings, vinyl tile.
CONCRETE FINISHER	Worker who floats, trowels, and finishes concrete.
DATA COMM/TELE COMM	Worker who installs data/telephone and television cable and associate equipment and accessories.
DRYWALL; CEILING INSTALLER	Worker who installs metal framed walls and ceiling, drywall coverings, ceiling grids, and ceilings.
ELECTRICIAN	Skilled craftsman who installs or repairs electrical wiring and devices. Includes fire alarm systems and HVAC electrical controls.
ELEVATOR MECHANIC	Craftsman skilled in the installation and maintenance of elevators.
FIREPROOFING INSTALLER	Worker who sprays or applies fire proofing materials.
GLAZIER	Worker who installs glass, glazing, and glass framing.
HEAVY EQUIPMENT OPERATOR	Includes but not limited to: all CAT tractors, all derrick-powered, all power operated cranes, back-hoes, back-fillers, power operated shovels, winch trucks, and all trenching machines.
INSULATOR	Worker who applies, sprays, or installs insulation.
IRONWORKER	Skilled craftsman who erects structural steel framing, and installs structural concrete Rebar.
LABORER, HELPER	Worker qualified for only unskilled or semi-skilled work. Lifting, carrying materials or tools, hauling, digging, clean up.
LATHERER;PLASTERER	Worker who installs metal framing and lath. Worker who applies plaster to lathing and installs associated accessories.
LIGHT EQUIPMENT OPERATOR	Includes but not limited to , air compressors, truck crane drivers, flex planes, building elevators, form graders, concrete mixers less than 14cf), conveyers.
METAL BUILDING ASSEMBLER	Worker who assembles pre-made metal buildings.
MILLWRIGHT	Mechanic specializing in the installation of heavy machinery, conveyance, wrenches, dock levelers, hydraulic lifts, and align pumps.
PAINTER; WALL COVERING INSTALLER	Worker who prepares wall surfaces and applies paint and/or coverings, tape, and bedding.
PIPEFITTER	Trained worker who installs piping systems, chilled water piping and hot water (boiler) piping, pneumatic tubing controls, chillers, boilers, and associated mechanical equipment.
PLUMBER	Skilled craftsman who installs domestic hot and cold water piping, waste piping, storm system piping, water closets, sinks, urinals, and related work.
ROOFER	Worker who installs roofing materials, Bitumen (asphalt and coal tar) felts, flashings, all types of roofing membranes, and associated products.
SHEET METAL WORKER	Worker who installs sheet metal products, Roof metal, flashings and curbs, ductwork, mechanical equipment, and associated metals.
SPRINKLER FITTER	Worker who installs fire sprinklers systems and fire protectant equipment.
STEEL ERECTOR	Worker who erects and dismantles structural steel frames of buildings and other structures.
TERRAZZO WORKER	Craftsman who places and finishes Terrazzo.
TILE SETTER	Worker who prepares wall and/or floor surfaces and applies ceramic tiles to these surfaces.
WATERPROOFER; CAULKER	Worker who applies water proofing material to buildings. Products include sealant, caulk, sheet membranes, and liquid membranes, sprayed, rolled or brushed.

Interlocal Agreement
between Harris County Department of Education
&_____

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and Chapter 271, Subchapter F of the Texas Local Government Code, and other similar, applicable laws of other states, this Interlocal Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located in Houston, Texas, and _____, a local governmental entity and/or political subdivision ("LGE"), located in _____ (*city*), _____ (*state*), for the purpose of contracting for the performance of governmental functions and services. The undersigned may be referred to in this Agreement individually as a "Party" and collectively as the "Parties."

Preamble

HCDE is a local governmental entity established to promote education in Harris County, Texas and is duly authorized to provide programs and services in the State of Texas. Both HCDE and LGE desire to set forth, in writing, the terms and conditions of their agreement.

General Terms and Conditions

In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

7. Term. The term of this Agreement shall commence on the date of the first signature of this Agreement ("Effective Date") and shall automatically renew annually, unless either Party gives thirty (30) days prior written notice of non-renewal.

8. Agreement. The terms of this Agreement shall apply and will be considered a part of any addendum, purchase order, or contract for programs and services delivered by HCDE. This Agreement and the attached and incorporated addenda, purchase orders, or exhibits, if any, contain the entire agreement of the parties, and there are no representations, agreements, arrangements, or undertakings, oral or written, between the Parties to this Agreement other than those set forth in this Agreement and duly executed in writing.

9. Purpose and Scope of Work.

A. HCDE agrees to:

- Provide LGE with descriptive offerings of each of the programs and services that HCDE provides.
- Provide programs and services upon LGE's submission of independent contracts or purchase orders to HCDE and HCDE's acceptance thereof. HCDE's obligations to provide programs and services is contingent on HCDE acquiring and maintaining sufficient staffing through reasonable efforts to satisfy HCDE's obligations under this Agreement and all similar obligations under its contracts with other local governmental entities.
- Conduct, at a minimum, an annual audit or survey, as appropriate, for each of the programs and services that HCDE delivers.

B. LGE agrees to:

- Participate in any or all of the programs and services that HCDE offers, in LGE's sole discretion.
- Submit purchase order(s) or independent contract(s) for each of the HCDE programs and/or services that LGE desires to purchase and/or collaborate.
- Agree to follow the terms and conditions of each independent contract or purchase order.
- Designate a person to act as LGE's representative to each respective HCDE program and/or service delivered.

4. As is. HCDE makes this Agreement available to HCDE participating entities "as is" and is under no obligation to revise the terms, conditions, scope, prices, and/or any requirements of the Agreement for the benefit of LGE.

4. Master Contract. This Agreement can be utilized as a Master Contract. The general terms and conditions in this Agreement will serve to outline the working relationship between HCDE and LGE.

LGE agrees to adhere to the specific terms and conditions set forth for the HCDE programs and/or services as contracted by LGE. In the case of a conflict between this Agreement and any addendum, purchase order, or individual contract for a specific HCDE program or service, the provisions of the addendum, purchase order, or individual contract will govern.

5. Payments. The Parties agree that all payments made under this Agreement will be in an amount that fairly compensates the performing Party for the services or functions performed under this Agreement. The Parties further agree that each Party paying for the performance of governmental functions or services pursuant to this Agreement must make those payments from current revenues available to the paying Party.

6. Invoices. HCDE will invoice LGE for the HCDE programs and services that LGE purchases from HCDE. LGE agrees to remit payment to HCDE within thirty (30) days after the later of the following: (1) the date LGE receives the goods; (2) the date the performance of the service is completed; or (3) the date LGE receives an invoice for the goods or service. If LGE makes a payment to HCDE with a credit card, LGE agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and/or costs incurred by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).

7. Participation in HCDE's Cooperative Purchasing Program. If LGE elects to participate in HCDE's cooperative purchasing program, Choice Partners, LGE shall be permitted to purchase goods and services using the contracts competitively procured by HCDE. HCDE does not assess a fee to LGE for participation in Choice Partners. LGE shall make payments directly to vendors. LGE shall be responsible for ordering, inspecting, and accepting the goods and services purchased through Choice Partners. LGE shall further be responsible for the vendors' compliance with provisions relating to the specific quality of goods and services delivered and terms of delivered, as set forth between LGE and the vendor. HCDE is not responsible or liable for the performance of any vendor used by LGE as a result of this Agreement or LGE's participation in Choice Partners.

8. Compliance with Laws. Each Party is responsible for complying with applicable laws and regulations relating to this Agreement and any purchase made under this Agreement.

9. Termination. This Agreement may be terminated prior to the expiration of the Term hereof as follows:
   - By either Party, with or without cause, upon thirty (30) days' prior written notice;

- By mutual written agreement of the Parties; or
- By either Party immediately if the other Party commits a material breach of any of the terms of this Agreement and no remedial action can be agreed upon by the Parties.

Termination of this Agreement by a Party shall not terminate an existing purchase order or individual contract between HCDE and LGE or between LGE and an HCDE cooperative purchasing program vendor. In the event of termination of this Agreement or any purchase order or individual contract, LGE shall be responsible for compensating HCDE for programs and services provided by HCDE up to the effective date of termination.

10. Assignment. Neither this Agreement nor any duties or obligations entered in subsequent contracts because of this agreement shall be assignable by either party without the prior written acknowledgment and authorization of both parties.

11. Conflict of Interest. During the Term of HCDE's service to LGE, LGE, its personnel and agents, shall not, directly or indirectly, whether for LGE's own account or with any other person or entity whatsoever, employ, solicit or endeavor to entice away any person who is employed by HCDE.

12. Contract Amendment. This Agreement may be amended only by the mutual agreement of all Parties, in writing, to be attached to and incorporated into this Agreement.

13. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be sent by **certified mail, return receipt requested**. Notice to shall be sufficient if made or addressed as follows:

Harris County Department of Education	_____("LGE")
Attn: James Colbert, Jr.	Attn: _____
County School Superintendent	Title: _____
6300 Irvington Blvd.	Address: _____
Houston, Texas 77022	City, State, Zip: _____
713-694-6300	Phone: _____
	Email: _____

14. Relation of Parties. It is the intention of the parties that LGE is independent of HCDE and not an employee, agent, joint venturer, or partner of HCDE and nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and LGE or HCDE and any of LGE's representatives.

15. Non-Exclusivity of Services. Nothing in this Agreement may be construed to imply that HCDE has exclusive right to provide LGE with programs or services. During the Term of this Agreement, LGE reserves the right to use all available resources to procure other programs and services as needed and, in doing so, will not violate any rights of HCDE.

16. Disclaimer. HCDE DOES NOT WARRANT THAT THE OPERATION OR USE OF HCDE PROGRAMS AND/OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. HCDE HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT, PROGRAM, OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

17. Limitation of Liability. Without waiver of the Disclaimer in Article 17 of this Agreement, the Parties agree that:
    - Neither Party waives any immunity afforded to it under applicable law; and
    - Neither Party shall be liable to the other Party for special, incidental, or exemplary damages with regard to any lawsuit or formal adjudication arising out of or relating to this Agreement.

18. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegality, or unenforceable provision had never been contained in it.

19. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Houston, Harris County, Texas.

20. No Waiver. Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or equity to a Party, including the defense(s) of immunity. No failure on the part of either Party at any time to require the performance by the other Party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such Party's right to enforce such term, and no waiver on the part of either Party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.
21. Benefit for Signatory Parties Only. Neither this Agreement, nor any term or provisions hereof, not any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.
22. Authorization. Each party acknowledges that the governing body of each Party to the Agreement has authorized and approved this Agreement.

23. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original constituting one and the same instrument.

In witness whereof, HCDE and LGE have executed this Agreement to be effective on the date specified in Article 1. Term above:

Harris County Department of Education Advertising/Sponsorship Agreement

This Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located at 6300 Irvington Boulevard, Houston, Texas, 77022, and _____ ("Company"), located at _____, in accordance with the terms and conditions specified herein.

WHEREAS, HCDE is committed to equalizing educational opportunities in Harris County, Texas and to obtaining funds necessary to support this objective;

WHEREAS, Company desires to advertise its goods/services and will compensate HCDE the fair market value of the advertising opportunities as outlined in this Agreement; and

WHEREAS, HCDE has determined that the advertisement opportunities outlined in this Agreement are in support of its educational objectives.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, HCDE and Company, intending to be legally bound, agree as follows:

1. **Term.** This Agreement is for a term of INSERT # months, beginning INSERT DATE and ending INSERT DATE ("Term"). The effective date of this Agreement is INSERT DATE.

2. **Compensation.** In exchange for the advertisement opportunities and other consideration outlined in this Agreement, Company agrees to pay HCDE INSERT # dollars ($INSERT), payment of which shall be received by HCDE on or before INSERT DATE.

3. **Advertising/Sponsorship Opportunities.** HCDE agrees to allow Company to participate in the following advertising and/or sponsorship opportunities:

   ☐ to include Company's name, logo, and hyperlink to Company's website through placement on marketing materials, with placement to be selected by HCDE;

   ☐ to include Company's name, logo, hyperlink to Company's website, and message of no more than 100 words on in event program, with placement selected by HCDE;

   ☐ to include Company's name, logo, and hyperlink to Company's website through HCDE Division marketing materials, with placement to be selected by HCDE;

   ☐ to place Company-provided flyers sized no larger than 8.5x11 inches advertising Company's goods/services at a location selected by HCDE during INSERT EVENT held on HCDE premises or at an HCDE-sponsored event. Company shall provide at least INSERT # copies of its flyers to HCDE on or before INSERT DATE;

   ☐ to include Company's name, logo, hyperlink to Company's website, and message of no more than 100 words on HCDE's internal portal webpage, on a location to be selected by HCDE;

   ☐ to participate in the R.T. Garcia Early Winter Childhood Conference on INSERT DATE by having a booth, of a size determined by HCDE, during the conference and by placing Company's logo and brief description of Company's services/goods in the conference program and digital app with link to Company's website. HCDE will provide the booth space, one table, and two chairs for Company; all other materials required by Company for the booth shall be provided by Company. Company is responsible for removing all items and materials placed in the booth by or for Company at the conclusion of the conference and shall leave the booth space clean and free of debris;

   ☐ to participate in other HCDE program OR EVENT INSERT NAME on INSERT DATE by having a booth, of a size determined by HCDE, during the event and by placing Company's logo and brief description of Company's services/goods in the event program. HCDE will provide the booth space, one table, and two chairs for Company; all

other materials required by Company for the booth shall be provided by Company. Company is responsible for removing all items and materials placed in the booth by or for Company at the conclusion of the conference and shall leave the booth space clean and free of debris;

☐ to participate in the INSERT EVENT on INSERT DATE by INSERT ADVERTISEMENT OPPORTUNITY. Company is responsible for removing all items and materials placed in or brought to the event premises by or for Company at the conclusion of the event and shall leave the event space occupied or used by Company clean and free of debris.

4. **Non-Exclusivity.** Nothing in this Agreement may be construed to imply that Company has the exclusive right to provide HCDE goods or services, advertise with, or sponsor HCDE or any HCDE event. During the Term of this Agreement, HCDE reserves the right to use all available resources to procure other goods, services, and/or advertisers/sponsors as deemed in the best interest of HCDE in HCDE's sole discretion and doing so will not violate any rights of Company.

5. **Termination.** This Agreement may be terminated prior to the expiration of the Term as follows:
   a. By mutual written agreement of the parties;
   b. By either party, without cause, upon thirty (30) days prior written notice to the other party, to be effective upon the expiration of the thirty (30) days or as mutually agreed to by the parties;
   c. By HCDE immediately upon written notice to Company if Company commits a material breach of any of the terms and conditions of this Agreement; or
   d. By HCDE immediately in the event the State or Federal governments, any court, or any regulatory body or agency enacts any statute, passes any rule, or enters any decision that makes the existence of or performance of this Agreement unlawful.

6. **Effects of Termination or Expiration.**
   a. Upon the effective date of termination or expiration of this Agreement, except as otherwise explicitly stated herein, the parties shall have no obligations to the other party under this Agreement.
   b. In no event shall HCDE make any refund of any compensation provided by Company prior to the effective date of termination or expiration of this Agreement.

7. **Advertising and Sponsorship Materials.** Company shall submit all Materials, as hereinafter defined, to HCDE for review and approval by HCDE prior to any use in connection with this Agreement. The term "Materials" means all materials used in any advertisement, signage, literature, flyer, banners, or the like or posted on any website pursuant to this Agreement and includes, without limitation, text, photos, illustrations, designs, drawings, trademarks, copyrighted information, names, logos, promotional items, product samples, giveaways, and descriptions of any kind relating to Company or HCDE. The term "Approved Materials" means the version of the Materials that is reviewed and approved by HCDE. HCDE reserves the right, in its sole discretion, to reject any Materials for any reason. Accordingly, Company agrees that rejected Materials which are not revised and become Approved Materials will not be used in connection with this Agreement. Company is solely responsible for all Materials and Approved Materials used in connection with this Agreement and Company assumes all liability for content contained in the Materials. All costs, expenses, fees, and charges for Materials shall be paid solely by Company, including without limitation, all expenses of production, installation, and maintenance of all Materials.

   All Materials must comply with the following guidelines:

   a. All Materials must be truthful and may not be misleading or deceptive.
   b. The products and services advertised must be appropriate for the targeted audience (i.e., children v. adults).
   c. This Agreement is voidable by HCDE immediately if Company fails to disclose (or conceals or misrepresents) any involvement with tobacco, alcohol, or pornographic products or services. In addition, HCDE may, in its complete and sole discretion, refuse the use of any advertising or placement of Materials that it deems to be inappropriate based on HCDE policy.
   d. Disclosures and disclaimers required by law shall be clear and conspicuous.
   e. All Materials must at all times comply with any and all applicable laws, rules, regulations, and rights of third parties, and may not infringe any third party's trademark, copyright, right of privacy, right of publicity, right of image, or right of confidentiality, may not misappropriate a trade secret, or be discriminatory, libelous, or slanderous.
   f. The Materials may not advertise products, services or activities which are illegal in Texas or under federal law.

g. The Materials may not advertise products that negatively affect the health and safety of the public-at-large, such as weapons, tobacco, alcoholic beverages, or pornographic or illegal products or services (which HCDE shall have complete discretion to define).
h. The Materials may not contain any sexual text or images of any kind or make any sexual connotations, inferences, or comments of a nature questionable for children under the age of 16.
i. The Materials may not advertise gambling opportunities.
j. The Materials may not contain offensive, profane, obscene, or otherwise inappropriate language, or defamatory statements.
k. The Materials may not advertise political candidates, parties, or ballot initiatives.
l. The Materials may not contain or be used to generate unsolicited spam, or advertising to email lists that are not pre-approved by HCDE.
m. The Materials may contain URL/links to a third-party website, provided, that such website must be under Company's control and may not sell or distribute products or services prohibited under this Agreement. Company hereby agrees to assume full liability and responsibility for any third-party website to which a site user may link through a URL/link contained in Company's Materials.

8. **Right to Use Trade Names, Trademarks, Logos, and Copyrighted Materials.** Company hereby grants HCDE a non-exclusive right to use any of Company's trade names, trademarks or logos, and copyrighted materials as supplied by Company, in connection with this Agreement. Company may not publish or use any publicity materials relating to this Agreement or use HCDE's name or logo(s) without the prior written consent of HCDE.

9. **Privacy Rights.** Company acknowledges that it does not have the right to use the names, signatures, photographs, or likenesses of any HCDE employee, student, or participant in connection with any submitted Materials or Approved Materials for a commercial product or service.

10. **Texas Public Information Act.** Company acknowledges that HCDE is subject to the Texas Public Information Act, and Company waives any claim against and releases from liability HCDE, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in this Agreement or otherwise created, assembled, maintained, or held by Company or HCDE and determined by HCDE, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act.

11. **Insurance.** Company represents and agrees that it shall provide and maintain commercially reasonable and necessary insurance covering Company's obligations under this Agreement, including, without limitation, Company's indemnity obligations. On request by HCDE, Company shall provide HCDE certificates of insurance indicating proof of any such insurance.

12. **Warranties and Limitation of Liability.** Company warrants and represents that: (a) Company has full power and authority to enter into this Agreement on behalf of Company; (b) the Materials provided to HCDE and used in connection with this Agreement are original material belonging to Company and/or that Company has obtained any and all rights, permissions, and licenses necessary for the use of the Materials in connection with this Agreement; and (c) that the use, reproduction, distribution, or transmission of Materials will not violate any criminal laws or any rights of any third parties, including, but not limited to, such violations as infringement or misappropriation of any copyright, patent, trademark, trade secret, music, image, or other proprietary or property right, false advertising, unfair competition, defamation, invasion of privacy or rights of celebrity, violation of any antidiscrimination law or regulation, or any other right of any person or entity.

EXCEPT AS MAY OTHERWISE BE PROVIDED HEREIN, HCDE MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, HCDE DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, OMISSIONS, COMPLETENESS, AND DELAYS. HCDE DOES NOT MAKE ANY WARRANTY AS TO THE EFFECTIVENESS OF OR POTENTIAL RESULTS ARISING FROM PLACEMENT OF COMPANY'S MATERIALS ON ANY HCDE PROPERTY, INCLUDING, WITHOUT LIMITATION, HCDE'S WEBSITE, OR THAT ACCESS TO ANY HCDE WEBSITE WILL BE UNINTERRUPTED, SECURE, COMPLETE, OR ERROR FREE, THAT DEFECTS WILL BE CORRECTED, OR THAT HCDE'S WEBSITES OR THE SERVER(S) ARE FREE OF VIRUSES OR OTHER HARMFUL

COMPONENTS. EXCEPT AS EXPRESSLY PROVIDED HEREIN OR AS REQUIRED BY LAW, UNDER NO CIRCUMSTANCES SHALL HCDE BE LIABLE FOR EXEMPLARY, SPECIAL, PUNITIVE, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, BUSINESS REVENUE, OR GOODWILL DUE TO ANY CAUSE WHATSOEVER, EVEN IF HCDE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

13. **Relationship of the Parties.** It is understood and agreed that Company is a separate legal entity from HCDE and Company is not an employee, agent, joint venturer, or partner of HCDE. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between HCDE and either Company or any employee or agent of Company. Company assumes full responsibility for the actions of its personnel while performing any services incident to this Agreement and shall remain solely responsible for their supervision, direction and control, payment of salary, workers' compensation, disability benefits, and like requirements and obligations. Company agrees that HCDE has no responsibility for any conduct of Company or Company's employees, agents, representatives, contractors, or subcontractors. This Agreement, including without limitation, any advertising/sponsorship opportunities granted to Company by HCDE hereunder, shall not be construed or deemed an approval or endorsement of Company or any issue, product, organization, activity, or position by HCDE.

14. **No Waiver of HCDE's Immunity. The execution of this Agreement and the performance by HCDE of any of its obligations hereunder are not, and are not intended to waive or relinquish, and HCDE shall not waive or relinquish, any governmental, sovereign immunity or defense from or to liability or prosecution available to HCDE, its trustees, officers, employees, or agents under federal or Texas laws.**

15. **INDEMNIFICATION. COMPANY AGREES THAT COMPANY SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS HCDE AND HCDE'S PAST, PRESENT, AND FUTURE TRUSTEES, OFFICERS, AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, DEMANDS, CAUSES OF ACTION, DAMAGES, COSTS, AND EXPENSES, INCLUDING, WITHOUT LIMITATION, COURT COSTS AND REASONABLE ATTORNEYS' FEES, OF ANY KIND OR NATURE ASSERTED BY ANY THIRD PARTY, OCCURRING OR IN ANY WAY INCIDENT TO, ARISING OUT OF, OR IN CONNECTION WITH ANY ACTS OF COMPANY AND/OR COMPANY'S AGENTS, EMPLOYEES, AND/OR SUBCONTRACTORS DONE IN CONNECTION WITH THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE ARISING FROM CLAIMED INFRINGEMENT OF ANY PATENTS, TRADEMARKS, COPYRIGHT OR OTHER CORRESPONDING RIGHT(S).** Company's obligations under this clause shall survive termination or expiration of this Agreement.

    NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO CREATE A CLAIM OR CAUSE OF ACTION AGAINST HCDE FOR WHICH HCDE IS NOT OTHERWISE LIABLE, OR TO WAIVE ANY IMMUNITY OR DEFENSE TO WHICH HCDE MAY BE ENTITLED, OR TO CREATE AN IMPERMISSIBLE DEFICIENCY DEBT OF HCDE.

16. **Compliance with applicable laws and HCDE policies.** Company agrees to comply with all applicable requirements of state and federal laws, executive orders, regulations, guidelines, and HCDE policies and procedures, including, without limitation, HCDE Policy GKB (Local) relating to advertising, applicable to this Agreement. For the entire duration of this Agreement, Company shall maintain all required licenses, certifications, permits, and any other documentation necessary to perform this Agreement. Company further agrees that Company, its employees, subcontractors, and subcontractor's employees may not use or possess any firearms, alcoholic or other intoxicating beverages, illegal drugs or controlled substances while on HCDE's property, nor may such workers be intoxicated or under the influence of alcohol or drugs while on HCDE's property.

    Company hereby certifies that it is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State.

    If (a) Company is not a sole proprietorship; (b) Company has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more, the following certification shall apply; otherwise, this certification is not required. Pursuant to Chapter 2270 of the Texas Government Code, Company hereby certifies and verifies that neither Company, nor any affiliate, subsidiary, or parent company of the Company, if any (the "Companies"),

boycotts Israel, and Company agrees that Company and Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

17. **Notification of Significant Change in Business Operations.** Company is required to notify HCDE when any material change in Company's operations occurs, including but not limited to, bankruptcy, material changes in financial condition, change of ownership, and the like, within three (3) business days of such change.

18. **Debarment and Suspension.** Company certifies, to the best of its knowledge and belief, that it is not presently debarred, suspended for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency.

19. **Criminal History Background Checks.** Prior to having any direct contact with students on HCDE property or at an HCDE-sponsored event under this Agreement, Company shall comply with all requirements relating to criminal history information required by Texas Education Code Chapter 22Company must also ensure subcontractors' compliance with Texas Education Code Chapter 22's requirements. Covered employees with disqualifying criminal history are prohibited from serving at HCDE or at HCDE-sponsored events.

20. **Compliance with Laws.** Company agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable. Company certifies compliance with all applicable provisions, laws, acts, regulations, rules, and ordinances, including those referenced in any HCDE vendor packet completed by Company, which is incorporated by reference herein.

21. **No Third-Party Beneficiaries.** Nothing in this Agreement shall be deemed or construed to create any third-party beneficiaries or otherwise give any third party any claim or right of action against any party to this Agreement.

22. **Notice.** All notices and other communications shall be in writing and are effective three (3) days after deposit in the U.S. mail, certified and postage paid, or upon receipt if personally delivered or sent by next-business-day delivery via a nationally recognized overnight courier to the addresses set forth below. HCDE and Company may from time to time designate any other address for this purpose by providing written notice to the other party.

    If to HCDE, to:
    Harris County Department of Education
    6300 Irvington Boulevard
    Houston, TX 77022
    Attn: James Colbert, Jr.

    If to Company, to:
    Company Name: _____
    Address: _____
    _____
    Attn.: _____

23. **Force Majeure.** Neither HCDE nor Company shall be deemed to have breached any provision of this Agreement as a result of any delay, failure in performance, or interruption of service resulting directly or indirectly from acts of God, network failures, acts of civil or military authorities, civil disturbances, wars, energy crises, fires, transportation contingencies, interruptions in third-party telecommunications or Internet equipment or service, other catastrophes, or any other occurrences which are reasonably beyond such party's control.

24. **Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of or relating to this Agreement shall be in Harris County, Texas.

25. **Entire Agreement**. This Agreement and the attached and incorporated addendum or exhibits, if any, contain the entire agreement of the parties relative to the purpose(s) of the Agreement and supersede any other representations, agreements, arrangements, negotiations, or understanding, oral or written, between the parties to this Agreement.

26. **Severability.** In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

27. **Interpretation.** The parties agree that the normal rules of construction that require that any ambiguities in this Agreement are to be construed against the drafter shall not be employed in the interpretation of this Agreement.

28. **Changes and Amendments.** This Agreement may be amended, modified, and/or supplemented only by the mutual agreement of the parties, in writing, to be attached to and incorporated in this Agreement.

29. **Assignment.** Neither this Agreement nor any duties or obligations under it shall be assignable by Company without the prior written acknowledgment and authorization of HCDE. Any attempted assignment by Company without HCDE's prior written consent shall be void.

30. **No Waiver.** No failure on the part of either party at any time to require the performance by the other party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such party's right to enforce such term, and no waiver on the part of either party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the parties hereto.

31. **Captions.** The captions herein are for convenience and identification purposes only, are not an integral part hereof, and are not to be considered in the interpretation of any part hereof.

32. **Counterparts.** This Agreement may be executed in separate counterparts, each of which when so executed shall be an original, but all of such counterparts shall together constitute but one and the same instrument.

_____ Date _____

James Colbert, Jr.
County School Superintendent, Harris County Department of Education

_____ _____

Signature Company Name

_____ Date _____

Printed Name

CONTRACTOR AGREEMENT

BETWEEN

HARRIS COUNTY DEPARTMENT OF EDUCATION AND

[ENTER CONTRACTOR]

This Contractor Agreement ("Agreement") is made and entered into as of the _____ day of _____, 201__, by and between Harris County Department of Education, a county school district located at 6300 Irvington Boulevard, Houston, Texas 77022 ("HCDE") and **[ENTER CONTRACTOR]**, located at **[ENTER CONTRACTOR'S ADDRESS]** ("Contractor"). HCDE and Contractor are sometimes referred to as "Parties" or either may singularly be referred to as "Party."

WITNESS THAT:

WHEREAS, Contractor was selected by HCDE and awarded Job/RFP No. **[ENTER]**, to perform **[ENTER]** services;

WHEREAS, HCDE desires to contract with Contractor for **[ENTER]**, in the total amount of **[ENTER]**; and

WHEREAS, the Parties desire to set forth the terms and conditions of their Agreement herein.

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and obligations of the Parties set forth in the Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound do hereby agree as follows:

1. **Agreement Documents:** The Agreement shall include the following Agreement Documents: (1) the body of this Agreement; (2) the Exhibits attached to this Agreement; (3) the Construction Documents, if any, as defined herein; and (4) Valid Amendments made in accordance with Article 33.

2. **Definitions:** As used in the Agreement, the following terms shall have the meanings set forth below:

a) The word "furnish" shall mean "to supply and deliver to the Project Site, ready for installation".
b) The word "install" shall mean "to place in position for service or use".
c) The word "provide" shall mean "to furnish and install, complete and ready for intended use".
d) The term "Architect" shall mean the architect, if any, retained by HCDE in connection with the Project. If an Architect is retained by HCDE, the Architect will have the authority to act on behalf of HCDE only to the extent provided in the Agreement.
e) The term "Construction Documents" means any drawings, plans, specifications, or other construction documents prepared by, or approved in writing by, HCDE relating to the Project, and any Valid Amendments thereto. Construction Documents do not include drawings, samples, plans, specifications drafted by or for Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier, or distributor to illustrate some portion of the Work.
f) The term "Contract Time" means the period of time, including authorized adjustments, allotted in the Agreement for Substantial Completion of the Work.
g) The term "day" means a calendar day, including Saturday, Sunday, and holidays, unless otherwise specifically defined.
h) The term "Project" means **[ENTER]**.

i) The term "Project Site" means any physical location or locations where the Work is to be performed, including HCDE premises, any Work storage, parking, mobilization, or staging areas used to support the Work or perform any part of the Work.

j) The term "Subcontractor" means a person or entity that has a direct contract with Contractor to perform a portion of the Work. The term "Subcontractor" is referred to throughout the Agreement as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include any contractor who has a direct contract with HCDE (a "Separate Contractor") or any subcontractors of a Separate Contractor.

k) The term "Sub-subcontractor" means a person or entity that has a direct or indirect contract with a Subcontractor to perform a portion of the Work. The term "Sub-subcontractor" is referred to throughout the Agreement as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

l) The term "Substantial Completion" means the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Agreement such that HCDE can occupy or utilize the Work for its intended use.

m) The term "Valid Amendment" means those supplements, amendments, changes, or modifications to the Agreement Documents that are made in accordance with Article 33.

n) The term "Work" means the doing of all things described in, and all tasks reasonably related to the construction, work, and services required by the Agreement, whether completed or partially completed, and includes all other labor, materials, resources, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations under Article 3. The Work may constitute the whole or a part of the Project and includes all supplies, skill, supervision, transportation services, and other facilities and things necessary, proper, or incidental to the carrying out and completion of the terms of the Agreement and all other items of cost or value needed to produce, construct, and fully complete the Scope of Work.

Technical terms not defined in the Agreement shall have the meanings given in AIA "Glossary of Construction Industry Terms" 1991 Edition. Technical terms not defined in the Glossary and used to describe items of Work and which so applied have a well known technical or trade meaning, shall be held to have such recognized meaning.

3. **Scope of Work:** Contractor agrees to perform the following Scope of Work for HCDE:

[ENTER DETAILED SCOPE OF WORK]

3.1 Contractor stipulates and agrees that HCDE has no duty to discover any design errors or omissions in any drawings, plans, specifications, or other Construction Documents and has no duty to notify Contractor of same. By entering into any agreement with an Architect, HCDE does not warrant the adequacy or accuracy of any drawings, plans, specifications, or other Construction Documents.

4. **Contractor's Representations and Warranties:** In addition to other representations and warranties contained in the Agreement, Contractor represents and warrants the following to HCDE:

a) that Contractor shall perform all of the Work in a good and workmanlike manner and in accordance with the requirements of the Agreement and standard industry practices;

b) that Contractor is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to complete the Work and to perform its obligations under the Agreement;

c) that Contractor is able to and will furnish all necessary and available resources, including the tools, materials, supplies, equipment, and labor required to timely complete the Work and to perform its obligations hereunder;
d) that Contractor has, and acknowledges that HCDE is relying on Contractor's representation that it has, sufficient experience and competence to perform the Work ;
e) that Contractor is authorized to do business in the State of Texas and properly licensed by all necessary governmental, public, and quasi-public authorities having jurisdiction over Contractor, the Work, or the Project Site;
f) that the execution of the Agreement and Contractor's performance thereof are within Contractor's duly-authorized powers;
g) that the execution of the Agreement by Contractor is a representation that Contractor has visited the Project Site, become familiar with local conditions under which the Work is to be performed, and correlated personal observations with requirements of any Construction Documents. Contractor shall not be entitled to additional compensation for any additional work caused by its failure to carefully study or compare the Construction Documents prior to execution of the Work;
h) that materials and equipment furnished under the Agreement will be of good quality and new unless the Construction Documents require or permit otherwise. Contractor further warrants that the Work will conform to the requirements of the Agreement and will be free from defects, except for those inherent in the quality of the Work any Construction Documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. Contractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by HCDE or HCDE's consultants, including any Architect HCDE may retain for the Project, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment;
i) that the services of any Subcontractors or any Sub-subcontractors will conform to the representations and warranties set out above; and
j) that Contractor will replace, repair, or re-perform Work at its sole expense until the Work meets the warranties set out above.

5. **Supervision and Construction Procedures:**

5.1 Contractor shall supervise and direct the Work, using Contractor's best skill and attention. Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Agreement, unless otherwise stated in the Agreement.

5.2 Contractor shall be responsible to HCDE for acts and omissions of Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, Contractor or any of its Subcontractors.

6. **Labor and Materials:**

6.1 Unless otherwise provided in the Agreement, Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.

6.2 Contractor may make substitutions in the Work only with the consent of HCDE, after evaluation by HCDE and any consultant of HCDE and in accordance with a Change Order pursuant to Article 33.

7. **Contractor's Employees and Subcontractors:**

7.1 Contractor shall enforce strict discipline and good order among Contractor's employees and other persons carrying out the Work. Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

7.2 Contractor, Contractor's Subcontractors and Sub-subcontractors shall pay all workers not less that the general prevailing rate of the per diem wages for work of a similar character where the Project is located, as detailed in Exhibit A attached hereto and incorporated herein, and any applicable fringe benefits. The Project **[DOES / DOES NOT]** involve federal funds. Wages listed are minimum rates only. Contractor and all Subcontractors shall comply with all state and federal laws including, but not limited to, laws of labor, minimum wage, safety, and equal employment opportunity.

7.3 If applicable, Contractor shall comply with the criminal history provisions of Section 22.0834 of the Texas Education Code and Section 153.1117 of the Texas Administrative Code. The form of certification that Contractor has complied with the statutory requirements shall be supplied by HCDE upon request and must be supplemented by Contractor and any Subcontractors as required by law or as requested by HCDE.

8. **Construction by HCDE or by Separate Contractors:**

8.1 HCDE reserves the right to perform construction or operations related to the Project with HCDE's own forces, and to award separate contracts in connection with other portions of the Project or other construction or operations on the Project Site under terms and conditions of the Agreement identical or substantially similar to these, including those portions related to insurance and waiver of subrogation.

8.2 HCDE shall provide for coordination of the activities of HCDE's own forces and of each Separate Contractor with the Work of Contractor, who shall cooperate with them. Contractor shall participate with other Separate Contractors and HCDE in reviewing their construction schedules. Contractor shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by Contractor, Separate Contractors and HCDE until subsequently revised. Contractor shall reimburse HCDE for costs HCDE incurs that are payable to a Separate Contractor because of Contractor's delays, improperly timed activities, or defective construction.

9. **Clean-up:** Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Agreement. At completion of the Work, Contractor shall remove waste materials, rubbish, Contractor's tools, construction equipment, machinery and surplus materials from and about the Project. Upon completion of the Work, Contractor shall provide final clean-up of all surfaces, without limitation, including but not limited to cleaning all surfaces, removing any adhesives and stickers, removing all trash and debris, and the like. If Contractor fails to clean up as provided in the Agreement, HCDE may clean up and HCDE shall be entitled to reimbursement from Contractor.

10. **Access to the Work:** HCDE is not required to make any inspections to check the quality or quantity of the Work. However, Contractor shall provide HCDE and HCDE's consultants, including but not limited to any Architect retained by HCDE, access to the Work in preparation and progress wherever located. Neither the exercise of such access rights by HCDE, nor the failure on the part of HCDE to discover or reject non-conforming Work shall be deemed an acceptance of such non-conforming Work or a waiver of any rights under the Agreement.

11. **Contract Sum:** In exchange for Contractor's complete performance of its obligations under the Agreement, HCDE shall pay to Contractor the total sum of **[ENTER TOTAL DOLLAR AMOUNT]** (the "Contract Sum"). The Contract Sum covers the cost to Contractor of all materials and equipment necessary for the Work and all required taxes, less applicable trade discounts, Contractor's reimbursable bond costs, and Contractor's costs for unloading and handling at the Project Site, labor, installation costs, overhead, profit and other expenses associated with the Work. The Contract Sum is the total amount payable by HCDE to Contractor for performance of the Work under the Agreement.

12. **Progress Payments and Contractor's Statements:**

12.1 HCDE's payment of the Contract Sum to Contractor shall be made no later than forty-five (45) days after final completion of the Work, upon presentation of Contractor's Statement by Contractor in an amount not to exceed the Contract Sum, unless subsequently amended by written agreement of the parties or Change Order, in accordance with Article 33. Final payment shall be conditioned upon Contractor's completion of all punchlist work, Contractor's submission of all required close-out documents, and HCDE's receipt of final lien releases from Contractor, its Subcontractors and suppliers, conditioned only upon receipt of final payment in the form required by Texas Property Code Chapter 53.

12.2 At HCDE's sole election, HCDE may make monthly progress payments to Contractor, within forty-five (45) days of HCDE's receipt of Contractor's Statement. Payment applications

Contractor will furnish HCDE an itemized statement of completed portions of the Work and request payment therefore ("Statement"). Such Statement shall be supported by such data substantiating Contractor's right to payment as HCDE may require, such as copies of requisitions from Subcontractors and material suppliers, and shall reflect retainage if provided for in the Agreement.

12.3 Contractor warrants that title to all Work covered by a Statement will pass to HCDE no later than the time of payment. Contractor further warrants that upon submittal of a Statement all Work submitted on a previous Statement and payments received from HCDE shall, to the best of the Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of Contractor, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the Work.

12.4 A progress payment, or partial or entire use or occupancy of the Project by HCDE shall not constitute acceptance of Work not in accordance with the Agreement.

13. **Retainage:** HCDE shall withhold from payment(s) to Contractor a retainage of five percent (5%). The retainage shall be paid to Contractor upon Final Completion of the Work. Completion of the Work shall be considered final upon written approval by HCDE's designated representative.

14. **Taxes:** Contractor shall pay sales, consumer, use and similar taxes for the Work provided by Contractor that are legally enacted when the Agreement is executed, whether or not yet effective or merely scheduled to go into effect.

HCDE is exempt from the Texas Sales Tax on any purchase, lease or rental of tangible personal property and will issue Certificates of Exemption from the Texas State Sales Tax on materials furnished by Contractors on School Construction projects. Contractor shall abide by the sales tax exemption.

15. **Permits, Fees, Notices, and Compliance with Laws**

15.1 Unless otherwise provided in Agreement, Contractor shall secure and pay for any building permits as well as for other permits, fees, licenses, and inspections by government agencies necessary for proper execution and completion of the Work that are customarily secured after execution of the Agreement and legally required at the time the Agreement is executed.

15.2 Contractor shall comply with, and takes full responsibility for complying with, safety rules, guidelines, standards, and requirements promulgated by the Occupational Safety and Health Administration (OSHA) applicable to the Project. Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities bearing on safety of persons or property or their protection from damage, injury or loss.

16. **Intellectual Property:** Contractor shall pay all royalties and license fees. Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold HCDE harmless from loss on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by Construction Documents, or where the copyright violations are contained in Construction Documents or other documents prepared by or for HCDE. However, if Contractor has reason to believe that the required design, process or product is an infringement of a copyright or a patent, Contractor shall be responsible for such loss unless such information is promptly furnished to HCDE.

17. **Construction Schedule:** Contractor has prepared and submitted a Contractor's construction schedule for the Work, attached hereto and incorporated herein as Exhibit B ("Construction Schedule"). The schedule shall be revised at appropriate intervals, in accordance with Article 33, as required by the conditions of the Work and Project, shall be related to the entire Project to the extent required by the Construction Documents, and shall provide for expeditious and practicable execution of the Work. Contractor shall perform the Work in general accordance with the Construction Schedule. Contractor shall submit to HCDE updated construction schedules as necessary to reflect appropriate schedule revisions and shall take whatever action is necessary and within its control to assure that the Project completion schedule is met.

18. **Professional Services:** Contractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Construction Documents for a portion of the Work or unless Contractor needs to provide such services in order to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of Contractor by the Construction Documents, HCDE and HCDE's Architect, if any, will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, and other documents prepared by such

professional. HCDE shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals, provided HCDE has specified to Contractor all performance and design criteria that such services must satisfy.

19. **Priority of Documents:** The Agreement shall prevail in case of an inconsistency among the Agreement, Job/RFP No. **[ENTER]**, or Contractor's response to Job/RFP No. **[ENTER]**. Job/RFP No. **[ENTER]** shall prevail in case of an inconsistency with Contractor's response to Job/RFP No. **[ENTER]**. In the case of an inconsistency between the Agreement and Contractor's response to Job/RFP No. **[ENTER]** not clarified by a Valid Amendment, Contractor is deemed to have included the better quality or greater quantity of Work in the Contract Sum.

In the case of an inconsistency among the body of this Agreement (including Valid Amendments thereto), the accompanying Exhibits (including Valid Amendments thereto), and the Construction Documents (including Valid Amendments thereto), the provisions of the body of this Agreement shall control.

In the case of an inconsistency between the provisions of the Agreement and any Change Order not in accordance with Article 33, Contractor's work ticket, invoice, statement, purchase order, published rate schedule, or any other type of memoranda between HCDE and Contractor pertaining to the subject matter in the Agreement, the provisions of the Agreement (including Valid Amendments thereto) shall control.

Nothing in this Article prohibits Valid Amendments to be made in accordance with Article 33.

20. **HCDE's Right to Stop the Work and Right to Carry Out the Work:**

20.1 HCDE may temporarily stop the Work, at any time, for HCDE's convenience and without cause, for a period not to exceed two (2) weeks, upon three (3) days written notice to Contractor. The Work may be temporarily stopped for a period longer than two (2) weeks by a Valid Amendment in accordance with Article 33. If the Work is temporarily stopped at HCDE's request, the Contract Time shall be adjusted accordingly in accordance with Article 33.

20.2 If Contractor fails to correct Work that is not in accordance with the requirements of the Agreement or repeatedly fails to carry out Work in accordance with the Agreement, HCDE may issue a written order to Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of HCDE to stop the Work shall not give rise to a duty on the part of HCDE to exercise this right for the benefit of Contractor or any other person or entity, except as may otherwise be provided in the Agreement.

20.3 If Contractor defaults or neglects to carry out the Work in accordance with the Agreement and fails, within a ten-day period after receipt of written notice from HCDE, to commence and continue correction of such default or neglect with diligence and promptness, HCDE may, without prejudice to other remedies HCDE may have (including, but not limited to, termination of the Agreement), correct such deficiencies. In such case, an appropriate Change Order shall be issued, in accordance with Article 33, deducting from payments then or thereafter due Contractor the reasonable cost of correcting such deficiencies, including HCDE's expenses and compensation for additional services, if any, by HCDE's consultants, including but not limited to an Architect retained by HCDE, made necessary by such default, neglect or failure. If payments then or thereafter due Contractor are not sufficient to cover such amounts, Contractor shall pay the difference to HCDE.

21. **HCDE's Right to Occupy**: HCDE and Contractor agree that HCDE may occupy or use, without prejudice to the right of either Party, any completed or largely completed portions of the Project, notwithstanding the time for completing the entire Work or such portions may not have expired. Such beneficial occupancy and use shall not constitute Substantial Completion or HCDE's acceptance of any work not in accordance with the Agreement.

22. **Date of Commencement:** The date of commencement of the Work is **[ENTER]** Contractor shall not knowingly, except by agreement or instruction of HCDE in writing in accordance with Article 33, prematurely commence operations on the Project Site or elsewhere prior to the effective date of insurance required by Article 26 to be furnished by Contractor. The date of commencement of the Work shall not be changed by the effective date of such insurance.

23. **Date of Substantial Completion: [ENTER]. The Date of Final Completion is thirty (30) days after Substantial Completion.**

23.1 Time limits stated in the Agreement are of the essence of the Agreement. By executing the Agreement, the Contractor confirms that the Contract Time is a reasonable period for performing the Work. Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion and Final Completion within the Contract Time.

23.2 HCDE and Contractor agree that Contractor's failure to meet the deadlines established in the Agreement will cause damage to HCDE, but such damage is difficult to establish. It is therefore expressly agreed, as a part of the consideration inducing HCDE to execute the Agreement, that Contractor's failure to achieve Substantial Completion and Final Completion by the agreed dates shall result in liquidated damages in the amount of $**[ENTER]** per day for each and every day after the date of which Substantial Completion and Final Completion are to occur until Substantial Completion and Final Completion are achieved. Contractor agrees that HCDE may deduct liquidated damages from the final payment made to Contractor or from any compensation otherwise to be paid to Contractor. It is expressly understood that payment of liquidated damages in the amount of $**[ENTER]** per day is agreed upon as a fair estimate of the pecuniary damages which will be sustained by HCDE in the event that the Work is not substantially completed or finally completed within the agreed times, or within the legally extended times, if any, otherwise provided herein. Said sum shall be considered as liquidated damages only and in no sense shall be considered a penalty, said damage being caused by additional compensation to personnel, for loss of interest on money and other miscellaneous increased costs, all of which are difficult of exact ascertainment.

23.3 When Contractor considers that the Work, or a portion thereof, which HCDE agrees to accept separately, is substantially complete, Contractor shall prepare and submit to HCDE a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of Contractor to complete all Work in accordance with the Agreement.

23.4 When Contractor considers that the Work is Finally Complete, Contractor shall prepare and submit to HCDE written notice that the Contractor finds the Work to be Finally Complete. Completion of the Work shall be considered final only upon written approval of Final Completion and acceptance of the Work by HCDE's designated representative. Final payment of the Contract Sum, constituting the unpaid balance of the Contract Sum, shall not be paid until the Work has been finally completed and accepted by HCDE's designated representative, in writing. Final payment shall be paid by HCDE to Contractor within thirty (30) days of HCDE's approval of Final Completion and acceptance of the Work.

23.5 If HCDE disputes a portion of any payment due to Contractor under the Agreement, HCDE may withhold any such disputed amounts, without interest, for a period of forty-five (45) days after such payment would otherwise have been due to Contractor, as long as HCDE makes a reasonable attempt to resolve the dispute with Contractor. If, after such forty-five (45) day withholding period, HCDE continues to dispute any portion of the payment, HCDE may continue to withhold any such disputed amount until the dispute is resolved, except that, if HCDE is found to have wrongfully withheld

such disputed amount, Contractor shall be entitled to interest on the wrongfully withheld amount from the original date that payment of such amount was due to Contractor until the date HCDE pays such amount to Contractor in full. The interest rate under this section may not exceed the Judgment Rate published by the Office of Consumer Credit Commissioner.

23.6 If, within one year after the date of Final Completion of the Work, any of the Work is found to be not in accordance with the requirements of the Agreement, Contractor shall correct it, at Contractor's sole cost and expense, promptly after receipt of written notice from HCDE to do so. HCDE shall give such notice promptly after discovery of the condition. If Contractor fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from HCDE, HCDE may correct it in accordance with Article 20. Nothing contained in this Article 23.6 shall be construed to establish a period of limitation with respect to other obligations Contractor has under the Agreement. Establishment of the one-year period for correction of Work as described herein relates only to the specific obligation of Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Agreement may be sought to be enforced, nor to the time within which proceedings may be commenced to establish Contractor's liability with respect to Contractor's obligations other than specifically to correct the Work.

24. **HCDE's Right to Terminate:** The Agreement may be terminated by HCDE, with or without cause, upon written notice to Contractor. On the effective date of termination, as stated by HCDE, Contractor shall immediately cease Work after taking all actions necessary or as directed by HCDE for protection and preservation of the Work already performed. Contractor shall be entitled to payment for all Work performed up to the effective date of termination.

25. **Payment and Performance Bonds:** Contractor shall furnish (1) a Statutory Performance Bond for contract amounts over $100,000.00 in an amount equal to One Hundred Percent (100%) of the Contract Sum as security for the faithful performance of the Agreement and (2) a Statutory Labor and Material Payment Bond for contract amounts over $25,000.00 in an amount not less than One Hundred Percent (100%) of the Contract Sum as security for the payment of all persons performing labor on the project under the Agreement and furnishing materials in connection with the Agreement. The Performance Bond and the Labor and Material Payment Bond may be in one or in separate instruments in accordance with local law and shall be delivered to HCDE not later than the date of execution of the Agreement. Contractor shall require the attorney-in-fact who executes the required bonds on behalf of the surety to affix thereto a certified and current copy of the power of attorney. The bonds shall be executed by a corporate surety in accordance with Texas Insurance Code 7.19-1.

26. **Insurance:**

26.1 At its sole cost and expense, Contractor shall purchase from and maintain, in a company or companies with not less than an "A" rating and meeting the minimum qualifications outlined in Texas Insurance Code § 3503.001 for insurance companies insuring work related to public entities, lawfully authorized to do business in the jurisdiction in which the Project is located, such coverage in the following limits, on an occurrence basis, with HCDE named as an additional insured, as follows:

a) Builders' risk insurance in Contractor's and HCDE's names against loss or damage by fire or storm on the entire Work, including structures as well as materials and equipment adjacent thereto intended for use on the Project, in the amount of one hundred percent (100%) of the value;
b) Workers' Compensation (with Waiver of subrogation to HCDE) Employer's Liability, including all states, U.S. Longshoremen, Harbor Workers and other endorsements, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, as required by statute and which meets the statutory requirements of Texas Labor Code Section 401.011(44) for all employees of Contractor providing services on the Project, for the duration of the Project Contractor shall comply with the requirements of Rule 28, TAC Section 110.110, Reporting Requirements for Building or Construction Projects for Governmental Entities.

c) Public liability in limits of not less than $1,000,000;
d) Property damage in limits of not less than $1,000,000;
e) Statutory and Bodily Injury by Accident: $100,000 each employee. Bodily Injury by Disease: $500,000 policy limit $100,000 each employee;
f) Commercial General Liability Occurrence Form including, but not limited to, Premises and Operations, Products Liability Broad Form Property Damage, Contractual Liability, Personal and Advertising Injury Liability and where the exposure exists, coverage for watercraft, blasting collapse, and explosions, blowout, catering and underground damage.
    - $300,000 each occurrence Limit Bodily Injury and Property Damage combined
    - $300,000 Products-Completed Operations Aggregate Limit $500,000 per Job Aggregate
    - $300,000 Personal and Advertising Injury Limit
    - Bodily Injury liability of not less than $1,000,000
g) Automobile Liability Coverage
    - $300,000 Combined Liability Limits Bodily Injury and Property Damage Combined

26.2 All policies of insurance required of Contractor herein shall waive all rights of subrogation against HCDE, its officers, employees, and agents. All policies of insurance, including any renewals thereof, must specify that such coverage will not be canceled or materially changed without a minimum of thirty (30) days prior written notice to HCDE. HCDE shall be named as an "additional insured" on all insurance policies. Contractor shall furnish certified copies of original insurance policies to HCDE before any Work is started by Contractor.

26.3 The insurance requirements stated herein do not establish limits of Contractor's liability and are separate from and independent of any indemnification obligation of Contractor. HCDE reserves the right to require additional insurance from Contractor as HCDE deems necessary. Contractor shall also require that its Subcontractors provide evidence of insurance of the same types and amounts as Contractor herein, prior to conducting any Work on the Project.

26.4 HCDE and Contractor hereby mutually release each other (and their successors, assigns, subcontractors, agents, and employees) from liability and waive all right of recovery against the other for any loss or damage covered by their respective first party property insurance policies for all perils insured thereunder. In the event of such insured loss, neither Party's insurance company shall have a subrogated claim against the other.

26.5 If Contractor fails to obtain or maintain any of the required insurance coverage, HCDE may obtain and maintain such insurance, and Contractor shall reimburse HCDE for the actual cost of such insurance within thirty (30) days after receipt of HCDE's invoice or HCDE may offset such amount against any payment due Contractor.

27. **Relationship of Parties:** Contractor is engaged under the Agreement as an independent contractor and not as an agent or employee of HCDE. Contractor is not entitled to benefits of any kind to which HCDE's employees are entitled, including but not limited to unemployment compensation, workers compensation, health insurance or retirement benefits. Contractor assumes full responsibility for payment of all federal, state and local taxes or contributions, including but not limited to, unemployment insurance, social security, Medicare and income taxes with respect to Contractor and Contractor's employees. The Agreement shall not be construed to create or imply any partnership or joint venture between the Parties hereto, nor shall it be construed or deemed an endorsement of a specific company or product. The Agreement does not authorize either Party to serve as the legal representative or agent of the other. Neither Party has any right or authority to assume, create, or incur any liability or any obligation of any kind, express or implied, against or in the name of or on behalf of the other Party.

28. **Indemnity: CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HCDE, HCDE'S CONSULTANTS, AGENTS, AND EMPLOYEES HARMLESS FROM ANY AND ALL LOSS, EXPENSE, COST OR LIABILITY (INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES), ARISING FROM ANY CLAIM OR CAUSE OF ACTION FOR ANY LOSS OR DAMAGE CAUSED BY OR ARISING FROM CONTRACTOR'S ACTS OR OMISSIONS.**

29. **Notices:** All notices, consents, and requests ("Notices") provided to be given under the Agreement shall be given by hand-delivery, certified mail or registered mail, addressed to the proper Party, at the addresses indicated at the bottom of the Agreement. Notices shall be deemed to have been duly served if delivered in person to the designated representative of the Party; or if delivered at, or sent by registered or certified mail or by courier service providing proof of delivery to, the address of the Party as listed below. Notices are effective upon receipt. Each Party may change the address at which Notices may be sent to that Party by giving advance written notice of such change to the other Party by certified mail, return receipt requested.

30. **Compliance With Laws:** Contractor agrees that it will, in its performance of its obligations hereunder, fully comply with all applicable laws, regulations and ordinances of all relevant authorities, including but not limited to those pertaining to safety, and shall maintain any and all applicable licenses, certifications, registrations or other approvals required to fully perform its obligations hereunder. Contractor represents and warrants that all improvements made to the property shall comply with the Americans with Disabilities Act and all other applicable codes, regulations and laws.

31. **No Waiver:** No action or failure to act by HCDE or Contractor shall constitute a waiver of a right or duty afforded either Party under the Agreement, including, but not limited to, the requirements of Article 33, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing, signed by both Parties. The waiver by any Party of any right, obligation, or breach of the Agreement shall not be construed as a waiver of any other or subsequent right, obligation, or breach.

32. **No Third Party Beneficiaries:** The Agreement Documents, or any term or provisions thereof or any inclusion by reference, shall not be construed as being for the benefit of any party not in signatory thereto. No person, other than the Parties, is entitled to rely on any representation, warranty, covenant, or agreement contained herein.

33. **Amendment:** The Agreement may not be supplemented, amended, changed, or otherwise modified , except by a Valid Amendment, which requires an instrument in writing, to be attached to and incorporated in the Agreement in the form of either (1) a formal written amendment to the Agreement Documents signed and delivered by duly authorized representatives of both Parties hereto, or (2) a Change Order, issued by HCDE or its authorized representative, as provided in this section. The Agreement may not be supplemented, amended, changed, or otherwise modified by conduct of either Party, custom, usage of trade, or course of dealing.

33.1 **Change Orders:** If HCDE desires to increase the Scope of Work, the Parties will execute a written Change Order, signed by duly authorized representatives of both Parties hereto, increasing the Scope of Work and adjusting the Contract Sum and/or the Contract Time as mutually agreed by the Parties. In the event that HCDE desires to reduce the Scope of Work, HCDE may unilaterally issue a Change Order, signed by a duly authorized representative of HCDE only, reducing the Scope of Work and adjusting the Contract Sum and/or the Contract Time. If HCDE issues a Change Order

reducing the Scope of Work, Contractor is entitled to payment for the portion of the deleted Work actually performed, if any, prior to the effective date of the Change Order. The Parties agree that in no event shall the action or failure to act by HCDE or Contractor constitute a waiver of requirements of this section, except as provided by Article 31.

In accordance with Texas Local Government Code § 271.060, the original Contract Sum may not be increased by more than twenty-five percent (25%). The original Contract Sum may not be decreased by more than twenty-five percent (25%) without the consent of Contractor.

34. **Attorney's Fees:** In the event either Party breaches any of the terms of the Agreement Documents whereby the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay the reasonable attorney's fees and expenses incurred by the non-defaulting Party, in addition to any other relief to which the non-defaulting Party may be entitled under the Agreement. This provision shall be construed as applicable to the entire Agreement.

35. **Entire Agreement:** The Agreement Documents shall constitute the complete and exclusive written expression of the intentions of the Parties hereto with respect to the Project and shall supersede all previous communications, representations, agreements, promises or statements, either oral or written, by and between either Party with respect to the Project. In the event of a conflict between this Agreement and the RFP or Contractor's proposal submitted in response to the RFP, this Agreement shall control. The Agreement Documents supersede any conflicting terms and conditions on any purchase or work orders, invoices, checks, order acknowledgements, forms, purchase orders, or similar commercial documents relating hereto and which may be issued by Contractor after the Effective Date of this Agreement.

No supplements, retractions, amendments, modifications, or changes to the Agreement shall be valid unless they are Valid Amendments in accordance with Article 33. Any Valid Amendments to the Agreement must be in writing and signed by the required Party(ies) in accordance with Article 33. The Parties expressly agree that the Agreement shall not be construed against either Party.

36. **Governing Law and Venue:** The Agreement shall be governed by the law of the State of Texas, without regard to any provisions on conflicts of law. Venue for all legal proceedings related to the Agreement or the obligations thereunder shall be in Houston, Harris County, Texas, and the Parties hereby submit to the exclusive jurisdiction of the state and federal courts in Houston, Harris County, Texas.

37. **Severability:** In the event that any one or more of the provisions contained in the Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of the Agreement, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

38. **Survival of Provisions:** All representations, warranties, covenants, indemnities, and other continuing obligations as expressly provided in the Agreement shall survive the expiration or earlier termination of the Agreement.

39. **Force Majeure:** Neither Party to the Agreement shall be liable for any failure to perform the terms of the Agreement when such failure is due to Force Majeure as defined in this Article. The term "Force Majeure" as used in the Agreement shall mean any delay or default in performance hereunder due to causes beyond the control of the Parties and without their fault or negligence that could not have been prevented or avoided by the affected Party through the exercise of due diligence, including, but not limited to" acts of God or the public; civil disturbances, arrests or restraints by rulers and people, acts, requests or interruptions of the federal, tribal, state, or local government or any agency thereof, or of any federal, tribal, state, or local officer purporting to act under duly constituted authority, court orders, present and future valid orders of any governmental entity, or any officer, agency or any instrumentality thereof, floods, wildfires, acts of the public enemy (including terrorists), wars, strikes, lockouts, or industrial disturbances, interruption of transportation, freight embargoes or failures, exhaustion or unavailability of equipment or services necessary to the performance of any provision herein due to allocations promulgated by authorized governmental entities , riots, rebellions, blockade, insurrection, sabotage, epidemics, invasions, landslides, earthquakes, quarantine, restrictions, breakage or accident to machinery or lines of pipe due to intervention of third party causes (not arising from the performance of the Work). Force majeure shall not include rainout or ordinary weather days that require Work stoppage, and in no event shall include routine scheduled equipment maintenance or breakage.

40. **Exhibits:** The following Exhibits (including Valid Amendments thereto) are attached hereto, as Agreement Documents, and fully incorporated herein by reference:

a) Exhibit A: Prevailing Wage Rates
b) Exhibit B: Construction Schedule

IN WITNESS WHEREOF the undersigned Parties hereto execute the Agreement as of this day and year indicated below.

HCDE: Harris County Department of Education

6300 Irvington Boulevard

Houston, Texas 77022

_____

Dr. Jesus Amezcua

Assistant Superintendent – Business Services

Date: _____

CONTRACTOR: **[ENTER NAME]**

[ENTER CONTRACTOR'S ADDRESS]

_____

By: _____

Title: _____

Date: _____

EXHIBIT A to Contractor Agreement

PREVAILING WAGE RATES

All Contractors and Subcontractors shall comply with all applicable laws regarding prevailing wage rates including, but not limited to, Texas Government Code Chapter 2258 and any related federal requirements applicable to this procurement by HCDE, including the Davis-Bacon Act. **All Contractors and Subcontractors shall comply with all state and federal laws including, but not limited to, laws of labor, minimum wage, safety, and equal employment opportunity. All Contractors and Subcontractors must pay not less than the general prevailing wage rate as listed herein plus any applicable fringe benefits.**

The prevailing wage rates listed are to be considered the minimum to be paid, and the listing of prevailing wage rates shall not be construed to prohibit the payment of rates higher than those listed. The Contractor and Subcontractor(s) shall maintain an adequate workforce whether wage rates higher than those listed are required or not. HCDE will not consider claims for additional compensation because of payments of wage rates in excess of the applicable rates listed herein.

Chapter 2258 of the Texas Government Code applies to the construction of a public work, including a building, highway, road, excavation, and repair work or other project development or improvement, paid for in whole or in part from public funds, without regard to whether the work is done under public supervision or direction. Section 2258.021 mandates that a worker employed on a public work other than maintenance work by paid not less than the general prevailing rate of per diem wages for work or a similar character in the locality in which the work is performed and not less than the general prevailing wage rate of per diem wages for legal holiday and overtime work. A worker is employed on a public work if the worker is employed by a contractor or subcontractor in the execution of a contract for the public work with HCDE.

For projects involving federal funds, HCDE has adopted the prevailing wage rate as determined by the U.S. Department of Labor in accordance with the Davis-Bacon Act (40 U.S.C. § 276a et seq) and its subsequent amendments, as the prevailing rate of per diem wages in HCDE for each craft or type of worker needed to execute a public works contract and also for legal holiday and overtime work involving federal funds. *See* HCDE Policy CV (Local). The current U.S. Department of Labor wage determination rates for Texas may be accessed on the Internet at http://www.access.gpo.gov/davisbacon/. Click on Browse all Determinations by State and then click on Texas. Then locate Harris County. Click under the Building column for Harris County to access the rates for all trades.

For projects not involving federal funds, HCDE has adopted the prevailing wage rate as determined by Harris County, Texas as the prevailing rate of per diem wages in HCDE for each craft or type of worker needed to execute a public works contract and also for legal holiday and overtime work not involving federal funds. *See* HCDE Policy CV (Local). The current wage determination rates for Harris County, Texas may be accessed on the Internet at http://www.eng.hctx.net/wage. Click on Prevailing Wage Rate Building Construction to access the rates for all trades.

Prevailing Wage Rates: Base per Diem rate shall be taken as the hours worked per day times the Base Hourly Rate. Overtime Rates: Over 40 hours per week and holidays at base hourly rate times 1.5.

Section 2258.023 of the Texas Government Code, entitled "PREVAILING WAGE RATES TO BE PAID BY CONTRACTOR AND SUBCONTRACTOR; PENALTY," states, in pertinent part:

(a) The contractor who is awarded a contract by a public body or a subcontractor of the contractor shall pay not less than the rates determined under Section 2258.022 to a worker employed by it in the execution of the contract.

(b) A contractor or subcontractor who violates this section shall pay to the state or a political subdivision of the state on whose behalf the contract is made, $60 for each worker employed for each calendar day or part of the day that the worker is paid less than the wage rates stipulated in the contract. A public body awarding a contract shall specify this penalty in the contract.

(d) The public body shall use any money collected under this section to offset the costs incurred in the administration of this chapter.

Contractor certifies that it is in compliance with all applicable standards, orders and/or regulations issued pursuant to the programs subject to the Davis-Bacon Act (40 U.S.C. 276a et seq.), the Regulations of the Department of Labor, 29 CFR part 5, and Texas Government Code Chapter 2258.

EXHIBIT B to Contractor Agreement

CONSTRUCTION SCHEDULE

1. Begin Construction: **[ENTER]**
2. Substantial Completion: **[ENTER]**
3. Final Completion: **[ENTER]**

The Construction Schedule above includes an allowance of Anticipated Weather Days, which are regular working days, in accordance with the following schedule:

January	3	July	4
February	4	August	4
March	4	September	4
April	2	October	3
May	5	November	5
June	6	December	4

Weather Days shall pertain to such items as rain, flooding, snow, unusually high winds, excessively wet grounds, or the like which prevent progress on items which affect the critical path of the Work on regular working days only. If such situations occur on more than the number of Anticipated Weather Days included in the Bid Completion Time and if those additional days prevent the Contractor from performing the critical path of the scheduled Work, a change to the Contract Time may be done in accordance with Article 33 in the Agreement; if the inclement weather is rain-related, the rain at the Project Site must have been in excess of .50 (1/2) inch in 24

ADDENDUM TO SERVICES AGREEMENT FOR SPEAKER

THIS ADDENDUM to Services Agreement for HCDE Expenditures ("Addendum") shall amend, supplement, modify, delete and replace by substitution (or where applicable, be inserted as) the indicated provisions of the Agreement. Wherever the terms hereof are inconsistent with the Agreement, the terms hereof shall be controlling.

SUPPLEMENTARY TERMS OF AGREEMENT

1. Services to be Provided by Contractor.

Contractor shall present [one (1) hour featured session] on "Title" at the [Name] Conference on [Date] and [Time] at the [Location].

2. HCDE Responsibilities.

HCDE shall provide the [venue, overhead projector, screen, and XX number of copies of the Contractor's handout].

3. Term of Addendum.

This Addendum shall continue in effect until:

A. Canceled by either party as set forth in this Addendum; or

B. Completion of the session presentation(s) by Contractor provided, however, that in the event of cancellation pursuant to this Addendum, or upon death, disability, or other incapacity resulting in the inability of Contractor to present the session(s) requiring cancellation, this Addendum may be terminated and all consideration due shall cease as of the date of cancellation.

4. Performance.

Contractor shall present the session(s) set forth in this Addendum and shall:

A. Present sessions according to HCDE policies, procedures, and practices, and shall not denigrate HCDE, its programs or representatives in any manner.

B. Agree and state that all materials and content presented by Contractor do not infringe or violate any copyright, trademark, patent, or intellectual property rights of any person or entity, nor do they promote or endorse any product, service, or device that may or is at the time of the program not approved by any governing agency.

C. Not sell or promote any particular product or service at any time during the session presentation(s).

5. Cancellation.

HCDE reserves the right to cancel any session, change the length or size of any session, or change the place or date of any session at its discretion at any time. In the event of cancellation, HCDE shall not be liable for any expenses, costs, or damages incurred by Contractor except for any expenses incurred and not recoverable. If Contractor desires to cancel this Addendum, Contractor agrees to provide thirty (30) days written notice to HCDE of cancellation prior to his/her first scheduled session and further agrees to refund all compensation paid by HCDE to Contractor for expenses incurred and not recoverable, including, but not limited to, any advance payments of Contractor's fee.

6. License for Content Archiving/Capture.

A. Contractor grants to HCDE a non-exclusive license to use Contractor's presentation and handout materials (collectively "Contractor Property") in any manner HCDE deems appropriate including, but not limited to, the reproduction, distribution, creation of derivative works, and display on the internet of Contractor Property, with HCDE retaining the proceeds derived from such distribution and use of Contractor Property.

B. Contractor also agrees to work directly with the company performing these services for HCDE and follow all deadlines to provide PowerPoint presentations and handouts that may be associated for content archiving.

Please indicate your choice below:

☐ **YES, I agree to the content archiving/capture of my session(s).**

☐ **NO, I do not agree to the content archiving/capture of my session(s).**

ADDENDUM TO SERVICES AGREEMENT FOR HEAD START

THIS ADDENDUM to Services Agreement for HCDE Expenditures ("Addendum") shall amend, supplement, modify, delete and replace by substitution (or where applicable, be inserted as) the indicated provisions of the Agreement. Wherever the terms hereof are inconsistent with the Agreement, the terms hereof shall be controlling.

SUPPLEMENTARY TERMS OF AGREEMENT

1. Government Subcontract.

A. This Addendum between HCDE and Contractor is entered into in support of, and subject to the requirements of, the following U.S. Government Contract(s), as applicable: Grant Award Numbers 06HE000969, 06TD000179, 06TD000167, 06CH011535, 06TDT0101, and 06TD000058, between HCDE and the U.S. Department of Health and Human Services ("HHS") and any amendment(s) thereto, as well as any U.S. Government Contract or grant award hereinafter given to HCDE (collectively, the "Prime Contract"), which are incorporated herein by reference for all purposes.

B. The Parties agree that the recitation of any requirement of the Prime Contract in this Addendum shall in no way affect those requirements of the Prime Contract not recited herein or constitute a waiver thereof by either Party.

C. Pursuant to the Prime Contract, the Prime Contract is subject to certain terms, conditions, and requirements, which are incorporated by reference herein for all purposes, including, but not limited to, the HHS Grants Policy Statement ("HHS GPS"). Unless an exception is specified, such terms, conditions, and requirements apply to Contractor and to a Subcontractor to the same extent that they apply to HCDE under the Prime Contract. Any reference herein to the obligations or requirements of the Prime Contract includes any and all such terms, conditions, and requirements.

D. In the event that Contractor enters into a Subcontract, Contractor must include in any such Subcontract all applicable terms, conditions, and requirements of the Prime Contract. Contractor must also include any additional requirements imposed by this Addendum. If required by the Prime Contract or by this Addendum, Contractor shall recite specific terms, conditions, and requirements in any Subcontract including, but not limited to, the terms of this Article 1.

E. The Parties agree that their performance under this Addendum shall comply with the requirements of the Prime Contract at all times and that, in the event of a conflict between this Addendum and the requirements of the Prime Contract, the requirements of the Prime Contract shall control.

F. Contractor agrees that the mutual obligations of the Parties created by the Prime Contract constitute a contract between Contractor and HHS with respect to the matters covered in the Prime Contract.

G. Definitions. As used in the clauses referenced below and otherwise in this Addendum:

1. "Work" means the doing of all things described in, and all tasks reasonably related to the work and services required by this Addendum, whether completed or partially completed, and includes all skill, labor, materials and supplies, resources, supervision, equipment, services, all things necessary, proper, or incidental to the carrying out and completion of the terms of this Addendum, and all other items of cost or value needed to perform and fulfill Contractor's obligations under this Addendum.

2. "Government" means the federal government entity established by the United States Constitution, including any part or sub-part of the legislative, executive, or judicial branches thereof.

3. "Data" means recorded information, regardless of form or the media on which it may be recorded, and includes writings, films, sound recordings, pictorial reproductions, drawings, designs, or other graphic representations, procedural manuals, forms, diagrams, work flow charts, equipment descriptions, data files, data processing or computer programs (software), statistical records, and other research data.

4. "Research Data" means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, and excludes preliminary analyses; drafts of scientific papers; plans for future research; peer reviews; communications with colleagues; physical objects, such as laboratory samples, audio or video tapes; trade secrets; commercial information; materials necessary that a researcher must hold confidential until they are published, or similar information which is protected under law; and personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

5. "Subcontractor" means a person or entity that has a direct contract with Contractor to perform a portion of the Work. The term "Subcontractor" is referred to throughout the Addendum as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a person or entity that has a direct contract with HCDE.

6. "Subcontract" means a direct contract between Contractor and a Subcontractor to perform a portion of the Work and does not include any contract to which HCDE is a party.

7. "Forced Labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

8. "Private Entity" means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25 and includes a nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b), and a for-profit organization.

9. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the Trafficking Victims Protection Act of 2000 ("TVPA"), as amended (22 U.S.C. 7102).

2. Access to Records.

Contractor shall retain financial records, supporting documents, statistical records, and all other records pertinent to this Addendum for a period of three years from the last day of the Term. The only exceptions to the aforementioned records retention requirements are the following:

1. If any litigation, dispute, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, dispute, or audit findings involving the records have been resolved and final action is taken.

2. Records for real property and equipment acquired with Federal funds shall be retained for three years after final disposition.

A. HHS, the Inspector General, Comptroller General of the United States, or any of their duly authorized representatives, have the right of timely and unrestricted access to any books, documents, papers, or other records of Contractor that are pertinent to this Addendum, in order to make audits, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to Contractor's personnel for the purpose of interview and discussion related to such documents. The rights of access provided for in this Addendum are not limited to the required retention period, but shall last as long as the records are retained.

B. With respect to subcontracts under this Addendum, HHS shall retain the right to conduct a financial review, require an audit, or otherwise ensure adequate accountability of organizations expending HHS funds. Contractor agrees to include in any subcontract made under this Addendum the requirements of this Article.

3. Intellectual Property.

A. Subject to the requirements of the Bayh-Dole Act of 1980, as implemented in 37 CFR part 401, and as amended by the Technology Transfer Commercialization Act of 2000 (P.L. 106–404), HCDE shall possess the legal ownership, right, and title to any Data, Research Data, writings, software, designs, materials, discoveries, inventions, or any other type of intellectual property made or conceived by Contractor or a Subcontractor in the course of or in connection with this Addendum. Contractor agrees to promptly and completely inform and disclose to HCDE all such Data, Research Data, writings, software, designs, materials, discoveries, inventions, or any other type of intellectual property that Contractor may have acquired during the Term of this Addendum that pertain or relate to the business of HCDE or to any work carried on by HCDE, whether conceived by Contractor or not. All such Data, Research Data, writings, software, designs, materials, discoveries, inventions, or any other type of intellectual property shall be the exclusive property of HCDE. Without waiving its rights to possess exclusive legal ownership to any and all intangible property acquired under this Addendum and expressly subject thereto, as to any intangible property for which HCDE does not become the exclusive legal owner, Contractor hereby grants a royalty-free, nonexclusive and irrevocable right to HCDE to reproduce, publish, prepare derivative works or otherwise use the work for HCDE's purposes, and to authorize others to do so.

B. Data Rights: In all cases, whether HHS funded all or part of the project or program resulting in the Data, the Government shall be given a royalty-free, nonexclusive, and irrevocable license for the Government to reproduce, publish, or otherwise use the Data and to authorize others to do so for Government purposes. Data developed by Contractor or a Subcontractor is also subject to this requirement.

C. Access to Research Data: As required by 45 CFR 74.36, Contractor and a Subcontractor must release Research Data first produced in a project supported in whole or in part with Federal funds that are cited publicly and officially by a Federal agency in support of an action that has the force and effect of law.

D. Contractor agrees to include in any subcontract made under this Addendum the requirements of this Article.

4. Review of Progress and Site Visits.

Contractor will meet all timelines mutually established by Contractor and HCDE. HCDE reserves the right to monitor the progress of Contractor. HHS, through authorized representatives, has the right, at all reasonable times, to make site visits to review project accomplishments and management control systems and to provide such technical assistance as may be required. If any site visit is made by HHS on the premises of Contractor or a Subcontractor under this Addendum, Contractor shall provide and shall require its Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the Government representatives in the performance of their duties. All site visits and evaluations shall be performed in such a manner that will not unduly delay the Work.

5. Trafficking in Persons.

A. As used in this Article, "Employee" means either: (1) an individual employed by Contractor or by a Subcontractor under this Addendum who is engaged in the performance of the Work under this Addendum; or (2) another person engaged in the performance of the Work under this Addendum and not compensated by Contractor or by a Subcontractor under this Addendum including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

B. If Contractor is a Private Entity, Contractor, an Employee of Contractor, a Subcontractor under this Addendum, and an Employee of a Subcontractor under this Addendum may not:

1. Engage in severe forms of trafficking in persons during the period of time that this Addendum is in effect;

2. Procure a commercial sex act during the period of time that this Addendum is in effect; or

3. Use Forced Labor in the performance of this Addendum or subcontracts under this Addendum.

C. HCDE may immediately and unilaterally terminate this Addendum, without penalty, if Contractor or a Subcontractor under this Addendum that is a Private Entity:

1. Is determined to have violated a prohibition in paragraph B of this Article; or

2. Has an Employee who is determined to have violated a prohibition in paragraph B of this Article through conduct that is either:
   a. Associated with performance under this Addendum; or
   b. Imputed to Contractor or to a Subcontractor under this Addendum using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented by 2 CFR part 376.

D. If Contractor is other than a Private Entity, HCDE may immediately and unilaterally terminate this Addendum, without penalty, if a Subcontractor under this Addendum that is a Private Entity:

1. Is determined to have violated an applicable provision in paragraph B of this Article; or

2. Has an Employee who is determined to have violated an applicable prohibition in paragraph B of this Article through conduct that is either:
   a. Associated with performance under this Addendum; or
   b. Imputed to a Subcontractor under this Addendum using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented at 2 CFR part 376.

E. Regardless of whether Contractor and a Subcontractor under this Addendum is a Private Entity, Contractor and a Subcontractor under this Addendum must inform HCDE immediately of any information Contractor or a Subcontractor under this Addendum receives from any source alleging a violation of a prohibition in paragraph B of this Article.

F. HCDE's right to terminate unilaterally under this Article:

1. Implements section 106(g) of the TVPA, as amended (22 U.S.C. 7104(g)); and

2. Is in addition to all other remedies for noncompliance that are available to HCDE under this Addendum.

G. Contractor and a Subcontractor under this Addendum must include the requirements of paragraph B of this Article in any subcontract to this Addendum that Contractor or a Subcontractor under this Addendum makes with a Private Entity.

6. Nondiscrimination.

A. Contractor agrees not to discriminate against any of Contractor's employees or applicants for employment because of race, color, national origin, sex, religion, age, or handicap.

B. Contractor agrees to comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352; 42 U.S.C. 2000d-1) and to file Form HHS 690, Assurance of Compliance. Contractor must recite the terms of this paragraph B in any Subcontract. Contractor is responsible for determining whether a Subcontractor has the required assurance on file and, if not, ensuring that it is on file.

C. Contractor agrees to comply with the Age Discrimination Act of 1975 (42 U.S.C. 6101 et. seq.) as implemented by the Department of Health and Human Service regulations at 45 CFR 90. In the event Contractor passes on HHS financial assistance to any Subcontractor under this Addendum, this provision shall apply to any such Subcontractor, and the instrument under which the Federal financial assistance is passed to any such Subcontractor shall contain a provision identical to this provision.

D. Contractor agrees to comply with E.O. 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR, 1964–1965 Comp., p. 339), as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." In the event Contractor passes on HHS financial assistance to any Subcontractor under this Addendum, this provision shall apply to any such Subcontractor, and the instrument under which the Federal financial assistance is passed to any such Subcontractor shall contain a provision identical to this provision.

7. Cost Principles.

A. Contractor is subject to the Cost Principles stated in the HHS GPS that are otherwise applicable to its type of organization and to any requirements placed on it by HCDE in order for HCDE to comply with the terms and conditions of the Prime Contract.

B. Documentation: The basis for determining the valuation of personal services, materials, equipment, buildings, and land must be verifiable from the records of Contractor. Volunteer services, to the extent feasible, should be supported by the same level of documentation used by Contractor for its own employees, including time and attendance records.

C. HCDE may not approve any action or cost that is inconsistent with the purpose or terms and conditions of the Prime Contract. If an action by Contractor or a Subcontractor will result in a change in the project/program scope or budget requiring HHS approval, HCDE must obtain that approval from HHS before giving its approval to Contractor or a Subcontractor. Failure of HHS to grant such approval, and the repercussions thereof, shall not constitute a breach by HCDE of this Addendum.

D. Contractor must recite the requirements of this Article in any Subcontract.

E. In the event that any payment(s) to Contractor under this Addendum are subsequently disallowed by HHS or in the event that HCDE is required to refund any funding received from HHS or other granting agency relating to Contractor's Work, to the maximum extent permitted by applicable law, Contractor shall repay to HCDE, on demand, the amount of any such disallowed costs and/or refund. HCDE may, in its sole discretion, deduct the amount(s) of any such disallowed costs and/or refund(s) from subsequent payments to Contractor under this Addendum.

8. Changes & Amendments.

Contractor shall, at the request of HCDE, accept changes and amendments to this Addendum to incorporate additional provisions herein or to change provisions hereof, as HCDE may reasonably deem necessary in order to comply with the provisions of the applicable Prime Contract. If any such amendment to this Addendum causes an increase or decrease in the estimated cost of, or the time required for performance of any part of the Work under this Addendum, HCDE and Contractor will use their best efforts to mutually agree upon an equitable adjustment.

9. Debarment and Suspension.

Organizations or individuals that are suspended, debarred, declared ineligible, or voluntarily excluded from eligibility for covered transactions by any Federal department or agency cannot, during the period of suspension, debarment, or exclusion, receive HHS grants or be paid from HHS grant funds. As a condition of this Addendum, Contractor agrees, and must recite a requirement in any Subcontract, to comply with the requirements of 45 CFR part 76. This includes, but is not limited to, a requirement that, before entering into a covered transaction, Contractor or a Subcontractor must verify that the entity is not suspended, debarred, or otherwise excluded. This verification may be accomplished by checking the Excluded Parties Listing System. The Excluded Parties List System 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.

10. Lobbying.

This Article applies to the extent this Addendum or any Subcontract is expected to or exceeds $100,000: Contractor and any Subcontractor are prohibited by 31 U.S.C. 1352, "Limitation on use of appropriated funds to influence certain Federal

contracting and financing transactions," from using appropriated funds to pay any person for influencing or attempting to influence any officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress with respect to the award, extension, continuation, renewal, amendment, or modification of the Prime Contract, this Addendum, any Subcontract, or any other Federal award. Contractor and a Subcontractor are required to certify that they have not made, and will not make, such a prohibited payment; will be responsible for reporting the use of non-appropriated funds for such purposes; and will include these requirements in any Subcontract that will exceed $100,000 and will obtain necessary certifications from those Subcontractors. Contractor and any Subcontractor shall disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. All such disclosures shall be forwarded to HCDE.

11. Clean Air Act.

This Article applies to the extent this Addendum or any Subcontract is expected to or exceeds $100,000: Contractor and any Subcontractor must agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, 42 U.S.C. 7401 et seq., and the Federal Water Pollution Control Act, as amended 33 U.S.C. 1251 et seq. Violations shall be reported to HHS and the appropriate Regional Office of the Environmental Protection Agency.

12. Audit Requirements.

This Article applies to the extent this Addendum or any Subcontract is expected to or exceeds $300,000: Contractor and any Subcontractor must agree to comply with the audit requirements of OMB Circular A-133, as implemented by 45 CFR 74.26 and 92.26, or audit requirements stated in 45 CFR 74.26(d) and in the HHS GPS (for types of organizations to which OMB Circular A-133 does not directly apply).

13. Termination.

A. In the event that the Prime Contract is terminated, HCDE may immediately terminate this Addendum, by written notice to Contractor. Upon such termination, HCDE will be responsible for payment to Contractor of costs incurred prior to such termination only to the extent those costs are included in the final payment received by HCDE from HHS.

B. HCDE's right to terminate under this Article is in addition to all other remedies for noncompliance that are available to HCDE under this Addendum or provided by law or equity.

C. Contractor must submit a final invoice to HCDE within thirty days after the termination date.

14. Ownership/Protection of HCDE's Confidential Information.

A. To assist Contractor in the performance of Contractor's duties and Scope of Work, HCDE agrees to provide to Contractor training regarding HCDE's business methods and access to certain confidential and proprietary information and materials belonging to HCDE and/or to vendors of HCDE and/or participants in HCDE's programs or services (hereinafter "vendors and/or participants"). Such confidential and proprietary information and materials (collectively "Confidential Information") includes, without limitation and regardless of whether such information or materials is expressly identified as confidential or proprietary, the following: proposals, employee information, customer lists, vendor lists and relationships, participant lists, marketing strategies, certain financial information relating to HCDE or vendors and/or participants; plans of HCDE or vendors and/or participants; and other trade secrets and valuable, confidential information of HCDE or vendors and/or participants.

B. Contractor understands and agrees that all Confidential Information and every portion thereof constitutes valuable property of HCDE and/or vendors and/or participants, and Contractor further acknowledges the importance of maintaining the security and confidentiality of the Confidential Information.

C. Contractor agrees to keep the Confidential Information, and all documentation, access, and information relating thereto, strictly confidential. Specifically, Contractor agrees that, except as required for the conduct of HCDE's business or as expressly authorized in writing by HCDE, or as may be required by law or court order, Contractor:

(1) will not disclose or provide access to Confidential Information to any third party;

(2) will not copy Confidential Information for any reason;

(3) will not remove Confidential Information from HCDE's premises;

(4) will return to HCDE all Confidential Information in Contractor's possession upon completion of any Work for HCDE requiring Contractor to have access to such Confidential Information; and

(5) return to HCDE all Confidential Information upon the termination of Contractor's relationship with HCDE for any reason.

D. The terms and conditions of this Article shall survive the termination of this Addendum.

15. Compliance with Laws.

Contractor agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable, including, but not limited to, Title 2 CFR Part 200, Title 2 CFR Part 215, Title 2 CFR Part 220, Title 2 CFR Part 225, Title 2 CFR Part 230, Title 45 CFR Part 74, Title 45 CFR Part 75, Title 45 CFR Part 92, and Title 45 CFR Part 93. Contractor certifies compliance with all provisions, laws, acts, regulations, rules, and ordinances, including those referenced in any HCDE vendor packet completed by Contractor, which is incorporated by reference herein.

Executed this _____ day of ____, 20__.

Harris County Department of Education

By: _____
Name: _____
Title: _____

{Insert Name}

By: _____
Name: _____
Title: _____

ADDENDUM TO SERVICES AGREEMENT FOR ADULT EDUCATION

THIS ADDENDUM to Services / Master Interlocal Agreement ("Addendum") shall amend, supplement, modify, delete and replace by substitution (or where applicable, be inserted as) the indicated provisions of the Agreement. Wherever the terms hereof are inconsistent with the Agreement, the terms hereof shall be controlling.

SUPPLEMENTARY TERMS OF AGREEMENT

1. Contract.

H. This Addendum between HCDE and _____ ("Contractor") is entered into in support of the Workforce Solutions Adult Education and Literacy Contract between Houston-Galveston Area Council (H-GAC) and HCDE for the period July 1, 2021 through June 30, 2022 ("Prime Contract"). The H-GAC contract number is 212-22.

I. The Parties agree that their performance under this Addendum shall comply with the requirements of the Prime Contract at all times and that, in the event of a conflict between this Addendum and the requirements of the Prime Contract, the requirements of the Prime Contract shall control.

J. Contractor agrees that the mutual obligations of the Parties created by the Prime Contract constitute a contract between Contractor and H-GAC with respect to the matters covered in the Prime Contract.

K. The Parties agree that the recitation of any provision of the Prime Contract in this Addendum, as required by the Prime Contract, shall in no way affect those provisions of the Prime Contract not recited herein or constitute a waiver thereof by either Party.

L. Contractor acknowledges that HCDE has entered into the Prime Contract with H-GAC, attached as Exhibit A, and incorporated by reference herein. Contractor shall strictly comply with all Prime Contract requirements and all applicable flow-down, referenced, and incorporated provisions therein and shall cooperate with HCDE in fulfillment of HCDE's obligations under the Prime Contract. *See* Exhibit A. Federal grant funds will be used to pay for all or a portion of funds due under this Addendum. As such, if HCDE does not receive sufficient funding for the services provided in this Addendum or if H-GAC terminates, in whole or in part, or decreases the funding amount in the Prime Contract, HCDE may terminate this Addendum/Agreement without penalty or further obligation to Contractor, at any time upon written notice to Contractor. Contractor's completed HCDE Vendor Packet, including all federal certifications included therein, is incorporated herein by reference.

M. Definitions. As used in the clauses referenced below and otherwise in this Addendum:

10. "Work" means the doing of all things described in, and all tasks reasonably related to the work and services required by this Addendum, whether completed or partially completed, and includes all skill, labor, materials and supplies, resources, supervision, equipment, services, all things necessary, proper, or incidental to the carrying out and completion of the terms of this Addendum, and all other items of cost or value needed to perform and fulfill Contractor's obligations under this Addendum.

11. "Government" means the federal government entity established by the United States Constitution, including any part or sub-part of the legislative, executive, or judicial branches thereof.

12. "Program Officer" means the H-GAC staff member responsible for monitoring the completion of Work and technical performance of the projects or activities described in the Program Narrative Statement.

13. "H-GAC Grants Officer" means the H-GAC official that has the full authority to negotiate, administer, and execute all terms and conditions of the Prime Contract in concurrence with the Program Officer.

14. "Data" means recorded information, regardless of form or the media on which it may be recorded.

15. "Research Data" means the recorded factual material (excluding physical objects, such as laboratory samples) commonly accepted in the scientific community as necessary to validate research findings, and excludes preliminary analyses; drafts of scientific papers; plans for future research; peer reviews; communications with colleagues; trade secrets; commercial information; materials necessary that a researcher must hold confidential until they are published, or similar information which is protected under law; and personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

16. "Subcontractor" means a person or entity that has a direct contract with Contractor to perform a portion of the Work. The term "Subcontractor" is referred to throughout the Addendum as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a person or entity that has a direct contract with HCDE.

17. "Subcontract" means a direct contract between Contractor and a Subcontractor to perform a portion of the Work and does not include any contract to which HCDE is a party.

18. "Forced Labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

19. "Private Entity" means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 C.F.R. 175.25 and includes a nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 C.F.R. 175.25(b), and a for-profit organization.

20. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at Section 103 of the Trafficking Victims Protection Act of 2000 ("TVPA"), as amended (22 U.S.C. § 7102).

2. Scope of Work.

Contractor will perform the Scope of Work outlined in Exhibit B.

3. Access to Records.

Contractor shall retain financial records, supporting documents, statistical records, and all other records pertinent to this Addendum for a period of no less than seven (7) years from the last day of the Term. The only exceptions to the aforementioned records retention requirements are the following:

3. If any litigation, claim, negotiation, dispute, or audit is started before the expiration of the seven-year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the seven-year period, whichever is later, and until any outstanding litigation, audit, or claim has been fully resolved.

4. Records for real property and equipment acquired with Federal funds shall be retained for three (3) years after final disposition.

5. The H-GAC Grants Officer may direct Contractor to transfer certain records to H-GAC custody when he or she determines that the records possess long term retention value. However, in order to avoid duplicate recordkeeping, the H-GAC Grants Officer may make arrangements for Contractor to retain any records that are continuously needed for joint use.

A. H-GAC, the Inspector General, Comptroller General of the United States, or any of their duly authorized representatives, have the right of timely and unrestricted access to any books, documents, papers, or other records of Contractor that are pertinent to this Addendum, in order to make audits, examinations, excerpts, transcripts, and copies of

such documents. This right also includes timely and reasonable access to Contractor's personnel for the purpose of interview and discussion related to such documents. The rights of access provided for in this Addendum are not limited to the required retention period but shall last as long as the records are retained.

B. With respect to subcontracts under this Addendum, H-GAC shall retain the right to conduct a financial review, require an audit, or otherwise ensure adequate accountability of organizations expending H-GAC funds. Contractor agrees to include in any subcontract made under this Addendum the requirements of this Article.

4. Copyright, Patent Rights, and Data Rights.

The Texas Workforce Commission and HGAC reserve a royalty-free, non-exclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for state, federal or H-GAC purposes:

1. The copyright of all maps, data, reports, research or other work developed under this Addendum; and

2. Any copyrights or rights to use copyrighted material which the ESC purchases with funding under this Addendum.

All data, reports and research developed under this Addendum shall become property of H-GAC. All such data and material shall be furnished to HGAC upon request.

5. Trafficking in Persons.

H. As used in this Article, "Employee" means either: (1) an individual employed by Contractor or by a Subcontractor under this Addendum who is engaged in the performance of the Work under this Addendum; or (2) another person engaged in the performance of the Work under this Addendum and not compensated by Contractor or by a Subcontractor under this Addendum including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

I. If Contractor is a Private Entity, Contractor, an Employee of Contractor, a Subcontractor under this Addendum, and an Employee of a Subcontractor under this Addendum may not:

4. Engage in severe forms of trafficking in persons during the period of time that this Addendum is in effect;

5. Procure a commercial sex act during the period of time that this Addendum is in effect; or

6. Use forced labor in the performance of this Addendum or subcontracts under this Addendum.

J. HCDE may immediately and unilaterally terminate this Addendum, without penalty, if Contractor or a Subcontractor under this Addendum that is a Private Entity:

3. Is determined to have violated a prohibition in paragraph B of this Article; or

4. Has an employee who is determined to have violated a prohibition in paragraph B of this Article through conduct that is either:
   a. Associated with performance under this Addendum; or
   b. Imputed to Contractor or to a Subcontractor under this Addendum using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," as implemented by the Department of Labor at 2 C.F.R. Part 2998.

K. If Contractor is other than a Private Entity, HCDE may immediately and unilaterally terminate this Addendum, without penalty, if a Subcontractor under this Addendum that is a Private Entity:

3. Is determined to have violated an applicable provision in paragraph B of this Article; or

4. Has an employee who is determined to have violated an applicable prohibition in paragraph B of this Article through conduct that is either:
    c. Associated with performance under this Addendum; or
    d. Imputed to a Subcontractor under this Addendum using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement)," as implemented by the Department of Labor at 2 C.F.R. Part 2998.

L. Regardless of whether Contractor and a Subcontractor under this Addendum is a Private Entity, Contractor and a Subcontractor under this Addendum must inform HCDE immediately of any information Contractor or a Subcontractor under this Addendum receives from any source alleging a violation of a prohibition in paragraph B of this Article.

M. HCDE's right to terminate unilaterally under this Article:

3. Implements section 106(g) of the Trafficking Victimes Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7104(g)); and

4. Is in addition to all other remedies for noncompliance that are available to HCDE under this Addendum.

N. Contractor and a Subcontractor under this Addendum must include the requirements of paragraph B of this Article in any subcontract to this Addendum that Contractor or a Subcontractor under this Addendum makes with a Private Entity.

6. Nondiscrimination.

A. Contractor agrees not to discriminate against any of Contractor's employees or applicants for employment because of race, color, national origin, sex, religion, age, or handicap.

B. Contractor agrees to comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352; 42 U.S.C. 2000d-1) and hereby assures HCDE of Contractor's compliance with Title VI of the Civil Rights Act of 1964. Contractor shall obtain from each organization that applies to be or serves as a Subcontractor under this Addendum (for other than the provision of commercially available supplies, materials, or equipment or general support services) an Assurance of Compliance with Title VI of the Civil Rights Act of 1964. Civil Rights Act assurances may be filed with Contractor in one of two ways:

1. By written notification that the appropriate Assurance of Compliance form has been executed and filed either with H-GAC or the U.S. Department of Health and Human Services; or

2. Contractor shall obtain assurances pursuant to Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), from any Subcontractor under this Addendum by incorporating into the subcontract a provision that acceptance of the subcontract constitutes assurance.

C. Contractor agrees to comply with the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-6107) as implemented by the Department of Health and Human Service regulations at 45 CFR 90. In the event Contractor passes on H-GAC financial assistance to any Subcontractor under this Addendum, this provision shall apply to any such Subcontractor, and the instrument under which the Federal financial assistance is passed to any such Subcontractor shall contain a provision identical to this provision.

D. Contractor agrees to comply with all applicable laws, rules, and regulations, including without limitation, Title IX, Title VII, Clean Air Act, Federal Water Pollution Act, et al. Contractor further agrees to comply with E.O. 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR, 1964–1965 Comp., p. 339), as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

In the event Contractor passes on H-GAC financial assistance to any Subcontractor under this Addendum, this provision shall apply to any such Subcontractor, and the instrument under which the Federal financial assistance is passed to any such Subcontractor shall contain a provision identical to this provision.

7. Changes & Amendments.

Contractor shall, at the request of HCDE, accept changes and amendments to this Addendum to incorporate additional provisions herein or to change provisions hereof, as HCDE may reasonably deem necessary in order to comply with the provisions of the applicable Prime Contract. If any such amendment to this Addendum causes an increase or decrease in the estimated cost of, or the time required for performance of any part of the Work under this Addendum, HCDE and Contractor will use their best efforts to mutually agree upon an equitable adjustment.

8. Debarment and Suspension.

Contractor agrees that any subcontract under this Addendum that is expected to equal or exceed $25,000, or is otherwise covered under 2 CFR 180.220, shall not be made to parties listed on the Government-wide Excluded Parties List System, in accordance with the OMB guidelines at 2 CFR part 180 that implement Executive Orders 12549 and 12689, "Debarment and Suspension." The Excluded Parties List System 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.

9. Termination.

A. In the event that the Prime Contract is terminated, HCDE may immediately terminate this Addendum, by written notice to Contractor. Upon such termination, HCDE will be responsible for payment to Contractor of costs incurred prior to such termination only to the extent those costs are included in the final payment received by HCDE from H-GAC.

B. HCDE's right to terminate under this Article is in addition to all other remedies for noncompliance that are available to HCDE under this Addendum or provided by law or equity.

C. Contractor must submit a final invoice to HCDE within thirty days after the termination date.

10. No Third-Party Beneficiary.

A third-party beneficiary is a person who, although not a party to the contract, stands to benefit from the contract's performance. With the sole exception of the Government and H-GAC, neither this Addendum, nor any term or provisions hereof, nor any inclusion by reference, shall be construed as being for the benefit of any party not a signatory hereto.

11. Ownership/Protection of HCDE's Confidential Information.

D. To assist Contractor in the performance of Contractor's duties and Scope of Work, HCDE agrees to provide to Contractor training regarding HCDE's business methods and access to certain confidential and proprietary information and materials belonging to HCDE and/or to vendors of HCDE and/or participants in HCDE's programs or services (hereinafter "vendors and/or participants"). Such confidential and proprietary information and materials (collectively "Confidential Information") includes, without limitation and regardless of whether such information or materials is expressly identified as confidential or proprietary, the following: proposals, employee information, customer lists, vendor lists and relationships, participant lists, marketing strategies, certain financial information relating to HCDE or vendors and/or participants; plans of HCDE or vendors and/or participants; and other trade secrets and valuable, confidential information of HCDE or vendors and/or participants.

E. Contractor understands and agrees that all Confidential Information and every portion thereof constitutes valuable property of HCDE and/or vendors and/or participants, and Contractor further acknowledges the importance of maintaining the security and confidentiality of the Confidential Information.

F. Contractor agrees to keep the Confidential Information, and all documentation, access, and information relating thereto, strictly confidential. Specifically, Contractor agrees that, except as required for the conduct of HCDE's business or as expressly authorized in writing by HCDE, or as may be required by law or court order, Contractor:

(6) will not disclose or provide access to Confidential Information to any third party;

(7) will not copy Confidential Information for any reason;

(8) will not remove Confidential Information from HCDE's premises;

(9) will return to HCDE all Confidential Information in Contractor's possession upon completion of any Work for HCDE requiring Contractor to have access to such Confidential Information; and

(10) return to HCDE all Confidential Information upon the termination of Contractor's relationship with HCDE for any reason.

D. The terms and conditions of this Article shall survive the termination of this Addendum.

12. Compliance with Laws.

Contractor agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable. Contractor certifies compliance with all provisions, laws, acts, regulations, rules, and ordinances, including those referenced in any HCDE vendor packet completed by Contractor, which is incorporated by reference herein.

13. Safety Protocols

In light of the COVID-19 pandemic, the parties agree to cooperate to implement safety protocols in accordance with local, state, and federal guidelines for reducing the spread of the disease, including, but not limited to, guidelines published by the U.S. Center for Disease Control ("CDC") and the Governor of the State of Texas. The parties agree that all classes will be held online until further notice, as determined by HCDE in its sole discretion. The parties agree to provide soap and water, hand sanitizer, and disposable wipes at all locations used in connection with this Agreement and to encourage students and staff to engage in proper social distancing tactics, including maintaining physical distances from others and wearing masks or facial protection where necessary or recommended. Contractor agrees to sanitize and disinfect all locations used in connection with this Addendum at the end of each day that such location is used, including common areas. This section shall be in effect until the parties agree in writing that such measures are no longer necessary or recommended. The parties may modify or abolish these safety protocols upon written agreement of the parties at any time.

Executed this _____ day of ____, 20__.

Harris County Department of Education

By: _____
Name: _____
Title: _____

{Insert Name}

By: _____
Name: _____
Title: _____

EXHIBIT A – H-GAC PRIME CONTRACT

EXHIBIT B – SCOPE OF WORK

<If not already included in the base agreement or as an exhibit to the base agreement, please insert detailed Scope of Work provisions here.>

EXHIBIT A

SCOPE OF WORK

Contractor	HCDE
• Services/Obligations/Deadlines/Deliverables	• Obligations (*if any – payment terms already addressed in contract*)

16.0 Contract Terms and Definitions

TERM	DEFINITION
Amendment	A change, correction or alteration.
Appropriation	An authorization to spend funds.
Assignment	Transfer by one party to a contract of some or all of the rights to another person not a party to the original contract.
Acceptance	Compliance by one party with the terms and conditions of another's offer so that a contract becomes legally binding between them.
Breach of contract	A violation or infraction, as of a law or a promise; to break an agreement.
Consideration	Something of value; money, an act or a promise.
Contract	Legal agreement; mutual understanding between two parties.
Force Majeure	Act of God; an unexpected or uncontrollable event.
Interlocal Contracts or Agreements	HCDE may enter into Interlocal Contracts/Agreements with: • Other State of Texas Local Governments • State of Texas State Agencies • ANY State Local Government, and • ANY State Agency
Modification	A change in the terms of the contract.
Parties to a Contract	Participants to a contractual arrangement.
Performance Bond	A bond or a cashier's check from one party of a contract that is held by the other party to the contract guaranteeing contract completion. Used in construction.
Public Work Contract	Contract for constructing or altering or repairing a public building or carrying out or completing any public work.
Retainage	The part of the payments under a public works contract that are not required to be paid until project is accepted. Normally 5%
Severability	To cut off from the whole; dissolvable; able to separate into legally distinct rights or obligations, as a Contract.
Venue	The locality where a cause of action occurs.
Warranty	The insured's guarantee that the acts are as stated or that specified conditions will be fulfilled to keep the contract effective.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 11/15/2006		REVISED DATE: 5/03/2011
SUBJECT: Contract Formatting Instructions		

APPEARANCE
Always strive for a professional product.

- Consistent style
  - [header]
  - ARTICLE I. PURPOSE
- Consistent font size – Times New Roman, 12
- Number pages: 1 of 3, 2 of 3, 3 of 3; as necessary

COMPLETENESS

- Review your contract to make sure all your bases are covered. A good contract answers all the questions you or the other party may have during or after the contract term
- Use proper and complete names, titles, and contact information
- Have you included definitions? You may or may not need to; the goal is to make the contract clear to all contracting parties.
- Review the Entire Agreement clause/paragraph; it should state that the contract and attachments/exhibits represent the entire agreement.
  - Attachments may include:
    - Scope of Work
    - Additional Attachments/Exhibits

ACCURACY

- Use spell check
- Specify total payment amount (along with increment payments, if appropriate); including travel and/or other reimbursable expenses
- Amount should be in numbers (including cents amounts) and spelled out:
  - Example: Thirty Thousand Dollars and no/cents ($30,000.00) (use US Currency, if necessary)

TYPES OF CONTRACTS
Use the format that is appropriate to your purpose; this can be based on critical need or the dollar amount involved

- Purchase Order (for purchases of personal property)
- Speaker Agreement
- Lease

- Memorandum of Understanding (MOU)
- Interlocal Contract
- Service Contracts
    - Professional Services
    - Consultant Services

PAYMENT

- Purchase Order
- Payment Authorization
    - IRS Form W-9, Felony Conviction Notice, Conflict of Interest Questionnaire, Senate Bill 9 Contractor Certification
    - Copy of Contract
    - Invoice

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 11/16/2006		REVISED DATE: 05/11/2022
SUBJECT: Checklist for Reviewing Contracts		

The purpose of this checklist is to guide you when you are reviewing contracts from other parties or when you are building a contract for your division. A good contract answers any questions that may come up during the course of the contractual relationship (before, during, or after the contract term). It is our fiduciary responsibility to protect the Department's interests and to create complete contracts.

You are not required to submit this Checklist with the Contract. If you have any questions, contact Edna Johnson at ext. 2104 or Kendra Jackson at ext. 1744.

1.	☐ Yes ☐ No	Is the contracting party's' Contract in a form approved by HCDE? If the answer is no, can it be converted to one? **STOP and contact Procurement Services.**
2.	☐ Yes ☐ No	Are the parties completely and clearly identified? Look for all of these: • Corporate/individual names of other party • Authority of representative to sign • Point of contact for each party (name, address, email, telephone, fax) • HCDE division clearly identified as part of HCDE **Only the Superintendent and/or the Assistant Superintendent of Business Services are authorized to enter into a contractual agreement (execute) on behalf of HCDE.**
3.	☐ Yes ☐ No	Are there specific (month, day, year) beginning and ending term dates? **Answer must be "YES" otherwise stop and add term dates.**
4.	☐ Yes ☐ No	<u>Independent Contractor Clause</u> When HCDE contracts with a consultant or a company whose employees will be working with HCDE on a regular basis, HCDE should include in the contract a clause that indicates that the consultant or the company's employees are not employees of HCDE. Is there a clause that addresses this point?
5.	☐ Yes ☐ No	Is the payment schedule (if appropriate) stated clearly and accurately? Do typed numbers match the digits?

6.	☐ Yes ☐ No	Is the agreement with a party with which a member of the HCDE Board of Trustees is a stockholder or director? **If the answer is Yes, the agreement MUST go to the Board of HCDE for approval.**
7.	☐ Yes ☐ No	Is there any language that obligates HCDE to do any of these things: • indemnify, • waive liability of the other party, • make any warranty, waiver of statute of limitations or other time period in which actions may be brought? If there is indemnification, waiver, or warranty, DELETE this language by lining through it and initialing. Do not assume it cannot be eliminated. **Bring this to the attention of Procurement Services.**
8.	☐ Yes ☐ No	<u>Warranty/Indemnification</u> When HCDE receives a product (ex: software) from a company, the company should warrant that they own the good or product that they are providing or licensing to HCDE and indemnify HCDE for any copyright/trademark violations. Is there a clause that addresses this point?
9.	☐ Yes ☐ No	If HCDE is going to be paying the other party, does the obligation to pay extend beyond the current fiscal year (i.e., after August 31st)? If the answer is 'Yes', there must be wording stating that the division's obligation to pay is conditioned upon appropriation of funds. **Note: Do not include language stating that the division will use its best effort to secure the appropriation.**
10.	☐ Yes ☐ No	<u>Termination</u> Is the termination clause consistent with the purpose of the agreement? A termination clause is useful to give HCDE legal basis to get out of a contract for reason. There may be some contracts where HCDE does not want the other party to have this out.
11.	☐ Yes ☐ No	Are the events that are considered to be a default listed? Are they clear and specific?
12.	☐ Yes ☐ No	Is there a method described for providing notice of default and a chance to cure?
13.	☐ Yes ☐ No	Are the rights and obligations of each party set out clearly?
14.	☐ Yes ☐ No	Are the time for performance and the place of performance clearly identified?
15.	☐ Yes ☐ No	Is either party required by the contract to have insurance? If so, is HCDE named as an additional insured?

		Must receive proof of insurance and notification of any changes in coverage. How and when? ALL CONTRACTS WITH INSURANCE LANGUAGE IN THEM MUST BE BROUGHT TO THE ATTENTION OF THE RISK MANAGER, AND SIGNED OFF ON BEFORE SUBMITTING THE CONTRACT FOR SIGNATURE. PROCUREMENT SERVICES WILL CONTACT THE RISK MANAGER IF THE DIVISION HAS NOT-WE NEED TO COORDINATE ON THIS.
16.	☐ Yes ☐ No	If the other party's contract contains a confidentiality clause, **bring this to the attention of Procurement Services.**
17.	☐ Yes ☐ No	Governing Law and Venue This Contract shall be construed under the laws of the State of Texas and mandatory and exclusive venue in any action arising out of this Contract shall be in Harris County, Texas. **If not, bring this to the attention of Procurement Services.**
18.	☐ Yes ☐ No	'No Third Party Beneficiary' Clause HCDE should include in contracts a clause that prevents third parties (not parties to the contract) from seeking benefits under the contract and consequently attorneys' fees for breach of contract. NOTE: The wording may seem a little awkward, but it was taken from a Texas Supreme Court case.
19.	☐ Yes ☐ No	Relationship of Parties This Contract does not create a joint venture or business partnership under Texas law. Is there a clause that addresses this point?
20.	☐ Yes ☐ No	Miscellaneous: **Answer must be "YES" to all of the following**: • Is it complete? Does it include ALL documents referenced in the Contract; attachments, exhibits, etc.? • Entire Agreement: This Contract constitutes the sole and entire agreement of the parties and supersedes any other oral or written understandings or agreements. • Does the signature page show all required signatures? • Does the contract state whether or not it is assignable?
21.	☐ Yes ☐ No	Severability Just because one clause of a Contract shall for any reason be held to be invalid or illegal, you may want the remainder of the Contract to be construed as if such invalid, illegal, or unenforceable provisions had never been contained in it. Is there a clause that addresses this point?
22.	☐ Yes ☐ No	**IMPORTANT!**

		Does the appearance of the agreement (spelling, spacing, typeface, etc.) represent HCDE and the division in the best possible manner?
23.	☐ Yes ☐ No	Are all parties to this contract licensed to do business in the State of Texas?

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 11/16/2007	REVISED DATE: 05/18/2022	
SUBJECT: CONTRACT PROCESSING FORM INSTRUCTIONS		

Please use this guide when preparing contracts and CPF's to submit to Procurement Services. Any contract sent without a CPF form will be returned to the division. Please obtain signatures for all expenditure contracts from the other contracting party prior to submitting the contract for processing. (The exception would be if the contract originates with the other contracting party).

The CPF is available in the HCDE portal under Purchasing\Contracts\Contract Processing. Follow these instructions:

1) Copy CPF to your computer
2) Complete all fields
3) Review for accuracy and completeness
4) Send to Procurement Services, along with contracts through the electronic system for processing. The division will receive a copy of the signed contracts once HCDE signatures have been obtained and contracts have been processed.

Forms without appropriate signatures or with missing information will also be returned for signatures before they can be processed. Contracts requiring board approval must be sent on or before the board meeting.

If you want your contract to be reviewed by your assigned contract manager before being processed, please send a copy of the contract stating that you wish to have the contract reviewed before further processing by the division. Do not attach a CPF form for contracts to be reviewed. The CPF is for contracts ready to process for signatures.

Section 1 – Contract Information

- ☐ Select the name of your division ("Funding Division")
- ☐ Type the date you are completing the CPF form
- ☐ Select the number of actual signed originals you are sending for processing
- ☐ Select the Source of Funds from the correct Budget Code (Drop Down Menu)
- ☐ Type the name of the ISD / Business / Person you are wanting to contract
- ☐ Is the person with whom you want to contract with from the above field already an employee with HCDE? If not, select No; if yes, please select the division the employee works in.
- ☐ Type a description of the services provided/received, i.e., workshop speaker, occupational therapy services, purchase of playground equipment, etc.
- ☐ Select the type of contract, i.e., Interlocal Contract, Consultant Services Contract, Speaker Agreement, etc. from the dropdown menu provided or type in box manually.

☐ Select the contract year, i.e., 2021-22, 2022-23, etc. from the dropdown menu.

☐ Select Yes or No that this contract is a contract that originates from an HCDE template.

☐ Type in the term of the contract, i.e., 8/1/2022 – 7/31/2023 (Date contract begins and ends)

Section 2 – Contract Type

☐ Select the appropriate box for the type of contract you are submitting. (Please pay attention to whether the contract is revenue (money received), expenditure (money paid), non-monetary (no money involved), or grant acceptance.

☐ Type the total dollar amount of the contract in the space to the right of the line you checked. (Unless Non-Monetary)

Section 3 – Compliance with Policy CH (Local) Purchasing Authority

☐ Select whether or not the Board has approved entering into the contract for political/lobbying services.

Section 4 - Contract Review Checklist

☐ Check box #1 or #2 or #3.

☐ If box #2 is checked, the date the contract was reviewed must be entered on the CPF **and one of the remaining boxes (#3, #4, or #5) must also be checked according to what was found when the contract was reviewed**. Please use the Checklist for Reviewing Contracts found on the HCDE Portal at Purchasing\Contracts\Contract Processing.

☐ Check box #4 or #5 if the contract requires Technology or Facilities resources and obtain appropriate director's initials.

Section 5 – Required Acknowledgement and Signatures

☐ Certify if contracted vendor will have or not direct and unsupervised contact with students on a regular basis. This information could be found on the Services Agreement.

Obtain necessary director/budget manager's signature on CPF and send to Procurement Services for processing.

If you have any questions regarding contracts processing, please contact Edna Johnson at 713-696-2104 or via email at edna.johnson@hcde-texas.org.

HARRIS COUNTY DEPARTMENT OF EDUCATION
CONTRACT PROCESSING FORM (CPF)

Contract requires approval from: Superintendent ☐ Assistant Superintendent ☐

SECTION 1 – CONTRACT INFORMATION

Funding Division	Today's Date	# Original Contracts	Expenditure/Revenue Budget Account Code (20 digits)
Click here to select division	5/11/22		

Contracting Party	RFP # (if applicable)	
		☒ No ☐ Yes, Division:

Description of Services:

Type of Contract	Contract Fiscal Year	HCDE Contract?	Term			
Click here to select type of contract.	Select one.	---	From:	9/1/2022	To:	08/31/2023

SECTION 2 – CONTRACT TYPE

Click here to select type of contract	Amount:

SECTION 3 – COMPLIANCE WITH POLICY CH (LOCAL) PURCHASING AUTHORITY

The Board has approved entering into this contract for political/lobbying services. ☐ N/A ☐ No ☐ Yes –

SECTION 4 – CONTRACT REVIEW CHECKLIST

☐ This contract was previously reviewed by HCDE attorney (*Note that all templates have been reviewed by attorney)* – **Skip to Section 5**

☐ This contract was NOT previously reviewed by HCDE attorney **(complete fields below)**

Date I reviewed contract using the Contract Review Checklist:

Exceptions Found? Click here to select one.

☒ This contract was reviewed by Procurement Services.

☐ This contract was reviewed by Technology _____ (initials)

☐ This contract was reviewed by Facilities _____ (initials)

SECTION 5 – REQUIRED ACKNOWLEDGEMENT AND SIGNATURES

I certify to the best of my knowledge that the information contained in this document is correct and complete. I further certify that the program and all activities related to the program will be conducted in accordance with all applicable federal, state, and local laws including regulations and contract guidelines created to ensure accomplishment of this objective.

In addition, I certify that the Contractor:

_____ will have direct, unsupervised contact with students on a regular basis.

_____X____ will NOT have direct, unsupervised contact with students on a regular basis.

Employee Completing this form	Date	Funding Division Director's signature	Date
		☒	

FOR PROCUREMENT SERVICES DIVISION USE ONLY:

Contract Reviewer: Date:

☐ Vendor Packet ☐ Form 1295 ☐ Vendor Certification ☐ Resume ☐ EICC Checklist ☐ SAM's Check (Debarred ☐Yes ☐ No)

☐ Board Action Item – ☐ Revenue ☒ Expenditure ☐ Grant ☐ ILC

☐ Board Information Item Date: _____

☐ Contract Approved by Board Date: _____

☐ Contract Signed by Superintendent Date: _____

☐ Expenditure Contract (For Approval Only) Date: _____

☐ Signed by Assistant Superintendent Date: _____

☐ Returned to Division or:_____

Date Returned: _____

☐ Additional Signatures Required – Return one original to Procurement Services when obtained

NOTES:

Memorandum

Date: **August 3, 2017**

To: **All HCDE Employees**

From: **Procurement Services Division**

Re: **Contract Processing**

Effective immediately, all expenditure contracts need to be signed by Jesus Amezcua, Assistant Superintendent – Business Services. Please update any contract templates you may have on your local hard drive or within your division.

Secondly, all expenditure contracts must be sent to the Contracts Manager and a completed Vendor Packet (signed set of W-9, Conflict of Interest Questionnaire, Felony Conviction Notice, Vendor Certification forms, and Senate Bill 9 Contractor Certification forms) must be sent to the Procurement Specialist. All three (3) of these documents have been attached to this email and can also be found on the HCDE Portal at Purchasing\Contracts\Contract Processing.

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 11/15/2006		REVISED DATE: 05/12/2022
SUBJECT: STEPS TO CREATE A NEW CONTRACT		

Procurement Services provides the tools for you to customize a contract to fit your division's needs. Refer to the HCDE portal for the latest updated contracting tools and note that:

- A good contract protects HCDE interests.
- A good contract proactively answers all the questions HCDE and the Other Party might have during and after the contracting period.

The following tools are available on the HCDE Portal under Purchasing > Contracts:

- Contract Formatting Instructions
- Checklist for Reviewing Contracts
- Contract Forms
- Contract Clauses
- Sample Contracts

Step 1: Division:

- Determine the type of contract to use (see sample contracts on the HCDE Portal under Purchasing > Contracts)
- Create new contract
    - Follow Contract Formatting Instructions
    - Review terms and conditions (follow the Contract Checklist, if necessary)
    - Insert additional terms, if necessary (included under Contract Clauses)
        - If assistance is needed from the Procurement Services Division:
            - Contact the Contract Manager
            - Send contract to Contract Manager for review
            - Make changes suggested by the Contract Manager
- Send completed contract to other party for signature
- Once signed contract is received, prepare a Contract Processing Form and submit to the Contract Manager along with the Budget Manager's signature, executed contract, vendor packet, and EEIC Checklist and Resume, if required

Step 2: Contract Manager (during the contract development process):

- Understand Division's contracting needs
- Review contract and forms
- Log contract into the Portal – Contract Master List

- Consult with Assistant Superintendent for Business Services and Legal Counsel, if necessary
- Return contract to Division within three (3) business days, unless there are issues to resolve

Step 3: Division (Once signed contract is received from other party):

- Create agenda item in the BASS System (if board approval is required)
- Send contract originals to the Contract Manager in the Procurement Services Division along with the completed, signed Contract Processing Form.

Step 4: Contract Manager:

- If Board Approval is necessary:
    - Review contract and agenda item in BASS for completeness
    - Hold for Board Approval
    - Obtain appropriate HCDE signature, if approved by Board
- If Board Approval is not necessary:
    - Review for completeness
    - Obtain appropriate HCDE signature

Step 5: Contract Manager:

- Send signed copy to Division
- Log contract on the Purchasing Portal under Master Contract List
- Scans contract to HCDE Portal Master Contract List
- Files HCDE signed original in Procurement Services

Step 6: Division:

- Send signed contract to Other Party (Note: If other party's signature is pending, send signed contract to other party and forward complete executed contract to the Contract Manager once received; Contract Manager follows Step 5)

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 11/18/2005	REVISED DATE: 8/13/2020	
SUBJECT: CONTRACT CLAUSES		

The following titles are fairly interchangeable:

- Contract
- ILC (Interlocal Contract)
- Agreement or LOA (Letter of Agreement)
- MOU (Memorandum of Understanding

and there are others. Each contracting situation is unique. You will want to use a combination of the clauses listed below; whatever makes the agreement complete.

How to use this document: Sample clauses are typed in plain script.
Discussion of the clause is highlighted and in italics.
Places where information needs to be added are bolded.
November 18, 2005: Includes Attorney's notes.

There is no "one size fits all" solution to creating a contract. Each unique situation mandates which clauses are included and which clauses are not included. The goals are to protect HCDE interests and to be fair and equitable.

ALPAHBETICAL LIST OF CLAUSES

Amendment
Assignment
Changes
Compensation
Completion & Liquidated Damages
Confidential Data
Conflict of Interest
Contractor Status
Entire Agreement
Examination of Records
Felony Conviction Notice
Force Majeure
Funding Clause
Governmental "Funding Out" Clause
Governing Law
Hold Harmless-Speaking Engagement
Incidental Sales
Intellectual Property Rights
Introductory Paragraph-Interlocal Agreement
Introductory Paragraph-Contract
Non-Appropriation of Funds
Non-Completion of Contract
Non-Exclusivity
Notice
Payment Bond or Performance Bond
Property Warranty/Indemnification
Publication Rights
Purpose
Recitals
Review of Progress
Scope of Work
Services to be Provided
Severability
Signature

Indemnification-Patent, Trademark, or Copyright
Independent Contractor Status
Insurance Requirements
Sole Agreement
Term
Termination
(No) Third Party Beneficiary Clause
Venue

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Compensation *May put something in this clause referring to the release of the performance bond. Also see Performance Bond.* *Need to be specific concerning payments and conditions for payments: one payment upon completion of all services or multiple partial payments, a payment schedule based on due dates or based upon % of completion, etc. Does this clause need to be tied to the scope of work?*	HCDE agrees to reimburse Contractor for reasonable costs and expenses necessarily incurred, up to the maximum amount of < $XXX,XXX >. Contractor agrees to provide HCDE with appropriate documentation, including, but not limited to, copies of original receipts, verifying such expenses and costs associated with performing the required services. Contractor shall submit to HCDE an invoice for services rendered. HCDE agrees to make payment upon acceptance and approval by HCDE of all goods or services provided by Contractor. HCDE is Texas state sales tax exempt and will provide the Contractor with a signed TEXAS SALES AND USE TAX EXEMPTION CERTIFICATION. Form available on HCDE Portal.
Completion & Liquidated Damages as Provided for in HCDE Contracts ***Usually found in construction contracts.***	HCDE contracts include provisions for completion and liquidated damages and are listed as follows to inform the Bidder of the following conditions: 1. Under the terms of an HCDE contract, the bidder certifies to complete delivery of any product/service within the specified calendar days < listed on each bid response > counting from the date HCDE purchase orders are received by the Bidder. Bidder agrees that time is of the essence in performance of the contract. Bidder and HCDE understand and agree that a breach of contract as to completion on time will cause damage to HCDE and the relevant End User, and that such damages would be difficult or impossible to measure.

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Completion & Liquidated Damages as Provided for in HCDE Contracts, continued	2. Therefore, for each and every calendar day that product/service is not delivered beginning < Specified number of days > after the expiration of the time limit set in the contract, HCDE may withhold permanently from Contractor's total compensation the sum of < amount in words > dollars (< amount in numbers: $**XXX.XX >**) per calendar day liquidated damages. It is further agreed that the sum

	stipulated as liquidated damages is a reasonable **estimate of the damage which will result to HCDE and/or the < End User > for a failure of Contractor to** deliver the product/service in accordance with the Contract. The amount of liquidated damages due may be deducted by HCDE from any payment or payments otherwise due to Contractor, hereunder, or if all payments otherwise due to Contractor hereunder have been made, the amount of liquidated damages shall be immediately due and payable upon demand. 3. The Contractor shall document and immediately notify HCDE of any conditions of force majeure, which would cause exception to assessment of liquidated damages.
Confidential Data of HCDE	In the course of performing duties under this Contract, Contractor may view, obtain, or have access to financial, accounting, statistical, personnel, and other information of a confidential nature concerning students being served by HCDE and employees of HCDE. All such information is confidential and shall not be disclosed, directly or indirectly, to any person other than authorized officials of HCDE, either during the Term of this Contract or after such Term. Contractor acknowledges that HCDE would be irreparably injured if Contractor were to disclose such information to third parties not entitled to receive such information or to misappropriate such confidential information for Contractor's own purposes or benefit and that money damages would not compensate HCDE for such irreparable injury.
Conflict of Interest	During the Term of Contractor's service to HCDE, Contractor shall not, directly or indirectly, whether for Contractor's own account or for or with any other person or entity whatsoever, employ, solicit or endeavor to entice away any person who is employed by HCDE.
Contractor Status	See Independent Contractor Status.
Entire Agreement	This Contract and **list memorandums, price lists, etc.** attached hereto represent the entire and exclusive agreement between the parties thereto and replace in their entirety any previous agreements, written or oral. OR

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Entire Agreement, Continued	This Contract represents the entire and exclusive agreement between the parties thereto and replaces in their entirety any previous agreements, written or oral.
Examination of Records	HCDE shall have access to and the right to examine and reproduce or

	capture all documents, papers, records, notes, files, electronic data and any other "materials" that were used by Contractor. Contractor shall notify HCDE if any such materials are copyrighted.
Felony Conviction Notice *This clause should be included in any contract where a Contractor will be working on a campus or in a center or with students or clients of any age, or at any other time the division deems appropriate.*	Contractor acknowledges receipt of the Felony Conviction Notice attached as an addendum or an exhibit and incorporated herein, and represents to HCDE that Contractor has accurately completed, executed and delivered the Notice to HCDE. Contractor acknowledges that under Section 44.034 of the Texas Education Code, Contractor must give advance notice as required by this Article and that Contractor faces the consequences outlined in the Section for misrepresenting the conduct resulting in the conviction as indicated on the Felony Conviction Notice. See Felony Conviction Notice form. (IMPORTANT: This section does not apply to a publicly held corporation.)
Force Majeure	The parties to this Contract may be excused from performance hereunder during the time and to the extent that they are prevented from performance due to an act of God, fire, strike or lockout, when satisfactory evidence thereof is presented to the other party and provided that such non-performance is not due to the fault of the non-performing party.
Funding Clause *For Contracts that are contingent on the receipt of grant funds should have a clause so stating.*	HCDE anticipates it will receive funds from the grantor in an amount equal to the costs of services to be provided under this Contract. Notwithstanding anything to the contrary in this contract, this Contract is contingent on HCDE receiving such funds. In the event HCDE does not receive those funds, HCDE may terminate or reduce the scope of services provided under this Contract without pecuniary risk or penalty, at its sole discretion.

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Governmental "Funding Out" Clause *Contracts and Leases that are contingent on the receipt of revenues should have a clause so stating.*	HCDE/*Lessee* anticipates it will receive revenues in an amount equal to the costs of services to be provided under this Contract/*Lease*. Notwithstanding anything to the contrary in this contract, this Contract/*Lease* is contingent on HCDE/*Lessee* receiving such revenues. In the event HCDE/*Lessee* does not receive those revenues, HCDE /*Lessee* may terminate the Contract/*Lease* or reduce the scope of services provided under this Contract/*Lease* without pecuniary risk or penalty, at its sole discretion.
Governing Law	This Contract shall be governed by and construed in accordance with the laws of the State of Texas. (May be combined with Venue.)

Hold Harmless- Speaking Engagement	Contractor hereby indemnifies and holds HCDE harmless from and against any and all loss, damage or claim against HCDE, arising from Contractor's acts or omissions in connection with the speaking engagement described in this agreement.
Incidental Sales	The Contractor shall have the sole right to sell or cause to be sold books authored by the Contractor on the Premises.
Indemnification & Insurance- < Speaker Agreement >	The Speaker agrees that physical activity is not required of participants. AND Speaker agrees that Speaker carries liability insurance covering acts or omissions of Speaker with an approved company naming HCDE as an additional insured"). OR Speaker hereby indemnifies and holds HCDE harmless from and against any and all loss, damage or claim against HCDE, arising from Speaker's acts or omissions in connection with the speaking engagement described in this agreement. _____ Signature/Hold Harmless
Indemnification-Patent, Trademark, or Copyright	Contractor shall protect, hold harmless and indemnify HCDE from any and all, loss, claims, assessments, suits in law or in equity, expenses, attorney's fees, and damages arising from Contractors actual or alleged infringement of any United States or foreign patent, trademark or copyright in connection with this contract.

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Independent Contractor Status	It is the intention of the parties that Contractor be an independent contractor and not an employee, agent, joint venturer, or partner of HCDE and nothing in this Contract shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and Contractor or HCDE and any of Contractor's agents, employees, or sub- contractors. Contractor assumes exclusively the responsibility for the acts of its employees, subcontractors, if any, agents or partners as they relate to the services to be provided in connection with this Contract during the scope and course of their employment. Contractor, its agents, subcontractors, joint venturers, partners and employees, shall not be entitled to any rights or privileges of HCDE employees and shall not be considered in any manner to be HCDE employees.

Insurance Requirements *Please call the Risk Manager whenever you think there is or even may be an insurance liability or a requirement for insurance coverage.* *Not ALL this verbiage is required. Ask the Risk Manager for assistance.* More clause samples next page.	The Contractor is required to carry general liability insurance. The minimum liability coverage is $1,000,000 .00 per single occurrence. An aggregate value in the amount of $1,000,000.00 without single occurred coverage of like amount shall not be acceptable. The Contractor is required to carry product liability insurance on all products offered through the HCDE Cooperative Purchasing Program. Manufacturers/bidders shall submit insurance certificates for the product liability coverage encompassing their dealer network, or shall submit individual certificates for each of their participating dealers. The minimum product liability coverage is $1,000,000 per single occurrence. An aggregate value in the amount of $1,000,000 without single occurrence coverage of like amount shall not be acceptable. The Contractor is required to carry workers compensation insurance. Contractor must provide a certificate of workers compensation insurance in an amount not less than the State of Texas minimum requirements. Insurance coverage shall be in effect for the length of the contract and for any extensions thereof, plus the number of days/months required to deliver an outstanding order after the close of the contract period. Only one (1) original insurance certificate is required in each of the categories stated naming HCDE as the certificate holder. Insurance certificates shall specifically include the name of any subsidiary company responding to the bid.

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Insurance Requirements, Continued	Contractor shall have the insurance coverage and furnish certificates of insurance, in duplicate form, prior to the beginning of the contract. All liability policies shall be issued by a Company authorized to do business in Texas with a rating of at least B+ and a final size of Class VI or better according to the current year's Best rating. Evidence of Insurance: Prior to performance, Contractor must provide a certificate of insurance evidencing the stated coverage and naming HCDE as the certificate holder. HCDE reserves the right to contact underwriters to confirm issuance and document accuracy.
Intellectual Property Rights	HCDE shall possess the legal ownership, right and title to any data, materials or intellectual property, invention, works made for hire, or discovery made or conceived by Contractor in the course of or in

	connection with this Contract. Contractor agrees to promptly and completely inform and disclose to HCDE all inventions, designs, improvements, works made for hire, and discoveries that Contractor may have during the Term of this Contract that pertain or relate to the business of HCDE or to any work carried on by HCDE, whether conceived by Contractor or not, which were conceived during regular working hours and all such inventions, designs, improvements and discoveries deemed patentable by HCDE.
Introductory Paragraph - Interlocal Agreement	Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, the Interlocal Agreement/Contract (the "Agreement" or "Contract") is made and entered into between Harris County Department of Education ("HCDE") and Governmental or Local Governmental entity for the purpose of performing governmental functions and services and to state the terms, rights and duties of the Contracting parties **during the 20XX-20XX school year.**
Introductory Paragraph - Contract	This Contract (the "Contract") is made and entered into by and between the Harris County Department of Education ("HCDE"), located at 6300 Irvington Blvd., Houston, Texas 77022 and **Fill in Contractor's Name, Address, City, State and Zip Code** for Contractor to provide services to HCDE in accordance with the terms and conditions specified herein.

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Non-Appropriation of Funds	The Term of this Contract is a commitment of HCDE current revenues only. The HCDE fiscal year runs September 1 through August 31. If funding for the continuance of the services required under this Contract is withdrawn, HCDE reserves the right to terminate this Contract in accordance with < Article XX – > Termination. Funds are not presently budgeted for performance under this Contract beyond the end of the current fiscal year (August 31). HCDE shall have not liability for payment of any money for performance under this Contract after the end of any fiscal year until and unless such funds are available and budgeted.
Non-Completion of Contract	

	If Contractor is unable to complete the mutually agreed-upon work in the mutually agreed-upon time, Contractor shall notify the HCDE **Fill in the Name OR Title of HCDE Employee, ex. Director of Procurement Services** in writing.
Non-Exclusivity	Nothing in this Contract may be construed to imply that Contractor has exclusive right to provide HCDE these services. During the Term of the Contract, HCDE reserves the right to use all available resources to procure other professional services as needed and, in doing so, will not violate any rights of Contractor.
Notice	Any notice provided under the terms of this Contract by either party to the other shall be in writing and shall be sent by certified mail, return receipt requested. Notice to shall be sufficient if made or addressed as follows: HCDE Attn: Jesus Amezcua 6300 Irvington Blvd. Houston, Texas 77022 Contractor Name_____ Attn_____ Title_____ Address_____ City, State, Zip Code_____ Each party may change the address at which notice may be sent to the party by giving notice of such change to the other by certified mail, return receipt requested. Other possibilities: James Colbert, County School Superintendent OR Director of Procurement Services.

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Payment Bond or Performance Bond *Usually the amount of the Contract, payment bond for Contracts > $25,000 to $100,000 and performance bond in excess of $100,000.*	The Contractor is responsible to furnish a payment/performance bond in the amount of $**XXX,XXX.** The performance bonds may be in the form of a bond executed by a surety (insurance) company authorized by the Texas Insurance Commission. The performance bond may also be in the form of a certified check upon a state or national bank or trust company. All such checks and certificates of deposits shall be drawn payable to the order of HCDE and delivered to HCDE prior to beginning work. The performance bond will be released upon acceptance of the work performed by the Director of XXXX and payment of the final invoice.

	The performance bond shall be issued for a period of time which shall be not be less than the length of the contract plus the number of months/days required to deliver any outstanding order after the close of the contract. Failure of Contractor to perform any services required by the contract within thirty (30) days of receipt of written demand for performance from the HCDE, or failure of Contractor to correct or replace defective goods or products within thirty (30) days from receipt of written demand therefore, may constitute a total breach of contract, and may cause contract to terminate. In the event of such termination the performance bond shall be retained by HCDE as liquidated damages, based upon mutual agreement and understanding between Contractor and HCDE at the time the contract is awarded.
Product Warranty/ Indemnification	Contractor warrants that is has good title or license to the **< Product >** provided to HCDE. Contractor further warrants that it has the right to license and does hereby license the use of **< Product >** to HCDE free of any proprietary rights, liens, or encumbrances of any other party. Contractor shall protect, hold harmless, and indemnifies HCDE from any and all claims, assessments, suits of law or in equity, expenses, attorneys' fees, and damages arising from Contractor's actual or alleged infringement of any U.S. or foreign patent, trademark, or copyright.
Publication Rights	**SAYING NO** Contractor is expressly forbidden to use any data generated within the Contractor's scope of services to HCDE without prior written consent by HCDE. **SAYING YES** Contractor may use data developed during the performance of the Contractor's scope of services to HCDE provided HCDE provides prior written consent.

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Purpose	HCDE agrees to retain Contractor and Contractor agrees to provide services to HCDE as **fill in the blank** and to perform the duties and all the necessary labor and resources needed to provide the services set forth in EXHIBIT A. Contractor shall also perform such other related services and duties as are customarily performed by all contractors in a similar position.
Recitals	HCDE is a governmental unit established to promote education in Harris County, Texas. Contractor is a _____(specify profession) duly authorized to provide such professional services in the State of Texas. Both HCDE and Contractor desire to set forth in writing the terms and conditions of their agreement. **OR**

	Therefore, HCDE engages the services of Contractor, and in consideration of the mutual covenants and conditions contained in this Contract and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound agrees as follows:
Review of Progress	HCDE reserves the right to monitor to progress of Contractor.
Scope of Work ***DO NOT REPEAT THESE INSTRUCTIONS IN YOUR CONTRACT. CUSTOMIZE THE WORDING TO PROVIDE THE SPECIFIC INFORMATION DEPENDING UPON THE PURPOSE OF YOUR CONTRACT.*** *Scope of Work can be a separate attachment/exhibit OR a paragraph in the contract.*	This clause **or** Exhibit includes a detailed scope of work that sets out the professional services, products, or outcomes that the Contractor agrees to provide. Exhibit A contains the objectives of what is to be accomplished, specific limitations, format of any report, the extent, if any, to which assistance from the HCDE staff is required (and the conditions for such assistance), firm or estimated time schedules, submission of progress reports, identification of key personnel (and anticipated supporting personnel), equipment and facilities to be utilized, expenses Contractor expects to incur and for which Contractor expects to seek reimbursement from HCDE, fees and/or billing rates Contractor expects to charge HCDE, and (if applicable) the names of any subcontractors.
Services to be Provided	The Contractor shall provide services specified in the < Agreement > and personnel necessary to furnish said services contingent on it acquiring and maintaining sufficient staffing through reasonable efforts to satisfy its obligations under this < Agreement >.

CLAUSE/*DESCRIPTION*	**SAMPLE WORDING**
Severability	In the event that any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Contract shall be construed as if such invalid, illegality, or unenforceable provision had never been contained in it.
Signature	In witness whereof, HCDE and Contractor have executed this Contract to be effective on the date specified in Term above: **Contractor** HCDE Name **Fill In Name of Co/Contractor** Harris Co. Dept. of Education By: **Signature** By: _____

	Title: **Fill In Title** **Address** **City, State and Zip Code** **Telephone/FAX Number**	Title: _____ 6300 Irvington Blvd. Houston, Texas 77022 713-696-8250/713-696-0740
Sole Agreement	This Contract is the sole agreement by which the above parties will abide relative to the purpose(s) of this Contract.	
Term	This Contract is effective as of < **BEGINNING DATE** >, and shall continue in effect until < **ENDING DATE >**, (the "Term"). HCDE may elect to extend the Contract upon mutual written agreement with Contractor. All Contract extensions shall be subject to the terms and conditions specified herein. At the sole discretion of HCDE, the Contract may be renewed for an additional < **ONE, TWO or THREE YEARS >** with the authorization of the < **BOARD OF TRUSTEES, SUPERINTENDENT >.** In the event that the option to renew is exercised, HCDE will notify the Contractor < **number of days/months** > prior to the date the option will commence.	

CLAUSE/*DESCRIPTION*	SAMPLE WORDING
Termination *Not ALL this verbiage is required. Ask Business Services for assistance.*	Either party for any reason upon thirty (30) days written notice may terminate this Contract without cause. **OR** HCDE may, by written notice, terminate this Contract if Contractor has defaulted in whole or in part, refuses or fails to comply with provisions of the Contract, fails to make progress and does not cure such failure after written notice within a reasonable period of time, or fails to perform the services within the time period specified or any written extension thereof. In such event, HCDE may obtain comparable services elsewhere and either deduct the costs of obtaining such services from any from any amount owed Contractor or Contractor shall reimburse HCDE for such costs incurred by HCDE. **OR** This Contract may be terminated prior to the expiration of the term hereof as follows: • By Contactor upon 30 days notice if the work/service is not provided in a satisfactory and proper manner after a remedy has been reported and discussed; • By mutual written agreement of the parties, upon thirty (30) days prior notice; • By either party immediately if the other party commits a material breach of any of the terms of this Contract and no remedial action can be agreed upon by the parties. **AND** If this Contract is terminated prior to the term date, and the Contractor has paid in full, HCDE will refund a prorated amount of the prepaid amount. **OR** If this Contract is terminated prior to the term date, and the Contractor has paid in full, no refund will be forthcoming. **OR** HCDE will be responsible for payment of services that have been accepted by HCDE up to the termination date.
No Third-Party Beneficiary Clause	Neither this Contract, nor any term or provision hereof, nor any inclusion by reference shall be construed as being for the benefit of any party not in signatory hereto.
Venue	The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Contract shall be in Harris County, Texas. (May be combined with Governing Law.)

CONTRACTOR AGREEMENT
BETWEEN
HARRIS COUNTY DEPARTMENT OF EDUCATION AND
[ENTER CONTRACTOR]

This Contractor Agreement ("Agreement") is made and entered into as of the _____ day of _____, 201__, by and between Harris County Department of Education, a county school district located at 6300 Irvington Boulevard, Houston, Texas 77022 ("HCDE") and **[ENTER CONTRACTOR]**, located at **[ENTER CONTRACTOR'S ADDRESS]** ("Contractor"). HCDE and Contractor are sometimes referred to as "Parties" or either may singularly be referred to as "Party."

WITNESS THAT:

WHEREAS, Contractor was selected by HCDE and awarded Job/RFP No. **[ENTER]**, to perform **[ENTER]** services;

WHEREAS, HCDE desires to contract with Contractor for **[ENTER]**, in the total amount of **[ENTER]**; and

WHEREAS, the Parties desire to set forth the terms and conditions of their Agreement herein.

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and obligations of the Parties set forth in the Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound do hereby agree as follows:

1. **Agreement Documents:** The Agreement shall include the following Agreement Documents: (1) the body of this Agreement; (2) the Exhibits attached to this Agreement; (3) the Construction Documents, if any, as defined herein; and (4) Valid Amendments made in accordance with Article 36.

2. **Definitions:** As used in the Agreement, the following terms shall have the meanings set forth below:

a) The word "furnish" shall mean "to supply and deliver to the Project Site, ready for installation".
b) The word "install" shall mean "to place in position for service or use".
c) The word "provide" shall mean "to furnish and install, complete and ready for intended use".
d) The term "Architect" shall mean the architect, if any, retained by HCDE in connection with the Project. If an Architect is retained by HCDE, the Architect will have the authority to act on behalf of HCDE only to the extent provided in the Agreement.
e) The term "Construction Documents" means any drawings, plans, specifications, or other construction documents prepared by, or approved in writing by, HCDE relating to the Project, and any Valid Amendments thereto. Construction Documents do not include drawings, samples, plans, specifications drafted by or for Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier, or distributor to illustrate some portion of the Work.
f) The term "Contract Time" means the period of time, including authorized adjustments, allotted in the Agreement for Substantial Completion of the Work.
g) The term "day" means a calendar day, including Saturday, Sunday, and holidays, unless otherwise specifically defined.

h) The term "Project" means **[ENTER]**.

i) The term "Project Site" means any physical location or locations where the Work is to be performed, including HCDE premises, any Work storage, parking, mobilization, or staging areas used to support the Work or perform any part of the Work.

j) The term "Subcontractor" means a person or entity that has a direct contract with Contractor to perform a portion of the Work. The term "Subcontractor" is referred to throughout the Agreement as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include any contractor who has a direct contract with HCDE (a "Separate Contractor") or any subcontractors of a Separate Contractor.

k) The term "Sub-subcontractor" means a person or entity that has a direct or indirect contract with a Subcontractor to perform a portion of the Work. The term "Sub-subcontractor" is referred to throughout the Agreement as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

l) The term "Substantial Completion" means the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Agreement such that HCDE can occupy or utilize the Work for its intended use.

m) The term "Valid Amendment" means those supplements, amendments, changes, or modifications to the Agreement Documents that are made in accordance with Article 36.

n) The term "Work" means the doing of all things described in, and all tasks reasonably related to the construction, work, and services required by the Agreement, whether completed or partially completed, and includes all other labor, materials, resources, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations under Article 3. The Work may constitute the whole or a part of the Project and includes all supplies, skill, supervision, transportation services, and other facilities and things necessary, proper, or incidental to the carrying out and completion of the terms of the Agreement and all other items of cost or value needed to produce, construct, and fully complete the Scope of Work.

Technical terms not defined in the Agreement shall have the meanings given in AIA "Glossary of Construction Industry Terms" 1991 Edition. Technical terms not defined in the Glossary and used to describe items of Work and which so applied have a well known technical or trade meaning, shall be held to have such recognized meaning.

3. **Scope of Work:** Contractor agrees to perform the following Scope of Work for HCDE:
[ENTER DETAILED SCOPE OF WORK]

3.1 Contractor shall confine operations at the Project Site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, lawful orders of public authorities, and the Agreement, and shall not unreasonably encumber the Project Site.

3.2 Contractor shall be responsible for any cutting, fitting, or patching required to complete the Work or to make parts of the Work fit together properly. All areas requiring cutting, fitting and patching shall be restored to the condition existing prior to the cutting, fitting, and patching, unless otherwise required by the Construction Documents.

Contractor shall not damage or endanger a portion of the Work or fully or partially completed construction of HCDE or Separate Contractors by cutting, fitting, patching or otherwise altering such

construction, or by excavation. Contractor shall not cut or otherwise alter such construction by HCDE or a Separate Contractor, except with written consent of HCDE and of such Separate Contractor, which consent shall not be unreasonably withheld. Contractor shall not unreasonably withhold from HCDE or a Separate Contractor the Contractor's consent to cutting or otherwise altering the Work.

3.3 Contractor stipulates and agrees that HCDE has no duty to discover any design errors or omissions in any drawings, plans, specifications, or other Construction Documents and has no duty to notify Contractor of same. By entering into any agreement with an Architect, HCDE does not warrant the adequacy or accuracy of any drawings, plans, specifications, or other Construction Documents.

Contractor shall maintain at the Project Site for HCDE one complete copy of the Agreement Documents, in good order and marked currently to indicate field changes and selections made during construction. These shall be available to HCDE upon completion of the Work as a record of the Work as constructed.

4. **Contractor's Representations and Warranties:** In addition to other representations and warranties contained in the Agreement, Contractor represents and warrants the following to HCDE:

a) that Contractor shall perform all of the Work in a good and workmanlike manner and in accordance with the requirements of the Agreement and standard industry practices;
b) that Contractor is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to complete the Work and to perform its obligations under the Agreement;
c) that Contractor is able to and will furnish all necessary and available resources, including the tools, materials, supplies, equipment, and labor required to timely complete the Work and to perform its obligations hereunder;
d) that Contractor has, and acknowledges that HCDE is relying on Contractor's representation that it has, sufficient experience and competence to perform the Work;
e) that Contractor is authorized to do business in the State of Texas and properly licensed by all necessary governmental, public, and quasi-public authorities having jurisdiction over Contractor, the Work, or the Project Site;
f) that the execution of the Agreement and Contractor's performance thereof are within Contractor's duly-authorized powers;
g) that the execution of the Agreement by Contractor is a representation that Contractor has visited the Project Site, become familiar with local conditions under which the Work is to be performed, and correlated personal observations with requirements of any Construction Documents. Contractor shall not be entitled to additional compensation for any additional work caused by its failure to carefully study or compare the Construction Documents prior to execution of the Work;
h) that materials and equipment furnished under the Agreement will be of good quality and new unless the Construction Documents require or permit otherwise. Contractor further warrants that the Work will conform to the requirements of the Agreement and will be free from defects, except for those inherent in the quality of the Work any Construction Documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. Contractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by HCDE or HCDE's consultants, including any Architect HCDE may retain for the Project, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and

equipment;

i) that the services of any Subcontractors or any Sub-subcontractors will conform to the representations and warranties set out above; and

j) that Contractor will replace, repair, or re-perform Work at its sole expense until the Work meets the warranties set out above.

5. **Supervision and Construction Procedures:**

5.1 Contractor shall supervise and direct the Work, using Contractor's best skill and attention. Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Agreement, unless otherwise stated in the Agreement. If the Agreement gives specific instructions concerning construction means, methods, techniques, sequences or procedures, Contractor shall evaluate the Project Site safety thereof and, except as stated below, shall be fully and solely responsible for the Project Site safety of such means, methods, techniques, sequences or procedures. If Contractor determines that such means, methods, techniques, sequences or procedures may not be safe, Contractor shall give timely written notice to HCDE and shall not proceed with that portion of the Work without further written instructions from HCDE. If Contractor is then instructed to proceed with the required means, methods, techniques, sequences or procedures without acceptance of changes proposed by Contractor, HCDE shall be solely responsible for any loss or damage arising solely from those HCDE-required means, methods, techniques, sequences or procedures.

5.2 Contractor shall be responsible to HCDE for acts and omissions of Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, Contractor or any of its Subcontractors.

5.3 Contractor shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

5.4 Contractor shall plan the sequence of operations for, and coordinate the routing of, any mechanical and electrical work, including both horizontal and vertical control.

5.5 Contractor shall, prior to constructing any concrete form work or excavation, verify the location and elevation of all existing improvements and grades that control or impact finish floor elevation and all flow lines of sanitary and storm sewers, gutters, ditches, roads, and depth of buried utilities shown in any Construction Documents and report to HCDE any discrepancies between documented locations and elevations and actual locations and elevations as found by Contractor, and request directions. To the extent that any portion of the Work requires a trench excavation exceeding five (5) feet in dept, in accordance with Texas Health and Safety Code Section 756.023(a). Contractor shall fully comply, and shall require any applicable Subcontractor to comply, with:

a) The Occupational Safety and Health Administration standards for trench safety in effect for the construction of the Work.

b) The special shoring requirements, if any, of HCDE; and

c) Any geotechnical information obtained by HCDE for use by the Construction manager in the design of the trench safety system.

d) Trench excavation safety protection shall be a separate pay item, subject to Article 36, and shall be based on linear feet of trench excavated. Special shoring requirements shall also be a separate pay item, subject to Article 36, and shall be based on the square feet of shoring used.

6. **Labor and Materials:**

6.1 Unless otherwise provided in the Agreement, Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.

6.2 Contractor may make substitutions in the Work only with the consent of HCDE, after evaluation by HCDE and any consultant of HCDE and in accordance with a Change Order pursuant to Article 36.

7. **Contractor's Employees and Subcontractors:**

7.1 Contractor shall enforce strict discipline and good order among Contractor's employees and other persons carrying out the Work. Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

7.2 Contractor, Contractor's Subcontractors and Sub-subcontractors shall pay all workers not less that the general prevailing rate of the per diem wages for work of a similar character where the Project is located, as detailed in Exhibit A attached hereto and incorporated herein, and any applicable fringe benefits. The Project **[DOES / DOES NOT]** involve federal funds. Wages listed are minimum rates only. However, no claim for additional compensation above the Contract Sum shall be considered by HCDE because of payment of wage rate in excess of the applicable rate provided herein. Contractor and all Subcontractors shall comply with all state and federal laws including, but not limited to, laws of labor, minimum wage, safety, and equal employment opportunity.

7.3 Contractor shall obtain all criminal history information required by Texas Education Code Chapter 22 regarding its "covered employees", as defined below. If Contractor is required by Chapter 22 to obtain the information from the fingerprint-based Applicant Clearinghouse of Texas, then Contractor will subscribe to that person's criminal history record information. Before beginning any Work on the Project, Contractor will provide written certification to HCDE that Contractor has complied with the statutory requirements as of that date. Upon request by HCDE, Contractor will provide, in writing: updated certifications and the names and any requested information regarding covered employees, so that HCDE may obtain criminal history record information on the covered employees. Contractor shall assume all expenses associated with obtaining criminal history record information.

a) For the purposes of this Section, "covered employees" means employees, agents or Subcontractors of Contractor or any Sub-subcontractor who has or will have continuing duties related to the services to be performed on HCDE's Project and has or will have direct contact with HCDE's students. HCDE will decide what constitutes direct contact with its students. "Disqualifying criminal history" means any conviction or other criminal history information designated by HCDE, or one of the following offenses, if at the time of the offense, the victim was under 18 years of age or enrolled in a public school; a felony offense under Texas Penal Code Title 5 Offenses Against Persons; an offense for which a defendant is required to register as a sex offender under Texas Code of Criminal Procedure Chapter 62; or an equivalent offense under federal law or the laws of another state.

b) Contractor is expressly prohibited from allowing anyone who has a disqualifying criminal history onto the Project Site/to perform any of the Work.

7.4 HCDE may demand that Contractor immediately remove any employee, agent, or Subcontractor of Contractor who has been convicted of a felony or misdemeanor involving moral turpitude from HCDE's property or location where students are likely to be present. HCDE may also demand that Contractor immediately remove any employee, agent, or Subcontractor of Contractor who has engaged in harassing or criminal behavior from HCDE's property or location where students are likely to be present.

7.5 By appropriate agreement, written where legally required for validity, Contractor shall require each Subcontractor, to the extent of the Work to be performed by the Subcontractor, to be bound to Contractor by terms of the Agreement, and to assume toward Contractor all the obligations and responsibilities, including the responsibility for safety of the Subcontractor's Work, which Contractor, by the Agreement, assumes toward HCDE. Each subcontract agreement shall preserve and protect the rights of HCDE with respect to the Work to be performed by the Subcontractor so that subcontracting thereof will not prejudice such rights, and shall allow to the Subcontractor, the benefit of all rights, remedies and redress against Contractor that Contractor, by the Agreement, has against HCDE. Where appropriate, Contractor shall require each Subcontractor to enter into similar agreements with Sub-subcontractors. Contractor shall make available to each proposed Subcontractor, prior to the execution of the subcontract agreement, copies of the Agreement to which the Subcontractor will be bound, and, upon written request of the Subcontractor, identify to the Subcontractor terms and conditions of the proposed subcontract agreement that may be at variance with the Agreement. Subcontractors will similarly make copies of applicable portions of such documents available to their respective proposed Sub-subcontractors.

8. **Construction by HCDE or by Separate Contractors:**

8.1 HCDE reserves the right to perform construction or operations related to the Project with HCDE's own forces, and to award separate contracts in connection with other portions of the Project or other construction or operations on the Project Site under terms and conditions of the Agreement identical or substantially similar to these, including those portions related to insurance and waiver of subrogation.

8.2 HCDE shall provide for coordination of the activities of HCDE's own forces and of each Separate Contractor with the Work of Contractor, who shall cooperate with them. Contractor shall participate with other Separate Contractors and HCDE in reviewing their construction schedules. Contractor shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by Contractor, Separate Contractors and HCDE until subsequently revised.

8.3 Contractor shall afford HCDE and Separate Contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Contractor's construction and operations with theirs as required by the Agreement.

8.4 If part of Contractor's Work depends for proper execution or results upon construction or operations by HCDE or a Separate Contractor, Contractor shall, prior to proceeding with that portion of the Work, promptly report to HCDE apparent discrepancies or defects in such other construction that would render it unsuitable for such proper execution and results. Failure of Contractor so to report shall constitute an acknowledgment that HCDE's or Separate Contractor's completed or partially completed construction is fit and proper to receive Contractor's Work, except as to defects not then reasonably discoverable by Contractor upon inspection.

8.5 Contractor shall reimburse HCDE for costs HCDE incurs that are payable to a Separate Contractor because of Contractor's delays, improperly timed activities, or defective construction.

8.6 Contractor shall promptly remedy damage Contractor wrongfully causes to completed or partially completed construction or to property of HCDE or Separate Contractors.

9. **Clean-up:** Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Agreement. At completion of the Work, Contractor shall remove waste materials, rubbish, Contractor's tools, construction equipment, machinery and surplus materials from and about the Project. Upon completion of the Work, Contractor shall provide final clean-up of all surfaces, without limitation, including but not limited to cleaning all surfaces, removing any adhesives and stickers, removing all trash and debris, and the like. If Contractor fails to clean up as provided in the Agreement, HCDE may cleanup and HCDE shall be entitled to reimbursement from Contractor.

10. **Access to the Work:** HCDE is not required to make any inspections to check the quality or quantity of the Work. However, Contractor shall provide HCDE and HCDE's consultants, including but not limited to any Architect retained by HCDE, access to the Work in preparation and progress wherever located. Neither the exercise of such access rights by HCDE, nor the failure on the part of HCDE to discover or reject non-conforming Work shall be deemed an acceptance of such non-conforming Work or a waiver of any rights under the Agreement.

11. **Contract Sum:** In exchange for Contractor's complete performance of its obligations under the Agreement, HCDE shall pay to Contractor the total sum of **[ENTER TOTAL DOLLAR AMOUNT]** (the "Contract Sum"). The Contract Sum covers the cost to Contractor of all materials and equipment necessary for the Work and all required taxes, less applicable trade discounts, Contractor's reimbursable bond costs, and Contractor's costs for unloading and handling at the Project Site, labor, installation costs, overhead, profit and other expenses associated with the Work. The Contract Sum is the total amount payable by HCDE to Contractor for performance of the Work under the Agreement.

12. **Progress Payments and Contractor's Statements:**

12.1 HCDE agrees to make progress payments on account of the Contract Sum due Contractor, based on the percentage of Work completed by Contractor as follows:

a) Not later than forty-five (45) days from the date HCDE receives Contractor's Statement, ninety-five percent (95%) of the undisputed portion of the Contract Sum properly allocable to labor, materials, and equipment incorporated in the Work and ninety-five percent (95%) of the undisputed portion of the Contract Sum properly allocable to materials and equipment suitably stored at the Project Site or at some other location agreed upon in writing, for the period covered by the Application for Payment, less the aggregate of previous payments made by HCDE.

b) Upon Substantial Completion of the entire Scope of Work, a sum sufficient to increase the total payments to ninety-five percent (95%) of the Contract Sum, less such amounts as HCDE shall determine for all incomplete Work and unsettled claims as provided in the Agreement

Contractor will furnish HCDE an itemized statement of completed portions of the Work and request payment therefore ("Statement"). Such Statement shall be supported by such data substantiating Contractor's right to payment as HCDE may require, such as copies of requisitions from Subcontractors

and material suppliers, and shall reflect retainage if provided for in the Agreement.

12.2 Contractor warrants that title to all Work covered by a Statement will pass to HCDE no later than the time of payment. Contractor further warrants that upon submittal of a Statement all Work submitted on a previous Statement and payments received from HCDE shall, to the best of the Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of Contractor, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the Work.

12.3 HCDE has the right to request written evidence from Contractor that Contractor has properly paid Subcontractors and material and equipment supplier's amounts paid by HCDE to Contractor for subcontracted Work. If Contractor fails to furnish such evidence within seven days, HCDE shall have the right to contact Subcontractors to ascertain whether they have been properly paid. HCDE shall not have an obligation to pay or to see to the payment of money to a Subcontractor, except as may otherwise be required by law.

12.4 A progress payment, or partial or entire use or occupancy of the Project by HCDE shall not constitute acceptance of Work not in accordance with the Agreement.

12.5 Unless Contractor provides HCDE with a payment bond in the full penal sum of the Contract Sum, payments received by Contractor for Work properly performed by Subcontractors and suppliers shall be held by Contractor for those Subcontractors or suppliers who performed Work or furnished materials, or both, under contract with Contractor for which payment was made by HCDE.

13. **Retainage:** HCDE shall withhold from payment(s) to Contractor a retainage of five percent (5%). The retainage shall be paid to Contractor upon Final Completion of the Work. Completion of the Work shall be considered final upon written approval by HCDE's designated representative.

14. **Taxes:** Contractor shall pay sales, consumer, use and similar taxes for the Work provided by Contractor that are legally enacted when the Agreement is executed, whether or not yet effective or merely scheduled to go into effect.

HCDE is exempt from the Texas Sales Tax on any purchase, lease or rental of tangible personal property and will issue Certificates of Exemption from the Texas State Sales Tax on materials furnished by Contractors on School Construction projects. Contractor shall abide by the sales tax exemption.

15. **Permits, Fees, Notices, and Compliance with Laws**

15.1 Unless otherwise provided in Agreement, Contractor shall secure and pay for any building permits as well as for other permits, fees, licenses, and inspections by government agencies necessary for proper execution and completion of the Work that are customarily secured after execution of the Agreement and legally required at the time the Agreement is executed.

a) HCDE shall pay directly to the governing authority the cost of any permanent property utility assessments and similar utility connection charges including domestic water line and irrigation meter costs, fire vaults, and development fees.

b) Contractor shall pay any temporary utility charges and inspection fees, unless specifically indicated otherwise herein. Contractor shall be responsible for obtaining all necessary permits and inspections.

15.2 Contractor shall comply with, and takes full responsibility for complying with, safety rules, guidelines, standards, and requirements promulgated by the Occupational Safety and Health Administration (OSHA) applicable to the Project. Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the performance of the Agreement. Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities bearing on safety of persons or property or their protection from damage, injury or loss. Contractor shall erect and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations and notifying owners and users of adjacent sites and utilities. Contractor is responsible for compliance with any requirements included in the Agreement regarding hazardous materials.

15.4 If Contractor performs any portion of the Work contrary to applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, Contractor shall assume appropriate responsibility for such Work and shall bear the costs attributable to correction.

15.5 **Concealed or Unknown Conditions:** If Contractor encounters conditions at the Project Site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in any Construction Documents or (2) unknown physical conditions of an unusual nature, that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in any Construction Documents, Contractor shall promptly provide notice to HCDE before conditions are disturbed and in no event later than 21 days after first observance of the conditions. HCDE will promptly investigate such conditions and, if HCDE determines that they differ materially and cause an increase or decrease in Contractor's cost of, or time required for, performance of any part of the Work, will negotiate an equitable adjustment in the Contract Sum or Contract Time, or both, with Contractor in accordance with Article 36. If HCDE determines that the conditions at the Project Site are not materially different from those indicated in the Construction Documents and that no change in the terms of the Agreement is justified, HCDE will promptly notify Contractor, in writing.

16. **Intellectual Property:** Contractor shall pay all royalties and license fees. Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold HCDE harmless from loss on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by Construction Documents, or where the copyright violations are contained in Construction Documents or other documents prepared by or for HCDE. However, if Contractor has reason to believe that the required design, process or product is an infringement of a copyright or a patent, Contractor shall be responsible for such loss unless such information is promptly furnished to HCDE.

17. **Construction Schedule:** Contractor has prepared and submitted a Contractor's construction schedule for the Work, attached hereto and incorporated herein as Exhibit B ("Construction Schedule"). The schedule shall be revised at appropriate intervals, in accordance with Article 36, as required by the conditions of the Work and Project, shall be related to the entire Project to the extent required by the Construction Documents, and shall provide for expeditious and practicable execution of the Work. Contractor shall perform the Work in general accordance with the Construction Schedule. Contractor shall submit to HCDE updated construction schedules as necessary to reflect appropriate schedule revisions and shall take whatever action is necessary and within its control to assure that the Project completion schedule is met.

18. **Professional Services:** Contractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Construction Documents for a portion of the Work or unless Contractor needs to provide such services in order to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of Contractor by the Construction Documents, HCDE and HCDE's Architect, if any, will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, and other documents prepared by such professional. HCDE shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals, provided HCDE has specified to Contractor all performance and design criteria that such services must satisfy.

19. **Priority of Documents:** The Agreement shall prevail in case of an inconsistency among the Agreement, Job No. **[ENTER]**, or Contractor's response to Job No. **[ENTER]**. Job No. **[ENTER]** shall prevail in case of an inconsistency with Contractor's response to Job No. **[ENTER]**. In the case of an inconsistency between the Agreement and Contractor's response to Job No. **[ENTER]** not clarified by a Valid Amendment, Contractor is deemed to have included the better quality or greater quantity of Work in the Contract Sum.

In the case of an inconsistency among the body of this Agreement (including Valid Amendments thereto), the accompanying Exhibits (including Valid Amendments thereto), and the Construction Documents (including Valid Amendments thereto), the provisions of the body of this Agreement shall control.

In the case of an inconsistency between the provisions of the Agreement and any Change Order not in accordance with Article 36, Contractor's work ticket, invoice, statement, purchase order, published rate schedule, or any other type of memoranda between HCDE and Contractor pertaining to the subject matter in the Agreement, the provisions of the Agreement (including Valid Amendments thereto) shall control.

Nothing in this Article prohibits Valid Amendments to be made in accordance with Article 36.

20. **Ownership of Construction Documents:** HCDE and/or HCDE's consultants, including but not limited to any Architect retained by HCDE, shall be deemed the authors and owners of their respective Construction Documents and will retain all common law, statutory and other reserved rights, including copyrights. Contractor, any Subcontractors, Sub-subcontractors, and material or equipment suppliers shall not own or claim a copyright in the Construction Documents. Submittal or distribution to meet official regulatory requirements or for other purposes in connection with the Agreement and the Work is not to be construed as publication in derogation of HCDE's and/or HCDE's consultants' reserved rights.

Contractor, any Subcontractors, Sub-subcontractors and material or equipment suppliers are authorized to use and reproduce the Construction Documents provided to them solely and exclusively for execution of the Work. All copies made under this authorization shall bear the copyright notice, if any, shown on the Construction Documents. Contractor, any Subcontractors, Sub-subcontractors, and material

or equipment suppliers may not use the Construction Documents on other projects or for additions outside the scope of the Work without the specific written consent of HCDE and HCDE's consultants.

21. **HCDE's Right to Stop the Work and Right to Carry Out the Work:**

21.1 HCDE may temporarily stop the Work, at any time, for HCDE's convenience and without cause, for a period not to exceed two (2) weeks, upon three (3) days written notice to Contractor. The Work may be temporarily stopped for a period longer than two (2) weeks by a Valid Amendment in accordance with Article 36. If the Work is temporarily stopped at HCDE's request, the Contract Time shall be adjusted accordingly in accordance with Article 36.

21.2 If Contractor fails to correct Work that is not in accordance with the requirements of the Agreement or repeatedly fails to carry out Work in accordance with the Agreement, HCDE may issue a written order to Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of HCDE to stop the Work shall not give rise to a duty on the part of HCDE to exercise this right for the benefit of Contractor or any other person or entity, except as may otherwise be provided in the Agreement.

21.3 If Contractor defaults or neglects to carry out the Work in accordance with the Agreement and fails, within a ten-day period after receipt of written notice from HCDE, to commence and continue correction of such default or neglect with diligence and promptness, HCDE may, without prejudice to other remedies HCDE may have (including, but not limited to, termination of the Agreement), correct such deficiencies. In such case, an appropriate Change Order shall be issued, in accordance with Article 36, deducting from payments then or thereafter due Contractor the reasonable cost of correcting such deficiencies, including HCDE's expenses and compensation for additional services, if any, by HCDE's consultants, including but not limited to an Architect retained by HCDE, made necessary by such default, neglect or failure. If payments then or thereafter due Contractor are not sufficient to cover such amounts, Contractor shall pay the difference to HCDE.

22. **HCDE's Right to Occupy**: HCDE and Contractor agree that HCDE may occupy or use, without prejudice to the right of either Party, any completed or largely completed portions of the Project, notwithstanding the time for completing the entire Work or such portions may not have expired. Such beneficial occupancy and use shall not constitute Substantial Completion or HCDE's acceptance of any work not in accordance with the Agreement.

23. **Date of Commencement:** The date of commencement of the Work is **[ENTER]** Contractor shall not knowingly, except by agreement or instruction of HCDE in writing in accordance with Article 36, prematurely commence operations on the Project Site or elsewhere prior to the effective date of insurance required by Article 27 to be furnished by Contractor. The date of commencement of the Work shall not be changed by the effective date of such insurance.

24. **Date of Substantial Completion: [ENTER]. The Date of Final Completion is thirty (30) days after Substantial Completion.**

24.1 Time limits stated in the Agreement are of the essence of the Agreement. By executing the Agreement, the Contractor confirms that the Contract Time is a reasonable period for performing the Work. Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion and Final Completion within the Contract Time.

24.2 HCDE and Contractor agree that Contractor's failure to meet the deadlines established in

the Agreement will cause damage to HCDE, but such damage is difficult to establish. It is therefore expressly agreed, as a part of the consideration inducing HCDE to execute the Agreement, that Contractor's failure to achieve Substantial Completion and Final Completion by the agreed dates shall result in liquidated damages in the amount of $100.00 per day for each and every day after the date of which Substantial Completion and Final Completion are to occur until Substantial Completion and Final Completion are achieved. Contractor agrees that HCDE may deduct liquidated damages from the final payment made to Contractor or from any compensation otherwise to be paid to Contractor. It is expressly understood that payment of liquidated damages in the amount of $100.00 per day is agreed upon as a fair estimate of the pecuniary damages which will be sustained by HCDE in the event that the Work is not substantially completed or finally completed within the agreed times, or within the legally extended times, if any, otherwise provided herein. Said sum shall be considered as liquidated damages only and in no sense shall be considered a penalty, said damage being caused by additional compensation to personnel, for loss of interest on money and other miscellaneous increased costs, all of which are difficult of exact ascertainment.

24.3 When Contractor considers that the Work, or a portion thereof, which HCDE agrees to accept separately, is substantially complete, Contractor shall prepare and submit to HCDE a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of Contractor to complete all Work in accordance with the Agreement.

24.4 When Contractor considers that the Work is Finally Complete, Contractor shall prepare and submit to HCDE written notice that the Contractor finds the Work to be Finally Complete. Completion of the Work shall be considered final only upon written approval of Final Completion and acceptance of the Work by HCDE's designated representative. Final payment of the Contract Sum, constituting the unpaid balance of the Contract Sum, shall not be paid until the Work has been finally completed and accepted by HCDE's designated representative, in writing. Final payment shall be paid by HCDE to Contractor within thirty (30) days of HCDE's approval of Final Completion and acceptance of the Work.

24.5 If HCDE disputes a portion of any payment due to Contractor under the Agreement, HCDE may withhold any such disputed amounts, without interest, for a period of forty-five (45) days after such payment would otherwise have been due to Contractor, as long as HCDE makes a reasonable attempt to resolve the dispute with Contractor. If, after such forty-five (45) day withholding period, HCDE continues to dispute any portion of the payment, HCDE may continue to withhold any such disputed amount until the dispute is resolved, except that, if HCDE is found to have wrongfully withheld such disputed amount, Contractor shall be entitled to interest on the wrongfully withheld amount from the original date that payment of such amount was due to Contractor until the date HCDE pays such amount to Contractor in full. The interest rate under this section may not exceed the Judgment Rate published by the Office of Consumer Credit Commissioner.

24.6 If, within one year after the date of Final Completion of the Work, any of the Work is found to be not in accordance with the requirements of the Agreement, Contractor shall correct it, at Contractor's sole cost and expense, promptly after receipt of written notice from HCDE to do so. HCDE shall give such notice promptly after discovery of the condition. If Contractor fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from HCDE, HCDE may correct it in accordance with Article 21. Nothing contained in this Article 24.5 shall be construed to establish a period of limitation with respect to other obligations Contractor has under the

Agreement. Establishment of the one-year period for correction of Work as described herein relates only to the specific obligation of Contractor to correct the Work, and has no relationship to the time within which the obligation to comply with the Agreement may be sought to be enforced, nor to the time within which proceedings may be commenced to establish Contractor's liability with respect to Contractor's obligations other than specifically to correct the Work.

25. **HCDE's Right to Terminate:** HCDE may terminate the Agreement, at any time, for HCDE's convenience and without cause upon thirty (30) days written notice to Contractor. If HCDE terminates the Agreement, Contractor shall only be paid for the Work actually performed prior to the effective date of the termination.

Upon receipt of written notice from HCDE of such termination for HCDE's convenience, Contractor shall immediately: (a) cease operations as directed by HCDE in the notice; (b) take actions necessary, or that HCDE may direct, for the protection and preservation of the Work; and (c) except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders. In case of such termination for the Owner's convenience, Contractor shall be entitled to receive payment for Work actually performed prior to the effective date of the termination.

26. **Payment and Performance Bonds:** Contractor shall furnish (1) a Statutory Performance Bond for contract amounts over $100,000.00 in an amount equal to One Hundred Percent (100%) of the Contract Sum as security for the faithful performance of the Agreement and (2) a Statutory Labor and Material Payment Bond for contract amounts over $25,000.00 in an amount not less than One Hundred Percent (100%) of the Contract Sum as security for the payment of all persons performing labor on the project under the Agreement and furnishing materials in connection with the Agreement. The Performance Bond and the Labor and Material Payment Bond may be in one or in separate instruments in accordance with local law and shall be delivered to HCDE not later than the date of execution of the Agreement. Contractor shall require the attorney-in-fact who executes the required bonds on behalf of the surety to affix thereto a certified and current copy of the power of attorney. The bonds shall be executed by a corporate surety in accordance with Texas Insurance Code 7.19-1.

27. **Insurance:**

27.1 At its sole cost and expense, Contractor shall purchase from and maintain, in a company or companies with not less than an "A" rating and meeting the minimum qualifications outlined in Texas Insurance Code § 3503.001 for insurance companies insuring work related to public entities, lawfully authorized to do business in the jurisdiction in which the Project is located, such coverage in the following limits, on an occurrence basis, with HCDE named as an additional insured, as follows:

a) Builders' risk insurance in Contractor's and HCDE's names against loss or damage by fire or storm on the entire Work, including structures as well as materials and equipment adjacent thereto intended for use on the Project, in the amount of one hundred percent (100%) of the value;
b) Workers' Compensation (with Waiver of subrogation to HCDE) Employer's Liability, including all states, U.S. Longshoremen, Harbor Workers and other endorsements, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, as required by statute and which meets the statutory requirements of Texas Labor Code Section 401.011(44) for all employees of Contractor providing services on the Project, for the duration of the Project Contractor shall comply with the requirements of Rule 28,

TAC Section 110.110, Reporting Requirements for Building or Construction Projects for Governmental Entities.

c) Public liability in limits of not less than $1,000,000;
d) Property damage in limits of not less than $1,000,000;
e) Statutory and Bodily Injury by Accident: $100,000 each employee. Bodily Injury by Disease: $500,000 policy limit $100,000 each employee;
f) Commercial General Liability Occurrence Form including, but not limited to, Premises and Operations, Products Liability Broad Form Property Damage, Contractual Liability, Personal and Advertising Injury Liability and where the exposure exists, coverage for watercraft, blasting collapse, and explosions, blowout, catering and underground damage.
    - $300,000 each occurrence Limit Bodily Injury and Property Damage combined
    - $300,000 Products-Completed Operations Aggregate Limit $500,000 per Job Aggregate
    - $300,000 Personal and Advertising Injury Limit
    - Bodily Injury liability of not less than $1,000,000
g) Automobile Liability Coverage
    - $300,000 Combined Liability Limits Bodily Injury and Property Damage Combined

27.2 All policies of insurance required of Contractor herein shall waive all rights of subrogation against HCDE, its officers, employees, and agents. All policies of insurance, including any renewals thereof, must specify that such coverage will not be canceled or materially changed without a minimum of thirty (30) days prior written notice to HCDE. HCDE shall be named as an "additional insured" on all insurance policies. Contractor shall furnish certified copies of original insurance policies to HCDE before any Work is started by Contractor.

27.3 The insurance requirements stated herein do not establish limits of Contractor's liability and are separate from and independent of any indemnification obligation of Contractor. HCDE reserves the right to require additional insurance from Contractor as HCDE deems necessary. Contractor shall also require that its Subcontractors provide evidence of insurance of the same types and amounts as Contractor herein, prior to conducting any Work on the Project.

27.4 HCDE and Contractor hereby mutually release each other (and their successors, assigns, subcontractors, agents, and employees) from liability and waive all right of recovery against the other for any loss or damage covered by their respective first party property insurance policies for all perils insured thereunder. In the event of such insured loss, neither Party's insurance company shall have a subrogated claim against the other.

27.5 If Contractor fails to obtain or maintain any of the required insurance coverage, HCDE may obtain and maintain such insurance, and Contractor shall reimburse HCDE for the actual cost of such insurance within thirty (30) days after receipt of HCDE's invoice or HCDE may offset such amount against any payment due Contractor.

28. **No Mechanics or Materials Liens:** Contractor hereby acknowledges that mechanics and materials liens are unavailable against a public entity, including HCDE.

29. **Relationship of Parties:** Contractor is engaged under the Agreement as an independent contractor and not as an agent or employee of HCDE. Contractor is not entitled to benefits of any kind to which HCDE's employees are entitled, including but not limited to unemployment compensation,

workers compensation, health insurance or retirement benefits. Contractor assumes full responsibility for payment of all federal, state and local taxes or contributions, including but not limited to, unemployment insurance, social security, Medicare and income taxes with respect to Contractor and Contractor's employees. The Agreement shall not be construed to create or imply any partnership or joint venture between the Parties hereto, nor shall it be construed or deemed an endorsement of a specific company or product. The Agreement does not authorize either Party to serve as the legal representative or agent of the other. Neither Party has any right or authority to assume, create, or incur any liability or any obligation of any kind, express or implied, against or in the name of or on behalf of the other Party.

30. **Indemnity:** **CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HCDE, HCDE'S CONSULTANTS, AGENTS, AND EMPLOYEES HARMLESS FROM ANY AND ALL LOSS, EXPENSE, COST OR LIABILITY (INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES), ARISING FROM ANY CLAIM OR CAUSE OF ACTION FOR ANY LOSS OR DAMAGE CAUSED BY OR ARISING FROM THE PERFORMANCE OF CONTRACTOR'S OBLIGATIONS UNDER THE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, THE CONDUCT OF CONTRACTOR'S EMPLOYEES, SUBCONTRACTORS, SUB-SUBCONTRACTORS OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THEM. IN CASE OF ANY SUCH CLAIM, CONTRACTOR, UPON NOTICE FROM HCDE, COVENANTS TO DEFEND ANY SUCH ACTION OR PROCEEDING, EVEN IF SUCH ACTION OR PROCEEDING ALLEGES THAT THE LOSS OR DAMAGE WAS CAUSED BY HCDE'S NEGLIGENCE.**

In claims against any person or entity indemnified under this Article by an employee of Contractor, a Subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, the indemnification obligation under this Article shall not be limited by a limitation on amount or type of damages, compensation or benefits payable by or for Contractor or a Subcontractor under workers' compensation acts, disability benefit acts or other employee benefit acts.

31. **Antitrust Violations:** To permit HCDE to recover damages suffered in antitrust violations, the Agreement must include the following wording, "Contractor hereby assigns to [HCDE] any and all claims for overcharges associated with this contract which arise under the antitrust laws of the United States, 15 U.S.C.A. Section 1 et.seq. (1973)," and HCDE hereby incorporates such language into the Agreement. Contractor shall include this provision in its agreements with each Subcontractor and supplier. Each Subcontractor shall include such provisions in agreements with Sub-subcontractors and suppliers.

32. **Notices:** All notices, consents, and requests ("Notices") provided to be given under the Agreement shall be given by hand-delivery, certified mail or registered mail, addressed to the proper Party, at the addresses indicated at the bottom of the Agreement. Notices shall be deemed to have been duly served if delivered in person to the designated representative of the Party; or if delivered at, or sent by registered or certified mail or by courier service providing proof of delivery to, the address of the Party as listed below. Notices are effective upon receipt. Each Party may change the address at which Notices may be sent to that Party by giving advance written notice of such change to the other Party by certified mail, return receipt requested.

33. **Compliance With Laws:** Contractor agrees that it will, in its performance of its obligations hereunder, fully comply with all applicable laws, regulations and ordinances of all relevant authorities, including but not limited to those pertaining to safety, and shall obtain all licenses, registrations or other

approvals required in order to fully perform its obligations hereunder. Contractor represents and warrants that all improvements made to the property shall comply with the Americans with Disabilities Act and all other applicable codes, regulations and laws.

34. **No Waiver:** No action or failure to act by HCDE or Contractor shall constitute a waiver of a right or duty afforded either Party under the Agreement, including, but not limited to, the requirements of Article 36, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing, signed by both Parties. The waiver by any Party of any right, obligation, or breach of the Agreement shall not be construed as a waiver of any other or subsequent right, obligation, or breach.

35. **No Third Party Beneficiaries:** The Agreement Documents, or any term or provisions thereof or any inclusion by reference, shall not be construed as being for the benefit of any party not in signatory thereto. No person, other than the Parties, is entitled to rely on any representation, warranty, covenant, or agreement contained herein.

36. **Amendment:** The Agreement may not be supplemented, amended, changed, or otherwise modified , except by a Valid Amendment, which requires an instrument in writing, to be attached to and incorporated in the Agreement in the form of either (1) a formal written amendment to the Agreement Documents signed and delivered by duly authorized representatives of both Parties hereto, or (2) a Change Order, issued by HCDE or its authorized representative, as provided in this section. The Agreement may not be supplemented, amended, changed, or otherwise modified by conduct of either Party, custom, usage of trade, or course of dealing.

36.1 **Change Orders:** If HCDE desires to increase the Scope of Work, the Parties will execute a written Change Order, signed by duly authorized representatives of both Parties hereto, increasing the Scope of Work and adjusting the Contract Sum and/or the Contract Time as mutually agreed by the Parties. In the event that HCDE desires to reduce the Scope of Work, HCDE may unilaterally issue a Change Order, signed by a duly authorized representative of HCDE only, reducing the Scope of Work and adjusting the Contract Sum and/or the Contract Time. If HCDE issues a Change Order reducing the Scope of Work, Contractor is entitled to payment for the portion of the deleted Work actually performed, if any, prior to the effective date of the Change Order. The Parties agree that in no event shall the action or failure to act by HCDE or Contractor constitute a waiver of requirements of this section, except as provided by Article 34.

In accordance with Texas Local Government Code § 271.060, the original Contract Sum may not be increased by more than twenty-five percent (25%). The original Contract Sum may not be decreased by more than twenty-five percent (25%) without the consent of Contractor.

36.2 Adjustments in Excess of $25,000: Contractor hereby acknowledges that any Valid Amendment in which the Contract Sum is adjusted by more than $25,000 shall require approval of HCDE's Board of Trustees, in accordance with HCDE's Policy CV (Local). The submission of Valid Amendments on a component basis, with the intention of circumventing the requirement of Board approval for Valid Amendments in excess of $25,000 is prohibited.

37. **HCDE's Right to Audit:** HCDE, upon written notice, shall have the right to audit all documents relating to the Project at any time during construction and for a period of two (2) years after the Date of Final Completion. Records subject to audit shall include, but are not limited to, records which may have

a bearing on matters of interest to HCDE in connection with Contractor's Work for HCDE and shall be open to inspection and subject to audit and/or reproduction by HCDE's agents or its authorized representative to the extent necessary to adequately permit evaluation and verification of (a) Contractor's compliance with contract requirements (b) compliance with HCDE's procurement policies and procedures (c) compliance with provisions for computing bills to HCDE and (d) any other matters related to the Agreement between HCDE and Contractor. Each Party shall pay for its own costs and expenses incurred in assisting HCDE with audits performed pursuant to this Article. Contractor shall include audit provisions identical to this Article in all subcontracts and purchase orders.

38. **Assignment:** Neither Party shall assign or otherwise transfer the Agreement, any part hereof, or any payment or part of the payment which may accrue under the Agreement, without the prior written consent of the other Party. In the event HCDE grants such written approval, Contractor shall nonetheless be obligated to HCDE to complete the Project in the time and manner agreed herein, all in accordance with the terms and conditions of the Agreement. Contractor shall be liable for all acts and omissions of any assignee as if performed or omitted by Contractor.

39. **Attorney's Fees:** In the event either Party breaches any of the terms of the Agreement Documents whereby the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay the reasonable attorney's fees and expenses incurred by the non-defaulting Party, in addition to any other relief to which the non-defaulting Party may be entitled under the Agreement. This provision shall be construed as applicable to the entire Agreement.

40. **Entire Agreement:** The Agreement, the procurement solicitation issued by HCDE: Job/RFP No. **[ENTER]**, including the terms and conditions detailed therein (the "RFP"), and Contractor's proposal submitted in response to Job/RFP No. **[ENTER]**, and the attached and incorporated addendum or exhibits, if any, shall constitute the complete and exclusive written expression of the intentions of the Parties hereto with respect to the Project and shall supersede all previous communications, representations, agreements, promises or statements, either oral or written, by and between either Party with respect to the Project. In the event of a conflict between this Agreement and the RFP or Contractor's proposal submitted in response to the RFP, this Agreement shall control. In the event of a conflict between the RFP and Contractor's proposal submitted in response to the RFP, the RFP shall control. This Agreement supersedes any conflicting terms and conditions on any purchase or work orders, invoices, checks, order acknowledgements, forms, purchase orders, or similar commercial documents relating hereto and which may be issued by Contractor after the Effective Date of this Agreement.

No supplements, retractions, amendments, modifications, or changes to the Agreement shall be valid unless they are Valid Amendments in accordance with Article 36. Any Valid Amendments to the Agreement must be in writing and signed by the required Party(ies) in accordance with Article 36. The Parties expressly agree that the Agreement shall not be construed against either Party.

41. **Governing Law and Venue:** The Agreement shall be governed by the law of the State of Texas, without regard to any provisions on conflicts of law. Venue for all legal proceedings related to the Agreement or the obligations thereunder shall be in Houston, Harris County, Texas, and the Parties hereby submit to the exclusive jurisdiction of the state and federal courts in Houston, Harris County, Texas.

42. **Severability:** In the event that any one or more of the provisions contained in the Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity,

illegality, or unenforceability shall not affect any other provisions of the Agreement, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

43. **Survival of Provisions:** All representations, warranties, covenants, indemnities, and other continuing obligations as expressly provided in the Agreement shall survive the expiration or earlier termination of the Agreement.

44. **Force Majeure:** Neither Party to the Agreement shall be liable for any failure to perform the terms of the Agreement when such failure is due to Force Majeure as defined in this Article. The term "Force Majeure" as used in the Agreement shall mean any delay or default in performance hereunder due to causes beyond the control of the Parties and without their fault or negligence that could not have been prevented or avoided by the affected Party through the exercise of due diligence, including, but not limited to" acts of God or the public; civil disturbances, arrests or restraints by rulers and people, acts, requests or interruptions of the federal, tribal, state, or local government or any agency thereof, or of any federal, tribal, state, or local officer purporting to act under duly constituted authority, court orders, present and future valid orders of any governmental entity, or any officer, agency or any instrumentality thereof, floods, wildfires, acts of the public enemy (including terrorists), wars, strikes, lockouts, or industrial disturbances, interruption of transportation, freight embargoes or failures, exhaustion or unavailability of equipment or services necessary to the performance of any provision herein due to allocations promulgated by authorized governmental entities , riots, rebellions, blockade, insurrection, sabotage, epidemics, invasions, landslides, earthquakes, quarantine, restrictions, breakage or accident to machinery or lines of pipe due to intervention of third party causes (not arising from the performance of the Work). Force majeure shall not include rainout or ordinary weather days that require Work stoppage, and in no event shall include routine scheduled equipment maintenance or breakage.

45. **Exhibits:** The following Exhibits (including Valid Amendments thereto) are attached hereto, as Agreement Documents, and fully incorporated herein by reference:

a) Exhibit A: Prevailing Wage Rates
b) Exhibit B: Construction Schedule

IN WITNESS WHEREOF the undersigned Parties hereto execute the Agreement as of this day and year indicated below.

HCDE: Harris County Department of Education
6300 Irvington Boulevard
Houston, Texas 77022

_____
Jesus Amezcua
Assistant Superintendent – Business Services
Date: _____

CONTRACTOR: **[ENTER NAME]**
[ENTER CONTRACTOR'S ADDRESS]

_____
By: _____
Title: _____
Date: _____

EXHIBIT A to Contractor Agreement
PREVAILING WAGE RATES

All Contractors and Subcontractors shall comply with all applicable laws regarding prevailing wage rates including, but not limited to, Texas Government Code Chapter 2258 and any related federal requirements applicable to this procurement by HCDE, including the Davis-Bacon Act. **All Contractors and Subcontractors shall comply with all state and federal laws including, but not limited to, laws of labor, minimum wage, safety, and equal employment opportunity. All Contractors and Subcontractors must pay not less than the general prevailing wage rate as listed herein plus any applicable fringe benefits.**

The prevailing wage rates listed are to be considered the minimum to be paid, and the listing of prevailing wage rates shall not be construed to prohibit the payment of rates higher than those listed. The Contractor and Subcontractor(s) shall maintain an adequate workforce whether wage rates higher than those listed are required or not. HCDE will not consider claims for additional compensation because of payments of wage rates in excess of the applicable rates listed herein.

Chapter 2258 of the Texas Government Code applies to the construction of a public work, including a building, highway, road, excavation, and repair work or other project development or improvement, paid for in whole or in part from public funds, without regard to whether the work is done under public supervision or direction. Section 2258.021 mandates that a worker employed on a public work other than maintenance work by paid not less than the general prevailing rate of per diem wages for work or a similar character in the locality in which the work is performed and not less than the general prevailing wage rate of per diem wages for legal holiday and overtime work. A worker is employed on a public work if the worker is employed by a contractor or subcontractor in the execution of a contract for the public work with HCDE.

For projects involving federal funds, HCDE has adopted the prevailing wage rate as determined by the U.S. Department of Labor in accordance with the Davis-Bacon Act (40 U.S.C. § 276a et seq) and its subsequent amendments, as the prevailing rate of per diem wages in HCDE for each craft or type of worker needed to execute a public works contract and also for legal holiday and overtime work involving federal funds. *See* HCDE Policy CV (Local). The current U.S. Department of Labor wage determination rates for Texas may be accessed on the Internet at http://www.access.gpo.gov/davisbacon/. Click on Browse all Determinations by State and then click on Texas. Then locate Harris County. Click under the Building column for Harris County to access the rates for all trades.

For projects not involving federal funds, HCDE has adopted the prevailing wage rate as determined by Harris County, Texas as the prevailing rate of per diem wages in HCDE for each craft or type of worker needed to execute a public works contract and also for legal holiday and overtime work not involving federal funds. *See* HCDE Policy CV (Local). The current wage determination rates for Harris County, Texas may be accessed on the Internet at http://www.eng.hctx.net/wage. Click on Prevailing Wage Rate Building Construction to access the rates for all trades.

Prevailing Wage Rates: Base per Diem rate shall be taken as the hours worked per day times the Base Hourly Rate.

Overtime Rates: Over 40 hours per week and holidays at base hourly rate times 1.5.

Section 2258.023 of the Texas Government Code, entitled "PREVAILING WAGE RATES TO BE PAID BY CONTRACTOR AND SUBCONTRACTOR; PENALTY," states, in pertinent part:
(a) The contractor who is awarded a contract by a public body or a subcontractor of the contractor shall pay not less than the rates determined under Section 2258.022 to a worker employed by it in the execution of the contract.
(b) A contractor or subcontractor who violates this section shall pay to the state or a political subdivision of the state on whose behalf the contract is made, $60 for each worker employed for each calendar day or part of the day that the worker is paid less than the wage rates stipulated in the contract. A public body awarding a contract shall specify this penalty in the contract.
(d) The public body shall use any money collected under this section to offset the costs incurred in the administration of this chapter.

Contractor certifies that it is in compliance with all applicable standards, orders and/or regulations issued pursuant to the programs subject to the Davis-Bacon Act (40 U.S.C. 276a et seq.), the Regulations of the Department of Labor, 29 CFR part 5, and Texas Government Code Chapter 2258.

EXHIBIT B to Contractor Agreement
CONSTRUCTION SCHEDULE

1. Begin Construction: **[ENTER]**
2. Substantial Completion: **[ENTER]**
3. Final Completion: **[ENTER]**

The Construction Schedule above includes an allowance of Anticipated Weather Days, which are regular working days, in accordance with the following schedule:

January	3	July	4
February	4	August	4
March	4	September	4
April	2	October	3
May	5	November	5
June	6	December	4

Weather Days shall pertain to such items as rain, flooding, snow, unusually high winds, excessively wet grounds, or the like which prevent progress on items which affect the critical path of the Work on regular working days only. If such situations occur on more than the number of Anticipated Weather Days included in the Bid Completion Time and if those additional days prevent the Contractor from performing the critical path of the scheduled Work, a change to the Contract Time may be done in accordance with Article 36 in the Agreement; if the inclement weather is rain-related, the rain at the Project Site must have been in excess of .50 (1/2) inch in 24 hours.

DATE

Via U.S. Mail and Certified Mail, Return Receipt Requested (_____)

Name of Vendor
Vendor Address
Attn: Name of person signing the contract

Re: Harris County Department of Education Notice of Termination

To Whom It May Concern:

Harris County Department of Education ("HCDE") is a Texas governmental entity, and as such, is required to comply with Section 2252.908 of the Texas Government Code (HB 1295). This provision states that governmental entities such as HCDE may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties form to the governmental entity at the time the business entity submits the signed contract to the governmental entity. The required form, Form 1295, is required to be completed on the Texas Ethics Commission's website, and a notarized copy of the form is required to be submitted to HCDE.

On _____, Harris County Department of Education approved a contract with your organization, and a Form 1295 must have been submitted to HCDE at the time of the submission of the signed contract to HCDE. HCDE previously requested a completed Form 1295 from you. As of today, HCDE has not received the form from your organization.

This letter serves as notice that any and all contracts or agreements between the above business entity associated with the action taken by HCDE on _____ are terminated effective immediately due to your organization's failure to submit the required Form 1295.

Thank you for your past services to Harris County Department of Education and for your cooperation in this matter.

Sincerely,

Jesus Amezcua, CPA, RTSBA, PhD.
Assistant Superintendent for Business
Harris County Department of Education

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 5/19/2008		REVISED DATE: 05/18/2022
SUBJECT: GENERAL CONTRACT GUIDELINES		

1. Contracts are issued for professional services, contracted services, speaker agreements, service agreements, leases, memorandums of understanding, interlocal contracts, etc.
2. The Procurement Services Division assists divisions with the drafting of contracts.
3. The Procurement Services Division assists where the division needs help in developing structure, language, and/or review of 3rd party contract.
4. Divisions are responsible for submitting contracts to Procurement Services for processing and approval by Board (if necessary) and signed by Assistant Superintendent for Business Services or Superintendent (see sample contacts).
5. Sample contracts and Contract Processing Form can be found on the HCDE Portal under Purchasing > Contracts.
6. Generally, contracts are for services that are done over a period of time in which the responsibilities are clearly defined or distinguishable.
7. All expenditure contracts must be sent to the Procurement Services with a complete Vendor Packet (W-9, Felony Conviction Notice, Conflict of Interest Questionnaire, Senate Bill 9 Contractor Certification), Vendor Certification Forms, and Resume and EICC Checklist, if applicable. Failure to provide these at time of submittal will result in a contract processing delay.
8. A Purchase Order is a contract; therefore, any expenditure that is paid with a purchase order is covered by the Purchase Order terms and conditions.
9. One-time purchases for personal property should use a Purchase Order.
10. Any expenditure that will be sent to Business Office with a Payment Authorization (PA) and is being paid out of the 62XX-XXX budget object code must have a contract attached for processing.
11. Contracts should be signed as follows:
    a. Expenditure contracts should be signed by the Assistant Superintendent of Business Services. Any single purchase of goods or services for $75,000 or more, shall require Board approval before the transaction is completed.
    b. Interlocal contracts equal to or greater than $75,000 should be signed by the Superintendent and shall be presented to the Board.

c. Revenue contracts should be signed by the authority equal to the other party's authorized signature (i.e. Superintendent for Superintendent, Asst. Superintendent for Asst. Superintendent, CFO for Asst. Superintendent, etc). All revenue contracts that total $75,000 or more shall require the approval of the Board. All revenue contracts that total less than $75,000 shall be presented to the Board for information purposes.

12. All expenditure contracts must be signed by the other party before going to the Board except where the contract presented was originated by the other party.
13. Changes to contracts should be made by striking through the item and inserting two lines for each party to initial.
14. A checklist for reviewing contracts is available; refer to it to ensure that the contract has favorable terms and conditions to HCDE.

ADDENDUM TO SERVICES AGREEMENT FOR ADULT EDUCATION

THIS ADDENDUM to Services / Master Interlocal Agreement ("Addendum") shall amend, supplement, modify, delete and replace by substitution (or where applicable, be inserted as) the indicated provisions of the Agreement. Wherever the terms hereof are inconsistent with the Agreement, the terms hereof shall be controlling.

SUPPLEMENTARY TERMS OF AGREEMENT

1. Contract.

A. This Addendum between HCDE and _____ ("Contractor") is entered into in support of the Workforce Solutions Adult Education and Literacy Contract between Houston-Galveston Area Council (H-GAC) and HCDE for the period July 1, 2021 through June 30, 2022 ("Prime Contract"). The H-GAC contract number is 212-22.

B. The Parties agree that their performance under this Addendum shall comply with the requirements of the Prime Contract at all times and that, in the event of a conflict between this Addendum and the requirements of the Prime Contract, the requirements of the Prime Contract shall control.

C. Contractor agrees that the mutual obligations of the Parties created by the Prime Contract constitute a contract between Contractor and H-GAC with respect to the matters covered in the Prime Contract.

D. The Parties agree that the recitation of any provision of the Prime Contract in this Addendum, as required by the Prime Contract, shall in no way affect those provisions of the Prime Contract not recited herein or constitute a waiver thereof by either Party.

E. Contractor acknowledges that HCDE has entered into the Prime Contract with H-GAC, attached as Exhibit A, and incorporated by reference herein. Contractor shall strictly comply with all Prime Contract requirements and all applicable flow-down, referenced, and incorporated provisions therein and shall cooperate with HCDE in fulfillment of HCDE's obligations under the Prime Contract. *See* Exhibit A. Federal grant funds will be used to pay for all or a portion of funds due under this Addendum. As such, if HCDE does not receive sufficient funding for the services provided in this Addendum or if H-GAC terminates, in whole or in part, or decreases the funding amount in the Prime Contract, HCDE may terminate this Addendum/Agreement without penalty or further obligation to Contractor, at any time upon written notice to Contractor. Contractor's completed HCDE Vendor Packet, including all federal certifications included therein, is incorporated herein by reference.

F. Definitions. As used in the clauses referenced below and otherwise in this Addendum:

1. "Work" means the doing of all things described in, and all tasks reasonably related to the work and services required by this Addendum, whether completed or partially completed, and includes all skill, labor, materials and supplies, resources, supervision, equipment, services, all things necessary, proper, or incidental to the carrying out and completion of the terms of this Addendum, and all other items of cost or value needed to perform and fulfill Contractor's obligations under this Addendum.

2. "Government" means the federal government entity established by the United States Constitution, including any part or sub-part of the legislative, executive, or judicial branches thereof.

3. “Program Officer” means the H-GAC staff member responsible for monitoring the completion of Work and technical performance of the projects or activities described in the Program Narrative Statement.

4. “H-GAC Grants Officer” means the H-GAC official that has the full authority to negotiate, administer, and execute all terms and conditions of the Prime Contract in concurrence with the Program Officer.

5. “Data” means recorded information, regardless of form or the media on which it may be recorded.

6. “Research Data” means the recorded factual material (excluding physical objects, such as laboratory samples) commonly accepted in the scientific community as necessary to validate research findings, and excludes preliminary analyses; drafts of scientific papers; plans for future research; peer reviews; communications with colleagues; trade secrets; commercial information; materials necessary that a researcher must hold confidential until they are published, or similar information which is protected under law; and personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

7. “Subcontractor” means a person or entity that has a direct contract with Contractor to perform a portion of the Work. The term “Subcontractor” is referred to throughout the Addendum as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term “Subcontractor” does not include a person or entity that has a direct contract with HCDE.

8. “Subcontract” means a direct contract between Contractor and a Subcontractor to perform a portion of the Work and does not include any contract to which HCDE is a party.

9. “Forced Labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

10. “Private Entity” means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 C.F.R. 175.25 and includes a nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 C.F.R. 175.25(b), and a for-profit organization.

11. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at Section 103 of the Trafficking Victims Protection Act of 2000 (“TVPA”), as amended (22 U.S.C. § 7102).

2. Scope of Work.

Contractor will perform the Scope of Work outlined in Exhibit B.

3. Access to Records.

Contractor shall retain financial records, supporting documents, statistical records, and all other records pertinent to this Addendum for a period of no less than seven (7) years from the last day of the Term. The only exceptions to the aforementioned records retention requirements are the following:

1. If any litigation, claim, negotiation, dispute, or audit is started before the expiration of the seven-year period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the seven-year period, whichever is later, and until any outstanding litigation, audit, or claim has been fully resolved.

2. Records for real property and equipment acquired with Federal funds shall be retained for three (3) years after final disposition.

3. The H-GAC Grants Officer may direct Contractor to transfer certain records to H-GAC custody when he or she determines that the records possess long term retention value. However, in order to avoid duplicate recordkeeping, the H-GAC Grants Officer may make arrangements for Contractor to retain any records that are continuously needed for joint use.

A. H-GAC, the Inspector General, Comptroller General of the United States, or any of their duly authorized representatives, have the right of timely and unrestricted access to any books, documents, papers, or other records of Contractor that are pertinent to this Addendum, in order to make audits, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to Contractor's personnel for the purpose of interview and discussion related to such documents. The rights of access provided for in this Addendum are not limited to the required retention period, but shall last as long as the records are retained.

B. With respect to subcontracts under this Addendum, H-GAC shall retain the right to conduct a financial review, require an audit, or otherwise ensure adequate accountability of organizations expending H-GAC funds. Contractor agrees to include in any subcontract made under this Addendum the requirements of this Article.

4. Copyright, Patent Rights, and Data Rights.

The Texas Workforce Commission and HGAC reserve a royalty-free, non-exclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for state, federal or H-GAC purposes:

1. The copyright of all maps, data, reports, research or other work developed under this Addendum; and

2. Any copyrights or rights to use copyrighted material which the ESC purchases with funding under this Addendum.

All data, reports and research developed under this Addendum shall become property of H-GAC. All such data and material shall be furnished to HGAC upon request.

5. Trafficking in Persons.

A. As used in this Article, "Employee" means either: (1) an individual employed by Contractor or by a Subcontractor under this Addendum who is engaged in the performance of the Work under this Addendum; or (2) another person engaged in the performance of the Work under this Addendum and not compensated by Contractor or by a Subcontractor under this Addendum including, but not limited to, a

volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

B. If Contractor is a Private Entity, Contractor, an Employee of Contractor, a Subcontractor under this Addendum, and an Employee of a Subcontractor under this Addendum may not:

1. Engage in severe forms of trafficking in persons during the period of time that this Addendum is in effect;

2. Procure a commercial sex act during the period of time that this Addendum is in effect; or

3. Use forced labor in the performance of this Addendum or subcontracts under this Addendum.

C. HCDE may immediately and unilaterally terminate this Addendum, without penalty, if Contractor or a Subcontractor under this Addendum that is a Private Entity:

1. Is determined to have violated a prohibition in paragraph B of this Article; or

2. Has an employee who is determined to have violated a prohibition in paragraph B of this Article through conduct that is either:
   a. Associated with performance under this Addendum; or
   b. Imputed to Contractor or to a Subcontractor under this Addendum using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement)," as implemented by the Department of Labor at 2 C.F.R. Part 2998.

D. If Contractor is other than a Private Entity, HCDE may immediately and unilaterally terminate this Addendum, without penalty, if a Subcontractor under this Addendum that is a Private Entity:

1. Is determined to have violated an applicable provision in paragraph B of this Article; or

2. Has an employee who is determined to have violated an applicable prohibition in paragraph B of this Article through conduct that is either:
   a. Associated with performance under this Addendum; or
   b. Imputed to a Subcontractor under this Addendum using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement)," as implemented by the Department of Labor at 2 C.F.R. Part 2998.

E. Regardless of whether Contractor and a Subcontractor under this Addendum is a Private Entity, Contractor and a Subcontractor under this Addendum must inform HCDE immediately of any information Contractor or a Subcontractor under this Addendum receives from any source alleging a violation of a prohibition in paragraph B of this Article.

F. HCDE's right to terminate unilaterally under this Article:

1. Implements section 106(g) of the Trafficking Victimes Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7104(g)); and

2. Is in addition to all other remedies for noncompliance that are available to HCDE under this Addendum.

G. Contractor and a Subcontractor under this Addendum must include the requirements of paragraph B of this Article in any subcontract to this Addendum that Contractor or a Subcontractor under this Addendum makes with a Private Entity.

6. Nondiscrimination.

A. Contractor agrees not to discriminate against any of Contractor's employees or applicants for employment because of race, color, national origin, sex, religion, age, or handicap.

B. Contractor agrees to comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352; 42 U.S.C. 2000d-1) and hereby assures HCDE of Contractor's compliance with Title VI of the Civil Rights Act of 1964. Contractor shall obtain from each organization that applies to be or serves as a Subcontractor under this Addendum (for other than the provision of commercially available supplies, materials, or equipment or general support services) an Assurance of Compliance with Title VI of the Civil Rights Act of 1964. Civil Rights Act assurances may be filed with Contractor in one of two ways:

1. By written notification that the appropriate Assurance of Compliance form has been executed and filed either with H-GAC or the U.S. Department of Health and Human Services; or

2. Contractor shall obtain assurances pursuant to Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), from any Subcontractor under this Addendum by incorporating into the subcontract a provision that acceptance of the subcontract constitutes assurance.

C. Contractor agrees to comply with the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-6107) as implemented by the Department of Health and Human Service regulations at 45 CFR 90. In the event Contractor passes on H-GAC financial assistance to any Subcontractor under this Addendum, this provision shall apply to any such Subcontractor, and the instrument under which the Federal financial assistance is passed to any such Subcontractor shall contain a provision identical to this provision.

D. Contractor agrees to comply with all applicable laws, rules, and regulations, including without limitation, Title IX, Title VII, Clean Air Act, Federal Water Pollution Act, et al. Contractor further agrees to comply with E.O. 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR, 1964–1965 Comp., p. 339), as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." In the event Contractor passes on H-GAC financial assistance to any Subcontractor under this Addendum, this provision shall apply to any such Subcontractor, and the instrument under which the Federal financial assistance is passed to any such Subcontractor shall contain a provision identical to this provision.

7. Changes & Amendments.

Contractor shall, at the request of HCDE, accept changes and amendments to this Addendum to incorporate additional provisions herein or to change provisions hereof, as HCDE may reasonably deem necessary in order to comply with the provisions of the applicable Prime Contract. If any such amendment to this Addendum causes an increase or decrease in the estimated cost of, or the time required for performance of any part of the Work under this Addendum, HCDE and Contractor will use their best efforts to mutually agree upon an equitable adjustment.

8. Debarment and Suspension.

Contractor agrees that any subcontract under this Addendum that is expected to equal or exceed $25,000, or is otherwise covered under 2 CFR 180.220, shall not be made to parties listed on the Government-wide Excluded Parties List System, in accordance with the OMB guidelines at 2 CFR part 180 that implement Executive Orders 12549 and 12689, "Debarment and Suspension." The Excluded Parties List System 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.

9. Termination.

A. In the event that the Prime Contract is terminated, HCDE may immediately terminate this Addendum, by written notice to Contractor. Upon such termination, HCDE will be responsible for payment to Contractor of costs incurred prior to such termination only to the extent those costs are included in the final payment received by HCDE from H-GAC.

B. HCDE's right to terminate under this Article is in addition to all other remedies for noncompliance that are available to HCDE under this Addendum or provided by law or equity.

C. Contractor must submit a final invoice to HCDE within thirty days after the termination date.

10. No Third Party Beneficiary.

A third party beneficiary is a person who, although not a party to the contract, stands to benefit from the contract's performance. With the sole exception of the Government and H-GAC, neither this Addendum, nor any term or provisions hereof, nor any inclusion by reference, shall be construed as being for the benefit of any party not a signatory hereto.

11. Ownership/Protection of HCDE's Confidential Information.

A. To assist Contractor in the performance of Contractor's duties and Scope of Work, HCDE agrees to provide to Contractor training regarding HCDE's business methods and access to certain confidential and proprietary information and materials belonging to HCDE and/or to vendors of HCDE and/or participants in HCDE's programs or services (hereinafter "vendors and/or participants"). Such confidential and proprietary information and materials (collectively "Confidential Information") includes, without limitation and regardless of whether such information or materials is expressly identified as confidential or proprietary, the following: proposals, employee information, customer lists, vendor lists and relationships, participant lists, marketing strategies, certain financial information relating to HCDE or vendors and/or participants; plans of HCDE or vendors and/or participants; and other trade secrets and valuable, confidential information of HCDE or vendors and/or participants.

B. Contractor understands and agrees that all Confidential Information and every portion thereof constitutes valuable property of HCDE and/or vendors and/or participants, and Contractor further acknowledges the importance of maintaining the security and confidentiality of the Confidential Information.

C. Contractor agrees to keep the Confidential Information, and all documentation, access, and information relating thereto, strictly confidential. Specifically, Contractor agrees that, except as required for the conduct of HCDE's business or as expressly authorized in writing by HCDE, or as may be required by law or court order, Contractor:

(1) will not disclose or provide access to Confidential Information to any third party;

(2) will not copy Confidential Information for any reason;

(3) will not remove Confidential Information from HCDE's premises;

(4) will return to HCDE all Confidential Information in Contractor's possession upon completion of any Work for HCDE requiring Contractor to have access to such Confidential Information; and

(5) return to HCDE all Confidential Information upon the termination of Contractor's relationship with HCDE for any reason.

D. The terms and conditions of this Article shall survive the termination of this Addendum.

12. Compliance with Laws.

Contractor agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable. Contractor certifies compliance with all provisions, laws, acts, regulations, rules, and ordinances, including those referenced in any HCDE vendor packet completed by Contractor, which is incorporated by reference herein.

13. Safety Protocols

In light of the COVID-19 pandemic, the parties agree to cooperate to implement safety protocols in accordance with local, state, and federal guidelines for reducing the spread of the disease, including, but not limited to, guidelines published by the U.S. Center for Disease Control ("CDC") and the Governor of the State of Texas. The parties agree that all classes will be held online until further notice, as determined by HCDE in its sole discretion. The parties agree to provide soap and water, hand sanitizer, and disposable wipes at all locations used in connection with this Agreement and to encourage students and staff to engage in proper social distancing tactics, including maintaining physical distances from others and wearing masks or facial protection where necessary or recommended. Contractor agrees to sanitize and disinfect all locations used in connection with this Addendum at the end of each day that such location is used, including common areas. This section shall be in effect until the parties agree in writing that such measures are no longer necessary or recommended. The parties may modify or abolish these safety protocols upon written agreement of the parties at any time.

Executed this _____ day of ____, 20__.

Harris County Department of Education

By: _____
Name: _____
Title: _____

{Insert Name}

By: _____
Name: _____
Title: _____

EXHIBIT A – H-GAC PRIME CONTRACT

EXHIBIT B – SCOPE OF WORK

<If not already included in the base agreement or as an exhibit to the base agreement, please insert detailed Scope of Work provisions here.>

ADDENDUM TO SERVICES AGREEMENT FOR HEAD START

THIS ADDENDUM to Services Agreement for HCDE Expenditures ("Addendum") shall amend, supplement, modify, delete and replace by substitution (or where applicable, be inserted as) the indicated provisions of the Agreement. Wherever the terms hereof are inconsistent with the Agreement, the terms hereof shall be controlling.

SUPPLEMENTARY TERMS OF AGREEMENT

1. Government Subcontract.

A. This Addendum between HCDE and Contractor is entered into in support of, and subject to the requirements of, the following U.S. Government Contract(s), as applicable: Grant Award Numbers 06HE000969, 06TD000179, 06TD000167, 06CH011535, 06TDT0101, and 06TD000058, between HCDE and the U.S. Department of Health and Human Services ("HHS") and any amendment(s) thereto, as well as any U.S. Government Contract or grant award hereinafter given to HCDE (collectively, the "Prime Contract"), which are incorporated herein by reference for all purposes.

B. The Parties agree that the recitation of any requirement of the Prime Contract in this Addendum shall in no way affect those requirements of the Prime Contract not recited herein or constitute a waiver thereof by either Party.

C. Pursuant to the Prime Contract, the Prime Contract is subject to certain terms, conditions, and requirements, which are incorporated by reference herein for all purposes, including, but not limited to, the HHS Grants Policy Statement ("HHS GPS"). Unless an exception is specified, such terms, conditions, and requirements apply to Contractor and to a Subcontractor to the same extent that they apply to HCDE under the Prime Contract. Any reference herein to the obligations or requirements of the Prime Contract includes any and all such terms, conditions, and requirements.

D. In the event that Contractor enters into a Subcontract, Contractor must include in any such Subcontract all applicable terms, conditions, and requirements of the Prime Contract. Contractor must also include any additional requirements imposed by this Addendum. If required by the Prime Contract or by this Addendum, Contractor shall recite specific terms, conditions, and requirements in any Subcontract including, but not limited to, the terms of this Article 1.

E. The Parties agree that their performance under this Addendum shall comply with the requirements of the Prime Contract at all times and that, in the event of a conflict between this Addendum and the requirements of the Prime Contract, the requirements of the Prime Contract shall control.

F. Contractor agrees that the mutual obligations of the Parties created by the Prime Contract constitute a contract between Contractor and HHS with respect to the matters covered in the Prime Contract.

G. Definitions. As used in the clauses referenced below and otherwise in this Addendum:

1. "Work" means the doing of all things described in, and all tasks reasonably related to the work and services required by this Addendum, whether completed or partially completed, and includes all skill, labor, materials and supplies, resources, supervision, equipment, services, all things necessary, proper, or incidental to the carrying out and completion of the terms of this Addendum, and all other items of cost or value needed to perform and fulfill Contractor's obligations under this Addendum.

2. "Government" means the federal government entity established by the United States Constitution, including any part or sub-part of the legislative, executive, or judicial branches thereof.

3. "Data" means recorded information, regardless of form or the media on which it may be recorded, and includes writings, films, sound recordings, pictorial reproductions, drawings, designs, or other graphic representations, procedural manuals, forms, diagrams, work flow charts, equipment descriptions, data files, data processing or computer programs (software), statistical records, and other research data.

4. "Research Data" means the recorded factual material commonly accepted in the scientific community as necessary to validate research findings, and excludes preliminary analyses; drafts of scientific papers; plans for future research; peer reviews; communications with colleagues; physical objects, such as laboratory samples, audio or video tapes; trade secrets; commercial information; materials necessary that a researcher must hold confidential until they are published, or similar information which is protected under law; and personnel and medical information and similar information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, such as information that could be used to identify a particular person in a research study.

5. "Subcontractor" means a person or entity that has a direct contract with Contractor to perform a portion of the Work. The term "Subcontractor" is referred to throughout the Addendum as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include a person or entity that has a direct contract with HCDE.

6. "Subcontract" means a direct contract between Contractor and a Subcontractor to perform a portion of the Work and does not include any contract to which HCDE is a party.

7. "Forced Labor" means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

8. "Private Entity" means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25 and includes a nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b), and a for-profit organization.

9. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the Trafficking Victims Protection Act of 2000 ("TVPA"), as amended (22 U.S.C. 7102).

2. Access to Records.

Contractor shall retain financial records, supporting documents, statistical records, and all other records pertinent to this Addendum for a period of three years from the last day of the Term. The only exceptions to the aforementioned records retention requirements are the following:

1. If any litigation, dispute, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, dispute, or audit findings involving the records have been resolved and final action is taken.

2. Records for real property and equipment acquired with Federal funds shall be retained for three years after final disposition.

A. HHS, the Inspector General, Comptroller General of the United States, or any of their duly authorized representatives, have the right of timely and unrestricted access to any books, documents, papers, or other records of Contractor that are pertinent to this Addendum, in order to make audits, examinations, excerpts, transcripts, and copies of such documents. This right also includes timely and reasonable access to Contractor's personnel for the purpose of interview and discussion related to such documents. The rights of access provided for in this Addendum are not limited to the required retention period, but shall last as long as the records are retained.

B. With respect to subcontracts under this Addendum, HHS shall retain the right to conduct a financial review, require an audit, or otherwise ensure adequate accountability of organizations expending HHS funds. Contractor agrees to include in any subcontract made under this Addendum the requirements of this Article.

3. Intellectual Property.

A. Subject to the requirements of the Bayh-Dole Act of 1980, as implemented in 37 CFR part 401, and as amended by the Technology Transfer Commercialization Act of 2000 (P.L. 106–404), HCDE shall possess the legal ownership, right, and title to any Data, Research Data, writings, software, designs, materials, discoveries, inventions, or any other type of intellectual property made or conceived by Contractor or a Subcontractor in the course of or in connection with this Addendum. Contractor agrees to promptly and completely inform and disclose to HCDE all such Data, Research Data, writings, software, designs, materials, discoveries, inventions, or any other type of intellectual property that Contractor may have acquired during the Term of this Addendum that pertain or relate to the business of HCDE or to any work carried on by HCDE, whether conceived by Contractor or not. All such Data, Research Data, writings, software, designs, materials, discoveries, inventions, or any other type of intellectual property shall be the exclusive property of HCDE. Without waiving its rights to possess exclusive legal ownership to any and all intangible property acquired under this Addendum and expressly subject thereto, as to any intangible property for which HCDE does not become the exclusive legal owner, Contractor hereby grants a royalty-free, nonexclusive and irrevocable right to HCDE to reproduce, publish, prepare derivative works or otherwise use the work for HCDE's purposes, and to authorize others to do so.

B. Data Rights: In all cases, whether HHS funded all or part of the project or program resulting in the Data, the Government shall be given a royalty-free, nonexclusive, and irrevocable license for the Government to reproduce, publish, or otherwise use the Data and to authorize others to do so for Government purposes. Data developed by Contractor or a Subcontractor is also subject to this requirement.

C. Access to Research Data: As required by 45 CFR 74.36, Contractor and a Subcontractor must release Research Data first produced in a project supported in whole or in part with Federal funds that are cited publicly and officially by a Federal agency in support of an action that has the force and effect of law.

D. Contractor agrees to include in any subcontract made under this Addendum the requirements of this Article.

4. Review of Progress and Site Visits.

Contractor will meet all timelines mutually established by Contractor and HCDE. HCDE reserves the right to monitor the progress of Contractor. HHS, through authorized representatives, has the right, at all reasonable times, to make site visits to review project accomplishments and management control systems and to provide such technical assistance as may be required. If any site visit is made by HHS on the premises of Contractor or a Subcontractor under this Addendum, Contractor shall provide and shall require its Subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the Government representatives in the performance of their duties. All site visits and evaluations shall be performed in such a manner that will not unduly delay the Work.

5. Trafficking in Persons.

A. As used in this Article, "Employee" means either: (1) an individual employed by Contractor or by a Subcontractor under this Addendum who is engaged in the performance of the Work under this Addendum; or (2) another person engaged in the performance of the Work under this Addendum and not compensated by Contractor or by a Subcontractor under this Addendum including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

B. If Contractor is a Private Entity, Contractor, an Employee of Contractor, a Subcontractor under this Addendum, and an Employee of a Subcontractor under this Addendum may not:

1. Engage in severe forms of trafficking in persons during the period of time that this Addendum is in effect;

2. Procure a commercial sex act during the period of time that this Addendum is in effect; or

3. Use Forced Labor in the performance of this Addendum or subcontracts under this Addendum.

C. HCDE may immediately and unilaterally terminate this Addendum, without penalty, if Contractor or a Subcontractor under this Addendum that is a Private Entity:

1. Is determined to have violated a prohibition in paragraph B of this Article; or

2. Has an Employee who is determined to have violated a prohibition in paragraph B of this Article through conduct that is either:
   a. Associated with performance under this Addendum; or
   b. Imputed to Contractor or to a Subcontractor under this Addendum using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented by 2 CFR part 376.

D. If Contractor is other than a Private Entity, HCDE may immediately and unilaterally terminate this Addendum, without penalty, if a Subcontractor under this Addendum that is a Private Entity:

1. Is determined to have violated an applicable provision in paragraph B of this Article; or

2. Has an Employee who is determined to have violated an applicable prohibition in paragraph B of this Article through conduct that is either:
   a. Associated with performance under this Addendum; or

b. Imputed to a Subcontractor under this Addendum using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)," as implemented at 2 CFR part 376.

E. Regardless of whether Contractor and a Subcontractor under this Addendum is a Private Entity, Contractor and a Subcontractor under this Addendum must inform HCDE immediately of any information Contractor or a Subcontractor under this Addendum receives from any source alleging a violation of a prohibition in paragraph B of this Article.

F. HCDE's right to terminate unilaterally under this Article:

1. Implements section 106(g) of the TVPA, as amended (22 U.S.C. 7104(g)); and

2. Is in addition to all other remedies for noncompliance that are available to HCDE under this Addendum.

G. Contractor and a Subcontractor under this Addendum must include the requirements of paragraph B of this Article in any subcontract to this Addendum that Contractor or a Subcontractor under this Addendum makes with a Private Entity.

6. Nondiscrimination.

A. Contractor agrees not to discriminate against any of Contractor's employees or applicants for employment because of race, color, national origin, sex, religion, age, or handicap.

B. Contractor agrees to comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352; 42 U.S.C. 2000d-1) and to file Form HHS 690, Assurance of Compliance. Contractor must recite the terms of this paragraph B in any Subcontract. Contractor is responsible for determining whether a Subcontractor has the required assurance on file and, if not, ensuring that it is on file.

C. Contractor agrees to comply with the Age Discrimination Act of 1975 (42 U.S.C. 6101 et. seq.) as implemented by the Department of Health and Human Service regulations at 45 CFR 90. In the event Contractor passes on HHS financial assistance to any Subcontractor under this Addendum, this provision shall apply to any such Subcontractor, and the instrument under which the Federal financial assistance is passed to any such Subcontractor shall contain a provision identical to this provision.

D. Contractor agrees to comply with E.O. 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR, 1964–1965 Comp., p. 339), as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." In the event Contractor passes on HHS financial assistance to any Subcontractor under this Addendum, this provision shall apply to any such Subcontractor, and the instrument under which the Federal financial assistance is passed to any such Subcontractor shall contain a provision identical to this provision.

7. Cost Principles.

A. Contractor is subject to the Cost Principles stated in the HHS GPS that are otherwise applicable to its type of organization and to any requirements placed on it by HCDE in order for HCDE to comply with the terms and conditions of the Prime Contract.

B. Documentation: The basis for determining the valuation of personal services, materials, equipment, buildings, and land must be verifiable from the records of Contractor. Volunteer services, to the extent feasible, should be supported by the same level of documentation used by Contractor for its own employees, including time and attendance records.

C. HCDE may not approve any action or cost that is inconsistent with the purpose or terms and conditions of the Prime Contract. If an action by Contractor or a Subcontractor will result in a change in the project/program scope or budget requiring HHS approval, HCDE must obtain that approval from HHS before giving its approval to Contractor or a Subcontractor. Failure of HHS to grant such approval, and the repercussions thereof, shall not constitute a breach by HCDE of this Addendum.

D. Contractor must recite the requirements of this Article in any Subcontract.

E. In the event that any payment(s) to Contractor under this Addendum are subsequently disallowed by HHS or in the event that HCDE is required to refund any funding received from HHS or other granting agency relating to Contractor's Work, to the maximum extent permitted by applicable law, Contractor shall repay to HCDE, on demand, the amount of any such disallowed costs and/or refund. HCDE may, in its sole discretion, deduct the amount(s) of any such disallowed costs and/or refund(s) from subsequent payments to Contractor under this Addendum.

8. Changes & Amendments.

Contractor shall, at the request of HCDE, accept changes and amendments to this Addendum to incorporate additional provisions herein or to change provisions hereof, as HCDE may reasonably deem necessary in order to comply with the provisions of the applicable Prime Contract. If any such amendment to this Addendum causes an increase or decrease in the estimated cost of, or the time required for performance of any part of the Work under this Addendum, HCDE and Contractor will use their best efforts to mutually agree upon an equitable adjustment.

9. Debarment and Suspension.

Organizations or individuals that are suspended, debarred, declared ineligible, or voluntarily excluded from eligibility for covered transactions by any Federal department or agency cannot, during the period of suspension, debarment, or exclusion, receive HHS grants or be paid from HHS grant funds. As a condition of this Addendum, Contractor agrees, and must recite a requirement in any Subcontract, to comply with the requirements of 45 CFR part 76. This includes, but is not limited to, a requirement that, before entering into a covered transaction, Contractor or a Subcontractor must verify that the entity is not suspended, debarred, or otherwise excluded. This verification may be accomplished by checking the Excluded Parties Listing System. The Excluded Parties List System 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.

10. Lobbying.

This Article applies to the extent this Addendum or any Subcontract is expected to or exceeds $100,000: Contractor and any Subcontractor are prohibited by 31 U.S.C. 1352, "Limitation on use of appropriated funds to influence certain Federal contracting and financing transactions," from using appropriated funds to pay any person for influencing or attempting to influence any officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress with respect to the award, extension, continuation, renewal, amendment, or modification of the Prime Contract, this Addendum, any Subcontract, or any other Federal award. Contractor and a Subcontractor are required to certify that they have not made, and will not make, such a prohibited payment; will be responsible for reporting the use of non-appropriated funds for such purposes; and will include these requirements in any

Subcontract that will exceed $100,000 and will obtain necessary certifications from those Subcontractors. Contractor and any Subcontractor shall disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. All such disclosures shall be forwarded to HCDE.

11. Clean Air Act.

This Article applies to the extent this Addendum or any Subcontract is expected to or exceeds $100,000: Contractor and any Subcontractor must agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, 42 U.S.C. 7401 et seq., and the Federal Water Pollution Control Act, as amended 33 U.S.C. 1251 et seq. Violations shall be reported to HHS and the appropriate Regional Office of the Environmental Protection Agency.

12. Audit Requirements.

This Article applies to the extent this Addendum or any Subcontract is expected to or exceeds $300,000: Contractor and any Subcontractor must agree to comply with the audit requirements of OMB Circular A-133, as implemented by 45 CFR 74.26 and 92.26, or audit requirements stated in 45 CFR 74.26(d) and in the HHS GPS (for types of organizations to which OMB Circular A-133 does not directly apply).

13. Termination.

A. In the event that the Prime Contract is terminated, HCDE may immediately terminate this Addendum, by written notice to Contractor. Upon such termination, HCDE will be responsible for payment to Contractor of costs incurred prior to such termination only to the extent those costs are included in the final payment received by HCDE from HHS.

B. HCDE's right to terminate under this Article is in addition to all other remedies for noncompliance that are available to HCDE under this Addendum or provided by law or equity.

C. Contractor must submit a final invoice to HCDE within thirty days after the termination date.

14. Ownership/Protection of HCDE's Confidential Information.

A. To assist Contractor in the performance of Contractor's duties and Scope of Work, HCDE agrees to provide to Contractor training regarding HCDE's business methods and access to certain confidential and proprietary information and materials belonging to HCDE and/or to vendors of HCDE and/or participants in HCDE's programs or services (hereinafter "vendors and/or participants"). Such confidential and proprietary information and materials (collectively "Confidential Information") includes, without limitation and regardless of whether such information or materials is expressly identified as confidential or proprietary, the following: proposals, employee information, customer lists, vendor lists and relationships, participant lists, marketing strategies, certain financial information relating to HCDE or vendors and/or participants; plans of HCDE or vendors and/or participants; and other trade secrets and valuable, confidential information of HCDE or vendors and/or participants.

B. Contractor understands and agrees that all Confidential Information and every portion thereof constitutes valuable property of HCDE and/or vendors and/or participants, and Contractor further acknowledges the importance of maintaining the security and confidentiality of the Confidential Information.

C. Contractor agrees to keep the Confidential Information, and all documentation, access, and information relating thereto, strictly confidential. Specifically, Contractor agrees that, except as required for the conduct of HCDE's business or as expressly authorized in writing by HCDE, or as may be required by law or court order, Contractor:

(1) will not disclose or provide access to Confidential Information to any third party;

(2) will not copy Confidential Information for any reason;

(3) will not remove Confidential Information from HCDE's premises;

(4) will return to HCDE all Confidential Information in Contractor's possession upon completion of any Work for HCDE requiring Contractor to have access to such Confidential Information; and

(5) return to HCDE all Confidential Information upon the termination of Contractor's relationship with HCDE for any reason.

D. The terms and conditions of this Article shall survive the termination of this Addendum.

15. Compliance with Laws.

Contractor agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable, including, but not limited to, Title 2 CFR Part 200, Title 2 CFR Part 215, Title 2 CFR Part 220, Title 2 CFR Part 225, Title 2 CFR Part 230, Title 45 CFR Part 74, Title 45 CFR Part 75, Title 45 CFR Part 92, and Title 45 CFR Part 93. Contractor certifies compliance with all provisions, laws, acts, regulations, rules, and ordinances, including those referenced in any HCDE vendor packet completed by Contractor, which is incorporated by reference herein.

Executed this _____ day of ____, 20__.

Harris County Department of Education

By: _____
Name: _____
Title: _____

{Insert Name}

By: _____
Name: _____
Title: _____

ADDENDUM TO SERVICES AGREEMENT FOR SPEAKER

THIS ADDENDUM to Services Agreement for HCDE Expenditures ("Addendum") shall amend, supplement, modify, delete and replace by substitution (or where applicable, be inserted as) the indicated provisions of the Agreement. Wherever the terms hereof are inconsistent with the Agreement, the terms hereof shall be controlling.

SUPPLEMENTARY TERMS OF AGREEMENT

1. Services to be Provided by Contractor.
Contractor shall present [one (1) hour featured session] on "Title" at the [Name] Conference on [Date] and [Time] at the [Location].

2. HCDE Responsibilities.
HCDE shall provide the [venue, overhead projector, screen, and XX number of copies of the Contractor's handout].

3. Term of Addendum.
This Addendum shall continue in effect until:
A. Canceled by either party as set forth in this Addendum; or
B. Completion of the session presentation(s) by Contractor provided, however, that in the event of cancellation pursuant to this Addendum, or upon death, disability, or other incapacity resulting in the inability of Contractor to present the session(s) requiring cancellation, this Addendum may be terminated and all consideration due shall cease as of the date of cancellation.

4. Performance.
Contractor shall present the session(s) set forth in this Addendum and shall:
A. Present sessions according to HCDE policies, procedures, and practices, and shall not denigrate HCDE, its programs or representatives in any manner.
B. Agree and state that all materials and content presented by Contractor do not infringe or violate any copyright, trademark, patent, or intellectual property rights of any person or entity, nor do they promote or endorse any product, service, or device that may or is at the time of the program not approved by any governing agency.
C. Not sell or promote any particular product or service at any time during the session presentation(s).

5. Cancellation.
HCDE reserves the right to cancel any session, change the length or size of any session, or change the place or date of any session at its discretion at any time. In the event of cancellation, HCDE shall not be liable for any expenses, costs, or damages incurred by Contractor except for any expenses incurred and not recoverable. If Contractor desires to cancel this Addendum, Contractor agrees to provide thirty (30) days written notice to HCDE of cancellation prior to his/her first scheduled session and further agrees to refund all compensation paid by HCDE to Contractor for expenses incurred and not recoverable, including, but not limited to, any advance payments of Contractor's fee.

6. License for Content Archiving/Capture.
A. Contractor grants to HCDE a non-exclusive license to use Contractor's presentation and handout materials (collectively "Contractor Property") in any manner HCDE deems appropriate including, but not limited to, the reproduction, distribution, creation of derivative works, and display on the internet of Contractor Property, with HCDE retaining the proceeds derived from such distribution and use of Contractor Property.

B. Contractor also agrees to work directly with the company performing these services for HCDE and follow all deadlines to provide PowerPoint presentations and handouts that may be associated for content archiving.

Please indicate your choice below:

☐ **YES, I agree to the content archiving/capture of my session(s).**

☐ **NO, I do not agree to the content archiving/capture of my session(s).**

Executed this _____ day of ____, 20__.

Harris County Department of Education

By: _____
Name: _____
Title: _____

{Insert Name}

By: _____
Name: _____
Title: _____

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LEGAL and CH LOCAL)*
DATE DEVELOPED: 7-1-2015	REVISED DATE: 8/13/2020	
SUBJECT: Cost or Price Analysis		

Independent Price Determination

An independent price determination must be performed for any procurement equal or exceeding $50,000 or above.

A) For new RFP recommendations, divisions must utilize the Appddiction software to submit the form.
B) For purchases made under an awarded RFP will require an independent price determination form to be attached to the recommendation form sent to the purchasing office.

Cost or Price Analysis

A cost or price analysis must be performed for every procurement action equal or exceeding $50,000 and above.

A) For new RFP recommendations, divisions must utilize the Appddiction software to submit the form.
B) For purchases made under the awarded RFP, HCDE will document price comparisons and analysis by using the attached form (Cost Price Analysis Form) to be attached to the recommendation form sent to the purchasing office.

Authority:

- Uniform Guidance (2 C.F.R. § 200)

SERVICES CONTRACT
AMENDMENT #1

Amendment #1 is changing the agreement between the Harris County Department of Education, ("HCDE") and Vendor XYZ ("Consultant") as stated below.

1. **Article 8 Compensation (Did Read)**

HCDE will pay Consultant a daily rate of **six hundred twenty-seven dollars ($627.00)** for a maximum of **two hundred thirty (230)** days in the amount not to exceed **one hundred forty-four thousand two hundred-ten dollars ($144,210.00)**. Such days may be billed in increments of days **(8 hours) or half days (4 hours)** based on equivalent pay. Additionally, HCDE will provide: (1) mileage and per diem expenses at the approved HCDE rate while performing work for HCDE; **(2) seventy-five dollars ($75.00)** per month to help defray the cost of a cell telephone and a pager device to be owned and maintained by Consultant; (3) secretarial and program assistance; and (4) appropriate work space.

Article 8 Compensation (Now Reads)

HCDE will pay Consultant a daily rate of **six hundred twenty-seven dollars ($627.00)** for a maximum of **two twenty-five (225)** days in the amount not to exceed **one hundred forty-one thousand seventy-five dollars ($141,075.00)**. Such days may be billed in increments of days **(8 hours) or half days (4 hours)** based on equivalent pay. Additionally, HCDE will provide: (1) mileage and per diem expenses at the approved HCDE rate while performing work for HCDE; **(2) seventy-five dollars ($75.00)** per month to help defray the cost of a cell telephone and a pager device to be owned and maintained by Consultant; (3) secretarial and program assistance; and (4) appropriate work space.

Executed the ____ day of _____ of the year 2018.

Vendor XYZ

By: _____
(Signature)

Vendor XYZ
Principal Consultant
123 Vendor Avenue
Conroe, TX 77302
000-000-0000
111-111-1111 (fax)

Harris County Department of Education

By: _____
(Signature)

Jesus J. Amezcua, Ph.D., CPA, RTSBA
Assistant Superintendent – Business Services
6300 Irvington Blvd.
Houston, TX 77022-5618
713-696-1371
713-696-0740 (fax)
jamezcua@hcde-texas.org

Interlocal Agreement
between
Harris County Department of Education
&_____

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and Chapter 271, Subchapter F of the Texas Local Government Code, this Interlocal Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located in Houston, Texas, and _____, a public school district ("District"), located in _____, Texas, for the purpose of contracting for the performance of governmental functions and services. The undersigned may be referred to in this Agreement individually as a "Party" and collectively as the "Parties."

Preamble

HCDE is a local governmental entity established to promote education in Harris County, Texas and is duly authorized to provide programs and services in the State of Texas, including safety and security services through its Center for Safe and Secure Schools ("CSSS"). Both HCDE and the District desire to set forth, in writing, the terms and conditions of their agreement.

General Terms and Conditions

In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Term. The term of this Agreement shall commence on the date on which all Parties have executed this Agreement ("Effective Date") and shall end on _____, unless earlier terminated in accordance with Article 10 herein.

2. Agreement. The terms of this Agreement shall apply and will be considered a part of any addendum, purchase order, or contract for programs and services delivered by HCDE. This Agreement and the attached and incorporated addenda, purchase orders, or exhibits, if any, contain the entire agreement of the parties, and there are no representations, agreements, arrangements, or undertakings, oral or written, between the Parties to this Agreement other than those set forth in this Agreement and duly executed in writing.

3. Purpose and Scope of Work.

A. HCDE agrees to:

- Provide services of staff members and/or consultants of the CSSS for the purpose of providing safety and security services that will be considered by the Superintendent and Board of Trustees of the District to determine possible changes in equipment, systems, services, training, and procedures for the District.
- Conduct Safety and Security Audits ("Audits") of the District's facilities as listed in Exhibit A, Scope of Work. The scope of each Audit shall include the services as set forth in Exhibit A.
- Provide Audit Final Reports and draft reports containing Audit findings, recommendations, and commendations in accordance with Exhibit A.

B. The District agrees to:

- Select District facilities in which to conduct Audits and provide the list of facilities in Exhibit A.

- Provide data, access to District facilities, and any other information requested by HCDE needed to conduct the Audits in accordance with the terms of this Agreement, as determined by HCDE.

4. As is. HCDE makes this Agreement available to HCDE participating entities "as is" and is under no obligation to revise the terms, conditions, scope, prices, and/or any requirements of the Agreement for the benefit of the District.

5. Fees. The total fee for Audits provided in accordance with Exhibit A is $_____. The fees included in this Agreement are based on services to address general requirements and the efficient delivery of services. Additional specifications, schedule changes, and/or facilities requested by the District may incur additional fees, as determined by HCDE. HCDE shall provide written notice of any such increase in fees, and the Parties shall set forth the addition of such fees in writing as an addendum to this Agreement.

6. Payments. The Parties agree that all payments made under this Agreement will be in an amount that fairly compensates the performing Party for the services or functions performed under this Agreement. The Parties further agree that each Party paying for the performance of governmental functions or services pursuant to this Agreement must make those payments from current revenues available to the paying Party.

7. Invoices. HCDE will invoice the District as services are completed for each phase of the project as follows:

Year 1	$
Year 2	$
Year 3	$

The District agrees to remit payment to HCDE within thirty (30) days after the date the District receives an invoice for the services. If the District makes a payment to HCDE with a credit card, the District agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and/or costs incurred by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).

8. Compliance with Laws. Each Party is responsible for complying with applicable laws and regulations relating to this Agreement.

9. Confidentiality: To the extent allowable by law, HCDE agrees to maintain the confidentiality of all records to which it has access while performing Audits pursuant to this Agreement. Unless disclosure is required by applicable law, HCDE further agrees that all findings and reports created by HCDE under this Agreement are confidential and shall not be disclosed to anyone other than District officials without the written approval of the District.

10. Termination. This Agreement may be terminated prior to the expiration of the Term hereof as follows:

- By either Party, with or without cause, upon thirty (30) days' prior written notice;
- By mutual written agreement of the Parties; or

- By either Party immediately if the other Party commits a material breach of any of the terms of this Agreement and no remedial action can be agreed upon by the Parties.

In the event of termination of this Agreement, the District shall be responsible for compensating HCDE for services provided by HCDE up to the effective date of termination and shall be paid within thirty (30) days of the effective date of termination.

11. Assignment. Neither this Agreement nor any duties or obligations under this Agreement shall be assignable by either party without the prior written acknowledgment and authorization of both parties.

12. Conflict of Interest. During the Term of HCDE's service to the District, the District, its personnel and agents, shall not, directly or indirectly, whether for the District's own account or with any other person or entity whatsoever, employ, solicit or endeavor to entice away any person who is employed by HCDE.

13. Contract Amendment. This Agreement may be amended only by the mutual agreement of all Parties, in writing, to be attached to and incorporated into this Agreement.

14. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be sent by **certified mail, return receipt requested**. Notice to shall be sufficient if made or addressed as follows:

Harris County Department of Education	_____("District")
Attn: James Colbert, Jr.	Attn: _____
County School Superintendent	Title: _____
6300 Irvington Blvd.	Address: _____
Houston, Texas 77022	City, State, Zip: _____
713-694-6300	Phone: _____
	Email: _____

15. Relation of Parties. It is the intention of the parties that the District is independent of HCDE and not an employee, agent, joint venturer, or partner of HCDE and nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and the District or HCDE and any of the District's representatives.

16. Non-Exclusivity of Services. Nothing in this Agreement may be construed to imply that HCDE has exclusive right to provide the District with programs or services. During the Term of this Agreement, the District reserves the right to use all available resources to procure other programs and services as needed and, in doing so, will not violate any rights of HCDE.

17. Disclaimer. HCDE DOES NOT WARRANT THAT THE OPERATION OR USE OF HCDE PROGRAMS AND/OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. HCDE HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT, PROGRAM, OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING, WITHOUT

LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

HCDE is not a regulatory agency and interprets regulations as a regulated political subdivision. Audits performed in accordance with this Agreement are limited to the data, information, and access provided by the District to HCDE, and HCDE does not warrant that Audits conducted hereunder will uncover every security concern, area of needed improvement, or any other category of information examined by HCDE. Audits conducted by HCDE are intended as one source, among other sources, for use by the District in determining the safety and security of its facilities. Successful completion of Audits under this Agreement will support partial satisfaction of the District's compliance with current statutory requirements as set forth in Texas Senate Bill 11 in September 2011.

18. Limitation of Liability. Without waiver of the Disclaimer in Article 16 of this Agreement, the Parties agree that:

- Neither Party waives any immunity afforded to it under applicable law; and
- Neither Party shall be liable to the other Party for special, incidental, or exemplary damages with regard to any lawsuit or formal adjudication arising out of or relating to this Agreement.

19. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegality, or unenforceable provision had never been contained in it.

20. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Houston, Harris County, Texas, and the Parties hereby submit to the exclusive jurisdiction of said courts.

21. No Waiver. Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or equity to a Party, including the defense(s) of immunity. No failure on the part of either Party at any time to require the performance by the other Party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such Party's right to enforce such term, and no waiver on the part of either Party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.

22. Benefit for Signatory Parties Only. Neither this Agreement, nor any term or provisions hereof, not any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

23. Authorization. Each party acknowledges that the governing body of each Party to the Agreement has authorized and approved this Agreement.

24. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original constituting one and the same instrument.

In witness whereof, HCDE and the District have executed this Agreement to be effective on the date specified in Article 1. Term above:

_____	Harris County Department of Education
District Name	
_____	_____
Authorized Signature	
_____	James Colbert, Jr.
Printed Name	
_____	County School Superintendent
Title	
_____	_____
Date	Date

EXHIBIT A
Scope of Work

1. **Selected Facilities**

HCDE will conduct Safety and Security Audits ("Audits") of the facilities listed below, as selected by the District:

Timeline	Number of Sites	Site Names/Types
Year 1		
Year 2		
Year 3		

2. **Scope of Audits**

The scope of each Audit includes:

1. Approach of the school/site ***unannounced*** to determine how freely HCDE team members can move about the building and interact with students and employees without being challenged by District officials (If necessary, the District will provide HCDE team members with written authorization to assess the schools with a campus escort);
2. Observation of the number, location, and condition of surveillance cameras, and potential security factors relating to building entrances, stairwells, areas out of sight of usual adult vision, and other "high risk" locations;
3. Conference with the counselor, principal, and other staff to determine training and skilled, instituted procedures regarding safety and security;
4. Determination of the structure of the District's crisis response/recovery team;
5. Review of District-wide procedures, communication processes, and the climate of assessed sites;
6. Identification of any District research initiatives or networking efforts with other schools/and or districts.

3. **Reports**

After each site visit has been completed, HCDE will conduct a debriefing with key facility staff. At a later date, HCDE will provide a facility-specific draft report containing Audit findings, recommendations, and commendations and an Executive Summary for the Superintendent or designee. All such drafts reports are considered to be drafts and works in progress, to the extent permitted by law. The Audit Final Report will be provided to the Superintendent or designee and is designed to provide the District with a useful and strategic planning tool.

Within six to eight (6-8) weeks of the Audit Final Report, the District is encouraged to respond in writing to HCDE regarding how it proposes to address recommendations contained in the Audit Final Report, which may include a decision to implement a modified or altered recommendation(s) and/or not implement recommendation(s). HCDE's team can assist District officials and principals in the development of a written response, at the request of the District.

EARLY HEAD START CHILD CARE PARTNERSHIP AGREEMENT BETWEEN HARRIS COUNTY DEPARTMENT OF EDUCATION AND JOHN G JONES LEARNING CENTER

This Early Head Start Child Care Partnership Agreement ("Agreement") is entered into by and between the Harris County Department of Education ("HCDE"), a political subdivision of the State of Texas, having its principal office and place of business at 6300 Irvington Blvd., Houston, Texas 77022 and John G Jones Learning Center ("Provider"), having its principal office and place of business at 12406 Crosby Lynchburg Road, Crosby, Texas 77532. HCDE and Provider shall be referred to collectively herein as the "Parties".

RECITALS

WHEREAS, HCDE is a recipient of Early Head Start Child Care grant funds;

WHEREAS, Provider submitted a proposal in response to RFP # 15/038JG, the procurement solicitation for Early Head Start Child Care services issued by HCDE;

WHEREAS, Provider's proposal has been accepted and awarded by HCDE;

WHEREAS, HCDE and Provider desire to create a partnership to accomplish the shared objective of increasing access to quality comprehensive early childhood service for low-income families with infants and toddlers in east and northeast Harris County; and

WHEREAS, this Agreement sets forth the respective roles and responsibilities of Provider and HCDE in providing Early Head Start Child Care services for infants and toddlers (0-3 years old) in compliance with Early Head Start Child Care grant requirements and Head Start Performance Standards.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, HCDE and Provider, intending to be legally bound, and subject to the terms, conditions, and provisions of this Agreement, agree as follows:

ARTICLE 1: MUTUAL RESPONSIBILITIES OF THE PARTIES

1. **Confidentiality.** The Parties agree to secure the confidentiality of all information and records in accordance with applicable federal and state laws, rules, and regulations, including but not limited to, the Health Insurance Portability and Accountability Act (HIPAA) and the Family Educational Rights and Privacy Act (FERPA), as applicable, and HCDE's confidentiality procedures. The Parties understand that HIPAA and FERPA govern the privacy and security of medical and educational records and information and agree to abide by HIPAA and FERPA rules and regulations, as applicable. Provider also acknowledges that HCDE is subject to the Texas Public Information Act, and Provider waives any claim against and releases from liability HCDE, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in this Agreement or otherwise created, assembled, maintained, or held by Provider and determined by HCDE, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act.

2. **Early Head Start Child Care Program**. The Parties agree to form an Early Head Start Child Care Partnership to provide Early Head Start Child Care ("EHS-CC") services for up to 12 children ages

0-3 years old at Provider's child care facility located at 12406 Crosby Lynchburg Road, Crosby, Texas 77532, in compliance with EHS-CC program requirements established by the United States Department of Health and Human Service ("HHS"). The Parties shall mutually assure that the families of all the EHS-CC Partnership children served at Provider's facility shall have access to the full range of EHS-CC services and shall be mutually responsible for assuring continuity in implementing EHS-CC services. The Parties shall work in collaboration to ensure all EHS compliance issues are addressed and met.

3. **Eligibility, Recruitment, Selection, Enrollment and Attendance.** The Parties will work together to ensure all children and families enrolled in the EHS-CC partnership are either income or categorically eligible for Early Head Start Services. The Parties will work together to identify partnership eligible families currently enrolled in Provider's child care program. HCDE will refer partnership eligible families to Provider when appropriate.

4. **Medical Screenings**. HCDE and Provider shall coordinate to provide all required developmental, sensory, behavioral and medical screenings for EHS-CC children within required 45-day timeframe and shall make referrals for follow-up treatment services, as needed.

5. **Reporting.** HCDE and Provider will meet quarterly to review this partnership. Any compliance monitoring issues or professional development needs will be addressed at these meetings. Minutes will be recorded and kept on site at the administrative offices of HCDE and Provider. Any correction plans developed in these meetings will also be recorded and kept on-site, with updates and completion of correction plans recorded in meeting minutes.

6. **Special Services**. HCDE and Provider shall provide special services to children diagnosed with disabilities, including training on inclusion of these children in a full range of activities. HCDE and Provider shall participate in transition meetings and Child Find meetings for enrolled children.

7. **Special Programs and Projects**. HCDE and Provider shall collaborate to plan and provide parent activities including Parent, Family and Community Engagement meetings, programs and projects. HCDE and Provider shall also collaborate to establish community partnerships that will offer resources to children and families.

ARTICLE II: RESPONSIBILITIES OF PROVIDER

1. **Administrative and Financial.** Provider will provide program management information to HCDE on at least a quarterly basis. Provider will timely inform HCDE of subsidy eligibility changes for enrolled partnership families.

2. **Compliance with Laws and EHS Program Requirements.** Provider shall comply with all EHS program requirements, Head Start Program Performance Standards ("HSPPS"), HHS Standards, and Texas Department of Family and Protective Services ("DFPS") Minimum Standards, including but not limited to, all HCDE and EHS child attendance policies and procedures, all HCDE and EHS health and safety practices, and all DFPS Child Care Licensing regulations. Provider shall comply with all federal, state, and local laws, statutes, ordinances, rules, and regulations, including, if applicable, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, prompt payment and licensing laws and regulations. Provider agrees that the certifications and agreements included on the HCDE Vendor Certification Forms, attached hereto as Exhibit A and incorporated by reference in this Agreement for all purposes, are true and correct. For the entire duration of this Agreement, Provider shall maintain all required licenses, certifications,

permits, and any other documentation necessary to perform this Agreement, including a valid DFPS Child Care License. When required or requested by HCDE, Provider shall furnish HCDE with satisfactory proof of Provider's compliance with this provision.

3. **Compliance Monitoring.** Provider will participate in the compliance monitoring and improvement plan system established by HCDE and will allow access to HCDE, EHS, and/or HHS and their respective authorized representatives for classroom and staff observations as well as to all documentation relating to this Agreement.

4. **Criminal History Review.** Prior to commencing any work under this Agreement, Provider must certify that for each covered employee, volunteer or contractor of Provider who will have direct contact with students, Provider has obtained, as required by Texas Education Code Section 22.0834: (a) state criminal history record information from a law enforcement or criminal justice agency or a private entity that is a consumer reporting agency governed by the Fair Credit Reporting Act (15 U.S.C. Section 1681 et seq.) for each covered employee of Provider employed before January 1, 2008; and (b) national criminal history record information for each employee of Provider employed on or after January 1, 2008. Provider must also obtain similar certifications of compliance with Texas Education Code Chapter 22's requirements from any subcontractors. Covered employees with disqualifying criminal history are prohibited from serving at HCDE; Provider and any subcontracting entity may not permit a covered employee to provide services at a child care facility if the employee has been convicted of a felony or misdemeanor offense that would prevent a person from being employed under Tex. Educ. Code § 22.085(a) (i.e., Title 5 felony or an offense requiring registration as a sex offender and victim was under 18 years of age or was enrolled in a public school at the time the offense occurred).

5. **Curriculum and Child Assessment:** Provider will implement an evidence-based early childhood curriculum that is developmentally appropriate for infants and toddlers and conduct ongoing assessment(s) of children to individualize the instruction and learning for each child.

6. **Eligibility, Recruitment, Selection, Enrollment and Attendance.** Provider will provide HCDE with monthly attendance reports by the 5th business day of the month. Provider will work closely with partnership families to ensure consistent attendance. Provider will work closely with enrolled families and HCDE to successfully complete subsidy applications and subsidy re-determinations. Provider shall comply with the plan developed by HCDE to deliver ongoing supplemental services to EHS children and families. Provider shall also comply with the disabilities service plan developed by HCDE for each EHS enrolled child with a disability.

7. **Facility and Equipment Requirements.** Provider shall provide a child care facility that serves children ages 0–3 years old. Classroom(s) at Provider's child care facility may have a maximum of eight children with a ratio of one teacher per four children, and classroom(s) must accommodate a minimum of 35 square feet per child, not including crib space. Provider's facility shall meet all Head Start Program Performance Standards, EHS Program Standards and all DFPS Child Care Licensing regulations, including requirements for facilities, square footage, health and safety, and appropriate crib and sleep spacing and arrangements. Provider's facility shall include secure space for confidential files to be kept locked on Provider's premises, and Provider shall ensure that all confidential files are kept locked in said secure space on Provider's premises. Provider shall maintain a working computer and email capability for the entire Term of this Agreement. Provider shall maintain and secure any property, including all equipment and materials, provided by HCDE, and all such property shall remain the sole property of HCDE. Provider agrees that upon termination or expiration of the Agreement, Provider shall return all HCDE property, including all

equipment and materials provided by HCDE, to HCDE within thirty of days after the effective date of termination or expiration of this Agreement.

8. **Full Day/Full Year Early Head Start Child Care**. Provider shall operate a full-day/full-year EHS program as defined by HCDE and EHS and shall provide comprehensive child development services to all EHS children in its care pursuant to this Agreement and in accordance with the specifications identified in the Early Head Start rules and regulations. Provider shall provide EHS CC services at least ten (10) hours per day and at least 48 weeks per year. Provider shall submit annual service calendars to HCDE annually by June 30th of each year during the Term to enable HCDE to verify that the required weeks of service are provided. Provider shall implement educational services in accordance with EHS and HCDE requirements.

9. **Health and Nutrition.** Provider shall enroll in the United States Department of Agriculture's Child and Adult Care Food Program ("CACFP"), maintain good standing within CACFP, and ensure that children receive two thirds of the required daily nutrition while participating in CACFP. Provider shall provide breakfast, lunch, and afternoon snack to all EHS children, and all meals and snacks served by Provider must meet EHS requirements.

10. **Home Visits; Parent-Teacher Conferences.** Provider shall make, at a minimum, two home visits per year for each EHS child served by Provider pursuant to this Agreement. Provider shall hold two parent-teacher conferences per year with each EHS enrolled family or primary guardian. Provider shall maintain adequate documentation of said home visits and parent-teacher conferences.

11. **Inspection.** Provider shall allow HCDE staff and its authorized representatives, at any time during normal business hours, with or without notice, to inspect Provider's facilities; observe Provider's performance; and observe, evaluate, screen, and interact with EHS children served by Provider pursuant to this Agreement.

12. **Insurance.** Provider is required to maintain General Liability Insurance coverage in an amount of $300,000 per occurrence for negligence and to provide HCDE with copies of certificates of insurance. Certificates of Insurance, name and address of Provider, the limits of liability, the effective dates of each policy, and policy number shall be delivered to HCDE prior to commencement of any work under this Agreement and updated certificates of insurance shall be submitted to HCDE annually. The insurance company insuring Provider shall be licensed in the State of Texas and shall be acceptable to HCDE. Provider shall give HCDE a minimum of ten (10) days' notice prior to any modifications or cancellation of said policies of insurance. Provider shall require all subcontractors performing any work under or relating to this Agreement to maintain coverage as specified herein. Upon request, certified copies of original insurance policies shall be furnished to HCDE. HCDE reserves the right to require additional insurance should HCDE deem additional insurance necessary, in HCDE's sole discretion.

13. **Parent Engagement.** Provider will work closely with HCDE to ensure EHS parents are engaged and included in the full range of child development and family support services that are available and appropriate for each family. This will include a parent advisory committee with representation from partnership parents as well as members of the community, as appropriate.

14. **Reporting and Recordkeeping.** For all EHS children served by Provider pursuant to this Agreement**,** Provider shall maintain up-to-date records of children's attendance, menus, medical conditions (including appropriate consent forms) and all other items required by HCDE, HHS, DFPS Child Care Licensing, CACFP, and any governmental authority or applicable funding

agency. Provider shall maintain daily performance and attendance reports, signature sheets and other documents required by HCDE and shall submit such reports to the HCDE Accounts Payable Department on a semi-monthly basis no later than the 1st and 5th business day after the due date. Provider shall maintain annual service calendars and shall submit such service calendars to HCDE annually by June 30th of each year during the Term to enable HCDE to verify that the required weeks of service are provided.

15. **Solicitation of Parental Contributions Prohibited.** Provider shall not require or ask EHS parents to supply any items, including diapers, food, cash, and/or reimbursements for EHS children in Provider's care.

16. **Teaching Staff Credentials; Teacher-Child Ratio; Group Size.** Provider shall hire and employ qualified teachers and ensure all teaching staff attend all classes and complete all requirements necessary to obtain a Child Development Associate ("CDA") credential for Infant and Toddler Caregivers within twelve months from beginning services. The Lead Teacher in each EHS partnership classroom must have a currently active CDA credential for Infant and Toddler Caregivers or an equivalent credential that addresses comparable competencies. Provider shall maintain a teacher-child ratio of one teacher for every four children. No more than eight children will be placed in any one classroom in which EHS partnership children will be enrolled. Any substitute teachers hired and employed by Provider shall meet all requirements detailed herein.

17. **Training.** Provider will work with HCDE to develop professional development plans for all teachers working with EHS children, and to ensure access to professional development experiences that will foster the skills necessary to develop consistent, stable and supportive relationships with very young children, including trainings focused on increased knowledge of infant and toddler development, safety issues in infant and toddler care (e.g., reducing the risk of Sudden Infant Death Syndrome) and methods for communicating effectively with infants and toddlers, their parents and other staff members. Provider and Provider's staff shall participate in required orientation, ongoing training, and professional development as deemed necessary by HCDE and/or EHS.

18. **Performance.** Provider agrees to use best efforts to provide the service(s) subject to this Agreement. Provider shall employ only orderly and competent workers, skilled in the performance of the services which shall be performed under this Agreement. Provider, its employees, subcontractors, and subcontractor's employees may not use or possess any firearms, alcoholic or other intoxicating beverages, illegal drugs or controlled substances while on the job or on HCDE's property, nor may such workers by intoxicated or under the influence of alcohol or drugs on HCDE's property.

19. **Right to Use Name.** Provider hereby grants HCDE a non-exclusive right to use any of Provider's names, trademarks or logos, and copyrighted materials and to publish such.

ARTICLE III: RESPONSIBILITES OF HCDE

1. **Administrative and Financial.** HCDE is responsible for ensuring that all administrative and financial management requirements of the EHS-CC grant are met. HCDE will provide financial and program management information to Provider on at least a quarterly basis and will work closely with Provider to establish a partnership budget.

2. **Assistance to Provider.** HCDE shall assist Provider in obtaining an EHS-CC curriculum that is evidence-based and developmentally appropriate for infants and toddlers; completing referrals for

community agency assistance for EHS-CC families that need help or who are in crisis, assisting all enrolled EHS-CC families in attaining comprehensive services, including physical, mental and oral health, education, nutrition, and parent engagement services; and assisting Provider's teachers in coordinating developmental, sensory, and behavioral screening and assistance with provision of follow-up services and assessments as mandated in the Head Start Performance Standards.

3. **Compliance Monitoring**. HCDE shall incorporate Provider into an EHS-CC compliance monitoring and improvement plan system.

4. **Early Head Start Plan**. HCDE shall be responsible for determining eligibility, recruitment, placement, and follow-up for EHS children. HCDE shall provide a plan to deliver ongoing supplemental services to EHS children and families. HCDE shall implement a recruitment plan and selection criteria to ensure the program enrolls children most in need in the community, namely: (1) children with disabilities, (2) families that receive child care subsidies, and (3) families eligible for public assistance.

5. **Disability Plans.** HCDE shall develop a disabilities service plan for each EHS enrolled child with a disability.

6. **Payment**. HCDE shall pay Provider the rate for the categories indicated in the chart below per day for each EHS child enrolled in Provider's EHS Child Care program, as evidenced by the attendance and enrollment records provided by Provider under this Agreement and verified, if necessary, by HCDE. The amount not to exceed $50,000.00.

Age of EHS child	Subsidized	Not subsidized
Infant (0-17 months)	$ 15.00	$ 29.00
Toddler (18-35 months)	$ 12.50	$ 25.00

HCDE shall enroll, pay the initial assessment fee(s), and monitor progress of Provider's teachers to take Infant-Toddler Child Development Associate Credential classes.

In accordance with Texas Government Code § 2251.021, payments are due to Provider within forty-five (45) days after the later of the following: (1) the date the performance of the service under the Agreement is completed; or (2) the date HCDE receives an invoice for the service. Provider agrees to pay any subcontractors, if any, the appropriate share of the payment received from HCDE not later than the tenth (10th) day after the date Provider receives the payment from HCDE. The exceptions to payments made by HCDE and/or Provider listed in Texas Government Code § 2251.002 shall apply to this Agreement.

7. **Reimbursements.** HCDE may reimburse Provider for the costs of expenses incurred by Provider in the course of gaining and/or maintaining compliance with EHS-CC program requirements and/or increasing the quality of Provider's EHS Child Care program. In order to receive reimbursement from HCDE, Provider must (1) obtain written approval of the expense from an authorized HCDE representative prior to Provider incurring the expense and (2) submit documentation of the expense (i.e., receipt, invoice, etc.) to HCDE. HCDE, in its sole discretion, may approve or disapprove Provider's request(s) for reimbursements under this Section.

8. **Training.** HCDE shall provide training to Provider prior to participation in the EHS Child Care program. HCDE shall provide Provider's EHS teachers with ongoing training, professional development plans, coaching, and mentoring, including providing technical assistance and training to Provider's teachers throughout the CDA credentialing process. Professional development plans

will emphasize continuity of care and relational learning that supports EHS children and their families and fosters school readiness.

ARTICLE IV: TERM AND TERMINATION

1. **Term**. This Agreement is effective from July 22, 2015 through June 30, 2016. The Parties may renew this Agreement by written agreement for up to four (4) additional terms of no more than one (1) year increments. All services must be completed during the effective dates of the Agreement.

2. **Termination of Contract.** This Agreement shall remain in effect until (1) the Agreement expires by its terms or (2) the Agreement is terminated by mutual agreement of HCDE and Provider. In the event of a breach or default of the Agreement and/or the procurement solicitation by Provider, HCDE reserves the right to enforce the performance of the Agreement and/or the procurement solicitation in any manner prescribed by law or deemed to be in the best interest of HCDE. HCDE further reserves the right to terminate the Agreement immediately in the event Provider fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in this Agreement, the procurement solicitation, and/or set by HCDE; (2) comply with EHS program requirements, HSPPS, HHS Standards, or DFPS Minimum Standards; (3) maintain all required licenses, certifications, permits, or other required documentation; or (4) otherwise perform in accordance with this Agreement and/or the procurement solicitation. HCDE also reserves the right to terminate the Agreement immediately, with written notice to Provider, if HCDE believes, in its sole discretion, that it is in the best interest of HCDE to do so. Provider agrees that HCDE shall not be liable for damages in the event that HCDE declares Provider to be in default or breach of this Agreement and/or the procurement solicitation. Provider further agrees that upon termination of the Agreement for any reason, Provider shall, in good faith and with reasonable cooperation, aid in the transition to any new arrangement and/or Provider.

ARTICLE V: GENERAL PROVISIONS

1. **Amendment.** No amendment of this Agreement shall be permitted unless first approved in writing by HCDE, and no such amendments shall have any effect unless and until a written amendment to this Agreement is executed by HCDE's Superintendent or its Assistant Superintendent for Business Services (or their designees) after any necessary approvals have been obtained from the HCDE Board of Trustees.

2. **Assignment of Agreement.** Provider may not assign this Agreement or any of its rights, duties, or obligations hereunder without the prior written approval of HCDE. Any attempted assignment of this Agreement by Provider shall be null and void. Any obligation, responsibility, or requirement imposed on Provider or HCDE property provided to Provider under this Agreement may not be transferred, assigned, subcontracted, mortgaged, pledged, or otherwise disposed of or encumbered in any way by Provider without the prior written approval of HCDE. Provider is required to notify HCDE when any material change in operations occurs, including but not limited to, changes to or revocation of required licenses, certifications, permits, or other documentation necessary to perform this Agreement; bankruptcy; material changes in financial condition; change of ownership; and the like, within three (3) business days of such change.

3. **Captions.** The captions herein are for convenience and identification purposes only, are not an integral part hereof, and are not to be considered in the interpretation of any part hereof.

4. **Entire Agreement.** This Agreement, the procurement solicitation issued by HCDE, and Provider's proposal submitted in response to HCDE's procurement solicitation (RFP # 15/038JG), and the

attached and incorporated addendum or exhibits, including, but not limited to Exhibit A, contain the entire agreement of the parties relative to the purpose(s) of the Agreement and supersede any other representations, agreements, arrangements, negotiations, or understanding, oral or written, between the parties to this Agreement. In the event of a conflict between this Agreement and the procurement solicitation issued by HCDE or Provider's proposal submitted in response to HCDE's procurement solicitation, this Agreement shall control. In the event of a conflict between the procurement solicitation issued by HCDE and Provider's proposal submitted in response to HCDE's procurement solicitation, HCDE's procurement solicitation shall control. This Agreement supersedes any conflicting terms and conditions on any purchase or work orders, invoices, checks, order acknowledgements, forms, or similar documents relating hereto and which may be issued by Provider after the Effective Date of this Agreement.

5. **Equal Opportunity.** It is the policy of HCDE not to discriminate on the basis of race, color, National origin, gender, limited English proficiency or handicapping conditions in its programs. Provider agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Agreement, with respect to hire, tenure, terms, conditions and privileges of employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Provider further agrees that every subcontract entered into for the performance of this Agreement shall contain a provision requiring non-discrimination in employment herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Agreement.

6. **Force Majeure.** Neither HCDE or Provider shall be deemed to have breached any provision of this Agreement as a result of any delay, failure in performance, or interruption of service resulting directly or indirectly from acts of God, network failures, acts of civil or military authorities, civil disturbances, wars, energy crises, fires, transportation contingencies, interruptions in third-party telecommunications or Internet equipment or service, other catastrophes, or any other occurrences which are reasonably beyond such party's control. The parties to this Agreement are required to use due caution and preventive measures to protect against the effects of force majeure, and the burden of proving that a force majeure event has occurred shall rest on the party seeking relief under this provision. The party seeking relief due to force majeure is required to promptly notify the other party in writing, citing the details of the force majeure event and relief sought, and shall resume performance immediately after the obstacles to performance caused by a force majeure event have been removed, provided the Agreement has not been terminated. Delay or failure of performance, by either party to this Agreement, caused solely by a force majeure event, shall be excused for the period of delay caused solely by the force majeure event. Neither party shall have any claim for damages against the other resulting from delays caused solely by force majeure. Notwithstanding any other provision of this Agreement, in the event the Provider's performance of its obligations under this Agreement is delayed or stopped by a force majeure event, HCDE shall have the option to terminate this Agreement. This section shall not be interpreted as to limit or otherwise modify any of HCDE's contractual, legal, or equitable rights.

7. **Non-Appropriation.** Notwithstanding any other provision of this Agreement or obligation imposed on HCDE by this Agreement, HCDE shall have the right to terminate this Agreement without default or liability to Provider resulting from such termination, effective as of the end of any fiscal year of HCDE or of HCDE's Early Head Start program, if it is determined by HCDE, in HCDE's sole discretion, that there are insufficient funds to extend this Agreement, in accordance with Texas Local Government Code 271.903 concerning non-appropriation of funds for multi-year contracts. HCDE anticipates it will receive Early Head Start grant funds from the United States Department of Health

and Human Services in an amount equal to the cost of services to be provided under this Agreement. Provider further acknowledges that federal funds will be used to make all payments and pay for all of HCDE's obligations under this Agreement and that this Agreement is subject to appropriation and approval of an Early Head Start Grant by the United States federal government for the specific purpose of providing Early Head Start services in east and northeast Harris County. Notwithstanding anything to the contrary in this Agreement, this Agreement is contingent on HCDE receiving such funds. If HCDE does not receive sufficient funding to operate the Early Head Start program, HCDE may terminate this Agreement or reduce the scope of services provided under this Agreement, in HCDE's sole discretion, without penalty or further obligation to Provider, at any time upon written notice to Provider.

8. **Governing Law and Venue.** The laws of the State of Texas, without regard to its provisions on conflicts of laws, govern this Agreement. Any dispute under this Agreement must be brought in the state and federal courts located in Houston, Harris County, Texas, and the parties hereby submit to the exclusive jurisdiction of said courts.

9. **HCDE Property.** In the event of loss, damage, or destruction of any property owned by or loaned by HCDE that is caused by Provider or Provider's representative, agent, employee, contractor, or anyone under Provider's care, supervision, custody, and/or control, Provider shall indemnify HCDE and pay to HCDE the full value of or the full cost of repair or replacement of such property, whichever is greater, within thirty (30) days of Provider's receipt of written notice of HCDE's determination of the amount due. If Provider fails to make timely payment, HCDE may obtain such money from Provider by any means permitted by law, including, without limitation, offset or counterclaim against any money otherwise due to Provider by HCDE.

10. **Indemnification.** PROVIDER SHALL INDEMNIFY AND HOLD HCDE HARMLESS FROM ALL CLAIMS, LIABILITIES, COSTS, SUITS OF LAW OR IN EQUITY, EXPENSES, ATTORNEYS' FEES, FINES, PENALTIES OR DAMAGES ARISING FROM THE ACTS OR OMISSIONS OF PROVIDER, PROVIDER'S EMPLOYEES, AGENTS, CONTRACTORS, OR ANYONE UNDER PROVIDER'S CARE, SUPERVISION, CUSTODY, OR CONTROL, IN CONNECTION WITH THIS AGREEMENT. Provider's obligations under this clause shall survive expiration or termination of this Agreement.

11. **Interpretation**. Provider agrees that the normal rules of construction that require that any ambiguities in this Agreement are to be construed against the drafter shall not be employed in the interpretation of this Agreement.

12. **IRS W-9.** In order to receive payment under this Agreement, Provider shall have a current I.R.S. W-9 Form on file with HCDE.

13. **No Agency or Endorsements.** HCDE and Provider are independent contractors and have no power or authority to assume or create any obligation or responsibility on behalf of the other party. This Agreement shall not be construed or deemed an endorsement of a specific company or product. It is the intention of the parties that Provider is independent of HCDE and is not an employee, agent, joint venturer, or partner of HCDE, and nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and Provider or HCDE and any of Provider's agents. Provider agrees that HCDE has no responsibility for any conduct of any of Provider's employees, agents, representatives, contractors, subcontractors, or anyone under Provider's care, supervision, custody, or control.

14. **Notice.** Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be given by hand-delivery or by certified or registered mail, return receipt requested. Notice shall be sufficient if made or addressed as follows:

    HCDE
    Attention: James Colbert, Jr., County School Superintendent
    6300 Irvington Blvd.
    Houston, Texas 77022

    John G Jones Learning Center
    Attention: Robert Chambers
    P.O. Box 3303
    Crosby, Texas 77532

    Notice shall be deemed effective upon receipt. Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified or registered mail, return receipt requested.

15. **Records Retention.** Provider shall maintain its records and accounts in a manner that shall assure a full accounting for all services provided by Provider under this Agreement. These records and accounts shall be retained by Provider and made available for audit by HCDE for a period of not less than two (2) years from the date of completion of the services, receipt of the goods, or the date of the receipt by HCDE of Provider's final invoice or claim for payment in connection with this Agreement, whichever is later. If an audit has been announced, Provider shall retain its records and accounts until such audit has been completed.

16. **Right to Audit.** HCDE, upon written notice, shall have the right to audit all of Provider's records and accounts relating to this Agreement. Records subject to audit shall include, but are not limited to, records which may have a bearing on matters of interest to HCDE in connection with the Agreement and shall be open to inspection and subject to audit and/or reproduction by HCDE or its authorized representative(s) to the extent necessary to adequately permit evaluation and verification of: (a) Provider's compliance with this Agreement and the requirements of the solicitation, (b) compliance with provisions for computing billings, attendance records, and other documents submitted to HCDE, and/or (c) any other matters related to this Agreement.

17. **Safety.** Provider, its subcontractors, and their respective employees shall comply fully with all applicable federal, state, and local safety and health laws, ordinances, rules, and regulations in the performance of services under this Agreement, including, without limitation, those promulgated by HCDE, EHS, or HHS. In case of conflict, the most stringent safety requirements shall govern. Provider shall comply with all other safety guidelines and standards as required by HCDE. Provider shall indemnify and hold HCDE harmless from and against all claims, demands, suits, actions, judgments, fines, penalties, and liability of every kind arising from the breach of Provider's obligations under this provision.

18. **Severability.** In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.
19. **Subcontractors.** If Provider uses subcontractors in the performance of any part of this Agreement, Provider shall be fully responsible to HCDE for all acts and omissions of the subcontractors just as Provider is responsible for Provider's own acts and omissions. Nothing in this Agreement shall

create for the benefit of any such subcontractor any contractual relationship between HCDE and any such subcontractor, nor shall it create any obligation on the part of HCDE to pay or to see to the payment of any moneys due any such subcontractor except as may otherwise be required by law.

20. **Taxes.** HCDE is tax-exempt, and HCDE shall not pay taxes for goods and/or services provided under this Agreement. Provider represents and warrants that it shall pay all taxes or similar amounts resulting from this Agreement, including, without limitation, any federal, state, or local income, sales or excise taxes of Provider or its employees. HCDE shall not be liable for any taxes resulting from this Agreement.

21. **Tax Responsibilities of Provider and Indemnification for Taxes.** Provider and all subcontractor(s) of Provider shall pay all federal, state, and local taxes applicable to their operation and any persons employed by Provider and all subcontractors of Provider. Provider shall require all subcontractors to hold HCDE harmless from any responsibility for taxes, damages, and interest. If applicable, contributions required under federal, state, and/or local laws and regulations and any other costs including, but not limited to, transaction privilege taxes, unemployment compensation insurance, Social Security, and Worker's Compensation, shall be the sole responsibility of Provider.

22. **Third Parties.** Neither this Agreement, nor any provision or term hereof, nor any inclusion by reference shall be construed as being for the benefit of any party not in signatory hereto.

23. **Waiver.** No failure on the part of either party at any time to require the performance by the other party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such party's right to enforce such term, and no waiver on the part of either party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Contract shall be binding unless in writing and signed by duly authorized representatives of the parties hereto.

IN WITNESS HEREOF, HCDE and Provider have executed this Agreement to be effective on the date specified in Article IV, 1., Term, above.

Harris County Department of Education	John G Jones Learning Center
_____	_____
James Colbert, Jr. County School Superintendent	Robert Chambers
	_____
	Printed Name
	_____
	Title
_____	_____
Date	Date

HARRIS COUNTY DEPARTMENT OF EDUCATION
EMPLOYEE/INDEPENDENT CONTRACTOR CLASSIFICATION CHECKLIST

The information provided below will assist the Business Office in determining whether the individual performing the services will be classified as an independent contractor or an employee of HCDE for federal and FICA tax purposes.

SECTION I – INDIVIDUAL'S INFORMATION

Provider Name:

HCDE Division completing this form:

SECTION II – MULTIPLE RELATIONSHIPS WITH HCDE

☐ Yes ☐ No Does this individual currently work for HCDE as an employee?

☐ Yes ☐ No Will this individual perform the same or similar services as other HCDE employees?

☐ Yes ☐ No Has this individual been an employee of HCDE or performed the same proposed services as an employee of HCDE in the past?

- If the answer is **YES** to any of these questions this individual is **NOT** eligible for "Independent Contractor" status; skip to Section IV.
- If the answer is **NO** to any of these questions proceed to Section III.

SECTION III – CLASSIFICATION GUIDELINES

A. Conference speakers and presenters hired to perform services for HCDE are presumed to be "Independent Contractors" (vendors) of HCDE.

B. Consultants hired to perform professional services (intellectual in nature as outlined in the Professional Services Act) are considered "Independent Contractors" IF the following are met:

☐ Yes ☐ No Will the individual provide the same or similar services he/she offers to other entities or to the general public as part of his/her trade of business?

☐ Yes ☐ No Will the individual handle the services independently and will HCDE rely on that individual's expertise?

☐ Yes ☐ No Will the individual set his/her own number of hours and/or workdays required to work as opposed to HCDE setting the work schedule?

☐ Yes ☐ No Will the individual NOT supervise and evaluate staff during the course of his/her contract?

- If the answer is **YES** to any of these questions this individual **MEETS** the "Independent Contractor" criteria and can be classified as an Independent Contractor.
- If the answer is **NO** to any of these questions the individual **DOES NOT MEET** the "Independent Contractor" criteria and must be classified as an employee.

SECTION IV – DETERMINATION

This individual is to be classified as (check one): ☐ Independent Contractor ☐ Employee

Reason(s) for Determination:

SECTION V – REQUIRED SIGNATURES

Budget Manager:	Date:

Submit to Procurement Services along with Contract Processing Form and Independent Contractor Agreement

Harris County Department of Education Advertising/Sponsorship Agreement

This Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located at 6300 Irvington Boulevard, Houston, Texas, 77022, and _____ ("Company"), located at _____, in accordance with the terms and conditions specified herein.

WHEREAS, HCDE is committed to equalizing educational opportunities in Harris County, Texas and to obtaining funds necessary to support this objective;

WHEREAS, Company desires to advertise its goods/services and will compensate HCDE the fair market value of the advertising opportunities as outlined in this Agreement; and

WHEREAS, HCDE has determined that the advertisement opportunities outlined in this Agreement are in support of its educational objectives.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, HCDE and Company, intending to be legally bound, agree as follows:

1. **Term.** This Agreement is for a term of INSERT # months, beginning INSERT DATE and ending INSERT DATE ("Term"). The effective date of this Agreement is INSERT DATE.

2. **Compensation.** In exchange for the advertisement opportunities and other consideration outlined in this Agreement, Company agrees to pay HCDE INSERT # dollars ($INSERT), payment of which shall be received by HCDE on or before INSERT DATE.

3. **Advertising/Sponsorship Opportunities.** HCDE agrees to allow Company to participate in the following advertising and/or sponsorship opportunities:

   ☐ to include Company's name, logo, and hyperlink to Company's website through placement on marketing materials, with placement to be selected by HCDE;

   ☐ to include Company's name, logo, hyperlink to Company's website, and message of no more than 100 words on in event program, with placement selected by HCDE;

   ☐ to include Company's name, logo, and hyperlink to Company's website through HCDE Division marketing materials, with placement to be selected by HCDE;

   ☐ to place Company-provided flyers sized no larger than 8.5x11 inches advertising Company's goods/services at a location selected by HCDE during INSERT EVENT held on HCDE premises or at an HCDE-sponsored event. Company shall provide at least INSERT # copies of its flyers to HCDE on or before INSERT DATE;

   ☐ to include Company's name, logo, hyperlink to Company's website, and message of no more than 100 words on HCDE's internal portal webpage, on a location to be selected by HCDE;

☐ to participate in the R.T. Garcia Early Winter Childhood Conference on INSERT DATE by having a booth, of a size determined by HCDE, during the conference and by placing Company's logo and brief description of Company's services/goods in the conference program and digital app with link to Company's website. HCDE will provide the booth space, one table, and two chairs for Company; all other materials required by Company for the booth shall be provided by Company. Company is responsible for removing all items and materials placed in the booth by or for Company at the conclusion of the conference and shall leave the booth space clean and free of debris;

☐ to participate in other HCDE program OR EVENT INSERT NAME on INSERT DATE by having a booth, of a size determined by HCDE, during the event and by placing Company's logo and brief description of Company's services/goods in the event program. HCDE will provide the booth space, one table, and two chairs for Company; all other materials required by Company for the booth shall be provided by Company. Company is responsible for removing all items and materials placed in the booth by or for Company at the conclusion of the conference and shall leave the booth space clean and free of debris;

☐ to participate in the INSERT EVENT on INSERT DATE by INSERT ADVERTISEMENT OPPORTUNITY. Company is responsible for removing all items and materials placed in or brought to the event premises by or for Company at the conclusion of the event and shall leave the event space occupied or used by Company clean and free of debris.

4. **Non-Exclusivity.** Nothing in this Agreement may be construed to imply that Company has the exclusive right to provide HCDE goods or services, advertise with, or sponsor HCDE or any HCDE event. During the Term of this Agreement, HCDE reserves the right to use all available resources to procure other goods, services, and/or advertisers/sponsors as deemed in the best interest of HCDE in HCDE's sole discretion and doing so will not violate any rights of Company.

5. **Termination.** This Agreement may be terminated prior to the expiration of the Term as follows:
   a. By mutual written agreement of the parties;
   b. By either party, without cause, upon thirty (30) days prior written notice to the other party, to be effective upon the expiration of the thirty (30) days or as mutually agreed to by the parties;
   c. By HCDE immediately upon written notice to Company if Company commits a material breach of any of the terms and conditions of this Agreement; or
   d. By HCDE immediately in the event the State or Federal governments, any court, or any regulatory body or agency enacts any statute, passes any rule, or enters any decision that makes the existence of or performance of this Agreement unlawful.

6. **Effects of Termination or Expiration.**
   a. Upon the effective date of termination or expiration of this Agreement, except as otherwise explicitly stated herein, the parties shall have no obligations to the other party under this Agreement.
   b. In no event shall HCDE make any refund of any compensation provided by Company prior to the effective date of termination or expiration of this Agreement.

7. **Advertising and Sponsorship Materials.** Company shall submit all Materials, as hereinafter defined, to HCDE for review and approval by HCDE prior to any use in connection with this Agreement. The term "Materials" means all materials used in any advertisement, signage, literature, flyer, banners, or the like or posted on any website pursuant to this Agreement and includes, without limitation, text, photos, illustrations, designs, drawings, trademarks, copyrighted information, names, logos, promotional items, product samples, giveaways, and descriptions of any kind relating to Company or HCDE. The term "Approved Materials" means the version of the Materials that is reviewed and approved by HCDE. HCDE reserves the right, in its sole discretion, to reject any Materials for any

reason. Accordingly, Company agrees that rejected Materials which are not revised and become Approved Materials will not be used in connection with this Agreement. Company is solely responsible for all Materials and Approved Materials used in connection with this Agreement and Company assumes all liability for content contained in the Materials. All costs, expenses, fees, and charges for Materials shall be paid solely by Company, including without limitation, all expenses of production, installation, and maintenance of all Materials.

All Materials must comply with the following guidelines:

a. All Materials must be truthful and may not be misleading or deceptive.
b. The products and services advertised must be appropriate for the targeted audience (i.e., children v. adults).
c. This Agreement is voidable by HCDE immediately if Company fails to disclose (or conceals or misrepresents) any involvement with tobacco, alcohol, or pornographic products or services. In addition, HCDE may, in its complete and sole discretion, refuse the use of any advertising or placement of Materials that it deems to be inappropriate based on HCDE policy.
d. Disclosures and disclaimers required by law shall be clear and conspicuous.
e. All Materials must at all times comply with any and all applicable laws, rules, regulations, and rights of third parties, and may not infringe any third party's trademark, copyright, right of privacy, right of publicity, right of image, or right of confidentiality, may not misappropriate a trade secret, or be discriminatory, libelous, or slanderous.
f. The Materials may not advertise products, services or activities which are illegal in Texas or under federal law.
g. The Materials may not advertise products that negatively affect the health and safety of the public-at-large, such as weapons, tobacco, alcoholic beverages, or pornographic or illegal products or services (which HCDE shall have complete discretion to define).
h. The Materials may not contain any sexual text or images of any kind or make any sexual connotations, inferences, or comments of a nature questionable for children under the age of 16.
i. The Materials may not advertise gambling opportunities.
j. The Materials may not contain offensive, profane, obscene, or otherwise inappropriate language, or defamatory statements.
k. The Materials may not advertise political candidates, parties, or ballot initiatives.
l. The Materials may not contain or be used to generate unsolicited spam, or advertising to email lists that are not pre-approved by HCDE.
m. The Materials may contain URL/links to a third-party website, provided, that such website must be under Company's control and may not sell or distribute products or services prohibited under this Agreement. Company hereby agrees to assume full liability and responsibility for any third-party website to which a site user may link through a URL/link contained in Company's Materials.

8. **Right to Use Trade Names, Trademarks, Logos, and Copyrighted Materials.** Company hereby grants HCDE a non-exclusive right to use any of Company's trade names, trademarks or logos, and copyrighted materials as supplied by Company, in connection with this Agreement. Company may not publish or use any publicity materials relating to this Agreement or use HCDE's name or logo(s) without the prior written consent of HCDE.

9. **Privacy Rights.** Company acknowledges that it does not have the right to use the names, signatures, photographs, or likenesses of any HCDE employee, student, or participant in connection with any submitted Materials or Approved Materials for a commercial product or service.

10. **Texas Public Information Act.** Company acknowledges that HCDE is subject to the Texas Public Information Act, and Company waives any claim against and releases from liability HCDE, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in this

Agreement or otherwise created, assembled, maintained, or held by Company or HCDE and determined by HCDE, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act.

11. **Insurance.** Company represents and agrees that it shall provide and maintain commercially reasonable and necessary insurance covering Company's obligations under this Agreement, including, without limitation, Company's indemnity obligations. On request by HCDE, Company shall provide HCDE certificates of insurance indicating proof of any such insurance.

12. **Warranties and Limitation of Liability.** Company warrants and represents that: (a) Company has full power and authority to enter into this Agreement on behalf of Company; (b) the Materials provided to HCDE and used in connection with this Agreement are original material belonging to Company and/or that Company has obtained any and all rights, permissions, and licenses necessary for the use of the Materials in connection with this Agreement; and (c) that the use, reproduction, distribution, or transmission of Materials will not violate any criminal laws or any rights of any third parties, including, but not limited to, such violations as infringement or misappropriation of any copyright, patent, trademark, trade secret, music, image, or other proprietary or property right, false advertising, unfair competition, defamation, invasion of privacy or rights of celebrity, violation of any antidiscrimination law or regulation, or any other right of any person or entity.

    EXCEPT AS MAY OTHERWISE BE PROVIDED HEREIN, HCDE MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, HCDE DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF PERFORMANCE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, OMISSIONS, COMPLETENESS, AND DELAYS. HCDE DOES NOT MAKE ANY WARRANTY AS TO THE EFFECTIVENESS OF OR POTENTIAL RESULTS ARISING FROM PLACEMENT OF COMPANY'S MATERIALS ON ANY HCDE PROPERTY, INCLUDING, WITHOUT LIMITATION, HCDE'S WEBSITE, OR THAT ACCESS TO ANY HCDE WEBSITE WILL BE UNINTERRUPTED, SECURE, COMPLETE, OR ERROR FREE, THAT DEFECTS WILL BE CORRECTED, OR THAT HCDE'S WEBSITES OR THE SERVER(S) ARE FREE OF VIRUSES OR OTHER HARMFUL COMPONENTS. EXCEPT AS EXPRESSLY PROVIDED HEREIN OR AS REQUIRED BY LAW, UNDER NO CIRCUMSTANCES SHALL HCDE BE LIABLE FOR EXEMPLARY, SPECIAL, PUNITIVE, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, BUSINESS REVENUE, OR GOODWILL DUE TO ANY CAUSE WHATSOEVER, EVEN IF HCDE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

13. **Relationship of the Parties.** It is understood and agreed that Company is a separate legal entity from HCDE and Company is not an employee, agent, joint venturer, or partner of HCDE. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between HCDE and either Company or any employee or agent of Company. Company assumes full responsibility for the actions of its personnel while performing any services incident to this Agreement and shall remain solely responsible for their supervision, direction and control, payment of salary, workers' compensation, disability benefits, and like requirements and obligations. Company agrees that HCDE has no responsibility for any conduct of Company or Company's employees, agents, representatives, contractors, or subcontractors. This Agreement, including without limitation, any advertising/sponsorship opportunities granted to Company by HCDE hereunder, shall not be construed or deemed an approval or endorsement of Company or any issue, product, organization, activity, or position by HCDE.

14. **No Waiver of HCDE's Immunity.** The execution of this Agreement and the performance by HCDE of any of its obligations hereunder are not, and are not intended to waive or relinquish, and HCDE shall not waive or relinquish, any governmental, sovereign immunity or defense from or to liability or prosecution available to HCDE, its trustees, officers, employees, or agents under federal or Texas laws.

15. **INDEMNIFICATION. COMPANY AGREES THAT COMPANY SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS HCDE AND HCDE'S PAST, PRESENT, AND FUTURE TRUSTEES, OFFICERS, AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, DEMANDS, CAUSES OF ACTION, DAMAGES, COSTS, AND EXPENSES, INCLUDING, WITHOUT LIMITATION, COURT COSTS AND REASONABLE ATTORNEYS' FEES, OF ANY KIND OR NATURE ASSERTED BY ANY THIRD PARTY, OCCURRING OR IN ANY WAY INCIDENT TO, ARISING OUT OF, OR IN CONNECTION WITH ANY ACTS OF COMPANY AND/OR COMPANY'S AGENTS, EMPLOYEES, AND/OR SUBCONTRACTORS DONE IN CONNECTION WITH THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE ARISING FROM CLAIMED INFRINGEMENT OF ANY PATENTS, TRADEMARKS, COPYRIGHT OR OTHER CORRESPONDING RIGHT(S).** Company's obligations under this clause shall survive termination or expiration of this Agreement.

    NOTHING IN THIS AGREEMENT SHALL BE CONSTRUED TO CREATE A CLAIM OR CAUSE OF ACTION AGAINST HCDE FOR WHICH HCDE IS NOT OTHERWISE LIABLE, OR TO WAIVE ANY IMMUNITY OR DEFENSE TO WHICH HCDE MAY BE ENTITLED, OR TO CREATE AN IMPERMISSIBLE DEFICIENCY DEBT OF HCDE.

16. **Compliance with applicable laws and HCDE policies.** Company agrees to comply with all applicable requirements of state and federal laws, executive orders, regulations, guidelines, and HCDE policies and procedures, including, without limitation, HCDE Policy GKB (Local) relating to advertising, applicable to this Agreement. For the entire duration of this Agreement, Company shall maintain all required licenses, certifications, permits, and any other documentation necessary to perform this Agreement. Company further agrees that Company, its employees, subcontractors, and subcontractor's employees may not use or possess any firearms, alcoholic or other intoxicating beverages, illegal drugs or controlled substances while on HCDE's property, nor may such workers be intoxicated or under the influence of alcohol or drugs while on HCDE's property.

    Company hereby certifies that it is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State.

    If (a) Company is not a sole proprietorship; (b) Company has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more, the following certification shall apply; otherwise, this certification is not required. Pursuant to Chapter 2270 of the Texas Government Code, Company hereby certifies and verifies that neither Company, nor any affiliate, subsidiary, or parent company of the Company, if any (the "Companies"), boycotts Israel, and Company agrees that Company and Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

17. **Notification of Significant Change in Business Operations.** Company is required to notify HCDE when any material change in Company's operations occurs, including but not limited to, bankruptcy,

material changes in financial condition, change of ownership, and the like, within three (3) business days of such change.

18. **Debarment and Suspension.** Company certifies, to the best of its knowledge and belief, that it is not presently debarred, suspended for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency.

19. **Criminal History Background Checks.** Prior to having any direct contact with students on HCDE property or at an HCDE-sponsored event under this Agreement, Company shall comply with all requirements relating to criminal history information required by Texas Education Code Chapter 22Company must also ensure subcontractors' compliance with Texas Education Code Chapter 22's requirements. Covered employees with disqualifying criminal history are prohibited from serving at HCDE or at HCDE-sponsored events.

20. **Compliance with Laws.** Company agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable. Company certifies compliance with all applicable provisions, laws, acts, regulations, rules, and ordinances, including those referenced in any HCDE vendor packet completed by Company, which is incorporated by reference herein.

21. **No Third Party Beneficiaries.** Nothing in this Agreement shall be deemed or construed to create any third party beneficiaries or otherwise give any third party any claim or right of action against any party to this Agreement.

22. **Notice.** All notices and other communications shall be in writing and are effective three (3) days after deposit in the U.S. mail, certified and postage paid, or upon receipt if personally delivered or sent by next-business-day delivery via a nationally recognized overnight courier to the addresses set forth below. HCDE and Company may from time to time designate any other address for this purpose by providing written notice to the other party.

    If to HCDE, to:
    Harris County Department of Education
    6300 Irvington Boulevard
    Houston, TX 77022
    Attn: James Colbert, Jr.

    If to Company, to:
    Company Name: _____
    Address: _____
    _____
    Attn.: _____

23. **Force Majeure.** Neither HCDE nor Company shall be deemed to have breached any provision of this Agreement as a result of any delay, failure in performance, or interruption of service resulting directly or indirectly from acts of God, network failures, acts of civil or military authorities, civil disturbances, wars, energy crises, fires, transportation contingencies, interruptions in third-party telecommunications or Internet equipment or service, other catastrophes, or any other occurrences which are reasonably beyond such party's control.

24. **Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of laws provisions. The mandatory and

exclusive venue for the adjudication or resolution of any dispute arising out of or relating to this Agreement shall be in Harris County, Texas.

25. **Entire Agreement**. This Agreement and the attached and incorporated addendum or exhibits, if any, contain the entire agreement of the parties relative to the purpose(s) of the Agreement and supersede any other representations, agreements, arrangements, negotiations, or understanding, oral or written, between the parties to this Agreement.

26. **Severability.** In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

27. **Interpretation.** The parties agree that the normal rules of construction that require that any ambiguities in this Agreement are to be construed against the drafter shall not be employed in the interpretation of this Agreement.

28. **Changes and Amendments.** This Agreement may be amended, modified, and/or supplemented only by the mutual agreement of the parties, in writing, to be attached to and incorporated in this Agreement.

29. **Assignment.** Neither this Agreement nor any duties or obligations under it shall be assignable by Company without the prior written acknowledgment and authorization of HCDE. Any attempted assignment by Company without HCDE's prior written consent shall be void.

30. **No Waiver.** No failure on the part of either party at any time to require the performance by the other party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such party's right to enforce such term, and no waiver on the part of either party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the parties hereto.

31. **Captions.** The captions herein are for convenience and identification purposes only, are not an integral part hereof, and are not to be considered in the interpretation of any part hereof.

32. **Counterparts.** This Agreement may be executed in separate counterparts, each of which when so executed shall be an original, but all of such counterparts shall together constitute but one and the same instrument.

_____ Date _____

James Colbert, Jr.
County School Superintendent, Harris County Department of Education

_____ _____

Signature Company Name

_____ Date _____

Printed Name

Harris County Department of Education
Interdepartmental Contract

Date: _____

To: _____, Division 2

From: _____, Division 1

Re: Agreement between HCDE Division 1 and Division 2

The Harris County Department of Education Division 1 will provide the following services to Division 2 beginning _____ through _____:

- (Type of services to be provided and number of days if applicable)

HCDE Division 1 will charge the Division 2 $_____. (Put in breakdown of charges if applicable, i.e., daily rate, each type of service, etc.) Should the amount of time requested/needed go over the amount stated above, services will be provided and billed to you. You will not be billed for any services not provided.

Agreed to:

_____	_____
Name Date	Name Date
Division 1	Division 2

Interlocal Agreement
between Harris County Department of Education
&_____

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and Chapter 271, Subchapter F of the Texas Local Government Code, and other similar, applicable laws of other states, this Interlocal Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located in Houston, Texas, and _____, a local governmental entity and/or political subdivision ("LGE"), located in _____ (*city*), _____ (*state*), for the purpose of contracting for the performance of governmental functions and services. The undersigned may be referred to in this Agreement individually as a "Party" and collectively as the "Parties."

Preamble

HCDE is a local governmental entity established to promote education in Harris County, Texas and is duly authorized to provide programs and services in the State of Texas. Both HCDE and LGE desire to set forth, in writing, the terms and conditions of their agreement.

General Terms and Conditions

In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Term. The term of this Agreement shall commence on the date of the first signature of this Agreement ("Effective Date") and shall automatically renew annually, unless either Party gives thirty (30) days prior written notice of non-renewal.

2. Agreement. The terms of this Agreement shall apply and will be considered a part of any addendum, purchase order, or contract for programs and services delivered by HCDE. This Agreement and the attached and incorporated addenda, purchase orders, or exhibits, if any, contain the entire agreement of the parties, and there are no representations, agreements, arrangements, or undertakings, oral or written, between the Parties to this Agreement other than those set forth in this Agreement and duly executed in writing.

3. Purpose and Scope of Work.

A. HCDE agrees to:

- Provide LGE with descriptive offerings of each of the programs and services that HCDE provides.
- Provide programs and services upon LGE's submission of independent contracts or purchase orders to HCDE and HCDE's acceptance thereof. HCDE's obligations to provide programs and services is contingent on HCDE acquiring and maintaining sufficient staffing through reasonable efforts to satisfy HCDE's obligations under this Agreement and all similar obligations under its contracts with other local governmental entities.
- Conduct, at a minimum, an annual audit or survey, as appropriate, for each of the programs and services that HCDE delivers.

B. LGE agrees to:

- Participate in any or all of the programs and services that HCDE offers, in LGE's sole discretion.

- Submit purchase order(s) or independent contract(s) for each of the HCDE programs and/or services that LGE desires to purchase and/or collaborate.
- Agree to follow the terms and conditions of each independent contract or purchase order.
- Designate a person to act as LGE's representative to each respective HCDE program and/or service delivered.

4. As is. HCDE makes this Agreement available to HCDE participating entities "as is" and is under no obligation to revise the terms, conditions, scope, prices, and/or any requirements of the Agreement for the benefit of LGE.

5. Master Contract. This Agreement can be utilized as a Master Contract. The general terms and conditions in this Agreement will serve to outline the working relationship between HCDE and LGE.

   LGE agrees to adhere to the specific terms and conditions set forth for the HCDE programs and/or services as contracted by LGE. In the case of a conflict between this Agreement and any addendum, purchase order, or individual contract for a specific HCDE program or service, the provisions of the addendum, purchase order, or individual contract will govern.

6. Payments. The Parties agree that all payments made under this Agreement will be in an amount that fairly compensates the performing Party for the services or functions performed under this Agreement. The Parties further agree that each Party paying for the performance of governmental functions or services pursuant to this Agreement must make those payments from current revenues available to the paying Party.

7. Invoices. HCDE will invoice LGE for the HCDE programs and services that LGE purchases from HCDE. LGE agrees to remit payment to HCDE within thirty (30) days after the later of the following: (1) the date LGE receives the goods; (2) the date the performance of the service is completed; or (3) the date LGE receives an invoice for the goods or service. If LGE makes a payment to HCDE with a credit card, LGE agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and/or costs incurred by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).

8. Participation in HCDE's Cooperative Purchasing Program. If LGE elects to participate in HCDE's cooperative purchasing program, Choice Partners, LGE shall be permitted to purchase goods and services using the contracts competitively procured by HCDE. HCDE does not assess a fee to LGE for participation in Choice Partners. LGE shall make payments directly to vendors. LGE shall be responsible for ordering, inspecting, and accepting the goods and services purchased through Choice Partners. LGE shall further be responsible for the vendors' compliance with provisions relating to the specific quality of goods and services delivered and terms of delivered, as set forth between LGE and the vendor. HCDE is not responsible or liable for the performance of any vendor used by LGE as a result of this Agreement or LGE's participation in Choice Partners.

9. Compliance with Laws. Each Party is responsible for complying with applicable laws and regulations relating to this Agreement and any purchase made under this Agreement.

10. Termination. This Agreement may be terminated prior to the expiration of the Term hereof as follows:
    - By either Party, with or without cause, upon thirty (30) days' prior written notice;
    - By mutual written agreement of the Parties; or
    - By either Party immediately if the other Party commits a material breach of any of the terms of this Agreement and no remedial action can be agreed upon by the Parties.

    Termination of this Agreement by a Party shall not terminate an existing purchase order or individual contract between HCDE and LGE or between LGE and an HCDE cooperative purchasing program vendor. In the event of termination of this Agreement or any purchase order or individual contract, LGE shall be responsible for compensating HCDE for programs and services provided by HCDE up to the effective date of termination.

11. Assignment. Neither this Agreement nor any duties or obligations entered in subsequent contracts because of this agreement shall be assignable by either party without the prior written acknowledgment and authorization of both parties.

12. Conflict of Interest. During the Term of HCDE's service to LGE, LGE, its personnel and agents, shall not, directly or indirectly, whether for LGE's own account or with any other person or entity whatsoever, employ, solicit or endeavor to entice away any person who is employed by HCDE.

13. Contract Amendment. This Agreement may be amended only by the mutual agreement of all Parties, in writing, to be attached to and incorporated into this Agreement.

14. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be sent by **certified mail, return receipt requested**. Notice to shall be sufficient if made or addressed as follows:

Harris County Department of Education	_____("LGE")
Attn: James Colbert, Jr.	Attn: _____
County School Superintendent	Title: _____
6300 Irvington Blvd.	Address: _____
Houston, Texas 77022	City, State, Zip: _____
713-694-6300	Phone: _____
	Email: _____

15. Relation of Parties. It is the intention of the parties that LGE is independent of HCDE and not an employee, agent, joint venturer, or partner of HCDE and nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and LGE or HCDE and any of LGE's representatives.

16. Non-Exclusivity of Services. Nothing in this Agreement may be construed to imply that HCDE has exclusive right to provide LGE with programs or services. During the Term of this Agreement, LGE reserves the right to use all available resources to procure other programs and services as needed and, in doing so, will not violate any rights of HCDE.

17. Disclaimer. HCDE DOES NOT WARRANT THAT THE OPERATION OR USE OF HCDE PROGRAMS AND/OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. HCDE HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT, PROGRAM, OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

18. Limitation of Liability. Without waiver of the Disclaimer in Article 17 of this Agreement, the Parties agree that:
    - Neither Party waives any immunity afforded to it under applicable law; and
    - Neither Party shall be liable to the other Party for special, incidental, or exemplary damages with regard to any lawsuit or formal adjudication arising out of or relating to this Agreement.

19. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegality, or unenforceable provision had never been contained in it.

20. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Houston, Harris County, Texas.

21. No Waiver. Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or equity to a Party, including the defense(s) of immunity. No failure on the part of either Party at any time to require the performance by the other Party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such Party's right to enforce such term, and no waiver on the part of either Party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.

22. Benefit for Signatory Parties Only. Neither this Agreement, nor any term or provisions hereof, not any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

23. Authorization. Each party acknowledges that the governing body of each Party to the Agreement has authorized and approved this Agreement.

24. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original constituting one and the same instrument.

In witness whereof, HCDE and LGE have executed this Agreement to be effective on the date specified in Article 1. Term above:

_____	Harris County Department of Education
Name of Local Governmental Entity	
_____	_____
Authorized Signature	
_____	James Colbert, Jr.
Printed Name	
_____	County School Superintendent
Title	
_____	_____
Date	Date

Type of Local Governmental Entity (*select one*):

☐ School District ☐ Charter School

☐ County ☐ City/Municipality

☐ University ☐ College

☐ State Entity

☐ Governmental entity/other: _____

INTERLOCAL AGREEMENT

BETWEEN

HARRIS COUNTY DEPARTMENT OF EDUCATION

AND

INSERT INDEPENDENT SCHOOL DISTRICT

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, this Interlocal Agreement ("Agreement") is entered into by and between Harris County Department of Education ("HCDE") and INSERT Independent School District ("District") for the purpose of providing after-school educational program(s).

I. PURPOSE

The District agrees to provide an after-school program(s), which must include activities to support language literacy and numeracy development during out-of-school time hours ("after-school program(s)") to students four to twelve years of age or up to the age of 19 with a documented disability. Students meeting these age requirements are referred to herein as "eligible students."

II. TERM

This Agreement shall be for the period beginning August 1, 2017 and ending July 31, 2018 and is subject to the receipt of sufficient funds from HCDE.

III. AFTER-SCHOOL PROGRAM DESCRIPTION and REQUIREMENTS

A. The District agrees to provide after-school program(s) to eligible students in accordance with all applicable local, state, and federal laws and regulations, including, without limitation, those promulgated by the Texas Workforce Commission ("TWC") and/or Gulf Coast Local Workforce Board. The District agrees to abide by all of the policies and procedures in the Center for Afterschool, Summer, Expanded Learning (CASE) Manual, which is incorporated by reference into this Agreement. The District agrees to abide by all of the guidelines developed by HCDE in furtherance of this Agreement.

B. The District agrees to provide facilities and personnel necessary to provide quality improvement activities in the after-school program(s) to eligible students. The District will provide the after-school program(s) at the following school(s): INSERT. Activities in the after-school program(s) will adhere to those approved and agreed upon in the District's application form filed with HCDE.

C. The District will serve the number of students and operate the number of weeks, days and hours as outlined in the application filed with HCDE. The District agrees to inform HCDE of any changes in the hours of the after-school program(s), the ages of children served, holidays, the name of the contact person, or any other changes to the after-school program(s) at least three weeks prior to any changes through appropriate amendment forms.

Commented [HS1]: Do you want to include a start date for services, or is that specified in the application?

D. The District agrees to affirm enrollment of students and provision of services by completing a CASE registration form for each child enrolled in the after-school program.

E. The District agrees to track and maintain daily attendance records for students enrolled in programs. These records must be submitted to Center for Afterschool, Summer, and Expanded Learning (CASE) on by the 5th of each month, utilizing the attendance tracking system provided by Center for Afterschool, Summer, Expanded Learning.

F. The District agrees to expend funds received from HCDE to support language literacy and numeracy development within existing comprehensive after-school program(s). Expenditures must result from activities allowable under applicable TWC rules, including TWC rule § 809.16. The District agrees to submit quarterly certification of total expenditures for such after-school program(s), certifying that (a) expenditures have resulted from activities allowable under applicable TWC rules, including TWC rule § 809.16, and (b) expenditures funded through district funds have been expended for service delivery to eligible students in the afterschool program. The District agrees to provide this certification on the form attached hereto as Exhibit E. The District shall maintain its records and accounts in a manner that shall assure a full accounting of all expenditures paid for with both funds received from HCDE and local site matching funds relating to this Agreement. The District shall not use any federal grant funds as its local site matching funds for the after-school program(s) operated in accordance with this Agreement. The District agrees to submit a quarterly itemized report of all expenditures for the after-school program(s) funded by local site matching funds. The District agrees to provide this itemized expenditure report on the form attached hereto as Exhibit F. The District agrees to submit Exhibits E and F to HCDE by the 15th day of the first month of each quarter. The District's records and accounts shall also be retained by the District and made available for audit by HCDE, the Texas Workforce Commission, Gulf Coast Local Workforce Board, and/or representative(s) of those entities for a period of not less than three (3) years after the expiration or termination of this Agreement. If an audit has been announced, the District shall retain its records and accounts until such audit has been completed.

G. The District further agrees that it will comply with all terms and conditions of the U.S. Department of Health and Human Services Child Care and Development Fund grant/contract awarded to HCDE, passed through the Texas Workforce Commission/Gulf Coast Workforce Solutions Board, including all applicable laws, rules, and regulations that govern the award/contract and administration of the grant/contract. Those regulations include, but are not limited to, applicable regulations pertaining to reporting, regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under this Contract, and regulations pertaining to copyrights and rights in data. The District certifies compliance with all provisions, laws, acts, regulations, rules, and ordinances in the attached certifications, which are incorporated herein by reference. The District further agrees to abide by all of the guidelines developed by HCDE in furtherance of this Agreement. The District further agrees to comply with Title 2, Subtitle A, Chapter II, Part 200.331 of Subpart D, which requires that HCDE evaluate the District's, as the sub-recipient, risk of non-compliance with federal statutes, regulations, and the terms of the grant, and the District agrees to submit the all documents requested by HCDE so that HCDE can conduct a risk assessment of the District (the sub-award entity) for purposes of determining the appropriate sub-recipient monitoring described in 200.331 paragraphs (d) and (e).

Commented [SL2]: I am not sure that this language is necessary for this Agreement, as the risk assessment is only applicable in the event the District is a "sub-recipient." Is the District a "sub-recipient" in this case?
"Sub-recipient" is defined as "a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency."

H. The District acknowledges and agrees that it is solely responsible for all costs, wages, expenses, and fees associated with or arising from the operation of its after-school program(s).

I. The District agrees to cooperate with evaluation of the after-school program(s) by providing such records as STAAR scores, grades, regular school day attendance, and conduct, for eligible students in the after-school program(s) to HCDE, as well as survey results, within a reasonable time after a request by HCDE.

J. The District may use the funds from HCDE to enhance existing after-school program(s), but the payments from HCDE should not replace funding for an existing after-school program(s).

K. The District agrees to obtain and assess criminal history record information for each employee, contractor, or volunteer used in the after-school program(s) and to use only those persons fit to work with students. The District shall complete the "Criminal History Certification" regarding the criminal history of covered employees, attached as Exhibit B and the "Felony Conviction Notice," attached as Exhibit C and incorporated by reference herein. Noncompliance or misrepresentation regarding these certifications may be grounds for termination of this Agreement.

L. The District will comply with Title VI of the Civil Rights Act of 1964 (Public Law 88-352), Section 504 of the Rehabilitation Act of 1973 (Public Law 93-112), The Americans with Disabilities Act of 1990 (Public Law 101-336), The Health and Safety Code Section 85.113 (relating to workplace and confidentiality guidelines regarding AIDS and HIV), and all amendments to each, and all requirements imposed by the regulations issued pursuant to these acts. In addition, the District agrees to comply with Title 40, Chapter 73, of the Texas Administrative Code. These provide in part that no persons in the United States shall, on the grounds of race, color, national origin, sex, age, disability, political beliefs or religion be excluded from participation in, or denied, any aid, care, service or other benefits provided by federal and/or state funding, or otherwise be subjected to discrimination.

M. The District will not discriminate against children with disabilities. The District will also not discriminate against children with AIDS. The District will comply with the Health and Safety Code Section 85.113 by adopting and implementing HIV/AIDS workplace guidelines for employees and clients; by providing educational programs for employees and clients; and, by developing and implementing guidelines regarding confidentiality of HIV/AIDS related medical information for employees and clients served.

N. The District will comply with the requirements of The Immigration Reform and Control Act of 1986 regarding employment verification forms for any individuals hired on or after November 6, 1987, who will perform any labor or services under this agreement.

IV. COMPENSATION AND FUNDING

Subject to the following paragraph, HCDE will reimburse sites up to the individual grant award amount based on expenditures for activities to support language literacy and numeracy development within existing comprehensive after-school program(s). Certification and itemization of expenditures must be received by HCDE in accordance with Section III (E) and (F) in order to receive award funds for the entire project period.

INSERT SITES AND BREAKDOWN OF FUNDING FOR QUALITY IMPROVEMENT AND SERVICE DELIVERY

HCDE will pay the District upon receipt of sufficient funds. The District waives any statutory right to interest the District may have under Chapter 2251 of the Texas Government Code.

In addition to the certification and itemization of expenditure reports required by Section III(F), the District shall also submit monthly invoices by the 15th of each month to HCDE. If HCDE determines, in its sole discretion, that any site of the District is out of compliance, HCDE may withhold funding for the month(s) that the site is out of compliance. For purposes of withholding funding, "out of compliance" means that the site is (1) not serving the required number of eligible students; (2) not operating the required number of weeks, days, or hours; (3) not providing sufficient language literacy and numeracy development activities in the after-school program; or (4) not complying with any provision of this Agreement or applicable law, rule, regulation, policy, or procedure.

Notwithstanding anything to the contrary in this Agreement, HCDE's obligation to pay as stated above is expressly contingent upon HCDE receiving local, state, and/or federal funds, if any, ("funds") designated for child care services that are sufficient to satisfy all obligations to other Districts with which HCDE contracts to provide after-school programs. In the event HCDE does not receive those funds or sufficient funds, HCDE may terminate this Agreement and will not be responsible for paying the District the amount specified above or for any of the costs of the after-school program(s) provided by the District.

V. RELATIONSHIP

It is understood and agreed that the District is an independent contractor. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between HCDE and any employee or agent of the District. The Agreement does not create a joint venture or business partnership under Texas law.

The District is solely responsible for the supervision, daily direction and control, payment of salary (including withholding of income taxes and social security), insurance, worker's compensation, disability benefits and like requirements and obligations of District employees, agents, volunteers, and representatives. The District agrees that HCDE has no responsibility for any conduct of any District employee, agent, volunteer, or representative.

VI. STUDENT RECORDS

To the extent that HCDE will come into possession of the District's student records and information, and to the extent that HCDE will be involved in the survey, analysis, or evaluation of students, incidental to this Agreement, HCDE agrees to comply with all applicable requirements of the Family Educational Rights and Privacy Act. In the event that the District or HCDE is in possession or custody of recorded information of the other party that is the subject of the Texas Public Information Act, the recorded information will be promptly provided to the other party upon request in the event the District or HCDE is obligated to disclose such information pursuant to the Public Information Act.

VII. TERMINATION

This Agreement may be terminated by either party without cause with thirty (30) days advance written notice. HCDE may by written notice at any time, terminate this Agreement if the

District fails to comply with any provision of this Agreement. HCDE may also terminate this Agreement as provided in Section IV.

VIII. LOCAL FUNDS

Any local funds expended will be from current revenues available to the paying party.

IX. AUTHORIZATION

Each party acknowledges that this Agreement has been authorized by the governing body of each party to the Agreement.

X. NOTICE

Any notice provided under the terms of this Agreement by either party to the other shall be in writing and may be affected by certified mail, return receipt requested. Notice to shall be sufficient if made or addressed as follows:

Harris County Department of Education
Attention: James Colbert, Jr., County School Superintendent
6300 Irvington Blvd.
Houston, Texas 77022

INSERT DISTRICT'S INFORMATION

Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party in accordance with the provisions of this Article.

XI. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

XII. VENUE

The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Harris County, Texas.

XIII. ENTIRE AGREEMENT

This Agreement, the RFP solicitation issued by HCDE, and the District's proposal/application submitted in response to HCDE's RFP solicitation, and the attached and incorporated addendum or exhibits, if any, contain the entire agreement of the parties relative to the purpose(s) of the Agreement and supersede any other representations, agreements, arrangements, negotiations, or understanding, oral or written, between the parties to this Agreement. In the event of a conflict between this Agreement and the RFP solicitation issued by HCDE or the District's proposal/application submitted in response to HCDE's RFP solicitation, this Agreement shall control. In the event of a conflict between the RFP solicitation issued by HCDE and the District's proposal/application submitted in response to HCDE's RFP solicitation, HCDE's RFP solicitation shall control.

XIV. AMENDMENT

This Agreement may be amended only by the mutual agreement of the parties, in writing, to be attached to and incorporated in this Agreement.

XV. ASSIGNMENT

Neither this Agreement nor any duties or obligations under it shall be assignable by the District without the prior written acknowledgment and authorization of HCDE.

XVI. DEBARMENT AND SUSPENSION

Pursuant to 7 C.F.R. 3017, during any period in which a person is suspended, debarred, proposed for debarment, ineligible, or voluntarily excluded from eligibility for covered transactions by any Federal department or agency, that person shall be excluded from any and all work hereunder that is considered a covered transaction including, but not limited to, participation in any HCDE Program or purchase of any goods or services from HCDE. Generally, work that is expected to equal or exceed the Federal procurement small purchase threshold as defined in 7 C.F.R. 3017.110 (currently $100,000) is considered a covered transaction. With respect to work hereunder that is considered a covered transaction, the District agrees to comply with any and all requirements of 7 C.F.R. 3017 including, but not limited to, obtaining and/or providing the certification attached hereto as Exhibit A and providing immediate written notice upon discovery of any errors in a certification previously obtained and/or provided, as necessary for such compliance. The District acknowledges that, with respect to debarment and suspension, Federal law may impose additional, more specific, and/or more restrictive requirements for certain work hereunder that is considered a covered transaction; the District agrees to comply with any and all such requirements.

XVII. CONFLICT OF INTEREST

HCDE is required to comply with Texas Local Government Code Chapter 176, Disclosure of Certain Relationships with Local Government Officers. The District must complete a Conflict of Interest Questionnaire (CIQ), attached hereto as Exhibit D, whether or not a conflict of interest exists. A conflict of interest exists in the following situations:

1) If the vendor has an employment or other business relationship with a local government officer of HCDE or a family member of the officer, as described by section 176.003(a)(2)(A) of the Texas Local Government Code; or
2) If the vendor has given a local government officer of HCDE, or a family member of the officer, one or more gifts with the aggregate value of $100, excluding any gift accepted by the officer or a family member of the officer if the gift is: (a) a political contribution as defined by Title 15 of the Election Code; or (b) a gift of food accepted as a guest; or
3) If the vendor has a family relationship with a local government officer of HCDE.

Additionally, 2 CFR Section 200.112 concerning conflict of interest applies, and the parties agree to comply with applicable conflict of interest rules.

XVIII. SEVERABILITY

In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality,

or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

XIX. BENEFIT FOR SIGNATORY PARTIES ONLY

Neither this Agreement, nor any term or provision hereof, nor any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

Executed this _____ day of _____ of the year 2016.

Harris County Department of Education	INSERT Independent School District
_____	_____
James Colbert, Jr. Date	INSERT Date
County School Superintendent	Superintendent

Exhibit A

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions

I. Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549 and 7 C.F.R. 1017.105. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

II. Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion—Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

[60 FR 33042, 33043, June 26, 1995]

_____ _____

Signature Date

EXHIBIT B

Criminal History Certification

Definitions:
Covered employees: Employees who have or will have continuing duties related to the service to be performed at HCDE and have or will have direct contact with students. HCDE will be the final arbiter of what constitutes direct contact with students.
Disqualifying criminal history: Any conviction or other criminal history information designated by HCDE, or one of the following offenses, if at the time of the offense, the victim was under 18 or enrolled in a public school: (a) a felony offense under Title 5, Texas Penal Code; (b) an offense for which a defendant is required to register as a sex offender under Chapter 62, Texas Code of Criminal Procedure; or (c) an equivalent offense under federal law or the laws of another state.

On behalf of _____ ("the District"), I certify that some or all of the District's employees are *covered employees*. I further certify that:

1. The District has obtained all required criminal history record information regarding its covered employees. None of the covered employees has a disqualifying criminal history.

2. If the District receives information that a covered employee subsequently has a disqualifying criminal history, the District will immediately remove the covered employee from contract duties and notify HCDE in writing within 3 business days.

3. Upon request, the District will provide HCDE with the name and any other requested information of covered employees so that HCDE may obtain criminal history record information on the covered employees.

4. If HCDE objects to the assignment of a covered employee on the basis of the covered employee's criminal history record information, the District agrees to discontinue using the covered employee to provide services pursuant to its agreement with HCDE.

Noncompliance or misrepresentation regarding this certification may be grounds for contract termination.

_____ _____

Signature Date

Exhibit C

FELONY CONVICTION NOTICE

I, the undersigned Contractor or agent for the firm named above, certify that the information concerning notification of felony convictions has been reviewed by me and the following information furnished is true to the best of my knowledge. **The Contractor must complete the following information in accordance with state law.**

Please sign only one:

A. My firm is a publicly-held corporation, therefore, this reporting requirement is not applicable.

Signature of Contractor _____Date_____

OR

B. My firm is not owned nor operated by anyone who has been convicted of a felony.

Signature of Contractor: _____Date:_____

OR

C. My firm is owned or operated by the following individual(s) who has/have been convicted of a felony.

Name of Felon(s): _____Date:_____
(attach additional sheet if necessary)

Details of Conviction(s):
_____
(attach additional sheet if necessary)

Signature of Contractor: _____Date: _____

Exhibit D

HARRIS COUNTY DEPARTMENT OF EDUCATION
CONFLICT OF INTEREST DISCLOSURE STATEMENT

Harris County Department of Education (HCDE) is required to comply with Texas Local Government Code Chapter 176, Disclosure of Certain Relationships with Local Government Officers. House Bill 23 significantly changed Chapter 176 as well as the required disclosures and the corresponding forms. As of September 1, 2015, any vendor who does business with HCDE or who seeks to do business with HCDE must fill out the new Conflict of Interest Questionnaire (CIQ) whether or not a conflict of interest exists. A conflict of interest exists in the following situations:

3) If the vendor has an employment or other business relationship with a local government officer of HCDE or a family member of the officer, as described by section 176.003(a)(2)(A) of the Texas Local Government Code; or
4) If the vendor has given a local government officer of HCDE, or a family member of the officer, one or more gifts with the aggregate value of $100, excluding any gift accepted by the officer or a family member of the officer if the gift is: (a) a political contribution as defined by Title 15 of the Election Code; or (b) a gift of food accepted as a guest; or
5) If the vendor has a family relationship with a local government officer of HCDE.

"Vendor" means a person who enters or seeks to enter into a contract with a local governmental entity. The term includes an agent of a vendor. The term includes an officer or employee of a state agency when that individual is acting in a private capacity to enter into a contract. The term does not include a state agency except for Texas Correctional Industries. *Texas Local Government Code 176.001(7).*

"Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on: (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity; (B) a transaction conducted at a price and subject to terms available to the public; or (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency. *Texas Local Government Code 176.001(3).*

"Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code. *Texas Local Government Code 176.001(2-a).*

"Local government officer" means: (A) a member of the governing body of a local governmental entity; (B) a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or (C) an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. *Texas Local Government Code 176.001(4).*

- ***HCDE Board of Trustees and Superintendent include:***

  Mr. Eric Dick
  Mr. Danyahel (Danny) Norris
  Mr. Richard Cantu
  Mr. David Brown
  Ms. Erica Davis
  Ms. Andrea Duhon
  Ms. Amy Hinojosa
  Mr. James Colbert, Jr., Superintendent

- ***Current local government officers include, but are not limited to:***

  Dr. Jesus J. Amezcua
  C.J. Rodgers
  Jonathan Parker
  Natasha Truitt
  Danielle Clark
  Danielle Bartz
  Richard Vela

If no conflict of interest exists, you must fill out Box 1 and type N/A on Box 3 of the CIQ form, sign and date it.

In the event of changed circumstances, an updated CIQ must be filed within seven (7) business days after the vendor becomes aware a conflict of interest exists.

Exhibit E

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

_____
Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

_____ _____
Signature of vendor doing business with the governmental entity Date

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 11/30/2015

Exhibit F

Partnership Project | Required Match Certification

When Needed: Per the 2015-2016 Partnership Project Request for Proposals, all Partnership Project sites are required to provide a 40% cash match to grant funds.

Instructions: Use this form to describe and account for your site's 2015-2016 match funding. Relevant attachments to document cash match contributions should be attached (e.g. general ledgers, time sheets, invoices, etc.). Please return to CASE for Kids by **Friday, May 13, 2016**.

SECTION I | SITE INFORMATION			
Name		**District**	

SECTION II | MATCH BUDGET		
BUDGET CATEGORY	DESCRIPTION OF EXPENDITURES	REQUIRED MATCH
Payroll Costs		
Professional/Contracted Services		
Supplies and Materials		
Other Operating Costs		
Licensing Costs		
TOTAL		

SECTION III | CERTIFICATION	
I hereby certify that the information provided is true and accurate and meets grant requirements.	
SITE COORDINATOR	DATE
SITE PRINCIPAL	DATE

INTERLOCAL AGREEMENT FOR EDUCATIONAL SERVICES
FORTIS ACADEMY (RECOVERY HIGH SCHOOL)

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, Harris County Department of Education ("HCDE") and _____ Independent School District, ("ISD") (individually a "Party" and collectively "Parties") hereby enter into an Interlocal Contract ("Contract") for the purpose of providing educational and related services for ISD's student(s) at HCDE's Fortis Academy.

BACKGROUND

HCDE is a political subdivision of the State of Texas and operates Fortis Academy, a specialized public recovery high school with the intent to help students who have completed a substance abuse or dependency rehabilitation program continue their high school education in a sober environment.

ISD is a public, independent school district in the State of Texas providing educational services to students within ISD's boundaries. ISD has determined that placement at HCDE's Fortis Academy is appropriate for certain student(s) who are residents of the ISD. As such, both HCDE and ISD desire to set forth in writing the conditions of their agreement.

CONTRACT

1. Term.

This Contract is for the term of _____, 20__ through _____, 20__. During said term, HCDE agrees to provide services described herein for one (1) unit(s) to eligible student(s) who ISD has determined may benefit from placement at HCDE's Fortis Academy (referred to herein as "student(s)") who are residents of the ISD. Except as otherwise specified in this Contract, and subject to applicable law and any necessary approval by Parties' Boards of Trustees, the term shall extend from year to year automatically, unless any Party provides thirty (30) days advance written notice of intent not to renew the Contract.

2. HCDE Responsibilities.

a) HCDE agrees to provide facilities and certified/licensed personnel necessary to provide educational and therapeutic services to the student(s) placed at Fortis Academy in accordance with applicable law and during the days and times set forth by Fortis Academy.

b) HCDE agrees that all services provided by HCDE hereunder shall be provided by licensed providers of mental health and/or substance abuse when required by applicable law. HCDE may perform the services contracted for herein by using its own employees or independent contractors.

c) HCDE agrees to furnish the ISD with a weekly statement of student(s)'s attendance.

3. ISD's Responsibilities.

a) ISD is responsible for providing transportation for the student(s) to and from Fortis Academy. Location of pick-up and drop-off points and time of service will be mutually determined by representatives of ISD and HCDE.

b) ISD shall provide copies of all Student Records (as hereinafter defined) pertaining to the student(s) no later than five (5) HCDE business days prior to student(s)'s first day of attendance at Fortis Academy. ISD agrees to furnish HCDE a copy of any additional pertinent documents regarding the student(s) that may be requested from or obtained by ISD during the term of this Contract. Student Records to be provided by ISD include, but are not limited to, the following: (a) a recommendation letter from the student(s)'s campus or ISD stating explicitly why the student is being referred to Fortis Academy; (b) the student's Middle School Plan (for students in grades 6-8) or the student's Graduation Plan (for students in grades 9-12); (c) the student's current transcript, including all achievement test records; (d) for special education students, the student's current IEP, in accordance with Article 7 this Contract; (e) withdrawal form, which shall indicate the list of current courses in which the student is enrolled, the grade earned and the textbook and other instructional resources being used with that subject; and (f) the student's current year's attendance records. ISD shall provide copies of additional records, including Student Records, as reasonably requested by HCDE.

4. Student Records; Confidentiality.

For purposes of this Contract, "Student Records" shall be defined as student information including personal identifiers such as name, address, phone number, date of birth, Social Security number, and student identification number, and any student information protected by law, including "personally identifiable information" and student "education records" as those terms are defined by the Family Educational Rights and Privacy Act, 20 USC 1232g, as amended ("FERPA"); "personal information" as that term is defined in the Children's Online Privacy Protection Act of 1998 ("COPPA"); "personal information" as that term is defined in the Protection of Pupil Rights Amendment ("PPRA"); "personally identifiable information" as that term is defined in the Individuals with Disabilities Education Act, as amended ("IDEA"); "protected health information" as that term is defined in the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"); and "personal identifying information" and "sensitive personal information" as defined under the Texas Identity Theft Enforcement and Protection Act (Chapter 521, Texas Business and Commerce Code).

Notwithstanding any contrary provision of this Contract, both Parties and their employees, agents, and subcontractors may access and use Student Records only as permitted by law for the purpose(s) for which the disclosure was made. Both Parties agree to abide by FERPA's limitations and requirements imposed on school officials, including, but not limited to, the requirements of 34 C.F.R. 99.33(a). HCDE and ISD expressly agree that: (1) the services/functions to be provided by HCDE are services/functions for which ISD would otherwise use its own employees; (2) both Parties have been determined to meet the criteria set forth in ISD's annual notification of FERPA rights for being school officials with legitimate educational interests in the Student Records; (3) ISD is under HCDE's direct control with respect to ISD's access to, use of, and disclosure of Student Records as gathered and maintained by HCDE; (4) HCDE is under ISD's direct control with respect to HCDE's access to, use of, and disclosure of Student Records as gathered and maintained by HCDE; and (5) both Parties will use Student Records only for authorized purposes and will not re-disclose Student Records to other parties, unless each Party has specific authorization from the other Party to do so or the disclosure is otherwise permitted by applicable law, including without limitation, FERPA, HIPAA, COPPA, IDEA, PPRA and the Texas Identity Theft Enforcement and Protection Act.

5. Immunity.

Nothing in this Contract shall be construed as a waiver or relinquishment of any governmental immunities or defenses on behalf of either Party or their respective trustees, officers, employees, and agents as a result of the execution of this Contract or performance of the functions or obligations described herein.

6. Collaboration.

Both Parties agree to collaborate, as necessary, to administer the services described in this Contract and to act in the best interest of the student(s). Both Parties shall use collaborative problem-solving techniques and best efforts to resolve issues between the Parties as they may arise.

7. Special Education Services.

a) Special education student(s) served under this Contract have been classified by the Admission, Review and Dismissal (ARD) Committee of the student(s)'s school of regular attendance within ISD and recommended for services as described herein. The ARD Committee of ISD has affirmed the classification and approved the recommendation of such contracted services. An HCDE representative must participate in the ARD Committee meeting considering the special education student(s)'s placement.

b) HCDE is responsible for providing educational and support services to special education student(s) in the same manner those services are provided to non-disabled students. Any and all additional services and funding required to implement the student's Individualized Education Plan (IEP) and/or 504 plan are to be provided by ISD. ISD may make such services available in conjunction with Fortis Academy or at a separate time and location, at the discretion of ISD and the ARD Committee, with HCDE participation. If ISD chooses to make such services available in conjunction with Fortis Academy, ISD will cooperate with Fortis Academy to minimize disruption at Fortis Academy. If ISD requires the student(s) to leave Fortis Academy during the school day, the IEP must include transportation as a related service.

c) HCDE will follow IDEA and other applicable laws when considering dismissal and/or expulsion of a qualified special education student(s) from the Fortis Academy program.

8. Monitoring Student Progress.

HCDE will update ISD on the progress of the referred student(s) at least once per semester, in a manner determined to be appropriate by HCDE, including, but not limited to, a grade report, summary of any formal disciplinary action, and summary of attendance. A member of the ISD administrative staff will monitor, assess, and evaluate student's progress as established by this Contract, including at least one (1) on-site visit annually.

9. Invoices and Payment.

a) In consideration of the services provided herein, ISD agrees to pay HCDE an in-county fee of $_____ and any additional fees in the following manner:
   i) $_____ times the number of units purchased;
   ii) $75.00 special education surcharge times the number of enrollment days for Special Education student(s); and
   iii) $115.00 per diem times the number of student(s) in attendance over the number of units purchased.

b) HCDE will bill ISD for the number of units purchased. ISD will be billed twice a year, and payment will be due within 30 days of the date of ISD's receipt of invoice. Payment obligations are non-cancelable, and fees paid are non-refundable. ISD may sell unused units to another independent school district upon obtaining HCDE's prior written consent.

c) In the event that ISD makes a payment to HCDE with a credit card, ISD agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and costs borne by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).

d) HCDE agrees to maintain records and accounts to the extent necessary to assure that funds received from ISD have been expended for the services described herein. HCDE agrees to provide these records and other information as may be requested and required by ISD.

e) Each Party paying for the performance of governmental functions and/or invoices must make those payments from current revenues available to the paying Party.

10. Payment by Student(s) and Parents.

The parents of the student(s) placed at Fortis Academy shall not be charged for the services contracted under this Contract. Services needed by the student, if any, beyond the scope of the Contract shall be the responsibility of the student(s) and/or his/her parent or guardian.

11. Eligibility and Placement of Student(s).

HCDE, in its sole discretion, shall determine if a student is eligible for placement and to receive services at Fortis Academy. This includes, but is not limited to, determining if the student has successfully completed rehabilitation prior to placement at Fortis Academy. Once placed at Fortis Academy, the student shall remain at Fortis Academy until the earlier of successful graduation from Fortis Academy, removal by Fortis Academy in HCDE's sole discretion, or withdrawal by the student.

12. Compliance with HCDE Policies, Procedures, and Rules.

The student(s) placed at Fortis Academy and parent(s) shall be required to comply with all HCDE policies, procedures, rules, and required agreements and forms, including, but not limited to, execution of one or more agreements consenting to and waiving liability for placement at Fortis Academy, participation in activities, and requirements of Fortis Academy, such as substance abuse therapy, testing, and the like.

13. ISD Liaison.

ISD shall appoint a qualified liaison to communicate on behalf of ISD with HCDE representatives. The liaison shall be knowledgeable in no less than the student(s)'s educational and disciplinary records; Fortis Academy programs, policies, and procedures; and special education law, policies, and procedure, if appropriate. The ISD liaison shall make best efforts to assist Fortis Academy representatives in providing services to students, including, but not limited to, acquiring information regarding the student(s), assessing best placement, and communicating with ISD employees and student(s)'s parents/guardians, as necessary.

14. Termination.

a) HCDE shall have the right to terminate this Contract for convenience, effective at the end of the Term, or with at least thirty (30) calendar days prior written notice to ISD. If HCDE exercises such termination right, HCDE shall have no obligation to refund to ISD the amount of any pre-paid fees for any period following the effective date of such termination.

b) Both Parties may terminate this Contract with or without cause by mutual written agreement.

c) Upon the effective date of termination or expiration of this Contract, except as otherwise explicitly stated herein, the Parties shall have no obligations to the other Party under this Contract. Student(s) in attendance at Fortis Academy at the time of termination or expiration of this Contract will return to ISD. All Student Records maintained by HCDE during the duration of providing services to the student will be provided to ISD within ten (10) business days following the date of termination or expiration, at the written request of ISD.

15. Equal Opportunity.

It is the policy of HCDE not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or handicapping conditions in its programs. ISD agrees not to discriminate against any employee, student(s), or other person or party in the performance of this Contract, with respect to placement at Fortis Academy, services to be provided, conditions and privileges of employment, or a matter directly or indirectly related to age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification), race, color, religion, national origin, or ancestry. Breach of this covenant may be regarded as a material breach of this Contract.

16. Assignment.

Neither this Contract nor any duties or obligations under it shall be assignable by either Party without the prior written acknowledgment and authorization of the other Party.

17. Notice.

Any notice provided under the terms of this Contract by either Party to the other shall be in writing and shall be deemed sufficient forty-eight (48) hours after being deposited in the regular mail as certified mail, return receipt requested, if such notice is addressed to the party to be notified at such Party's address as set forth below:

HCDE
Attention: James Colbert, Jr., County School Superintendent
6300 Irvington Boulevard
Houston, Texas 77022-5618

ISD
Attention: _____, Superintendent
_____
_____

Each Party may change the address at which notice may be sent to that Party by giving notice of such change to the other Party in accordance with the provisions of this Article.

18. Third-Party Beneficiaries.

Nothing in this Contract shall be deemed or construed to create any third-party beneficiaries or otherwise give any third party any claim or right of action against any party to this Contract.

19. Choice of Law and Venue.

This Contract shall be construed under the laws of the State of Texas, and mandatory and exclusive venue for any action arising out of this Contract shall be in Harris County, Texas.

20. Amendments and Waivers.

Any term of this Contract may be amended or waived only with the written consent of the Parties or their respective permitted successors and assigns. Any amendment or waiver effected in accordance with this Article shall be binding upon the Parties and their respective successors and assigns.

21. Separate Entities.

There is no relationship of agency, partnership, joint venture, employment, or franchise between the Parties. Neither Party has the authority to bind the other or to incur any obligation on its behalf. ISD assumes full responsibility for the actions of its personnel while performing any services incident to this Contract, including, but not limited to, transportation and special education services, and shall remain solely responsible

for their supervision, direction and control, payment of salary, workers' compensation, disability benefits, and like requirements and obligations. ISD agrees that HCDE has no responsibility for any conduct of ISD or ISD's employees, agents, representatives, contractors, or subcontractors.

22. Authority.

Each Party acknowledges, represents, and warrants that it has the power and authority to enter into this Contract and to perform its obligations hereunder, without the need for any consents or approvals not yet obtained, except to the extent that this Contract requires approval of either Party's Board of Trustees.

23. Force Majeure.

Neither HCDE nor ISD shall be deemed to have breached any provision of this Contract as a result of any delay, failure in performance, or interruption of service resulting directly or indirectly from acts of God, network failures, acts of civil or military authorities, civil disturbances, wars, energy crises, fires, transportation contingencies, interruptions in third-party telecommunications or Internet equipment or service, other catastrophes, or any other occurrences which are reasonably beyond such party's control.

24. Severability.

In the event that any one or more of the terms or provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it. The failure of a Party to enforce any provision of this Contract or to require performance by other party will not be deemed a waiver, or in any way affect the right of either party to enforce such provision thereafter.

25. Contract Interpretation.

The Parties agree that the normal rules of construction that require that any ambiguities in this Contract are to be construed against the drafter shall not be employed in the interpretation of this Contract.

26. Captions.

The captions herein are for convenience and identification purposes only, and not an integral part hereof, and are not to be considered in the interpretation of any part hereof.

27. Entire Agreement.

This Contract contains and embraces the entire agreement between the parties, and neither it, nor any part of it may be changed, altered, modified, limited or extended, orally or by any agreement between the parties, unless such agreement by expressed in writing, signed and acknowledged by HCDE and ISD.

28. Compliance with Applicable Law.

The Parties agree to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable, including, but not limited to the Education Department General Administrative Regulations ("EDGAR"), 2 C.F.R. Parts 200 and 3474, and 34 C.F.R. Parts 75-77 and 81.

HCDE hereby certifies that it is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State. HCDE further certifies and verifies that HCDE does not boycott Israel, and HCDE agrees that HCDE will not boycott Israel during the term of this Contract. For purposes of this Contract, the term "boycott" shall mean and include terminating business activities or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory.

ISD Superintendent/Designee	Date
County School Superintendent	Date

For HCDE Office use only: Revenue Account No. 19980060500800 57250000 Fortis Academy

Participation Agreement
between Harris County Department of Education
&_____

This Participation Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located in Houston, Texas, and _____, a non-profit corporation ("Non-Profit"), located in _____ (*city*), _____ (*state*), for the purpose of permitting Non-Profit to participate in any or all of the programs and services that HCDE offers, including, without limitation, HCDE's cooperative purchasing program, Choice Partners. The undersigned may be referred to in this Agreement individually as a "Party" and collectively as the "Parties."

Preamble

HCDE is a local governmental entity established to promote education in Harris County, Texas and is duly authorized to provide programs and services in the State of Texas. Non-Profit certifies, represents, and warrants that it is a non-profit, tax-exempt entity. Both HCDE and Non-Profit desire to set forth, in writing, the terms and conditions of their agreement.

General Terms and Conditions

In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Term. The term of this Agreement shall commence on the date of the first signature of this Agreement ("Effective Date") and shall automatically renew annually, unless either Party gives thirty (30) days prior written notice of non-renewal.

2. Agreement. The terms of this Agreement shall apply and will be considered a part of any addendum, purchase order, or contract for programs and services delivered by HCDE. This Agreement and the attached and incorporated addenda, purchase orders, or exhibits, if any, contain the entire agreement of the parties, and there are no representations, agreements, arrangements, or undertakings, oral or written, between the Parties to this Agreement other than those set forth in this Agreement and duly executed in writing.

3. Purpose and Scope of Work.

A. HCDE agrees to:

- Provide Non-Profit with descriptive offerings of each of the programs and services that HCDE provides.
- Provide programs and services upon Non-Profit's submission of independent contracts or purchase orders to HCDE and HCDE's acceptance thereof. HCDE's obligations to provide programs and services is contingent on HCDE acquiring and maintaining sufficient staffing through reasonable efforts to satisfy HCDE's obligations under this Agreement and all similar obligations under its contracts with other local governmental entities.
- Conduct, at a minimum, an annual audit or survey, as appropriate, for each of the programs and services that HCDE delivers.

B. Non-Profit agrees to:

- Participate in any or all of the programs and services that HCDE offers, in Non-Profit's sole discretion.

- Submit purchase order(s) or independent contract(s) for each of the HCDE programs and/or services that Non-Profit desires to purchase and/or collaborate.
- Agree to follow the terms and conditions of each independent contract or purchase order.
- Designate a person to act as Non-Profit's representative to each respective HCDE program and/or service delivered.

4. As is. HCDE makes this Agreement available to HCDE participating entities "as is" and is under no obligation to revise the terms, conditions, scope, prices, and/or any requirements of the Agreement for the benefit of Non-Profit.

5. Master Contract. This Agreement can be utilized as a Master Contract. The general terms and conditions in this Agreement will serve to outline the working relationship between HCDE and Non-Profit.

   Non-Profit agrees to adhere to the specific terms and conditions set forth for the HCDE programs and/or services as contracted by Non-Profit. In the case of a conflict between this Agreement and any addendum, purchase order, or individual contract for a specific HCDE program or service, the provisions of the addendum, purchase order, or individual contract will govern.

6. Payments. The Parties agree that all payments made under this Agreement will be in an amount that fairly compensates the performing Party for the services or functions performed under this Agreement. The Parties further agree that each Party paying for the performance of governmental functions or services pursuant to this Agreement must make those payments from current revenues available to the paying Party.

7. Invoices. HCDE will invoice Non-Profit for the HCDE programs and services that Non-Profit purchases from HCDE. Non-Profit agrees to remit payment to HCDE within thirty (30) days after the later of the following: (1) the date Non-Profit receives the goods; (2) the date the performance of the service is completed; or (3) the date Non-Profit receives an invoice for the goods or service. If Non-Profit makes a payment to HCDE with a credit card, Non-Profit agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and/or costs incurred by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).

8. Participation in HCDE's Cooperative Purchasing Program. If Non-Profit elects to participate in HCDE's cooperative purchasing program, Choice Partners, Non-Profit shall be permitted to purchase goods and services using the contracts competitively procured by HCDE. HCDE does not assess a fee to Non-Profit for participation in Choice Partners. Non-Profit shall make payments directly to vendors. Non-Profit shall be responsible for ordering, inspecting, and accepting the goods and services purchased through Choice Partners. Non-Profit shall further be responsible for the vendors' compliance with provisions relating to the specific quality of goods and services delivered and terms of delivered, as set forth between Non-Profit and the vendor. HCDE is not responsible or liable for the performance of any vendor used by Non-Profit as a result of this Agreement or Non-Profit's participation in Choice Partners.

9. Compliance with Laws. Each Party is responsible for complying with applicable laws and regulations relating to this Agreement and any purchase made under this Agreement.

10. Termination. This Agreement may be terminated prior to the expiration of the Term hereof as follows:
    - By either Party, with or without cause, upon thirty (30) days' prior written notice;
    - By mutual written agreement of the Parties; or
    - By either Party immediately if the other Party commits a material breach of any of the terms of this Agreement and no remedial action can be agreed upon by the Parties.

    Termination of this Agreement by a Party shall not terminate an existing purchase order or individual contract between HCDE and Non-Profit or between Non-Profit and an HCDE cooperative purchasing program vendor. In the event of termination of this Agreement or any purchase order or individual contract, Non-Profit shall be responsible for compensating HCDE for programs and services provided by HCDE up to the effective date of termination.

11. Assignment. Neither this Agreement nor any duties or obligations entered in subsequent contracts because of this agreement shall be assignable by either party without the prior written acknowledgment and authorization of both parties.

12. Conflict of Interest. During the Term of HCDE's service to Non-Profit, Non-Profit, its personnel and agents, shall not, directly or indirectly, whether for Non-Profit's own account or with any other person or entity whatsoever, employ, solicit or endeavor to entice away any person who is employed by HCDE.

13. Certificate of Interested Parties. HCDE is required to comply with House Bill 1295, which amended the Texas Government Code by adding Section 2252.908, Disclosure of Interested Parties. Section 2252.908 prohibits HCDE from entering into a contract with a business entity unless the business entity submits a Disclosure of Interested Parties (Form 1295) to HCDE at the time business entity submits the signed contract. Non-Profit agrees to complete the Certificate of Interested Parties electronically with the Texas Ethics Commission and submit the original signed, notarized certificate to HCDE with submission of this signed Agreement.

14. Contract Amendment. This Agreement may be amended only by the mutual agreement of all Parties, in writing, to be attached to and incorporated into this Agreement.

15. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be sent by **certified mail, return receipt requested**. Notice to shall be sufficient if made or addressed as follows:

Harris County Department of Education	_____(" Non-Profit")
Attn: James Colbert, Jr.	Attn: _____
County School Superintendent	Title: _____
6300 Irvington Blvd.	Address: _____
Houston, Texas 77022	City, State, Zip: _____
713-694-6300	Phone: _____
	Email: _____

16. Relation of Parties. It is the intention of the parties that Non-Profit is independent of HCDE and not an employee, agent, joint venturer, or partner of HCDE and nothing in this

Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and Non-Profit or HCDE and any of Non-Profit's representatives.

17. Non-Exclusivity of Services. Nothing in this Agreement may be construed to imply that HCDE has exclusive right to provide Non-Profit with programs or services. During the Term of this Agreement, Non-Profit reserves the right to use all available resources to procure other programs and services as needed and, in doing so, will not violate any rights of HCDE.

18. Disclaimer. HCDE DOES NOT WARRANT THAT THE OPERATION OR USE OF HCDE PROGRAMS AND/OR SERVICES WILL BE UNINTERRUPTED OR ERROR FREE. HCDE HEREBY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, IN REGARD TO ANY INFORMATION, PRODUCT, PROGRAM, OR SERVICE FURNISHED UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

19. Limitation of Liability. Without waiver of the Disclaimer in Article 17 of this Agreement, the Parties agree that:
    - Neither Party waives any immunity afforded to it under applicable law; and
    - Neither Party shall be liable to the other Party for special, incidental, or exemplary damages with regard to any lawsuit or formal adjudication arising out of or relating to this Agreement.

20. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegality, or unenforceable provision had never been contained in it.

21. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be in Houston, Harris County, Texas.

22. No Waiver. Nothing in this Agreement shall be deemed to waive, modify, or amend any legal defense available at law or equity to a Party, including the defense(s) of immunity. No failure on the part of either Party at any time to require the performance by the other Party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such Party's right to enforce such term, and no waiver on the part of either Party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.

23. Benefit for Signatory Parties Only. Neither this Agreement, nor any term or provisions hereof, not any inclusion by reference, shall be construed as being for the benefit of any party not in signatory hereto.

24. Authorization. Each party acknowledges that the governing body of each Party to the Agreement has authorized and approved this Agreement.

25. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original constituting one and the same instrument.

In witness whereof, HCDE and Non-Profit have executed this Agreement to be effective on the date specified in Article 1. Term above:

_____	Harris County Department of Education
Name of Non-Profit Corporation	
_____	_____
Authorized Signature	
_____	James Colbert, Jr.
Printed Name	
_____	County School Superintendent
Title	
_____	_____
Date	Date

Interlocal Contract Between
Harris County Department of Education and

_____

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, this Interlocal Contract (the "Contract") is made and entered into between Harris County Department of Education ("HCDE") and _____("District") for the purpose of performing governmental functions and services and to state the terms, rights, and duties of the contracting parties during the 20__-20__school year (_/__/20__ – _/__/20__). This Contract is entered into in accordance with and subject to the Master Interlocal Agreement between the parties, executed on _____.

Arrangement with HCDE's INSERT Division

HCDE agrees to provide the services as described below. District agrees to pay for the services within thirty (30) days of receiving an invoice for the services.

Type(s) of Service(s)	Total Days/Hours	Cost Day/Hour	Total Cost

Total: _____

Services rendered in accordance with this Contract shall be funded by District's use of _____ *[funding source(s) (i.e., local dollars, grant funding, etc.)]*. Payment for services rendered shall be allocated as follows: _____% funded by _____ *[funding source]*; and ____% funded by _____ *[additional funding source, if applicable]*.

Additional Terms

1. This Contract may be terminated by either party without cause with thirty (30) days advance written notice. HCDE's obligations under this Contract are contingent on it acquiring and maintaining sufficient staffing through reasonable efforts to satisfy its obligations under this Contract and all similar obligations under its contracts with other districts. In the event of termination, District will compensate HCDE for services provided up to the termination date.
2. This Contract constitutes the sole agreement of the parties relative to the purpose(s) of this Contract and supersedes any other oral or written understandings or agreements, with the sole exception of the Master Interlocal Agreement between the parties. This Contract may only be amended in writing with the consent of both parties. This Contract is not assignable.
3. This Contract shall be construed under the laws of the State of Texas and mandatory and exclusive venue in any action arising out of this Contract shall be in Harris County, Texas.
4. Each party paying for the performance of governmental functions must make those payments from current revenues available to the paying party.
5. Neither this Contract, nor any term or provision hereof, nor any inclusion by reference shall be construed as being for the benefit of any party not in signatory hereof.
6. This Contract does not create a joint venture or business partnership under Texas law.
7. The total amount of this Contract is an estimate based on data provided by both parties. Invoices will be sent by HCDE for services rendered during the term of this Contract.
8. In the event that the District makes a payment to HCDE with a credit card, the District agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and costs borne by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).
9. HCDE will make every attempt to provide the service detailed herein as indicated, however, some alterations in the staffing, timeline, and similar details within an individual discipline may be necessary. No changes to the services detailed herein will be made without the mutual written consent of both parties. In no case will the dollar amount of the Contract be exceeded without a formal contract amendment.
10. In accordance with Senate Bill 9, HCDE submits fingerprints to the State Board for Educator Certification (SBEC) for all new employees and pursues criminal history background checks annually on all HCDE employees.
11. Harris County Department of Education adheres to the Uniform Grant Guidance as codified in 2 CFR Part 200, or otherwise known as EDGAR (Education Department General Administrative regulations).

Agreed to:

_____	_____
Superintendent/Designee	James Colbert, Jr., County School Superintendent
_____	_____
Date	Date

Revised 8.24.17 For HCDE office use only: Revenue Account No. 199-_-00-_ _ _-00-_ _ _-5726-0000 Contract Code _____

CONSULTANT SERVICES CONTRACT

This Consultant Services Contract ("Contract") is made and entered into by and between the Harris County Department of Education ("HCDE"), located in Houston, Texas 77022 and _____, ("Consultant"), located at _____, for Consultant to provide services to HCDE in accordance with the terms and conditions specified herein.

RECITALS

HCDE is a local governmental entity, established to promote education in Harris County, Texas. Both HCDE and Consultant desire to set forth in writing the terms and conditions of their agreement. In consideration of the mutual covenants and conditions contained in this Contract and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound agree as follows:

Article 1 Purpose

HCDE agrees to retain Consultant and Consultant agrees to provide services to HCDE as consultant and to perform the duties and all the necessary labor and resources needed to provide the services set forth in Article 3-*Scope of Work*. Consultant shall also perform such other related services and duties as are customarily performed by a consultant in a similar position.

Article 2 Term

This Contract is for services beginning _____, and ending _____ ("Term"). All Contract extensions shall be subject to the terms and conditions specified herein.

Article 3 Scope of Work

Exhibit A includes a detailed scope of work that sets out the services Consultant agrees to provide.

Article 4 Independent Contractor Status

It is the intention of the parties that Consultant be an independent contractor and not an employee, agent, joint venture, or partner of HCDE. Nothing in this Contract shall be interpreted or construed as creating or establishing the relationship of employer and employee between HCDE and either Consultant or any employee or agent of Consultant.

Article 5 Review of Progress

Consultant will work to meet all timelines mutually established by Consultant and HCDE. HCDE reserves the right to monitor the progress of Consultant.

Article 6 Changes & Amendments

During the Term of the Contract (see Article 2), HCDE and Consultant reserve the right to make changes to the work the Consultant is required to provide pursuant to this Contract. This Contract may be amended only by the mutual agreement of the parties, in a writing to be attached to and incorporated in this Contract. All such changes shall be made in writing and agreed to by both parties.

Article 7 Assignment

Neither this Contract nor any duties or obligations under it shall be assignable by Consultant without the prior written acknowledgment and authorization of HCDE.

Article 8 Compensation

The source of funding for this contract will be from _____ (federal, state or local) funds. HCDE will pay Consultant a daily rate of $XX.XX for a maximum of XX days in the amount not to exceed $ X,XXX, plus usual and customary expenses including, but not limited to, hotel, meals, travel, and other business-related expenses. HCDE agrees to make payment to Consultant upon completion of the Contract and upon receipt of an invoice, along with IRS Form W-9. HCDE is Texas sales and use tax exempt and will not reimburse Consultant for any Texas sales taxes incurred by Consultant.

Article 9 Conflict of Interest

During the Term of Consultant's service to HCDE, Consultant shall not, directly or indirectly, whether for Consultant's own account or for or with any other person or entity whatsoever, employ, solicit or endeavor to entice away any person who is employed by HCDE.

Article 10 Felony Conviction Notice

Contractor acknowledges receipt of the Felony Conviction Notice and represents to HCDE that Contractor has accurately completed, executed and delivered the Notice to HCDE.

Contractor's failure to provide such notice shall result in a material breach of this Contract. HCDE may terminate this Contract with Contractor upon determination that Contractor failed to give notice as required by this Article and Felony Conviction Notice or that Contractor misrepresented the conduct resulting in the conviction as indicated on Felony Conviction Notice.

Article 11 Indemnity

Consultant shall protect, hold harmless, and indemnify HCDE from any and all claims, assessments, and suits of law or in equity, expenses, attorneys' fees, and damages arising from Consultant's acts or omissions in connection with the services described in this Contract.

Article 12 Non-Appropriation of Funds

The Term of this Contract is a commitment of HCDE current revenue only.

Article 13 Non-Exclusivity

Nothing in this Contract may be construed to imply that Consultant has the exclusive right to provide HCDE professional services. During the Term of this Contract, HCDE reserves the right to use all available resources to procure other professional services as needed and doing so will not violate any rights of Consultant.

Article 14 Performance

Consultant agrees that Consultant is not an employee of HCDE and is solely responsible for all social security, unemployment compensation and taxes, both state and federal. Consultant further agrees that Consultant's services will be performed with reasonable care, skill, judgment, and experience and in a professional business-like manner, with no direct supervision from

HCDE. If Consultant is unable to complete the work in this manner based on the mutually agreed upon time, Consultant shall notify CASE Director in writing**.**

Article 15 Termination

Either party for any reason upon thirty (30) days written notice may terminate this Contract without cause. HCDE will be responsible for payment for services that have been accepted by HCDE up to the termination date.

HCDE may by written notice, terminate this Contract if Consultant has defaulted in whole or in part, refuses or fails to comply with the provisions of this Contract, fails to make progress, does not cure such failure after written notice within a reasonable period of time, or fails to perform the services within the time period specified or any written extension thereof. In such event, HCDE may obtain comparable services elsewhere and either deduct the costs of obtaining such services from any amount owed Consultant or Consultant shall reimburse HCDE for such costs incurred by HCDE.

Article 16 Notice

Any notice provided under the Terms of this Contract by either party to the other shall be in writing and may be affected by certified mail, return receipt requested. Notice to shall be sufficient if made or addressed as to the address listed below Article 19.

Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified mail, return receipt requested.

Article 17 Governing Law & Venue

This Contract shall be governed by and construed in accordance with the laws of the State of Texas. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Contract shall be in Harris County, Texas.

Article 18 Entire Agreement

This Contract is the sole agreement by which the above parties will abide relative to the purpose(s) of this Contract. The Contract, Exhibit A, Scope of Work, and Exhibit B represent the entire and exclusive agreement between the parties thereto and replaces in their entirety any previous agreements, written or oral.

Article 19 Severability

In the event that any one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Contract shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

Article 20 Debarment and Suspension

Pursuant to 7 C.F.R. 3017, during any period in which a person is suspended, debarred, proposed for debarment, ineligible, or voluntarily excluded from eligibility for covered transactions by any Federal department or agency, that person shall be excluded from any and all

work hereunder that is considered a covered transaction including, but not limited to, participation in any HCDE Program or purchase of any goods or services from HCDE. Generally, work that is expected to equal or exceed the Federal procurement small purchase threshold as defined in 7 C.F.R. 3017.110 (currently $100,000) is considered a covered transaction. With respect to work hereunder that is considered a covered transaction, Contractor agrees to comply with any and all requirements of 7 C.F.R. 3017 including, but not limited to, obtaining and/or providing the certification attached hereto as Exhibit B and providing immediate written notice upon discovery of any errors in a certification previously obtained and/or provided, as necessary for such compliance. Contractor acknowledges that, with respect to debarment and suspension, Federal law may impose additional, more specific, and/or more restrictive requirements for certain work hereunder that is considered a covered transaction; Contractor agrees to comply with any and all such requirements.

Article 21 Proposer/Vendor Certification Forms

(Name of Contractor) agrees that the certifications and agreements included on the HCDE Vendor Certification Forms, attached hereto as Exhibit C and incorporated by reference in the (type of contract) for all purposes, is true and correct.

Article 22 Invoices

Consultant is required to submit original invoices to the HCDE Business Office ATTN: Accounts Payable. The invoices can be mailed through the postal service to HCDE Business Office ATTN: Accounts Payable 6300 Irvington Boulevard Houston, Texas 77022 or emailed to **accountspayable@hcde-texas.org.**

The invoice should include the following:

1. Date of invoice
2. Period of service (i.e. month of)
3. Invoice Number
4. Contact Information
5. Deliverables under the Contract
6. Certification of service provided through a signature by company representative

Failure to send the invoices to the Accounts Payable Office will delay payment. Contractor certifies that no work has been performed before the effective date of this Contract. Invoices submitted by Contractor for work performed prior to the effective date of the Contract may not be honored by HCDE, in HCDE's sole discretion.

In witness whereof, HCDE and Consultant have executed this Contract to be effective on the date specified in Term above:

_____	Harris County Department of Education
(Printed Individual or Company Name)	
By: _____	By: _____
(Signature)	(Signature)
Name: _____	Jesus J. Amezcua, Ph.D., CPA., RTSBA,
Title: _____	Assistant Superintendent - Business Services

Address 1: _6300 Irvington Blvd_
Address 2: _Houston, TX_77022-5618
Phone: _713-696-1371_____
FAX: _713-696-0740_____
Email: _jamezcua@hcde-texas.org

EXHIBIT A: SCOPE OF WORK

Exhibit B

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions

I. Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549 and 7 C.F.R. 1017.105. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

II. Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion—Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

[60 FR 33042, 33043, June 26, 1995]

_____ _____

Signature Date

Exhibit C

HARRIS COUNTY DEPARTMENT OF EDUCATION
PROPOSER/VENDOR CERTIFICATION FORMS

CERTIFICATION OF COMPLIANCE WITH TEXAS FAMILY CODE PROVISION

As per Section 14.52 of the Texas Family Code, added by S.B. 84, Acts, 73rd Legislature, R.S. (1993), all bidders must complete and submit with the bid the following affidavit:
I, the undersigned vendor, do hereby acknowledge that NO sole proprietor, partner, majority shareholder of a corporation, or an owner of 10% or more of another business entity is 30 days or more delinquent in paying child support under a court order or a written repayment agreement. I understand that under this provision, a sole proprietorship, partnership, corporation or other entity in which a sole proprietor, partner, majority shareholder or a corporation, or an owner of 10% or more of another entity is 30 days or more delinquent in paying child support under a court order or a written repayment agreement is NOT eligible to bid or receive a state contract.

REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS – APPENDIX II TO 2 CFR PART 200

The following provisions are required and apply when federal funds are expended by HCDE for any contract resulting from this procurement process.

(A) Contracts for more than the simplified acquisition threshold currently set at $150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when federal funds are expended by HCDE, HCDE reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

(B) Termination for cause and for convenience by the grantee or sub grantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

Pursuant to Federal Rule (B) above, when federal funds are expended by HCDE, HCDE reserves the right to immediately terminate any agreement in excess of $10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase

order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation. HCDE also reserves the right to terminate the contract immediately, with written notice to vendor, for convenience, if HCDE believes, in its sole discretion that it is in the best interest of HCDE to do so. The vendor will be compensated for work performed and accepted and goods accepted by HCDE as of the termination date if the contract is terminated for convenience of HCDE. Any award under this procurement process is not exclusive and HCDE reserves the right to purchase goods and services from other vendors when it is in the best interest of HCDE.

(C) 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 must 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."

Pursuant to Federal Rule (C) above, when federal funds are expended by HCDE on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does vendor agree to abide by the above?
YES _____ Initials of Authorized Representative of vendor

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when federal funds are expended by HCDE, during the term of an award for all contracts and sub grants for construction or repair, the vendor will be in compliance with all applicable Davis-Bacon Act provisions.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the 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," the 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 awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

(G) 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 sub grants of amounts in excess of $150,000 must contain a provision that requires the non-Federal award 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).

Pursuant to Federal Rule (G) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

(H) 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 governmentwide 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.

Pursuant to Federal Rule (H) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

(I) 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.

Pursuant to Federal Rule (I) above, when federal funds are expended by HCDE, the vendor certifies that during the term and after the awarded term of an award for all contracts by HCDE resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding $100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

RECORD RETENTION REQUIREMENTS FOR CONTRACTS PAID FOR WITH FEDERAL FUNDS – 2 CFR § 200.333

When federal funds are expended by HCDE for any contract resulting from this procurement process, the vendor certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.333. The vendor further certifies that vendor will retain all records as required by 2 CFR § 200.333 for a period of three years after grantees or sub grantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH EPA REGULATIONS APPLICABLE TO GRANTS, SUB GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS IN EXCESS OF $100,000 OF FEDERAL FUNDS

When federal funds are expended by HCDE for any contract resulting from this procurement process in excess of $100,000, the vendor certifies that the vendor is in compliance with all applicable standards, orders, regulations, and/or requirements issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When federal funds are expended by HCDE for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

Vendor certifies that vendor is in compliance with all applicable provisions of the Buy America Act. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

CERTIFICATION OF NON-COLLUSION STATEMENT

Vendor certifies under penalty of perjury that its response to this procurement solicitation is in all respects bona fide, fair, and made without collusion or fraud with any person, joint venture, partnership, corporation or other business or legal entity.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

Vendor agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that vendor certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Vendor's Name/Company Name: _____
Address, City, State, and Zip Code: _____
Phone Number: _____ Fax Number:_____
Printed Name and Title of Authorized Representative:_____
Email Address: _____
Signature of Authorized Representative: _____
Date: _____

SERVICES AGREEMENT FOR HCDE EXPENDITURES

This Services Agreement ("Agreement") is made and entered into by and between the Harris County Department of Education ("HCDE"), located at 6300 Irvington Boulevard, Houston, Texas 77022, and _____ ("Contractor"), located at _____, (collectively "the Parties"), for Contractor to provide services to HCDE in accordance with the terms and conditions specified herein.

Recitals

HCDE is a political subdivision of the State of Texas, established to promote education in Harris County, Texas. Both HCDE and Contractor desire to set forth in writing the terms and conditions of their agreement. In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound agree as follows:

1. Purpose. HCDE agrees to retain Contractor and Contractor agrees to provide services to HCDE as Contractor and to perform the duties and all necessary labor and resources needed to provide the services set forth in Section 3 Scope of Work. Contractor shall also perform such other related services and duties as are customarily performed by a contractor in a similar position.

2. Term. This Agreement is for services beginning _____ and ending _____ ("Term") unless terminated as provided herein. All extensions of this Agreement shall be subject to the terms and conditions specified herein. This Agreement may be extended by mutual written consent of the Parties, contingent upon approval of HCDE's Board of Trustees, as may be required.

3. Scope of Work. Exhibit A, attached and incorporated herein, includes a detailed Scope of Work that sets out the services ("Services") Contractor agrees to provide.

4. Independent Contractor Status. It is the intention of the parties that Contractor be an independent contractor and not an employee, agent, joint venturer, or partner of HCDE. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between HCDE and either Contractor or any employee or agent of Contractor, nor shall anything in this Agreement be construed as creating or establishing a joint venture or business partnership between HCDE and either Contractor or any employee or agent of Contractor. Contractor is not entitled to participate in any pension plans, bonus, stock, or similar benefits that HCDE provides for its employees. HCDE and Contractor agree that neither Contractor nor Contractor's subcontractors, agents, or employees shall be covered under any HCDE insurance policy, including but not limited to HCDE's liability, property and casualty, or workers' compensation insurance policies. Contractor agrees that HCDE has no responsibility for any conduct of any of Contractor's staff, participants, visitors, employees, agents, representatives, personnel, contractors, subcontractors, invitees, or licensees. Contractor assumes full responsibility for the actions of its staff, participants, visitors, employees, agents, representatives, personnel, contractors, subcontractors, invitees, and licensees and shall remain solely responsible for their supervision, daily direction and control, payment of salary (including withholdings), workers' compensation, disability benefits, and like requirements and obligations. As an independent contractor, Contractor will be solely responsible for determining the means and methods for performing Services and shall furnish all tools, materials, transportation,

and personal incidentals necessary in the performance of Services. Contractor shall be responsible for any and all applicable social security and personal income taxes that may become due as a result of any payments made by HCDE hereunder and Contractor shall indemnify and hold HCDE harmless in this regard.

5. Review of Progress. Contractor will work to meet all timelines mutually established by Contractor and HCDE. HCDE reserves the right to monitor the progress of Contractor. Upon request by HCDE, Contractor shall provide periodic status reports to HCDE with approximate timelines for completion of Services and other information reasonably requested by HCDE.

6. Changes & Amendments. During the Term of the Agreement (see Section 2), HCDE and Contractor reserve the right to make changes to the Services that Contractor is required to provide pursuant to this Agreement. This Agreement may be amended only by the mutual agreement of the Parties, in writing to be attached to and incorporated in this Agreement.

7. Assignment. Neither this Agreement nor any duties or obligations under it shall be assignable by Contractor without the prior written acknowledgement and authorization of HCDE.

8. Compensation. HCDE will pay Contractor an amount not to exceed $_____ plus expenses of $_____ per day for Services provided in Exhibit A. Contractor will invoice HCDE periodically throughout the Term of the Agreement in accordance with Section 36 – Invoices. HCDE is Texas sales and use tax exempt and will not reimburse Contractor for any Texas sales taxes incurred by Contractor. In the event that any payment(s) to Contractor under this Agreement are subsequently disallowed by a state or federal grant awarding agency or in the event that HCDE is required to refund any funding received from a state or federal grant awarding agency relating to Contractor's Work, to the maximum extent permitted by applicable law, Contractor shall repay to HCDE, on demand, the amount of any such disallowed costs and/or refund. HCDE may, in its sole discretion, deduct the amount(s) of any such disallowed costs and/or refund(s) from subsequent payments to Contractor under this Agreement.

9. Intellectual Property. Contractor represents that it has all intellectual property rights necessary to enter into and perform its obligations in this Agreement.

10. Ownership of Work Product. All work product, including any concepts, products, software, research, reports, studies, data, photographs, negatives, or other documents, drawings or materials prepared by Contractor in the performance of its obligations under this Agreement will be deemed works for hire and the exclusive property of HCDE, the Texas Education Agency, the State of Texas, and/or the federal government, as applicable. Contractor shall deliver all such materials to HCDE upon completion, termination, or cancellation of this Agreement. Any programs, data, or other materials furnished by HCDE for use by Contractor in connection with the Services performed under this Agreement will remain HCDE's property. Any pre-existing programs, data, or other materials furnished and owned by Contractor for use by Contractor in connection with the Services performed under this Agreement will remain Contractor's property.

11. Professional Services. This Agreement (check applicable box) ☐ is / ☐ is not for professional services and governed by the Professional Services Procurement Act, TEX. GOV'T CODE Chp. 2254. Contractor represents and warrants that Contractor has demonstrated competence and possesses qualifications to perform the Services

and is performing the Services for a fair and reasonable price. Contractor further represents and warrants that the professional fees under the Agreement do not exceed any maximum provided by law.

12. Conflict of Interest. During the Term of Contractor's service to HCDE, Contractor shall not, directly or indirectly, whether for Contractor's own account or for or with any other person or entity whatsoever, employ, solicit, or endeavor to entice away any person who is employed by HCDE.

13. Vendor Packet, including Criminal History Certification. Contractor shall complete the HCDE Vendor Packet and/or completed bid attributes, including the "Criminal History Certification" regarding the criminal history of covered employees and the "Felony Conviction Notice." The completed Vendor Packet is incorporated by reference herein. Noncompliance or misrepresentation regarding any statement or certification in the Vendor Packet/bid attributes may be grounds for termination of this Agreement.

14. Indemnity. TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS HCDE, ITS TRUSTEES, OFFICERS, EMPLOYEES, AND AGENTS FROM AND AGAINST ALL LIABILITY, LOSS, DAMAGE, EXPENSE (INCLUDING REASONABLE LITIGATION COSTS AND ATTORNEY'S FEES), AND CLAIMS FOR INJURY TO OR DEATH OF ANY PERSON, OR INJURY OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ARISING OUT OF OR OCCASIONED BY, DIRECTLY OR INDIRECTLY, PERFORMANCE UNDER THIS AGREEMENT (COLLECTIVELY, "CLAIM"), INCLUDING CLAIMS ARISING IN WHOLE OR IN PART FROM THE NEGLIGENCE OF HCDE, WHETHER OR NOT THE CLAIM ARISES FROM THE NEGLIGENCE, WILLFUL ACT, BREACH OF CONTRACT, OR VIOLATION OF LAW BY CONTRACTOR, ITS EMPLOYEES, AGENTS, CONTRACTORS, OR SUBCONTRACTORS.

15. Non-appropriation of funds. The Term of this Agreement is a commitment of HCDE current revenue only. Notwithstanding anything to the contrary in this Agreement, HCDE is obligated to make payments only as approved each year by HCDE's Board of Trustees. HCDE's Board of Trustees retains the right to terminate the Agreement at the expiration of each budget period of HCDE. To the extent that HCDE will use federal grant funds to fulfill its obligations under this Agreement, Contractor acknowledges that federal funds will be used to pay for all or a portion of funds due under this Agreement and that this Agreement is only effective upon receipt of the Notice of Grant Award ("NOGA") by HCDE from the awarding agency. As such, if HCDE does not receive sufficient funding for the services provided in this Agreement, HCDE may terminate this Agreement without penalty or further obligation to Contractor, at any time upon written notice to Contractor. Services rendered in accordance with this Agreement shall be funded by _____ *[funding source(s)]*. Payment for services rendered shall be allocated as follows: _____% funded by _____ *[funding source]*; and ____% funded by _____ *[additional funding source, if applicable]*.

16. Non-Exclusivity. Nothing in this Agreement may be construed to imply that Contractor has the exclusive right to provide HCDE Services. During the Term of this Agreement, HCDE reserves the right to use all available resources to procure other services as needed and doing so will not violate any rights of Contractor. In addition, nothing in this Agreement may be construed to require that HCDE purchase any specific amount, quantity, or quota of Services from Contractor.

17. Performance. Contractor agrees that Contractor's Services will be performed with reasonable care, skill, judgment, and experience in a professional business-like manner, with no direct supervision from HCDE. If Contractor is unable to complete the work in this manner based on the mutually agreed upon time, Contractor shall notify HCDE's Director of _____ in writing.

18. Termination. Either Party may terminate this Agreement for any reason, with or without cause, by giving thirty (30) calendar days' written notice to the other party. In the event of such early termination, HCDE will make payment only for Services accepted by HCDE up to the effective date of the Agreement's termination. HCDE is entitled to a pro-rata refund for any Services for which HCDE has paid but which have not yet been provided by Contractor or accepted by HCDE. Upon breach of this Agreement by HCDE, Contractor may terminate this Agreement by giving thirty (30) days' advance written notice to HCDE, with HCDE having the right to cure the breach within such notice period. HCDE may, by written notice, immediately terminate this Agreement if Contractor has defaulted in whole or in part, refuses or fails to comply with the provisions of this Agreement, fails to make progress, does not cure such failure after written notice within a reasonable period of time, or fails to perform the Services within the same time period specified or any written extension thereof. In such event, HCDE may obtain comparable services elsewhere and either deduct the costs of obtaining such Services from any amount owed Contractor or Contractor shall reimburse HCDE for such costs incurred by HCDE. In the event this Agreement is terminated because of a violation or breach of the Agreement's terms by the Contractor, HCDE shall be entitled to all administrative, contractual, and legal remedies, including sanctions and penalties.

19. Inspection and Acceptance of Service. HCDE reserves the right to inspect the Services provided under this Agreement at all reasonable times and places during the Term. If any of the Services do not conform to the requirements set forth in this Agreement, HCDE may (i) require Contactor to perform the Services again in conformity with such requirements, with no additional charge to HCDE; or (ii) equitably reduce payment due Contractor to reflect the reduced value of the Services performed. These remedies do not limit other remedies available to HCDE in this Agreement or otherwise available by law.

20. Subcontractors. If HCDE gives written permission for Contractor to subcontract any of the Services, Contractor shall ensure that each subcontractor complies with all provisions of this Agreement. Contractor shall require each subcontractor to maintain and to furnish Contractor with satisfactory evidence of Workers Compensation, Employer's Liability and such other forms and amounts of insurance which Contractor deems reasonably adequate. Contractor will remain liable for the acts and omissions of such subcontractor(s) and the proper performance and delivery of the Services.

21. Insurance. Unless an appropriate HCDE representative agrees to waive the requirements by initialing the designated space near the signature block below, Contractor shall comply with all of HCDE's insurance requirements. Contractor shall, at all times during the Term of this Agreement, maintain insurance coverage with not less than the type and requirements shown below. Such insurance is to be provided at the sole cost of Contractor. These requirements do not establish limits of Contractor's liability. Contractor shall cause the insurance policies to: provide that any losses will be payable notwithstanding any act or negligence of HCDE or any other person; provide that the insurer will have no right of subrogation against HCDE; and be reasonably satisfactory to HCDE in all other respects. Certificates of Insurance, name and address of Contractor, the limits of liability, the effective dates of each policy, and policy number shall be delivered to HCDE prior to commencement of any work under this Agreement. The insurance company insuring Contractor shall be licensed in the State of Texas and shall be

acceptable to HCDE. Contractor shall give HCDE a minimum of ten (10) days' notice prior to any modifications or cancellation of said policies of insurance. Contractor shall require all subcontractors performing any work under or relating to this Agreement to maintain coverage as specified below.

Minimum Insurance Requirements:

- All policies of insurance shall waive all rights of subrogation against HCDE, its officers, employees, and agents.
- Upon request, certified copies of original insurance policies shall be furnished to HCDE.
- HCDE shall be named as an "additional insured" on all insurance policies except worker's compensation.
- HCDE reserves the right to require additional insurance should HCDE deem additional insurance necessary, in HCDE's sole discretion.

A. Workers' Compensation (with Waiver of subrogation to HCDE) Employer's Liability, including all states, U.S. Longshoremen, Harbor Workers and other endorsements.

B. Statutory, and Bodily Injury by Accident: $100,000 each employee. Bodily Injury by Disease: $500,000, policy limit $100,000 each employee. Commercial General Liability Occurrence Form including, but not limited to, Premises and Operations, Products Liability Broad Form Property Damage, Contractual Liability, Personal and Advertising Injury Liability and where the exposure exists, coverage for watercraft, blasting collapse, and explosions, blowout, catering and underground damage.

- $300,000 each occurrence Limit Bodily Injury and Property Damage combined
- $300,000 Products-Completed Operations Aggregate Limit $500,000 per Job Aggregate
- $300,000 Personal and Advertising Injury Limit

C. Automobile Liability Coverage: $300,000 Combined Liability Limits Bodily Injury and Property Damage Combined.

☐ Insurance requirements waived (only if approved by HCDE Assistant Superintendent of Business Services)

22. Force Majeure. The Parties to this Agreement may be excused from performance hereunder during the time and to the extent that they are prevented from performance due to an act of God, fire, strike or lockout, when satisfactory evidence thereof is presented to the other party and provided that such non-performance is not due to the fault of the non-performing party.

23. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and may be affected by certified mail, return receipt requested. Notice to either party shall be sufficient if made or addressed as to the address listed in the signature line of this Agreement.

Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified mail, return receipt requested.

24. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be a court of competent jurisdiction in Harris County, Texas.

25. No Waiver of HCDE's Immunity. The execution of this Agreement and the performance of HCDE of any of its obligations hereunder are not, and are not intended to waive or relinquish, and HCDE shall not waive or relinquish, any governmental, sovereign immunity or defense from or to liability or prosecution available to HCDE, its trustees, officers, employees, or agents under federal or Texas laws.

26. No Waiver. No failure on the part of either party at any time to require the performance by the other party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such party's right to enforce such term, and no waiver on the part of either party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the Parties hereto.

27. Entire Agreement. The Agreement, Vendor's completed Vendor Packet (including all federal, state, and local certifications therein) and/or bid attributes (including all federal, state, and local certifications therein), the procurement solicitation issued by HCDE or the cooperative contract, RFP # _____ (the "RFP"), the portion of Contractor's proposal submitted in response to the RFP that is accepted by HCDE, and the attached and incorporated addendum, exhibits, and documents/forms contain the entire agreement of the Parties relative to the purpose(s) of the Agreement and supersede any other representations, agreements, arrangements, negotiations, or understanding, oral or written, between the Parties to this Agreement. In the event of a conflict between this Agreement and the procurement solicitation issued by HCDE or Contractor's proposal submitted in response to HCDE's procurement solicitation, this Agreement shall control. In the event of a conflict among the documents forming the Agreement, the following order of precedence shall control: (1) Vendor's completed Vendor Packet and/or bid attributes (including all federal, state, and local certifications therein); (2) this Agreement; (3) the RFP; and (4) the portion of Contractor's proposal submitted in response to the RFP that is accepted by HCDE. This Agreement supersedes any conflicting terms and conditions on any purchase or work orders, invoices, checks, order acknowledgements, forms, purchase orders, or similar commercial documents relating hereto and which may be issued by Contractor after the Effective Date of this Agreement.

28. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

29. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all counterparts together shall constitute a single agreement.

30. Authorized Signatory. By signing this Agreement, the undersigned representative for Contractor represents and warrants that s/he has authority to enter into this Agreement on behalf of Contractor.

31. No Third-Party Beneficiaries. Nothing in this Agreement shall be deemed or construed to create any third-party beneficiaries or otherwise give any third party any claim or right of action against any party to this Agreement.

32. Attorneys' Fees. The prevailing party in any adjudication relating to or arising out of this Agreement shall be awarded all reasonable and necessary attorneys' fees and costs.

33. Indebtedness; HCDE Property. Contractor represents that to the best of its knowledge, it is not indebted to HCDE. Indebtedness to HCDE may be grounds for termination of this Agreement. In the event of loss, damage, or destruction of any property owned by or loaned by HCDE that is caused by Vendor or Vendor's representative, agent, employee, or contractor, Vendor shall indemnify HCDE and pay to HCDE the full value of or the full cost of repair or replacement of such property, whichever is greater, within thirty (30) days of Vendor's receipt of written notice of HCDE's determination of the amount due. If Vendor fails to make timely payment, HCDE may obtain such money from Vendor by any means permitted by law, including, without limitation, offset or counterclaim against any money otherwise due to Vendor by HCDE.

34. Non-Collusion. The undersigned affirms that Contractor has not prepared its submission in collusion with any other company, corporation, firm, partnership or individual, and that the contents of Contractor's submission as to prices, terms or conditions of said submission have not been communicated by the undersigned nor by any employee or agent of Contractor to any other person engaged in this type of business prior to the official opening of Contractor's submission.

35. Invoices. Contractor is required to submit original invoices to the HCDE Business Office ATTN: Accounts Payable. The invoices can be mailed through the postal service to HCDE Business Office ATTN: Accounts Payable, 6300 Irvington Boulevard, Houston, Texas 77022, or emailed to accountspayable@hcde-texas.org.

The invoices should include the following:

1. Date of invoice
2. Period of service
3. List of services provided, including, without limitation, sign-in sheets, participant roster, etc., as applicable
4. Location where services were provided
5. Invoice and Purchase Order number(s)
6. Contact information
7. Deliverables under the contract
8. Certification of service provided through a signature by company representative

Contractor is required to submit to HCDE a completed Vendor Packet/bid attributes before payment is rendered. Payment to Contractor shall be made only after Services are performed and not before. Advance payment to Contractor is strictly prohibited.

Contractor shall submit invoices within a timely manner during HCDE's fiscal year or HCDE grant period in which the good(s) and/or services are purchased. In accordance with Texas Government Code § 2251.021, payments are due to Contractor within forty-five (45) days after the later of the following: (1) the date HCDE receives the goods under the Agreement; (2) the date the performance of the service under the Agreement is completed; or (3) the date HCDE receives an invoice for the goods or service. Contractor agrees to pay any subcontractors, if any, the appropriate share of the payment received from HCDE not later than the tenth (10th) day after the date Contractor receives the payment from HCDE. The exceptions to payments made by HCDE

and/or Contractor listed in Texas Government Code § 2251.002 shall apply to this Agreement. Invoices received more than 60 days after the date the work was performed will not be honored by HCDE.

Failure to send the invoices to the Accounts Payable Office will delay payment. Contractor certifies that no work has been performed before the effective date of this Agreement. Invoices submitted by Contractor for work performed prior to the effective date of the Agreement may not be honored by HCDE, in HCDE's sole discretion. HCDE may purchase Services from Contractor through the HCDE Business Office using HCDE's purchase order process; this Agreement shall govern all conditions and service terms between Contractor and HCDE. In the event that Contractor's personnel begin work before Contractor receives a valid purchase order and/or the signing of this Agreement, Contractor agrees that HCDE is not liable for payment of such Services rendered.

In addition to all other rights and remedies that HCDE may have, HCDE shall have the right to setoff, against any and all amounts due to Contractor by HCDE, whether due under this Agreement or any other agreement between HCDE (including any division of HCDE) and Contractor, any sums for which HCDE is entitled to under this Agreement, as determined by HCDE in its sole discretion, including, without limitation, sums due by Contractor to HCDE as a result of indemnification obligations, warranty claims, and/or HCDE/Choice Partners Administrative Fee(s), as applicable.

37. Compliance with Applicable Laws. Contractor agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable, including, but not limited to the Education Department General Administrative Regulations ("EDGAR"), 2 C.F.R. Parts 200 and 3474, and 34 C.F.R. Parts 75-77 and 81. If applicable, Contractor certifies compliance with all provisions, laws, acts, regulations, rules, and ordinances as detailed in HCDE's Vendor Packet, including, without limitation, the "Required Contract Provisions for Recipient and Subrecipient Contracts under Federal Awards – Appendix II to 2 CFR Part 200," which is incorporated by reference herein. Contractor further certifies compliance with all applicable provisions, laws, acts, regulations, rules, and ordinances, including those referenced in the HCDE Vendor Packet completed by Contractor, which is incorporated by reference herein.

38. Confidential Data of HCDE. In the course of performing duties under this Agreement, Contractor may view, obtain, or have access to financial, accounting, statistical, personnel, and other information of a confidential nature concerning students and school districts being served by HCDE and employees of HCDE. All such information is confidential and shall not be disclosed, directly or indirectly, to any person other than authorized officials of HCDE, either during the Term of this Agreement or after such Term.

Contractor acknowledges that HCDE would be irreparably injured if Contractor were to disclose such information to third parties not entitled to receive such information or to misappropriate such confidential information for Contractor's own purposes or benefit and that money damages would not compensate HCDE for such irreparable injury.

Contractor further acknowledges that to the extent Contractor receives confidential student information during the performance of duties under this Agreement, Contractor is considered a "school official" in accordance with the Family Educational Rights and Privacy Act ("FERPA"), 20 U.S.C. § 1232g, and shall not disclose confidential student information or education records.

39. Educational Records. Contractor agrees that Contractor and its employees, agents, and/or representatives may receive access to student information for certain students of HCDE, pursuant to this Agreement. Contractor shall secure the confidentiality of all information and records in accordance with applicable federal and state laws, rules, and regulations, including but not limited to all privacy laws. Contractor understands that the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g, governs the privacy and security of educational records and information, and Contractor agrees to abide by FERPA rules and regulations, as applicable. Pursuant to FERPA, Contractor must protect the confidentiality of HCDE student records and shall not release any information without written consent from HCDE student's parent/guardian or eligible student unless required to do so by applicable law. Contractor further acknowledges that to the extent Contractor, including but not limited to, Contractor's staff, employees, and/or representatives, receives confidential HCDE student information during the performance of duties under this Agreement, Contractor is considered a "school official" in accordance with FERPA and shall not disclose confidential student information or education records except as otherwise permitted by applicable law. Contractor shall require its employees and other agents to execute written agreements requiring that such information be kept confidential. The Parties agree to enter into a Data-Sharing Addendum in the event confidential student information is to be shared, as required by applicable law. Contractor and its employees/ representatives shall at all times abide by applicable laws, including FERPA and the Health Insurance Portability and Accountability Act (HIPAA). Contractor shall immediately provide notice to HCDE of any violation of the terms of this paragraph.

Contractor agrees that HCDE's student data, including, but not limited to, documents and information concerning any individual student ("HCDE student data"), is to be held in strictest confidence and assures that procedures are in place for safeguarding, monitoring, and protecting the confidentiality of HCDE student data. Contractor shall keep all media containing HCDE student data in a secure area. In addition, Contractor agrees that any data sets or output reports generated by its employees, agents, and/or representatives with HCDE student data are confidential. Contractor shall not disclose to any unauthorized person any data sets or reports with HCDE student data. Contractor agrees to monitor and be responsible for any access to HCDE student data by tracking access through the use of password(s). Contractor shall provide HCDE immediate notice of any security and/or data breaches and shall comply with any and all requirements to notify users of such security and/or data breaches as required by federal law or the laws of the state of Texas. HCDE or its designee shall have access to all education records and other documents in the possession of Contractor concerning students served by HCDE for purposes of monitoring student progress, conducting evaluations, and making reports.

Upon termination of this Agreement for any reason, Contractor shall return to HCDE within ten (10) calendar days all HCDE student data delivered to or collected by Contractor during the course of this Agreement, together with the Contractor's written certification that all copies of HCDE student data stored by Contractor or in Contractor's possession (including, but not limited to, on servers, backup servers, backup media, or other media including paper copies) have been returned to HCDE, and/or permanently erased or destroyed using industry best practices to assure complete destruction.

Contractor shall be responsible for ensuring compliance with the obligations of this section by each of its employees, agents, representatives, and subcontractors providing services pursuant to this Agreement, including but not limited to informing those persons and entities of these obligations and exercising adequate supervision and oversight over said persons and entities to ensure their compliance. Contractor shall be solely responsible for any breach of the obligations of this section by any of its employees, agents, representatives, or subcontractors.

40. Warranties. All goods and/or services provided by Contractor under this Agreement must be warranted to be free from defects in material, workmanship, and free from such defects in design for a period of one (1) year upon the later of HCDE's acceptance of the product and/or service or payment of the applicable invoice. Contractor warrants that all goods and/or services furnished under this Agreement shall conform in all respects to the terms of this Agreement, including any drawings, specifications, and/or standards incorporated herein, including, without limitation, those detailed in the procurement solicitation issued by HCDE. In addition, Contractor warrants that goods and/or services are suitable for and will perform in accordance with the purposes for which they are intended. Contractor shall assume all liabilities incurred within the scope of consequential damages and incidental expenses, as set forth in the vendor or manufacturer's warranty, which result from either delivery or use of product, which does not meet the specifications within this Agreement or the solicitation procurement.

In witness whereof, HCDE and Contractor have executed this Agreement to be effective as of the date of the last signature below ("Effective Date").

Notice to Contractor: Any change(s) made to the provisions above will nullify this Agreement.

Harris County Department of Education

By:_____
Jesus Amezcua, Ph.D., CPA, RTSBA
Assistant Superintendent –Business Services
6300 Irvington Blvd.
Houston, TX 77022-5618
713-696-1371
jamezcua@hcde-texas.org
Date: _____

Contractor: _____

By:_____
Name: _____
Title: _____
Address: _____
_____
Phone: _____
Email: _____
Date: _____

EXHIBIT A
SCOPE OF WORK

Contractor	HCDE
• Services/Obligations/Deadlines/Deliverables	• Obligations (*if any – payment terms already addressed in contract*)

Ch. 22 Criminal History Records Contractor Certification: Contractor/Subcontractor Employees

Background: Texas Education Code Chapter 22 requires that criminal history records be obtained regarding covered employees of entities that contract with a school district to provide services to the school district ("Contractors") and entities that contract with school district contractors ("Subcontractors"). Covered employees with disqualifying criminal histories are prohibited from serving at a school district. Contractors/Subcontractors shall (1) complete this form certifying compliance with the requirements of Texas Education Code Chapter 22 to HCDE; and (2) require that each of their subcontractors complies with the requirements of Texas Education Code Chapter 22.

Criminal history records will be obtained by either the Contractor/Subcontractor or HCDE, as follows:

(1) Contractor/Subcontractor: The only Contractors/Subcontractors who will be granted access to obtain criminal history record information are those "qualified school contractors" that (1) contract or subcontract to provide services to HCDE; and (2) are determined eligible by the Texas Department of Public Safety (DPS) to obtain criminal history record information under the National Child Protection Act of 1993 (34 U.S.C. § 40101 *et seq.*) (NCPA), specifically, those contractors/subcontractors who provide "care or care placement services" and are based in Texas, for an employee, applicant for employment, or volunteer of the "qualified school contractor." All "qualified school contractors" are required to obtain their covered employees' criminal histories, certify compliance to HCDE, and obtain similar certifications from their subcontractors. Before or immediately after employing or securing the services of a person who is a "covered employee" (as defined below) the Contractor/Subcontractor shall send or ensure that the employee sends to DPS all information that is required by DPS for obtaining the person's national criminal history record information, which may include (but is not limited to) a complete set of the person's fingerprints and a recent electronic digital image photograph of the person, as required by DPS. DPS shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Texas Government Code 411.0845. For more information or to set up an account, Contractor/Subcontractor should contact the Texas Department of Public Safety's Crime Records Service at 512.424.2474. Contractor/Subcontractor shall obtain all criminal history record information that relates to all covered employees through the criminal history clearinghouse as provided by Texas Government Code 411.0845. In addition, Contractor/Subcontractor shall require that each of its subcontracting entities obtains all criminal history record information that relates to its covered employees, if the subcontracting entity is also a "qualified school contractor." Contractor/Subcontractor shall: (1) provide HCDE with a fitness determination (as set forth below) as to each covered employee, based on all criminal history record information obtained; and (2) certify to HCDE that Contractor/Subcontractor has received all criminal history record information relating to a person who is employed by or under a current offer of employment by Contractor/Subcontractor.

(2) HCDE: All Contractors/Subcontractors who are not "qualified school contractors" (in other words, all Contractors/Subcontractors who do not provide "care or care placement services" or are not based in Texas) are required to follow the instructions listed below, so that HCDE may obtain their covered employees' criminal history record information, as applicable. Contractor/Subcontractor shall also require that any of its subcontracting entities that are not "qualified school contractors" follow the instructions listed below, so that HCDE may obtain their covered employees' criminal history record information. **Contractor/Subcontractor is responsible for the payment of all fingerprinting costs. Should HCDE pay any costs of fingerprinting Contractor/Subcontractor employees, Contractor agrees to reimburse HCDE for such costs; in the event Contractor fails to reimburse HCDE for the costs of fingerprinting Contractor/Subcontractor employees, Contractor agrees that HCDE may deduct such costs from any payment due and owing by HCDE to Contractor.**

Definitions:

- Covered employees: Employees of a Contractor/Subcontractor who have or will have continuing duties related to the service to be performed at a school district and have or will have direct contact with students. HCDE will be the final arbiter of what constitutes *continuing duties* and *direct contact* with students.

- Continuing duties related to contracted services: Work duties that are performed pursuant to a contract to provide services to a school entity on a regular, repeated basis rather than infrequently or one-time only. *See* 19 Tex. Admin. Code §153.1101(2).

- Direct contact with students: The contact that results from activities that provide substantial opportunity for verbal or physical interaction with students that is not supervised by a certified educator or other professional district employee. Contact with students that results from services that do not provide substantial opportunity for unsupervised interaction with a student or students, such as addressing an assembly, officiating a sports contest, or judging an extracurricular event, is not, by itself, direct contact with students. However, direct contact with students does result from any activity that provides substantial opportunity for unsupervised contact with students, which might include, without limitation, the provision of coaching, tutoring, or other services to students. *See* 19 Tex. Admin. Code § 153.1101(7).

- Public Works Contractor: An entity that contracts directly or subcontracts with an entity that contracts with a school district to provide construction services to the school district.

- Exception for Certain Public Works Contractors' Employees and Applicants: The criminal history record information requirements outlined above do not apply to an employee or applicant for employment of a public works contractor (as defined above) if: (1) the public work does not involve the construction, alteration, or repair of an instructional facility as defined by Texas Education Code Section 46.001; (2) the employee's duties will be completed not later than the seventh (7th) day before a new instructional facility will be used for instruction; or (3) for an existing instructional facility, the work area contains sanitary facilities and is separated from all areas used by students by a secure barrier fence at least six (6) feet high, and the Contractor adopts, informs employees of, and enforces a policy prohibiting employees and any subcontractor's employees from interacting with students or entering areas used by students.

Disqualifying criminal history:

- (1) a conviction or other criminal history information designated by HCDE; or (2) a felony or misdemeanor offense that would prevent a person from being employed under Texas Education Code § 22.085(a), that is: (a) conviction of a felony offense under Title 5, Texas Penal Code if at the time of the offense, the victim was under 18; (b) conviction of or placement on deferred adjudication community supervision for an offense for which a defendant is required to register as a sex offender under Chapter 62, Texas Code of Criminal Procedure; or (c) conviction of an offense under federal law or the laws of another state that is equivalent to (a) or (b).

Types of Criminal History Record Information:

- National criminal history record information from the Texas Department of Public Safety criminal history clearinghouse. HCDE and/or Contractor/Subcontractor may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to a covered employee.

On behalf of_____("Contractor/Subcontractor"), I, the undersigned authorized signatory for Contractor/Subcontractor, certify to Harris County Department of Education ("HCDE") (and, in the case of a Subcontractor, certify to Contractor and HCDE) that [**check one**]:

[ ] **OPTION A: Contractor/Subcontractor certifies that none of the employees of Contractor/Subcontractor are *covered employees*, as defined above.** For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor certifies to HCDE that it will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE. If this box is checked, I further certify that Contractor/Subcontractor has taken precautions or imposed conditions to ensure that its employees will not become *covered employees*. Contractor/Subcontractor will ensure that these precautions or conditions continue to exist throughout the time that the contracted services are provided. If HCDE, in its sole discretion, determines that employees of Contractor/Subcontractor are *covered employees*, as defined above, Contractor/Subcontractor will provide HCDE with the name, date of birth, and any other requested information of such covered employees so that HCDE may obtain criminal history record information on the covered employees, upon request by HCDE.

Or

[ ] **OPTION B: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, but the criminal history record information requirements do not apply to its employees or applicants for employment because:**

(1) Contractor/Subcontractor is a public works contractor (an entity that contracts directly or subcontracts with an entity that contracts with a school district to provide construction services to the school district); **and**

(2) the public work does not involve the construction, alteration, or repair of an instructional facility as defined by Texas Education Code Section 46.001; the employee's duties will be completed not later than the seventh (7th) day before a new instructional facility will be used for instruction; **or** for an existing instructional facility, the work area contains sanitary facilities and is separated from all areas used by students by a secure barrier fence at least six (6) feet high, and the Contractor adopts, informs employees of, and enforces a policy prohibiting employees and any subcontractor's employees from interacting with students or entering areas used by students.

If this option is selected, Contractor/Subcontractor further certifies to HCDE that:

(a) Contractor/Subcontractor shall ensure that the conditions or precautions that resulted in the determination that the criminal history record information requirements do not apply to its employees or applicants for employment continue to exist throughout the time that the contracted services are provided;

(b) For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE; and

(c) If HCDE, in its sole discretion, determines that the conditions in paragraph (1) and/or (2) above are not satisfied as to Contractor/Subcontractor, Contractor/Subcontractor will provide HCDE with the name, date of birth, and any other requested information of its covered employees so that HCDE may obtain criminal history record information on the covered employees, upon request by HCDE.

Or

[ ] **OPTION C: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, and Contractor/ Subcontractor is a "qualified school contractor."** For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor certifies to HCDE that it will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE. If this option is selected, I further certify that:

(1) Contractor/Subcontractor certifies to HCDE that Contractor/Subcontractor has received all criminal history record information relating to a person who is employed by or under a current offer of employment by Contractor/Subcontractor. Contractor/Subcontractor provides HCDE with the following fitness determination as to each covered employee, based on all criminal history record information obtained: None of the covered employees has a disqualifying criminal history.

(2) If Contractor/Subcontractor at any time receives information that a covered employee subsequently has a reported disqualifying criminal history, Contractor/Subcontractor will immediately remove the covered employee from contract duties and notify HCDE in writing within 3 business days.

(3) Upon request by HCDE, Contractor/Subcontractor will provide HCDE with the name, date of birth, and any other requested information of covered employees so that HCDE may obtain criminal history record information on the covered employees.

Or

[ ] **OPTION D: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, and Contractor/Subcontractor is not a "qualified school contractor."** If this option is selected, I further certify that:

(1) For each covered employee **who is employed by or under a current offer of employment by Contractor/Subcontractor**, **Contractor/Subcontractor certifies to HCDE that will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE**, providing the following information regarding each covered employee as required by DPS in order to provide criminal history record information, so that HCDE may obtain the covered employees' criminal history record information: (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph; (f) if the employee has ever been fingerprinted by a public school district in Texas (and if so, the name of the school district); and (g) the person's written consent to the release of his or her criminal history record information.

(2) Contractor/Subcontractor shall provide HCDE's "Texas Fingerprint Service Code Form" document to all covered employees and ensure that they schedule fingerprinting appointments in a timely manner. Contractor/Subcontractor shall be solely responsible to send or ensure that each covered employee sends to DPS all information that may be required by DPS for obtaining national criminal history record information, which may include, but is not limited to, a complete set of the person's fingerprints and a recent electronic digital image photograph of the person. Any covered employee whose criminal history record information is not received by HCDE at least ten (10) HCDE business days prior to the start of the services to be performed by Contractor/Subcontractor at HCDE is subject to exclusion from service, in HCDE's sole discretion, until his or her criminal history record information can be obtained and reviewed by HCDE. **Contractor/Subcontractor is responsible for the payment of all fingerprinting costs.** Because Contractor/Subcontractor is not a "qualified school contractor," it will not be permitted to view the criminal history record information obtained by HCDE.

(3) DPS shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Texas Government Code 411.0845. Contractor/Subcontractor agrees that HCDE will obtain all criminal history record information that relates to a covered employee through the criminal history clearinghouse as provided by Texas Government Code 411.0845. Contractor/Subcontractor agrees that HCDE will review each covered employee's criminal history record information, together with the employee's qualifications, background, and experience, based on information gathered by HCDE through the procurement and/or contracting processes, to determine, in HCDE's sole discretion, whether any covered employee(s) should be prohibited from serving at HCDE. HCDE will notify Contractor/Subcontractor of its determination.

(4) If HCDE at any time receives information that a covered employee subsequently has a reported disqualifying criminal history or should be prohibited from serving at HCDE, in HCDE's sole discretion, for any other reason, including, but not limited to, the employee's qualifications, background, and experience, based on information gathered by HCDE through the procurement and/or contracting processes, HCDE will notify Contractor/Subcontractor of its determination. Contractor/Subcontractor will immediately remove the covered employee from contract duties.

Upon contract award and/or initiation of PO/contract from HCDE, the winning proposer/Contractor shall complete HCDE's "Contractor Criminal History Background Check Certification" form, providing the following information regarding each covered employee as required by DPS in order to provide criminal history record information, so that HCDE may obtain the covered employees' criminal history record information: (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph; (f) if the employee has ever been fingerprinted by a public school district in Texas (and if so, the name of the school district); and (g) the person's written consent to the release of his or her criminal history record information. Contractor/Subcontractor shall be solely responsible to send or ensure that each covered employee sends to DPS all information that may be required by DPS for obtaining national criminal history record information, which may include, but is not limited to, a complete set of the person's fingerprints and a recent electronic digital image photograph of the person.

If, during the term of the contract with HCDE, Contractor/Subcontractor employs additional covered employees or assigns new covered employees to perform services at HCDE, Contractor shall immediately notify HCDE and provide HCDE with all of the information listed in the preceding paragraph as to each additional covered employee, so that HCDE may obtain the additional covered employees' criminal history record information. If, during the term of the contract with HCDE, Contractor/Subcontractor ceases to employ a covered employee in connection with an HCDE contract, whose information was previously provided to HCDE, Contractor/Subcontractor shall immediately notify HCDE of the same and provide HCDE with each former covered employee's (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; and (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph, so that HCDE may unsubscribe from that individual's criminal history record.

If HCDE, in its sole discretion, objects to the assignment of a covered employee for any reason, including, but not limited to, on the basis of the covered employee's criminal history record information and/or insufficient qualifications, lack of experience, and the like, based on information gathered by HCDE through the procurement and/or contracting processes, Contractor/Subcontractor agrees to discontinue using that covered employee to provide services at HCDE.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Ch. 22 Contractor/Subcontractor Certification Form under Section 13 of the contract

I also certify to HCDE (and, in the case of a Subcontractor, certify to Contractor and HCDE) on behalf of Contractor/Subcontractor that Contractor/Subcontractor has required its subcontractors to comply with Texas Education Code, Chapter 22 and obtained certifications from its subcontractors of such compliance. Noncompliance or misrepresentation regarding this certification may be grounds for contract termination.

List of Covered Employees

Name (First, Middle, Last Name)	**Date of Birth**	**If already fingerprinted, provide (SID)**

Signature _____ Title _____ Date _____

HCDE's "Texas Fingerprint Service Code Form"

IdentoGO
By MorphoTrust USA

Local Education Entities - Harris County Departn

Texas Fingerprint Service Code Form

Service Name: Local Education Entities - Harris County Department of E

To schedule your ten-minute fingerprint appointment, simply visit **https://uenroll.identogo.com** and enter the following Service Code

11FJ5N

When prompted, please provide or enter the following Agency Number TX922641Z

Background Check Waiver

I certify that all information I provided in relation to this criminal history record check is true and accurate. I authorize the Texas Department of Public Safety (DPS) to access Texas and Federal criminal history record information that pertains to me and disseminate that information to the designated Authorized Agency or Qualified Entity with which I am or am seeking to be employed or to serve as a volunteer, through the DPS Fingerprint-based Applicant Clearinghouse of Texas and as authorized by Texas Government Code Chapter 411 and any other applicable state or federal statute or policy.

I authorize the Texas Department of Public Safety to submit my fingerprints and other application information to the FBI for the purpose of comparing the submitted information to available records in order to identify other information that may be pertinent to the application. I authorize the FBI to disclose potentially pertinent information to the DPS during the processing of this application and for as long hereafter as may be relevant to the activity for which this application is being submitted. I understand that the FBI may also retain my fingerprints and other applicant information in the FBI's permanent collection of fingerprints and related information, where all such data will be subject to comparisons against other submissions received by the FBI and to further disseminations by the FBI as may be authorized under the Privacy Act of 1974 (5 USC 552a). I understand my fingerprints will be searched by and against civil, criminal and latent fingerprints in the Next Generation Identification (NGI) system. I understand I am entitled to obtain a copy of any criminal history record check and challenge the accuracy and completeness of the information before a final determination is made by the Qualified Entity. I also understand the Qualified Entity may deny me access to children, the elderly, or individuals with disabilities until the criminal history record check is completed. If a need arises to challenge the FBI record response, you may contact the agency that submitted the information to the FBI, or you may send a written challenge request to the FBI's Criminal Justice Information Services (CJIS) Division at FBI CJIS Division, Attention: Correspondence Group, 1000 Custer Hollow Road, Clarksburg, WV 26306.

Don't have access to the Internet? You can still schedule an appointment by calling 888.467.2080

SERVICES AGREEMENT FOR HCDE REVENUE

This Services Agreement ("Agreement") is made and entered into by and between the Harris County Department of Education ("HCDE"), located in Houston, Texas 77022, and _____ ("____"), located in _____, for _____ in accordance with the terms and conditions specified herein.

Recitals

HCDE is a local governmental entity, established to promote education in Harris County, Texas. Both _____ and HCDE desire to set forth in writing the terms and conditions of their agreement. In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound agree as follows:

1. Purpose. The purpose of this Agreement is to state the terms and conditions under which HCDE will provide services for _____. _____ agrees to retain HCDE and HCDE agrees to provide services to _____ and to perform the duties and all necessary labor and resources needed to provide the services set forth in Article 3 Scope of Work.

2. Term. This Agreement is for services beginning _____ and ending _____ ("Term"). All extensions of this Agreement shall be subject to the terms and conditions specified herein.

3. Scope of Work. Exhibit A includes a detailed Scope of Work that sets out the services HCDE agrees to provide.

4. Independent Contractor Status. It is the intention of the parties that HCDE be an independent contractor and not an employee, agent, joint venturer, or partner of _____. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between _____ and either HCDE or any employee or agent of HCDE.

5. Changes & Amendments. This Agreement may be amended only by the mutual agreement of the parties, in a writing to be attached to and incorporated into this Agreement. All such changes shall be made in writing and agreed to by both parties.

6. Assignment. Neither this Agreement nor any duties or obligations under it shall be assignable by HCDE without the prior written acknowledgement and authorization of _____.

7. Compensation. _____ will pay HCDE $_____, plus expenses of $_____ per day for services provided in Exhibit A. _____ agrees to make payment to HCDE upon _____ and upon receipt of an invoice. HCDE will invoice _____ within thirty (30) days of the completion of services.

8. Conflict of Interest. During the Term of HCDE's service to _____, HCDE shall not, directly or indirectly, whether for HCDE's own account or for or with any other person or entity whatsoever, employ, solicit, or endeavor to entice away any person who is employed by _____.

9. Warranties and Limitation of Liability. EXCEPT AS MAY OTHERWISE BE PROVIDED HEREIN, HCDE MAKES NO EXPRESS OR IMPLIED WARRANTIES OF ANY KIND. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, HCDE DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF PERFORMANCE, MERCHANTIBILITY, FITNESS FOR A PARTICULAR PURPOSE, ACCURACY, OMISSIONS, COMPLETENESS, AND DELAYS. EXCEPT AS EXPRESSLY PROVIDED HEREIN OR AS REQUIRED BY LAW, UNDER NO CIRCUMSTANCES SHALL HCDE BE HELD LIABLE FOR EXEMPLARY, SPECIAL, PUNITIVE, CONSEQUENTIAL, OR INCIDENTAL DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, BUSINESS REVENUE, OR GOODWILL DUE TO ANY CAUSE WHATSOEVER, EVEN IF HCDE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10. Indemnity. _____ SHALL INDEMNIFY AND HOLD HARMLESS BOTH HCDE AND ITS OFFICERS, AGENTS, INDEPENDENT CONTRACTORS, AND EMPLOYEES FROM ALL SUITS, ACTIONS, LOSSES, DAMAGES, CLAIMS, OR LIABILITY OF ANY CHARACTER, TYPE, OR DESCRIPTION, INCLUDING WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL EXPENSES OF LITIGATION, COURT COSTS, AND ATTORNEY'S FEES FOR INJURY OR DEATH TO ANY PERSON, OR INJURY TO ANY PROPERTY, RECEIVED OR SUSTAINED BY ANY PERSON OR PERSONS OR PROPERTY, ARISING OUT OF, OR OCCASIONED BY, THE ACTS OF HCDE OR ITS AGENTS, INDEPENDENT CONTRACTORS, OR EMPLOYEES, IN THE EXECUTION OR PERFORMANCE OF THIS AGREEMENT, BUT ONLY TO THE EXTENT PERMITTED BY LAW.

11. Performance. HCDE further agrees that HCDE's services will be performed with reasonable care, skill, judgment, and experience, and in a professional business-like manner, with no direct supervision from _____. If HCDE is unable to complete the work in this manner based on the mutually agreed upon time, HCDE shall notify _____ in writing.

12. Termination. Either party for any reason upon thirty (30) days written notice may terminate this Agreement without cause. _____ will be responsible for payment for services that have been accepted by _____ up to the termination date.

13. Force Majeure. The parties to this Agreement may be excused from performance hereunder during the time and to the extent that they are prevented from performance due to an act of God, fire, strike or lockout, when satisfactory evidence thereof is presented to the other party and provided that such non-performance is not due to the fault of the non-performing party.

14. Intellectual Property. HCDE represents that it has all intellectual property rights necessary to enter into and perform its obligations in this Agreement. Nothing in this Agreement grants _____ any rights to HCDE's materials, work product, or any other intellectual property developed or used in performance of this Agreement or otherwise.

15. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and may be affected by certified mail, return receipt requested. Notice to either party shall be sufficient if made or addressed as to the address listed below Paragraph 19.
Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified mail, return receipt requested.

16. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be a court of competent jurisdiction in Harris County, Texas.

17. No Waiver of HCDE's Immunity. The execution of this Agreement and the performance of HCDE of any of its obligations hereunder are not, and are not intended to waive or relinquish, and HCDE shall not waive or relinquish, any governmental, sovereign immunity or defense from or to liability or prosecution available to HCDE, its trustees, officers, employees, or agents under federal or Texas laws.

18. Entire Agreement. The Agreement and Exhibit A represent the entire and exclusive agreement between the parties thereto and replaces in their entirety any previous agreements, written or oral.

19. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

In witness whereof, _____ and HCDE have executed this Agreement to be effective on the date specified in Term above:

_____

By: _____
(Signature)

Harris County Department of Education

By: _____
(Signature)
Jesus Amezcua
Assistant Superintendent –Business Services
6300 Irvington Blvd
Houston, TX 77022-5618
713-696-1371
713-696-0740

EXHIBIT A
SCOPE OF WORK

HCDE	(_____)
• Services/Obligations	• Obligations

SERVICES AGREEMENT

This Services Agreement ("Agreement") is made and entered into by and between Harris County Department of Education ("HCDE"), located at 6300 Irvington Boulevard, Houston, Texas 77022, and STARR Commonwealth ("Contractor"), located at 13725 Starr Commonwealth Road, Albion, MI 49224, for Contractor to provide services to HCDE in accordance with the terms and conditions specified herein.

Recitals

HCDE is a political subdivision of the State of Texas, established to promote education in Harris County, Texas. Both HCDE and Contractor desire to set forth in writing the terms and conditions of their agreement. In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties intending to be legally bound agree as follows:

1. Purpose. HCDE agrees to retain Contractor and Contractor agrees to provide services to HCDE as Contractor and to perform the duties and all necessary labor and resources needed to provide the services set forth in Paragraph 3 – Scope of Work. Contractor shall also perform such other related services and duties as are customarily performed by a Contractor in a similar position.

2. Term. This Agreement is for services beginning February 4, 2019 and ending February 5, 2019 ("Term"). All extensions of this Agreement shall be subject to the terms and conditions specified herein.

3. Scope of Work. Contractor shall conduct a trauma and resilience conference on February 4 and 5, 2019 at HCDE's conference center located at 6300 Irvington Boulevard, Houston, TX 77022 (hereinafter "Services"). Contractor shall provide three (3) courses for each day of the Conference. Contractor shall advertise the Trauma and Resilience Conference on its website and shall indicate that the Conference is co-hosted by HCDE. Contractor shall manage all Conference registrations. HCDE shall provide classroom-style room-setup, technology set-up, water and coffee, tables, and chairs in rooms 501, 502, and 503 of HCDE's conference center.

Commented [SL1]: Please specify the technology requirements (laptop, projector, microphone, etc.).

Contractor shall present all courses/sessions of the Conference, be responsible for all content, and shall:
A. Present courses/sessions according to HCDE policies, procedures, and practices, and shall not denigrate HCDE, its programs or representatives in any manner.
B. Agree and state that all materials and content presented by Contractor do not infringe or violate any copyright, trademark, patent, or intellectual property rights of any person or entity, nor do they promote or endorse any product, service, or device that may or is at the time of the program not approved by any governing agency.
C. Not sell or promote any particular product or service at any time during the course/session presentation(s).

4. Independent Contractor Status. It is the intention of the parties that Contractor be an independent contractor and not an employee, agent, joint venturer, or partner of HCDE. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between HCDE and either Contractor or any employee or agent of Contractor. As an independent contractor, Contractor will be solely responsible for determining the means and methods for performing the Services and shall furnish all tools, materials, transportation, and personal incidentals necessary in the performance of the Services. Contractor shall be responsible for any and all applicable social security and personal income taxes that may become due as a result of any payments made by HCDE hereunder and Contractor shall indemnify and hold HCDE harmless in this regard.

5. Review of Progress. Contractor will work to meet all timelines mutually established by Contractor and HCDE. HCDE reserves the right to monitor the progress of Contractor.

6. Changes & Amendments. During the Term of the Agreement (see Paragraph 2), HCDE and Contractor reserve the right to make changes to the Services the Contractor is required to provide pursuant to this Agreement. This Agreement may be amended only by the mutual agreement of the parties, in writing to be attached to and incorporated in this Agreement. All such changes shall be made in writing and agreed to by both parties.

7. Assignment. Neither this Agreement nor any duties or obligations under it shall be assignable by Contractor without the prior written acknowledgement and authorization of HCDE.

8. No Compensation. This Agreement is a non-monetary agreement, and HCDE shall not pay Contractor for the Services or reimburse Contractor for any expenses incurred in connection with the Services.

9. Intellectual Property. Contractor represents that it has all intellectual property rights necessary to enter into and perform its obligations in this Agreement.

10. Ownership of Work Product. All work product, including any concepts, products, software, research, reports, studies, data, photographs, negatives, or other documents, drawings or materials prepared by Contractor in the performance of its obligations under this Agreement will be deemed works for hire and the exclusive property of HCDE, the Texas Education Agency, the State of Texas, and/or the federal government, as applicable. Contractor shall deliver all such materials to HCDE upon completion, termination, or cancellation of this Agreement. Any programs, data, or other materials furnished by HCDE for use by Contractor in connection with the Services performed under this Agreement will remain HCDE's property. Any pre-existing programs, data, or other materials furnished and owned by Contractor for use by Contractor in connection with the Services performed under this Agreement will remain Contractor's property.

11. Intentionally deleted.

12. Conflict of Interest. During the Term of Contractor's service to HCDE, Contractor shall not, directly or indirectly, whether for Contractor's own account or for or with any other person or entity whatsoever, employ, solicit, or endeavor to entice away any person who is employed by HCDE.

13. Criminal History Certification. Contractor shall complete the "Criminal History Certification" regarding the criminal history of covered employees and the "Felony Conviction Notice," both of which are incorporated by reference herein. Noncompliance or misrepresentation regarding these certifications may be grounds for termination of this Agreement.

14. Indemnity. TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS HCDE, ITS TRUSTEES, OFFICERS, EMPLOYEES, AND AGENTS FROM AND AGAINST ALL LIABILITY, LOSS, EXPENSE (INCLUDING REASONABLE LITIGATION COSTS AND ATTORNEY'S FEES), OR CLAIMS FOR INJURY OR DAMAGES ARISING OUT OF THE PERFORMANCE OF THIS AGREEMENT (COLLECTIVELY, "CLAIM") TO THE EXTENT THE CLAIM ARISES FROM THE NEGLIGENCE, WILLFUL ACT, BREACH OF

CONTRACT, OR VIOLATION OF LAW BY CONTRACTOR, ITS EMPLOYEES, AGENTS, CONTRACTORS, SUBCONTRACTORS, INVITEES, AND/OR CONFERENCE ATTENDEES. CONTRACTOR HEREBY ASSUMES LIABILITY FOR, AND SHALL INDEMNIFY, PROTECT, SAVE AND KEEP HARMLESS HCDE FROM AND AGAINST ANY AND ALL LIABILITIES, OBLIGATIONS, LOSSES, DAMAGES, PENALTIES, CLAIMS, ACTIONS, SUITS, COSTS, EXPENSES AND DISBURSEMENTS, INCLUDING REASONABLE LEGAL EXPENSES OF WHATSOEVER KIND AND NATURE, IMPOSED ON, INCURRED BY OR ASSERTED AGAINST HCDE TO THE EXTENT RELATING TO OR ARISING FROM CONTRACTOR'S NEGLIGENCE, RECKLESS CONDUCT, OR INTENTIONAL CONDUCT IN CONNECTION WITH THIS AGREEMENT. THIS INDEMNITY PROVISION SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

15. License for Content Archiving/Capture. Contractor grants to HCDE a non-exclusive license to use Contractor's presentation and handout materials (collectively "Contractor Property") in any manner HCDE deems appropriate including, but not limited to, the reproduction, distribution, creation of derivative works, and display on the internet of Contractor Property, with HCDE retaining the proceeds derived from such distribution and use of Contractor Property.

Contractor also agrees to work directly with the company performing these services for HCDE and follow all deadlines to provide PowerPoint presentations and handouts that may be associated for content archiving.

Please indicate Contractor's choice below:

□ YES**, I agree to the content archiving/capture of my session(s).**

□ NO**, I do not agree to the content archiving/capture of my session(s).**

16. Non-Exclusivity. Nothing in this Agreement may be construed to imply that Contractor has the exclusive right to provide HCDE Services. During the Term of this Agreement, HCDE reserves the right to use all available resources to procure other services as needed and doing so will not violate any rights of Contractor.

17. Performance. Contractor agrees that Contractor's Services will be performed with reasonable care, skill, judgment, and experience in a professional business-like manner, with no direct supervision from HCDE. If Contractor is unable to complete the work in this manner based on the mutually agreed upon time, Contractor shall notify HCDE's School Culture and Climate Specialist in writing.

18. Termination. Either party for any reason upon thirty (30) days written notice may terminate this Agreement without cause. **HCDE reserves the right to cancel any session, change the length or size of any session, or change the place or date of any session at its discretion at any time.** In the event of cancellation, HCDE shall not be liable for any expenses, costs, or damages incurred by Contractor. If Contractor desires to cancel this Agreement, Contractor agrees to provide thirty (30) days written notice to HCDE of cancellation prior to his/her first scheduled session and further agrees to refund HCDE for expenses incurred and not recoverable.

HCDE may, by written notice, immediately terminate this Agreement if Contractor has defaulted in whole or in part, refuses or fails to comply with the provisions of this Agreement, fails to make progress, does not cure such failure after written notice within a reasonable period of time, or fails to perform the Services within the same time period specified or any written extension thereof. In such event, HCDE may obtain

comparable Services elsewhere and either deduct the costs of obtaining such Services from any amount owed Contractor or Contractor shall reimburse HCDE for such costs incurred by HCDE.

19. Intentionally Deleted.

20. Subcontractors. If HCDE gives written permission for Contractor to subcontract any of the Services, Contractor shall ensure that each subcontractor complies with all provisions of this Agreement. Contractor shall require each subcontractor to maintain and to furnish Contractor with satisfactory evidence of Workers Compensation, Employer's Liability and such other forms and amounts of insurance which Contractor deems reasonably adequate. Contractor will remain liable for the acts and omissions of such subcontractor(s) and the proper performance and delivery of the Services.

21. Insurance. Unless an appropriate HCDE representative agrees to waive the requirements by initialing the designated space near the signature block below, Contractor shall comply with all of HCDE's insurance requirements. Contractor shall provide Certificates of Insurance evidencing the Insurance Requirements prior to the start of work. Contractor shall maintain insurance coverage in the amounts specified by HCDE. Certificates of Insurance on the current ACORD form shall be issued to HCDE showing all required insurance coverage.

22. Force Majeure. The parties to this Agreement may be excused from performance hereunder during the time and to the extent that they are prevented from performance due to an act of God, fire, strike or lockout, when satisfactory evidence thereof is presented to the other party and provided that such non-performance is not due to the fault of the non-performing party.

23. Notice. Any notice provided under the terms of this Agreement by either party to the other shall be in writing and may be affected by certified mail, return receipt requested. Notice to either party shall be sufficient if made or addressed as to the address listed in the signature line of this Agreement.

Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified mail, return receipt requested.

24. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas without regard to its conflicts of laws provisions. The mandatory and exclusive venue for the adjudication or resolution of any dispute arising out of this Agreement shall be a court of competent jurisdiction in Harris County, Texas.

25. No Waiver of HCDE's Immunity. The execution of this Agreement and the performance of HCDE of any of its obligations hereunder are not, and are not intended to waive or relinquish, and HCDE shall not waive or relinquish, any governmental, sovereign immunity or defense from or to liability or prosecution available to HCDE, its trustees, officers, employees, or agents under federal or Texas laws.

26. Entire Agreement. The Agreement and the attached and incorporated addendum, exhibits, and documents/forms contain the entire agreement of the parties relative to the purpose(s) of the Agreement and supercede any other representations, agreements, arrangements, negotiations, or understanding, oral or written, between the parties to this Agreement. This Agreement supersedes any conflicting terms and conditions on any purchase or work orders, invoices, checks, order acknowledgements, forms, purchase

orders, or similar commercial documents relating hereto and which may be issued by Contractor after the Effective Date of this Agreement.

27. Severability. In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

28. Debarment and Suspension. Pursuant to Executive Orders 12549 and 12689, a contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide 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. When federal funds are expended by HCDE under this Agreement, Contractor certifies that during the term of this Agreement, Contractor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency or by the State of Texas. Contractor shall immediately provide written notice to HCDE if at any time Contractor learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. HCDE may rely upon Contractor's certification that Contractor is not debarred, suspended, ineligible, or voluntarily excluded from the covered contract, unless HCDE knows the certification is erroneous.

29. Intentionally Deleted.

30. Compliance with Applicable Laws. Contractor agrees to comply with all federal, state, and local laws, rules, regulations, and ordinances, as applicable, including, but not limited to the Education Department General Administrative Regulations ("EDGAR"), 2 C.F.R. Parts 200 and 3474, and 34 C.F.R. Parts 75-77 and 81. If applicable, Contractor certifies compliance with all provisions, laws, acts, regulations, rules, and ordinances as detailed in HCDE's Certifications form, "Required Contract Provisions for Non-Federal Entity Contracts under Federal Awards – Appendix II to 2 CFR Part 200," which is incorporated by reference herein. Contractor further certifies compliance with all applicable provisions, laws, acts, regulations, rules, and ordinances, including those referenced in any HCDE vendor packet completed by Contractor, which is incorporated by reference herein.

Contractor hereby certifies that it is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State. Contractor further certifies and verifies that neither Contractor, nor any affiliate, subsidiary, or parent company of Contractor, if any (the "Contractor Companies"), boycotts Israel, and Contractor agrees that Contractor and Contractor Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include terminating business activities or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory.

31. Confidential Data of HCDE. In the course of performing duties under this Agreement, Contractor may view, obtain, or have access to financial, accounting, statistical, personnel, and other information of a confidential nature concerning students and school districts being served by HCDE and employees of HCDE. All such information is confidential and shall not be disclosed, directly or indirectly, to any person other than authorized officials of HCDE, either during the Term of this Agreement or after such Term.

Contractor acknowledges that HCDE would be irreparably injured if Contractor were to disclose such information to third parties not entitled to receive such information or to misappropriate such confidential information for Contractor's own purposes or benefit and that money damages would not compensate HCDE for such irreparable injury.

Contractor further acknowledges that to the extent Contractor receives confidential student information during the performance of duties under this Agreement, Contractor is considered a "school official" in accordance with the Family Educational Rights and Privacy Act ("FERPA"), 20 U.S.C. § 1232g, and shall not disclose confidential student information or education records.

32. Warranties. All goods and/or services provided by Contractor under this Agreement must be warranted to be free from defects in material, workmanship, and free from such defects in design for a period of one (1) year upon the later of HCDE's acceptance of the product and/or service or payment of the applicable invoice. Contractor warrants that all goods and/or services furnished under this Agreement shall conform in all respects to the terms of this Agreement, including any drawings, specifications, and/or standards incorporated herein, including, without limitation, those detailed in the procurement solicitation issued by HCDE. In addition, Contractor warrants that goods and/or services are suitable for and will perform in accordance with the purposes for which they are intended. Contractor shall assume all liabilities incurred within the scope of consequential damages and incidental expenses, as set forth in the vendor or manufacturer's warranty, which result from either delivery or use of product, which does not meet the specifications within this Agreement or the solicitation procurement.

Insurance Requirements Waiver – IF the Insurance Requirements are not applicable to the Services or if HCDE otherwise chooses to waive such requirements for purposes of this Agreement, the appropriate HCDE representative may waive the requirements by initialing here: →

Otherwise, Contractor must satisfy the Insurance Requirements specified in this Agreement.

In witness whereof, HCDE and Contractor have executed this Agreement to be effective on the date specified in Term above:

STARR Commonwealth

By: _____
L. Kathryn Hart
13725 Starr Commonwealth Road
Albion, MI 49224

Harris County Department of Education

By: _____
Jesus Amezcua, Ph.D., CPA, RTSBA
Assistant Superintendent –Business Services
6300 Irvington Blvd
Houston, TX 77022-5618
713-696-1371
713-696-0740 (fax)

Interlocal Contract Between
Harris County Department of Education and

_____, subject to Master Interlocal Agreement

Pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, this Interlocal Contract (the "Contract") is made and entered into between Harris County Department of Education ("HCDE") and _____("District") for the purpose of performing governmental functions and services and to state the terms, rights, and duties of the contracting parties during the 20__-20__school year (_/__/20__ – _/__/20__). This Contract is entered into in accordance with and subject to the Master Interlocal Agreement between the parties, executed on _____.

Arrangement with HCDE's INSERT Division

HCDE agrees to provide the services as described below. District agrees to pay for the services within thirty (30) days of receiving an invoice for the services.

Type(s) of Service(s)	Total Days/Hours	Cost Day/Hour	Total Cost

Total: _____

Additional Terms

1. This Contract may be terminated by either party without cause with thirty (30) days advance written notice. HCDE's obligations under this Contract are contingent on it acquiring and maintaining sufficient staffing through reasonable efforts to satisfy its obligations under this Contract and all similar obligations under its contracts with other districts. In the event of termination, District will compensate HCDE for services provided up to the termination date.
2. This Contract constitutes the sole agreement of the parties relative to the purpose(s) of this Contract and supersedes any other oral or written understandings or agreements, with the sole exception of the Master Interlocal Agreement between the parties. This Contract may only be amended in writing with the consent of both parties. This Contract is not assignable.
3. This Contract shall be construed under the laws of the State of Texas and mandatory and exclusive venue in any action arising out of this Contract shall be in Harris County, Texas.
4. Each party paying for the performance of governmental functions must make those payments from current revenues available to the paying party.
5. Neither this Contract, nor any term or provision hereof, nor any inclusion by reference shall be construed as being for the benefit of any party not in signatory hereof.
6. This Contract does not create a joint venture or business partnership under Texas law.
7. The total amount of this Contract is an estimate based on data provided by both parties. Invoices will be sent by HCDE for services rendered during the term of this Contract.
8. In the event that the District makes a payment to HCDE with a credit card, the District agrees to pay to HCDE a surcharge fee consisting of any applicable credit card fees and costs borne by HCDE, including, without limitation, the processing fee(s) charged to HCDE by the credit card company(ies).
9. HCDE will make every attempt to provide the service detailed herein as indicated, however, some alterations in the staffing, timeline, and similar details within an individual discipline may be necessary. No changes to the services detailed herein will be made without the mutual written consent of both parties. In no case will the dollar amount of the Contract be exceeded without a formal contract amendment.
10. In accordance with Senate Bill 9, HCDE submits fingerprints to the State Board for Educator Certification (SBEC) for all new employees and pursues criminal history background checks annually on all HCDE employees.
11. Harris County Department of Education makes reasonable efforts to adhere to applicable laws, including the Uniform Guidance, codified in 2 CFR Part 200, or otherwise known as EDGAR (Education Department General Administrative Regulations).

Agreed to:

_____, Superintendent/Designee

Date

James Colbert, Jr., County School Superintendent

Date

For HCDE office use only: Revenue Account No. 199-_-00-_ _ _-00-_ _ _-5726-0000 Contract Code _____

Revised 8.19.19

CONTRACTOR AGREEMENT
BETWEEN
HARRIS COUNTY DEPARTMENT OF EDUCATION AND
[ENTER CONTRACTOR]

This Contractor Agreement ("Agreement") is made and entered into as of the _____ day of _____, 201__, by and between Harris County Department of Education, a county school district located at 6300 Irvington Boulevard, Houston, Texas 77022 ("HCDE") and **[ENTER CONTRACTOR]**, located at **[ENTER CONTRACTOR'S ADDRESS]** ("Contractor"). HCDE and Contractor are sometimes referred to as "Parties" or either may singularly be referred to as "Party."

WITNESS THAT:

WHEREAS, Contractor was selected by HCDE and awarded Job/RFP No. **[ENTER]**, to perform **[ENTER]** services;

WHEREAS, HCDE desires to contract with Contractor for **[ENTER]**, in the total amount of **[ENTER]**; and

WHEREAS, the Parties desire to set forth the terms and conditions of their Agreement herein.

NOW, THEREFORE, in consideration of the mutual covenants, conditions, and obligations of the Parties set forth in the Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties intending to be legally bound do hereby agree as follows:

1. **Agreement Documents:** The Agreement shall include the following Agreement Documents: (1) the body of this Agreement; (2) the Exhibits attached to this Agreement; (3) the Construction Documents, if any, as defined herein; and (4) Valid Amendments made in accordance with Article 33.

2. **Definitions:** As used in the Agreement, the following terms shall have the meanings set forth below:
   a) The word "furnish" shall mean "to supply and deliver to the Project Site, ready for installation".
   b) The word "install" shall mean "to place in position for service or use".
   c) The word "provide" shall mean "to furnish and install, complete and ready for intended use".
   d) The term "Architect" shall mean the architect, if any, retained by HCDE in connection with the Project. If an Architect is retained by HCDE, the Architect will have the authority to act on behalf of HCDE only to the extent provided in the Agreement.
   e) The term "Construction Documents" means any drawings, plans, specifications, or other construction documents prepared by, or approved in writing by, HCDE relating to the Project, and any Valid Amendments thereto. Construction Documents do not include drawings, samples, plans, specifications drafted by or for Contractor or a Subcontractor, Sub-subcontractor, manufacturer, supplier, or distributor to illustrate some portion of the Work.
   f) The term "Contract Time" means the period of time, including authorized adjustments, allotted in the Agreement for Substantial Completion of the Work.
   g) The term "day" means a calendar day, including Saturday, Sunday, and holidays, unless otherwise specifically defined.
   h) The term "Project" means **[ENTER]**.

i) The term "Project Site" means any physical location or locations where the Work is to be performed, including HCDE premises, any Work storage, parking, mobilization, or staging areas used to support the Work or perform any part of the Work.

j) The term "Subcontractor" means a person or entity that has a direct contract with Contractor to perform a portion of the Work. The term "Subcontractor" is referred to throughout the Agreement as if singular in number and means a Subcontractor or an authorized representative of the Subcontractor. The term "Subcontractor" does not include any contractor who has a direct contract with HCDE (a "Separate Contractor") or any subcontractors of a Separate Contractor.

k) The term "Sub-subcontractor" means a person or entity that has a direct or indirect contract with a Subcontractor to perform a portion of the Work. The term "Sub-subcontractor" is referred to throughout the Agreement as if singular in number and means a Sub-subcontractor or an authorized representative of the Sub-subcontractor.

l) The term "Substantial Completion" means the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Agreement such that HCDE can occupy or utilize the Work for its intended use.

m) The term "Valid Amendment" means those supplements, amendments, changes, or modifications to the Agreement Documents that are made in accordance with Article 33.

n) The term "Work" means the doing of all things described in, and all tasks reasonably related to the construction, work, and services required by the Agreement, whether completed or partially completed, and includes all other labor, materials, resources, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations under Article 3. The Work may constitute the whole or a part of the Project and includes all supplies, skill, supervision, transportation services, and other facilities and things necessary, proper, or incidental to the carrying out and completion of the terms of the Agreement and all other items of cost or value needed to produce, construct, and fully complete the Scope of Work.

Technical terms not defined in the Agreement shall have the meanings given in AIA "Glossary of Construction Industry Terms" 1991 Edition. Technical terms not defined in the Glossary and used to describe items of Work and which so applied have a well known technical or trade meaning, shall be held to have such recognized meaning.

3. **Scope of Work:** Contractor agrees to perform the following Scope of Work for HCDE:
[ENTER DETAILED SCOPE OF WORK]

3.1 Contractor stipulates and agrees that HCDE has no duty to discover any design errors or omissions in any drawings, plans, specifications, or other Construction Documents and has no duty to notify Contractor of same. By entering into any agreement with an Architect, HCDE does not warrant the adequacy or accuracy of any drawings, plans, specifications, or other Construction Documents.

4. **Contractor's Representations and Warranties:** In addition to other representations and warranties contained in the Agreement, Contractor represents and warrants the following to HCDE:

a) that Contractor shall perform all of the Work in a good and workmanlike manner and in accordance with the requirements of the Agreement and standard industry practices;

b) that Contractor is financially solvent, able to pay its debts as they mature, and possessed of sufficient working capital to complete the Work and to perform its obligations under the Agreement;

c) that Contractor is able to and will furnish all necessary and available resources, including the tools, materials, supplies, equipment, and labor required to timely complete the Work and to

perform its obligations hereunder;

d) that Contractor has, and acknowledges that HCDE is relying on Contractor's representation that it has, sufficient experience and competence to perform the Work;
e) that Contractor is authorized to do business in the State of Texas and properly licensed by all necessary governmental, public, and quasi-public authorities having jurisdiction over Contractor, the Work, or the Project Site;
f) that the execution of the Agreement and Contractor's performance thereof are within Contractor's duly-authorized powers;
g) that the execution of the Agreement by Contractor is a representation that Contractor has visited the Project Site, become familiar with local conditions under which the Work is to be performed, and correlated personal observations with requirements of any Construction Documents. Contractor shall not be entitled to additional compensation for any additional work caused by its failure to carefully study or compare the Construction Documents prior to execution of the Work;
h) that materials and equipment furnished under the Agreement will be of good quality and new unless the Construction Documents require or permit otherwise. Contractor further warrants that the Work will conform to the requirements of the Agreement and will be free from defects, except for those inherent in the quality of the Work any Construction Documents require or permit. Work, materials, or equipment not conforming to these requirements may be considered defective. Contractor's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by Contractor, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by HCDE or HCDE's consultants, including any Architect HCDE may retain for the Project, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment;
i) that the services of any Subcontractors or any Sub-subcontractors will conform to the representations and warranties set out above; and
j) that Contractor will replace, repair, or re-perform Work at its sole expense until the Work meets the warranties set out above.

5. **Supervision and Construction Procedures:**

5.1 Contractor shall supervise and direct the Work, using Contractor's best skill and attention. Contractor shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures and for coordinating all portions of the Work under the Agreement, unless otherwise stated in the Agreement.

5.2 Contractor shall be responsible to HCDE for acts and omissions of Contractor's employees, Subcontractors and their agents and employees, and other persons or entities performing portions of the Work for, or on behalf of, Contractor or any of its Subcontractors.

6. **Labor and Materials:**

6.1 Unless otherwise provided in the Agreement, Contractor shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services necessary for proper execution and completion of the Work, whether temporary or permanent and whether or not incorporated or to be incorporated in the Work.

6.2 Contractor may make substitutions in the Work only with the consent of HCDE, after evaluation by HCDE and any consultant of HCDE and in accordance with a Change Order pursuant to Article 33.

7. **Contractor's Employees and Subcontractors:**

7.1 Contractor shall enforce strict discipline and good order among Contractor's employees and other persons carrying out the Work. Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

7.2 Contractor, Contractor's Subcontractors and Sub-subcontractors shall pay all workers not less that the general prevailing rate of the per diem wages for work of a similar character where the Project is located, as detailed in Exhibit A attached hereto and incorporated herein, and any applicable fringe benefits. The Project **[DOES / DOES NOT]** involve federal funds. Wages listed are minimum rates only. Contractor and all Subcontractors shall comply with all state and federal laws including, but not limited to, laws of labor, minimum wage, safety, and equal employment opportunity.

7.3 If applicable, Contractor shall comply with the criminal history provisions of Section 22.0834 of the Texas Education Code and Section 153.1117 of the Texas Administrative Code. The form of certification that Contractor has complied with the statutory requirements shall be supplied by HCDE upon request and must be supplemented by Contractor and any Subcontractors as required by law or as requested by HCDE.

8. **Construction by HCDE or by Separate Contractors:**

8.1 HCDE reserves the right to perform construction or operations related to the Project with HCDE's own forces, and to award separate contracts in connection with other portions of the Project or other construction or operations on the Project Site under terms and conditions of the Agreement identical or substantially similar to these, including those portions related to insurance and waiver of subrogation.

8.2 HCDE shall provide for coordination of the activities of HCDE's own forces and of each Separate Contractor with the Work of Contractor, who shall cooperate with them. Contractor shall participate with other Separate Contractors and HCDE in reviewing their construction schedules. Contractor shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by Contractor, Separate Contractors and HCDE until subsequently revised. Contractor shall reimburse HCDE for costs HCDE incurs that are payable to a Separate Contractor because of Contractor's delays, improperly timed activities, or defective construction.

9. **Clean-up:** Contractor shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Agreement. At completion of the Work, Contractor shall remove waste materials, rubbish, Contractor's tools, construction equipment, machinery and surplus materials from and about the Project. Upon completion of the Work, Contractor shall provide final clean-up of all surfaces, without limitation, including but not limited to cleaning all surfaces, removing any adhesives and stickers, removing all trash and debris, and the like. If Contractor fails to clean up as provided in the Agreement, HCDE may clean up and HCDE shall be entitled to reimbursement from Contractor.

10. **Access to the Work:** HCDE is not required to make any inspections to check the quality or quantity of the Work. However, Contractor shall provide HCDE and HCDE's consultants, including but not limited to any Architect retained by HCDE, access to the Work in preparation and progress wherever located. Neither the exercise of such access rights by HCDE, nor the failure on the part of HCDE to discover or reject non-conforming Work shall be deemed an acceptance of such non-conforming Work or a waiver of any rights under the Agreement.

11. **Contract Sum:** In exchange for Contractor's complete performance of its obligations under the Agreement, HCDE shall pay to Contractor the total sum of **[ENTER TOTAL DOLLAR AMOUNT]** (the "Contract Sum"). The Contract Sum covers the cost to Contractor of all materials and equipment necessary for the Work and all required taxes, less applicable trade discounts, Contractor's reimbursable bond costs, and Contractor's costs for unloading and handling at the Project Site, labor, installation costs, overhead, profit and other expenses associated with the Work. The Contract Sum is the total amount payable by HCDE to Contractor for performance of the Work under the Agreement.

12. **Progress Payments and Contractor's Statements:**

12.1 HCDE's payment of the Contract Sum to Contractor shall be made no later than forty-five (45) days after final completion of the Work, upon presentation of Contractor's Statement by Contractor in an amount not to exceed the Contract Sum, unless subsequently amended by written agreement of the parties or Change Order, in accordance with Article 33. Final payment shall be conditioned upon Contractor's completion of all punchlist work, Contractor's submission of all required close-out documents, and HCDE's receipt of final lien releases from Contractor, its Subcontractors and suppliers, conditioned only upon receipt of final payment in the form required by Texas Property Code Chapter 53.

12.2 At HCDE's sole election, HCDE may make monthly progress payments to Contractor, within forty-five (45) days of HCDE's receipt of Contractor's Statement. Payment applications

Contractor will furnish HCDE an itemized statement of completed portions of the Work and request payment therefore ("Statement"). Such Statement shall be supported by such data substantiating Contractor's right to payment as HCDE may require, such as copies of requisitions from Subcontractors and material suppliers and shall reflect retainage if provided for in the Agreement.

12.3 Contractor warrants that title to all Work covered by a Statement will pass to HCDE no later than the time of payment. Contractor further warrants that upon submittal of a Statement all Work submitted on a previous Statement and payments received from HCDE shall, to the best of the Contractor's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of Contractor, Subcontractors, material suppliers, or other persons or entities making a claim by reason of having provided labor, materials and equipment relating to the Work.

12.4 A progress payment, or partial or entire use or occupancy of the Project by HCDE shall not constitute acceptance of Work not in accordance with the Agreement.

13. **Retainage:** HCDE shall withhold from payment(s) to Contractor a retainage of five percent (5%). The retainage shall be paid to Contractor upon Final Completion of the Work. Completion of the Work shall be considered final upon written approval by HCDE's designated representative.

14. **Taxes:** Contractor shall pay sales, consumer, use and similar taxes for the Work provided by Contractor that are legally enacted when the Agreement is executed, whether or not yet effective or merely scheduled to go into effect.

HCDE is exempt from the Texas Sales Tax on any purchase, lease or rental of tangible personal property and will issue Certificates of Exemption from the Texas State Sales Tax on materials furnished by Contractors on School Construction projects. Contractor shall abide by the sales tax exemption.

15. **Permits, Fees, Notices, and Compliance with Laws**

15.1 Unless otherwise provided in Agreement, Contractor shall secure and pay for any building permits as well as for other permits, fees, licenses, and inspections by government agencies necessary for proper execution and completion of the Work that are customarily secured after execution of the Agreement and legally required at the time the Agreement is executed.

15.2 Contractor shall comply with, and takes full responsibility for complying with, safety rules, guidelines, standards, and requirements promulgated by the Occupational Safety and Health Administration (OSHA) applicable to the Project. Contractor shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities bearing on safety of persons or property or their protection from damage, injury or loss.

16. **Intellectual Property:** Contractor shall pay all royalties and license fees. Contractor shall defend suits or claims for infringement of copyrights and patent rights and shall hold HCDE harmless from loss on account thereof but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by Construction Documents, or where the copyright violations are contained in Construction Documents or other documents prepared by or for HCDE. However, if Contractor has reason to believe that the required design, process or product is an infringement of a copyright or a patent, Contractor shall be responsible for such loss unless such information is promptly furnished to HCDE.

17. **Construction Schedule:** Contractor has prepared and submitted a Contractor's construction schedule for the Work, attached hereto and incorporated herein as Exhibit B ("Construction Schedule"). The schedule shall be revised at appropriate intervals, in accordance with Article 33, as required by the conditions of the Work and Project, shall be related to the entire Project to the extent required by the Construction Documents, and shall provide for expeditious and practicable execution of the Work. Contractor shall perform the Work in general accordance with the Construction Schedule. Contractor shall submit to HCDE updated construction schedules as necessary to reflect appropriate schedule revisions and shall take whatever action is necessary and within its control to assure that the Project completion schedule is met.

18. **Professional Services:** Contractor shall not be required to provide professional services that constitute the practice of architecture or engineering unless such services are specifically required by the Construction Documents for a portion of the Work or unless Contractor needs to provide such services in order to carry out Contractor's responsibilities for construction means, methods, techniques, sequences and procedures. Contractor shall not be required to provide professional services in violation of applicable law. If professional design services or certifications by a design professional related to systems, materials or equipment are specifically required of Contractor by the Construction Documents, HCDE and HCDE's Architect, if any, will specify all performance and design criteria that such services must satisfy. Contractor shall cause such services or certifications to be provided by a properly licensed design professional, whose signature and seal shall appear on all drawings, calculations, specifications, certifications, and other documents prepared by such professional. HCDE shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications and approvals performed or provided by such design professionals, provided HCDE has specified to Contractor all performance and design criteria that such services must satisfy.

19. **Priority of Documents:** The Agreement shall prevail in case of an inconsistency among the Agreement, Job/RFP No. **[ENTER]**, or Contractor's response to Job/RFP No. **[ENTER]**. Job/RFP No. **[ENTER]** shall prevail in case of an inconsistency with Contractor's response to Job/RFP No. **[ENTER]**. In the case of an inconsistency between the Agreement and Contractor's response to Job/RFP No. **[ENTER]** not

clarified by a Valid Amendment, Contractor is deemed to have included the better quality or greater quantity of Work in the Contract Sum.

In the case of an inconsistency among the body of this Agreement (including Valid Amendments thereto), the accompanying Exhibits (including Valid Amendments thereto), and the Construction Documents (including Valid Amendments thereto), the provisions of the body of this Agreement shall control.

In the case of an inconsistency between the provisions of the Agreement and any Change Order not in accordance with Article 33, Contractor's work ticket, invoice, statement, purchase order, published rate schedule, or any other type of memoranda between HCDE and Contractor pertaining to the subject matter in the Agreement, the provisions of the Agreement (including Valid Amendments thereto) shall control.

Nothing in this Article prohibits Valid Amendments to be made in accordance with Article 33.

20. **HCDE's Right to Stop the Work and Right to Carry Out the Work:**

20.1 HCDE may temporarily stop the Work, at any time, for HCDE's convenience and without cause, for a period not to exceed two (2) weeks, upon three (3) days written notice to Contractor. The Work may be temporarily stopped for a period longer than two (2) weeks by a Valid Amendment in accordance with Article 33. If the Work is temporarily stopped at HCDE's request, the Contract Time shall be adjusted accordingly in accordance with Article 33.

20.2 If Contractor fails to correct Work that is not in accordance with the requirements of the Agreement or repeatedly fails to carry out Work in accordance with the Agreement, HCDE may issue a written order to Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of HCDE to stop the Work shall not give rise to a duty on the part of HCDE to exercise this right for the benefit of Contractor or any other person or entity, except as may otherwise be provided in the Agreement.

20.3 If Contractor defaults or neglects to carry out the Work in accordance with the Agreement and fails, within a ten-day period after receipt of written notice from HCDE, to commence and continue correction of such default or neglect with diligence and promptness, HCDE may, without prejudice to other remedies HCDE may have (including, but not limited to, termination of the Agreement), correct such deficiencies. In such case, an appropriate Change Order shall be issued, in accordance with Article 33, deducting from payments then or thereafter due Contractor the reasonable cost of correcting such deficiencies, including HCDE's expenses and compensation for additional services, if any, by HCDE's consultants, including but not limited to an Architect retained by HCDE, made necessary by such default, neglect or failure. If payments then or thereafter due Contractor are not sufficient to cover such amounts, Contractor shall pay the difference to HCDE.

21. **HCDE's Right to Occupy**: HCDE and Contractor agree that HCDE may occupy or use, without prejudice to the right of either Party, any completed or largely completed portions of the Project, notwithstanding the time for completing the entire Work or such portions may not have expired. Such beneficial occupancy and use shall not constitute Substantial Completion or HCDE's acceptance of any work not in accordance with the Agreement.

22. **Date of Commencement:** The date of commencement of the Work is **[ENTER]** Contractor shall not knowingly, except by agreement or instruction of HCDE in writing in accordance with Article 33, prematurely commence operations on the Project Site or elsewhere prior to the effective date of insurance

required by Article 26 to be furnished by Contractor. The date of commencement of the Work shall not be changed by the effective date of such insurance.

23. **Date of Substantial Completion: [ENTER]. The Date of Final Completion is thirty (30) days after Substantial Completion.**

23.1 Time limits stated in the Agreement are of the essence of the Agreement. By executing the Agreement, the Contractor confirms that the Contract Time is a reasonable period for performing the Work. Contractor shall proceed expeditiously with adequate forces and shall achieve Substantial Completion and Final Completion within the Contract Time.

23.2 HCDE and Contractor agree that Contractor's failure to meet the deadlines established in the Agreement will cause damage to HCDE, but such damage is difficult to establish. It is therefore expressly agreed, as a part of the consideration inducing HCDE to execute the Agreement, that Contractor's failure to achieve Substantial Completion and Final Completion by the agreed dates shall result in liquidated damages in the amount of $**[ENTER]** per day for each and every day after the date of which Substantial Completion and Final Completion are to occur until Substantial Completion and Final Completion are achieved. Contractor agrees that HCDE may deduct liquidated damages from the final payment made to Contractor or from any compensation otherwise to be paid to Contractor. It is expressly understood that payment of liquidated damages in the amount of $**[ENTER]** per day is agreed upon as a fair estimate of the pecuniary damages which will be sustained by HCDE in the event that the Work is not substantially completed or finally completed within the agreed times, or within the legally extended times, if any, otherwise provided herein. Said sum shall be considered as liquidated damages only and in no sense shall be considered a penalty, said damage being caused by additional compensation to personnel, for loss of interest on money and other miscellaneous increased costs, all of which are difficult of exact ascertainment.

23.3 When Contractor considers that the Work, or a portion thereof, which HCDE agrees to accept separately, is substantially complete, Contractor shall prepare and submit to HCDE a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of Contractor to complete all Work in accordance with the Agreement.

23.4 When Contractor considers that the Work is Finally Complete, Contractor shall prepare and submit to HCDE written notice that the Contractor finds the Work to be Finally Complete. Completion of the Work shall be considered final only upon written approval of Final Completion and acceptance of the Work by HCDE's designated representative. Final payment of the Contract Sum, constituting the unpaid balance of the Contract Sum, shall not be paid until the Work has been finally completed and accepted by HCDE's designated representative, in writing. Final payment shall be paid by HCDE to Contractor within thirty (30) days of HCDE's approval of Final Completion and acceptance of the Work.

23.5 If HCDE disputes a portion of any payment due to Contractor under the Agreement, HCDE may withhold any such disputed amounts, without interest, for a period of forty-five (45) days after such payment would otherwise have been due to Contractor, as long as HCDE makes a reasonable attempt to resolve the dispute with Contractor. If, after such forty-five (45) day withholding period, HCDE continues to dispute any portion of the payment, HCDE may continue to withhold any such disputed amount until the dispute is resolved, except that, if HCDE is found to have wrongfully withheld such disputed amount, Contractor shall be entitled to interest on the wrongfully withheld amount from the original date that payment of such amount was due to Contractor until the date HCDE pays such amount to Contractor in full. The interest rate under this section may not exceed the Judgment Rate published by the Office of Consumer Credit Commissioner.

23.6 If, within one year after the date of Final Completion of the Work, any of the Work is found to be not in accordance with the requirements of the Agreement, Contractor shall correct it, at Contractor's sole cost and expense, promptly after receipt of written notice from HCDE to do so. HCDE shall give such notice promptly after discovery of the condition. If Contractor fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from HCDE, HCDE may correct it in accordance with Article 20. Nothing contained in this Article 23.6 shall be construed to establish a period of limitation with respect to other obligations Contractor has under the Agreement. Establishment of the one-year period for correction of Work as described herein relates only to the specific obligation of Contractor to correct the Work and has no relationship to the time within which the obligation to comply with the Agreement may be sought to be enforced, nor to the time within which proceedings may be commenced to establish Contractor's liability with respect to Contractor's obligations other than specifically to correct the Work.

24. **HCDE's Right to Terminate:** The Agreement may be terminated by HCDE, with or without cause, upon written notice to Contractor. On the effective date of termination, as stated by HCDE, Contractor shall immediately cease Work after taking all actions necessary or as directed by HCDE for protection and preservation of the Work already performed. Contractor shall be entitled to payment for all Work performed up to the effective date of termination.

25. **Payment and Performance Bonds:** Contractor shall furnish (1) a Statutory Performance Bond for contract amounts over $100,000.00 in an amount equal to One Hundred Percent (100%) of the Contract Sum as security for the faithful performance of the Agreement and (2) a Statutory Labor and Material Payment Bond for contract amounts over $25,000.00 in an amount not less than One Hundred Percent (100%) of the Contract Sum as security for the payment of all persons performing labor on the project under the Agreement and furnishing materials in connection with the Agreement. The Performance Bond and the Labor and Material Payment Bond may be in one or in separate instruments in accordance with local law and shall be delivered to HCDE not later than the date of execution of the Agreement. Contractor shall require the attorney-in-fact who executes the required bonds on behalf of the surety to affix thereto a certified and current copy of the power of attorney. The bonds shall be executed by a corporate surety in accordance with Texas Insurance Code 7.19-1.

26. **Insurance:**

26.1 At its sole cost and expense, Contractor shall purchase from and maintain, in a company or companies with not less than an "A" rating and meeting the minimum qualifications outlined in Texas Insurance Code § 3503.001 for insurance companies insuring work related to public entities, lawfully authorized to do business in the jurisdiction in which the Project is located, such coverage in the following limits, on an occurrence basis, with HCDE named as an additional insured, as follows:

a) Builders' risk insurance in Contractor's and HCDE's names against loss or damage by fire or storm on the entire Work, including structures as well as materials and equipment adjacent thereto intended for use on the Project, in the amount of one hundred percent (100%) of the value;
b) Workers' Compensation (with Waiver of subrogation to HCDE) Employer's Liability, including all states, U.S. Longshoremen, Harbor Workers and other endorsements, based on proper reporting of classification codes and payroll amounts and filing of any coverage agreements, as required by statute and which meets the statutory requirements of Texas Labor Code Section 401.011(44) for all employees of Contractor providing services on the Project, for the duration of the Project Contractor shall comply with the requirements of Rule 28, TAC Section 110.110, Reporting Requirements for Building or Construction Projects for Governmental Entities.

c) Public liability in limits of not less than $1,000,000;
d) Property damage in limits of not less than $1,000,000;
e) Statutory and Bodily Injury by Accident: $100,000 each employee. Bodily Injury by Disease: $500,000 policy limit $100,000 each employee;
f) Commercial General Liability Occurrence Form including, but not limited to, Premises and Operations, Products Liability Broad Form Property Damage, Contractual Liability, Personal and Advertising Injury Liability and where the exposure exists, coverage for watercraft, blasting collapse, and explosions, blowout, catering and underground damage.
    - $300,000 each occurrence Limit Bodily Injury and Property Damage combined
    - $300,000 Products-Completed Operations Aggregate Limit $500,000 per Job Aggregate
    - $300,000 Personal and Advertising Injury Limit
    - Bodily Injury liability of not less than $1,000,000
g) Automobile Liability Coverage
    - $300,000 Combined Liability Limits Bodily Injury and Property Damage Combined

26.2 All policies of insurance required of Contractor herein shall waive all rights of subrogation against HCDE, its officers, employees, and agents. All policies of insurance, including any renewals thereof, must specify that such coverage will not be canceled or materially changed without a minimum of thirty (30) days prior written notice to HCDE. HCDE shall be named as an "additional insured" on all insurance policies. Contractor shall furnish certified copies of original insurance policies to HCDE before any Work is started by Contractor.

26.3 The insurance requirements stated herein do not establish limits of Contractor's liability and are separate from and independent of any indemnification obligation of Contractor. HCDE reserves the right to require additional insurance from Contractor as HCDE deems necessary. Contractor shall also require that its Subcontractors provide evidence of insurance of the same types and amounts as Contractor herein, prior to conducting any Work on the Project.

26.4 HCDE and Contractor hereby mutually release each other (and their successors, assigns, subcontractors, agents, and employees) from liability and waive all right of recovery against the other for any loss or damage covered by their respective first party property insurance policies for all perils insured thereunder. In the event of such insured loss, neither Party's insurance company shall have a subrogated claim against the other.

26.5 If Contractor fails to obtain or maintain any of the required insurance coverage, HCDE may obtain and maintain such insurance, and Contractor shall reimburse HCDE for the actual cost of such insurance within thirty (30) days after receipt of HCDE's invoice or HCDE may offset such amount against any payment due Contractor.

27. **Relationship of Parties:** Contractor is engaged under the Agreement as an independent contractor and not as an agent or employee of HCDE. Contractor is not entitled to benefits of any kind to which HCDE's employees are entitled, including but not limited to unemployment compensation, workers compensation, health insurance or retirement benefits. Contractor assumes full responsibility for payment of all federal, state and local taxes or contributions, including but not limited to, unemployment insurance, social security, Medicare and income taxes with respect to Contractor and Contractor's employees. The Agreement shall not be construed to create or imply any partnership or joint venture between the Parties hereto, nor shall it be construed or deemed an endorsement of a specific company or product. The Agreement does not authorize either Party to serve as the legal representative or agent of the other. Neither Party has any right or

authority to assume, create, or incur any liability or any obligation of any kind, express or implied, against or in the name of or on behalf of the other Party.

28. **Indemnity:** **CONTRACTOR SHALL DEFEND, INDEMNIFY AND HOLD HCDE, HCDE'S CONSULTANTS, AGENTS, AND EMPLOYEES HARMLESS FROM ANY AND ALL LOSS, EXPENSE, COST OR LIABILITY (INCLUDING REASONABLE ATTORNEY'S FEES AND EXPENSES), ARISING FROM ANY CLAIM OR CAUSE OF ACTION FOR ANY LOSS OR DAMAGE CAUSED BY OR ARISING FROM CONTRACTOR'S ACTS OR OMISSIONS.**

29. **Notices:** All notices, consents, and requests ("Notices") provided to be given under the Agreement shall be given by hand-delivery, certified mail or registered mail, addressed to the proper Party, at the addresses indicated at the bottom of the Agreement. Notices shall be deemed to have been duly served if delivered in person to the designated representative of the Party; or if delivered at, or sent by registered or certified mail or by courier service providing proof of delivery to, the address of the Party as listed below. Notices are effective upon receipt. Each Party may change the address at which Notices may be sent to that Party by giving advance written notice of such change to the other Party by certified mail, return receipt requested.

30. **Compliance With Laws:** Contractor agrees that it will, in its performance of its obligations hereunder, fully comply with all applicable laws, regulations and ordinances of all relevant authorities, including but not limited to those pertaining to safety, and shall maintain any and all applicable licenses, certifications, registrations or other approvals required to fully perform its obligations hereunder. Contractor represents and warrants that all improvements made to the property shall comply with the Americans with Disabilities Act and all other applicable codes, regulations and laws.

31. **No Waiver:** No action or failure to act by HCDE or Contractor shall constitute a waiver of a right or duty afforded either Party under the Agreement, including, but not limited to, the requirements of Article 33, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing, signed by both Parties. The waiver by any Party of any right, obligation, or breach of the Agreement shall not be construed as a waiver of any other or subsequent right, obligation, or breach.

32. **No Third Party Beneficiaries:** The Agreement Documents, or any term or provisions thereof or any inclusion by reference, shall not be construed as being for the benefit of any party not in signatory thereto. No person, other than the Parties, is entitled to rely on any representation, warranty, covenant, or agreement contained herein.

33. **Amendment:** The Agreement may not be supplemented, amended, changed, or otherwise modified , except by a Valid Amendment, which requires an instrument in writing, to be attached to and incorporated in the Agreement in the form of either (1) a formal written amendment to the Agreement Documents signed and delivered by duly authorized representatives of both Parties hereto, or (2) a Change Order, issued by HCDE or its authorized representative, as provided in this section. The Agreement may not be supplemented, amended, changed, or otherwise modified by conduct of either Party, custom, usage of trade, or course of dealing.

33.1 **Change Orders:** If HCDE desires to increase the Scope of Work, the Parties will execute a written Change Order, signed by duly authorized representatives of both Parties hereto, increasing the Scope of Work and adjusting the Contract Sum and/or the Contract Time as mutually agreed by the Parties. In the event that HCDE desires to reduce the Scope of Work, HCDE may unilaterally issue a Change Order, signed

by a duly authorized representative of HCDE only, reducing the Scope of Work and adjusting the Contract Sum and/or the Contract Time. If HCDE issues a Change Order reducing the Scope of Work, Contractor is entitled to payment for the portion of the deleted Work actually performed, if any, prior to the effective date of the Change Order. The Parties agree that in no event shall the action or failure to act by HCDE or Contractor constitute a waiver of requirements of this section, except as provided by Article 31.

In accordance with Texas Local Government Code § 271.060, the original Contract Sum may not be increased by more than twenty-five percent (25%). The original Contract Sum may not be decreased by more than twenty-five percent (25%) without the consent of Contractor.

34. **Attorney's Fees:** In the event either Party breaches any of the terms of the Agreement Documents whereby the Party not in default employs attorneys to protect or enforce its rights hereunder and prevails, then the defaulting Party agrees to pay the reasonable attorney's fees and expenses incurred by the non-defaulting Party, in addition to any other relief to which the non-defaulting Party may be entitled under the Agreement. This provision shall be construed as applicable to the entire Agreement.

35. **Entire Agreement:** The Agreement Documents shall constitute the complete and exclusive written expression of the intentions of the Parties hereto with respect to the Project and shall supersede all previous communications, representations, agreements, promises or statements, either oral or written, by and between either Party with respect to the Project. In the event of a conflict between this Agreement and the RFP or Contractor's proposal submitted in response to the RFP, this Agreement shall control. The Agreement Documents supersede any conflicting terms and conditions on any purchase or work orders, invoices, checks, order acknowledgements, forms, purchase orders, or similar commercial documents relating hereto and which may be issued by Contractor after the Effective Date of this Agreement.

No supplements, retractions, amendments, modifications, or changes to the Agreement shall be valid unless they are Valid Amendments in accordance with Article 33. Any Valid Amendments to the Agreement must be in writing and signed by the required Party(ies) in accordance with Article 33. The Parties expressly agree that the Agreement shall not be construed against either Party.

36. **Governing Law and Venue:** The Agreement shall be governed by the law of the State of Texas, without regard to any provisions on conflicts of law. Venue for all legal proceedings related to the Agreement or the obligations thereunder shall be in Houston, Harris County, Texas, and the Parties hereby submit to the exclusive jurisdiction of the state and federal courts in Houston, Harris County, Texas.

37. **Severability:** In the event that any one or more of the provisions contained in the Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions of the Agreement, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

38. **Survival of Provisions:** All representations, warranties, covenants, indemnities, and other continuing obligations as expressly provided in the Agreement shall survive the expiration or earlier termination of the Agreement.

39. **Force Majeure:** Neither Party to the Agreement shall be liable for any failure to perform the terms of the Agreement when such failure is due to Force Majeure as defined in this Article. The term "Force Majeure" as used in the Agreement shall mean any delay or default in performance hereunder due to causes beyond the control of the Parties and without their fault or negligence that could not have been prevented or

avoided by the affected Party through the exercise of due diligence, including, but not limited to" acts of God or the public; civil disturbances, arrests or restraints by rulers and people, acts, requests or interruptions of the federal, tribal, state, or local government or any agency thereof, or of any federal, tribal, state, or local officer purporting to act under duly constituted authority, court orders, present and future valid orders of any governmental entity, or any officer, agency or any instrumentality thereof, floods, wildfires, acts of the public enemy (including terrorists), wars, strikes, lockouts, or industrial disturbances, interruption of transportation, freight embargoes or failures, exhaustion or unavailability of equipment or services necessary to the performance of any provision herein due to allocations promulgated by authorized governmental entities , riots, rebellions, blockade, insurrection, sabotage, epidemics, invasions, landslides, earthquakes, quarantine, restrictions, breakage or accident to machinery or lines of pipe due to intervention of third party causes (not arising from the performance of the Work). Force majeure shall not include rainout or ordinary weather days that require Work stoppage, and in no event shall include routine scheduled equipment maintenance or breakage.

40. **Exhibits:** The following Exhibits (including Valid Amendments thereto) are attached hereto, as Agreement Documents, and fully incorporated herein by reference:

a) Exhibit A: Prevailing Wage Rates
b) Exhibit B: Construction Schedule

IN WITNESS WHEREOF the undersigned Parties hereto execute the Agreement as of this day and year indicated below.

HCDE: Harris County Department of Education
6300 Irvington Boulevard
Houston, Texas 77022

_____
Dr. Jesus Amezcua
Assistant Superintendent – Business Services
Date: _____

CONTRACTOR: **[ENTER NAME]**
[ENTER CONTRACTOR'S ADDRESS]

_____
By: _____
Title: _____
Date: _____

EXHIBIT A to Contractor Agreement
PREVAILING WAGE RATES

All Contractors and Subcontractors shall comply with all applicable laws regarding prevailing wage rates including, but not limited to, Texas Government Code Chapter 2258 and any related federal requirements applicable to this procurement by HCDE, including the Davis-Bacon Act. **All Contractors and Subcontractors shall comply with all state and federal laws including, but not limited to, laws of labor, minimum wage, safety, and equal employment opportunity. All Contractors and Subcontractors must pay not less than the general prevailing wage rate as listed herein plus any**

applicable fringe benefits.

The prevailing wage rates listed are to be considered the minimum to be paid, and the listing of prevailing wage rates shall not be construed to prohibit the payment of rates higher than those listed. The Contractor and Subcontractor(s) shall maintain an adequate workforce whether wage rates higher than those listed are required or not. HCDE will not consider claims for additional compensation because of payments of wage rates in excess of the applicable rates listed herein.

Chapter 2258 of the Texas Government Code applies to the construction of a public work, including a building, highway, road, excavation, and repair work or other project development or improvement, paid for in whole or in part from public funds, without regard to whether the work is done under public supervision or direction. Section 2258.021 mandates that a worker employed on a public work other than maintenance work by paid not less than the general prevailing rate of per diem wages for work or a similar character in the locality in which the work is performed and not less than the general prevailing wage rate of per diem wages for legal holiday and overtime work. A worker is employed on a public work if the worker is employed by a contractor or subcontractor in the execution of a contract for the public work with HCDE.

For projects involving federal funds, HCDE has adopted the prevailing wage rate as determined by the U.S. Department of Labor in accordance with the Davis-Bacon Act (40 U.S.C. § 276a et seq) and its subsequent amendments, as the prevailing rate of per diem wages in HCDE for each craft or type of worker needed to execute a public works contract and also for legal holiday and overtime work involving federal funds. *See* HCDE Policy CV (Local). The current U.S. Department of Labor wage determination rates for Texas may be accessed on the Internet at http://www.access.gpo.gov/davisbacon/. Click on Browse all Determinations by State and then click on Texas. Then locate Harris County. Click under the Building column for Harris County to access the rates for all trades.

For projects not involving federal funds, HCDE has adopted the prevailing wage rate as determined by Harris County, Texas as the prevailing rate of per diem wages in HCDE for each craft or type of worker needed to execute a public works contract and also for legal holiday and overtime work not involving federal funds. *See* HCDE Policy CV (Local). The current wage determination rates for Harris County, Texas may be accessed on the Internet at http://www.eng.hctx.net/wage. Click on Prevailing Wage Rate Building Construction to access the rates for all trades.

Prevailing Wage Rates: Base per Diem rate shall be taken as the hours worked per day times the Base Hourly Rate. Overtime Rates: Over 40 hours per week and holidays at base hourly rate times 1.5.

Section 2258.023 of the Texas Government Code, entitled "PREVAILING WAGE RATES TO BE PAID BY CONTRACTOR AND SUBCONTRACTOR; PENALTY," states, in pertinent part:
(a) The contractor who is awarded a contract by a public body or a subcontractor of the contractor shall pay not less than the rates determined under Section 2258.022 to a worker employed by it in the execution of the contract.
(b) A contractor or subcontractor who violates this section shall pay to the state or a political subdivision of the state on whose behalf the contract is made, $60 for each worker employed for each calendar day or part of the day that the worker is paid less than the wage rates stipulated in the contract. A public body awarding a contract shall specify this penalty in the contract.
(d) The public body shall use any money collected under this section to offset the costs incurred in the administration of this chapter.

Contractor certifies that it is in compliance with all applicable standards, orders and/or regulations issued pursuant to the programs subject to the Davis-Bacon Act (40 U.S.C. 276a et seq.), the Regulations of the Department of Labor, 29 CFR part 5, and Texas Government Code Chapter 2258.

EXHIBIT B to Contractor Agreement
CONSTRUCTION SCHEDULE

1. Begin Construction: **[ENTER]**
2. Substantial Completion: **[ENTER]**
3. Final Completion: **[ENTER]**

The Construction Schedule above includes an allowance of Anticipated Weather Days, which are regular working days, in accordance with the following schedule:

January	3	July	4
February	4	August	4
March	4	September	4
April	2	October	3
May	5	November	5
June	6	December	4

Weather Days shall pertain to such items as rain, flooding, snow, unusually high winds, excessively wet grounds, or the like which prevent progress on items which affect the critical path of the Work on regular working days only. If such situations occur on more than the number of Anticipated Weather Days included in the Bid Completion Time and if those additional days prevent the Contractor from performing the critical path of the scheduled Work, a change to the Contract Time may be done in accordance with Article 33 in the Agreement; if the inclement weather is rain-related, the rain at the Project Site must have been in excess of .50 (1/2) inch in 24 hours.

Master Job Order Contract

This Master Job Order Contract ("Contract") is made by and between Harris County Department of Education ("Owner"), a political subdivision of the state of Texas, whose main office address is 6300 Irvington Boulevard, Houston, Texas 77022, and **VENDOR NAME** ("Contractor"), whose main office address is **VENDOR'S ADDRESS** for Job Order Contracting Services, effective as of **DATE**.

RECITALS

Whereas, Owner is in need of job order contracting services; and

Whereas, this Contract is for the provision of job order contracting services, to be performed on a non-exclusive, indefinite quantity basis, as requested by Owner, in accordance with the terms of this Contract;

Whereas, Contractor has been procured as a Job Order Contractor vendor under Harris County Department of Education ("HCDE") Choice Partners Contract # _____, and is available to Owner through the Choice Partners purchasing cooperative as permitted by Subchapter I, Chapter 2269 of the Texas Government Code; and

Whereas, Contractor represents that he has the knowledge, ability, skills and resources to provide such job order contracting services in accordance with the terms and requirements of this Contract.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Contract, the receipt and sufficiency of which are hereby acknowledged, Owner and Contractor, intending to be legally bound, hereby agree as follows:

I. DEFINITIONS

1.1 The term "**Owner**" means the Harris County Department of Education and includes Owner's duly authorized representative, including any person specifically authorized to act for Owner by executing the Contract and any modification thereto. Owner's duties include administration of the Contract, including the issuance of Job Order(s) and modifications and assessing progress; inspecting and periodically reporting on such performance and progress during the stated period of performance, and finally certifying as to the acceptance of the Work in its entirety or any portion thereof, as required by the Contract.

1.2 The term "**Contractor**" means **VENDOR NAME** and includes Contractor's senior manager or its duly authorized representative, including any person specifically authorized to act for Contractor by executing the Contract and any modifications thereto. Contractor's duties include administration of the Contract and performance of the Work.

1.3 The term "**Contract**" as used herein means the documents that form the agreement between Owner and Contractor. The Contract consists of this agreement, including its exhibits and any modifications thereto, any Job Order(s) that may be issued, Choice Partners Contract # _____, and Contractor's proposal submitted in response to the solicitation issued by HCDE/Choice Partners for Choice Partners Contract # _____, including the Vendor/Attachment Packet and all certifications therein, which are fully incorporated herein for any and all purposes.

1.4 The term "**Subcontract**" as used herein means any agreement, including purchase orders (other than one involving an employer-employee relationship) entered into by Contractor calling for equipment, supplies or services required for Contract performance, including any modifications thereto.

1.5 The term "**job order contracting**" means maintenance, repair, alteration, renovation, remediation or minor construction of a facility when the work is of a recurring nature but the delivery times, type, and quantities of the work required are indefinite.

1.6 The term "**Job Order**" means a specific written agreement between the Owner and the Contractor for Work to be performed under this Contract, in the form of Attachment A hereto.

1.7 The term "**Unit Price Guide**" means the unit price book specified by HCDE/Choice Partners in the procurement of Choice Partners Contract # _____.

1.8 The term "**Coefficient Multiplier**" means the numerical factor required to be applied pursuant to Contractor's award under Choice Partners Contract # _____which is applied to the Unit Price Guide unit prices to cover all of Contractor's costs in performing the Work of a Job Order.

1.9 The term "**Non-Pre-priced items**" means the necessary, but incidental, parts of a Job Order that are not susceptible to unit pricing using the pre-priced tasks in the Unit Price Guide.

1.10 The term "**Work**" means the doing of all things described in, reasonably related to, and necessary, proper, or incidental to the work and services required by this Contract and/or a Job Order, whether in whole or in part, and includes all labor, materials, tools, resources, supplies, equipment, permits, insurance, transportation, supervision, management, operations, and performance of all tasks provided or to be provided by Contractor to fulfill Contractor's obligations under this Contract, including any specific project requirements defined and further described in any Job Order.

1.11 The term "**pre-priced item**" means pre-described and pre-priced tasks based on a unit price guide and coefficient multiplier.

II. TERM OF AGREEMENT

2.1 **Term**: The initial term of this Contract is one (1) year and shall be effective **DATE** through **DATE**. Owner may exercise renewal options for up to four additional one-year terms, in Owner's sole discretion, provided that Contractor is still an eligible vendor under the Choice Partners purchasing cooperative. Job Orders may be issued at any time during the term of this Contract. This Contract will remain in full force and effect during the performance of any Job Order issued by Owner.

2.2 **Completion of Work in Progress**: Owner has the option to extend the term of this Contract, or any renewal period, as necessary for Contractor to complete work on any Job Order approved by Owner prior to the expiration of the Contract.

III. AUTHORIZED CONTRACT SUM

3.1 **Contract Sum:** The maximum aggregate contract expenditures for the initial one (1) year term is **$7,610.14**. The cost of each specifically authorized Job Order will be established in a "Job Order" issued by Owner and executed by Owner and Contractor. Established cost amounts shall not be increased except by written change order to a previously issued Job Order executed by Owner and Contractor. As required by Texas Government Code Section 2269.403, the Owner's Board of Trustees must approve any Job Order that exceeds $500,000. The Owner's Board of Trustees may be required to authorize Job Orders for lesser amounts as required by local Board policy.

3.2 **No Minimum Amount of Work:** It is expressly understood that Owner is under no obligation to request any services from Contractor and no minimum amount of work is required under this Contract. All service requests will be made by Owner on an as-needed basis, subject to future agreement on the scope of the work and its cost(s), detailed in a specific Job Order.

IV. SPECIFICATIONS AND DRAWINGS

4.1 **Retention of Drawings:** Contractor shall keep on the Work site a copy of any drawings and/or specifications for a Job Order and shall at all times give Owner access thereto. Anything mentioned in the

specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, shall be of like effect as if shown or mentioned in both. In case of differences between drawings and specifications, the drawings shall govern. In case of discrepancy, either in the figures, drawings, or the specifications, the matter shall be promptly submitted to Owner, who shall promptly make a determination in writing regarding such discrepancy. Any adjustment by Contractor without such prior written determination shall be at Contractor's own risk and expense and without any liability to Owner for any adjustment made by Contractor. Owner shall furnish from time to time such detailed drawings and other information as considered necessary, unless otherwise provided.

4.2 **Shop Drawings**: Shop drawings means drawings submitted to Owner by Contractor showing in detail:

a. the proposed fabrication and assembly of structural elements;

b. the installation (i.e., form, fit and attachment details) of materials or equipment; and

c. the construction and detailing of elements of the Work.

Shop drawings include sketches, diagrams, layouts, schematics, descriptive literature, illustrations, schedules, performance and test data, and similar materials furnished by Contractor to explain specific portions of the Work. Owner may duplicate, use, and disclose in any manner and for any purpose shop drawings delivered under the Contract.

4.3 Contractor shall coordinate all shop drawings, and review them for accuracy, completeness, and compliance with Contract and Job Order requirements and shall indicate its approval thereon as evidence of such coordination and review. Owner will indicate its approval or disapproval of the shop drawings in writing and if not approved as submitted shall indicate Owner's reasons therefore. Any work done before such prior written approval by Owner shall be at Contractor's own risk and without any liability whatsoever to Owner.

4.3 Contractor shall submit to Owner for approval in writing an appropriate number of copies of all shop drawings. Sets of all shop drawings will be retained by Owner and one set will be returned to Contractor.

4.4 "As-built" Drawings and Shop Manuals: Contractor is required to submit two complete sets of "as-built" drawings to Contractor within 30 days after project acceptance. "As builds" shall be submitted on paper as well as electronically. Contractor must also submit three copies of shop manuals at that time if equipment has been installed as part of the Job Order.

4.5 Omissions from the drawings or specifications or the incorrect description of details of work which are manifestly necessary to carry out the intent of the drawings and specifications shall not relieve Contractor from performing such omitted or incorrectly described details of the Work.

4.6 Contractor shall check all of Owner's furnished drawings immediately upon receipt and shall promptly notify Owner of any discrepancies. Figures marked on drawings shall be followed in preference to scale measurements. Large scale drawings shall govern small scale drawings. Contractor shall compare all drawings and verify the figures before laying out the Work and will be responsible for any errors which might have been avoided thereby.

V. USE OF SPECIFICATIONS, DRAWINGS AND NOTES

5.1 All drawings (to include as-built drawings), sketches, designs, design data, specifications, note books, technical and scientific data provided to Contractor or developed by Contractor pursuant to the Contract and all photographs, negatives, reports, findings, recommendations, data and memoranda of

every description relating thereto, as well as all copies of the foregoing relating to the Work or any part thereof, shall be the property of Owner and may be used by Owner without any claim by Contractor for additional compensation, unless such material developed by Contractor does not result in an issued Job Order. In such cases, Contractor will receive reasonable reimbursement for the development of such materials before Owner uses them in any manner whatsoever. If Owner chooses not to use such materials and no Job Order was issued, Contractor shall not be entitled to any compensation by Owner for any expenses incurred by Contractor for the preparation or development of any of said materials, which includes any and all general overhead costs for preparation of the materials.

VI. MATERIAL AND WORKMANSHIP

6.1 All equipment, material, and articles incorporated in the Work covered by this Contract shall be new and of the most suitable grade for the purpose intended, unless otherwise specifically provided in the Job Order. References in the Job Order and/or its specifications to equipment, material, article, or patented process by trade name, make, or catalog number, shall be regarded as establishing a standard of quality and shall not be construed as limiting competition.

6.2 Contractor shall obtain Owner's prior written approval of the machinery and mechanical and other equipment to be incorporated into the Work. When requesting approval, Contractor shall furnish to Owner in writing the name of the manufacturer, the model number, and other information concerning the performance, capacity, nature, and rating of the machinery and mechanical and other equipment. When required by the Contract or by Owner, Contractor shall also obtain Owner's written approval of the material or articles which Contractor contemplates incorporating into the Work. When requesting approval, Job Order Contractor shall provide full information concerning the material or articles. Machinery, equipment, material and articles that do not have the required prior approval by Owner shall be installed or used at the Contractor’s risk of subsequent rejection and Owner shall not be liable for any costs incurred by Contractor for said Machinery, equipment, material, articles.

VII. CONTRACTOR’S GENERAL RESPONSIBILITIES

7.1 **In General:** Contractor agrees to provide general and specific job order contracting services on a per-project basis as requested by Owner in accordance with the terms of this Contract. Contractor shall furnish all of the materials and perform all of the Work described in a Job Order. Contractor shall do everything required by this Contract, the Job Order and any other requirements incorporated into this agreement or a specific Job Order by reference.

7.2 **Project Manager:** Contractor shall manage and provide all labor and material necessary and reasonably inferable for the complete performance of the Work on any project and/or Job Order authorized pursuant to this Contract.

7.3 **Standard of Care:** Contractor agrees to use commercially reasonable best efforts, skill, judgment, and abilities to perform the Work detailed in the Job Order in an expeditious and timely manner. Contractor shall at all times provide a sufficient number of qualified, skilled personnel, who shall be supervised by Contractor, to accomplish the Work within the time limits set forth in the Job Order. Contractor shall also be responsible for all damages to persons or property that occur as a result of Contractor's fault or negligence, and shall take proper safety and health precautions to protect the Work, the workers, the public, and the property of others. All Work under the Contract shall be performed in a skillful and workmanlike manner. Contractor and all subcontractors shall maintain all required licenses, certifications, permits, and any other documentation necessary to perform this Contract and all Word detailed in a Job Order. Unless otherwise specified in a Job Order, Contractor shall be responsible for any required testing of materials prior to incorporation into the Work.

7.4 **Compliance with Laws:** Contractor shall comply with all applicable federal, state, and local laws, regulations, codes, ordinances, orders and with those of any other body having jurisdiction over the project detailed in the Job Order. Contractor shall comply with all state and local building code requirements unless otherwise specifically detailed in the Job Order. Contractor is required to adhere to

all applicable local, state, and national design codes and requirements as well as Owner's construction design standards.

7.5 **Existing Conditions:** Contractor shall use commercially reasonable best efforts to verify the accuracy and suitability of any drawings, plans, sketches, instructions, information, requirements, procedures, requests for action, and other data supplied to Contractor by Owner, or any other party, that Contractor uses for the Job Order.

7.6 **Correction of Work:** Contractor shall promptly correct any known or discovered error, omission, or other defect in the Work without any additional cost or expense to Owner.

7.7 **Phasing:** Contractor shall not proceed beyond any previously authorized phase of the Work for a project unless authorized by Owner in writing, except at the Contractor's own financial risk. Applicable phases of the scope of work shall be identified in the Job Order Proposal.

7.8 **Representative:** Contractor shall designate a representative primarily responsible for the Work under this Contract and a specific Job Order. The designated representative shall act on behalf of Contractor with respect to all phases of the Work and shall be available as required for the benefit of any Job Order and Owner. The designated representative shall not be changed without prior written approval of Owner, which approval shall not be unreasonably withheld.

7.9 **Documentation:** Contractor shall fully document its project activities, in drawings, reports or other methods as appropriate to the scope of work and as identified in the Job Order Proposal and/or Job Order. Unless otherwise stated in the Job Order or provided by Owner, Contractor shall bear the cost of providing all plans, specifications and other documents used by Contractor and its consultants. **Owner will reimburse Contractor for the actual, documented costs of construction permits required for the performance of the Work as specified in the Job Order.** Unless otherwise stated in the Job Order, Contractor shall secure and pay for all governmental fees, licenses, and inspections necessary for the proper execution and completion of the Work.

7.10 Contractor shall be responsible for compliance with all safety rules and regulations of the Federal Occupational Safety and Health Act of 1970 (OSHA), all applicable state and local laws, ordinances, and regulations during the performance of the Work. Contractor shall indemnify Owner for fines, penalties, and corrective measures that result from the acts of commission or omission of Contractor, its subcontractors, if any, agents, employees, and assigns and its failure to comply with such safety rules and regulations.

7.11 In accordance with Texas Business & Commerce Code § 116.001, as soon as practicable after beginning construction of the project, Contractor shall visibly post the following information at the entrance to the construction site: (1) the name and contact information of the Contractor; and (2) a brief description of the project.

VIII. JOB ORDER PROCEDURES

8.1 Job Order Procedures

a. At Owner's discretion, Owner will submit a Job Order Proposal Request to Contractor for the individual project(s). This request will include, at a minimum, the following: project number, project title, name of Owner's project manager, Owner's customer point of contact, location, the project architect and/or engineer, if any, and a general description of the project. If a Job Order requires architectural or engineering services that constitute the practice of architecture or engineering within the meanings of the Texas Occupations Code, Owner shall select or designate an architect or engineer to prepare the construction documents for the project.

b. Upon receipt of the Job Order Proposal Request, Contractor shall promptly schedule a site

visit with the Owner's project manager. The site visit will be conducted at a mutually agreed upon time, normally not later than three (3) business days from the time of notification.

c. During the site visit, the following will be accomplished:
    1. Pre-construction site inspection
    2. Review and validate the description of work
    3. Develop draft detailed statement of work
    4. Mark-up existing drawings to show required work (when existing drawings are readily available)
    5. Discuss project with end-user customer, ensure proposed work meets their objectives
    6. Establish Contractor's due date for the Job Order Proposal

d. Contractor will keep adequate notes of the site visit, including a before picture, in color, of the conditions, and provide a copy to Owner following completion of the site visit.

e. Contractor shall submit Contractor's Job Order Proposal within three (3) business days of receipt of Owner's Job Order Proposal Request. Contractor's Job Order Proposal shall include the following:
    i. A narrative description of Contractor's understanding of the project's scope of work;
    ii. A description of particular phases of the scope of the work;
    iii. A cost proposal detailing:
        1. the cost of the 'pre-priced' items as taken from the unit price guide (The cost proposal for each Job Order should be based substantially on the use of pre-priced items);
        2. the cost of any 'non-pre-priced' items (The proposed cost of all non-pre-priced items in the cost proposal shall include all of Contractor's cost items otherwise included in the coefficient multiplier used for pre-priced items. No coefficient multiplier shall be applied to non-pre-priced items;
        3. any other costs that the Contactor intends to charge to the project (Note that other costs include extraordinary costs that are unique to a specific project and not generally or reasonably included in the coefficient multiplier; other costs may be added only if authorized or confirmed in writing by Owner. Other costs may be calculated as a lump sum for the Job Order or on a "not to exceed" basis.);
        4. a statement that all Contractor fees, overhead expenses and general conditions are included in the cost proposal; and
        5. a lump sum figure for performing the Work, if appropriate;
    iv. A description of all plans, specifications and other documents, including construction permits, to be used by Contractor in the performance of the Work;
    v. A proposed time schedule showing the sequence in which Contractor proposes to perform the Work and dates on which Contractor proposes to complete each phase of the scope of the work, including a proposed date to commence the Work and a proposed completion date of the Job Order.
    vi. If required by Owner, Contractor must submit a schedule chart, which may be a formal computerized schedule or a progress chart in a bar chart format of suitable scale to indicate appropriately the percentage of Work scheduled for completion by any given date during the period. The schedule chart, if required, must contain:
        a. A list of the different types of work activities or work elements.
        b. Show the logical dependencies (ties) to indicate what Work must be accomplished before other Work can begin.
        c. Include proposed start and completion dates or time frames for each work activity or work element.
        d. Calculate the "weighting" or relative worth each work activity or work element is of the total project either as a percentage or dollar amount.
        e. Proposed traffic control methods providing all necessary traffic control, such as street blockages, traffic cones, flagmen, etc.

vii. Contractor's designated representative primarily responsible for the Work;
viii. A list of all subcontractors who Contractor proposes to use in the performance of the Work;
ix. Any qualifications or conditions applicable to the Job Order Proposal; and

f. After Contractor's submission of its Job Order Proposal, Owner will review the Job Order Proposal and either proceed to issuance of a Job Order or schedule a time to review the Job Order Proposal with Contractor and negotiate any changes, clarifications or modifications.

g. Following the review of Contractor's Job Order Proposal, Owner shall issue Job Order in writing, in a form materially consistent with Attachment A hereto, incorporating any changes, clarifications or modifications to Contractor's Job Order Proposal made in the review process, and attaching the final Job Order Proposal as an exhibit.

h. Once issued, the Job Order is a not to exceed contract amount for the Job Order. No line item will be added to a Job Order because a line item was excluded by Contractor in Contractor's Job Order Proposal or draft or final Job Order; however, the Owner shall have no obligation to pay for goods or services contained in the Job Order Proposal that are not provided.

i. **Notice to Proceed:** If a Commence Date is not stated in the specific Job Order, Owner shall issue a written Notice to Proceed. The Notice to Proceed authorizes the Contractor to begin the Work identified in the Job Order on the date fixed in the Notice to Proceed. Upon the Commencement Date specified in the Job Order or Notice to Proceed, Contractor is fully responsible for the scheduling, quality control, safety, and all other aspects of the management of the project detailed in the Job Order. Owner may make periodic inspections of the job site to ensure compliance; however, quality control is ultimately the Contractor's responsibility.

j. **Quality Assurance/Quality Control Plan:** If requested by the Owner for a particular Job Order, Contractor shall submit, for Owner approval, a Quality Assurance/Quality Control Plan. This plan should address all aspects of quality control including responsibility for surveillance of work, documentation, trend analysis, corrective action and interface with the Owner's inspectors.

k. **Weekly Reports**: Contractor is required to submit weekly progress reports on each active Job Order electronically or in paper form to Owner at the end of each work week, which shall include a current schedule.

l. **Schedule**: Time is of the essence in rendering the services hereunder. The Job Order shall include a time schedule for each phase of the Work for the Job Order, and Contractor agrees to perform all obligations and render services in accordance with the schedule(s) established in the Job Order. In emergency or non-standard situations, Owner may require Contractor to complete a Job Order on an expedited basis. All Job Orders are to be completed within the timelines agreed to by Owner and Contractor as detailed in the Job Order. If Contractor falls behind the schedule detailed in the Job Order, Contractor shall take steps necessary to improve its progress, including those that may be reasonably required by Owner. Without additional cost to Owner, Owner may require Contractor to increase the number of shifts, overtime operations, days of work, and/or the amount of construction plant or equipment, and to submit for approval any supplementary schedule or schedules in chart form as Owner deems necessary to demonstrate how the approved rate of progress will be regained.

m. **Emergency Work:** Contractor will give top priority to any emergency work Owner may have and will allocate all resources necessary to accomplish such work in accordance with

Owner's schedule requirements.

IX. OWNER'S RESPONSIBILITIES

9.1 **Representative:** Owner designates the Executive Director of Facilities or his/her designee as its representative authorized to act in Owner's behalf with respect to the Job Order(s). Contractor shall coordinate its work solely through the designated representative.

9.2 **Special Information:** Unless otherwise detailed herein or in the Job Order, Owner shall furnish available any relevant property, boundary, easement, right-of-way, topographic and utility surveys; plans and specifications; and other special data and conditions relevant to the project. Owner makes no warranties or representations as to the accuracy or suitability of information provided to Contractor by Owner or by others.

9.3 **Entry on Land:** Owner shall assist Contractor in gaining entry to Owner's property as necessary for Contractor to perform its services under this Contract.

9.4 **Review of Work:** Owner will review the Work in progress as appropriate. At the completion of the Job Order, Owner (or Owner's Architect/Engineer, if any) shall do a walk through to ensure that the Work is completed in accordance with the Job Order. Owner will notify Contractor in writing of any material error or omission or other defect in the Work or any conflict in the contract documents that Owner becomes aware of, but Owner shall have no obligation or duty to investigate whether such faults, defects, or conflicts exist.

9.6 **Time for Response:** Owner shall furnish required information and services and shall render approvals and decisions as expeditiously as necessary for the orderly progress of Contractor's services and of the Work.

X. SITE INVESTIGATION AND CONDITIONS AFFECTING THE WORK

10.1 Contractor's acceptance of a Job Order entered into pursuant to this Contract shall constitute Contractor's acknowledgement that Contractor has taken steps reasonably necessary to ascertain the nature and location of the Work for the specific Job Order, and that Contractor has investigated and satisfied itself as to the general and local conditions which can affect the Work or its cost, including but not limited to:

a. Conditions bearing upon transportation, disposal, handling, and storage of materials;
b. The availability of labor, water, electric power, and roads;
c. Uncertainties of weather, river stages, tides, or similar physical conditions at the site;
d. The conformation and conditions of the ground; and
e. The character of equipment and facilities needed preliminary to and during work performance.

10.2 Contractor's acceptance of a Job Order entered into pursuant to this Contract shall constitute Contractor's acknowledgement that Contractor has satisfied itself as to the character, quality, and quantity of surface and subsurface materials or obstacles to be encountered insofar as this information is reasonably ascertainable from an inspection of the site, including all exploratory work done by Owner, as well as from the drawings and specifications made a part of this Contract.

10.3 **Owner Furnished Utilities:** Owner shall provide, at no cost to Contractor, wet and dry utilities and toilet facilities that are existing and available at each site for Work performed under the Job Order. If utilities and/or toilet facilities are not existing and available, the costs for such shall be included in the Job Order Proposal. It is the responsibility of Contractor to determine the extent to which existing Owner utilities are adequate for the needs of the Job Order.

10.4 **Asbestos Certification Statement**: If required by Owner, Contractor shall provide a certification

statement for each Job Order, stating that no asbestos-containing materials or work is included within the scope of the Job Order. If required by Owner, Contractor shall provide, at completion of the Job Order, a notarized affidavit to Owner stating that no asbestos-containing materials or work was provided, installed, furnished or added to the project.

10.5 If required, Owner shall provide a survey in accordance with the Texas Asbestos Health Protection Rules prior to the commencement date of the Job Order. Contractor shall take whatever measures he deems necessary to insure that all employees, suppliers, fabricators, material men, subcontractors, or their assigns, comply with this requirement. All materials used on a Job Order shall be certified as non-Asbestos Containing Building Materials (ACBM). Contractor shall insure compliance with the following acts from Contractor and all of Contractor's subcontractors and assigns:

a. Asbestos Hazard Emergency Response Act (AHERA—40 CFR 763-99 (7));
b. National Emission Standards for Hazardous Air Pollutants (NESHAP—EPA 40 CFR 61, National Emission Standard for Asbestos;
c. Texas Asbestos Health Protection Rules (TAHRP—Tex. Admin. Code Title 25, Part 1, Ch. 295C, Asbestos Health Protection

Every subcontractor shall provide a notarized statement that no ACBM has been used, provided, or left on a Job Order. Contractor shall provide, in hard copy and electronic form, all necessary material safety data sheets (MSDS) of all products used in the Job Order to the Texas Department of Health licensed inspector or Owner's architect or engineer, if any, who will compile the information from the MSDS and, finding no asbestos in any of the product, make a certification statement.

10.6 **Differing Site Conditions**: Contractor shall promptly, and before the conditions are disturbed, give a written notice to Owner of:

a. Subsurface or latent physical conditions at the site which differ materially from those indicated in the Contract, or

b. Unknown physical conditions at the site, of an unusual nature, which differ materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in the Contract.

10.7 **Investigation by Owner**: Owner shall investigate the site conditions promptly after receiving the notice. If the conditions do materially differ and cause an increase or decrease in Contractor's cost or the time required for performing any part of the Work, an equitable adjustment shall be made and the Job Order modified in writing accordingly.

10.8 **Equitable Adjustment**: No request by Contractor for an equitable adjustment to the Job Order under this Article shall be allowed unless Contractor has given the written notice required. No request by Contractor for an equitable adjustment to the Job Order for differing site conditions shall be allowed if made after final payment under such Job Order.

XI. INSPECTION OF CONSTRUCTION AND OWNER'S ACCEPTANCE OF WORK

11.1 **Contractor Inspection System**: Contractor shall maintain an adequate inspection system and perform such inspections as well as ensure that the Work called for conforms to the Job Order. Contractor shall maintain complete inspection records and make them available to Owner. All work is subject to inspection and testing by Owner at all places and at all reasonable times before final acceptance of the Work to ensure strict compliance with the terms of the Contract and the Job Order.

11.2 **Owner's Satisfaction:** All Work performed under this Contract shall be completed to the satisfaction of Owner's representative assigned to the Job Order. Owner's representative shall decide all questions regarding Contractor's performance under the Contract and Job Order, and such decisions shall

be final and conclusive.

11.3 **Non-Conformance**: Contractor shall, without charge, replace or correct Work found by Owner not to conform to a Job Order's requirements, unless Owner consents, in writing, to accept the Work with an appropriate adjustment in contract price. Contractor shall promptly segregate and remove rejected material from the premises, if required by Owner.

11.4 **Failure to Conform**: If Contractor does not promptly replace or correct rejected Work, Owner may:

a. By contract or otherwise, replace or correct the Work and charge the cost to Contractor, and/or
b. Terminate the Contractor for default upon seven (7) days written notice.

11.5 **Liability:** Owner's approval or acceptance of Contractor's Work shall not release Contractor from any liability for any defects in the Work.

11.6 Owner inspections and tests, if any, are for the sole benefit of Owner and do not:
a. Relieve Contractor of responsibility for providing adequate quality control measures;
b. Relieve Contractor of responsibility for damage to or loss of the material before acceptance;
c. Constitute or imply acceptance; or
d. Affect the continuing rights of Owner after acceptance of the complete work.

11.7 The presence or absence of an inspector does not relieve Contractor from any Contract or Job Order requirement, nor is the inspector authorized to change any term or condition of the Job Order without Owner's written authorization.

11.8 Contractor shall promptly furnish, without additional charge, all facilities, labor, and material reasonably needed for performing such safe and convenient inspections and tests as may be required by Owner. Owner may charge to Contractor any additional cost of inspection or test when Work is not ready at the time specified by Contractor for inspection or test, or when prior rejection makes re-inspection or retest necessary. Owner shall perform all inspections and tests in a manner that will not unnecessarily delay the Work. Special, full size and performance tests shall be performed as described in the Job Order.

11.9 If, before acceptance of the entire Work, Owner decides to examine already-completed Work by removing it or tearing it out, Contractor, on request, shall promptly furnish all necessary facilities, labor, and material for this task. If the Work is found to be defective or nonconforming in any material respect due to the fault of Contractor or its Subcontractors, Contractor shall bear the expenses of the examination and of satisfactory reconstruction. However, if the Work is found to meet requirements, Owner shall make an equitable adjustment for the additional services involved in the examination and reconstruction, including, if completion of the Work was thereby delayed, an extension of the period of time for performance.

11.10 Substantial Completion means the date on which the Work, or an agreed-upon portion of the Work, is sufficiently complete so that Owner can occupy and use the Work or a portion thereof for its intended purposes. Unless otherwise specified in the Job Order, Owner shall accept, as promptly as practicable after completion and inspection, all Work required by the Job Order or that portion of the Work Owner determines can be accepted separately. Acceptance shall be final and conclusive, except for latent defects, fraud, gross mistakes amounting to fraud, or Owner's rights under any warranty or guarantee.

11.11 **Use and Possession Prior to Completion:** Owner shall have the right to take possession of or use any completed or partially completed part of the Work. Before taking possession of or using any work, Owner shall furnish Contractor a list of items of work remaining to be performed or corrected on

those portions of the Work that Owner intends to take possession of or use. However, failure of Owner to list any item of work shall not relieve Contractor of responsibility for complying with the terms of this Contract or the Job Order. Owner possession or use shall not be deemed an acceptance of any work under this Contract. While Owner has such possession or use, Contractor shall be relieved of the responsibility for the loss of or damage to the Work resulting from Owner's possession or use. If prior possession or use by Owner delays the progress of the Work or causes additional expense to Contractor, and such expenses or delays are adequately documented and substantiated by Contractor, an equitable adjustment shall be made in the Job Order price and/or the period of performance, and the Job Order shall be modified in writing accordingly.

11.12 **Close-Out Documentation:** Contractor shall provide the following as part of the close-out documentation:

a. An electronic file of all documentation specific to every job order project shall be submitted with close-out documents.
b. All forms below must be included with the final payment documentation of the project, as applicable:
    1) Owner's Manual(s)
    2) MSDS
    3) Submittals (Ex: Paint colors, carpet, equipment, supplies, and etc.)
    4) Warranties
    5) Conditional Lien Release
    6) Copies of all applicable permits, licenses, and/or other regulatory documents.

c. Contractor shall be required to submit any / all additional documentation that is related to any project upon request by the Director of Maintenance.

XII. PROTECTION OF EXISTING VEGETATION, STRUCTURES, UTILITIES AND IMPROVEMENTS; TRAFFIC CONTROL

12.1 **Preservation**: Contractor shall preserve and protect all structures, equipment and vegetation (such as trees, shrubs, and grass) on or adjacent to the Job Order site, which is not to be removed and which does not unreasonably interfere with the Work required under the Job Order. Contractor shall **only remove trees when specifically authorized by Owner to do so**, and shall avoid damaging vegetation that will remain in place. If any limbs or branches of trees are broken during performance by the operation of equipment, or by workmen, Contractor shall trim those limbs or branches with a clean cut and paint the cut with a tree pruning compound as directed by Owner.

12.2 **Existing Improvements**: Contractor shall protect from damage all existing improvements and utilities at or near the Job Order site and on adjacent property of third parties, the locations of which are made known to or should be known by Contractor. Contractor shall repair any damage to those facilities, including those that are the property of third parties, resulting from failure to comply with the requirements of this Contract or the Job Order or failure to exercise reasonable care in performing the Work. If Contractor fails or refuses to repair the damage promptly, Owner may have the necessary repair work performed and charge the cost to Contractor.

12.3 **Traffic Control:** Contractor shall be responsible for providing all necessary traffic control, such as street blockages, traffic cones, flagmen, etc., as required for each Job Order. Proposed traffic control methods and costs shall be submitted to Owner for approval in Contractor's Job Order Proposal.

XIII. CLEANING UP AND REFUSE DISPOSAL

13.1 Contractor shall at all times keep the Job Order site, including storage areas, free from accumulations of waste materials. Before completing the Work, Contractor shall remove from the premises any rubbish, tools, scaffolding, equipment, and materials that are not the property of Owner. Upon completing the Work, Contractor shall leave the site in a clean and orderly condition satisfactory to Owner.

Contractor shall be responsible and liable for all construction refuse disposal containers and their removal from the site. Disposal of any hazardous materials not addressed and priced in the Job Order will be segregated for disposal by Owner unless Owner requires Contractor to dispose of the materials, in which case, an equitable adjustment in the price will be negotiated and agreed upon. Contractor shall not use Owner's trash containers for any reason.

XIV. WARRANTY OF CONSTRUCTION

14.1 **Warranty**: In addition to any other warranties specified in any Job Orders, Contractor warrants, for the maximum period allowed by law, and except as otherwise specifically provided herein, that Work performed conforms to the Job Order and is free of any defect in equipment, material or design furnished, or workmanship performed by Contractor or any of its subcontractors or suppliers at any tier. The Contractor shall be obligated to repair or replace any defective or non-conforming Work for a period of one (1) year from the date of final acceptance of the Work. If Owner takes possession of any part of the Work before final acceptance, this one (1) year correction period shall continue for a period of one (1) year from the date possession is taken.

14.2 **Non-Conformance**: Contractor shall remedy, at Contractor's sole expense, any failure of the Work to conform to the Job Order, or any construction defect occurring during the warranty period. In addition, the Contractor shall remedy, at Contractor's expense, any damage to Owner's real or personal property, when that damage is the result of:

a. Contractor's failure to conform to requirements in this Contract or the Job Order; or
b. Any defect of equipment, material, workmanship, or design furnished by the Contractor.

If Contractor, after notice, fails to proceed promptly and remedy the problem within thirty (30) calendar days or within another period of time which has been agreed to in writing, in compliance with the terms of the warranty, Owner may have the defects corrected and the Contractor and its surety shall be liable for all expenses incurred.

14.3 **Restoration**: Contractor shall restore any work damaged in fulfilling the terms and conditions of this Section. Contractor's warranty with respect to work repaired or replaced will run for one (1) year from the date of repair or replacement. Owner shall notify Contractor, in writing, within a reasonable time after the discovery of any failure, defect, or damage. If Contractor fails to remedy any failure, defect, or damage within a reasonable time after receipt of notice, Owner shall have the right to replace, repair, or otherwise remedy the failure, defect or damage at Contractor's expense, and Contractor shall be liable to owner for any damages sustained by Owner as a result of the failure, defect, or damage.

14.4 **Third-Party Warranties:** With respect to all warranties, expressed or implied, from subcontractors, manufacturers, or suppliers for work performed and materials furnished for Job Orders issued under this Contract, Contractor shall:

a. Obtain all warranties required by the Job Order;
b. Require all warranties to be executed, in writing, for the benefit of Owner; and
c. Enforce all warranties for the benefit of Owner;

14.5 **Warranty Expiration**: In the event Contractor's warranty under paragraph 14.1 of this Article has expired, Owner may bring suit to enforce a subcontractor's, manufacturers, or supplier's warranty.

14.6 **Owner Liability**: Unless a defect is caused by the negligence or intentional act or failure to act of Contractor or subcontractor or supplier at any tier, Contractor shall not be liable for the repair of any defects of material or design furnished by Owner or for the repair of any damage which results from any defect in Owner-furnished material or design. Contractor is not responsible for and does not warranty pre-existing work or facilities that may be assigned to Contractor except as stated in the Job Order.

14.7 This warranty shall not limit Owner's rights under this Contract and/or applicable law with respect

to latent defects, gross mistakes, breach of contract or fraud.

XV. PAYMENT

15.1 **Compensation**: Costs for equipment, material, and labor shall be in accordance with the Contract. Owner shall pay Contractor for Work performed on Job Orders authorized by Owner in writing, subject to allowable additions and deductions. Owner shall pay all unpaid and undisputed amounts due Contractor under this Contract within forty-five (45) days of receipt of invoice. Undisputed amounts unpaid after the date on which payment is due shall bear interest pursuant to Texas Government Code Section 2251.025Owner shall notify Contractor of an error or disputed amount in an invoice submitted for payment by Contractor no later than the 21st day after the date Owner receives the invoice and shall include in such notice a detailed statement of the amount of the invoice that is disputed, in accordance with Texas Government Code Section 2251.042(a). If Work or any portion thereof has not met the satisfactory approval of Owner's Representative, current and future payments shall not be made until both parties agree that the Work or the portion thereof has been completed in a satisfactory manner or the Work is acceptable; notwithstanding the foregoing, Owner may withhold from payments required no more than 110% of the disputed amount. Notwithstanding any provision herein to the contrary, no payment of amounts owed hereunder shall be considered past due or not paid when due except in accordance with Section 2251.021 of the Texas Government Code.

15.2 **Progress Payments**: If required by the Job Order, Owner shall make progress payments monthly as the Work proceeds, or at more frequent intervals as determined by Owner, on estimates of Work completed submitted by Contractor and approved in writing by Owner. Contractor shall use an acceptable invoice form and shall include supporting documents to reflect a written breakdown of the total price showing the amount included therein for each principal category of the Work, in such detail as requested, to provide a basis for determining progress payments. In the estimation of Work completed, Owner will authorize payment for material delivered on the site and preparatory work done if Contractor furnishes satisfactory evidence that it has acquired title to such material and that the material will be used to perform the Work.

15.3 **Application for Payment:** With each Application for Payment, Contractor must attach/detail the following information:

(1) Defective Work not remedied.
(2) Legal claims filed against Contractor or reasonable evidence indicating probable filing of claims;
(3) Failure of Contractor to make payments properly to any subcontractor or supplier for material or labor;
(4) A reasonable doubt that the Job Order can be completed for the unpaid Job Order balance; and
(5) Damage to another contractor.

15.4 **Payment Retention**: In the processing of progress payments, Owner shall retain a percentage of the estimated amount until final completion and acceptance of all Work performed under the Job Order as retainage as follows: if the Job Order is valued at less than $5 million, Owner shall retain ten percent (10%); if the Job Order is valued at $5 million or more, Owner shall retain five percent (5%). Retention applicable to each Job Order shall be released within thirty (30) days after final completion of the Job Order and acceptance of the Work under the Job Order. Per Tex. Gov't Code Section 2252.032(f), on application to Owner for final payment and release of retainage, Owner may withhold retainage if there is a bona fide dispute between Owner and the Contractor and the reason for the dispute is that labor, services, or materials provided by the Contractor, or by a person under the direction or control of the Contractor, failed to comply with the express terms of the Contract or if the surety on any outstanding surety bond executed for the Contract does not agree to the release of retainage. Owner shall provide to Contractor written notice of the basis on which Owner is withholding retainage under this section.

15.5 **Liquidated Damages**: Contractor is expected to complete each Job Order on a timely basis.

Liquidated damages may be assessed at Owner's option for Contractor's failure to timely complete each Job Order and/or phase of the scope of work detailed in a Job Order. Owner may withhold as liquidated damages, or require Contractor to pay a "per day" amount, to be set forth in the Job Order, as liquidated damages for any Work not completed by the completion day set forth in the Job Order. These liquidated damages are not a penalty but are compensation to Owner for additional expenses incurred and inconvenience caused by Contractor's failure to allow Owner to receive the premises at the designated time of completion. Execution of this Contract under these specifications shall constitute the agreement by Owner and Contractor that the liquidated damages amounts stated in the Job Order are the minimum value of the costs and actual and direct damages caused by failure of Contractor to complete the Work within the allotted or agreed extended times of completion (including Substantial or Final Completion), that such sums are liquidated direct damages and as all not be constructed to be as a penalty, and that such sums may be deducted from payments due Contractor if such delay occurs. Liquidated damages shall be in addition to, and not in lieu of, any other rights or remedies Owner may have against Contractor for failure to timely achieve each Job Order and/pr phase of the scope of work.

15.6 **Right of Setoff**: In addition to all other rights and remedies that Owner may have, Owner shall have the right to setoff, against any and all amounts due to Contractor by Owner, whether due under this Contract or any other agreement between Owner (including any division of Owner) and Contractor, any sums for which Owner is entitled to under this Contract, as determined by Owner in its sole discretion, including, without limitation, sums due by Contractor to Owner as a result of indemnification obligations, warranty claims, and/or HCDE/Choice Partners Administrative Fee(s), as applicable.

XVI. TERMINATION FOR CONVENIENCE OF OWNER

16.1 **Termination**: Owner may, with or without cause, terminate performance of the Work under this Contract or any Job Order in whole or, from time to time, in part, if Owner determines that termination is in Owner's interest. Owner shall effect such termination by delivering to Contractor a Notice of Termination specifying the extent of termination and the effective date.

16.2 After receipt of a Notice of Termination, and except as directed by Owner, Contractor shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due under this Article:

a. Stop work as specified in the notice;

b. Place no further subcontracts or orders (referred to as subcontracts in this Article) for materials, services or facilities, except as necessary to complete any Work not terminated;

c. Assign to Owner, as directed by Owner, all right, title, and interest of Contractor under the subcontracts to the extent they relate to the Work terminated, in which case Owner shall have the right to settle or to pay any termination settlement proposal arising out of those terminations, or with approval or ratification to the extent required by Owner, Contractor shall settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts, the approval or ratification of which will be final for purposes of this Section;

d. As directed by Owner, transfer title and deliver to Owner:

   i. The fabricated or un-fabricated parts, Work in process, completed Work, supplies, and other material produced or acquired for the Work terminated, and

   ii. The completed or partially completed plans, drawings, information, and other property that, if the Contract and/or Job Order had been completed, would be required to be furnished to Owner;

e. Complete performance of the Work not terminated;

f. Take any action that may be necessary, or that Owner may direct, for the protection and preservation of the property related to this Contract and/or the Job Order that is in the possession of Contractor and in which Owner has or may acquire an interest;

g. Use its best efforts to sell, as directed or authorized by Owner, any property of the types referred to in paragraph 16.2(c) above; provided, however, that Contractor is not required to extend credit to any purchaser and may acquire the property under the conditions prescribed by, and at prices approved by, Owner. The proceeds of any transfer or disposition will be applied to reduce any payments to be made by Owner under the Contract and/or Job Order, credited to the price or cost of the Work, or paid in any other manner directed by Owner.

XVII. DEFAULT

17.1 **Termination of Right to Proceed**: If Owner determines that Contractor is not prosecuting the Work with sufficient diligence to ensure completion within the time specified in the Job Order, or fails to complete the Work within this time, Owner may terminate the Contractor's right to proceed with the Work (or separable part of the Work), upon seven (7) calendar days' written notice to the Contractor. In this event, Owner may take over the Work and complete it by contract or otherwise and may take possession of and use any materials, appliances, and plant on the site necessary for completing the Work.

Contractor's right to proceed shall not be terminated under this Section, if:

a. The delay in completing the Work arises from unforeseeable causes beyond the control and without the fault or negligence of Contractor. Examples of such causes include:

i. acts of God or of the public enemy,

ii. acts of Owner in its contractual capacity,

iii. acts of another Contractor in the performance of a written Contract with Owner,

iv. fires,

v. floods,

vi. epidemics,

vii. quarantine restrictions,

viii. strikes,

ix. freight embargoes, or

x. unusually severe weather

b. Contractor, within seven (7) calendar days from the beginning of any such delay (unless extended by Owner), shall notify Owner in writing of the causes of delay. Owner shall ascertain the facts and the extent of delay. If, in the judgment of Owner, the findings of fact warrant such action, the time for completing the Work under the Job Order shall be extended.

If, after termination of Contractor's right to proceed, it is determined that Contractor was not in default, or that the delay was excusable, the rights and obligations of the parties will be the same as if the termination had been issued for the convenience of Owner. The rights and remedies of Owner in this Article are in addition to any other rights and remedies provided by law or under this Contract.

17.2 **Termination for Default:** In the event Contractor fails to carry out or comply with any of the terms and conditions of this Contract or any Job Order, Owner may notify Contractor of such failure or

default in writing and demand that the failure or default be remedied within seven (7) calendar days; in the event Contractor fails to remedy such failure or default within seven (7) day period, Owner shall have the right to terminate this Contract and/or any Job Order. Without limiting the foregoing, the following shall constitute a material breach by Contractor, upon the occurrence of which Contractor shall immediately notify Owner: Contractor: (i) ceases its business operations; (ii) makes a general assignment for the benefit of creditors; (iii) is adjudged bankrupt; or (iv) becomes insolvent.

17.3 **Effect of Termination:** Termination of this Contract or any Job Order under any circumstances whatsoever shall not effect or relieve Contractor from any obligation or liability that may have been incurred or will be incurred, and such termination by Owner shall not limit any other right or remedy available to Owner at law or in equity.

XVIII. CANCELLATION FOR CONFLICT OF INTEREST

18.1 Pursuant to applicable law, Owner may cancel this Contract, without penalty or further obligation to Contractor, if any person significantly involved in initiating, negotiating, securing, drafting or creating this Contract on behalf of the Owner was at any time while this Contract or extension of this Contract is in effect, an employee or agent of any other party to this Contract in any capacity or consultant to any other party of this Contract. A cancellation made pursuant to this provision shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time.

XIX. INSURANCE

19.1 Contractor shall purchase and maintain in effect during the term of this Contract insurance of the types and with minimum limits of liability as stated below. Such insurance shall protect Contractor from claims which may arise out of or result from Contractor's operations whether such operations are performed by Contractor or by any subcontractor or by anyone for whose acts any of them may be liable.

a. WORKERS' COMPENSATION INSURANCE providing statutory benefits in accordance with the laws of the State of Texas or any federal statutes as may be applicable to the Work being performed under this Contract.

b. EMPLOYER'S LIABILITY INSURANCE with limits of liability not less than:

$1,000,000	Each Accident
$1,000,000	Policy Limits
$1,000,000	Each Employee

c. COMMERCIAL GENERAL LIABILITY INSURANCE including products/Completed Operations and Contractual Liability with limits of liability not less than:

Occurrence / Personal Injury / Advertising /	
$1,000,000 CSL	Products / Completed Operations
$2,000,000 CSL	Annual Aggregate
$2,000,000 CSL	Products Aggregate
$1,000,000 CSL	Fire, Lightning or Explosion
$5,000 Per Person	Medical Expense

d. AUTOMOBILE LIABILITY INSURANCE covering all owned, hired and non- owned motor vehicles used in connection with the Work being performed under this Contract with limits of liability not less than:

$1,000,000	Bodily Injury / Property Damage

19.2 Such insurance as is provided herein shall be primary and non-contributing with any other valid

and collectible insurance available to Owner.

19.3 All policies providing Contractor's insurance as required in paragraph 19.1 above shall be endorsed to provide the following:

a. Ninety (90) days written notice of cancellation or non-renewal given to Owner at the address designated in Section 23.

b. Owner be named as Additional Insured on all policies except Workers Compensation (Prohibited by Law).

c. Waiver of Subrogation added by endorsement on all policies.

19.4 The limits of liability as required above may be provided by a single policy of insurance or by a combination of primary, excess or umbrella policies. In no event, however, shall the total limits of liability available for any one occurrence or accident be less that the amount(s) required above.

19.5 Proof of compliance with these insurance requirements shall be furnished to Owner in the form of an original certificate of insurance signed by an authorized representative or agent of the insurance company(ies) upon execution of this Contract. Renewal or replacement certificates shall be furnished to Owner not less than twenty-one (21) days prior to the expiration or termination date of the applicable policy(ies). If Contractor fails to maintain the required amounts of insurance or allows the policies to lapse or expire during the term of the Contract, Owner may purchase said insurance and deduct the cost of obtaining the insurance from Contractor's contract sum.

19.6 Contractor shall require any and all subcontractors performing Work under this Contract to carry insurance of the types and with limits of liability as Contractor shall deem appropriate and adequate for the Work being performed. Contractor shall obtain and make available for inspection by Owner upon request current certificates of insurance evidencing insurance coverage carried by such subcontractors.

19.7 Mail the original certificate of insurance to:

Harris County Department of Education
Attn: Executive Director of Facilities
6300 Irvington Boulevard
Houston, Texas 77022

XX. CHANGES

20.1 Owner may, at any time, without notice to the sureties, if any, by written order designated or indicated to be a change order, make changes in the Work within the general scope of a Job Order, including changes:

a. In the specifications (including drawings and designs);

b. In Owner-furnished facilities, equipment, materials, services, or site; or

c. Directing acceleration in the performance of the Work, or otherwise altering the schedule for performance of the Work.

20.2 Any other written order (which, as used in this paragraph, includes direction, instruction, interpretation, or determination) from Owner that causes a change shall be treated as a change order under this Article; provided, that Contractor gives Owner timely written notice stating the date, circumstances, and source of the order and that Contractor regards the order as a change order.

20.3 Except as provided in this Article, no order, statement, or conduct of Owner shall be treated

as a change under this Article or entitle Contractor to an equitable adjustment hereunder.

20.4 Contractor must submit any proposal under this Article within thirty (30) calendar days after:

a. Receipt of a written change order under Paragraph 20.1 above or;

b. The furnishing of a written notice under Paragraph 20.2 above,

by submitting to Owner a written statement describing the general nature and amount of the proposal, unless this period is extended by Owner. The statement of proposal for adjustment may be included in the notice under Paragraph 20.2 above.

20.5 No proposal by Contractor for an equitable adjustment shall be allowed if asserted after final payment under the Job Order.

XXI. PAYMENT AND PERFORMANCE BONDS

21.1 Payment Bond:

Contractor shall furnish a Payment Bond in the amount equal to one hundred percent (100%) of the contract amount if the Job Order is in excess of $25,000.

21.2 Performance Bond:

Contractor shall furnish a Performance Bond in the amount equal to one hundred percent (100%) of the Job Order amount if the Job Order is in excess of $100,000.00. The bonds must be executed by a corporate surety authorized to do business in Texas and licensed in Texas to issue surety bonds, and must be executed by a surety company that is authorized and admitted to write surety bonds in Texas. If the amount of the bond exceeds $100,000.00, the surety must:

(a) Hold a certificate of authority from the U.S. Secretary of the Treasury to qualify as a surety on obligations permitted or required under federal law; or

(b) Have obtained reinsurance for any liability in excess of $100,000.00 from a reinsurer that is authorized and admitted as a reinsurer in Texas and is the holder of a certificate of authority from the U.S. Secretary of the Treasury to qualify as a surety or reinsurer on obligations permitted or required under federal law.

21.3 The Performance and/or Payment Bonds must be submitted to Owner before commencement of any work. The bonds must be made payable to Owner.

XXII. PREVAILING WAGE RATES

22.1 Contractor shall comply with, and ensure each subcontractor complies with, all applicable laws regarding prevailing wage rates, including, but not limited to, Chapter 2258 of the Texas Government Code and any related federal requirements applicable to a Job Order. Contractor and all subcontractors shall comply with all state and federal laws including, but not limited to, laws of labor, minimum wage, safety, and equal employment opportunity. Contractor and all subcontractors must pay not less than the general prevailing wage rate plus any applicable fringe benefits. Contractor shall pay not less than the wage scale of the various classes of labor as detailed in the prevailing wage schedule detailed in Attachment B.

XXIII. MISCELLANEOUS PROVISIONS

23.1 **Independent Contractor:** Contractor acknowledges that it is engaged as an independent contractor and that Owner shall have no responsibility to provide Contractor or its employees with

transportation, insurance or other fringe benefits normally associated with employee status. Contractor is responsible for all income taxes required by applicable law. It is the intention of the parties that Contractor is independent of Owner and is not an employee, agent, joint venture, or partner of Owner. Contractor acknowledges that Owner has no responsibility for any conduct of any Contractor's employees, agents, representatives, contractors, or subcontractors.

23.2 **Confidentiality:** Contractor shall treat any information supplied by Owner or information pertaining to Owner as confidential and shall not disclose any such information to others except as necessary for the performance of this Contract or a Job Order or as authorized by Owner in writing or except when required by law.

23.3 **Successors and Assigns:** Owner and Contractor, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to the terms and conditions of this Contract. This Contract is a personal service contract for the services of Contractor, and Contractor's interest in this Contract, duties hereunder and/or fees due hereunder may not be assigned or delegated to a third party without written consent of Owner. The benefits and burdens of this Contract are, however, assignable by Owner.

23.4 **Loss of Funding:** Performance by Owner under this Contract may be dependent upon the appropriation and allotment of funds by the Texas State Legislature (the "Legislature") and/or allocation of funds by the Owner's Board of Trustees. If the Legislature fails to appropriate or allot the necessary funds, or the Board fails to allocate the necessary funds, then Owner shall issue written notice to Contractor and Owner may terminate this Contract without further duty or obligation hereunder. Contractor acknowledges that appropriation, allotment, and allocation of funds are beyond the control of Owner. The parties agree that this Contract and any Job Order issued by Owner are commitments of Owner's current revenue only. Every payment obligation of Owner under this Contract 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 Contract or any Job Order, this Contract or any Job Order may be terminated by Owner at the end of the period for which funds are available.

23.5 **Open Records:** Contractor acknowledges that Owner is subject to the Texas Public Information Act, and Contractor waives any claim against and releases from liability Owner, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in this Contract or otherwise created, assembled, maintained, or held by Contractor or Owner and determined by Owner, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act.

23.6 **Franchise Tax Certification:** A corporate or limited liability company Contractor certifies that it is not currently delinquent in the payment of any franchise taxes due under Chapter 171 of the Texas Tax Code, or that the corporation or limited liability company is exempt from the payment of such taxes, or that the corporation or limited liability company is an out-of-state corporation or limited liability company that is not subject to the Texas Franchise Tax, whichever is applicable.

23.7 **Taxes:** Owner is tax exempt, and Contractor shall avail itself of all tax exemptions applicable to Contractor's work or expenses. Owner shall provide a tax exemption certificate to Contractor upon Contractor's request. Owner shall not be liable for any taxes resulting from this Contract, except where otherwise required by law.

23.8 **Captions:** The captions of paragraphs in this Contract are for convenience only and shall not be considered or referred to in resolving questions of interpretation or construction.

23.9 **Severability:** Should any provisions(s) of this Contract be held invalid or unenforceable in any respect, that provision shall not affect any other provisions, and this Contract shall be construed as if the invalid or unenforceable provision(s) had not been included.

23.10 **Waivers:** No delay or omission by either party in exercising any right or power provided under the provisions of this Contract shall impair any such right or power or be construed to be a waiver of the right or power. A written waiver granted by either of the parties of any provision of this Contract shall not be construed as a future waiver of that provision or a waiver of any other provision of the Contract.

23.11 **Force Majeure:** No party shall be liable or responsible to the other for any loss or damage or for any delays or failure to perform under this Contract due to causes beyond its reasonable control, including, but not limited to, acts of God, employee strikes, epidemics, war, riots, flood, fire, sabotage, terrorist acts or any other circumstances of like character.

23.12 **Governing Law and Venue:** This Contract shall be construed, interpreted and applied in accordance with the laws of the State of Texas without regard for choice of law principles. All obligations of the parties created hereunder are enforceable in Houston, Harris County, Texas, which shall be the exclusive venue for any dispute hereunder.

23.13 **Entire Contract:** This Contract, as defined herein, constitutes the sole and only agreement between the parties with respect to the services contracted for and supersedes any prior understandings, written or oral. No modification, alteration or waiver of this Contract or any of its provisions shall be effective unless in writing and signed by both parties. No course of prior dealings, no usage of trade, and no course of performance shall be used to modify, supplement or explain any terms used in this Contract.

23.14 **Financial Interest**: By signature hereon, Contractor certifies that no member of Owner's Board of Trustees has a financial interest, directly or indirectly, in the transaction that is the subject of this Contract.

23.15 **Authority to Act**: If Contractor is a corporation or a limited liability company, Contractor warrants, represents, and agrees that (1) it is duly organized, validly existing and in good standing under the laws of the state of its incorporation or organization; (2) it is duly authorized and in good standing to conduct business in the State of Texas; (3) it has all necessary power and has received all necessary approvals to execute and deliver this Contract; and (4) the individual executing this Contract on behalf of Contractor has been duly authorized to act for and bind Contractor.

23.16 **Records:** Records of expenses pertaining to additional services, services performed on the basis of a Worker Wage Rate or Monthly Salary Rate, or reimbursable expense, if allowed, shall be kept on the basis of generally accepted accounting principles and in accordance with cost accounting standards promulgated by the Federal Office of Management and Budget Cost Accounting Standards Board and shall be available for audit by Owner or Owner's authorized representative on reasonable notice.

23.17 **Illegal Dumping:** Contractor shall ensure that it and all of its subcontractors prevent illegal dumping of litter in accordance with Title 5, Texas Health and Safety Code, Chapter 365.

23.18 **Interpretation:** Contractor agrees that the normal rules of construction that require that any ambiguities in the Contract are to be construed against the drafter shall not be employed in the interpretation of this Contract or any Job Order.

23.19 **Modification:** This Contract may only be modified by a written instrument executed by the parties to be incorporated into this Contract.

23.20 **Assignment:** Contractor may not assign this Contract or any of its rights, duties or obligations hereunder without the prior written approval of Owner. Any attempted assignment of this Contract by Contractor shall be null and void. Any Job Order made as a result of this Contract may not be transferred, assigned, subcontracted, mortgaged, pledged, or otherwise disposed of or encumbered in any way by Contractor without the prior written approval of Owner.

23.21 **Immunity:** Nothing in this Contract will be construed to waive, modify, or amend any legal

defense available to Owner or any of Owner's past or present trustees, officers, agents, or employees, including, without limitation, governmental immunity from suit as provided by law.

XXIV. NOTICES

24.1 All notices, consents, approvals, demands, requests or other binding communications under this Contract shall be in writing. Written notice may delivered in person to the designated representative of the Contractor or Owner; mailed by U. S. mail to the last known business address of the designated representative; or transmitted by fax machine to the last known business fax number of the designated representative. Mail notices are deemed effective three business days after the date of mailing. Fax notices are deemed effective the next business day after faxing.

24.2 The initially designated representatives of the parties for receipt of notices are as follows. Either party may change their designated representative for receipt of notices by written notice.

24.2.1 If to OWNER:
Harris County Department of Education
Attn: Assistant Superintendent of Business Services
6300 Irvington Boulevard
Houston, Texas 77022

24.2.2 With Copies to:
Harris County Department of Education
Attn: Executive Director of Facilities
6300 Irvington Boulevard
Houston, Texas 77022

24.2.3 If to Contractor: **ADDRESS**
PHONE NUMBER

XXV. OTHER CONTRACTS

25.1 Owner may undertake or award other contracts for additional work at or near the site of Work under this Contract or a Job Order. Contractor shall fully cooperate with the other contractors and with Owner's employees and shall carefully adapt scheduling and performing the Work under this Contract to accommodate the additional work, heeding any direction that may be provided by Owner. Contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or by Owner's employees.

25.2 Owner may award or enter into other contracts in its sole discretion, and nothing in this Contract may be construed to imply that Contractor has the exclusive right to provide job order contracting services to Owner.

XXVI. INDEMNIFICATION

26.1 **CONTRACTOR SHALL INDEMNIFY AND HOLD HARMLESS OWNER, ITS AGENTS, EMPLOYEES, TRUSTEES AND OTHER OFFICERS FROM ANY AND ALL CLAIMS, LIABILITY, COSTS, SUITE OF LAW OR IN EQUITY, EXPENSES, ATTORNEYS' FEES, FINES, PENALTIES, OR DAMAGES ASSERTED AGAINST IT BY REASON OF THE INTENTIONAL OR NEGLIGENT ACTS OR OMISSIONS OF THE CONTRACTOR, ITS AGENTS, SERVANTS, SUBCONTRACTORS, AND EMPLOYEES IN THE PERFORMANCE OF THE CONTRACT.**

XXVII. CONTRACT ORDER OF PRECEDENCE

27.1 In the event of an inconsistency between provisions of this Contract, the inconsistency shall

be resolved by giving precedence in the following order:

a. Contract Modifications, if any;

b. this Contract, including exhibits;

c. Job Orders;

d. Drawings;

e. Specifications;

f. The contract documents for Choice Partners Contract # _____, including any addenda and attachments thereto;

g. Contractor's proposal submitted in response to the solicitation for Choice Partners Contract # _____.

XXVIII. PARTY ANTITRUST VIOLATIONS

28.1 Contractor assigns to Owner any claim for overcharges, resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to Contractor toward fulfillment of this Contract.

XXIX. AUDIT OF RECORDS

29.1 Pursuant to applicable laws, the Contractor shall retain and shall contractually require each subcontractor to retain all data, books, documents and other records ("records") relating to this Contract for a period of five (5) years after completion of this Contract or any Job Order issued hereunder. This includes all books and other evidence bearing on Contractor's costs and expenses under this Contract or the Job Order. All records shall be subject to inspection and audit by the Owner at reasonable times, without cost to Owner. Upon request, Contractor shall produce the original of any or all such records. If approved by Owner, photographs, microphotographs or any authentic reproductions may be maintained instead of original records and documents. If an audit or a compliance review has been announced, Contractor shall retain its records and accounts until such audit or compliance review has been completed.

--- Signature page follows ---

IN WITNESS WHEREOF, Owner and Contractor have executed and delivered this Contract effective as of the date identified above.

OWNER

By: _____ _____
Jesus Amezcua, Ph.D., CPA, RTSBA Date
Assistant Superintendent of Business Services

CONTRACTOR

By: _____ _____
Name:_____ Date
Title: _____

ATTACHMENTS

The following Attachments are incorporated by reference for all purposes:

ATTACHMENT A: Job Order Form
ATTACHMENT B: Prevailing Wage Rates

ATTACHMENT A
JOB ORDER

This Job Order is subject to all terms and conditions of the Master Contract ("Master Contract") between Harris County Department of Education (Owner) and **Vendor Name** (Job Order Contractor) dated **DATE** and shall become part of the Contract upon execution by Owner. This Job Order is issued in accordance with Choice Partners contract # _____ and Contractor's proposal submitted in response to the solicitation issued by HCDE/Choice Partners for Choice Partners contract # _____. Any amendment or modification of this Job Order must be in writing and signed by both parties.

1. **Agreed Work**. The agreed Work shall include: **To purchase storage shelving for each campus that will safely store campus equipment and instruction/training materials and supplies.** If applicable, any additional agreed Work, technical specifications, and/or drawings shall be as set forth and listed in the Job Order Proposal attached hereto as Exhibit 1.

2. **Deadline for Performance**. Job Order Contractor shall complete performance of the Work specified herein on or before **DATE** The parties agree that the "per day" amount for Liquidated Damages, as defined in Master Contract, shall be $1,000.00. The Date of Commencement is: [**X**] the date on which both parties duly execute this Job Order or [ ] will be fixed in a Notice to Proceed issued by the Owner.

3. **Place of Performance**. Contractor shall perform the Work specified herein at the following location(s) **Irvington**.

4. **Agreed Total Price**. The parties hereby agree that the Total Price for all Work under this Job Order is **$ AMOUNT**, as specified in the Job Order Proposal attached hereto as Exhibit 1. Services rendered in accordance with this Job Order shall be funded by **Federal funds**. Payment for services rendered shall be allocated as follows: **100**% funded by **Head funds.**

5. **Bonding**. Pursuant to Section XXI of the Master Contract, Contractor shall furnish a Payment Bond in the amount equal to one hundred percent (100%) of the contract amount if the Job Order is in excess of $25,000 and shall furnish a Performance Bond in the amount equal to one hundred percent (100%) of the Job Order amount if the Job Order is in excess of $100,000.00.
   A Payment Bond [ ] is required, [**X**] is not required for this Job Order.
   A Performance Bond [ ] is required, [ ] is not required for this Job Order.

6. **Insurance**. Contractor shall provide certificate(s) of insurance as required by Section XIX of the Master Contract, evidencing that Contractor has purchased and maintained insurance of the types and with minimum limits of liability as stated in Section XIX of the Master Contract.

7. **Owner's Authorized Representative**. Owner's authorized representative for acceptance of any completed Work under this Job Order is: _____.

AUTHORIZED AND ACCEPTED:

JOB ORDER CONTRACTOR/_____

By: _____ Date: _____
Name: _____ Title: _____

OWNER/HARRIS COUNTY DEPARTMENT OF EDUCATION

By: _____ Date: _____
Name: _____ Title: _____

EXHIBIT A: Contractor's Job Order Proposal, dated **DATE.**

ATTACHMENT B

OWNER'S ADOPTED PREVAILING WAGE RATES

Sec. 2258.021. Right to be Paid Prevailing Wage Rates.

(a) A worker employed on a public work by or on behalf of the state or a political subdivision of the state shall be paid:
    (1) not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed; and
    (2) not less than the general prevailing rate of per diem wages for legal holiday and overtime work.
(b) Subsection (a) does not apply to maintenance work.
(c) A worker is employed on a public work for the purposes of this section if the worker is employed by a contractor or subcontractor in the execution of a contract for the public work with the state, a political subdivision of the state, or any officer or public body of the state or a political subdivision of the state.

Sec. 2258.023. Prevailing Wage Rates to be paid by Contractor and Subcontractor; Penalty.

(a) The contractor who is awarded a contract by a public body or a subcontractor of the contractor shall pay not less than the rates determined under Section 2258.022 to a worker employed by it in the execution of the contract.
(b) A contractor or subcontractor who violates this section shall pay to the state or a political subdivision of the state on whose behalf the contract is made, $60 for each worker employed for each calendar day or part of the day that the worker is paid less than the wage rates stipulated in the contract. A public body awarding a contract shall specify this penalty in the contract.
(c) A contractor or subcontractor does not violate this section if a public body awarding a contract does not determine the prevailing wage rates and specify the rates in the contract as provided by Section 2258.022.
(d) The public body shall use any money collected under this section to offset the costs incurred in the administration of this chapter.
(e) A municipality is entitled to collect a penalty under this section only if the municipality has a population of more than 10,000.

Sec. 2258.051. Duty of Public Body to Hear Complaints and Withhold Payment.

A public body awarding a contract, and an agent or officer of the public body, shall:

(1) take cognizance of complaints of all violations of this chapter committed in the execution of the contract; and
(2) withhold money forfeited or required to be withheld under this chapter from the payments to the contractor under the contract, except that the public body may not withhold money from other than the final payment without a determination by the public body that there is good cause to believe that the contractor has violated this chapter.

Prevailing Wage Rates – School Construction Trades

June 1, 2022

Texas Gulf Coast Area

CLASSIFICATION	2022 HOURLY RATE
ASBESTOS WORKER	$21.13
BRICKLAYER; MASON	$25.32
CARPENTER; CASEWORKER	$23.38
CARPET LAYER; FLOOR INSTALLER	$25.12
CONCRETE FINISHER	$23.40
DATA COMM/TELE COMM	$23.50
DRYWALL INSTALLER; CEILING INSTALLER	$26.65
ELECTRICIAN	$25.93
ELEVATOR MECHANIC	$28.80
FIREPROOFING INSTALLER	$22.25
GLAZIER	$22.30
HEAVY EQUIPMENT OPERATOR	$22.40
INSULATOR	$20.50
IRONWORKER	$25.50
LABORER, HELPER	$16.71
LATHERER; PLASTERER	$23.25
LIGHT EQUIPMENT OPERATOR	$20.50
METAL BUILDING ASSEMBLER	$21.10
MILLWRIGHT	$33.63
PAINTER; WALL COVERING INSTALLER	$19.60
PIPEFITTER	$26.97
PLUMBER	$26.71
ROOFER	$20.50
SHEET METAL WORKER	$19.90
SPRINKLER FITTER	$26.13
STEEL ERECTOR	$23.25
TERRAZZO WORKER	$23.50
TILE SETTER	$19.58
WATERPROOFER; CAULKER	$19.88

This document was developed by PBK Architects, Inc., in strict accordance with Chapter 2258 of the Texas Government Code.

Prevailing Wage Rates

Worker Classification Definition Sheet

CLASSIFICATION	DEFINITION
ASBESTOS WORKER	Worker who removes and disposes of asbestos materials.
BRICKLAYER; MASON	Craftsman who works with masonry products, stone, brick, block, or any material substituting those materials and accessories.
CARPENTER; CASEWORKER	Worker who build wood structures or structures of any material which has replaces wood. Includes rough and finish carpentry, hardware and trim.
CARPET LAYER; FLOOR INSTALLER	Worker who installs carpets and /or floor coverings, vinyl tile.
CONCRETE FINISHER	Worker who floats, trowels, and finishes concrete.
DATA COMM/TELE COMM	Worker who installs data/telephone and television cable and associate equipment and accessories.
DRYWALL; CEILING INSTALLER	Worker who installs metal framed walls and ceiling, drywall coverings, ceiling grids, and ceilings.
ELECTRICIAN	Skilled craftsman who installs or repairs electrical wiring and devices. Includes fire alarm systems and HVAC electrical controls.
ELEVATOR MECHANIC	Craftsman skilled in the installation and maintenance of elevators.
FIREPROOFING INSTALLER	Worker who sprays or applies fire proofing materials.
GLAZIER	Worker who installs glass, glazing, and glass framing.
HEAVY EQUIPMENT OPERATOR	Includes but not limited to: all CAT tractors, all derrick-powered, all power operated cranes, back-hoes, back-fillers, power operated shovels, winch trucks, and all trenching machines.
INSULATOR	Worker who applies, sprays, or installs insulation.
IRONWORKER	Skilled craftsman who erects structural steel framing, and installs structural concrete Rebar.
LABORER, HELPER	Worker qualified for only unskilled or semi-skilled work. Lifting, carrying materials or tools, hauling, digging, clean up.
LATHERER; PLASTERER	Worker who installs metal framing and lath. Worker who applies plaster to lathing and installs associated accessories.
LIGHT EQUIPMENT OPERATOR	Includes but not limited to , air compressors, truck crane drivers, flex planes, building elevators, form graders, concrete mixers less than 14cf), conveyers.
METAL BUILDING ASSEMBLER	Worker who assembles pre-made metal buildings.
MILLWRIGHT	Mechanic specializing in the installation of heavy machinery, conveyance, wrenches, dock levelers, hydraulic lifts, and align pumps.
PAINTER; WALL COVERING INSTALLER	Worker who prepares wall surfaces and applies paint and/or wall coverings, tape, and bedding.
PIPEFITTER	Trained worker who installs piping systems, chilled water piping and hot water (boiler) piping, pneumatic tubing controls, chillers, boilers, and associated mechanical equipment.
PLUMBER	Skilled craftsman who installs domestic hot and cold water piping, waste piping, storm system piping, water closets, sinks, urinals, and related work.
ROOFER	Worker who installs roofing materials, Bitumen (asphalt and coal tar) felts, flashings, all types of roofing membranes, and associated products.
SHEET METAL WORKER	Worker who installs sheet metal products, Roof metal, flashings and curbs, ductwork, mechanical equipment, and associated metals.
SPRINKLER FITTER	Worker who installs fire sprinklers systems and fire protectant equipment.
STEEL ERECTOR	Worker who erects and dismantles structural steel frames of buildings and other structures.
TERRAZZO WORKER	Craftsman who places and finishes Terrazzo
TILE SETTER	Worker who prepares wall and/or floor surfaces and applies ceramic tiles to these surfaces.
WATERPROOFER; CAULKER	Worker who applies water proofing material to buildings. Products include sealant, caulk, sheet membranes, and liquid membranes, sprayed, rolled or brushed.

INSTRUCTIONS TO BUYER

The information entered below will automatically populate the rest of the RFP Document. You must ensure that you only replace information INSIDE the gray brackets and do not add extra spaces.

After updating all information on the first page, press "Ctrl+A" and then "F9" key to update the rest of the document. Also, Set Cursor on first footnote and press "Ctrl+A" and then "F9" key to update the rest of the footnotes.

Buyer:
Insert name

Buyer Fax #:
(713) 696-0720

Buyer Telephone #:
(713) 696-

Buyer Email:
email@hcde-texas.org

RFP:
#

RFP Issue Date:
Insert Date

RFP Name:
Insert Title

Submittal Deadline & Proposal Opening date:
Insert Date

2nd Advertising:
Insert Date

Submittal Deadline & Proposal Opening day of the week:
Insert day of week

Pre-Proposal Conference Date:
Insert Date

Submittal Deadline & Proposal Opening time:
12:00 p.m.

Pre-Proposal Conference Day of the Week:
Insert day of week

1st Advertising:
Insert Date

Pre-Proposal Conference Time:
10:00 a.m.

Award Date:
Insert board date

PROCUREMENT SERVICES DIVISION

REQUEST FOR PROPOSAL #

Issued by:
Buyer Name
Procurement Services Division
6300 Irvington Blvd.
Houston, TX 77022-5618
Phone: (713) 696-│ Fax: (713) 696-0720
URL: www.hcde-texas.org
Email: email@hcde-texas.org

Submittal Deadline & Proposal Opening:

If you will not be submitting a response, please NO BID the proposal on the HCDE eBid System.

https://hcdeebid.ionwave.net/Login.aspx

TABLE OF CONTENTS

Items below represent components which comprise this bid/proposal package. Respondents are asked to review the package to be sure that all applicable parts are included. If any portion of the package is missing, please notify *insert name* immediately.

Part		Page
1.0	Notice of Intention	3
2.0	Proposal Requirements	4
3.0	Instructions to Proposers	6
4.0	Scope & Specifications	92
5.0	Evaluation & Award of Proposals	13
6.0	Financial Offer & Questionnaire	15
7.0	General Terms & Conditions	16

PART 1.0 – NOTICE OF INTENTION

The Procurement services Division of the Harris County Department of Education ("HCDE" or the "Department") is conducting this procurement to establish a contract. The Initial Term of the prospective contract is a period of one (1) year. The Department may elect, with mutual agreement of the awarded vendor, to extend any contract awarded pursuant to this procurement solicitation for up to four (4) additional one-year terms (individually, a "Renewal Term"). The maximum duration of any contract resulting from this procurement is a total of five (5) years, running from the date of execution of the contract by the authorized representative of the Department. No contract shall be executed until it has been reviewed and approved by the Board of Trustees of the Department ("Board") in a duly called and posted meeting of the Board. This contract can be accessed on an "as needed" basis from a list of contracts that have been competitively bid and awarded with qualified, high performance vendors based on the selection criteria set forth herein. Proposers are requested to submit a proposal offering their total line of available products and services that are commonly purchased by government entities, school districts and other public, not-for-profit agencies and organizations.

Product(s) considered for award shall equal or exceed the technical, environmental and performance standards and specifications as defined within this RFP and further described in the scope and specification section.

The good(s) or service(s) to be purchased under the awarded contract, if any, may be of indefinite delivery and indefinite quantity (IDIQ).

PART 2.0 – PROPOSAL REQUIREMENTS

Please read carefully this entire proposal document and specifications. Complete all forms and submit your bid with all appropriate attachments.

2.1 Request for Proposals (RFP) Documents

HCDE Procurement services Division documents are made available online via the HCDE eBid System to anyone who wishes to submit a proposal. However, it is the responsibility of the proposer submitting a proposal to make certain that the HCDE Procurement services Division has the appropriate company name, authorized representatives, and contact information on file for the purpose of receiving notices, changes, addenda or other critical information.

The HCDE eBid System's website is https://hcdeebid.ionwave.net/Login.aspx

2.2 Tentative Time Table

HCDE anticipates following the time table listed below for this job:

Item	Activity	Date & Time
1	Job starts to advertise (1st run)	
2	Job advertised (2nd run)	**Error! Reference source not found.**
3	Pre-Proposal Meeting	
4	Addenda (if any)	
5	Deadline for submission of proposals *(See Part 4 – Instruction to Proposers – for detailed submission requirements)*	
6	Extended Deadline (if any)	
7	Award Date	

The table above is only an estimate and may vary.

2.3 Procurement Method

HCDE maintains and uses documented procurement procedures, consistent with State, local and tribal laws and regulations and standards of 2 CFR Part 200, for the acquisition of property or services required under a Federal award or subaward as detailed in 2 CFR § 200.318. HCDE's documented procurement procedures conform to the procurement standards identified in §§ 200.317 through 200.327 of subpart D—Post Federal Award Requirements.

HCDE is utilizing the Request for Proposals (RFP) method of procurement in accordance with Texas Education Code Section 44.031(3) Procurement Contracts, Request for Proposals for services other than construction services.

For information regarding the proposal process, contact insert name of the Procurement services Division at (713) 696-.

2.4 Requirements for Return of Proposal Responses

Respondents must submit proposals electronically using the HCDE eBid System by the established deadline (day and time). Please refer to the "Instructions to Proposers" section to ensure that you submit all required information.

The HCDE eBid System does not accept responses after the due date and time. Please note that if you begin responding to the bid request and do not click "submit" by the time the RFP is scheduled to close, your bid will not have been submitted.

2.5 Pre-Proposal Conference

A pre-proposal conference is scheduled for *Date and time* at 6300 Irvington Blvd., Houston, TX 77022-5618.

Attendance is not mandatory, but all prospective vendors are highly encouraged to attend in order to have a better understanding of the requirements of this RFP. Persons with disabilities requiring special accommodations should contact insert name at (713) 696- at least two (2) business days prior to the conference.

2.6 Rights Reserved by HCDE and Restrictions on RFP Process

a) HCDE reserves the right to cancel this solicitation in whole or in part by issuance of a revised or amended Request for Proposals.

b) HCDE further reserves the right to award one or more contracts, in part or in whole, to a single or to multiple prospective vendors or proposers. The decision to award multiple contracts, award only one contract, or to make no awards rests solely with HCDE. HCDE may make multiple awards, and this fact should be taken into consideration by each proposer.

c) HCDE assumes no financial responsibility for any costs incurred by prospective vendors in developing and submitting a proposal or any amendments or addenda, participating in bid conferences, participating in any negotiation sessions or discussions, or any other costs incurred by proposers prior to award of a contract pursuant to this RFP.

d) HCDE reserves the right to reject any and/or all proposals, to award contracts for individual products or services as may appear advantageous, and to negotiate separately in any manner necessary to serve the best interests of the Department. HCDE further reserves the right to accept, reject, or negotiate modifications in any terms of a proposed vendor's proposal or any parts thereof. HCDE further reserves the right to waive any formalities or technicalities if deemed in the best interest of the Department. HCDE also reserves the right as sole judge of quality and equality.

2.7 Questions and Clarification

a) Questions regarding the requirements specified in this solicitation may be sent thru the HCDE eBid System **no less than five (5) business days** before the proposals are due.

b) HCDE will not answer verbal questions; any responses to a prospective vendor's questions will be posted on the HCDE eBid System.

PART 3.0 – INSTRUCTIONS TO PROPOSERS

This portion of the RFP includes instructions on the format proposers must follow in preparing and submitting their proposals. It further identifies how questions can be raised and will be addressed.

3.1 Compliance with Specifications

Proposers are required to respond to all requests identified in this RFP and indicate their acceptance or objection to the terms of the RFP and the terms of the Agreement. Any exceptions to the terms and conditions in the RFP or the Agreement must be clearly indicated in the proposer's Note to Buyer section of the proposer's eBid submitted proposal. Each proposer, by making its proposal, represents that the proposer has read and understands the RFP and the Agreement.

3.2 Required Proposal Format

All proposers are required to respond to this RFP using the HCDE eBid System. The forms included in the Attachment Packet must be completed, signed, scanned, and attached under "Response Attachments" in the eBid System. Please ensure that you respond to all Bid Attributes and Line Items in this Request for Proposal.

3.3 General Corporate and Contact Information

Proposers are required to attach all of the following in the "Response Attachments" section of the eBid site:

- Describe the company's official registered name and its principals.
- Provide a brief history of the company, including the year it was established.
- Provide the company's organizational chart.
- Provide the company's Dun & Bradstreet (D&B) number.
- Provide a description of the company's relevant market and the company's position within it.
- State whether the proposer or the proposer's ultimate parent company or majority owner: (A) has its principal place of business in this state; or (B) employs at least 500 persons in this state.
- Proposer agrees to provide HCDE with the following financial information if requested by HCDE at any point during the procurement process, including before or after contract award: If public, the proposer's income statement, balance sheet, and cash flow for the past three (3) years; if private, the proposer's audited financial statements for the past two years (if available). A proposer's failure to provide this financial information may impact the HCDE Administration's recommendation to the HCDE Board of Trustees for the award of the contract.

3.4 References

Provide at least three references of governmental entities (school districts preferred) that have purchased services, products, and/or related items from you in the last 3-4 years. References are to be provided under the "Bid Attributes" section in the HCDE eBid System. Please use the following format for all references:

- Company Name
- Address
- Contact Name
- Phone Number
- Email

3.5 Addendum

Any interpretations, corrections, additions, or changes to this RFP will be communicated to proposers by the issuance of an addendum. It is the responsibility of the proposer, prior to submitting the proposal, to determine whether an addendum was issued. All proposers shall comply with the requirements specified in any addendum issued by HCDE.

3.6 Disqualification

A proposer may be disqualified before or after the proposals are opened, upon evidence of collusion with the intent to defraud, or evidence of intent to perform other illegal activities for the purpose of obtaining an

unfair competitive advantage.

3.7 Environmental Initiatives

HCDE is committed to reducing waste and promoting energy conservation. Toward that end, proposers responding to this solicitation are encouraged to provide their company's environmental policy and green initiative.

3.8 Interpretation

This solicitation represents the basis for any award and supersedes all prior offers, negotiations, exceptions and understandings (whether orally or in writing). Submitted proposals should be self-explanatory and should not require any clarification or additional information.

3.9 No Return of Proposals; Withdrawal of Proposals

Once submitted, HCDE will not return proposals to proposers. A proposal that has been submitted via HCDE's eBid system may be withdrawn prior to the deadline for submission of proposals.

3.10 Non-Collusion Statement

Proposers are required to certify a Non-Collusive Statement. Proposers are required to state the party submitting a proposal or bid, that such proposal or bid is genuine and not collusive or sham; that proposer has not colluded, conspired, connived or agreed, directly or indirectly, with an entity or person, to put in a sham proposal or bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the proposal price or of any other proposer, or to fix any overhead, profit or cost element of said proposal price, or of that of any other proposer, or to secure any advantage against HCDE or any person interested in the proposed contract, and that all statements in said proposal or bid are true.

3.11 Use by Other Entities

Pursuant to applicable law, including the Interlocal Cooperation Act Chapter 791 of the Texas Government Code), HCDE may permit other governmental entities to "piggy-back" onto an existing contract between HCDE and Vendor entered into as a result of this RFP. In the event that the Vendor's proposal becomes an awarded Agreement, the Vendor's proposal, including pricing information, may be provided to a requesting governmental entity desiring to establish separate, independent contracts with Vendor. **Vendor expressly agrees that HCDE may disclose Vendor's proposal, including, but not limited to, pricing information, to other governmental entities.** Governmental entities are authorized to enter into separate, independent contracts with Vendor that employ the same negotiated terms and conditions contained in an existing contract(s) between HCDE and Vendor. However, there is no obligation on either party to participate unless both parties agree. If another governmental entity chooses to utilize a contract established by this procurement solicitation and subsequent Agreement, contracts will be awarded individually by those governmental entities, and goods/services would be provided under the same contract pricing and procurement terms established by this procurement solicitation. Any such separate, independent contract developed as a result of this procurement solicitation and/or the Agreement is exclusively between such other governmental entity and Vendor and shall have no effect or impact on HCDE or HCDE's contract with Vendor. It is expressly understood that HCDE shall in no way be liable for the obligations of any other governmental entity contracting with Vendor pursuant to this section.

3.12 Preferences

HCDE may apply applicable preferences for Texas resident proposers in the event of a tie bid. Preferences must be explicitly claimed by proposer and may not be applicable in procurements and/or contracts involving federal funds unless the procurement and/or contract involves unprocessed locally grown or locally raised agricultural products for use by HCDE in a Child Nutrition Program. *See* Texas Government Code §§ 2252.001 - .004; 2 C.F.R. § 200.319.

3.13 Responsible Vendor

A responsible vendor is a vendor who has adequate financial resources (or the ability to obtain such resources), can comply with the delivery requirements, and is a qualified and established firm regularly engaged in the type of business that provides the items listed herein.

3.14 Responsive Proposal

Proposals shall be deemed responsive if they comply with all material and administrative aspects of this solicitation.

3.15 Similar Products

Whenever an article or material is defined by HCDE in this solicitation by describing a proprietary product or by using the name of a manufacturer or brand name, the term "or equal" if not inserted shall be implied (as applicable). The specified article or material shall be understood as indicating type, function, minimum standard of design, efficiency and quality desired and shall not be construed as to exclude other manufactured products or comparable quality, design and efficiency (as applicable).

3.16 HCDE is tax-exempt

HCDE is tax-exempt. Proposal prices should not include taxes.

3.17 Sole Source

In order to become a Sole Source Vendor, a proposer must meet the requirements of Texas Education Code § 44.031 (j) Sole Source, as described below.

Selected purchases may be exempt from competitive procurement if they meet the established criteria for a sole source purchase:

- Identification and confirmation that competition in providing the item or product to be purchased is precluded by the existence of a patent, copyright, secret process or monopoly
- Identification and confirmation that the product is a film, manuscript, book, utility service (including electricity, gas, or water), or a captive replacement part or component for equipment
- Sole source does not apply to mainframe data-processing equipment and peripheral attachments with a single item purchase price in excess of $15,000.

It is incumbent upon the Department to obtain and retain documents from the proposer which clearly delineate the reasons that qualify the purchase to be made on a sole source basis. In order to do business with HCDE as a Sole Source Vendor, HCDE must receive a notarized Sole Source Affidavit along with proof of your company qualifying as a sole source.

Please mail this information to:

Harris County Department of Education
Attn: Procurement services Office
6300 Irvington Blvd.
Houston, Texas 77022-5618

HCDE reserves the right to decide if your company is a qualified Sole Source Vendor.

3.18 Conflict of Interest (CIQ Form – must be filled out and attached to proposal in the Response Attachment section of the HCDE eBid System) – See Attachment Packet

EDGAR Conflict of Interest Requirements

In accordance with federal EDGAR requirements, 2 CFR § 200.318(c)(1), no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of HCDE may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, through HCDE's written procedures, HCDE has set a de minimis amount of less than $50 per year for items that are unsolicited and of minimal value and promotional items.

Violations of this standard by an employee will be reported to the Superintendent's Office and addressed through

HCDE's personnel policies. Violations of this standard by an officer or the Superintendent shall be addressed to the **Board President and addressed through HCDE Board policies.**

3.19 Certificate of Interested Parties (Form 1295 – must be filled out electronically with the Texas Ethics Commission's online filing application and attached to proposal in the Response Attachment section of the HCDE eBid System) – See Attachment Packet

PART 4.0 – SCOPE & SPECIFICATIONS

4.1 Request for Proposals Defined

The intention of this Request for Proposals (RFP) is to solicit proposals for *insert*

HCDE is utilizing the Request for Proposals (RFP) method for the procurement of this service in accordance with Texas Education Code Section 44.031 Purchasing of Contracts, Item (3) Request for Proposals.

For information regarding the proposal process, contact *insert name* of the Procurement services Division at (713) 696-.

Interested proposers should respond to this RFP and submit proposals online at the HCDE eBid System site. This site can be accessed by logging into https://hcdeebid.ionwave.net/Login.aspx

4.2 Scope of Services

HCDE is looking to obtain proposals from vendors that can provide *insert*

4.3 Specifications

It is the intention of HCDE to establish one or more contract(s) with highly qualified Vendor(s) for *Insert Title*. Vendor(s) shall, at the request of HCDE, provide these products and/or covered services under the terms of this RFP and the Contract set forth in Section **7.0 Contract Terms and Conditions**

PART 5.0 – EVALUATION AND AWARD OF PROPOSALS

In accordance with applicable laws, rules, and regulations for public purchasing, award(s) will be made to the responsible proposer(s) whose proposal(s) is/are determined, after evaluation by the HCDE Procurement services Division, to be the best value to HCDE. To qualify for evaluation, a proposal must have been submitted on time and must materially satisfy all mandatory requirements identified in this document.

5.1 Evaluation Criteria

A committee selected by HCDE will review and evaluate all proposals and make a recommendation to the HCDE Board of Trustees. HCDE will base a recommendation for contract award on the following factors, in accordance with Texas Education Code § 44.031:

Evaluation Factors	Weighted Value
1. Price	Points
2. Reputation of Vendor and of Vendor's goods and/or services	Points
3. Quality of Vendor's goods and/or services	Points
4. Extent to which the goods and/or services meet HCDE's needs	Points
5. Vendor's past relationship with HCDE	Points
6. Impact on the ability of HCDE to comply with laws and rules relating to HUBs	Points 0
7. Total long-term cost to HCDE to acquire Vendor's goods and/or services	Points
8. For a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the Vendor or the Vendor's ultimate parent company or majority owner: (A) has its principal place of business in this state; or (B) employs at least 500 persons in this state	Points 0[1]
9. Other	Points
	100 Points

5.2 Awards

Awards will be made to the successful proposer(s) for the total line of products and services submitted. Awards will be based on the criteria set forth within this document. HCDE reserves the right to award contracts to multiple vendors if these vendors offer items that are unique and have value to HCDE. HCDE shall comply with the Texas Public Information Act in the event HCDE receives an open records request for information relating to proposals submitted in response to this RFP.

5.3 Competitive Range

It may be necessary for HCDE to establish a competitive range of acceptable proposals as part of the evaluation process. Proposals not in the competitive range are unacceptable and do not receive further award consideration.

5.4 Estimated Quantities

HCDE makes no guarantee or commitment of any kind concerning quantities that will actually be purchased. HCDE makes no guarantee or commitment of any kind regarding usage of any contracts resulting from this

[1] As a general rule, HCDE may not apply geographic preferences for procurements involving federal funds. *See* 2 C.F.R. § 200.319. However, HCDE may apply an optional geographic preference in the procurement of unprocessed locally grown or locally raised agricultural products for use in a Child Nutrition Program. *See* 7 C.F.R. §§ 210 (National School Lunch Program), 215 (Special Milk Program for Children), 220 (School Breakfast Program), 225 (Summer Food Service Program), 226 (Child and Adult Care Food Program).

solicitation.

5.5 Inspection & Acceptance

Awarded vendor(s) shall deliver the goods or services procured on this contract to the HCDE division issuing a Purchase Order. If delivery is not or cannot be made within proper time period, the awarded vendor must receive authorization from the issuing HCDE division for the delayed delivery. If defective or incorrect goods are delivered, HCDE may make the determination, in its sole discretion, to return the goods to the vendor at no cost to HCDE. The vendor agrees to pay all shipping and handling costs for any such return shipment. The vendor also shall be responsible for arranging the return of the defective or incorrect goods.

5.6 Minority & Women's Business Enterprise (MWBE), Historically Underutilized Buisiness (HUB), and Small Business Enterprise (SBE) participation

HCDE encourages the use of HUB, MWBE, and SBE both as prime and subcontractors. However, these entities must meet the same minimum standards and requirements as the prime contractor. It will be the responsibility of the prime contractor to pre-qualify any subcontractors offered as HUB, MWBE and SBE participants. Proposers shall indicate on their submitted proposals whether or not they are a HUB, MWBE, or SBE vendor and with whom they are certified, e.g., State, City, Federal.

When federal funds are expended by HCDE, Vendor is required to take all affirmative steps set forth in 2 CFR 200.321 to solicit and reach out to small, minority and women owned firms for any subcontracting opportunities, including:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

5.7 Formation of Contract (Execution of Offer)

A response to this solicitation is an offer to contract with HCDE based upon the terms, conditions, scope of work, and specifications contained in this procurement solicitation. A solicitation/proposal does not become a contract unless and until it is accepted by HCDE after approval by the HCDE Board of Trustees. A contract is formed when either HCDE's Superintendent or Assistant Superintendent for Business Services signs the Execution of Offer form. The proposer must submit a signed Execution of Offer Form in the Response Attachment section of the HCDE eBid system, thus eliminating the need for the formal signing of a separate contract.

5.8 Non-Exclusive Contract

Any contract resulting from this solicitation is non-exclusive and shall be awarded with the understanding and agreement that it is for the sole convenience of HCDE. HCDE is free to have multiple contracts for the awarded goods and services and may initiate other procurement solicitations or procurement activity with other vendors at any time, in HCDE's sole discretion.

5.9 Pricing

HCDE requires that the pricing submitted in proposals be offered as a quantity one price. HCDE may request the awarded vendor(s) to provide discounts or other adjustments to the quantity one price for larger orders, on a per-purchase order basis. If discounts or quantity prices are offered by an awarded vendor, the vendor must also offer the same reductions in pricing to be available for orders of similar size.

PART 6.0 – FINANCIAL OFFER & QUESTIONNAIRE

Proposers must respond to all questions and identify all costs, fees, or charges for which HCDE may be billed under the "Bid Attributes" and "Bid Line Items" sections in the HCDE eBid System. Costs not indicated in proposals will not be paid. Proposers are to provide written documentation for any exceptions.

PART 7.0 – GENERAL TERMS AND CONDITIONS

The words "bids," "requests for proposals," "quotes," "RFPs," "solicitation," "procurement," and their derivatives may be used interchangeably in these terms and conditions. These terms and conditions apply to all bids, requests for proposals, quotes, competitive sealed proposals, and other procurement solicitations to which they are attached. The term "Vendor" means each awarded vendor chosen by HCDE.

These General Terms and Conditions are part of the final contract in each commodity and/or service contract and are part of the terms and conditions of each purchase order or other bid/proposal forms issued in connection with this solicitation.

Proposers are responsible for identifying any exceptions to these terms and conditions. **ANY EXCEPTIONS MUST BE NOTED IN THE "SUPPLIER NOTES TO BUYER SECTION" OF THE EBID SYSTEM.** Proposals that are qualified with conditional clauses, items not called for, or other irregularities may be considered non-responsive by HCDE and eliminated from further consideration by HCDE.

This Agreement is entered into between Harris County Department of Education ("HCDE") and Vendor, having submitted a proposal in response to a procurement solicitation issued by HCDE and whose proposal has been accepted and awarded by HCDE. In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, HCDE and Vendor, intending to be legally bound, and subject to the terms, conditions, and provisions of this Agreement, agree as follows:

7.1 Agreement Terms; Amendment

The terms of this Agreement shall govern all procurements conducted hereunder. No pre-published terms on the Vendor's order acknowledgments, invoices, or other forms shall have any force or effect. Further, no amendment of this Agreement shall be permitted unless first approved in writing by HCDE, and no such amendments shall have any effect unless and until a written amendment to this Agreement is executed by HCDE's Superintendent or its Assistant Superintendent for Business Services (or their designees) after any necessary approvals have been obtained from the HCDE Board of Trustees.

7.2 Assignment of Agreement

Vendor may not assign this Agreement or any of its rights, duties, or obligations hereunder without the prior written approval of HCDE. Any attempted assignment of this Agreement by Vendor shall be null and void. Any purchase or work order made as a result of this Agreement may not be transferred, assigned, subcontracted, mortgaged, pledged, or otherwise disposed of or encumbered in any way by Vendor without the prior written approval of HCDE. Vendor is required to notify HCDE when any material change in operations occurs, including but not limited to, changes in distribution rights for awarded products, bankruptcy, material changes in financial condition, change of ownership, and the like, within three (3) business days of such change.

7.3 Captions

The captions herein are for convenience and identification purposes only, are not an integral part hereof, and are not to be considered in the interpretation of any part hereof.

7.4 Catalog Discounts

In the event of a catalog discount type proposal, Vendor may be allowed to make additions and/or deletions from Vendor's offerings on an annual basis during the Agreement renewal period, in HCDE's sole discretion, provided the item(s) substituted are of a like quality and category. These changes will be compliant with the format of Vendor's original proposal (i.e. manufacturer name, product category, or entire catalog discount). HCDE will send notification to Vendor(s) seeking any additions and/or deletions, and Vendor will return these proposed changes on company letterhead within the given timeframe. If HCDE, in its sole discretion, accepts Vendor's proposed changes, such changes will remain in effect for the entire year until the next renewal period.

7.5 Intentionally Omitted.

7.6 Compliance with Laws

Vendor shall comply with all applicable federal, state, and local laws, statutes, ordinances, standards, orders, rules, and regulations, including, as applicable, workers' compensation laws, minimum and maximum salary

and wage statutes and regulations, prompt payment and licensing laws and regulations, the Davis-Bacon Act (40 U.S.C. § 276a / 29 CFR Part 5), the Copeland "Anti-Kickback" Act (18 U.S.C. § 874 / 29 CFR Part 5), the Equal Opportunity Employment requirements (Executive Orders 11246 and 11375 / 41 CFR Chapter 60), the McNamara-O'Hara Service Contract Act (41 U.S.C. 351), Section 306 of the Clean Air Act (42 U.S.C. § 1857h, Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, Environmental Protection Agency regulations (40 CFR Part 15), the Contract Work Hours and Safety Act (40 U.S.C. § 3701-3708; 29 C.F.R. Part 5), the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200), the Education Department General Administrative Regulations, 2 C.F.R. Parts 200 and 3474, and 34 C.F.R. Parts 75-77 and 81 ("EDGAR"), mandatory standards and policies contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871), and all applicable requirements and regulations, including those related to reporting, patent rights, copyrights, data rights and those mandated by federal agencies making awards of federal funds to HCDE. Vendor understands that Vendor is ineligible to receive a contract award with HCDE if Vendor or its principal(s) is listed on the government wide exclusions in the System for Award Management (Debarment and Suspension Orders Executive Orders 12549 and 12689) or is 30 days or more delinquent in paying child support (Tex. Fam. Code § 231.006). For the entire duration of this Contract, Vendor and all subcontractors shall maintain all required licenses, certifications, permits, and any other documentation necessary to perform this Contract. Vendor must comply with all state and local building code requirements unless otherwise specifically provided in the HCDE's Purchase Order, and Vendor must pay all fees and charges for connections to outside services and for use of property outside the project site. When required or requested by HCDE, Vendor shall furnish HCDE with satisfactory proof of Vendor's compliance with this provision.

7.7 Confidentiality

Vendor and HCDE agree to secure the confidentiality of all information and records in accordance with applicable federal and state laws, rules, and regulations. Vendor and HCDE understand that the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g, governs the privacy and security of educational records and information and agree to abide by FERPA rules and regulations, as applicable. Vendor also acknowledges that HCDE is subject to the Texas Public Information Act, and Vendor waives any claim against and releases from liability HCDE, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in this Agreement or otherwise created, assembled, maintained, or held by Vendor and determined by HCDE, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act.

7.8 Contract Term

The contract term is as set forth in Part 1.0 Notice of Intention. The phrase "Term" in this Agreement shall mean the then-current Term of the Agreement, whether the initial term or a renewal term.

7.9 Criminal History Review (Ch. 22 Contractor Certification: Contractor Employees Form must be filled out and attached to proposal in the Response Attachment section, if applicable)

Prior to commencing any work under the Contract, if Vendor contracts with HCDE to provide services, Vendor must comply with all requirements relating to criminal history information required by TEX. EDUC. CODE Chapter 22. Vendor must also ensure subcontractors' compliance with TEX. EDUC. CODE, Chapter 22 requirements. Covered employees with disqualifying criminal history are prohibited from serving at HCDE locations; Vendor and any subcontracting entity may not permit a "covered employee" to provide services at a school if the employee has a "disqualifying criminal history" (as those terms are defined below). If Vendor receives information that a covered employee has a reported disqualifying criminal history, then Vendor will immediately remove the covered employee from the project/contract and notify HCDE in writing within three (3) business days. If HCDE, in its sole discretion, objects to the assignment of a covered employee for any reason, including, but not limited to, on the basis of the covered employee's criminal history record information and/or insufficient qualifications, lack of experience, and the like, based on information gathered by HCDE through the procurement and/or contracting processes, Vendor (and each subcontractor) agrees to discontinue using that covered employee to provide services on HCDE's project/contract. "Covered employees" means employees, agents or subcontractors of Vendor or a subcontractor who has or will have continuing duties related to the services to be performed on HCDE's project/contract and has or will have direct contact with HCDE's students. "Disqualifying criminal history" means:(1) For employees of a contracting or

subcontracting entity that is providing engineering, architectural, or construction services on a project to design, construct, alter, or repair a public work: (1) a conviction or other criminal history information designated by HCDE; (2) a felony or misdemeanor offense that would prevent a person from being employed under Texas Education Code § 22.08341(d), that is: conviction during the preceding 30 years (if at the time of the offense, the victim was under 18 or was enrolled in a public school) of: (a) a felony offense under Title 5, Texas Penal Code; (b) an offense on conviction of which a defendant is required to register as a sex offender under Chapter 62, Texas Code of Criminal Procedure; or (c) an offense under federal law or the laws of another state that is equivalent to (a) or (b); (2) For employees of all other contracting or subcontracting entities: (1) a conviction or other criminal history information designated by Owner; (2) a felony or misdemeanor offense that would prevent a person from being employed under Texas Education Code § 22.085(a), that is: (a) conviction of a felony offense under Title 5, Texas Penal Code if at the time of the offense, the victim was under 18; (b) conviction of or placement on deferred adjudication community supervision for an offense for which a defendant is required to register as a sex offender under Chapter 62, Texas Code of Criminal Procedure; or (c) conviction of an offense under federal law or the laws of another state that is equivalent to (a) or (b) HCDE shall be solely responsible for making the final determination of what constitutes direct contact with Owner's students and what constitutes a disqualifying criminal history. The criminal history record information review obligation applies if Vendor contracts with HCDE to provide services; it does not apply to a contract for the purchase of goods or real estate.

7.10 Customer Reference List

Vendor agrees to submit a customer reference list upon request by HCDE.

7.11 Customer support

Vendor shall provide timely and accurate technical advice and sales support to HCDE and HCDE staff. Vendor shall respond to requests for customer support within one (1) business day after receipt of the request. Vendor shall provide training to HCDE staff regarding products and/or services supplied by Vendor, at no additional charge, if requested by HCDE.

7.12 Entire Agreement

This Agreement, the procurement solicitation issued by HCDE, and Vendor's proposal submitted in response to HCDE's procurement solicitation, and the attached and incorporated addendum or exhibits, if any, contain the entire agreement of the parties relative to the purpose(s) of the Agreement and supercede any other representations, agreements, arrangements, negotiations, or understanding, oral or written, between the parties to this Agreement. In the event of a conflict between this Agreement and the procurement solicitation issued by HCDE or Vendor's proposal submitted in response to HCDE's procurement solicitation, this Agreement shall control. In the event of a conflict between the procurement solicitation issued by HCDE and Vendor's proposal submitted in response to HCDE's procurement solicitation, HCDE's procurement solicitation shall control. This Agreement supersedes any conflicting terms and conditions on any purchase or work orders, invoices, checks, order acknowledgements, forms, purchase orders, or similar commercial documents relating hereto and which may be issued by Vendor after the Effective Date of this Agreement.

7.13 Equal Opportunity

It is the policy of HCDE not to discriminate on the basis of race, color, National origin, gender, limited English proficiency or handicapping conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Agreement, with respect to hire, tenure, terms, conditions and privileges of employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Agreement shall contain a provision requiring non-discrimination in employment herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Agreement.

7.14 Force Majeure

Neither HCDE or Vendor shall be deemed to have breached any provision of this Agreement as a result of any delay, failure in performance, or interruption of service resulting directly or indirectly from acts of God, network failures, acts of civil or military authorities, civil disturbances, wars, energy crises, fires, transportation

contingencies, interruptions in third-party telecommunications or Internet equipment or service, other catastrophes, or any other occurrences which are reasonably beyond such party's control.

The parties to this Agreement are required to use due caution and preventive measures to protect against the effects of force majeure, and the burden of proving that a force majeure event has occurred shall rest on the party seeking relief under this provision. The party seeking relief due to force majeure is required to promptly notify the other party in writing, citing the details of the force majeure event and relief sought, and shall resume performance immediately after the obstacles to performance caused by a force majeure event have been removed, provided the Agreement has not been terminated. Delay or failure of performance, by either party to this Agreement, caused solely by a force majeure event, shall be excused for the period of delay caused solely by the force majeure event. Neither party shall have any claim for damages against the other resulting from delays caused solely by force majeure. Notwithstanding any other provision of this Agreement, in the event the Vendor's performance of its obligations under this Agreement is delayed or stopped by a force majeure event, HCDE shall have the option to terminate this Agreement. This section shall not be interpreted as to limit or otherwise modify any of HCDE's contractual, legal, or equitable rights.

7.15 Governing Law and Venue

The laws of the State of Texas, without regard to its provisions on conflicts of laws, govern this Agreement. The mandatory, exclusive jurisdiction for any dispute under this Agreement is in the state and federal courts located in Houston, Harris County, Texas.

7.16 HCDE Property

In the event of loss, damage, or destruction of any property owned by or loaned by HCDE that is caused by Vendor or Vendor's representative, agent, employee, or contractor, Vendor shall indemnify HCDE and pay to HCDE the full value of or the full cost of repair or replacement of such property, whichever is greater, within thirty (30) days of Vendor's receipt of written notice of HCDE's determination of the amount due. If Vendor fails to make timely payment, HCDE may obtain such money from Vendor by any means permitted by law, including, without limitation, offset or counterclaim against any money otherwise due to Vendor by HCDE.

7.17 Indemnification

VENDOR SHALL INDEMNIFY AND HOLD HCDE HARMLESS FROM ALL CLAIMS, LIABILITIES, COSTS, SUITS OF LAW OR IN EQUITY, EXPENSES, ATTORNEYS' FEES, FINES, PENALTIES OR DAMAGES ARISING FROM THE ACTS OR OMISSIONS OF VENDOR, VENDOR'S EMPLOYEES, AGENTS, OR SUBCONTRACTORS, IN CONNECTION WITH THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE ARISING FROM CLAIMED INFRINGEMENT OF ANY PATENTS, TRADEMARKS, COPYRIGHT OR OTHER CORRESPONDING RIGHT(S) WHICH IS RELATED TO ANY ITEM VENDOR IS REQUIRED TO DELIVER. Vendor's obligations under this clause shall survive acceptance and payment by HCDE.

7.18 Insurance

Vendor is required to provide HCDE with copies of certificates of insurance, naming HCDE as an additional insured, for Texas Workman's Compensation and General Liability Insurance. Certificates of Insurance, name and address of Vendor, the limits of liability, the effective dates of each policy, and policy number shall be delivered to HCDE prior to commencement of any work under this Agreement. The insurance company insuring Vendor shall be licensed in the State of Texas and shall be acceptable to HCDE. Vendor shall give HCDE a minimum of ten (10) days' notice prior to any modifications or cancellation of said policies of insurance. Vendor shall require all subcontractors performing any work under or relating to this Agreement to maintain coverage as specified below.

Minimum Insurance Requirements:

- Vendor shall, at all times during the Term of this Agreement, maintain insurance coverage with not less than the type and requirements shown below. Such insurance is to be provided at the sole cost of Vendor. These requirements do not establish limits of Vendor's liability.
- All policies of insurance shall waive all rights of subrogation against HCDE, its officers, employees, and agents.
- Upon request, certified copies of original insurance policies shall be furnished to HCDE.

- HCDE shall be named as an "additional insured" on all insurance policies.
- HCDE reserves the right to require additional insurance should HCDE deem additional insurance necessary, in HCDE's sole discretion.

A. Workers' Compensation (with Waiver of subrogation to HCDE) Employer's Liability, including all states, U.S. Longshoremen, Harbor Workers and other endorsements.

B. Statutory, and Bodily Injury by Accident: $100,000 each employee. Bodily Injury by Disease: $500,000, policy limit $100,000 each employee. Commercial General Liability Occurrence Form including, but not limited to, Premises and Operations, Products Liability Broad Form Property Damage, Contractual Liability, Personal and Advertising Injury Liability and where the exposure exists, coverage for watercraft, blasting collapse, and explosions, blowout, catering and underground damage.

- $300,000 each occurrence Limit Bodily Injury and Property Damage combined
- $300,000 Products-Completed Operations Aggregate Limit $500,000 per Job Aggregate
- $300,000 Personal and Advertising Injury Limit

C. Automobile Liability Coverage

- $300,000 Combined Liability Limits Bodily Injury and Property Damage Combined.

7.19 Interpretation

Vendor agrees that the normal rules of construction that require that any ambiguities in this Agreement are to be construed against the drafter shall not be employed in the interpretation of this Agreement.

7.20 Invoices; Payments

Invoices shall be directed to HCDE's Accounts Payable Department. All invoices shall be itemized to include the type of good(s) and/or service(s) rendered. Vendor shall submit invoices within a timely manner during HCDE's fiscal year in which the good(s) and/or services are purchased. In accordance with Texas Government Code § 2251.021, payments are due to Vendor within forty-five (45) days after the later of the following: (1) the date HCDE receives the goods under the Agreement; (2) the date the performance of the service under the Agreement is completed; or (3) the date HCDE receives an invoice for the goods or service. Vendor agrees to pay any subcontractors, if any, the appropriate share of the payment received from HCDE not later than the tenth (10th) day after the date Vendor receives the payment from HCDE. The exceptions to payments made by HCDE and/or Vendor listed in Texas Government Code § 2251.002 shall apply to this Agreement.

In addition to all other rights and remedies that HCDE may have, HCDE shall have the right to setoff, against any and all amounts due to Vendor by HCDE, whether due under this Agreement or any other agreement between HCDE (including any division of HCDE) and Vendor, any sums for which HCDE is entitled to under this Agreement, as determined by HCDE in its sole discretion, including, without limitation, sums due by Vendor to HCDE as a result of indemnification obligations, warranty claims, and/or HCDE/Choice Partners Administrative Fee(s), as applicable.

7.21 IRS W-9

In order to receive payment under this Agreement, Vendor shall have a current I.R.S. W-9 Form on file with HCDE.

7.22 Multiple Contract Awards; Non-Exclusivity

HCDE reserves the right to award multiple contracts for each commodity category. Commodity categories are established at the sole discretion of HCDE. Nothing in this Agreement may be construed to imply that Vendor has the exclusive right to provide products and/or services to HCDE. During the Term of this Agreement, HCDE reserves the right to use all available resources to procure other products and/or services as needed and doing so will not violate any rights of Vendor.

7.23 New Products

New products that meet the specifications detailed in the solicitation may be added to this Agreement, with prior written approval from HCDE. Pricing of any new products shall be equivalent to the percentage discount or proposed prices for other similar products. Vendor may replace or add products to an existing contract if:

the replacing products are equal to or superior to the original products offered; are discounted in a similar or to a greater degree; and the products meet the requirements of the original solicitation. No products may be added to avoid competitive procurement procedures. HCDE may reject any proposed additions, without cause, in its sole discretion.

7.24 No Substitution

Any order issued pursuant to this Agreement shall conform to the specifications and descriptions identified in this Agreement and in the solicitation. Unless otherwise agreed to in advance by HCDE, Vendor will not deliver substitutes without prior authorization from HCDE.

7.25 No Agency or Endorsements

HCDE and Vendor are independent contractors and have no power or authority to assume or create any obligation or responsibility on behalf of the other party. This Agreement shall not be construed or deemed an endorsement of a specific company or product. It is the intention of the parties that Vendor is independent of HCDE and is not an employee, agent, joint venturer, or partner of HCDE, and nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and Vendor or HCDE and any of Vendor's agents. Vendor agrees that HCDE has no responsibility for any conduct of any of Vendor's employees, agents, representatives, contractors, or subcontractors.

7.26 Non-Appropriation Clause

Renewal of this Agreement, if any, will be in accordance with Texas Local Government Code § 271.903 concerning non-appropriation of funds for multi-year contracts. Notwithstanding any other provision of this Agreement or obligation imposed on HCDE by this Agreement, HCDE shall have the right to terminate this Agreement without default or liability to Vendor resulting from such termination, effective as of the expiration of each budget period of HCDE if it is determined by HCDE, in HCDE's sole discretion, that there are insufficient funds to extend this Agreement. The parties agree that this Agreement is a commitment of HCDE's current revenue only.

7.27 Notice

Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be given by hand-delivery or by certified or registered mail, return receipt requested. Notice shall be sufficient if made or addressed to the address listed in the signature line of this Agreement. Notice shall be deemed effective upon receipt. Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified or registered mail, return receipt requested.

7.28 Penalties

If Vendor is unable to provide the goods or services at the prices quoted in Vendor's proposal or if Vendor fails to fulfill or abide by the terms and conditions of the Agreement, HCDE may take the following action(s), in HCDE's sole discretion, and Vendor agrees to comply with HCDE's action(s):

(a) insist that Vendor honor the quoted price(s) specified in Vendor's proposal;

(b) have Vendor pay the difference between Vendor's price and the price of the next acceptable proposal (as determined by HCDE);

(c) have Vendor pay the difference between Vendor's price and the actual purchase price of the good or service on the open market; and/or

(d) recommend to HCDE's Board of Trustees that Vendor no longer be given the opportunity to submit a proposal to HCDE and/or that this Agreement be terminated.

7.29 Performance

Vendor agrees to use best efforts to provide the good(s) and/or service(s) subject to this Agreement.

7.30 Performance and Payment Bonds

Vendor agrees to provide performance bonds and/or payment bonds as required by Texas law on specified contracts and/or projects, as applicable. HCDE will include the performance and payment bonds requirement in the specifications section of any solicitation if performance bonds and/or payment bonds are required.

7.31 Prevailing Wage Rates

Vendor and all subcontractors of Vendor shall comply with all laws regarding wage rates including, but not limited to, Texas Government Code Chapter 2258 and any related federal requirements applicable to this Agreement and to this solicitation by HCDE.

7.32 Prices

All prices in Vendor's proposal shall be firm for the Term of the Agreement. All price changes shall be presented to HCDE for acceptance or rejection by HCDE, in its sole discretion, using the same format as was accepted in Vendor's original proposal; all price changes for goods and/or services provided under this Agreement must be approved, in writing, by HCDE prior to taking effect. The following documentation shall be provided to support a request for a price change: justification for change/increase; terms and conditions; market conditions; manufacturers/distributors' impact (if any).

7.33 Quantities

Because all commodities will be provided on an "as needed" basis, HCDE makes no representation either orally or in writing to the amount of commodities, services, or related items HCDE will use during the Term of the Agreement.

7.34 Records Retention

Vendor shall maintain its records and accounts in a manner that shall assure a full accounting for all goods and/or services provided by Vendor to HCDE under this Agreement. These records and accounts shall be retained by Vendor and made available for audit by HCDE for a period of not less than three (3) years from the date of completion of the services, receipt of the goods, or the date of the receipt by HCDE of Vendor's final invoice or claim for payment in connection with this Agreement, whichever is later. If an audit has been announced, Vendor shall retain its records and accounts until such audit has been completed.

When federal funds are expended by HCDE pursuant to this Contract, Vendor certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.334. Vendor further certifies that Vendor will retain all records as required by 2 CFR § 200.334 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

7.35 Right to Audit

HCDE, upon written notice, shall have the right to audit all of Vendor's records and accounts relating to this Agreement. Records subject to audit shall include, but are not limited to, records which may have a bearing on matters of interest to HCDE in connection with Vendor's work for HCDE and shall be open to inspection and subject to audit and/or reproduction by HCDE or its authorized representative(s) to the extent necessary to adequately permit evaluation and verification of:

(a) Vendor's compliance with this Agreement and the requirements of the solicitation,

(b) compliance with HCDE procurement policies and procedures,

(c) compliance with provisions for computing billings to HCDE, and/or

(d) any other matters related to this Agreement.

7.36 Safety

Vendor, its subcontractors, and their respective employees shall comply fully with all applicable federal, state, and local safety and health laws, ordinances, rules, and regulations in the performance of services under this Agreement, including, without limitation, those promulgated by HCDE and by the Occupational Safety and Health Administration ("OSHA"). In case of conflict, the most stringent safety requirements shall govern. Vendor shall comply with all other safety guidelines and standards as required by HCDE. Vendor shall indemnify and hold HCDE harmless from and against all claims, demands, suits, actions, judgments, fines, penalties, and liability of every kind arising from the breach of Vendor's obligations under this provision.

7.37 Severability

In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable

provision had never been contained in it.

7.38 Shipments

Vendor shall ship ordered products within seven (7) working days for available goods and within four (4) to six (6) weeks for special-order items after the receipt of the purchase order unless otherwise previously agreed to, in writing, by HCDE. If a product cannot be shipped within that timeframe, Vendor shall notify HCDE of the reasons why the product has not shipped and shall provide an estimated shipping date, if applicable. HCDE may cancel the order if the estimated shipping time is not acceptable to HCDE, in its sole discretion.

7.39 Subcontractors

If Vendor uses subcontractors in the performance of any part of this Agreement, Vendor shall be fully responsible to HCDE for all acts and omissions of the subcontractors just as Vendor is responsible for Vendor's own acts and omissions. Nothing in this Agreement shall create for the benefit of any such subcontractor any contractual relationship between HCDE and any such subcontractor, nor shall it create any obligation on the part of HCDE to pay or to see to the payment of any moneys due any such subcontractor except as may otherwise be required by law.

7.40 Taxes

HCDE is tax-exempt, and HCDE shall not pay taxes for goods and/or services provided under this Agreement. Vendor represents and warrants that it shall pay all taxes or similar amounts resulting from this Agreement, including, without limitation, any federal, state, or local income, sales or excise taxes of Vendor or its employees. HCDE shall not be liable for any taxes resulting from this Agreement.

7.41 Tax Responsibilities of Vendor and Indemnification for Taxes

Vendor and all subcontractor(s) of Vendor shall pay all federal, state, and local taxes applicable to their operation and any persons employed by Vendor and all subcontractors of Vendor. Vendor shall require all subcontractors to hold HCDE harmless from any responsibility for taxes, damages, and interest. If applicable, contributions required under federal, state, and/or local laws and regulations and any other costs including, but not limited to, transaction privilege taxes, unemployment compensation insurance, Social Security, and Worker's Compensation, shall be the sole responsibility of Vendor.

7.42 Termination of Contract

This Agreement shall remain in effect until (1) the Agreement expires by its terms or (2) the Agreement is terminated by mutual agreement of HCDE and Vendor. In the event of a breach or default of the Agreement and/or the procurement solicitation by Vendor, HCDE reserves the right to enforce the performance of the Agreement and/or the procurement solicitation in any manner prescribed by law or deemed to be in the best interest of HCDE. HCDE further reserves the right to terminate the Agreement immediately in the event Vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in this Agreement, the procurement solicitation, and/or a purchase or work order; (2) make any payments owed; or (3) otherwise perform in accordance with this Agreement and/or the procurement solicitation. HCDE also reserves the right to terminate the Agreement immediately, with written notice to Vendor, if HCDE believes, in its sole discretion, that it is in the best interest of HCDE to do so. Vendor agrees that HCDE shall not be liable for damages in the event that HCDE declares Vendor to be in default or breach of this Agreement and/or the procurement solicitation. Vendor further agrees that upon termination of the Agreement for any reason, Vendor shall, in good faith and with reasonable cooperation, aid in the transition to any new arrangement and/or vendor.

7.43 Title and Risk of Loss

Whenever HCDE is purchasing (and not leasing) an item under this Agreement, title and risk of loss shall pass upon the later of HCDE's acceptance of the item or payment of the applicable invoice.

All deliveries under this Agreement shall be delivered: **Freight Prepaid, F.O.B. Destination, Full Freight Allowed, Inside Delivery** and shall be included in all pricing in Vendor's proposal unless otherwise clearly stated in writing in Vendor's proposal.

7.44 Waiver

No failure on the part of either party at any time to require the performance by the other party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such party's right to enforce such

term, and no waiver on the part of either party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Contract shall be binding unless in writing and signed by duly authorized representatives of the parties hereto.

7.45 Warranty

All goods and/or services provided by Vendor under this Agreement must be warranted to be free from defects in material, workmanship, and free from such defects in design for a period of one (1) year upon the later of HCDE's acceptance of the product and/or service or payment of the applicable invoice. Vendor warrants that all goods and/or services furnished under this Agreement shall conform in all respects to the terms of this Agreement, including any drawings, specifications, and/or standards incorporated herein, including, without limitation, those detailed in the procurement solicitation issued by HCDE. In addition, Vendor warrants that goods and/or services are suitable for and will perform in accordance with the purposes for which they are intended. Vendor shall assume all liabilities incurred within the scope of consequential damages and incidental expenses, as set forth in the vendor or manufacturer's warranty, which result from either delivery or use of product, which does not meet the specifications within this Agreement or the solicitation procurement.

7.46 Website Support

Vendor agrees to cooperate with HCDE in publicizing contract particulars on HCDE's website. Vendor agrees to work with HCDE in updating and maintaining current information on Vendor's activities related to the Agreement on the website. Vendor agrees to provide an electronic version of its logo for use on HCDE's website upon request and provide other information as reasonably requested by HCDE to help ensure that HCDE's website is current and consistently updated.

7.47 Workforce

Vendor shall employ only orderly and competent workers, skilled in the performance of the services, if any, which shall be performed under this Agreement. Vendor, its employees, subcontractors, and subcontractor's employees may not use or possess any firearms, alcoholic or other intoxicating beverages, illegal drugs or controlled substances while on the job or on HCDE's property, nor may such workers by intoxicated or under the influence of alcohol or drugs on HCDE's property.

INSTRUCTIONS TO BUYER

The information entered below will automatically populate the rest of the RFP Document. You must ensure that you only replace information INSIDE the gray brackets and do not add extra spaces.

After updating all information on the first page, press "Ctrl+A" and then "F9" key to update the rest of the document. Also, Set Cursor on first footnote and press "Ctrl+A" and then "F9" key to update the rest of the footnotes.

Buyer:
Insert name

Buyer Fax #:
(713) 696-0720

Buyer Telephone #:
(713) 696-

Buyer Email:
email@hcde-texas.org

RFP:
#

RFP Issue Date:
Insert Date

RFP Name:
Insert Title

Submittal Deadline & Proposal Opening date:
Insert Date

2nd Advertising:
Insert Date

Submittal Deadline & Proposal Opening day of the week:
Insert day of week

Pre-Proposal Conference Date:
Insert Date

Pre-Proposal Conference Day of the Week:
Insert day of week

Submittal Deadline & Proposal Opening time:
12:00 p.m.

Pre-Proposal Conference Time:
10:00 a.m.

1st Advertising:
Insert Date

Award Date:
Insert board date

PROCUREMENT DIVISION

REQUEST FOR PROPOSAL #

Issued by:
Buyer Name
Procurement Division
6300 Irvington Blvd.
Houston, TX 77022-5618
Phone: (713) 696- | Fax: (713) 696-0720
URL: www.hcde-texas.org
Email: email@hcde-texas.org

Submittal Deadline & Proposal Opening:

If you will not be submitting a response, please NO BID the proposal on the HCDE eBid System.

https://hcdeebid.ionwave.net/Login.aspx

TABLE OF CONTENTS

Items below represent components which comprise this bid/proposal package. Respondents are asked to review the package to be sure that all applicable parts are included. If any portion of the package is missing, please notify *insert name* immediately.

Part		Page
1.0	Notice of Intention	3
2.0	Proposal Requirements	4
3.0	Instructions to Proposers	6
4.0	Scope & Specifications	102
5.0	Evaluation & Award of Proposals	13
6.0	Financial Offer & Questionnaire	15
7.0	General Terms & Conditions	16

PART 1.0 – NOTICE OF INTENTION

The Procurement Division of the Harris County Department of Education ("HCDE" or the "Department") is conducting this procurement to establish a contract. The Term of the prospective contract is for a period of five (5) years. The maximum duration of any contract resulting from this procurement is a total of five (5) years, running from the date of execution of the contract by the authorized representative of the Department. No contract shall be executed until it has been reviewed and approved by the Board of Trustees of the Department ("Board") in a duly called and posted meeting of the Board. This contract can be accessed on an "as needed" basis from a list of contracts that have been competitively bid and awarded with qualified, high performance vendors based on the selection criteria set forth herein. Proposers are requested to submit a proposal offering their total line of available products and services that are commonly purchased by government entities, school districts and other public, not-for-profit agencies and organizations.

Product(s) considered for award shall equal or exceed the technical, environmental and performance standards and specifications as defined within this RFP and further described in the scope and specification section.

The good(s) or service(s) to be purchased under the awarded contract, if any, may be of indefinite delivery and indefinite quantity (IDIQ).

PART 2.0 – PROPOSAL REQUIREMENTS

Please read carefully this entire proposal document and specifications. Complete all forms and submit your bid with all appropriate attachments.

2.1 Request for Proposals (RFP) Documents

HCDE Procurement Division documents are made available online via the HCDE eBid System to anyone who wishes to submit a proposal. However, it is the responsibility of the proposer submitting a proposal to make certain that the HCDE Procurement Division has the appropriate company name, authorized representatives, and contact information on file for the purpose of receiving notices, changes, addenda or other critical information.

The HCDE eBid System's website is https://hcdeebid.ionwave.net/Login.aspx

2.2 Tentative Time Table

HCDE anticipates following the time table listed below for this job; note that several deadlines and award dates are included below; an interested proposer need only submit one response to this RFP in order to be considered for a contract award:

Item	Activity	Date & Time
1	Job starts to advertise (1st run)	DATE
2	Job advertised (2nd run)	DATE
3	Pre-Proposal Meeting	
4	Addenda (if any)	
5	Deadline(s) for submission of proposals *(See Part 4 – Instruction to Proposers – for detailed submission requirements)*	DATE at TIME DATE at TIME DATE at TIME
6	Extended Deadline (if any)	
7	Award Date(s)	DATE at TIME DATE at TIME DATE at TIME

The table above is only an estimate and may vary.

2.3 Procurement Method

HCDE maintains and uses documented procurement procedures, consistent with State, local and tribal laws and regulations and standards of 2 CFR Part 200, for the acquisition of property or services required under a Federal award or subaward as detailed in 2 CFR § 200.318. HCDE's documented procurement procedures conform to the procurement standards identified in §§ 200.317 through 200.327 of subpart D—Post Federal Award Requirements.

HCDE is utilizing the Request for Proposals (RFP) method of procurement in accordance with Texas Education Code Section 44.031(3) Purchasing Contracts, Request for Proposals for services other than construction services.

For information regarding the proposal process, contact insert name of the Procurement Division at (713) 696-.

2.4 Requirements for Return of Proposal Responses

Respondents must submit proposals electronically using the HCDE eBid System by the established deadline (day and time). Please refer to the "Instructions to Proposers" section to ensure that you submit all required information.

The HCDE eBid System does not accept responses after the due date and time. Please note that if you begin responding to the bid request and do not click "submit" by the time the RFP is scheduled to close, your bid will not have been submitted.

2.5 Pre-Proposal Conference

N/A

2.6 Rights Reserved by HCDE and Restrictions on RFP Process

a) HCDE reserves the right to cancel this solicitation in whole or in part by issuance of a revised or amended Request for Proposals.

b) HCDE further reserves the right to award one or more contracts, in part or in whole, to a single or to multiple prospective vendors or proposers. The decision to award multiple contracts, award only one contract, or to make no awards rests solely with HCDE. HCDE may make multiple awards, and this fact should be taken into consideration by each proposer.

c) HCDE assumes no financial responsibility for any costs incurred by prospective vendors in developing and submitting a proposal or any amendments or addenda, participating in bid conferences, participating in any negotiation sessions or discussions, or any other costs incurred by proposers prior to award of a contract pursuant to this RFP.

d) HCDE reserves the right to reject any and/or all proposals, to award contracts for individual products or services as may appear advantageous, and to negotiate separately in any manner necessary to serve the best interests of the Department. HCDE further reserves the right to accept, reject, or negotiate modifications in any terms of a proposed vendor's proposal or any parts thereof. HCDE further reserves the right to waive any formalities or technicalities if deemed in the best interest of the Department. HCDE also reserves the right as sole judge of quality and equality.

2.7 Questions and Clarification

a) Questions regarding the requirements specified in this solicitation may be sent thru the HCDE eBid System **no less than five (5) business days** before the proposals are due.

b) HCDE will not answer verbal questions; any responses to a prospective vendor's questions will be posted on the HCDE eBid System.

PART 3.0 – INSTRUCTIONS TO PROPOSERS

This portion of the RFP includes instructions on the format proposers must follow in preparing and submitting their proposals. It further identifies how questions can be raised and will be addressed.

3.1 Compliance with Specifications

Proposers are required to respond to all requests identified in this RFP and indicate their acceptance or objection to the terms of the RFP and the terms of the Agreement. Any exceptions to the terms and conditions in the RFP or the Agreement must be clearly indicated in the proposer's Note to Buyer section of the proposer's eBid submitted proposal. Each proposer, by making its proposal, represents that the proposer has read and understands the RFP and the Agreement.

3.2 Required Proposal Format

All proposers are required to respond to this RFP using the HCDE eBid System. The forms included in the Attachment Packet must be completed, signed, scanned, and attached under "Response Attachments" in the eBid System. Please ensure that you respond to all Bid Attributes and Line Items in this Request for Proposal.

3.3 General Corporate and Contact Information

Proposers are required to attach all of the following in the "Response Attachments" section of the eBid site:

- Describe the company's official registered name and its principals.
- Provide a brief history of the company, including the year it was established.
- Provide the company's organizational chart, if applicable.
- Provide a description of the company's relevant market and the company's position within it.
- State whether the proposer or the proposer's ultimate parent company or majority owner: (A) has its principal place of business in this state; or (B) employs at least 500 persons in this state.
- Proposer agrees to provide HCDE with the following financial information if requested by HCDE at any point during the procurement process, including before or after contract award: If public, the proposer's income statement, balance sheet, and cash flow for the past three (3) years; if private, the proposer's audited financial statements for the past two years (if available). A proposer's failure to provide this financial information may impact the HCDE Administration's recommendation to the HCDE Board of Trustees for the award of the contract.

3.4 References

Provide at least three references of governmental entities (school districts preferred) that have purchased services, products, and/or related items from you in the last 3-4 years. References are to be provided under the "Bid Attributes" section in the HCDE eBid System. Please use the following format for all references:

- Company Name
- Address
- Contact Name
- Phone Number
- Email

3.5 Addendum

Any interpretations, corrections, additions, or changes to this RFP will be communicated to proposers by the issuance of an addendum. It is the responsibility of the proposer, prior to submitting the proposal, to determine whether an addendum was issued. All proposers shall comply with the requirements specified in any addendum issued by HCDE.

3.6 Disqualification

A proposer may be disqualified before or after the proposals are opened, upon evidence of collusion with the intent to defraud, or evidence of intent to perform other illegal activities for the purpose of obtaining an unfair competitive advantage.

3.7 Environmental Initiatives

HCDE is committed to reducing waste and promoting energy conservation. Toward that end, proposers responding to this solicitation are encouraged to provide their company's environmental policy and green initiative.

3.8 Interpretation

This solicitation represents the basis for any award and supersedes all prior offers, negotiations, exceptions and understandings (whether orally or in writing). Submitted proposals should be self-explanatory and should not require any clarification or additional information.

3.9 No Return of Proposals; Withdrawal of Proposals

Once submitted, HCDE will not return proposals to proposers. A proposal that has been submitted via HCDE's eBid system may be withdrawn prior to the deadline for submission of proposals.

3.10 Non-Collusion Statement

Proposers are required to certify a Non-Collusive Statement. Proposers are required to state the party submitting a proposal or bid, that such proposal or bid is genuine and not collusive or sham; that proposer has not colluded, conspired, connived or agreed, directly or indirectly, with an entity or person, to put in a sham proposal or bid or to refrain from bidding, and has not in any manner, directly or indirectly, sought by agreement or collusion, or communication or conference, with any person, to fix the proposal price or of any other proposer, or to fix any overhead, profit or cost element of said proposal price, or of that of any other proposer, or to secure any advantage against HCDE or any person interested in the proposed contract, and that all statements in said proposal or bid are true.

3.11 Use by Other Entities; Assessment of HCDE Plus Administrative Fee

Pursuant to applicable law, including the Interlocal Cooperation Act Chapter 791 of the Texas Government Code), HCDE may permit other governmental entities to "piggy-back" onto an existing contract between HCDE and Vendor entered into as a result of this RFP. In the event that the Vendor's proposal becomes an awarded Agreement, the Vendor's proposal, including pricing information, may be provided to a requesting governmental entity desiring to establish separate, independent contracts with Vendor. **Vendor expressly agrees that HCDE may disclose Vendor's proposal, including, but not limited to, pricing information, to other governmental entities.** Governmental entities are authorized to enter into separate, independent contracts with Vendor that employ the same negotiated terms and conditions contained in an existing contract(s) between HCDE and Vendor. However, there is no obligation on either party to participate unless both parties agree. If another governmental entity chooses to utilize a contract established by this procurement solicitation and subsequent Agreement, contracts will be awarded individually by those governmental entities, and goods/services would be provided under the same contract pricing and purchasing terms established by this procurement solicitation. Any such separate, independent contract developed as a result of this procurement solicitation and/or the Agreement is exclusively between such other governmental entity and Vendor and shall have no effect or impact on HCDE or HCDE's contract with Vendor. It is expressly understood that HCDE shall in no way be liable for the obligations of any other governmental entity contracting with Vendor pursuant to this section.

To offset the expense HCDE incurs by conducting and managing procurements and contracts that are then used by other entities (without the necessity of the entity undertaking the procurement solicitation process or Vendors having to respond to a formal procurement solicitation, thus saving both the entity and the Vendor valuable resources), HCDE will assess an administrative fee, to be paid by Vendors to HCDE for the limited purpose of funding the total administrative costs of the HCDE procurement and contract administration processes (the "HCDE Plus Administrative Fee"). **Vendors who enter into separate, independent contracts with an entity other than HCDE shall submit a detailed monthly report of all sales/contract activity to HCDE. HCDE will invoice Vendor for the HCDE Plus Administrative Fee of 0.5%.** HCDE reserves the right to decrease the HCDE Plus Administrative Fee at any time, upon notice to Vendor. The invoice for the HCDE Plus Administrative Fee will be based on total sales with entities other than HCDE made through this Contract. Vendor shall remit payment of the HCDE Plus Administrative Fee to HCDE no later than thirty (30) days following the end of the month. Failure to pay the HCDE Plus Administrative Fee in a timely manner may result in Vendor breaching this Contract and may result in HCDE suspending or

terminating this Contract. Vendor shall honor and pay HCDE the HCDE Plus Administrative Fee for any sales to entities other than HCDE resulting from this Contract that occurred within thirty (30) days of the expiration or termination of this Contract. **The HCDE Plus Administrative Fee must be included in the Vendor's price submitted in its proposal in response to this RFP.** All rebates, discounts, and other applicable credits from the Vendor resulting from separate, independent contractors with entities other than HCDE shall accrue exclusively to the purchasing entity.

3.12 Preferences

HCDE may apply applicable preferences for Texas resident proposers in the event of a tie bid. Preferences must be explicitly claimed by proposer and may not be applicable in procurements and/or contracts involving federal funds unless the procurement and/or contract involves unprocessed locally grown or locally raised agricultural products for use by HCDE in a Child Nutrition Program. *See* Texas Government Code §§ 2252.001 - .004; 2 C.F.R. § 200.319.

3.13 Responsible Vendor

A responsible vendor is a vendor who has adequate financial resources (or the ability to obtain such resources), can comply with the delivery requirements, and is a qualified and established firm regularly engaged in the type of business that provides the items listed herein.

3.14 Responsive Proposal

Proposals shall be deemed responsive if they comply with all material and administrative aspects of this solicitation.

3.15 Similar Products

Whenever an article or material is defined by HCDE in this solicitation by describing a proprietary product or by using the name of a manufacturer or brand name, the term "or equal" if not inserted shall be implied (as applicable). The specified article or material shall be understood as indicating type, function, minimum standard of design, efficiency and quality desired and shall not be construed as to exclude other manufactured products or comparable quality, design and efficiency (as applicable).

3.16 HCDE is tax-exempt

HCDE is tax-exempt. Proposal prices should not include taxes.

3.17 Sole Source

In order to become a Sole Source Vendor, a proposer must meet the requirements of Texas Education Code § 44.031 (j) Sole Source, as described below. Selected purchases may be exempt from competitive procurement if they meet the established criteria for a sole source purchase:

- Identification and confirmation that competition in providing the item or product to be purchased is precluded by the existence of a patent, copyright, secret process or monopoly
- Identification and confirmation that the product is a film, manuscript, book, utility service (including electricity, gas, or water), or a captive replacement part or component for equipment
- Sole source does not apply to mainframe data-processing equipment and peripheral attachments with a single item purchase price in excess of $15,000.

It is incumbent upon the Department to obtain and retain documents from the proposer which clearly delineate the reasons that qualify the purchase to be made on a sole source basis. In order to do business with HCDE as a Sole Source Vendor, HCDE must receive a notarized Sole Source Affidavit along with proof of your company qualifying as a sole source. Please mail this information to:

Harris County Department of Education
Attn: Procurement Office
6300 Irvington Blvd.
Houston, Texas 77022-5618

HCDE reserves the right to decide if your company is a qualified Sole Source Vendor.

3.18 Conflict of Interest (CIQ Form – must be filled out and attached to proposal in the Response Attachment section of the HCDE eBid System) – See Attachment Packet

EDGAR Conflict of Interest Requirements

In accordance with federal EDGAR requirements, 2 CFR § 200.318(c)(1), no employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of HCDE may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, through HCDE's written procedures, HCDE has set a de minimis amount of less than $50 per year for items that are unsolicited and of minimal value and promotional items.

Violations of this standard by an employee will be reported to the Superintendent's Office and addressed through HCDE's personnel policies. Violations of this standard by an officer or the Superintendent shall be addressed to the Board President and addressed through HCDE Board policies.

3.19 Certificate of Interested Parties (Form 1295 – must be filled out electronically with the Texas Ethics Commission's online filing application and attached to proposal in the Response Attachment section of the HCDE eBid System) – See Attachment Packet

PART 4.0 – SCOPE & SPECIFICATIONS

4.1 Request for Proposals Defined

The intention of this Request for Proposals (RFP) is to solicit proposals for *insert*

HCDE is utilizing the Request for Proposals (RFP) method for the procurement of this service in accordance with Texas Education Code Section 44.031 Purchasing of Contracts, Item (3) Request for Proposals.

For information regarding the proposal process, contact *insert name* of the Procurement Division at (713) 696-.

Interested proposers should respond to this RFP and submit proposals online at the HCDE eBid System site. This site can be accessed by logging into https://hcdeebid.ionwave.net/Login.aspx

4.2 Overview of Harris County Department of Education

Harris County Department of Education serves all 25 school districts and the citizens of Harris County. We deliver year-round educational services which change and evolve based on your needs.

Expert services for districts include after-school programs and support; professional training for educators and support staff; programs to promote safe schools; and a purchasing co-op which saves time and money. We also provide districts with special schools for emotionally disturbed/special needs and adjudicated youth, and physical, occupational and music therapy services. We're here to serve districts with our program research and evaluation; grant-related services; business support and technology solutions; and records management. HCDE champions the educational needs of the citizens of Harris County by providing exemplary programs in adult education and Head Start.

4.3 Scope of Services

The Harris County Department of Education is currently accepting proposals from service providers qualified to provide Contracted Services in the areas of Coaching, Professional Development, Speaking Engagements and Training for HCDE's various Education and Enrichment divisions.

HCDE will engage the contractor(s) based on HCDE's needs. HCDE anticipates making multiple awards and will engage in contract(s) as needed to meet client and division needs.

These services are the services of either an individual or company (hereby referred to as" Independent Contractor"), who renders services to the Department on a short or infrequent term, on a fee or per diem basis, and does not involve the traditional relationship of employer and employee. This RFP expressly excludes professional services, as defined by statute, including, but not limited to, Texas Education Code Section 44.031(f) and/or Texas Government Code Section 2254.002(2), including, without limitation, architecture and professional engineering services.

This RFP is not intended to solicit proposals for providers who provide direct therapy services to students like physical and/or occupational therapy; rather, this RFP is intended to solicit proposals for providers who provide contracting services.

Related materials commonly sold by the Independent Contractor to its customers and that are necessary or recommended for use in conjunction with the services offered by the Independent Contractor are also to be a part of this solicitation, in accordance with the requirements and/or restrictions referenced within this RFP.

4.4 Specifications

It is the intention of HCDE to establish one or more contract(s) with highly qualified Vendor(s) for *Insert Title*. Vendor(s) shall, at the request of HCDE, provide these products and/or covered services under the terms of this RFP and the Contract set forth in Section **7.0 Contract Terms and Conditions**

a) Scope of Work:
Contracted services to be considered in this solicitation may consist of, but not limited to: *Insert*

b) Qualifications/Experience – *Insert*

1.

The Department reserves the right to determine if a specialized service is acceptable and within the scope of services covered by this solicitation.

4.5 Related Materials Sold in Direct Support, and/or in Conjunction with Services Provided

Any related materials commonly sold by the Independent Contractor to its customers in direct support of, and/or in conjunction with, the services it provides may be sold to and purchased by the Department under this procurement solicitation and resulting contract; however, certain restrictions may apply, as stated herein.

Related materials falling in this category include materials in hard copy or digital format, materials copyrighted or otherwise protected by intellectual property rights held by the Independent Contractor or a third party but which the Independent Contractor is an authorized re-seller/distributor for, and/or software or software licensing for a software/system (either developed by the Independent Contractor or by a third party for which the Independent Contractor is an authorized re-seller/distributor/licensor for) which are produced, distributed, and/or sold by the Independent Contractor in direct support of the services offered.

However, such materials may not be sold or purchased by the Department if the materials are not acquired in direct support of, and/or in conjunction with, the services being provided by the Independent Contractor or if it is determined, in HCDE's sole discretion, that the materials can be procured by the Department under more favorable conditions through another existing Department contract, through a purchasing cooperative, or through a separate competitive procurement process.

In order for the Independent Contractor to qualify for the sale of such materials, the Independent Contractor must disclose in its response to this solicitation the types of materials it offers and must provide either a price list or disclose the discount from the list price that would apply to purchases by the Department. As new materials are added by the Independent Contractor to its product list, such materials may be introduced and made available for purchase by the Department as long as they continue to meet the requirements disclosed herein.

Expressly excluded from this provision 4.5 concerning "related materials" are works made for hire. The Department shall possess the legal ownership and title to any original data, materials, intellectual property, invention, discovery, or other works made for hire ("Intellectual Property") made or conceived by Independent Contractor in the course of or in connection with a contract with the Department. Independent Contractor agrees to promptly and completely inform and disclose to the Department all such Intellectual Property that Independent Contractor may have produced during the term of any contract with the Department resulting from this procurement solicitation.

4.6 Contractor Responsibilities

Independent Contractor shall perform all services and duties and provide all the necessary labor and resources needed to provide the services in a timely manner with professional skill and competence, and in accordance with (i) generally accepted practices of, and pursuant to a standard of care exercised by professionals providing similar services under like circumstances; (ii) all applicable laws, rules, regulations, orders and permits of any federal, state, or local government or quasi-government entity having jurisdiction over any contract resulting from this solicitation; (iii) the terms and conditions of this solicitation and any resulting contract; and (iv) any and all directives or instructions provided or issued by HCDE.

HCDE deserves the sole right to evaluate the Independent Contractor's performance pursuant to a contract formed in connection with this solicitation, and Independent Contractor agrees to comply with all performance evaluation determinations made by HCDE. Independent Contractor further agrees to comply with all reasonable recommendations regarding Contractor's performance made by HCDE as a result of such evaluation; provided, however, that HCDE agrees to provide the Independent Contractor with any and all reports and records related to such evaluation that can be provided under applicable law.

Independent Contractor hereby agrees that its failure to comply with reasonable recommendations of HCDE pursuant to any such evaluation shall be considered a breach of contract and may result in termination of the contract.

If awarded a contract as a result of this solicitation, Independent Contractor agrees that Independent Contractor is not an employee of HCDE and is solely responsible for all social security, unemployment compensation and taxes, both state and federal. Notwithstanding any provision to the contrary herein, Independent Contractor further agrees that Independent Contractor's services will be performed with reasonable care, skill, judgment, and experience and in a professional business-like manner, with no direct supervision from HCDE. If Independent Contractor is unable to complete the work in this manner based on the mutually agreed upon time, Independent Contractor shall notify HCDE's Director of Procurement in writing.

Contractor Requirements:

- Proposer must not be debarred from the federal govt. or Texas Education Agency or other local agency (City or County).
- Proposer must have a federal Taxpayer ID Number (TIN).
- Proposer must be current in franchise taxes.
- Proposer will be an independent contractor and not an agent or employee of HCDE.
- Proposer must be solvent and provide evidence of financial stability.
- Proposer must meet the requirements for SB9 for contractors and subcontractors (See HCDE Forms).
- Proposer must not have a Conflict of Interest.
- Proposer must provide the required vendor packet.
- Proposer must meet EDGAR guidelines as applicable if funding for contract is federal funds.
- Proposer must provide Form 1295.

PART 5.0 – EVALUATION AND AWARD OF PROPOSALS

In accordance with applicable laws, rules, and regulations for public purchasing, award(s) will be made to the responsible proposer(s) whose proposal(s) is/are determined, after evaluation by the HCDE Procurement Division, to be the best value to HCDE. To qualify for evaluation, a proposal must have been submitted on time and must materially satisfy all mandatory requirements identified in this document.

5.1 Evaluation Criteria

A committee selected by HCDE will review and evaluate all proposals and make a recommendation to the HCDE Board of Trustees. HCDE will base a recommendation for contract award on the following factors, in accordance with Texas Education Code § 44.031:

Evaluation Factors	Weighted Value
1. Price	25 Points
2. Reputation of Vendor and of Vendor's goods and/or services	20 Points
3. Quality of Vendor's goods and/or services	25 Points
4. Extent to which the goods and/or services meet HCDE's needs	25 Points
5. Vendor's past relationship with HCDE	5 Points
6. Impact on the ability of HCDE to comply with laws and rules relating to HUBs	0 Points
7. Total long-term cost to HCDE to acquire Vendor's goods and/or services	0 Points
8. For a contract for goods and services, other than goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, whether the Vendor or the Vendor's ultimate parent company or majority owner: (A) has its principal place of business in this state; or (B) employs at least 500 persons in this state	0[1] Points
9. Other	0 Points
	100 Points

5.2 Awards

Awards will be made to the successful proposer(s) for the total line of products and services submitted. Awards will be based on the criteria set forth within this document. HCDE reserves the right to award contracts to multiple vendors if these vendors offer items that are unique and have value to HCDE. HCDE shall comply with the Texas Public Information Act in the event HCDE receives an open records request for information relating to proposals submitted in response to this RFP.

5.3 Competitive Range

It may be necessary for HCDE to establish a competitive range of acceptable proposals as part of the evaluation process. Proposals not in the competitive range are unacceptable and do not receive further award consideration.

5.4 Estimated Quantities

HCDE makes no guarantee or commitment of any kind concerning quantities that will actually be purchased. HCDE makes no guarantee or commitment of any kind regarding usage of any contracts resulting from this

[1] As a general rule, HCDE may not apply geographic preferences for procurements involving federal funds. *See* 2 C.F.R. § 200.319. However, HCDE may apply an optional geographic preference in the procurement of unprocessed locally grown or locally raised agricultural products for use in a Child Nutrition Program. *See* 7 C.F.R. §§ 210 (National School Lunch Program), 215 (Special Milk Program for Children), 220 (School Breakfast Program), 225 (Summer Food Service Program), 226 (Child and Adult Care Food Program).

solicitation.

5.5 Inspection & Acceptance

Awarded vendor(s) shall deliver the goods or services procured on this contract to the HCDE division issuing a Purchase Order. If delivery is not or cannot be made within proper time period, the awarded vendor must receive authorization from the issuing HCDE division for the delayed delivery. If defective or incorrect goods are delivered, HCDE may make the determination, in its sole discretion, to return the goods to the vendor at no cost to HCDE. The vendor agrees to pay all shipping and handling costs for any such return shipment. The vendor also shall be responsible for arranging the return of the defective or incorrect goods.

5.6 Minority & Women's Business Enterprise (MWBE), Historically Underutilized Buisiness (HUB), and Small Business Enterprise (SBE) participation

HCDE encourages the use of HUB, MWBE, and SBE both as prime and subcontractors. However, these entities must meet the same minimum standards and requirements as the prime contractor. It will be the responsibility of the prime contractor to pre-qualify any subcontractors offered as HUB, MWBE and SBE participants. Proposers shall indicate on their submitted proposals whether or not they are a HUB, MWBE, or SBE vendor and with whom they are certified, e.g., State, City, Federal.

When federal funds are expended by HCDE, Vendor is required to take all affirmative steps set forth in 2 CFR 200.321 to solicit and reach out to small, minority and women owned firms for any subcontracting opportunities, including:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and
(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

5.7 Formation of Contract (Execution of Offer)

A response to this solicitation is an offer to contract with HCDE based upon the terms, conditions, scope of work, and specifications contained in this procurement solicitation. A solicitation/proposal does not become a contract unless and until it is accepted by HCDE after approval by the HCDE Board of Trustees. A contract is formed when either HCDE's Superintendent or Assistant Superintendent for Business Services signs the Execution of Offer form. The proposer must submit a signed Execution of Offer Form in the Response Attachment section of the HCDE eBid system, thus eliminating the need for the formal signing of a separate contract.

5.8 Non-Exclusive Contract

Any contract resulting from this solicitation is non-exclusive and shall be awarded with the understanding and agreement that it is for the sole convenience of HCDE. HCDE is free to have multiple contracts for the awarded goods and services and may initiate other procurement solicitations or purchasing activity with other vendors at any time, in HCDE's sole discretion.

5.9 Pricing

HCDE requires that the pricing submitted in proposals be offered as a quantity one price. HCDE may request the awarded vendor(s) to provide discounts or other adjustments to the quantity one price for larger orders, on a per-purchase order basis. If discounts or quantity prices are offered by an awarded vendor, the vendor must also offer the same reductions in pricing to be available for orders of similar size. **HCDE will assess Vendor for the HCDE Plus Administrative Fee of 0.5% for Vendors who enter into separate, independent contracts with an entity other than HCDE. The HCDE Plus Administrative Fee must be included in the Vendor's price submitted in its proposal in response to this RFP.** *See* Section 3.11 of this RFP.

5.10 Federal/State/Grant Funding

HCDE receives a variety of federal, state, and/or grant funding. Performance by HCDE under any contract/Agreement entered into pursuant to this RFP may be dependent upon the appropriation and allotment of state/federal/grant funds (a "Prime Contract"), including, but not necessarily limited to, those awarded to HCDE under its Workforce Solutions Adult Education and Literacy Contract between Houston-Galveston Area Council (H-GAC); grants/funding from the U.S. Department of Health and Human Services, Administration for Children and Families ("HHS"), including Head Start and/or Early Head Start funding; grants/funding from the Texas Education Agency, including, but not limited to, the federally-funded 21st Century Community Learning Centers program funds; other federal and/or state funding; and allocation of funds by HCDE. If HCDE is not appropriated or allocated the necessary federal/state/grant funds or its funding under a Prime Contract is eliminated or decreased, or HCDE fails to allocate the necessary funds, then HCDE will issue written notice to Vendor and HCDE may terminate the Agreement without further duty or obligation to Vendor. Vendor acknowledges that appropriation, allotment, and allocation of funds may be beyond the control of HCDE. Vendor shall strictly comply with all applicable Prime Contract requirements and all applicable flow-down, referenced, and incorporated provisions therein and shall cooperate with HCDE in fulfillment of HCDE's obligations under the Prime Contract.

PART 6.0 – FINANCIAL OFFER & QUESTIONNAIRE

Proposers must respond to all questions and identify all costs, fees, or charges for which HCDE may be billed under the "Bid Attributes" and "Bid Line Items" sections in the HCDE eBid System. Costs not indicated in proposals will not be paid. Proposers are to provide written documentation for any exceptions.

Note: <u>This page is for reference only</u>. All pricing must be submitted in the HCDE eBid system "Line Items" section.

6.1 Implementation pricing for HCDE

(a) IF you are to be paid PER HOUR, please give your HOURLY RATE. (Note: This is the maximum rate that HCDE will pay for your services. Quotes may be requested at the time services are needed).
$_____
Service Description: Describe the service(s) that apply to this hourly rate:
_____
_____
Minimum Hours: If you would bill for a minimum number of hours, then please indicate the minimum number of hours you would bill the Department for. If you would not charge for a minimum number of hours, then please indicate "Not Applicable":
_____
(b) IF you are to be paid PER DAY, please give your DAILY RATE.
$_____
Service Description: Describe the service(s) that apply to this daily rate:
_____
_____
Number of Hours in a Work Day: HCDE would normally consider 8-hours of work to be a full work day. If your daily rate would consist of more or fewer hours, please indicate the number of hours in a full work day.
_____
(c) IF you are to be paid a ONE TIME, LUMP SUM payment, please give your rate.
$_____
Service Description: Describe the service(s) you would bill based on a one-time, lump sum payment:
_____
_____
(d) IF you are to be paid PER EVENT, please give your PER-EVENT RATE (Examples of this type of service may include, but not be limited to: speaker at School Finance Council).
$_____
Service Description: Describe the service(s) you would bill per event, if applicable:
_____
_____
(e) Percent discount on any materials you would sell in support of the services to be offered with this solicitation. If you are not offering a specific discount on materials, and you have provided an attachment with your price list or other form of pricing structure, then please indicate such. (Note: this is the minimum discount that would apply for the materials you describe)
_____%
Indicate what type of materials apply to the percent discount offered:
_____
_____
(f) Will the Independent Contractor require reimbursement for costs (e.g. air travel, lodging, per diem, handouts, and all other Department authorized expenses) associated with the services provided, OR are such costs included within the services fees? (Check applicable box)
□ Independent Contractor will require reimbursement for costs associated with the services provided
□ Costs associated with the services provided are included in Independent Contractor's fee(s)

PART 7.0 – GENERAL TERMS AND CONDITIONS

The words "bids," "requests for proposals," "quotes," "RFPs," "solicitation," "procurement," and their derivatives may be used interchangeably in these terms and conditions. These terms and conditions apply to all bids, requests for proposals, quotes, competitive sealed proposals, and other procurement solicitations to which they are attached. The term "Vendor" means each awarded vendor chosen by HCDE.

These General Terms and Conditions are part of the final contract in each commodity and/or service contract and are part of the terms and conditions of each purchase order or other bid/proposal forms issued in connection with this solicitation.

Proposers are responsible for identifying any exceptions to these terms and conditions. **ANY EXCEPTIONS MUST BE NOTED IN THE "SUPPLIER NOTES TO BUYER SECTION" OF THE EBID SYSTEM.** Proposals that are qualified with conditional clauses, items not called for, or other irregularities may be considered non-responsive by HCDE and eliminated from further consideration by HCDE.

This Agreement is entered into between Harris County Department of Education ("HCDE") and Vendor, having submitted a proposal in response to a procurement solicitation issued by HCDE and whose proposal has been accepted and awarded by HCDE. In consideration of the mutual covenants and conditions contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, HCDE and Vendor, intending to be legally bound, and subject to the terms, conditions, and provisions of this Agreement, agree as follows:

7.1 Agreement Terms; Amendment

The terms of this Agreement shall govern all procurements conducted hereunder. No pre-published terms on the Vendor's order acknowledgments, invoices, or other forms shall have any force or effect. Further, no amendment of this Agreement shall be permitted unless first approved in writing by HCDE, and no such amendments shall have any effect unless and until a written amendment to this Agreement is executed by HCDE's Superintendent or its Assistant Superintendent for Business Services (or their designees) after any necessary approvals have been obtained from the HCDE Board of Trustees.

7.2 Assignment of Agreement

Vendor may not assign this Agreement or any of its rights, duties, or obligations hereunder without the prior written approval of HCDE. Any attempted assignment of this Agreement by Vendor shall be null and void. Any purchase or work order made as a result of this Agreement may not be transferred, assigned, subcontracted, mortgaged, pledged, or otherwise disposed of or encumbered in any way by Vendor without the prior written approval of HCDE. Vendor is required to notify HCDE when any material change in operations occurs, including but not limited to, changes in distribution rights for awarded products, bankruptcy, material changes in financial condition, change of ownership, and the like, within three (3) business days of such change.

7.3 Captions

The captions herein are for convenience and identification purposes only, are not an integral part hereof, and are not to be considered in the interpretation of any part hereof.

7.4 Catalog Discounts

In the event of a catalog discount type proposal, Vendor may be allowed to make additions and/or deletions from Vendor's offerings on an annual basis during the Agreement renewal period, in HCDE's sole discretion, provided the item(s) substituted are of a like quality and category. These changes will be compliant with the format of Vendor's original proposal (i.e. manufacturer name, product category, or entire catalog discount). HCDE will send notification to Vendor(s) seeking any additions and/or deletions, and Vendor will return these proposed changes on company letterhead within the given timeframe. If HCDE, in its sole discretion, accepts Vendor's proposed changes, such changes will remain in effect for the entire year until the next renewal period.

7.5 Intentionally Omitted.

7.6 Compliance with Laws

Vendor shall comply with all applicable federal, state, and local laws, statutes, ordinances, standards, orders, rules, and regulations, including, as applicable, workers' compensation laws, minimum and maximum salary

and wage statutes and regulations, prompt payment and licensing laws and regulations, the Davis-Bacon Act (40 U.S.C. § 276a / 29 CFR Part 5), the Copeland "Anti-Kickback" Act (18 U.S.C. § 874 / 29 CFR Part 5), the Equal Opportunity Employment requirements (Executive Orders 11246 and 11375 / 41 CFR Chapter 60), the McNamara-O'Hara Service Contract Act (41 U.S.C. 351), Section 306 of the Clean Air Act (42 U.S.C. § 1857h, Section 508 of the Clean Water Act (33 U.S.C. § 1368), Executive Order 11738, Environmental Protection Agency regulations (40 CFR Part 15), the Contract Work Hours and Safety Act (40 U.S.C. § 3701-3708; 29 C.F.R. Part 5), the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200), the Education Department General Administrative Regulations, 2 C.F.R. Parts 200 and 3474, and 34 C.F.R. Parts 75-77 and 81 ("EDGAR"), mandatory standards and policies contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871), and all applicable requirements and regulations, including those related to reporting, patent rights, copyrights, data rights and those mandated by federal agencies making awards of federal funds to HCDE. Vendor understands that Vendor is ineligible to receive a contract award with HCDE if Vendor or its principal(s) is listed on the government wide exclusions in the System for Award Management (Debarment and Suspension Orders Executive Orders 12549 and 12689) or is 30 days or more delinquent in paying child support (Tex. Fam. Code § 231.006). For the entire duration of this Contract, Vendor and all subcontractors shall maintain all required licenses, certifications, permits, and any other documentation necessary to perform this Contract. Vendor must comply with all state and local building code requirements unless otherwise specifically provided in the HCDE's Purchase Order, and Vendor must pay all fees and charges for connections to outside services and for use of property outside the project site. When required or requested by HCDE, Vendor shall furnish HCDE with satisfactory proof of Vendor's compliance with this provision.

7.7 Confidentiality

Vendor and HCDE agree to secure the confidentiality of all information and records in accordance with applicable federal and state laws, rules, and regulations. Vendor and HCDE understand that the Family Educational Rights and Privacy Act (FERPA), 20 U.S.C. § 1232g, governs the privacy and security of educational records and information and agree to abide by FERPA rules and regulations, as applicable. Vendor also acknowledges that HCDE is subject to the Texas Public Information Act, and Vendor waives any claim against and releases from liability HCDE, its officers, employees, agents, and attorneys with respect to disclosure of information provided under or in this Agreement or otherwise created, assembled, maintained, or held by Vendor and determined by HCDE, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act.

7.8 Contract Term

The contract term is as set forth in Part 1.0 Notice of Intention. The phrase "Term" in this Agreement shall mean the then-current Term of the Agreement, whether the initial term or a renewal term.

7.9 Criminal History Review (Ch. 22 Contractor Certification: Contractor Employees Form must be filled out and attached to proposal in the Response Attachment section, if applicable)

Prior to commencing any work under the Contract, if Vendor contracts with HCDE to provide services, Vendor must comply with all requirements relating to criminal history information required by TEX. EDUC. CODE Chapter 22. Vendor must also ensure subcontractors' compliance with TEX. EDUC. CODE, Chapter 22 requirements. Covered employees with disqualifying criminal history are prohibited from serving at HCDE locations; Vendor and any subcontracting entity may not permit a "covered employee" to provide services at a school if the employee has a "disqualifying criminal history" (as those terms are defined within the form). If Vendor receives information that a covered employee has a reported disqualifying criminal history, then Vendor will immediately remove the covered employee from the project/contract and notify HCDE in writing within three (3) business days. If HCDE, in its sole discretion, objects to the assignment of a covered employee for any reason, including, but not limited to, on the basis of the covered employee's criminal history record information and/or insufficient qualifications, lack of experience, and the like, based on information gathered by HCDE through the procurement and/or contracting processes, Vendor (and each subcontractor) agrees to discontinue using that covered employee to provide services on HCDE's project/contract. The criminal history record information review obligation applies if Vendor contracts with HCDE to provide services; it does not apply to a contract for the purchase of goods or real estate.

7.10 Customer Reference List

Vendor agrees to submit a customer reference list upon request by HCDE.

7.11 Customer support

Vendor shall provide timely and accurate technical advice and sales support to HCDE and HCDE staff. Vendor shall respond to requests for customer support within one (1) business day after receipt of the request. Vendor shall provide training to HCDE staff regarding products and/or services supplied by Vendor, at no additional charge, if requested by HCDE.

7.12 Entire Agreement

This Agreement, the procurement solicitation issued by HCDE, and Vendor's proposal submitted in response to HCDE's procurement solicitation, and the attached and incorporated addendum or exhibits, if any, contain the entire agreement of the parties relative to the purpose(s) of the Agreement and supercede any other representations, agreements, arrangements, negotiations, or understanding, oral or written, between the parties to this Agreement. In the event of a conflict between this Agreement and the procurement solicitation issued by HCDE or Vendor's proposal submitted in response to HCDE's procurement solicitation, this Agreement shall control. In the event of a conflict between the procurement solicitation issued by HCDE and Vendor's proposal submitted in response to HCDE's procurement solicitation, HCDE's procurement solicitation shall control. This Agreement supersedes any conflicting terms and conditions on any purchase or work orders, invoices, checks, order acknowledgements, forms, purchase orders, or similar commercial documents relating hereto and which may be issued by Vendor after the Effective Date of this Agreement.

7.13 Equal Opportunity

It is the policy of HCDE not to discriminate on the basis of race, color, National origin, gender, limited English proficiency or handicapping conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Agreement, with respect to hire, tenure, terms, conditions and privileges of employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Agreement shall contain a provision requiring non-discrimination in employment herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Agreement.

7.14 Force Majeure

Neither HCDE or Vendor shall be deemed to have breached any provision of this Agreement as a result of any delay, failure in performance, or interruption of service resulting directly or indirectly from acts of God, network failures, acts of civil or military authorities, civil disturbances, wars, energy crises, fires, transportation contingencies, interruptions in third-party telecommunications or Internet equipment or service, other catastrophes, or any other occurrences which are reasonably beyond such party's control.

The parties to this Agreement are required to use due caution and preventive measures to protect against the effects of force majeure, and the burden of proving that a force majeure event has occurred shall rest on the party seeking relief under this provision. The party seeking relief due to force majeure is required to promptly notify the other party in writing, citing the details of the force majeure event and relief sought, and shall resume performance immediately after the obstacles to performance caused by a force majeure event have been removed, provided the Agreement has not been terminated. Delay or failure of performance, by either party to this Agreement, caused solely by a force majeure event, shall be excused for the period of delay caused solely by the force majeure event. Neither party shall have any claim for damages against the other resulting from delays caused solely by force majeure. Notwithstanding any other provision of this Agreement, in the event the Vendor's performance of its obligations under this Agreement is delayed or stopped by a force majeure event, HCDE shall have the option to terminate this Agreement. This section shall not be interpreted as to limit or otherwise modify any of HCDE's contractual, legal, or equitable rights.

7.15 Governing Law and Venue

The laws of the State of Texas, without regard to its provisions on conflicts of laws, govern this Agreement. The mandatory, exclusive jurisdiction for any dispute under this Agreement is in the state and federal courts located in Houston, Harris County, Texas.

7.16 HCDE Property

In the event of loss, damage, or destruction of any property owned by or loaned by HCDE that is caused by Vendor or Vendor's representative, agent, employee, or contractor, Vendor shall indemnify HCDE and pay to HCDE the full value of or the full cost of repair or replacement of such property, whichever is greater, within thirty (30) days of Vendor's receipt of written notice of HCDE's determination of the amount due. If Vendor fails to make timely payment, HCDE may obtain such money from Vendor by any means permitted by law, including, without limitation, offset or counterclaim against any money otherwise due to Vendor by HCDE.

7.17 Indemnification

VENDOR SHALL INDEMNIFY AND HOLD HCDE HARMLESS FROM ALL CLAIMS, LIABILITIES, COSTS, SUITS OF LAW OR IN EQUITY, EXPENSES, ATTORNEYS' FEES, FINES, PENALTIES OR DAMAGES ARISING FROM THE ACTS OR OMISSIONS OF VENDOR, VENDOR'S EMPLOYEES, AGENTS, OR SUBCONTRACTORS, IN CONNECTION WITH THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE ARISING FROM CLAIMED INFRINGEMENT OF ANY PATENTS, TRADEMARKS, COPYRIGHT OR OTHER CORRESPONDING RIGHT(S) WHICH IS RELATED TO ANY ITEM VENDOR IS REQUIRED TO DELIVER. Vendor's obligations under this clause shall survive acceptance and payment by HCDE.

7.18 Insurance

Vendor is required to provide HCDE with copies of certificates of insurance, naming HCDE as an additional insured, for Texas Workman's Compensation and General Liability Insurance. Certificates of Insurance, name and address of Vendor, the limits of liability, the effective dates of each policy, and policy number shall be delivered to HCDE prior to commencement of any work under this Agreement. The insurance company insuring Vendor shall be licensed in the State of Texas and shall be acceptable to HCDE. Vendor shall give HCDE a minimum of ten (10) days' notice prior to any modifications or cancellation of said policies of insurance. Vendor shall require all subcontractors performing any work under or relating to this Agreement to maintain coverage as specified below.

Minimum Insurance Requirements:

- Vendor shall, at all times during the Term of this Agreement, maintain insurance coverage with not less than the type and requirements shown below. Such insurance is to be provided at the sole cost of Vendor. These requirements do not establish limits of Vendor's liability.
- All policies of insurance shall waive all rights of subrogation against HCDE, its officers, employees, and agents.
- Upon request, certified copies of original insurance policies shall be furnished to HCDE.
- HCDE shall be named as an "additional insured" on all insurance policies except worker's compensation.
- HCDE reserves the right to require additional insurance should HCDE deem additional insurance necessary, in HCDE's sole discretion.

A. Workers' Compensation (with Waiver of subrogation to HCDE) Employer's Liability, including all states, U.S. Longshoremen, Harbor Workers and other endorsements.

B. Statutory, and Bodily Injury by Accident: $100,000 each employee. Bodily Injury by Disease: $500,000, policy limit $100,000 each employee. Commercial General Liability Occurrence Form including, but not limited to, Premises and Operations, Products Liability Broad Form Property Damage, Contractual Liability, Personal and Advertising Injury Liability and where the exposure exists, coverage for watercraft, blasting collapse, and explosions, blowout, catering and underground damage.

- $300,000 each occurrence Limit Bodily Injury and Property Damage combined
- $300,000 Products-Completed Operations Aggregate Limit $500,000 per Job Aggregate
- $300,000 Personal and Advertising Injury Limit

C. Automobile Liability Coverage

- $300,000 Combined Liability Limits Bodily Injury and Property Damage Combined.

7.19 Interpretation

Vendor agrees that the normal rules of construction that require that any ambiguities in this Agreement are to be construed against the drafter shall not be employed in the interpretation of this Agreement.

7.20 Invoices; Payments

Invoices shall be directed to HCDE's Accounts Payable Department. All invoices shall be itemized to include the type of good(s) and/or service(s) rendered. Vendor shall submit invoices within a timely manner during HCDE's fiscal year in which the good(s) and/or services are purchased. In accordance with Texas Government Code § 2251.021, payments are due to Vendor within forty-five (45) days after the later of the following: (1) the date HCDE receives the goods under the Agreement; (2) the date the performance of the service under the Agreement is completed; or (3) the date HCDE receives an invoice for the goods or service. Vendor agrees to pay any subcontractors, if any, the appropriate share of the payment received from HCDE not later than the tenth (10th) day after the date Vendor receives the payment from HCDE. The exceptions to payments made by HCDE and/or Vendor listed in Texas Government Code § 2251.002 shall apply to this Agreement.

In addition to all other rights and remedies that HCDE may have, HCDE shall have the right to setoff, against any and all amounts due to Vendor by HCDE, whether due under this Agreement or any other agreement between HCDE (including any division of HCDE) and Vendor, any sums for which HCDE is entitled to under this Agreement, as determined by HCDE in its sole discretion, including, without limitation, sums due by Vendor to HCDE as a result of indemnification obligations, warranty claims, and/or HCDE/Choice Partners Administrative Fee(s), as applicable.

7.21 IRS W-9

In order to receive payment under this Agreement, Vendor shall have a current I.R.S. W-9 Form on file with HCDE.

7.22 Multiple Contract Awards; Non-Exclusivity

HCDE reserves the right to award multiple contracts for each commodity category. Commodity categories are established at the sole discretion of HCDE. Nothing in this Agreement may be construed to imply that Vendor has the exclusive right to provide products and/or services to HCDE. During the Term of this Agreement, HCDE reserves the right to use all available resources to procure other products and/or services as needed and doing so will not violate any rights of Vendor.

7.23 New Products

New products that meet the specifications detailed in the solicitation may be added to this Agreement, with prior written approval from HCDE. Pricing of any new products shall be equivalent to the percentage discount or proposed prices for other similar products. Vendor may replace or add products to an existing contract if: the replacing products are equal to or superior to the original products offered; are discounted in a similar or to a greater degree; and the products meet the requirements of the original solicitation. No products may be added to avoid competitive procurement procedures. HCDE may reject any proposed additions, without cause, in its sole discretion.

7.24 No Substitution

Any order issued pursuant to this Agreement shall conform to the specifications and descriptions identified in this Agreement and in the solicitation. Unless otherwise agreed to in advance by HCDE, Vendor will not deliver substitutes without prior authorization from HCDE.

7.25 No Agency or Endorsements

HCDE and Vendor are independent contractors and have no power or authority to assume or create any obligation or responsibility on behalf of the other party. This Agreement shall not be construed or deemed an endorsement of a specific company or product. It is the intention of the parties that Vendor is independent of HCDE and is not an employee, agent, joint venturer, or partner of HCDE, and nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee, agent, joint venturer or partner, between HCDE and Vendor or HCDE and any of Vendor's agents. Vendor agrees that HCDE has no responsibility for any conduct of any of Vendor's employees, agents, representatives, contractors, or subcontractors.

7.26 Non-Appropriation Clause

Renewal of this Agreement, if any, will be in accordance with Texas Local Government Code § 271.903 concerning non-appropriation of funds for multi-year contracts. Notwithstanding any other provision of this Agreement or obligation imposed on HCDE by this Agreement, HCDE shall have the right to terminate this Agreement without default or liability to Vendor resulting from such termination, effective as of the expiration of each budget period of HCDE if it is determined by HCDE, in HCDE's sole discretion, that there are insufficient funds to extend this Agreement. The parties agree that this Agreement is a commitment of HCDE's current revenue only.

7.27 Notice

Any notice provided under the terms of this Agreement by either party to the other shall be in writing and shall be given by hand-delivery or by certified or registered mail, return receipt requested. Notice shall be sufficient if made or addressed to the address listed in the signature line of this Agreement. Notice shall be deemed effective upon receipt. Each party may change the address at which notice may be sent to that party by giving notice of such change to the other party by certified or registered mail, return receipt requested.

7.28 Penalties

If Vendor is unable to provide the goods or services at the prices quoted in Vendor's proposal or if Vendor fails to fulfill or abide by the terms and conditions of the Agreement, HCDE may take the following action(s), in HCDE's sole discretion, and Vendor agrees to comply with HCDE's action(s):

(a) insist that Vendor honor the quoted price(s) specified in Vendor's proposal;

(b) have Vendor pay the difference between Vendor's price and the price of the next acceptable proposal (as determined by HCDE);

(c) have Vendor pay the difference between Vendor's price and the actual purchase price of the good or service on the open market; and/or

(d) recommend to HCDE's Board of Trustees that Vendor no longer be given the opportunity to submit a proposal to HCDE and/or that this Agreement be terminated.

7.29 Performance

Vendor agrees to use best efforts to provide the good(s) and/or service(s) subject to this Agreement.

7.30 Performance and Payment Bonds

Vendor agrees to provide performance bonds and/or payment bonds as required by Texas law on specified contracts and/or projects, as applicable. HCDE will include the performance and payment bonds requirement in the specifications section of any solicitation if performance bonds and/or payment bonds are required.

7.31 Prevailing Wage Rates

Vendor and all subcontractors of Vendor shall comply with all laws regarding wage rates including, but not limited to, Texas Government Code Chapter 2258 and any related federal requirements applicable to this Agreement and to this solicitation by HCDE.

7.32 Prices

All prices in Vendor's proposal shall be firm for the Term of the Agreement. **HCDE will assess Vendor for the HCDE Plus Administrative Fee of 0.5% for Vendors who enter into separate, independent contracts with an entity other than HCDE. The HCDE Plus Administrative Fee must be included in the Vendor's price submitted in its proposal in response to this RFP.** *See* Section 3.11 of this RFP. All price changes shall be presented to HCDE for acceptance or rejection by HCDE, in its sole discretion, using the same format as was accepted in Vendor's original proposal; all price changes for goods and/or services provided under this Agreement must be approved, in writing, by HCDE prior to taking effect. The following documentation shall be provided to support a request for a price change: justification for change/increase; terms and conditions; market conditions; manufacturers/distributors' impact (if any).

7.33 Quantities

Because all commodities will be provided on an "as needed" basis, HCDE makes no representation either orally or in writing to the amount of commodities, services, or related items HCDE will use during the Term of the Agreement.

7.34 Records Retention

Vendor shall maintain its records and accounts in a manner that shall assure a full accounting for all goods and/or services provided by Vendor to HCDE under this Agreement. These records and accounts shall be retained by Vendor and made available for audit by HCDE for a period of not less than three (3) years from the date of completion of the services, receipt of the goods, or the date of the receipt by HCDE of Vendor's final invoice or claim for payment in connection with this Agreement, whichever is later. If an audit has been announced, Vendor shall retain its records and accounts until such audit has been completed.

When federal funds are expended by HCDE pursuant to this Contract, Vendor certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.334. Vendor further certifies that Vendor will retain all records as required by 2 CFR § 200.334 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

7.35 Right to Audit

HCDE, upon written notice, shall have the right to audit all of Vendor's records and accounts relating to this Agreement. Records subject to audit shall include, but are not limited to, records which may have a bearing on matters of interest to HCDE in connection with Vendor's work for HCDE and shall be open to inspection and subject to audit and/or reproduction by HCDE or its authorized representative(s) to the extent necessary to adequately permit evaluation and verification of:

(a) Vendor's compliance with this Agreement and the requirements of the solicitation,

(b) compliance with HCDE procurement policies and procedures,

(c) compliance with provisions for computing billings to HCDE, and/or

(d) any other matters related to this Agreement.

7.36 Safety

Vendor, its subcontractors, and their respective employees shall comply fully with all applicable federal, state, and local safety and health laws, ordinances, rules, and regulations in the performance of services under this Agreement, including, without limitation, those promulgated by HCDE and by the Occupational Safety and Health Administration ("OSHA"). In case of conflict, the most stringent safety requirements shall govern. Vendor shall comply with all other safety guidelines and standards as required by HCDE. Vendor shall indemnify and hold HCDE harmless from and against all claims, demands, suits, actions, judgments, fines, penalties, and liability of every kind arising from the breach of Vendor's obligations under this provision.

7.37 Severability

In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

7.38 Shipments

Vendor shall ship ordered products within seven (7) working days for available goods and within four (4) to six (6) weeks for special-order items after the receipt of the purchase order unless otherwise previously agreed to, in writing, by HCDE. If a product cannot be shipped within that timeframe, Vendor shall notify HCDE of the reasons why the product has not shipped and shall provide an estimated shipping date, if applicable. HCDE may cancel the order if the estimated shipping time is not acceptable to HCDE, in its sole discretion.

7.39 Subcontractors

If Vendor uses subcontractors in the performance of any part of this Agreement, Vendor shall be fully responsible to HCDE for all acts and omissions of the subcontractors just as Vendor is responsible for Vendor's own acts and omissions. Nothing in this Agreement shall create for the benefit of any such subcontractor any contractual relationship between HCDE and any such subcontractor, nor shall it create any obligation on the part of HCDE to pay or to see to the payment of any moneys due any such subcontractor except as may

otherwise be required by law.

7.40 Taxes

HCDE is tax-exempt, and HCDE shall not pay taxes for goods and/or services provided under this Agreement. Vendor represents and warrants that it shall pay all taxes or similar amounts resulting from this Agreement, including, without limitation, any federal, state, or local income, sales or excise taxes of Vendor or its employees. HCDE shall not be liable for any taxes resulting from this Agreement.

7.41 Tax Responsibilities of Vendor and Indemnification for Taxes

Vendor and all subcontractor(s) of Vendor shall pay all federal, state, and local taxes applicable to their operation and any persons employed by Vendor and all subcontractors of Vendor. Vendor shall require all subcontractors to hold HCDE harmless from any responsibility for taxes, damages, and interest. If applicable, contributions required under federal, state, and/or local laws and regulations and any other costs including, but not limited to, transaction privilege taxes, unemployment compensation insurance, Social Security, and Worker's Compensation, shall be the sole responsibility of Vendor.

7.42 Termination of Contract

This Agreement shall remain in effect until (1) the Agreement expires by its terms or (2) the Agreement is terminated by mutual agreement of HCDE and Vendor. In the event of a breach or default of the Agreement and/or the procurement solicitation by Vendor, HCDE reserves the right to enforce the performance of the Agreement and/or the procurement solicitation in any manner prescribed by law or deemed to be in the best interest of HCDE. HCDE further reserves the right to terminate the Agreement immediately in the event Vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in this Agreement, the procurement solicitation, and/or a purchase or work order; (2) make any payments owed; or (3) otherwise perform in accordance with this Agreement and/or the procurement solicitation. HCDE also reserves the right to terminate the Agreement immediately, with written notice to Vendor, if HCDE believes, in its sole discretion, that it is in the best interest of HCDE to do so. Vendor agrees that HCDE shall not be liable for damages in the event that HCDE declares Vendor to be in default or breach of this Agreement and/or the procurement solicitation. Vendor further agrees that upon termination of the Agreement for any reason, Vendor shall, in good faith and with reasonable cooperation, aid in the transition to any new arrangement and/or vendor.

7.43 Title and Risk of Loss

Whenever HCDE is purchasing (and not leasing) an item under this Agreement, title and risk of loss shall pass upon the later of HCDE's acceptance of the item or payment of the applicable invoice.

All deliveries under this Agreement shall be delivered: **Freight Prepaid, F.O.B. Destination, Full Freight Allowed, Inside Delivery** and shall be included in all pricing in Vendor's proposal unless otherwise clearly stated in writing in Vendor's proposal.

7.44 Waiver

No failure on the part of either party at any time to require the performance by the other party of any term hereof shall be taken or held to be a waiver of such term or in any way affect such party's right to enforce such term, and no waiver on the part of either party of any term hereof shall be taken or held to be a waiver of any other term hereof or the breach thereof. No waiver, alteration, or modification of any of the provisions of this Contract shall be binding unless in writing and signed by duly authorized representatives of the parties hereto.

7.45 Warranty

All goods and/or services provided by Vendor under this Agreement must be warranted to be free from defects in material, workmanship, and free from such defects in design for a period of one (1) year upon the later of HCDE's acceptance of the product and/or service or payment of the applicable invoice. Vendor warrants that all goods and/or services furnished under this Agreement shall conform in all respects to the terms of this Agreement, including any drawings, specifications, and/or standards incorporated herein, including, without limitation, those detailed in the procurement solicitation issued by HCDE. In addition, Vendor warrants that goods and/or services are suitable for and will perform in accordance with the purposes for which they are intended. Vendor shall assume all liabilities incurred within the scope of consequential damages and incidental expenses, as set forth in the vendor or manufacturer's warranty, which result from either delivery or use of

product, which does not meet the specifications within this Agreement or the solicitation procurement.

7.46 Website Support

Vendor agrees to cooperate with HCDE in publicizing contract particulars on HCDE's website. Vendor agrees to work with HCDE in updating and maintaining current information on Vendor's activities related to the Agreement on the website. Vendor agrees to provide an electronic version of its logo for use on HCDE's website upon request and provide other information as reasonably requested by HCDE to help ensure that HCDE's website is current and consistently updated.

7.47 Workforce

Vendor shall employ only orderly and competent workers, skilled in the performance of the services, if any, which shall be performed under this Agreement. Vendor, its employees, subcontractors, and subcontractor's employees may not use or possess any firearms, alcoholic or other intoxicating beverages, illegal drugs or controlled substances while on the job or on HCDE's property, nor may such workers by intoxicated or under the influence of alcohol or drugs on HCDE's property.

HARRIS COUNTY DEPARTMENT OF EDUCATION

CHOICE PARTNERS COOPERATIVE

10.0 Attachments

Issued by:
Choice Partners
6005 Westview Drive
Houston, TX 77055
Phone: 877-696-2122 | Fax: 713-696-0732
www.choicepartners.org

Name of Company Submitting Proposal: _____

TABLE OF CONTENTS

Items below are components which comprise this bid/proposal package. Respondents are asked to review the proposal document and attachments package to be sure that all applicable parts are included. If any portion of the package is missing, please notify buyer immediately.

This attachment package must be completed, executed, and dated by the authorized bidder. Scan and upload electronically signed documents in the Response Attachments section in the HCDE eBid System. If signing/completing documents by hand (wet signature), required documents must be scanned and uploaded in the Response Attachments section of your proposal in the HCDE eBid System and the originals MUST be mailed or hand delivered within 5 business days of the bid closing to Choice Partners, 6005 Westview Drive, Houston, TX 77055

Attachments:

A) Execution of Offer 3

B) IRS Form W-9 4

C) Vendor Questionnaire 10

D) Proposer Certification Forms 11

E) Conflict of Interest Questionnaire 19

F) Certificate of Interested Parties 22

G) Felony Conviction Form 24

H) Antitrust Certification Statement 25

I) Ch. 22 Contractor Certification Form: Contractor Employees 26

J) Intentionally deleted.

K) Cooperative Listing 30

L) Confidentiality Declaration Form… 31

M) Buy American Certification 33

N) Vendor Response Checklist 34

EXECUTION OF OFFER

The undersigned Proposer has carefully examined all instructions, requirements, specifications, terms and conditions of this RFP and the Agreement and certifies:

1. It is a responsible company regularly engaged in providing goods and/or services necessary to meet the requirements, specifications, terms and conditions of the RFP and the Agreement. *See* 2 CFR § 200.318(h).
2. It has the necessary experience, knowledge, abilities, skills, and resources to satisfactorily perform the requirements, specifications, terms and conditions of the RFP and the Agreement. Further, if awarded, the Proposer agrees to perform the requirements, specifications, terms and conditions of the RFP and the Agreement.
3. All statements, information, and representations prepared and submitted in response to this RFP are current, complete, true, and accurate. Proposer acknowledges that HCDE will rely on such statements, information, and representations in selecting the successful responsible Proposer(s).
4. It is not currently barred or suspended from doing business with the Federal government, any of the members represented, or any of their respective agencies.
5. It shall be bound by all statements, representations, warranties, and guarantees made in its proposal.
6. Submission of a proposal indicates the Proposer's acceptance of the evaluation technique and the Proposer's recognition that some subjective judgments may be made by HCDE and its membership as part of the evaluation.
7. That all of the requirements of this RFP and the Agreement have been read and understood. In addition, compliance with all requirements, terms and conditions will be assumed by HCDE if not otherwise noted in the proposal.
8. The individual signing below has authority to enter into this on behalf of Proposer.
9. Proposer acknowledges that the Agreement may be canceled if any conflict of interest or appearance of a conflict of interest is discovered by HCDE.
10. This Agreement is subject to purchase orders duly authorized and executed by HCDE and or CP Member.

CORPORATE NAME:			
AUTHORIZED SIGNATURE:			
PRINT NAME:			
TITLE:			
DATE:			
ADDRESS:			
CITY, STATE, ZIP CODE:			
PHONE:		**FAX:**	
EMAIL ADDRESS:			
WEBSITE URL			

This Section to be Completed by HCDE

Contract Number:_____ Term of contract:_____to _____

Vendor shall honor all CP Administrative Fees for any sales resulting from this Contract whether Vendor is awarded a renewal or not.

Approved by Harris County Department of Education as a best value, responsible vendor:

_____ _____

Jesus J. Amezcua, PhD., CPA, RTSBA
Assistant Superintendent for Business Services

Board Approval Date

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See *Specific Instructions* on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

5 Address (number, street, and apt. or suite no.). See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

___ – ___ – ____

or

Employer identification number

__ – _____

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here **Signature of U.S. person** **Date**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

must obtain your correct taxpayer identification number (TIN), which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid).
- Form 1099-DIV (dividends, including those from stocks or mutual funds).
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds).
- Form 1099-NEC (nonemployee compensation).
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers).
- Form 1099-S (proceeds from real estate transactions).
- Form 1099-K (merchant card and third-party network transactions).
- Form 1098 (home mortgage interest), 1098-E (student loan interest), and 1098-T (tuition).
- Form 1099-C (canceled debt).
- Form 1099-A (acquisition or abandonment of secured property).

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

Caution: If you don't return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued);
2. Certify that you are not subject to backup withholding; or
3. Claim exemption from backup withholding if you are a U.S. exempt payee; and
4. Certify to your non-foreign status for purposes of withholding under chapter 3 or 4 of the Code (if applicable); and
5. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting is correct. See *What Is FATCA Reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding. Payments made to foreign persons, including certain distributions, allocations of income, or transfers of sales proceeds, may be subject to withholding under chapter 3 or chapter 4 of the Code (sections 1441–1474). Under those rules, if a Form W-9 or other certification of non-foreign status has not been received, a withholding agent, transferee, or partnership (payor) generally applies presumption rules that may require the payor to withhold applicable tax from the recipient, owner, transferor, or partner (payee). See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

The following persons must provide Form W-9 to the payor for purposes of establishing its non-foreign status.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the disregarded entity.
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the grantor trust.
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust and not the beneficiaries of the trust.

See Pub. 515 for more information on providing a Form W-9 or a certification of non-foreign status to avoid withholding.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person (under Regulations section 1.1441-1(b)(2)(iv) or other applicable section for chapter 3 or 4 purposes), do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515). If you are a qualified foreign pension fund under Regulations section 1.897(l)-1(d), or a partnership that is wholly owned by qualified foreign pension funds, that is treated as a non-foreign person for purposes of section 1445 withholding, do not use Form W-9. Instead, use Form W-8EXP (or other certification of non-foreign status).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a saving clause. Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if their stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first Protocol) and is relying on this exception to claim an exemption from tax on their scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include, but are not limited to, interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third-party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester;
2. You do not certify your TIN when required (see the instructions for Part II for details);
3. The IRS tells the requester that you furnished an incorrect TIN;
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only); or
5. You do not certify to the requester that you are not subject to backup withholding, as described in item 4 under "*By signing the filled-out form*" above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier.

What Is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you are no longer tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

• **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note for ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040 you filed with your application.

• **Sole proprietor.** Enter your individual name as shown on your Form 1040 on line 1. Enter your business, trade, or "doing business as" (DBA) name on line 2.

• **Partnership, C corporation, S corporation, or LLC, other than a disregarded entity.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

• **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. Enter any business, trade, or DBA name on line 2.

• **Disregarded entity.** In general, a business entity that has a single owner, including an LLC, and is not a corporation, is disregarded as an entity separate from its owner (a disregarded entity). See Regulations section 301.7701-2(c)(2). A disregarded entity should check the appropriate box for the tax classification of its owner. Enter the owner's name on line 1. The name of the owner entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, enter it on line 2.

Line 3a

Check the appropriate box on line 3a for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3a.

IF the entity/individual on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation.
• Individual or • Sole proprietorship	Individual/sole proprietor.
• LLC classified as a partnership for U.S. federal tax purposes or • LLC that has filed Form 8832 or 2553 electing to be taxed as a corporation	Limited liability company and enter the appropriate tax classification: P = Partnership, C = C corporation, or S = S corporation.
• Partnership	Partnership.
• Trust/estate	Trust/estate.

Line 3b

Check this box if you are a partnership (including an LLC classified as a partnership for U.S. federal tax purposes), trust, or estate that has any foreign partners, owners, or beneficiaries, and you are providing this form to a partnership, trust, or estate, in which you have an ownership interest. You must check the box on line 3b if you receive a Form W-8 (or documentary evidence) from any partner, owner, or beneficiary establishing foreign status or if you receive a Form W-9 from any partner, owner, or beneficiary that has checked the box on line 3b.

Note: A partnership that provides a Form W-9 and checks box 3b may be required to complete Schedules K-2 and K-3 (Form 1065). For more information, see the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

If you are required to complete line 3b but fail to do so, you may not receive the information necessary to file a correct information return with the IRS or furnish a correct payee statement to your partners or beneficiaries. See, for example, sections 6698, 6722, and 6724 for penalties that may apply.

Line 4 Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

• Generally, individuals (including sole proprietors) are not exempt from backup withholding.

• Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.

• Corporations are not exempt from backup withholding for payments made in settlement of payment card or third-party network transactions.

• Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space on line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).

2—The United States or any of its agencies or instrumentalities.

3—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities.

5—A corporation.

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or territory.

7—A futures commission merchant registered with the Commodity Futures Trading Commission.

8—A real estate investment trust.

9—An entity registered at all times during the tax year under the Investment Company Act of 1940.

10—A common trust fund operated by a bank under section 584(a).

11—A financial institution as defined under section 581.

12—A middleman known in the investment community as a nominee or custodian.

13—A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
• Interest and dividend payments	All exempt payees except for 7.
• Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
• Barter exchange transactions and patronage dividends	Exempt payees 1 through 4.
• Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5.[2]
• Payments made in settlement of payment card or third-party network transactions	Exempt payees 1 through 4.

[1] See Form 1099-MISC, Miscellaneous Information, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) entered on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37).

B—The United States or any of its agencies or instrumentalities.

C—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i).

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i).

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state.

G—A real estate investment trust.

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940.

I—A common trust fund as defined in section 584(a).

J—A bank as defined in section 581.

K—A broker.

L—A trust exempt from tax under section 664 or described in section 4947(a)(1).

M—A tax-exempt trust under a section 403(b) plan or section 457(g) plan.

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, enter "NEW" at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have, and are not eligible to get, an SSN, your TIN is your IRS ITIN. Enter it in the entry space for the Social security number. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/EIN*. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or Form SS-4 mailed to you within 15 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and enter "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon. See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier, for when you may instead be subject to withholding under chapter 3 or 4 of the Code.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third-party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))**	The grantor*
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing Form 1041 or under the Optional Filing Method 2, requiring Form 1099 (see Regulations section 1.671-4(b)(2)(i)(B))**	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name on line 1, and enter your business or DBA name, if any, on line 2. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

* **Note:** The grantor must also provide a Form W-9 to the trustee of the trust.

** For more information on optional filing methods for grantor trusts, see the Instructions for Form 1041.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information, such as your name, SSN, or other identifying information, without your permission to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax return preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity, or a questionable credit report, contact the IRS Identity Theft Hotline at 800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 877-777-4778 or TTY/TDD 800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Go to *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their laws. The information may also be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payors must generally withhold a percentage of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to the payor. Certain penalties may also apply for providing false or fraudulent information.

HARRIS COUNTY DEPARTMENT OF EDUCATION VENDOR QUESTIONNAIRE

(Please check ALL appropriate boxes below)

CERTIFICATION OF RESIDENCY

The following provision does not apply to a contract involving federal funds.

The State of Texas has a law concerning non-resident vendors. This law can be found in Texas Education Code under Chapter 2252, Subchapter A. This law makes it necessary for HCDE to determine the residency of its Vendors. In part, this law reads as follows:

Section: 2252.001: "Non-resident bidder" refers to a person who is not a resident. "Resident bidder" refers to a person whose principal place of business is in this state, including a vendor whose ultimate parent company or majority owner has its principal place of business in this state.

Section: 2252.002: "A governmental entity may not award a governmental contract to a non resident bidder unless the nonresident underbids the lowest bid submitted by a resident bidder by an amount that is not less than the amount by which a resident bidder would be required to underbid the nonresident bidder to obtain a comparable contract in the state in which the nonresident's principal place of business is located."

Company submitting bid is a resident bidder: ☐ Yes ☐ No

City and state of vendor's principal place of business: _____

MINORITY/WOMEN BUSINESS ENTERPRISE (MWBE), HISTORICALLY UNDERUTILIZED BUSINESSES (HUB), AND DISADVANTAGED BUSINESS ENTERPRISES (DBE)

Bidding companies that have been certified by the State of Texas as Historically Underutilized Business (HUB), Minority/Women Business Enterprise (MWBE), or Disadvantaged Business Enterprise (DBE) entities are encouraged to indicate their HUB, MWBE, and DBE status when responding to this Bid Invitation.

Vendor certifies that this firm is a MWBE (Required by some participating agencies) ☐ Yes ☐ No

Vendor certifies that this firm is a HUB (Required by some participating agencies) ☐ Yes ☐ No

Vendor certifies that this firm is a DBE (Required by some participating agencies) ☐ Yes ☐ No

Please scan a copy of MWBE, HUB, and/or DBE certification letter(s) and the percentage of your business with MWBE, HUB, and/or DBE suppliers, if applicable, in your proposal response in the Response Attachments section of the HCDE eBid System.

I, the authorized representative for the company named below, certify that the information concerning residency certification, and MWBE, HUB, and/or DBE certifications have been reviewed by me and the information furnished is true to the best of my knowledge.

Contractor's Name/Company Name: _____

Address, City, State, and Zip Code: _____

Phone Number: _____ Fax Number: _____

Printed Name and Title of Authorized Representative: _____

Email Address: _____

Signature of Authorized Representative: _____

Date: _____

CERTIFICATION REGARDING TERRORIST ORGANIZATIONS

Vendor hereby certifies that it is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State.

_____ Initials of Authorized Representative of Vendor

CERTIFICATION REGARDING BOYCOTTING OF ISRAEL

If (a) Vendor is not a sole proprietorship; (b) Vendor has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more, the following certification shall apply; otherwise, this certification is not required. Pursuant to Chapter 2271 of the Texas Government Code, Vendor hereby certifies and verifies that neither the Vendor, nor any affiliate, subsidiary, or parent company of the Vendor, if any (the "Vendor Companies"), boycotts Israel, and the Vendor agrees that the Vendor and Vendor Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and includerefusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

_____ Initials of Authorized Representative of Vendor

CERTIFICATION REGARDING CONTRACTING INFORMATION

If Vendor is not a governmental body and (a) this Agreement has a stated expenditure of at least $1 million in public funds for the purchase of goods or services by HCDE or a CP member; or (b) this Agreement results in the expenditure of at least $1 million in public funds for the purchase of goods or services by HCDE or a CP member in a fiscal year of HCDE or the purchasing CP member, the following certification shall apply; otherwise, this certification is not required. As required by Tex. Gov't Code § 552.374(b), the following statement is included in the RFP and the Agreement (unless the Agreement is (1) related to the purchase or underwriting of a public security; (2) is or may be used as collateral on a loan; or (3) proceeds from which are used to pay debt service of a public security of loan): "The requirements of Subchapter J, Chapter 552, Government Code, may apply to this RFP and Agreement and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter." Pursuant to Subchapter J, Chapter 552, Texas Government Code, the Vendor hereby certifies and agrees to (1) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to HCDE or the purchasing CP member for the duration of the Agreement; (2) promptly provide to HCDE or the purchasing CP member any contracting information related to the Agreement that is in the custody or possession of the Vendor on request of HCDE or the purchasing CP member; and (3) on completion of the Agreement, either (a) provide at no cost to HCDE or the purchasing CP member all contracting information related to the Agreement that is in the custody or possession of Vendor, or (b) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to HCDE or the purchasing CP member.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING BOYCOTTING CERTAIN ENERGY COMPANIES

If (a) Vendor is not a sole proprietorship; (b) Vendor has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more that is to be paid wholly or partly from public funds, the following

certification shall apply; otherwise, this certification is not required. Pursuant to TEX. GOV'T CODE Ch. 2274 of SB 13 (87th session), Vendor hereby certifies and verifies that Vendor, or any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of these entities or business associations, if any, does not boycott energy companies and will not boycott energy companies during the term of the Agreement. For purposes of this Agreement, the term "company" shall mean an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, that exists to make a profit. The term "boycott energy company" shall mean "without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law, or (b) does business with a company described by paragraph (a)." *See* TEX. GOV'T CODE § 809.001(1).

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION PROHIBITING DISCRIMINATION AGAINST FIREARM AND AMMUNITION INDUSTRIES

If (a) Vendor is not a sole proprietorship; (b) Vendor has at least ten (10) full-time employees; (c) this Agreement has a value of at least $100,000 that is paid wholly or partly from public funds; (d) the Agreement is not excepted under TEX. GOV'T CODE § 2274.003 of SB 19 (87th leg.); and (e) HCDE or a CP member has determined that Vendor is not a sole-source provider or HCDE or a CP member has not received any bids from a company that is able to provide this written verification, the following certification shall apply; otherwise, this certification is not required. Pursuant to TEX. GOV'T CODE Ch. 2274 of SB 19 (87th session), Vendor hereby certifies and verifies that Vendor, or association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary parent company, or affiliate of these entities or associations, that exists to make a profit, does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this contract against a firearm entity or firearm trade association. For purposes of this Agreement, "discriminate against a firearm entity or firearm trade association" shall mean, with respect to the entity or association, to: "(1) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (2) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (3) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association. *See* TEX. GOV'T CODE § 2274.001(3) of SB 19. "Discrimination against a firearm entity or firearm trade association" does not include: "(1) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (2) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency, or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association." *See* TEX. GOV'T CODE § 2274.001(3) of SB 19.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING CERTAIN FOREIGN-OWNED COMPANIES IN CONNECTION WITH CRITICAL INFRASTRUCTURE

HCDE and many CP members are prohibited from entering into a contract or other agreement relating to critical infrastructure that would grant to Vendor direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by HCDE or a CP member for product warranty and support

purposes. Vendor certifies that neither it nor its parent company nor any affiliate of Vendor or its parent company, is (1) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; (2) a company or other entity, including governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (3) headquartered in China, Iran, North Korea, Russia, or a designated country. For purposes of this Agreement, "critical infrastructure" means "a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility." *See* TEX. GOV'T CODE § 2274.0101(2) of SB 1226 (87th leg.). Vendor verifies and certifies that Vendor will not grant direct or remote access to or control of critical infrastructure, except for product warranty and support purposes, to prohibited individuals, companies, or entities, including governmental entities, owned, controlled, or headquartered in China, Iran, North Korea, Russia, or a designated country, as determined by the Governor.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING EMPLOYMENT ASSISTANCE PROHIBITED

Vendor certifies and agrees that it shall not assist an employee, contractor, or agent of HCDE or of any other school district in obtaining a new job if the Vendor knows, or has probable cause to believe, that the individual engaged in sexual misconduct regarding a minor or student in violation of the law. Routine transmission of an administrative or personnel file does not violate this prohibition. *See* HCDE Policy CJ (Legal) and (Local).

_____ Initials of Authorized Representative of Vendor

The following provisions are required and apply when federal funds are expended by HCDE or any CP member for any contract resulting from this procurement process. In the event of a conflict or inconsistency between the following terms and conditions and any provision of any contract, agreement, or Purchase Order, the following terms and conditions shall control. Accordingly, the parties agree that the following terms and conditions apply to the Contract/PO between HCDE or any CP member and Vendor in all situations where Vendor has been paid or will be paid with federal funds:

(A) Contracts for more than the simplified acquisition threshold currently set at $250,000 (2 CFR §200.320), which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when federal funds are expended by HCDE or any CP member, HCDE/CP member reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

Pursuant to Federal Rule (B) above, when federal funds are expended by HCDE or any CP member, HCDE/CP member reserves the right to immediately terminate any agreement in excess of $10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation; (4)) to the greatest extent authorized by law, if an award no longer effectuates the program goals or priorities of the Federal awarding agency or HCDE/CP . HCDE/CP member also reserve the right to terminate the contract immediately, with written notice to vendor, for convenience, if HCDE/CP member believes, in its sole discretion that itis in the best interest of HCDE/CP member to do so. The vendor will be compensated for work performedand accepted and goods accepted by HCDE/CP member as of the termination date if the contract is terminated for convenience of HCDE/CP member. Any award under this procurement process is not exclusive and HCDE/CP member reserves the right to purchase goods and services from other vendors when it is in the best interest of HCDE/CP member.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(C) 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 must 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."

Pursuant to Federal Rule (C) above, when federal funds are expended by HCDE or CP member on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does vendor agree to abide by the above? YES_____Initials of Authorized Representative of vendor

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when federal funds are expended by HCDE or any CP member, during the term of an award for all contracts and subgrants for construction or repair, the vendor will be in compliance with all applicable Davis-Bacon Act provisions.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term of an award for all contracts by HCDE/CP member resulting from this procurement process, the vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the 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," the 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 awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term of an award for all contracts by HCDE/CP member resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(G) 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 award 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).

Pursuant to Federal Rule (G) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term of an award for all contracts by HCDE/CP member resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(H) 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.

Pursuant to Federal Rule (H) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term of an award for all contracts by HCDE/CP member resulting from this procurement process, the vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency or by the State of Texas. Vendor shall immediately provide written notice to HCDE/CP if at any time the vendor learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. HCDE/CP may rely upon a certification of a vendor that the vendor is not debarred, suspended, ineligible, or voluntarily excluded from the covered contract, unless HCDE/CP knows the certification is erroneous.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(I) 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.

Pursuant to Federal Rule (I) above, when federal funds are expended by HCDE or any CP member, the vendor certifies that during the term and after the awarded term of an award for all contracts by HCDE/CP member resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperativeagreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certificate is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to filethe required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(J) Procurement of Recovered Materials – When federal funds are expended by HCDE or any CP member, HCDE/CP members and their 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: (1) 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; (2) procuring solid waste management services in a manner that maximizes energy and resource recovery; and (3) establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Pursuant to Federal Rule (J) above, when federal funds are expended HCDE or any CP member, as required by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6962(c)(3)(A)(i)), the vendor certifies, by signing this document, that the percentage of recovered materials content for EPA-designated items to be delivered or used in the performance of the contract will be at least the amount required by the applicable contract specifications or other contractual requirements.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(K) Required Affirmative Steps for Small, Minority, And Women-Owned Firms for Contracts Paid for with Federal Funds – 2 CFR § 200.321 – When federal funds are expended by HCDE or any CP member, Vendor is required to take all affirmative steps set forth in 2 CFR 200.321 to solicit and reach out to small, minority and women owned firms for any subcontracting opportunities on the project, including: 1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; 2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; 3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; 4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and 5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH NEVER CONTRACT WITH THE ENEMY – 2 C.F.R. § 200.215

When federal funds are expended by HCDE or any CP member for grant and cooperative agreements, or any contract resulting from this procurement process, that are expected to exceed $50,000 within the period of performance, and are performed outside of the United States, including U.S. territories, to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, HCDE or CP member will terminate any grant or cooperative agreement or contract resulting from this procurement process as a violation of Never Contract with the Enemy detailed in 2 CFR Part 183. The vendor certifies that it is neither an excluded entity under the System for Award Management (SAM) nor Federal Awardee Performance and Integrity Information System (FAPIIS) for any grant or cooperative agreement terminated due to Never Contract with the Enemy as a Termination for Material Failure to Comply. HCDE or CP member has a responsibility to ensure no Federal award funds are provided directly or indirectly to the enemy, to terminate subawards in violation of Never Contract with the Enemy, and to allow the Federal Government access to records to ensure that no Federal award funds

are provided to the enemy.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT – 2 C.F.R. § 200.216

HCDE or CP member, as a non-federal entity, is prohibited from obligating or expending Federal financial assistance, to include loan or grant funds, to: (1) procure or obtain, (2) extend or renew a contract to procure or obtain, or (3) enter into a contract (or extend or renew a contract) to procure or obtain, equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system. Covered telecommunications equipment is telecommunications equipment produced Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities) and physical security surveillance of critical infrastructure and other national security purposes, and video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities) for the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes detailed in 2 CFR § 200.216. The vendor certifies that vendor will not purchase equipment, services, or systems that use covered telecommunications, as defined herein, as a substantial or essential component of any system, or as critical technology as part of any system.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

RECORD RETENTION REQUIREMENTS FOR CONTRACTS PAID FOR WITH FEDERAL FUNDS – 2 C.F.R. § 200.334

When federal funds are expended by HCDE or any CP member for any contract resulting from this procurement process, the vendor certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.334. The vendor further certifies that vendor will retain all records as required by 2 CFR § 200.334 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH EPA REGULATIONS APPLICABLE TO GRANTS, SUBGRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS IN EXCESS OF $100,000 OF FEDERAL FUNDS

When federal funds are expended by HCDE or any CP member for any contract resulting from this procurement process in excess of $100,000, the vendor certifies that the vendor is in compliance with all applicable standards, orders, regulations, and/or requirements issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When federal funds are expended by HCDE or any CP member for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF EQUAL EMPLOYMENT STATEMENT

It is the policy of HCDE (and most CP members) not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or handicapping conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Contract, with respect to hire, tenure, terms, conditions and privileges of employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Contract shall contain a provision requiring non-discrimination in employment herein specified, binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF DOMESTIC PREFERENCES FOR PROCUREMENTS AND COMPLIANCE WITH BUY AMERICA PROVISIONS – 2 C.F.R. § 200.322(a) and (b)

As appropriate and to the extent consistent with law, HCDE or CP member has 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) when spending federal funds. Vendor agrees that the requirements of this section will be included in all subawards including all contracts and purchase orders for work or products under this award, to the greatest extent practicable under a Federal award. Purchases that are made with non-federal funds or grants are excluded from the Buy America Act. Vendor certifies that vendor is in compliance with all applicable provisions of the Buy America Act. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF DOMESTIC PREFERENCES FOR PROCUREMENTS AND COMPLIANCE WITH BUY AMERICA PROVISIONS – 2 C.F.R. § 200.322(c)

Pursuant to the Build America, Buy America Act ("BABA"), when HCDE or a CP member is the recipient of an award of Federal financial assistance from a program for infrastructure, none of the funds provided under the award may be used for an infrastructure project unless all iron and steel, manufactured products, and construction materials incorporated into the project are produced in the United States. **"Infrastructure"** means public infrastructure projects in the United States, which includes, at a minimum, the structures, facilities, and equipment for roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property; and structures, facilities, and equipment that generate, transport, and distribute energy including electric vehicle (EV) charging. Vendor hereby certifies and agrees that it is in compliance with all applicable provisions and requirements of the Buy America Preference, including, but not limited to, all BABA requirements and/or guidance that are specific to the Federal agency awarding the Federal financial assistance, including, but expressly not limited to: the U.S. Department of Education, the U.S. Department of Health and Human Services, and the U.S. Department of Agriculture (collectively, the "Buy America Preference Requirements").

The Buy America Preference Requirements shall flow down to and be included in all subawards of the Federal award to all subrecipients at all tiers, including all contracts and purchase orders for work performed or products supplied under the Federal award. Vendor shall be responsible to obtain certifications of compliance with the Buy America Preference Requirements from such subrecipients, to retain such certifications in accordance with the record retention requirements applicable to the Federal award, and to provide copies of such certifications, upon request, to HCDE, the CP member, and/or the awarding Federal agency.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.337

Vendor agrees that HCDE, CP member(s), Inspector General, Department of Homeland Security, FEMA, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records of Vendor, and its successors, transferees, assignees, and subcontractors that are directly pertinent to the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents. Vendor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. Vendor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the Contract.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Vendor agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF NON-COLLUSION STATEMENT

Vendor certifies under penalty of perjury that its response to this procurement solicitation is in all respects bona fide, fair, and made without collusion or fraud with any person, joint venture, partnership, corporation or other business or legal entity.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

Vendor agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that vendor certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Vendor's Name/Company Name: _____
Address, City, State, and Zip Code:
Phone Number:_____Fax Number: _____
Printed Name and Title of Authorized Representative: _____
Email Address: _____
Signature of Authorized Representative: _____
Date: _____

HCDE CONFLICT OF INTEREST DISCLOSURE STATEMENT

Harris County Department of Education (HCDE) is required to comply with Texas Local Government Code Chapter 176, Disclosure of Certain Relationships with Local Government Officers. House Bill 23 significantly changed Chapter 176 as well as the required disclosures and the corresponding forms. As of September 1, 2015, any vendor who does business with HCDE or who seeks to do business with HCDE must fill out the new Conflict of Interest Questionnaire (CIQ) whether or not a conflict of interest exists. A conflict of interest exists in the following situations:

1) If the vendor has an employment or other business relationship with a local government officer of HCDE or a family member of the officer, as described by section 176.003(a)(2)(A) of the Texas Local Government Code; or
2) If the vendor has given a local government officer of HCDE, or a family member of the officer, one or more gifts with the aggregate value of $100, excluding any gift accepted by the officer or a family member of the officer if the gift is: (a) a political contribution as defined by Title 15 of the Election Code; or (b) a gift of food accepted as a guest; or
3) If the vendor has a family relationship with a local government officer of HCDE.

"Vendor" means a person who enters or seeks to enter into a contract with a local governmental entity. The term includes an agent of a vendor. The term includes an officer or employee of a state agency when that individual is acting in a private capacity to enter into a contract. The term does not include a state agency except for Texas Correctional Industries. *Texas Local Government Code 176.001(7).*

"Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on: (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity; (B) a transaction conducted at a price and subject to terms available to the public; or (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency. *Texas Local Government Code 176.001(3).*

"Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code. *Texas Local Government Code 176.001(2-a).*

"Local government officer" means: (A) a member of the governing body of a local governmental entity; (B) a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or (C) an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. *Texas Local Government Code 176.001(4).*

- ***HCDE Board of Trustees and Superintendent include:***

Dr. John McGee	Mr. Eric Dick
Mr. Richard Cantu	Mr. David Brown
Ms. Andrea Duhon	Ms. Amy Hinojosa
Ms. Erica Davis	Mr. James Colbert, Jr., Superintendent

- ***Current local government officers include, but are not limited to:***

Dr. Jesus J. Amezcua	Danielle Bartz
Jonathan Parker	Dr. Tyrone Sylvester
Dr. Michelle Williams	Danielle Clark
C.J. Rodgers	

If no conflict of interest exists, you must fill out Box 1 and type N/A on Box 3 of the CIQ form, sign and date it.

In the event of changed circumstances, an updated CIQ must be filed within seven (7) business days after the vendor becomes aware that a conflict of interest exists.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

_____
Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

_____ _____
Signature of vendor doing business with the governmental entity Date

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 1/1/2021

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

(A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;

(B) a transaction conducted at a price and subject to terms available to the public; or

(C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

***

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds $2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than $100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 1/1/2021

HCDE CERTIFICATE OF INTERESTED PARTIES – FORM 1295

Certificate of Interested Parties (Form 1295 – must be filled out electronically with the Texas Ethics Commission's online filing application and attached to proposal in the Response Attachment section of the HCDE eBid System)

HCDE is required to comply with HB 1295, which amended the Texas Government Code by adding Section 2252.908, Disclosure of Interested Parties. Section 2252.908 applies to a contract of HCDE that (1) requires an action or vote by the HCDE Board of Trustees before the contract may be signed; (2) has a value of at least $1 million; or (3) is for services that would require a person to register as a lobbyist under Tex. Gov't Code Chapter 305. If applicable, the business entity must submit a Disclosure of Interested Parties (Form 1295) to HCDE at the time business entity submits the signed contract. The Form 1295 requirement does not apply to: (1) a contract with a publicly traded business entity or wholly owned subsidiary of the same; (2) an electric utility; or (3) a gas utility. The Texas Ethics Commission has adopted rules requiring the business entity to file Form 1295 electronically with the Texas Ethics Commission. The following **definitions** apply:

(1) ***"Business Entity"*** means an entity recognized by law through which business is conducted, including a sole proprietorship, partnership, or corporation. TEX. GOV'T CODE § 2252.908(1).

(2) ***"Interested Party"*** means a person:
   a) who has a controlling interest in a business entity with whom HCDE contracts; or
   b) who actively participates in facilitating the contract or negotiating the terms of the contract, including a broker, intermediary, adviser, or attorney for the business entity. TEX. GOV'T CODE § 2252.908(3).

(3) ***"Controlling interest"*** means:
   a) an ownership interest or participating interest in a business entity by virtue of units, percentage, shares, stock, or otherwise that exceeds 10 percent;
   b) membership on the board of directors or other governing body of a business entity of which the board or other governing body is composed of not more than 10 members; or
   c) service as an officer of a business entity that has four or fewer officers, or service as one of the four officers most highly compensated by a business entity that has more than four officers. *Subsection (c) does not apply to an officer of a publicly held business entity or its wholly owned subsidiaries.* TEX. ETHICS COMM. RULE 46.3(c).

(4) ***"Intermediary"*** means a person who actively participates in the facilitation of the contract or negotiating the contract, including a broker, adviser, attorney, or representative of or agent for the business entity who:
   a) receives compensation from the business entity for the person's participation;
   b) communicates directly with the governmental entity or state agency on behalf of the business entity regarding the contract; and
   c) is not an employee of the business entity. TEX. ETHICS COMM. RULE 46.3(e).

As a "business entity," vendors must:

(1) **complete Form 1295 electronically** with the Texas Ethics Commission using the online filing application, which can be found at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm
- **All vendors must complete Form 1295, even if no interested parties exist**
- In Section 2, insert "Harris County Department of Education"
- In Section 3, insert the HCDE RFP # for this proposal

(2) **print a copy of the completed form** (make sure that it has a computer-generated certification number in the "Office Use Only" box)

(3) have an authorized agent of the business entity **sign the form**

(4) **submit** the completed Form 1295 by **attaching the form to your proposal in the Response Attachment section of the HCDE eBid System.**

HCDE must acknowledge the receipt of the filed Form 1295 by notifying the Texas Ethics Commission of the receipt of the filed Form 1295 no later than the 30th day after receipt by HCDE. After HCDE acknowledges the Form 1295, the Texas Ethics Commission will post the completed Form 1295 to its website with seven business days after receiving notice from HCDE.

CERTIFICATE OF INTERESTED PARTIES — FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
Harris County Department of Education

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
HCDE RFPNo. *<insert RFP No. here>*

4 Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)	
		Controlling	Intermediary

5 Check only if there is NO Interested Party. ☐

6 UNSWORN DECLARATION

My name is _____, and my date of birth is _____.

My address is _____, _____, _____, _____, _____.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in _____ County, State of _____, on the _____ day of _____, 20_____.
(month) (year)

_____
Signature of authorized agent of contracting business entity
(Declarant)

ADD ADDITIONAL PAGES AS NECESSARY

Form provided by Texas Ethics Commission www.ethics.state.tx.us Revised 12/22/2017

Must file online at www.ethics.state.tx.us/File

HARRIS COUNTY DEPARTMENT OF EDUCATION
FELONY CONVICTION NOTICE FORM

FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 1 Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into an agreement with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony".

Subsection (b) states "a school district may terminate the agreement with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a), or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract".

Subsection (c) states "this section does not apply to a publicly held corporation".

I, the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the information furnished is true to the best of my knowledge.

Contractor's Name/Company Name: _____

Authorized Official's Name (Printed or Typed):_____

You must select one and sign below:

☐ Firm is a publicly held corporation; therefore the above reporting requirement does not apply per Section 44.034, Texas Education Code, Subsection (c).

☐ Contractor/Firm **is not** owned nor operated by anyone who has been convicted of a felony.

☐ Contractor/Firm **is** operated or owned by the following individual(s) who has/have been convicted of a felony:

Name of Individual(s): _____

Detail of Conviction(s): _____

(Attach additional pages if necessary.)

Signature of Company Official: _____

Date: _____

HARRIS COUNTY DEPARTMENT OF EDUCATION

ANTITRUST CERTIFICATION STATEMENT

(Tex. Government Code § 2155.005)

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to execute this contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
2. In connection with this bid, neither I nor any representatives of the Company have violated any provision of the Texas Antitrust laws codified in Tex. Bus. & Comm. Code Chapter 15;
3. In connection with this bid, neither I nor any representative of the Company have violated any federal antitrust law; and
4. Neither I nor any representatives of the Company have directly or indirectly communicated any of the contents of this bid to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Contractor's Name/Company Name: _____

Address, City, State, and Zip Code: _____

Signature: _____

Printed Name: _____

Title:_____ Date Signed: _____

Ch. 22 Criminal History Records Contractor Certification: Contractor/Subcontractor Employees

Background: Texas Education Code Chapter 22 requires that criminal history records be obtained regarding covered employees of entities that contract with a school district to provide services to the school district ("Contractors") and entities that contract with school district contractors ("Subcontractors"). Covered employees with disqualifying criminal histories are prohibited from serving at a school district. Contractors/Subcontractors shall (1) complete this form certifying compliance with the requirements of Texas Education Code Chapter 22 to HCDE and CP members; and (2) require that each of their subcontractors complies with the requirements of Texas Education Code Chapter 22.

Criminal history records will be obtained by either the Contractor/Subcontractor or HCDE/CP member, as follows:

(1) Contractor/Subcontractor: The only Contractors/Subcontractors who will be granted access to obtain criminal history record information are those "qualified school contractors" that (1) contract or subcontract to provide services to HCDE/CP member; and (2) are determined eligible by the Texas Department of Public Safety (DPS) to obtain criminal history record information under the National Child Protection Act of 1993 (34 U.S.C. § 40101 *et seq.*) (NCPA), specifically, those contractors/subcontractors who provide "care or care placement services" and are based in Texas, for an employee, applicant for employment, or volunteer of the "qualified school contractor." All "qualified school contractors" are required to obtain their covered employees' criminal histories, certify compliance to HCDE/CP member, and obtain similar certifications from their subcontractors. Before or immediately after employing or securing the services of a person who is a "covered employee" (as defined below) the Contractor/Subcontractor shall send or ensure that the employee sends to DPS all information that is required by DPS for obtaining the person's national criminal history record information, which may include (but is not limited to) a complete set of the person's fingerprints and a recent electronic digital image photograph of the person, as required by DPS. DPS shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Texas Government Code 411.0845. For more information or to set up an account, Contractor/Subcontractor should contact the Texas Department of Public Safety's Crime Records Service at 512.424.2474. Contractor/Subcontractor shall obtain all criminal history record information that relates to all covered employees through the criminal history clearinghouse as provided by Texas Government Code 411.0845. In addition, Contractor/Subcontractor shall require that each of its subcontracting entities obtains all criminal history record information that relates to its covered employees, if the subcontracting entity is also a "qualified school contractor." Contractor/Subcontractor shall: (1) provide HCDE/CP member with a fitness determination (as set forth below) as to each covered employee, based on all criminal history record information obtained; and (2) certify to HCDE/CP member that Contractor/Subcontractor has received all criminal history record information relating to a person who is employed by or under a current offer of employment by Contractor/Subcontractor.

(2) HCDE/CP member: All Contractors/Subcontractors who are not "qualified school contractors" (in other words, all Contractors/Subcontractors who do not provide "care or care placement services" or are not based in Texas) are required to follow the instructions listed below, so that HCDE/CP member may obtain their covered employees' criminal history record information, as applicable. Contractor/Subcontractor shall also require that any of its subcontracting entities that are not "qualified school contractors" follow the instructions listed below, so that HCDE/CP member may obtain their covered employees' criminal history record information. **Contractor/Subcontractor is responsible for the payment of all fingerprinting costs. Should HCDE/CP member pay any costs of fingerprinting Contractor/Subcontractor employees, Contractor agrees to reimburse HCDE/CP member for such costs; in the event Contractor fails to reimburse HCDE/CP member for the costs of fingerprinting Contractor/Subcontractor employees, Contractor agrees that HCDE/CP member may deduct such costs from any payment due and owing by HCDE/CP member to Contractor.**

Definitions:

Covered employees: Employees of a Contractor/Subcontractor who have or will have continuing duties related to the service to be performed at a school district and have or will have direct contact with students. HCDE or the purchasing CP member will be the final arbiter of what constitutes continuing duties and direct contact with students.

- Continuing duties related to contracted services: Work duties that are performed pursuant to a contract to provide services to a school entity on a regular, repeated basis rather than infrequently or one-time only. *See* 19 Tex. Admin. Code §153.1101(2).

- Direct contact with students: The contact that results from activities that provide substantial opportunity for verbal or physical interaction with students that is not supervised by a certified educator or other professional district employee. Contact with students that results from services that do not provide substantial opportunity for unsupervised interaction with a student or students, such as addressing an assembly, officiating a sports contest, or judging an extracurricular event, is not, by itself, direct contact with students. However, direct contact with students does result from any activity that provides substantial opportunity for unsupervised contact with students, which might include, without limitation, the provision of coaching, tutoring, or other services to students. *See* 19 Tex. Admin. Code § 153.1101(7).

- Public Works Contractor: An entity that contracts directly or subcontracts with an entity that contracts with a school district to provide construction services to the school district.

- Exception for Certain Public Works Contractors' Employees and Applicants: The criminal history record information requirements outlined above do not apply to an employee or applicant for employment of a public works contractor (as defined above) if: (1) the public work does not involve the construction, alteration, or repair of an instructional facility as defined by Texas Education Code Section 46.001; (2) the employee's duties will be completed not later than the seventh (7th) day before a new instructional facility will be used for instruction; or (3) for an existing instructional facility, the work area contains sanitary facilities and is separated from all areas used by students by a secure barrier fence at least six (6) feet high, and the Contractor adopts, informs employees of, and enforces a policy prohibiting employees and any subcontractor's employees from interacting with students or entering areas used by students.

Disqualifying criminal history:

- (1) a conviction or other criminal history information designated by HCDE/CP member; or (2) a felony or misdemeanor offense that would prevent a person from being employed under Texas Education Code § 22.085(a), that is: (a) conviction of a felony offense under Title 5, Texas Penal Code if at the time of the offense, the victim was under 18; (b) conviction of or placement on deferred adjudication community supervision for an offense for which a defendant is required to register as a sex offender under Chapter 62, Texas Code of Criminal Procedure; or (c) conviction of an offense under federal law or the laws of another state that is equivalent to (a) or (b).

Types of Criminal History Record Information:

- National criminal history record information from the Texas Department of Public Safety criminal history clearinghouse. HCDE/CP member and/or Contractor/Subcontractor may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to a covered employee.

On behalf of _____ ("Contractor/Subcontractor"), I, the undersigned authorized signatory for Contractor/Subcontractor, certify to Harris County Department of Education ("HCDE") and/or the purchasing CP member (and, in the case of a Subcontractor, certify to Contractor and HCDE/CP member) that [**check one**]:

[ ] **OPTION A: Contractor/Subcontractor certifies that none of the employees of Contractor/Subcontractor are *covered employees*, as defined above.** For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor certifies to HCDE/CP member that it will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE/CP member. If this box is checked, I further certify that Contractor/Subcontractor has taken precautions or imposed conditions to ensure that its employees will not become *covered employees*. Contractor/Subcontractor will ensure that these precautions or conditions continue to exist throughout the time that the contracted services are provided. If HCDE/CP member, in its sole discretion, determines that employees of Contractor/Subcontractor are *covered employees*, as defined above, Contractor/Subcontractor will provide HCDE/CP member with the name, date of birth, and any other requested information of such covered employees so that HCDE/CP member may obtain criminal history record information on the covered employees, upon request by HCDE/CP member.

Or

[ ] **OPTION B: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, but the criminal history record information requirements do not apply to its employees or applicants for employment because:**

(1) Contractor/Subcontractor is a public works contractor (an entity that contracts directly or subcontracts with an entity that contracts with a school district to provide construction services to the school district); **and**

(2) the public work does not involve the construction, alteration, or repair of an instructional facility as defined by Texas Education Code Section 46.001; the employee's duties will be completed not later than the seventh (7th) day before a new instructional facility will be used for instruction; **or** for an existing instructional facility, the work area contains sanitary facilities and is separated from all areas used by students by a secure barrier fence at least six (6) feet high, and the Contractor adopts, informs employees of, and enforces a policy prohibiting employees and any subcontractor's employees from interacting with students or entering areas used by students.

If this option is selected, Contractor/Subcontractor further certifies to HCDE/CP member that:

(a) Contractor/Subcontractor shall ensure that the conditions or precautions that resulted in the determination that the criminal history record information requirements do not apply to its employees or applicants for employment continue to exist throughout the time that the contracted services are provided;

(b) For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE/CP member; and

(c) If HCDE/CP member, in its sole discretion, determines that the conditions in paragraph (1) and/or (2) above are not satisfied as to Contractor/Subcontractor, Contractor/Subcontractor will provide HCDE/CP member with the name, date of birth, and any other requested information of its covered employees so that HCDE/CP member may obtain criminal history record information on the covered employees, upon request by HCDE/CP member.

Or

[ ] **OPTION C: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, and Contractor/ Subcontractor is a "qualified school contractor."** For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor certifies to HCDE/CP member that it will timely complete the "Contractor Criminal History Background Check Certification" form and submit the same to HCDE/CP member. If this option is selected, I further certify that:

(1) Contractor/Subcontractor certifies to HCDE/CP member that Contractor/Subcontractor has received all criminal history record information relating to a person who is employed by or under a current offer of employment by Contractor/Subcontractor. Contractor/Subcontractor provides HCDE/CP member with the following fitness determination as to each covered employee, based on all criminal history record information obtained: None of the covered employees has a disqualifying criminal history.

(2) If Contractor/Subcontractor at any time receives information that a covered employee subsequently has a reported disqualifying criminal history, Contractor/Subcontractor will immediately remove the covered employee from contract duties and notify HCDE/CP member in writing within 3 business days.

(3) Upon request by HCDE/CP member, Contractor/Subcontractor will provide HCDE/CP member with the name, date of birth, and any other requested information of covered employees so that HCDE/CP member may obtain criminal history record information on the covered employees.

Or

[ ] **OPTION D: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, and Contractor/Subcontractor is not a "qualified school contractor."** If this option is selected, I further certify that:

(1) For each covered employee **who is employed by or under a current offer of employment by Contractor/Subcontractor**, **Contractor/Subcontractor certifies to HCDE/CP member that it will timely complete the "Contractor Criminal History Background Check Certification" form and submit the same to HCDE/CP member**, providing the following information regarding each covered employee as

required by DPS in order to provide criminal history record information, so that HCDE/CP member may obtain the covered employees' criminal history record information: (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph; (f) if the employee has ever been fingerprinted by a public school district in Texas (and if so, the name of the school district); and (g) the person's written consent to the release of his or her criminal history record information.

(2) Contractor/Subcontractor shall provide HCDE/CP member's "Texas Fingerprint Service Code Form" document to all covered employees and ensure that they schedule fingerprinting appointments in a timely manner. Contractor/Subcontractor shall be solely responsible to send or ensure that each covered employee sends to DPS all information that may be required by DPS for obtaining national criminal history record information, which may include, but is not limited to, a complete set of the person's fingerprints and a recent electronic digital image photograph of the person. Any covered employee whose criminal history record information is not received by HCDE/CP member at least ten (10) HCDE/CP member business days prior to the start of the services to be performed by Contractor/Subcontractor at HCDE/CP member is subject to exclusion from service, in HCDE/CP member's sole discretion, until his or her criminal history record information can be obtained and reviewed by HCDE/CP member. **Contractor/Subcontractor is responsible for the payment of all fingerprinting costs.** Because Contractor/Subcontractor is not a "qualified school contractor," it will not be permitted to view the criminal history record information obtained by HCDE/CP member.

(3) DPS shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Texas Government Code 411.0845. Contractor/Subcontractor agrees that HCDE/CP member will obtain all criminal history record information that relates to a covered employee through the criminal history clearinghouse as provided by Texas Government Code 411.0845. Contractor/Subcontractor agrees that HCDE/CP member will review each covered employee's criminal history record information, together with the employee's qualifications, background, and experience, based on information gathered by HCDE/CP member through the procurement and/or contracting processes, to determine, in HCDE's sole discretion, whether any covered employee(s) should be prohibited from serving at HCDE/CP member. HCDE/CP member will notify Contractor/Subcontractor of its determination.

(4) If HCDE/CP member at any time receives information that a covered employee subsequently has a reported disqualifying criminal history or should be prohibited from serving at HCDE/CP member, in HCDE/CP member's sole discretion, for any other reason, including, but not limited to, the employee's qualifications, background, and experience, based on information gathered by HCDE/CP member through the procurement and/or contracting processes, HCDE/CP member will notify Contractor/Subcontractor of its determination. Contractor/Subcontractor will immediately remove the covered employee from contract duties.

Upon contract award and/or initiation of PO/contract from HCDE or the purchasing CP member, the winning proposer/Contractor shall timely complete HCDE's "Contractor Criminal History Background Check Certification" form or the purchasing CP member's form, providing the following information regarding each covered employee as required by DPS in order to provide criminal history record information, so that HCDE/CP member may obtain the covered employees' criminal history record information: (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph; (f) if the employee has ever been fingerprinted by a public school district in Texas (and if so, the name of the school district); and (g) the person's written consent to the release of his or her criminal history record information. Contractor/Subcontractor shall be solely responsible to send or ensure that each covered employee sends to DPS all information that may be required by DPS for obtaining national criminal history record information, which may include, but is not limited to, a complete set of the person's fingerprints and a recent electronic digital image photograph of the person.

If, during the term of the contract with HCDE/CP member, Contractor/Subcontractor employs additional covered employees or assigns new covered employees to perform services at HCDE/CP member, Contractor shall immediately notify HCDE/CP member and provide HCDE/CP member with all of the information listed in the preceding paragraph as

to each additional covered employee, so that HCDE/CP member may obtain the additional covered employees' criminal history record information. If, during the term of the contract with HCDE/CP member, Contractor/Subcontractor ceases to employ a covered employee in connection with an HCDE/CP member contract, whose information was previously provided to HCDE/CP member, Contractor/Subcontractor shall immediately notify HCDE/CP member of the same and provide HCDE/CP member with each former covered employee's (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; and (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph, so that HCDE/CP member may unsubscribe from that individual's criminal history record.

If HCDE/CP member, in its sole discretion, objects to the assignment of a covered employee for any reason, including, but not limited to, on the basis of the covered employee's criminal history record information and/or insufficient qualifications, lack of experience, and the like, based on information gathered by HCDE/CP member through the procurement and/or contracting processes, Contractor/Subcontractor agrees to discontinue using that covered employee to provide services at HCDE/CP member.

I also certify to HCDE/CP member (and, in the case of a Subcontractor, certify to Contractor and HCDE/CP member) on behalf of Contractor/Subcontractor that Contractor/Subcontractor has required its subcontractors to comply with Texas Education Code, Chapter 22 and obtained certifications from its subcontractors of such compliance. Noncompliance or misrepresentation regarding this certification may be grounds for contract termination.

_____	_____	_____
Signature	Title	Date

Cooperatives

List any other cooperative contracts currently held by Vendor.

COOOPERATIVE NAME	DISCOUNT OFFERED	CONTRACT EXPIRATION DATE
Choice Partners		
Buy Board – Texas Local GOV'T. Purchasing Cooperative		
☐ 1GPA		
☐ Houston Galveston Council of Governments Cooperative (H-GAC)		
☐ OMNIA		
☐ Cooperative Educational Services (CES) – New Mexico		
☐ Educational & Institutional Cooperative Services, Inc. (E&I)		
☐ GSA		
☐ ESC Region 20 Cooperative (PACE)		
☐ ESC Region 19 Cooperative (Allied States Cooperative)		
☐ ESC Region 8 Cooperative (TIPS/TAPS)		
☐ ESC Region 7 Cooperative		
☐ ESC Region 5 Cooperative		
☐ Sourcewell		
☐ TXMAS		
☐ **Other (Specify):**		
☐ None		

☐

☐

CONFIDENTIALITY DECLARATION FORM

INFORMATION SUBMITTED TO HCDE IN CONNECTION WITH THIS PROCUREMENT SOLICITATION OR THE AGREEMENT IS GOVERNED BY TEXAS GOVERNMENT CODE, CHAPTER 552

As a governmental body, HCDE is subject to the Texas Public Information Act found in Chapter 552, Texas Government Code. Proposals and other information submitted to HCDE in connection with this procurement solicitation or the Agreement may be subject to release as public information. If a Vendor believes that part(s) of its proposal or any other information submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement contain confidential, proprietary, and/or trade secret information or otherwise may be excepted from disclosure under Texas law, the Vendor must clearly and conspicuously mark the applicable information as "CONFIDENTIAL."

Marking information as "CONFIDENTIAL" does not guarantee that the information will be withheld from disclosure. If HCDE receives a request for public information involving information that Vendor has clearly and conspicuously marked as "CONFIDENTIAL," HCDE will respond pursuant to Chapter 552, Texas Government Code, which may or may not require that HCDE provide notice of the request to Vendor. Vendor understands and agrees that it is solely responsible for submitting to the Attorney General of Texas each reason why the requested information should be withheld and a letter, memorandum, or brief in support of that reason. Pursuant to Tex. Gov't Code § 552.02222, "contracting information"[1] is public and must be released unless excepted from disclosure under Chapter 552. The exceptions provided by Chapter 552 for disclosure for proprietary information (552.1101), commercial or financial information that would cause substantial competitive harm if released (552.110(c)), or trade secrets (552.110(b)) may not be asserted for the following types of contracting information:

(1) the following contract or offer terms or their functional equivalent: (A) any term describing the overall or total price the governmental body will or could potentially pay, including overall or total value, maximum liability, and final price; (B) a description of the items or services to be delivered with the total price for each if a total price is identified for the item or service in the contract; (C) the delivery and service deadlines; (D) the remedies for breach of contract; (E) the identity of all parties to the contract; (F) the identity of all subcontractors in a contract; (G) theaffiliate overall or total pricing for a vendor, contractor, potential vendor, or potential contractor; (H) the execution dates; (I) the effective dates; and (J) the contract duration terms, including any extension options; or

(2) information indicating whether a vendor, contractor, potential vendor, or potential contractor performed its duties under a contract, including information regarding: (A) a breach of contract; (B) a contract variance or exception; (C) a remedial action; (D) an amendment to a contract; (E) any assessed or paid liquidated damages; (F) a key measures report; (G) a progress report; and (H) a final payment checklist.

HCDE assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by Vendors, and **Vendor hereby waives any claim against and releases from liability HCDE, its respective officers, employees, agents, and attorneys with respect to disclosure of information provided under or in connection with this procurement solicitation or the Agreement or otherwise created, assembled, maintained, or held by Vendor or HCDE and determined by HCDE, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act**. Further, even if Vendor marks information as

[1] "Contracting information" is defined by Tex. Gov't Code § 552.003(7) as "the following information maintained by a governmental body or sent between a governmental body and a vendor, contractor, potential vendor, or potential contractor: (A) information in a voucher or contract relating to the receipt or expenditure of public funds by a governmental body; (B) solicitation or bid documents relating to a contract with a governmental body;
(C) communications sent between a governmental body and a vendor, contractor, potential vendor, or potential contractor during the solicitation, evaluation, or negotiation of a contract; (D) documents, including bid tabulations, showing the criteria by which a governmental body evaluates each vendor, contractor, potential vendor, or potential contractor responding to a solicitation and, if applicable, an explanation of why the vendor or contractor was selected; and (E) communications and other information sent between a governmental body and a vendor or contractor related to the performance of a final contract with the governmental body or work performed on behalf of the governmental body."

"CONFIDENTIAL," **Vendor expressly agrees that HCDE may disclose Vendor's proposal, including, but not limited to, pricing information, to other governmental entities and/or members of HCDE's cooperative purchasing program, Choice Partners.**

Please check **ONLY ONE** of the following options:

- **Declaration of Confidentiality – Vendor HAS clearly and conspicuously marked information contained in its proposal and/or other information submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement as "CONFIDENTIAL." Vendor declares that the information marked by Vendor as "CONFIDENTIAL" contains confidential, proprietary, and/or trade secret information and is excepted from disclosure under Chapter 552, Texas Government Code.**

- **Waiver of Confidentiality – Vendor HAS NOT marked any information contained in its proposal and/or other information submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement as "CONFIDENTIAL." Vendor certifies that it has not submitted any confidential, proprietary, and/or trade secret information to HCDE and that its proposal and all otherinformation—including any pricing information—submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement is subject to disclosure under Chapter 552, Texas Government Code. Vendor hereby expressly waives any claim of confidentiality with respect to its proposal and/or any other information submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement.**

_____
Vendor Name

_____	_____
Printed Name of Authorized Officer/Representative of Vendor	**Title**
_____	_____
Signature	**Date**

COMPLIANCE WITH BUY AMERICAN PROVISION

The Buy American provision, set out in 7 C.F.R. Part 210.21(d), requires participants in the National School Lunch Program and School Breakfast Program to use the nonprofit food service funds, to the maximum extent practical, to buy domestic commodities or products for Program meals. A "domestic commodity or product" is defined as one that is either produced in the U.S. or is processed in the U.S. substantially using agricultural commodities that are produced in the U.S. as provided in 7 C.F.R. 210.21(d). "Substantially" means that over 51 percent of the final processed product consists of agricultural commodities that were grown domestically. When USDA Foods items are manufactured into processed end products, 51% of resulting food products must be of United States origin.

Vendor certifies that Vendor shall provide food products that meet the Buy American provision. Vendor further certifies that, in compliance with the Buy American provision, its products are "domestic commodities or products" as defined by 7 C.F.R. § 210.21(d). Vendor further certifies that the food products it supplies are processed in the U.S. and Vendor shall certify the percentage of U.S. content, by weight or volume, in the food component of processed food products supplied to HCDE/CP members.

_____ Initials of Authorized Representative of Vendor

The following certification may be used for specific food products: Vendor further certifies that its product(s): _____, were processed in the U.S. and contain at least_____% (insert % of weight or volume) of its agricultural food component(s) from the U.S.

If Vendor is repetitively unable to provide domestic food products, HCDE and/or the purchasing CP member may require Vendor to provide evidence that Vendor is capable of fulfilling the terms and conditions of the Contract and specifically, the Buy American provision. If HCDE and/or the purchasing CP member determines that Vendor is not capable of fulfilling the terms and conditions of the Contract and/or specifically, the Buy American provision, HCDE may terminate its Contract with Vendor and the purchasing CP member may terminate its Supplemental Contract and/or Purchase Order with Vendor.

Vendor shall provide documentation that demonstrates that food products meet the Buy American provision. By signing below, Vendor certifies that it will adhere to the documentation requirements for the Buy American provision.

Vendor must notify the purchasing CP member if a delivery contains non-domestic products, so the purchasing CP member may approve delivery as an exception to the Buy American provision. Vendor certifies that it will adhere to the notification requirements for the Buy American provision.

_____ Initials of Authorized Representative of Vendor

REQUEST FOR EXCEPTION FROM THE BUY AMERICAN PROVISION

Exceptions to the Buy American provision should be utilized as a last resort; however, an exception may be approved by the purchasing CP member upon request, by occurrence (i.e., delivery). Blanket exception approvals are not allowed. The purchasing CP member must determine that the use of a non-domestic food product is appropriate, using the USDA-prescribed questions in making the decision. *See* "Requirements for an Exception," ARM Section 17b Buy American, at p. 19 (August 12, 2020). Vendor agrees to provide information to the purchasing CP member thatwill assist the CP member in this determination. The decision to purchase or accept delivery of a non-US product must be made by the purchasing CP member.
Vendor agrees to comply with all requirements imposed by applicable law, USDA/TDA guidance, HCDE, and the purchasing CP member concerning Buy American provision exceptions.

_____ Initials of Authorized Representative of Vendor

VENDOR RESPONSE CHECKLIST

Respondents are asked to review the proposal document and attachments package to be sure that all applicable parts are included and indicated on this checklist by making a checkmark in the appropriate boxes ☑

Each item must be completed, executed, and dated by the authorized bidder. Scan and upload electronically signed documents in the Response Attachments section in the HCDE eBid System. If signing/completing documents by hand (wet signature), required documents must be scanned and uploaded in the Response Attachments section of your proposal in the HCDE eBid System and the originals MUST be mailed or hand delivered within 5 business days of the bid closing to Choice Partners, 6005 Westview Drive, Houston, TX 77055

1. Execution of Offer…… ☐
2. IRS Form W-9…… ☐
3. Vendor Questionnaire…… ☐
4. Proposer Certification Forms…… ☐
5. Conflict of Interest Questionnaire…… ☐
6. Certificate of Interested Parties…… ☐
7. Felony Conviction Statement…… ☐
8. Antitrust Certification Statement…… ☐
9. Ch. 22 Criminal History Contractor Certification Form…… ☐
10. Cooperative Listing…… ☐
11. Confidentiality Declaration Form…… ☐
12. Buy American Certification…… ☐
13. Vendor Response Checklist…… ☐

Memorandum

Date: **September 1, 2023**

To: **HCDE Vendor**

From: **Jesus J. Amezcua, Ph.D., CPA, RTSBA**
Assistant Superintendent for Business Services

Re: **New Vendor Packet**

All new vendors doing business with Harris County Department of Education (HCDE) must complete and submit a New Vendor Packet that consists of the following documents:

1. Vendor Information Form
2. Conflict of Interest Form
3. Certificate of Interested Parties Form 1295
4. W-9 Form
5. Proposer/Vendor Certification Forms
6. Felony Conviction Notice Form
7. Antitrust Certification Statement
8. Ch. 22 Contractor/Subcontractor Certification Form
9. Confidentiality Declaration Form

Please note that when completing the Conflict of Interest Questionnaire and no conflict exists, HCDE still needs the vendors to complete Box 1, type "N/A" on Box 3, sign and date it.

The completed vendor packet must be faxed or e-mailed to Charisma Tolbert at (713) 696-0720 or ctolbert@hcde-texas.org. If an HCDE representative requested that you submit this vendor packet, please include the name of the individual on your fax or email. Upon receipt, you and/or your company will be set up as a vendor with HCDE.

HCDE eBid System Registration:

Existing and potential vendors/suppliers interested in competing in the formal bidding process must register in the HCDE eBid System at https://hcdeebid.ionwave.net/Login.aspx to be included in the Bidders List.

The HCDE eBid System is a web-based, e-Procurement system that includes an electronic process for vendor registration and bidding. This system is being used by HCDE and the Choice Partners Cooperative.

Please note that all vendors/suppliers must register online in this new system whether or not they are currently awarded vendors or have formerly registered in the bidder's list with HCDE to automatically receive notifications of bid opportunities based on the categories of commodities they have selected.

Harris County Department of Education
Vendor Information Form

Trade Name (dba): _____

Legal Name (if different): _____

Website: _____

Primary Address: _____

City:_____State: _____ Zip Code: _____

Country: _____

Phone: (_____)_____-_____ Fax: (_____)_____- _____

Remittance Address: _____

City:_____State: _____ Zip Code: _____

Country: _____

Phone: (_____)_____-_____ Fax: (_____)_____- _____

Contact Name: _____

Title:_____

Email: _____

Phone: (_____)_____-_____ Fax: (_____)_____- _____

Goods or services provided by your company:

_____

_____

_____

Business Type (Check One):

☐ Retailer ☐ Distributer ☐ Service Provider
☐ Wholesaler ☐ Contractor ☐ Manufacturer Agent
☐ Manufacturer ☐ Consultant ☐ Broker

Years in Business:_____ Number of Employees: _____

HUB Certification ☐ Yes ☐ No (If yes, include copy of the HUB certificate)

Company Name that will be shown on your email for payment:

_____

Email address where purchase orders are to be sent:

_____

HCDE CONFLICT OF INTEREST DISCLOSURE STATEMENT

Harris County Department of Education (HCDE) is required to comply with Texas Local Government Code Chapter 176, Disclosure of Certain Relationships with Local Government Officers. House Bill 23 significantly changed Chapter 176 as well as the required disclosures and the corresponding forms. As of September 1, 2015, any vendor who does business with HCDE or who seeks to do business with HCDE must fill out the new Conflict of Interest Questionnaire (CIQ) whether or not a conflict of interest exists. A conflict of interest exists in the following situations:

1) If the vendor has an employment or other business relationship with a local government officer of HCDE or a family member of the officer, as described by section 176.003(a)(2)(A) of the Texas Local Government Code; or
2) If the vendor has given a local government officer of HCDE, or a family member of the officer, one or more gifts with the aggregate value of $100, excluding any gift accepted by the officer or a family member of the officer if the gift is: (a) a political contribution as defined by Title 15 of the Election Code; or (b) a gift of food accepted as a guest; or
3) If the vendor has a family relationship with a local government officer of HCDE.

"Vendor" means a person who enters or seeks to enter into a contract with a local governmental entity. The term includes an agent of a vendor. The term includes an officer or employee of a state agency when that individual is acting in a private capacity to enter into a contract. The term does not include a state agency except for Texas Correctional Industries. *Texas Local Government Code 176.001(7).*

"Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on: (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity; (B) a transaction conducted at a price and subject to terms available to the public; or (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency. *Texas Local Government Code 176.001(3).*

"Family relationship" means a relationship between a person and another person within the third degree by consanguinity or the second degree by affinity, as those terms are defined by Subchapter B, Chapter 573, Government Code. *Texas Local Government Code 176.001(2-a).*

"Local government officer" means: (A) a member of the governing body of a local governmental entity; (B) a director, superintendent, administrator, president, or other person designated as the executive officer of a local governmental entity; or (C) an agent of a local governmental entity who exercises discretion in the planning, recommending, selecting, or contracting of a vendor. *Texas Local Government Code 176.001(4).*

- ***HCDE Board of Trustees and Superintendent include:***

Ms. Andrea Duhon	Ms. Erica Davis
Mr. Richard Cantu	Mr. David Brown
Dr. John McGee	Ms. Amy Hinojosa
Mr. Eric Dick	Mr. James Colbert, Jr., Superintendent

- ***Current local government officers include, but are not limited to:***

Dr. Jesus J. Amezcua	Danielle Clark
Dr. C.J. Rodgers	Danielle Bartz
Jonathan Parker	Dr. Michelle Williams
Dr. Tyrone Sylvester	

If no conflict of interest exists, you must fill out Box 1 and type N/A on Box 3 of the CIQ form, sign and date it. In the event of changed circumstances, an updated CIQ must be filed within seven (7) business days after the vendor becomes aware that a conflict of interest exists.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. *See* Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 **Name of vendor who has a business relationship with local governmental entity.**

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

_____
Name of Officer

4 **Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.**

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes ☐ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes ☐ No

5 **Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.**

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

_____ _____
Signature of vendor doing business with the governmental entity Date

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

(A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;

(B) a transaction conducted at a price and subject to terms available to the public; or

(C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

***

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds $2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than $100 in the 12-month period preceding the date the officer becomes aware that:

(i) a contract between the local governmental entity and vendor has been executed; or

(ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

Form **W-9**
(Rev. March 2024)
Department of the Treasury
Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to *www.irs.gov/FormW9* for instructions and the latest information.

Give form to the requester. Do not send to the IRS.

Before you begin. For guidance related to the purpose of Form W-9, see *Purpose of Form*, below.

Print or type. See *Specific Instructions* on page 3.

1 Name of entity/individual. An entry is required. (For a sole proprietor or disregarded entity, enter the owner's name on line 1, and enter the business/disregarded entity's name on line 2.)

2 Business name/disregarded entity name, if different from above.

3a Check the appropriate box for federal tax classification of the entity/individual whose name is entered on line 1. Check only **one** of the following seven boxes.

☐ Individual/sole proprietor ☐ C corporation ☐ S corporation ☐ Partnership ☐ Trust/estate

☐ LLC. Enter the tax classification (C = C corporation, S = S corporation, P = Partnership) . . . . .

Note: Check the "LLC" box above and, in the entry space, enter the appropriate code (C, S, or P) for the tax classification of the LLC, unless it is a disregarded entity. A disregarded entity should instead check the appropriate box for the tax classification of its owner.

☐ Other (see instructions)

3b If on line 3a you checked "Partnership" or "Trust/estate," or checked "LLC" and entered "P" as its tax classification, and you are providing this form to a partnership, trust, or estate in which you have an ownership interest, check this box if you have any foreign partners, owners, or beneficiaries. See instructions . . . . . ☐

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any)

Exemption from Foreign Account Tax Compliance Act (FATCA) reporting code (if any)

(Applies to accounts maintained outside the United States.)

5 Address (number, street, and apt. or suite no.). See instructions.

Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. See also *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number

___ – ___ – ____

or

Employer identification number

__ – _____

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined below); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and, generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign Here	**Signature of U.S. person**	**Date**

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/FormW9*.

What's New

Line 3a has been modified to clarify how a disregarded entity completes this line. An LLC that is a disregarded entity should check the appropriate box for the tax classification of its owner. Otherwise, it should check the "LLC" box and enter its appropriate tax classification.

New line 3b has been added to this form. A flow-through entity is required to complete this line to indicate that it has direct or indirect foreign partners, owners, or beneficiaries when it provides the Form W-9 to another flow-through entity in which it has an ownership interest. This change is intended to provide a flow-through entity with information regarding the status of its indirect foreign partners, owners, or beneficiaries, so that it can satisfy any applicable reporting requirements. For example, a partnership that has any indirect foreign partners may be required to complete Schedules K-2 and K-3. See the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS is giving you this form because they

must obtain your correct taxpayer identification number (TIN), which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid).
- Form 1099-DIV (dividends, including those from stocks or mutual funds).
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds).
- Form 1099-NEC (nonemployee compensation).
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers).
- Form 1099-S (proceeds from real estate transactions).
- Form 1099-K (merchant card and third-party network transactions).
- Form 1098 (home mortgage interest), 1098-E (student loan interest), and 1098-T (tuition).
- Form 1099-C (canceled debt).
- Form 1099-A (acquisition or abandonment of secured property).

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

Caution: If you don't return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

By signing the filled-out form, you:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued);
2. Certify that you are not subject to backup withholding; or
3. Claim exemption from backup withholding if you are a U.S. exempt payee; and
4. Certify to your non-foreign status for purposes of withholding under chapter 3 or 4 of the Code (if applicable); and
5. Certify that FATCA code(s) entered on this form (if any) indicating that you are exempt from the FATCA reporting is correct. See *What Is FATCA Reporting*, later, for further information.

Note: If you are a U.S. person and a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien;
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States;
- An estate (other than a foreign estate); or
- A domestic trust (as defined in Regulations section 301.7701-7).

Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding. Payments made to foreign persons, including certain distributions, allocations of income, or transfers of sales proceeds, may be subject to withholding under chapter 3 or chapter 4 of the Code (sections 1441–1474). Under those rules, if a Form W-9 or other certification of non-foreign status has not been received, a withholding agent, transferee, or partnership (payor) generally applies presumption rules that may require the payor to withhold applicable tax from the recipient, owner, transferor, or partner (payee). See Pub. 515, Withholding of Tax on Nonresident Aliens and Foreign Entities.

The following persons must provide Form W-9 to the payor for purposes of establishing its non-foreign status.

- In the case of a disregarded entity with a U.S. owner, the U.S. owner of the disregarded entity and not the disregarded entity.
- In the case of a grantor trust with a U.S. grantor or other U.S. owner, generally, the U.S. grantor or other U.S. owner of the grantor trust and not the grantor trust.
- In the case of a U.S. trust (other than a grantor trust), the U.S. trust and not the beneficiaries of the trust.

See Pub. 515 for more information on providing a Form W-9 or a certification of non-foreign status to avoid withholding.

Foreign person. If you are a foreign person or the U.S. branch of a foreign bank that has elected to be treated as a U.S. person (under Regulations section 1.1441-1(b)(2)(iv) or other applicable section for chapter 3 or 4 purposes), do not use Form W-9. Instead, use the appropriate Form W-8 or Form 8233 (see Pub. 515). If you are a qualified foreign pension fund under Regulations section 1.897(l)-1(d), or a partnership that is wholly owned by qualified foreign pension funds, that is treated as a non-foreign person for purposes of section 1445 withholding, do not use Form W-9. Instead, use Form W-8EXP (or other certification of non-foreign status).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a saving clause. Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the payee has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items.

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if their stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first Protocol) and is relying on this exception to claim an exemption from tax on their scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity, give the requester the appropriate completed Form W-8 or Form 8233.

Backup Withholding

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 24% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include, but are not limited to, interest, tax-exempt interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, payments made in settlement of payment card and third-party network transactions, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester;
2. You do not certify your TIN when required (see the instructions for Part II for details);
3. The IRS tells the requester that you furnished an incorrect TIN;
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only); or
5. You do not certify to the requester that you are not subject to backup withholding, as described in item 4 under "*By signing the filled-out form*" above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See *Exempt payee code*, later, and the separate Instructions for the Requester of Form W-9 for more information.

See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier.

What Is FATCA Reporting?

The Foreign Account Tax Compliance Act (FATCA) requires a participating foreign financial institution to report all U.S. account holders that are specified U.S. persons. Certain payees are exempt from FATCA reporting. See *Exemption from FATCA reporting code*, later, and the Instructions for the Requester of Form W-9 for more information.

Updating Your Information

You must provide updated information to any person to whom you claimed to be an exempt payee if you are no longer an exempt payee and anticipate receiving reportable payments in the future from this person. For example, you may need to provide updated information if you are a C corporation that elects to be an S corporation, or if you are no longer tax exempt. In addition, you must furnish a new Form W-9 if the name or TIN changes for the account, for example, if the grantor of a grantor trust dies.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of $50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a $500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Line 1

You must enter one of the following on this line; **do not** leave this line blank. The name should match the name on your tax return.

If this Form W-9 is for a joint account (other than an account maintained by a foreign financial institution (FFI)), list first, and then circle, the name of the person or entity whose number you entered in Part I of Form W-9. If you are providing Form W-9 to an FFI to document a joint account, each holder of the account that is a U.S. person must provide a Form W-9.

• **Individual.** Generally, enter the name shown on your tax return. If you have changed your last name without informing the Social Security Administration (SSA) of the name change, enter your first name, the last name as shown on your social security card, and your new last name.

Note for ITIN applicant: Enter your individual name as it was entered on your Form W-7 application, line 1a. This should also be the same as the name you entered on the Form 1040 you filed with your application.

• **Sole proprietor.** Enter your individual name as shown on your Form 1040 on line 1. Enter your business, trade, or "doing business as" (DBA) name on line 2.

• **Partnership, C corporation, S corporation, or LLC, other than a disregarded entity.** Enter the entity's name as shown on the entity's tax return on line 1 and any business, trade, or DBA name on line 2.

• **Other entities.** Enter your name as shown on required U.S. federal tax documents on line 1. This name should match the name shown on the charter or other legal document creating the entity. Enter any business, trade, or DBA name on line 2.

• **Disregarded entity.** In general, a business entity that has a single owner, including an LLC, and is not a corporation, is disregarded as an entity separate from its owner (a disregarded entity). See Regulations section 301.7701-2(c)(2). A disregarded entity should check the appropriate box for the tax classification of its owner. Enter the owner's name on line 1. The name of the owner entered on line 1 should never be a disregarded entity. The name on line 1 should be the name shown on the income tax return on which the income should be reported. For example, if a foreign LLC that is treated as a disregarded entity for U.S. federal tax purposes has a single owner that is a U.S. person, the U.S. owner's name is required to be provided on line 1. If the direct owner of the entity is also a disregarded entity, enter the first owner that is not disregarded for federal tax purposes. Enter the disregarded entity's name on line 2. If the owner of the disregarded entity is a foreign person, the owner must complete an appropriate Form W-8 instead of a Form W-9. This is the case even if the foreign person has a U.S. TIN.

Line 2

If you have a business name, trade name, DBA name, or disregarded entity name, enter it on line 2.

Line 3a

Check the appropriate box on line 3a for the U.S. federal tax classification of the person whose name is entered on line 1. Check only one box on line 3a.

IF the entity/individual on line 1 is a(n) . . .	THEN check the box for . . .
• Corporation	Corporation.
• Individual or • Sole proprietorship	Individual/sole proprietor.
• LLC classified as a partnership for U.S. federal tax purposes or • LLC that has filed Form 8832 or 2553 electing to be taxed as a corporation	Limited liability company and enter the appropriate tax classification: P = Partnership, C = C corporation, or S = S corporation.
• Partnership	Partnership.
• Trust/estate	Trust/estate.

Line 3b

Check this box if you are a partnership (including an LLC classified as a partnership for U.S. federal tax purposes), trust, or estate that has any foreign partners, owners, or beneficiaries, and you are providing this form to a partnership, trust, or estate, in which you have an ownership interest. You must check the box on line 3b if you receive a Form W-8 (or documentary evidence) from any partner, owner, or beneficiary establishing foreign status or if you receive a Form W-9 from any partner, owner, or beneficiary that has checked the box on line 3b.

Note: A partnership that provides a Form W-9 and checks box 3b may be required to complete Schedules K-2 and K-3 (Form 1065). For more information, see the Partnership Instructions for Schedules K-2 and K-3 (Form 1065).

If you are required to complete line 3b but fail to do so, you may not receive the information necessary to file a correct information return with the IRS or furnish a correct payee statement to your partners or beneficiaries. See, for example, sections 6698, 6722, and 6724 for penalties that may apply.

Line 4 Exemptions

If you are exempt from backup withholding and/or FATCA reporting, enter in the appropriate space on line 4 any code(s) that may apply to you.

Exempt payee code.

• Generally, individuals (including sole proprietors) are not exempt from backup withholding.

• Except as provided below, corporations are exempt from backup withholding for certain payments, including interest and dividends.

• Corporations are not exempt from backup withholding for payments made in settlement of payment card or third-party network transactions.

• Corporations are not exempt from backup withholding with respect to attorneys' fees or gross proceeds paid to attorneys, and corporations that provide medical or health care services are not exempt with respect to payments reportable on Form 1099-MISC.

The following codes identify payees that are exempt from backup withholding. Enter the appropriate code in the space on line 4.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2).

2—The United States or any of its agencies or instrumentalities.

3—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

4—A foreign government or any of its political subdivisions, agencies, or instrumentalities.

5—A corporation.

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a U.S. commonwealth or territory.

7—A futures commission merchant registered with the Commodity Futures Trading Commission.

8—A real estate investment trust.

9—An entity registered at all times during the tax year under the Investment Company Act of 1940.

10—A common trust fund operated by a bank under section 584(a).

11—A financial institution as defined under section 581.

12—A middleman known in the investment community as a nominee or custodian.

13—A trust exempt from tax under section 664 or described in section 4947.

The following chart shows types of payments that may be exempt from backup withholding. The chart applies to the exempt payees listed above, 1 through 13.

IF the payment is for . . .	THEN the payment is exempt for . . .
• Interest and dividend payments	All exempt payees except for 7.
• Broker transactions	Exempt payees 1 through 4 and 6 through 11 and all C corporations. S corporations must not enter an exempt payee code because they are exempt only for sales of noncovered securities acquired prior to 2012.
• Barter exchange transactions and patronage dividends	Exempt payees 1 through 4.
• Payments over $600 required to be reported and direct sales over $5,000[1]	Generally, exempt payees 1 through 5.[2]
• Payments made in settlement of payment card or third-party network transactions	Exempt payees 1 through 4.

[1] See Form 1099-MISC, Miscellaneous Information, and its instructions.

[2] However, the following payments made to a corporation and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees, gross proceeds paid to an attorney reportable under section 6045(f), and payments for services paid by a federal executive agency.

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements. A requester may indicate that a code is not required by providing you with a Form W-9 with "Not Applicable" (or any similar indication) entered on the line for a FATCA exemption code.

A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37).

B—The United States or any of its agencies or instrumentalities.

C—A state, the District of Columbia, a U.S. commonwealth or territory, or any of their political subdivisions or instrumentalities.

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Regulations section 1.1472-1(c)(1)(i).

E—A corporation that is a member of the same expanded affiliated group as a corporation described in Regulations section 1.1472-1(c)(1)(i).

F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state.

G—A real estate investment trust.

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940.

I—A common trust fund as defined in section 584(a).

J—A bank as defined in section 581.

K—A broker.

L—A trust exempt from tax under section 664 or described in section 4947(a)(1).

M—A tax-exempt trust under a section 403(b) plan or section 457(g) plan.

Note: You may wish to consult with the financial institution requesting this form to determine whether the FATCA code and/or exempt payee code should be completed.

Line 5

Enter your address (number, street, and apartment or suite number). This is where the requester of this Form W-9 will mail your information returns. If this address differs from the one the requester already has on file, enter "NEW" at the top. If a new address is provided, there is still a chance the old address will be used until the payor changes your address in their records.

Line 6

Enter your city, state, and ZIP code.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a resident alien and you do not have, and are not eligible to get, an SSN, your TIN is your IRS ITIN. Enter it in the entry space for the Social security number. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN.

If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's SSN (or EIN, if the owner has one). If the LLC is classified as a corporation or partnership, enter the entity's EIN.

Note: See *What Name and Number To Give the Requester*, later, for further clarification of name and TIN combinations.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local SSA office or get this form online at *www.SSA.gov*. You may also get this form by calling 800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at *www.irs.gov/EIN*. Go to *www.irs.gov/Forms* to view, download, or print Form W-7 and/or Form SS-4. Or, you can go to *www.irs.gov/OrderForms* to place an order and have Form W-7 and/or Form SS-4 mailed to you within 15 business days.

If you are asked to complete Form W-9 but do not have a TIN, apply for a TIN and enter "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, you will generally have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Entering "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon. See also *Establishing U.S. status for purposes of chapter 3 and chapter 4 withholding*, earlier, for when you may instead be subject to withholding under chapter 3 or 4 of the Code.

Caution: A disregarded U.S. entity that has a foreign owner must use the appropriate Form W-8.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if item 1, 4, or 5 below indicates otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). In the case of a disregarded entity, the person identified on line 1 must sign. Exempt payees, see *Exempt payee code*, earlier.

Signature requirements. Complete the certification as indicated in items 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments made in settlement of payment card and third-party network transactions, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), ABLE accounts (under section 529A), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account) other than an account maintained by an FFI	The actual owner of the account or, if combined funds, the first individual on the account[1]
3. Two or more U.S. persons (joint account maintained by an FFI)	Each holder of the account
4. Custodial account of a minor (Uniform Gift to Minors Act)	The minor[2]
5. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee[1]
b. So-called trust account that is not a legal or valid trust under state law	The actual owner[1]
6. Sole proprietorship or disregarded entity owned by an individual	The owner[3]
7. Grantor trust filing under Optional Filing Method 1 (see Regulations section 1.671-4(b)(2)(i)(A))**	The grantor*
8. Disregarded entity not owned by an individual	The owner
9. A valid trust, estate, or pension trust	Legal entity[4]
10. Corporation or LLC electing corporate status on Form 8832 or Form 2553	The corporation
11. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
12. Partnership or multi-member LLC	The partnership
13. A broker or registered nominee	The broker or nominee
14. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity
15. Grantor trust filing Form 1041 or under the Optional Filing Method 2, requiring Form 1099 (see Regulations section 1.671-4(b)(2)(i)(B))**	The trust

[1] List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

[2] Circle the minor's name and furnish the minor's SSN.

[3] You must show your individual name on line 1, and enter your business or DBA name, if any, on line 2. You may use either your SSN or EIN (if you have one), but the IRS encourages you to use your SSN.

[4] List first and circle the name of the trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

* **Note:** The grantor must also provide a Form W-9 to the trustee of the trust.

** For more information on optional filing methods for grantor trusts, see the Instructions for Form 1041.

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

Secure Your Tax Records From Identity Theft

Identity theft occurs when someone uses your personal information, such as your name, SSN, or other identifying information, without your permission to commit fraud or other crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax return preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity, or a questionable credit report, contact the IRS Identity Theft Hotline at 800-908-4490 or submit Form 14039.

For more information, see Pub. 5027, Identity Theft Information for Taxpayers.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the TAS toll-free case intake line at 877-777-4778 or TTY/TDD 800-829-4059.

Protect yourself from suspicious emails or phishing schemes. Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common act is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request personal detailed information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward this message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, or other IRS property to the Treasury Inspector General for Tax Administration (TIGTA) at 800-366-4484. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or report them at *www.ftc.gov/complaint*. You can contact the FTC at *www.ftc.gov/idtheft* or 877-IDTHEFT (877-438-4338). If you have been the victim of identity theft, see *www.IdentityTheft.gov* and Pub. 5027.

Go to *www.irs.gov/IdentityTheft* to learn more about identity theft and how to reduce your risk.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons (including federal agencies) who are required to file information returns with the IRS to report interest, dividends, or certain other income paid to you; mortgage interest you paid; the acquisition or abandonment of secured property; the cancellation of debt; or contributions you made to an IRA, Archer MSA, or HSA. The person collecting this form uses the information on the form to file information returns with the IRS, reporting the above information. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, the District of Columbia, and U.S. commonwealths and territories for use in administering their laws. The information may also be disclosed to other countries under a treaty, to federal and state agencies to enforce civil and criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism. You must provide your TIN whether or not you are required to file a tax return. Under section 3406, payors must generally withhold a percentage of taxable interest, dividends, and certain other payments to a payee who does not give a TIN to the payor. Certain penalties may also apply for providing false or fraudulent information.

HARRIS COUNTY DEPARTMENT OF EDUCATION
PROPOSER/VENDOR CERTIFICATION FORMS

CERTIFICATION REGARDING TERRORIST ORGANIZATIONS

Vendor hereby certifies that it is not a company identified on the Texas Comptroller's list of companies known to have contracts with, or provide supplies or services to, a foreign organization designated as a Foreign Terrorist Organization by the U.S. Secretary of State.

_____ Initials of Authorized Representative of Vendor

CERTIFICATION REGARDING BOYCOTTING OF ISRAEL

If (a) Vendor is not a sole proprietorship; (b) Vendor has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more, the following certification shall apply; otherwise, this certification is not required. Pursuant to Chapter 2271 of the Texas Government Code, the Vendor hereby certifies and verifies that neither the Vendor, nor any affiliate, subsidiary, or parent company of the Vendor, if any (the "Vendor Companies"), boycotts Israel, and the Vendor agrees that the Vendor and Vendor Companies will not boycott Israel during the term of this Agreement. For purposes of this Agreement, the term "boycott" shall mean and include refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING CONTRACTING INFORMATION

If Vendor is not a governmental body and (a) this Agreement has a stated expenditure of at least $1 million in public funds for the purchase of goods or services by HCDE; or (b) this Agreement results in the expenditure of at least $1 million in public funds for the purchase of goods or services by HCDE in a fiscal year of HCDE, the following certification shall apply; otherwise, this certification is not required. As required by Tex. Gov't Code § 552.374(b), the following statement is included in the RFP and the Agreement (unless the Agreement is (1) related to the purchase or underwriting of a public security; (2) is or may be used as collateral on a loan; or (3) proceeds from which are used to pay debt service of a public security of loan): "The requirements of Subchapter J, Chapter 552, Government Code, may apply to this RFP and Agreement and the contractor or vendor agrees that the contract can be terminated if the contractor or vendor knowingly or intentionally fails to comply with a requirement of that subchapter." Pursuant to Subchapter J, Chapter 552, Texas Government Code, the Vendor hereby certifies and agrees to (1) preserve all contracting information related to this Agreement as provided by the records retention requirements applicable to HCDE for the duration of the Agreement; (2) promptly provide to HCDE any contracting information related to the Agreement that is in the custody or possession of the Vendor on request of HCDE; and (3) on completion of the Agreement, either (a) provide at no cost to HCDE all contracting information related to the Agreement that is in the custody or possession of Vendor, or (b) preserve the contracting information related to the Agreement as provided by the records retention requirements applicable to HCDE.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING BOYCOTTING CERTAIN ENERGY COMPANIES

If (a) Vendor is not a sole proprietorship; (b) Vendor has ten (10) or more full-time employees; and (c) this Agreement has a value of $100,000 or more that is to be paid wholly or partly from public funds, the following certification shall apply; otherwise, this certification is not required. Pursuant to TEX. GOV'T CODE Ch. 2274 of

SB 13 (87th session), Vendor hereby certifies and verifies that Vendor, or any wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of these entities or business associations, if any, does not boycott energy companies and will not boycott energy companies during the term of the Agreement. For purposes of this Agreement, the term "company" shall mean an organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, that exists to make a profit. The term "boycott energy company" shall mean "without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company (a) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law, or (b) does business with a company described by paragraph (a)." *See* TEX. GOV'T CODE § 809.001(1).

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION PROHIBITING DISCRIMINATION AGAINST FIREARM AND AMMUNITION INDUSTRIES

If (a) Vendor is not a sole proprietorship; (b) Vendor has at least ten (10) full-time employees; (c) this Agreement has a value of at least $100,000 that is paid wholly or partly from public funds; (d) the Agreement is not excepted under TEX. GOV'T CODE § 2274.003 of SB 19 (87th leg.); and (e) HCDE has determined that Vendor is not a sole-source provider or HCDE has not received any bids from a company that is able to provide this written verification, the following certification shall apply; otherwise, this certification is not required. Pursuant to TEX. GOV'T CODE Ch. 2274 of SB 19 (87th session), Vendor hereby certifies and verifies that Vendor, or association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary parent company, or affiliate of these entities or associations, that exists to make a profit, does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this contract against a firearm entity or firearm trade association. For purposes of this Agreement, "discriminate against a firearm entity or firearm trade association" shall mean, with respect to the entity or association, to: "(1) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association; (2) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or (3) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association. *See* TEX. GOV'T CODE § 2274.001(3) of SB 19. "Discrimination against a firearm entity or firearm trade association" does not include: "(1) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and (2) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency, or for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association." *See* TEX. GOV'T CODE § 2274.001(3) of SB 19.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING CERTAIN FOREIGN-OWNED COMPANIES IN CONNECTION WITH CRITICAL INFRASTRUCTURE

HCDE is prohibited from entering into a contract or other agreement relating to critical infrastructure that would grant to Vendor direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by HCDE for product warranty and support purposes. Vendor certifies that neither it nor its

parent company nor any affiliate of Vendor or its parent company, is (1) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; (2) a company or other entity, including governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or (3) headquartered in China, Iran, North Korea, Russia, or a designated country. For purposes of this Agreement, "critical infrastructure" means "a communication infrastructure system, cybersecurity system, electric grid, hazardous waste treatment system, or water treatment facility." *See* TEX. GOV'T CODE § 2274.0101(2) of SB 1226 (87th leg.). Vendor verifies and certifies that Vendor will not grant direct or remote access to or control of critical infrastructure, except for product warranty and support purposes, to prohibited individuals, companies, or entities, including governmental entities, owned, controlled, or headquartered in China, Iran, North Korea, Russia, or a designated country, as determined by the Governor.

_____ Initials of Authorized Representative of Vendor, if applicable

CERTIFICATION REGARDING EMPLOYMENT ASSISTANCE PROHIBITED

Vendor certifies and agrees that it shall not assist an employee, contractor, or agent of HCDE or of any other school district in obtaining a new job if the Vendor knows, or has probable cause to believe, that the individual engaged in sexual misconduct regarding a minor or student in violation of the law. Routine transmission of an administrative or personnel file does not violate this prohibition. *See* HCDE Policy CJ (Legal) and (Local).

_____ Initials of Authorized Representative of Vendor

REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS – APPENDIX II TO 2 C.F.R. PART 200

The following provisions are required and apply when federal funds are expended by HCDE for any contract resulting from this procurement process. In the event of a conflict or inconsistency between the following terms and conditions and any provision of any contract, agreement, or Purchase Order, the following terms and conditions shall control. Accordingly, the parties agree that the following terms and conditions apply to the Contract/PO between HCDE and Vendor in all situations where Vendor has been paid or will be paid with federal funds:

(A) Contracts for more than the simplified acquisition threshold currently set at $250,000 (2 CFR §200.320), which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when federal funds are expended by HCDE, HCDE reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(B) Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of $10,000)

Pursuant to Federal Rule (B) above, when federal funds are expended by HCDE, HCDE reserves the right to immediately terminate any agreement in excess of $10,000 resulting from this procurement

process in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or a purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation; (4) to the greatest extent authorized by law, if an award no longer effectuates the program goals or priorities of the Federal awarding agency or HCDE. HCDE also reserves the right to terminate the contract immediately, with written notice to vendor, for convenience, if HCDE believes, in its sole discretion that it is in the best interest of HCDE to do so. The vendor will be compensated for work performed and accepted and goods accepted by HCDE as of the termination date if the contract is terminated for convenience of HCDE. Any award under this procurement process is not exclusive and HCDE reserves the right to purchase goods and services from other vendors when it is in the best interest of HCDE.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(C) 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 must 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."

Pursuant to Federal Rule (C) above, when federal funds are expended by HCDE on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does vendor agree to abide by the above? YES_____Initials of Authorized Representative of vendor

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146- 3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non- Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

Pursuant to Federal Rule (D) above, when federal funds are expended by HCDE, during the term of an award for all contracts and subgrants for construction or repair, the vendor will be in compliance with all applicable Davis-Bacon Act provisions.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the 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," the 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 awarding agency.

Pursuant to Federal Rule (F) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(G) 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 award 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).

Pursuant to Federal Rule (G) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(H) 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.

Pursuant to Federal Rule (H) above, when federal funds are expended by HCDE, the vendor certifies that during the term of an award for all contracts by HCDE resulting from this procurement process, the vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency or by the State of Texas. Vendor shall immediately provide written notice to HCDE if at any time the vendor learns that this certification was erroneous when submitted or has become erroneous by reason of changed circumstances. HCDE may rely upon a certification of a vendor that the vendor is not debarred, suspended, ineligible, or voluntarily excluded from the covered contract, unless HCDE knows the certification is erroneous.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(I) 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.

Pursuant to Federal Rule (I) above, when federal funds are expended by HCDE, the vendor certifies that during the term and after the awarded term of an award for all contracts by HCDE resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certificate is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

(J) Procurement of Recovered Materials – When federal funds are expended by HCDE, HCDE and 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: (1) 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; (2) procuring solid waste management services in a manner that maximizes energy and resource recovery; and (3) establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

Pursuant to Federal Rule (J) above, when federal funds are expended HCDE, as required by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6962(c)(3)(A)(i)), the vendor certifies, by signing this document, that the percentage of recovered materials content for EPA-designated items to be delivered or used in the performance of the contract will be at least the amount required by the applicable contract specifications or other contractual requirements.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

(K) Required Affirmative Steps for Small, Minority, And Women-Owned Firms for Contracts Paid for with Federal Funds – 2 CFR § 200.321 – When federal funds are expended by HCDE, Vendor is required to take all affirmative steps set forth in 2 CFR 200.321 to solicit and reach out to small, minority and women owned firms for any subcontracting opportunities on the project, including: 1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists; 2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources; 3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; 4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and 5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

Does vendor agree? YES _____ Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH NEVER CONTRACT WITH THE ENEMY – 2 C.F.R. § 200.215

When federal funds are expended by HCDE for grant and cooperative agreements, or any contract resulting from this procurement process, that are expected to exceed $50,000 within the period of performance, and are performed outside of the United States, including U.S. territories, to a person or entity that is actively opposing United States or coalition forces involved in a contingency operation in which members of the Armed Forces are actively engaged in hostilities, HCDE will terminate any grant or cooperative agreement or contract resulting from this procurement process as a violation of Never Contract with the Enemy detailed in 2 CFR Part 183. The vendor certifies that it is neither an excluded entity under the System for Award Management (SAM) nor Federal Awardee Performance and Integrity Information System (FAPIIS) for any grant or cooperative agreement terminated due to Never Contract with the Enemy as a Termination for Material Failure to Comply. HCDE has a responsibility to ensure no Federal award funds are provided directly or indirectly to the enemy, to terminate subawards in violation of Never Contract with the Enemy, and to allow the Federal Government access to records to ensure that no Federal award funds are provided to the enemy.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT – 2 C.F.R. § 200.216

HCDE, as a non-federal entity, is prohibited from obligating or expending Federal financial assistance, to include loan or grant funds, to: (1) procure or obtain, (2) extend or renew a contract to procure or obtain, or (3) enter into a contract (or extend or renew a contract) to procure or obtain, equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as a critical technology as part of any system. Covered telecommunications equipment is telecommunications equipment produced Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities) and physical security surveillance of critical infrastructure and other national security purposes, and video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities) for the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes detailed in 2 CFR § 200.216. The vendor certifies that vendor will not purchase equipment, services, or systems that use covered telecommunications, as defined herein, as a substantial or essential component of any system, or as critical technology as part of any system.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

RECORD RETENTION REQUIREMENTS FOR CONTRACTS PAID FOR WITH FEDERAL FUNDS – 2 C.F.R. § 200.334

When federal funds are expended by HCDE for any contract resulting from this procurement process, the vendor certifies that it will comply with the record retention requirements detailed in 2 CFR § 200.334. The vendor further certifies that vendor will retain all records as required by 2 CFR § 200.334 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH EPA REGULATIONS APPLICABLE TO GRANTS, SUBGRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS IN EXCESS OF $100,000 OF FEDERAL FUNDS

When federal funds are expended by HCDE for any contract resulting from this procurement process in excess of $100,000, the vendor certifies that the vendor is in compliance with all applicable standards, orders, regulations, and/or requirements issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When federal funds are expended by HCDE for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94-163, 89 Stat. 871).

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF EQUAL EMPLOYMENT STATEMENT

It is the policy of HCDE not to discriminate on the basis of race, color, national origin, gender, limited English proficiency or handicapping conditions in its programs. Vendor agrees not to discriminate against any employee or applicant for employment to be employed in the performance of this Contract, with respect to hire, tenure, terms, conditions and privileges of employment, or a matter directly or indirectly related to employment, because of age (except where based on a bona fide occupational qualification), sex (except where based on a bona fide occupational qualification) or race, color, religion, national origin, or ancestry. Vendor further agrees that every subcontract entered into for the performance of this Contract shall contain a provision requiring non-discrimination in employment herein specified binding upon each subcontractor. Breach of this covenant may be regarded as a material breach of the Contract.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF DOMESTIC PREFERENCES FOR PROCUREMENTS AND COMPLIANCE WITH BUY AMERICA PROVISIONS – 2 C.F.R. § 200.322(a) and (b)

As appropriate and to the extent consistent with law, HCDE has 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) when spending federal funds. Vendor agrees that the requirements of this section will be included in all subawards including all contracts and purchase orders for work or products under this award, to the greatest extent practicable under a Federal award. (Purchases that are made with non-federal funds or grants are excluded from the Buy America Act.) Vendor certifies that it is in compliance with all applicable provisions of the Buy America Act. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition. "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. "Manufactured products" means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF DOMESTIC PREFERENCES FOR PROCUREMENTS AND COMPLIANCE WITH BUY AMERICA PROVISIONS – 2 C.F.R. § 200.322(c)

Pursuant to the Build America, Buy America Act ("BABA"), when HCDE or a CP member is the recipient of an award of Federal financial assistance from a program for infrastructure, none of the funds provided under the award may be used for an infrastructure project unless all iron and steel, manufactured products, and construction materials incorporated into the project are produced in the United States. **"Infrastructure"** means public infrastructure projects in the United States, which includes, at a minimum, the structures, facilities, and equipment for roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property; and structures, facilities, and equipment that generate, transport, and distribute energy including electric vehicle (EV) charging. Vendor hereby certifies and agrees that it is in compliance with all applicable provisions and requirements of the Buy America Preference, including,

but not limited to, all BABA requirements and/or guidance that are specific to the Federal agency awarding the Federal financial assistance, including, but expressly not limited to: the U.S. Department of Education, the U.S. Department of Health and Human Services, and the U.S. Department of Agriculture (collectively, the "Buy America Preference Requirements").

The Buy America Preference Requirements shall flow down to and be included in all subawards of the Federal award to all subrecipients at all tiers, including all contracts and purchase orders for work performed or products supplied under the Federal award. Vendor shall be responsible to obtain certifications of compliance with the Buy America Preference Requirements from such subrecipients, to retain such certifications in accordance with the record retention requirements applicable to the Federal award, and to provide copies of such certifications, upon request, to HCDE, the CP member, and/or the awarding Federal agency.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF ACCESS TO RECORDS – 2 C.F.R. § 200.337

Vendor agrees that HCDE, Inspector General, Department of Homeland Security, FEMA, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records of Vendor, and its successors, transferees, assignees, and subcontractors that are directly pertinent to the Contract for the purpose of making audits, examinations, excerpts, and transcriptions. The right also includes timely and reasonable access to Vendor's personnel for the purpose of interview and discussion relating to such documents. Vendor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed. Vendor agrees to provide the FEMA Administrator or his authorized representatives access to construction or other work sites pertaining to the work being completed under the Contract.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF APPLICABILITY TO SUBCONTRACTORS

Vendor agrees that all contracts it awards pursuant to the Contract shall be bound by the foregoing terms and conditions.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

CERTIFICATION OF NON-COLLUSION STATEMENT

Vendor certifies under penalty of perjury that its response to this procurement solicitation is in all respects bona fide, fair, and made without collusion or fraud with any person, joint venture, partnership, corporation or other business or legal entity.

Does vendor agree? YES_____Initials of Authorized Representative of vendor

Vendor agrees to comply with all federal, state, and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that vendor certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Vendor's Name/Company Name: _____

Address, City, State, and Zip Code: _____

Phone Number: _____ Fax Number: _____

Printed Name and Title of Authorized Representative: _____

Email Address: _____

Signature of Authorized Representative: _____

Date: _____ Federal Tax ID # _____

HARRIS COUNTY DEPARTMENT OF EDUCATION FELONY CONVICTION NOTICE FORM

FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 1 Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into an agreement with a school district must give advance notice to the district if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony".

Subsection (b) states "a school district may terminate the agreement with a person or business entity if the district determines that the person or business entity failed to give notice as required by Subsection (a), or misrepresented the conduct resulting in the conviction. The district must compensate the person or business entity for services performed before the termination of the contract".

Subsection (c) states "this section does not apply to a publicly held corporation".

I, the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the information furnished is true to the best of my knowledge.

Contractor's Name/Company Name: _____

Authorized Official's Name (Printed or Typed): _____

You must select one and sign below:

☐ Firm is a publicly held corporation; therefore the above reporting requirement does not apply per Section 44.034, Texas Education Code, Subsection (c).

☐ Contractor/Firm **is not** owned nor operated by anyone who has been convicted of a felony.

☐ Contractor/Firm **is** operated or owned by the following individual(s) who has/have been convicted of a felony:

Name of Individual(s): _____ Detail of Conviction(s): _____

(Attach additional pages if necessary.)

Signature of Company Official: _____

Date: _____

HARRIS COUNTY DEPARTMENT OF EDUCATION ANTITRUST

CERTIFICATION STATEMENT

(Tex. Government Code § 2155.005)

I affirm under penalty of perjury of the laws of the State of Texas that:

1. I am duly authorized to execute this contract on my own behalf or on behalf of the company, corporation, firm, partnership or individual (Company) listed below;
2. In connection with this bid, neither I nor any representatives of the Company have violated any provision of the Texas Antitrust laws codified in Tex. Bus. & Comm. Code Chapter 15;
3. In connection with this bid, neither I nor any representative of the Company have violated any federal antitrust law; and
4. Neither I nor any representatives of the Company have directly or indirectly communicated any of the contents of this bid to a competitor of the Company or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Company.

Contractor's Name/Company Name: _____

Address, City, State, and Zip Code: _____

Signature: _____

Printed Name: _____

Title: _____ Date Signed: _____

Ch. 22 Criminal History Records Contractor Certification: Contractor/Subcontractor Employees

Background: Texas Education Code Chapter 22 requires that criminal history records be obtained regarding covered employees of entities that contract with a school district to provide services to the school district ("Contractors") and entities that contract with school district contractors ("Subcontractors"). Covered employees with disqualifying criminal histories are prohibited from serving at a school district. Contractors/Subcontractors shall (1) complete this form certifying compliance with the requirements of Texas Education Code Chapter 22 to HCDE; and (2) require that each of their subcontractors complies with the requirements of Texas Education Code Chapter 22.

Criminal history records will be obtained by either the Contractor/Subcontractor or HCDE, as follows:

(1) Contractor/Subcontractor: The only Contractors/Subcontractors who will be granted access to obtain criminal history record information are those "qualified school contractors" that (1) contract or subcontract to provide services to HCDE; and (2) are determined eligible by the Texas Department of Public Safety (DPS) to obtain criminal history record information under the National Child Protection Act of 1993 (34 U.S.C. § 40101 *et seq.*) (NCPA), specifically, those contractors/subcontractors who provide "care or care placement services" and are based in Texas, for an employee, applicant for employment, or volunteer of the "qualified school contractor." All "qualified school contractors" are required to obtain their covered employees' criminal histories, certify compliance to HCDE, and obtain similar certifications from their subcontractors. Before or immediately after employing or securing the services of a person who is a "covered employee" (as defined below) the Contractor/Subcontractor shall send or ensure that the employee sends to DPS all information that is required by DPS for obtaining the person's national criminal history record information, which may include (but is not limited to) a complete set of the person's fingerprints and a recent electronic digital image photograph of the person, as required by DPS. DPS shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Texas Government Code 411.0845. For more information or to set up an account, Contractor/Subcontractor should contact the Texas Department of Public Safety's Crime Records Service at 512.424.2474. Contractor/Subcontractor shall obtain all criminal history record information that relates to all covered employees through the criminal history clearinghouse as provided by Texas Government Code 411.0845. In addition, Contractor/Subcontractor shall require that each of its subcontracting entities obtains all criminal history record information that relates to its covered employees, if the subcontracting entity is also a "qualified school contractor." Contractor/Subcontractor shall: (1) provide HCDE with a fitness determination (as set forth below) as to each covered employee, based on all criminal history record information obtained; and (2) certify to HCDE that Contractor/Subcontractor has received all criminal history record information relating to a person who is employed by or under a current offer of employment by Contractor/Subcontractor.

(2) HCDE: All Contractors/Subcontractors who are not "qualified school contractors" (in other words, all Contractors/Subcontractors who do not provide "care or care placement services" or are not based in Texas) are required to follow the instructions listed below, so that HCDE may obtain their covered employees' criminal history record information, as applicable. Contractor/Subcontractor shall also require that any of its subcontracting entities that are not "qualified school contractors" follow the instructions listed below, so that HCDE may obtain their covered employees' criminal history record information. **Contractor/Subcontractor is responsible for the payment of all fingerprinting costs. Should HCDE pay any costs of fingerprinting Contractor/Subcontractor employees, Contractor agrees to reimburse HCDE for such costs; in the event Contractor fails to reimburse HCDE for the costs of fingerprinting Contractor/Subcontractor employees, Contractor agrees that HCDE may deduct such costs from any payment due and owing by HCDE to Contractor.**

Definitions:

- Covered employees: Employees of a Contractor/Subcontractor who have or will have continuing duties related to the service to be performed at a school district and have or will have direct contact with students. HCDE will be the final arbiter of what constitutes *continuing duties* and *direct contact* with students.

- Continuing duties related to contracted services: Work duties that are performed pursuant to a contract to provide services to a school entity on a regular, repeated basis rather than infrequently or one-time only. *See* 19 Tex. Admin. Code §153.1101(2).

- Direct contact with students: The contact that results from activities that provide substantial opportunity for verbal or physical interaction with students that is not supervised by a certified educator or other professional district employee. Contact with students that results from services that do not provide substantial opportunity for unsupervised interaction with a student or students, such as addressing an assembly, officiating a sports contest, or judging an extracurricular event, is not, by itself, direct contact with students. However, direct contact with students does result from any activity that provides substantial opportunity for unsupervised contact with students, which might include, without limitation, the provision of coaching, tutoring, or other services to students. *See* 19 Tex. Admin. Code § 153.1101(7).

- Public Works Contractor: An entity that contracts directly or subcontracts with an entity that contracts with a school district to provide construction services to the school district.

- Exception for Certain Public Works Contractors' Employees and Applicants: The criminal history record information requirements outlined above do not apply to an employee or applicant for employment of a public works contractor (as defined above) if: (1) the public work does not involve the construction, alteration, or repair of an instructional facility as defined by Texas Education Code Section 46.001; (2) the employee's duties will be completed not later than the seventh (7th) day before a new instructional facility will be used for instruction; or (3) for an existing instructional facility, the work area contains sanitary facilities and is separated from all areas used by students by a secure barrier fence at least six (6) feet high, and the Contractor adopts, informs employees of, and enforces a policy prohibiting employees and any subcontractor's employees from interacting with students or entering areas used by students.

Disqualifying criminal history:

- (1) a conviction or other criminal history information designated by HCDE; or (2) a felony or misdemeanor offense that would prevent a person from being employed under Texas Education Code § 22.085(a), that is: (a) conviction of a felony offense under Title 5, Texas Penal Code if at the time of the offense, the victim was under 18; (b) conviction of or placement on deferred adjudication community supervision for an offense for which a defendant is required to register as a sex offender under Chapter 62, Texas Code of Criminal Procedure; or (c) conviction of an offense under federal law or the laws of another state that is equivalent to (a) or (b).

Types of Criminal History Record Information:

- National criminal history record information from the Texas Department of Public Safety criminal history clearinghouse. HCDE and/or Contractor/Subcontractor may obtain from any law enforcement or criminal justice agency all criminal history record information that relates to a covered employee.

On behalf of_____("Contractor/Subcontractor"), I, the undersigned authorized signatory for Contractor/Subcontractor, certify to Harris County Department of Education ("HCDE") (and, in the case of a Subcontractor, certify to Contractor and HCDE) that [**check one**]:

[ ] **OPTION A: Contractor/Subcontractor certifies that none of the employees of Contractor/Subcontractor are *covered employees*, as defined above.** For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor certifies to HCDE that it will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE. If this box is checked, I further certify that Contractor/Subcontractor has taken precautions or imposed conditions to ensure that its employees will not become *covered employees*. Contractor/Subcontractor will ensure that these precautions or conditions continue to exist throughout the time that the contracted services are provided. If HCDE, in its sole discretion, determines that employees of Contractor/Subcontractor are *covered employees*, as defined above, Contractor/Subcontractor will provide HCDE with the name, date of birth, and any other requested information of such covered employees so that HCDE may obtain criminal history record information on the covered employees, upon request by HCDE.

Or

[ ] **OPTION B: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, but the criminal history record information requirements do not apply to its employees or applicants for employment because:**

(1) Contractor/Subcontractor is a public works contractor (an entity that contracts directly or subcontracts with an entity that contracts with a school district to provide construction services to the school district); **and**
(2) the public work does not involve the construction, alteration, or repair of an instructional facility as defined by Texas Education Code Section 46.001; the employee's duties will be completed not later than the seventh (7th) day before a new instructional facility will be used for instruction; **or** for an existing instructional facility, the work area contains sanitary facilities and is separated from all areas used by students by a secure barrier fence at least six (6) feet high, and the Contractor adopts, informs employees of, and enforces a policy prohibiting employees and any subcontractor's employees from interacting with students or entering areas used by students.

If this option is selected, Contractor/Subcontractor further certifies to HCDE that:
(a) Contractor/Subcontractor shall ensure that the conditions or precautions that resulted in the determination that the criminal history record information requirements do not apply to its employees or applicants for employment continue to exist throughout the time that the contracted services are provided;
(b) For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE; and
(c) If HCDE, in its sole discretion, determines that the conditions in paragraph (1) and/or (2) above are not satisfied as to Contractor/Subcontractor, Contractor/Subcontractor will provide HCDE with the name, date of birth, and any other requested information of its covered employees so that HCDE may obtain criminal history record information on the covered employees, upon request by HCDE.

Or

[ ] **OPTION C: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, and Contractor/ Subcontractor is a "qualified school contractor."** For each covered employee who is employed by or under a current offer of employment by Contractor/Subcontractor, Contractor/Subcontractor certifies to HCDE that it will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE. If this option is selected, I further certify that:

(1) Contractor/Subcontractor certifies to HCDE that Contractor/Subcontractor has received all criminal history record information relating to a person who is employed by or under a current offer of employment by

Contractor/Subcontractor. Contractor/Subcontractor provides HCDE with the following fitness determination as to each covered employee, based on all criminal history record information obtained: None of the covered employees has a disqualifying criminal history.

(2) If Contractor/Subcontractor at any time receives information that a covered employee subsequently has a reported disqualifying criminal history, Contractor/Subcontractor will immediately remove the covered employee from contract duties and notify HCDE in writing within 3 business days.

(3) Upon request by HCDE, Contractor/Subcontractor will provide HCDE with the name, date of birth, and any other requested information of covered employees so that HCDE may obtain criminal history record information on the covered employees.

Or

[ ] **OPTION D: Contractor/Subcontractor certifies that some or all of the employees of Contractor/Subcontractor are *covered employees*, and Contractor/Subcontractor is not a "qualified school contractor."** If this option is selected, I further certify that:

(1) For each covered employee **who is employed by or under a current offer of employment by Contractor/Subcontractor**, **Contractor/Subcontractor certifies to HCDE that will timely complete the "Contractor Criminal History Background Check Certification" form and submit such to HCDE**, providing the following information regarding each covered employee as required by DPS in order to provide criminal history record information, so that HCDE may obtain the covered employees' criminal history record information: (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph; (f) if the employee has ever been fingerprinted by a public school district in Texas (and if so, the name of the school district); and (g) the person's written consent to the release of his or her criminal history record information.

(2) Contractor/Subcontractor shall provide HCDE's "Texas Fingerprint Service Code Form" document to all covered employees and ensure that they schedule fingerprinting appointments in a timely manner. Contractor/Subcontractor shall be solely responsible to send or ensure that each covered employee sends to DPS all information that may be required by DPS for obtaining national criminal history record information, which may include, but is not limited to, a complete set of the person's fingerprints and a recent electronic digital image photograph of the person. Any covered employee whose criminal history record information is not received by HCDE at least ten (10) HCDE business days prior to the start of the services to be performed by Contractor/Subcontractor at HCDE is subject to exclusion from service, in HCDE's sole discretion, until his or her criminal history record information can be obtained and reviewed by HCDE. **Contractor/Subcontractor is responsible for the payment of all fingerprinting costs.** Because Contractor/Subcontractor is not a "qualified school contractor," it will not be permitted to view the criminal history record information obtained by HCDE.

(3) DPS shall obtain the person's national criminal history record information and report the results through the criminal history clearinghouse as provided by Texas Government Code 411.0845. Contractor/Subcontractor agrees that HCDE will obtain all criminal history record information that relates to a covered employee through the criminal history clearinghouse as provided by Texas Government Code 411.0845. Contractor/Subcontractor agrees that HCDE will review each covered employee's criminal history record information, together with the employee's qualifications, background, and experience, based on information gathered by HCDE through the procurement and/or contracting processes, to determine, in HCDE's sole discretion, whether any covered employee(s) should be prohibited from serving at HCDE. HCDE will notify Contractor/Subcontractor of its determination.

(4) If HCDE at any time receives information that a covered employee subsequently has a reported disqualifying criminal history or should be prohibited from serving at HCDE, in HCDE's sole discretion, for any other

reason, including, but not limited to, the employee's qualifications, background, and experience, based on information gathered by HCDE through the procurement and/or contracting processes, HCDE will notify Contractor/Subcontractor of its determination. Contractor/Subcontractor will immediately remove the covered employee from contract duties.

Upon contract award and/or initiation of PO/contract from HCDE, the winning proposer/Contractor shall complete HCDE's "Contractor Criminal History Background Check Certification" form, providing the following information regarding each covered employee as required by DPS in order to provide criminal history record information, so that HCDE may obtain the covered employees' criminal history record information: (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph; (f) if the employee has ever been fingerprinted by a public school district in Texas (and if so, the name of the school district); and (g) the person's written consent to the release of his or her criminal history record information. Contractor/Subcontractor shall be solely responsible to send or ensure that each covered employee sends to DPS all information that may be required by DPS for obtaining national criminal history record information, which may include, but is not limited to, a complete set of the person's fingerprints and a recent electronic digital image photograph of the person.

If, during the term of the contract with HCDE, Contractor/Subcontractor employs additional covered employees or assigns new covered employees to perform services at HCDE, Contractor shall immediately notify HCDE and provide HCDE with all of the information listed in the preceding paragraph as to each additional covered employee, so that HCDE may obtain the additional covered employees' criminal history record information. If, during the term of the contract with HCDE, Contractor/Subcontractor ceases to employ a covered employee in connection with an HCDE contract, whose information was previously provided to HCDE, Contractor/Subcontractor shall immediately notify HCDE of the same and provide HCDE with each former covered employee's (a) Full name (first, middle, and last); (b) Date of birth; (c) Sex; (d) Social Security number; and (e) number assigned to any form of unexpired identification card issued by Texas or another state, the District of Columbia, or a U.S. territory that includes the person's photograph, so that HCDE may unsubscribe from that individual's criminal history record.

If HCDE, in its sole discretion, objects to the assignment of a covered employee for any reason, including, but not limited to, on the basis of the covered employee's criminal history record information and/or insufficient qualifications, lack of experience, and the like, based on information gathered by HCDE through the procurement and/or contracting processes, Contractor/Subcontractor agrees to discontinue using that covered employee to provide services at HCDE.

I also certify to HCDE (and, in the case of a Subcontractor, certify to Contractor and HCDE) on behalf of Contractor/Subcontractor that Contractor/Subcontractor has required its subcontractors to comply with Texas Education Code, Chapter 22 and obtained certifications from its subcontractors of such compliance. Noncompliance or misrepresentation regarding this certification may be grounds for contract termination.

_____	_____	_____
Signature	Title	Date

CONFIDENTIALITY DECLARATION FORM

INFORMATION SUBMITTED TO HCDE IN CONNECTION WITH THIS PROCUREMENT SOLICITATION OR THE AGREEMENT IS GOVERNED BY TEXAS GOVERNMENT CODE, CHAPTER 552

As a governmental body, HCDE is subject to the Texas Public Information Act found in Chapter 552, Texas Government Code. Proposals and other information submitted to HCDE in connection with this procurement solicitation or the Agreement may be subject to release as public information. If a Vendor believes that part(s) of its proposal or any other information submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement contain confidential, proprietary, and/or trade secret information or otherwise may be excepted from disclosure under Texas law, the Vendor must clearly and conspicuously mark the applicable information as "CONFIDENTIAL."

Marking information as "CONFIDENTIAL" does not guarantee that the information will be withheld from disclosure. If HCDE receives a request for public information involving information that Vendor has clearly and conspicuously marked as "CONFIDENTIAL," HCDE will respond pursuant to Chapter 552, Texas Government Code, which may or may not require that HCDE provide notice of the request to Vendor. Vendor understands and agrees that it is solely responsible for submitting to the Attorney General of Texas each reason why the requested information should be withheld and a letter, memorandum, or brief in support of that reason. Pursuant to Tex. Gov't Code § 552.02222, "contracting information"[1] is public and must be released unless excepted from disclosure under Chapter 552. The exceptions provided by Chapter 552 for disclosure for proprietary information (552.1101), commercial or financial information that would cause substantial competitive harm if released (552.110(c)), or trade secrets (552.110(b)) may not be asserted for the following types of contracting information:

(1) the following contract or offer terms or their functional equivalent: (A) any term describing the overall or total price the governmental body will or could potentially pay, including overall or total value, maximum liability, and final price; (B) a description of the items or services to be delivered with the total price for each if a total price is identified for the item or service in the contract; (C) the delivery and service deadlines; (D) the remedies for breach of contract; (E) the identity of all parties to the contract; (F) the identity of all subcontractors in a contract; (G) the affiliate overall or total pricing for a vendor, contractor, potential vendor, or potential contractor; (H) the execution dates; (I) the effective dates; and (J) the contract duration terms, including any extension options; or

(2) information indicating whether a vendor, contractor, potential vendor, or potential contractor performed its duties under a contract, including information regarding: (A) a breach of contract; (B) a contract variance or exception; (C) a remedial action; (D) an amendment to a contract; (E) any assessed or paid liquidated damages; (F) a key measures report; (G) a progress report; and (H) a final payment checklist.

HCDE assumes no obligation or responsibility relating to the disclosure or nondisclosure of information submitted by Vendors, and **Vendor hereby waives any claim against and releases from liability HCDE, its respective officers, employees, agents, and attorneys with respect to disclosure of information provided under or in connection with this procurement solicitation or the Agreement or otherwise created, assembled, maintained, or held by Vendor or HCDE and determined by HCDE, the Attorney General of Texas, or a court of law to be subject to disclosure under the Texas Public Information Act**. Further, even if Vendor marks information as "CONFIDENTIAL," **Vendor expressly agrees that HCDE may disclose Vendor's proposal, including, but not limited to, pricing information, to other**

[1] "Contracting information" is defined by Tex. Gov't Code § 552.003(7) as "the following information maintained by a governmental body or sent between a governmental body and a vendor, contractor, potential vendor, or potential contractor: (A) information in a voucher or contract relating to the receipt or expenditure of public funds by a governmental body; (B) solicitation or bid documents relating to a contract with a governmental body; (C) communications sent between a governmental body and a vendor, contractor, potential vendor, or potential contractor during the solicitation, evaluation, or negotiation of a contract; (D) documents, including bid tabulations, showing the criteria by which a governmental body evaluates each vendor, contractor, potential vendor, or potential contractor responding to a solicitation and, if applicable, an explanation of why the vendor or contractor was selected; and (E) communications and other information sent between a governmental body and a vendor or contractor related to the performance of a final contract with the governmental body or work performed on behalf of the governmental body."

governmental entities and/or members of HCDE's cooperative purchasing program, Choice Partners.

Please check **ONLY ONE** of the following options:

- ☐ **Declaration of Confidentiality – Vendor HAS clearly and conspicuously marked information contained in its proposal and/or other information submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement as "CONFIDENTIAL." Vendor declares that the information marked by Vendor as "CONFIDENTIAL" contains confidential, proprietary, and/or trade secret information and is excepted from disclosure under Chapter 552, Texas Government Code.**

- ☐ **Waiver of Confidentiality – Vendor HAS NOT marked any information contained in its proposal and/or other information submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement as "CONFIDENTIAL." Vendor certifies that it has not submitted any confidential, proprietary, and/or trade secret information to HCDE and that its proposal and all other information—including any pricing information—submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement is subject to disclosure under Chapter 552, Texas Government Code. Vendor hereby expressly waives any claim of confidentiality with respect to its proposal and/or any other information submitted by Vendor to HCDE in connection with this procurement solicitation or the Agreement.**

_____
Vendor Name

_____ _____
Printed Name of Authorized Officer/Representative of Vendor **Title**

_____ _____
Signature **Date**

Harris County Department of Education Facilities Use Agreement

1. Introduction

This Facilities Use Agreement ("Agreement") dated _____, 20__ shall be executed in connection with non-school functions to be conducted at facilities owned and operated by **Harris County Department of Education** ("HCDE" or "the Department"). All agreements, reservations and commitments expressed herein are made between **HCDE** and _____ ("User"). By signing this Agreement, User acknowledges its acceptance of the terms and conditions of the Agreement and all laws, rules, regulations and policies that govern the use of HCDE's facilities, including, but not limited to, HCDE Board Policy GKD (Local), attached hereto as Exhibit A, which may hereafter be amended by the HCDE Board of Trustees.

2. Instructions. Please review, complete, and sign this Agreement. Send the signed Agreement by mail, email, or hand delivery to the HCDE Operations Coordinator, Julie Carson Smith, at 6300 Irvington Boulevard, Houston, Texas 77022 or jcarson@hcde-texas.org. Requests will be approved by the HCDE Superintendent or HCDE Executive Director of Facilities, or, in the absence of both, a designee.

3. Function/Event Details

(a) Function/Event Name: _____

(b) Number of Participants: _____

(c) Function Date(s): _____

(d) Set Up Time: _____

(e) Event Start Time: _____

(f) Move Out Time: _____

(g) HCDE Facility: _____

(h) Room(s) Reserved: _____

(i) Intended Use Description: _____

_____

4. General Agreement. The Department hereby grants to the User and the User hereby accepts from the Department, during the Term (as defined below) of this Agreement, the right to use the rooms or areas at or in HCDE property described in Section 3(g) above ("Facility"), on the date set forth in Section 3(c) above ("Function Date"), subject to the terms and conditions set forth

in this Agreement. The User shall use the Facility exclusively for the Intended Use, as described in Section 3(i), above, in connection with the function or event described in Section 3(a), above (the "Event"), and in compliance with the terms and conditions more specifically provided for in this Agreement, and for no other purpose. The User and its guests shall have no rights to use any other rooms/areas at or in HCDE property, or any other HCDE facilities other than those specifically granted in this Agreement.

5. Use Fee. The Use Fee (hereinafter defined) shall include the Rental Fee, Custodial Fee, Security Fee, any Additional Fees, and any applicable taxes, as set forth in the Event Estimate attached hereto as Exhibit B. A Schedule of Fees for HCDE's facilities is attached hereto as Exhibit C. HCDE will provide customary air conditioning, heating, lighting, water, and existing venue electricity for the facilities as part of the Use Fee.

HCDE shall have sole right to provide, at User's expense, personnel and services necessitated by the User's Event, including, but not limited to additional custodians, security personnel, maintenance personnel, technicians, and emergency personnel. User will be responsible for the total of all additional costs or expenses incurred by the Department in connection with this Agreement or the use by User of the Facility, and other Additional Fees described herein, whether or not included in the Event Estimate. User shall solely be responsible for all costs and necessary permits associated with the catering of food or beverages and other food services at the Event from sources outside of HCDE.

6. Payments. User must pay all applicable fees and any expenses incurred by the Department for the use of the Facility. Upon execution of this Agreement, User shall pay to HCDE's Accounts Payable department one-hundred percent (100%) of the fees and payments due from User pursuant to this Agreement. All fees and payments due from User pursuant to this Agreement must be received by HCDE's Accounts Payable department in advance of the Event. The Event will not be scheduled on the Department's calendar until HCDE's Accounts Payable department has received all fees and expenses due from User pursuant to this Agreement. Events are scheduled on a first-come, first-served basis, with scheduling priority given to the user whose full fees and expenses are first received by the Department. All payments shall be made payable to **Harris County Department of Education** and must be in the form of a business check, certified/cashier's check, or money order. Payment of fees is non-refundable except as otherwise expressly provided herein.

7. Cancellation by the Department. Department use, including, but not limited to, academic and extracurricular activities sponsored by the Department, shall always have first priority on HCDE facility use. Accordingly, HCDE's Superintendent or HCDE's Executive Director of Facilities or, in the absence of both, a designee, has the authority to unilaterally cancel this Agreement by giving written notice to User at any time, including but not limited to an unexpected conflict arising between the Event and a Department activity or use of the Facility. In the event that HCDE unilaterally cancels this Agreement, the User shall receive a refund equal to 100% of all fees and expenses previously paid to the Department by the User. The Department shall also have the right to relocate the Event to another location, based on availability. In no event shall HCDE be responsible for any loss (including, but not limited to, lost profits), expense (including, but not limited to, court costs and attorney's fees, and all such other expenses of litigation or counter suits), claims, suit, action, damages, or liability of any kind, character, type, or description

arising from or related to HCDE's cancellation of this Agreement or relocation of an Event.

8. Cancellation by User. Subject to the terms and conditions set forth below, User may terminate this Agreement by providing written notice to the Department ten (10) or more Department business days prior to the Function Date. Notice of termination by User must be in writing. HCDE will not accept a termination notice via e-mail or telephone. In the event that User elects to terminate this Agreement pursuant to this Section 8, User shall not be entitled to receive any refund of the fees and expenses previously paid to the Department by the User. Fees and expenses shall not be refunded unless the Event is cancelled by the Department.

Should User fail to provide written notice of termination to the Department at least ten (10) or more Department business days prior to the Function Date and fail for any reason to take possession or use the premises as outlined in this Agreement, the liquidated damages described in Section 20 of this Agreement shall be made payable immediately to HCDE by User.

9. Property Damages or Losses. Excluding normal wear and tear, User shall be solely responsible for, shall hold HCDE harmless for, and shall reimburse HCDE for any and all injuries, damages, or losses to HCDE's facilities, personal property, any other HCDE property, or any person(s) incurred during the User's use of the Facility, whether or not caused by the User or User's employees, patrons, guests, agents, or independent contractors, and User shall indemnify HCDE for the cost of any repairs. Payment for such damages shall be due and payable immediately upon receipt of written notice from HCDE setting forth the itemized damages. HCDE is not responsible for any damage to, loss or theft of any property, personal or otherwise, personal injury or bodily injury sustained by the User or its employees, patrons, guests, agents, or independent contractors.

10. No Waiver. HCDE shall not waive or relinquish any governmental immunities or defenses on behalf of itself, its trustees, officers, employees, and agents as a result of the execution of this Agreement or performance of the functions or obligations described herein.

11. Term of Use. The User's right to use and occupy the Facility under this Agreement shall commence at the Set Up Time, designated in Section 3(d), above, and terminate at the Move Out Time designated in Section 3(f), above (the "Term"). The User shall specify in Section 3, above, the amount of time necessary for the setup and dismantling of the Event. HCDE reserves the right to impose upon the User, at no less than the standard rental fee rates, additional fees and charges for any function setup or dismantling that exceeds the agreed upon and reserved Term, plus any other costs incurred by HCDE as a result thereof. Changes to the room setup after the User's arrival may be subject to additional labor charges as determined by the Department, in its sole discretion.

12. Parking. The User acknowledges that parking is available on a first-come, first-served basis. User and User's guests may not park in any area that is not a designated parking space. If User or User's guests do park any vehicles in an area not designated for parking, such vehicles may be towed from the premises without prior warning at the vehicle owners' expense.

13. Management Rights. HCDE facilities shall at all times be under control of HCDE. In allowing the User to utilize the Facility, HCDE does not relinquish and does hereby retain the right

to enter any portion of HCDE's facilities at any time, for any purpose, and to enter the Facility to enforce rules, laws, and policies, and/or to prevent damage to HCDE's facilities.

14. Default. It is agreed that if the User shall fail, neglect or refuse to keep and perform any of the covenants, conditions or agreements contained herein, HCDE may terminate this Agreement without liability to User and without releasing User from its liability to pay any Use Fees, other fees, payments, expenses, or other amounts due pursuant to this Agreement.

15. Restrictions. User shall not use or permit any portion of HCDE's facilities to be used for any purpose other than that set forth herein. User further agrees:

- to refrain from injuring or defacing the premises or any part thereof and to refrain from driving nails, hooks, staples, tacks or screws into any part of HCDE's facilities or furniture;
- not to use any unauthorized areas;
- not to block exits or hallways;
- not to post or display on or adjacent to HCDE facilities any signs or other materials without prior written approval of HCDE's Executive Director of Facilities or designee; and
- that no Event, activity or exhibition shall be held in HCDE facilities which is deemed by HCDE to be indecent, immoral, obscene, or in any manner offensive.

HCDE shall have the authority to stop an Event in violation of this Agreement or to demand the removal of any objectionable materials. Further, HCDE reserves the right to eject or cause to be ejected from the premises any objectionable person or persons.

16. Lawful Compliance. User will not do nor allow to be done anything on HCDE premises or parking area in violation of any laws, ordinances, rules, regulations or HCDE Board Policy. If the User becomes aware of any unlawful behavior by its employees, patrons, guests, agents, or independent contractors, User will immediately correct the violation. User shall be responsible for and pay all taxes, charges, fees, licenses and permits or penalties whether federal, state, or local, associated with User's business or activities contemplated in this Agreement.

17. Indemnification. THE USER SHALL DEFEND, INDEMNIFY AND HOLD HARMLESS HCDE AND ITS TRUSTEES, EMPLOYEES, AGENTS, SUCCESSORS, AND ASSIGNS AGAINST ANY AND ALL LOSS, EXPENSE (INCLUDING, BUT NOT LIMITED TO, COURT COSTS AND ATTORNEYS' FEES, AND ALL SUCH OTHER EXPENSES OF LITIGATION OR COUNTER SUITS), CLAIM, SUIT, ACTION, DAMAGES, OR LIABILITY OF ANY KIND, CHARACTER, TYPE OR DESCRIPTION (COLLECTIVELY, THE "CLAIMS") BROUGHT OR MADE FOR OR ON ACCOUNT OF ANY INJURIES OR DAMAGES RECEIVED OR SUSTAINED BY ANY PERSON, PERSONS (INCLUDING BUT NOT LIMITED TO, BODILY INJURY AND/OR DEATH) OR PROPERTY ARISING OUT OF OR OCCASIONED BY OR CONNECTED WITH THE USE OF HCDE'S FACILITIES AND/OR PROPERTY BY USER AND USER'S AGENTS, OFFICERS, EMPLOYEES, OR INVITEES. SUCH INDEMNITY SHALL APPLY EVEN IN THE EVENT THAT THE ABOVE REFERENCED CLAIMS ARISE IN WHOLE OR IN PART DUE TO THE NEGLIGENCE OF THE DEPARTMENT. HCDE IS NOT LIABLE FOR ANY PERSONAL INJURY OR PROPERTY DAMAGE RELATED TO NON-HCDE USE OF HCDE FACILITIES AND/OR PROPERTY. THIS

INDEMNIFICATION PROVISION SHALL SURVIVE THE EXPIRATION OR TERMINATION OF THIS AGREEMENT.

18. Insurance (*HCDE to check one of the following.)*

☐ **Insurance requirements waived** – one-time request to use HCDE facility for activities deemed to be of community concern and/or benefit (e.g., public meeting sponsored by a federal/state/local governmental entity/agency) and specific insurance requirements are waived. Such waiver is specific to insurance requirements and does not waive any other provision of this Agreement, including imposition of liability, indemnification requirements, and the like, imposed on User.

☐ **Insurance requirements imposed as follows** – The Department requires that User furnish a certificate(s) of insurance to guarantee the conditions of this Agreement and any liability incurred by User. User shall maintain at its sole cost and expense, public liability or general liability insurance from an approved company authorized to do business in the State of Texas in which User is the named insured and HCDE is named as an additional insured. Limits must be no less than five hundred thousand dollars ($500,000) per occurrence for the entire Term of Use set forth above. The policy must reflect that it is primary and not secondary or contributory with any insurance maintained by HCDE. This policy may not be canceled prior to the conclusion of the terms of this Agreement. User waives any right to subrogation against HCDE in connection with any insurance proceeds received by or due to HCDE. User shall furnish HCDE ten (10) or more Department business days in advance of the Function Date, a certificate showing such insurance to be in effect. User understands that failure to produce the proper insurance certificate in the proper time may result in the Event cancellation, and all amounts paid by User to HCDE in connection with this Agreement shall be forfeited to HCDE.

19. Assignment. User shall not sell or assign this Agreement or any rights or obligations hereunder. Any attempt to sell or assign this Agreement or any rights or obligations hereunder shall give HCDE the right to terminate this Agreement and retain any monies paid to HCDE by User.

20. Failure to Take Possession. If User fails for any reason to take possession or use the premises as outlined in this Agreement, any Use Fee and other amounts paid by User to the Department pursuant to this Agreement shall be forfeited, and the balance of all fees, expenses, and payments, and any other amounts due pursuant to this Agreement, including but not limited to any expenses incurred by the Department, shall be made payable immediately to HCDE by User, as the agreed upon liquidated damages for HCDE's reasonably estimated losses for User's failure to take possession of the reserved Facility.

21. Notices. All notices required under this Agreement shall be addressed and delivered, via certified mail, return receipt requested, to the following:

If to HCDE: Attn: Executive Director of Facilities
6300 Irvington Boulevard
Houston, Texas 77022

If to User: Attn: _____

Address: _____

_____

22. Required Conduct. User shall conduct business in an orderly manner. User shall abide by all laws and policies, including but not limited to those prohibiting the use, sale, or possession of alcoholic beverages, illegal drugs, and firearms, and the use of tobacco products or e-cigarettes on school property [see HCDE Board Policy GKA]. HCDE prohibits the sale, use, consumption or possession of alcohol, tobacco products of any kind (including but not limited to e-cigarettes), and controlled substances on or within the premises of HCDE facilities, including, but not limited to, all buildings, structures, parking lots, and ancillary facilities. Furthermore, firearms, knives and weapons of any sort are not permitted on such Department facilities, buildings, structures, parking lots, and ancillary facilities. User shall not make any alteration, temporary or permanent, to the Facility or any other HCDE property without prior written consent from the HCDE Superintendent or designee. HCDE also prohibits the following activities on or within the premises of HCDE facilities, including, but not limited to, all buildings, structures, parking lots, and ancillary facilities: (1) gambling, bookmaking, or any other illegal gaming; (2) use likely to result in damage to the Facility; (3) use that would be injurious to HCDE buildings, grounds, or equipment; (4) fund-raising campaigns for non-HCDE organizations; (5) any activity, the purpose of which is in conflict with Department activities; (6) any criminal or other conduct prohibited by law; (7) any suggestion or statement that HCDE endorses or favors the views of User; and (8) the distribution or posting of campaign or election materials, except in accordance with local and state law.

23. Removal of Property. At the immediate conclusion of the Event as outlined in this Agreement, User shall remove its property from HCDE premises, which includes parking lots, and return the Facility to HCDE in substantially the same condition, including but not limited to the same order and cleanliness, as it was prior to the Set Up Time. In the event the User fails, neglects or refuses to remove its property from HCDE premises, such property shall be deemed abandoned and HCDE shall have the right to remove and dispose of said property, without incurring any liability to User, and shall be entitled to reimbursement from User for all such removal and disposal costs incurred by HCDE in connection with the removal or disposal of such property from HCDE property and facilities.

24. Force and Effect. This Agreement shall have no force or effect unless fully executed by both Parties. HCDE and User shall sign the Agreement, and a copy will be provided to the User by HCDE. User covenants and agrees that its failure to fully and faithfully perform all covenants and agreements hereunder shall excuse HCDE's continued performance.

25. Termination of Agreement. HCDE shall have the right to terminate this Agreement for good cause or public necessity and without penalty or liability. User agrees that HCDE may terminate this Agreement immediately and without notice, penalty or liability in the event of default by User in the performance of any of the terms or conditions of this Agreement. Such termination does not constitute a waiver of HCDE's legal remedies arising from such default.

26. Governing Law and Venue. This Agreement shall be governed by the law of the State of Texas, without regard to any provisions on conflicts of law. Exclusive venue for all legal proceedings related to the Agreement or the obligations thereunder shall be in Houston, Harris County, Texas.

27. Entire Agreement. This Agreement (and any attachments/exhibits hereto) embodies the entire agreement between User and HCDE and supersedes all prior proposals, negotiations, agreements and understandings relating to the subject matter and may not be contradicted by evidence of prior contemporaneous or subsequent oral agreements of the User and HCDE.

28. Amendment. No amendment to this Agreement is effective unless it is written and signed by all Parties.

29. User's Designated Group Member. User hereby designates the adult member of its group listed below as its "Designated Group Member," who shall be in charge of and responsible for the Event. This Designated Group Member shall be responsible to the appropriate administrator of the Facility.

Name of Designated Group Member: _____
Phone Number: (_____) _____ - _____
Email: _____

By signing this Agreement, User acknowledges receipt and understanding of HCDE Board Policy GKD (Local) and all applicable administrative regulations. User further hereby acknowledges that it will be responsible for, and hold the Department harmless for, any and all injuries or damages to Department property, the Facility, or any person(s). User acknowledges its liability and indemnification of the Department, and that the Department is not liable for any personal injury or damages to personal property related to non-Department use of HCDE facilities and/or property.

_____
"User" (Print group name)

_____
"User" (Print name of User's representative)

_____ _____
"User" (Signature of User's representative) Date

_____ _____
HCDE Date
Superintendent, Executive Director of Facilities, or Designee

FOR ADMINISTRATIVE PURPOSES ONLY:

Approved Organization User Type:

- ☐ Civic Organization
- ☐ Service Organization

Approval by Superintendent or Executive Director of Facilities, or designee:

_____	_____
Superintendent or Executive Director of Facilities (or designee)	Date

_____

Printed Name

Exhibit A

Harris County Department of Education
101000

COMMUNITY RELATIONS — GKD
NONSCHOOL USE OF SCHOOL FACILITIES — (LOCAL)

Scope of Use

The Board permits non-Department use by outside/non-Department related Approved Organizations of a limited number of rooms in the Department's office facility at 6300 Irvington Blvd when such use does not conflict with Department's use or this policy. These limited number of rooms at 6300 Irvington will be identified as the "Facility" for purposes of this policy. No other buildings or facilities owned or operated by the Department shall be available for use by Approved Organizations in accordance with this policy. The Department may and will use any of its facilities for its own purposes.

Approved Organizations

Use of the Facility when available shall be restricted to the following types of organizations:

1. Civic organizations—Those groups, a majority of whose members reside within the community, that meet community needs and interests (e.g., homeowners associations, etc.)
2. Service organizations—Those groups, a majority of whose members reside or work within the community and whose regularly scheduled meetings are normally held within the community, that serve, benefit, and contribute to the welfare of the community (e.g., Rotary Club, YMCA, community sports association, etc.)

Approval of Use

The Superintendent or Executive Director of Facilities, or in the absence of both, a designee, is authorized to approve use of the Facility. Written application shall be made at least ten Department business days in advance of the event.

Approval shall not be granted for any purpose that would damage Department property or to groups that are known to have damaged other used property.

[See CNB regarding non-school use of Department vehicles and FNAB regarding student group use of school facilities]

Request Procedures

Requests for use of the Facility shall require approval by the Superintendent or Executive Director of Facilities, or in the absence of both, a designee. Any organization whose request to use the Facility is denied may appeal the decision to the Superintendent giving reasons why the organization believes its request should be granted. The Superintendent shall approve or deny the appeal and shall state the basis for the decision under the provisions of this policy. A record shall be made of any appeal. The requestor may appeal the decision of the Superintendent to the Board in accordance with GF(LOCAL), beginning at the appropriate level.

Priorities

Priorities for scheduling the use of the Facility shall be as follows:

1. Department use has first priority.

2. Approved Organizations on a first-come, first-served basis.

Use Agreement

Any Approved Organization that may use the Facility shall be required to complete and sign a written agreement indicating receipt and understanding of this policy and any applicable administrative regulations, and acknowledging that the organization using the Facility will be responsible for, and hold Department harmless for, any and all injuries or damages to Department property, the Facility, or persons. Failure to do so will result in revocation of the organization's permission to use the Facility. The Approved Organization must acknowledge its liability and indemnification of the Department. The Department is not liable for any personal injury or damages to personal property related to the non-Department use. The Department may require the applicant and/or Approved Organization to furnish a certificate of insurance to guarantee the conditions of the facility use agreement or any liability incurred by it.

Fees for Use

Approved Organizations using the Facility must pay a fee and/or any expenses incurred by the Department for the use of the Facility. Approved Organizations that used the Facility before January 20, 2004 may be charged the same fee after this policy was adopted. The Superintendent or designee shall establish a schedule of fees for use of the Facility based on the cost of the physical operation of the Facility as well as any applicable personnel costs for supervision, custodial services, security, and/or technology services.

All persons and Approved Organizations using the Facility shall be expected to leave the Facility in the same order and cleanliness as found. Fees and expenses shall be paid in advance of the and at the time the event is scheduled on the calendar. Fees and expenses shall not be refunded unless the event is canceled by the Department. All fees and expenses shall be paid directly to the Department.

Waiver of Fees

The Superintendent or designee may waive the fee for a one-time request to use the Facility for activities deemed to be of community concern and/or benefit. For example, the Superintendent or designee may waive the fee when the Facility is used for public meetings sponsored by federal, state, or local governmental entities/agencies. However, any expenses incurred by the Department shall be charged.

Terms

An Approved Organization using the Facility shall designate one adult member of its group as being in charge of and responsible for the program, activity, or meeting. This designated group member shall be responsible to the appropriate administrator of the Facility.

Any Department personnel making unauthorized charges for use of the Facility (e.g., an employee accepting a cash payment that has not been approved by the appropriate administrator or failing to get approval for facility use) shall be subject to dismissal.

The Department has the right to sponsor various events, such as events of interest to the education community, purposes relating to the Department's support of the Education Foundation of Harris County, of interest to the community, city, county or state, and the like when authorized by the Superintendent or a designee. Such events are expressly not governed by this policy.

Scheduling

Activities sponsored by the Department shall always have priority when any use is scheduled.

The Superintendent or the Executive Director of Facilities or in the absence of both, a designee, shall have the authority to cancel a scheduled outside/non-Department related use if an unexpected conflict arises with a Department activity or Department use of the Facility.

Emergency Use

In case of emergencies or disasters, the Superintendent or designee may authorize the use of Department's facilities by civil defense, health, or emergency service authorities.

Restrictions on Activities

Approved Organizations using the Facility shall:

1. Conduct business in an orderly manner.
2. Abide by all laws and policies, including, but not limited to, those prohibiting the use, sale, or possession of alcoholic beverages, illegal drugs, and firearms, and the use of tobacco products or e-cigarettes on school property. [See GKA]
3. Make no alteration, temporary or permanent, to the Facility or Department property without prior written consent from the Superintendent or designee.
4. Be responsible for the cost of repairing any damage incurred during use and are required to indemnify the Department for the cost of any such repairs.

Approved Organizations using the Facility may not engage in the following activities while using the Facility:

1. Possession, consumption, or use of alcohol, tobacco, e-cigarettes, or controlled substances.
2. Gambling, bookmaking, or any other illegal gaming.
3. Use likely to result in damage to the Facility.

4. Use that would be injurious to buildings, grounds, and equipment.
5. Fund-raising campaigns for outside/non-Department related Approved Organizations.
6. Any purpose in conflict with Department activities.
7. Any criminal or other conduct prohibited by law.
8. Stating or suggesting that the Department endorses or favors the views of the organization.

Distribution of Campaign Literature

Campaign or election materials shall not be distributed/posted on Department property except in accordance with local and state law.

Campaign-Related Use

Except to the extent a Facility is used as an official polling place or during a scheduled public forum, the Facility shall not be available for use by individuals or groups for political advertising, campaign communications, or electioneering, as those terms are used in state law, except as may be allowed by state law, the first Amendment to the U.S. Constitution, or the Texas Constitution.

Original Adoption:	1/20/04
Revision(s):	2/28/06
	9/19/06
Reviewed by Board Policy Committee:	4/14/2011
Revision(s):	2/26/13
	8/16/16

Exhibit B

Harris County Department of Education

Event Estimate

USE FEES

Rental (Facility):	$_____
Custodian:	$_____
Security:	$_____
Additional Fees:	
_____	$_____
_____	$_____
_____	$_____
_____	$_____
_____	$_____
TAXES	$_____
TOTAL EVENT FEES:	**$_____**

FOR ADMINISTRATIVE PURPOSES ONLY:

- ☐ Fees waived – one-time request to use HCDE facility for activities deemed to be of community concern and/or benefit (e.g., public meeting sponsored by a federal/state/local governmental entity/agency). **All expenses incurred by the Department shall be charged to User.**
  Total expenses: $_____.

Approved:

_____ _____
Superintendent or designee Date

Exhibit C

Schedule of Fees

DESCRIPTION OF SERVICE(S)	ONE (1) ROOM	TWO (2) ROOMS	THREE (3) ROOMS
Set Up Only	$50.00	$100.00	$150.00
Refreshments Coffee, Water – or A Combination	$25.00	$50.00	$75.00
Security Officer	$48/hr. (4 hr. min)	Same	same
Set Up and Refreshments	$75.00	$150.00	$225.00

*Schedule of Fees is established by the HCDE Superintendent or designee, based on the cost of the physical operation of the Facility as well as any applicable personnel costs for supervision, custodial services, security, and/or technology services.

**Approved Organizations that used the Facility before January 20, 2004 may be charged the same fee after the adoption of HCDE Board Policy GKD (Local).

Procurement Card

The Procurement Card Administrator is responsible for ensuring that all p-card transactions are accounted for and in compliance with all state, local and federal regulations.

TABLE OF CONTENTS

1.0 Overview 1

2.0 Introduction to the Procurement Card Program 1

3.0 Who Can Obtain a P-Card? 1

4.0 How Do I Obtain a P-Card and Keep It? 1

5.0 Spending Limits 2

6.0 Acceptable Purchases 3

7.0 Unacceptable Purchases 6

8.0 How to Make Purchases with Your P-Card 9

9.0 Resolve Disputes 11

10.0 Reconciliation of Monthly Expense Reports and Billing Statements 12

11.0 Departmental Roles/Duties within the P-Card Program 12

12.0 Compliance Administration, Reviews and Violations 15

13.0 Violations, Fraud, Waste and Abuse 16

14.0 Documentation Needed to Prepare the Monthly Expense Report Package……...17

Attachments

A New P-Card Request Packet 23

B P-Card Receipt and Acknowledgement Form 26

C P-Card Agreement for Approving Officials and Executive Team Members 27

D P-Card Maintenance Form 28

E P-Card Reporting Form 29

F Texas Sales and Use Tax Exemption Certification 31

G P-Card Missing Receipt Affidavit 33

H P-Card Monthly Reconciliation Checklist 34

I Airfare Quote Form 35

J P-Card Violation Notice 36

K P-Card Facilitator Form 37

L P-Card Facilitator Agreement 38

M Retirement Celebration Authorization Form 39

N Review of Monthly P-Card Report 40

O Conflict of Interest Disclosure 41

P P-Card Supporting Documents List 42

1.0 Overview

In an effort to better serve our customers and ensure a level of accountability appropriate for a public institution, this manual has been compiled to provide instructions and guidelines for the issuance and use of the procurement card along with instructions for reconciliation and review of card transactions. Changes to this manual may be made over time as the program develops and new or unforeseen purchasing situations arise.

2.0 Introduction to the Procurement Card Program

The purpose of the Harris County Department of Education ("HCDE"/the "Department") Procurement Card (P-Card) Program is to establish an efficient and cost-effective method of purchasing and paying for small dollar transactions. The P-Card can be used with any merchant that accepts MasterCard as a form of payment.

The use of a P-Card as a purchasing method is a privilege and not a right, thus we need to ensure that ALL regulations are complied.

The P-Card Program is designed to supplement our purchasing program by giving users some flexibility. Use of the P-Card must not circumvent the purchasing process. If used to its potential, the P-Card Program will result in a significant reduction in the volume of purchase orders and related documentation including invoices and checks. In addition, corresponding work processes associated with ordering and check-writing will be reduced.

3.0 Who Can Obtain a P-Card?

A P-Card may be issued only to permanent (full-time) employees of the Department whose job duties require the use of a P-Card. Cards are issued to individual employees (in the employee's name) rather than to a specific department or division. No more than one (1) card may be issued to any employee.

4.0 How Do I Obtain a P-Card and Keep It?

4.1 Complete a New P-Card Request Packet

Full-time HCDE employees whose duties call for making purchases with a credit card and authorized by their division director may submit a New P-Card Request via Informed K12. The packet includes: (1) P-Card Request Form; (2) Employee Procurement Card Agreement; and (3) JP Morgan Chase Procurement Card Application. The complete packet must be submitted Packet to the Procurement Card Administrator with the approval of the employee's immediate supervisor/budget manager and executive team member of the division where the employee works. See Attachment A for the complete P-Card Request Packet.

P-Card Request Form – Enter the employee information and cardholder classification. If selecting a different transaction limit from the one assigned for the classification, specify the reason. If someone other than the Cardholder will be preparing the Monthly Expense Reports as discussed in Section 10, include the information for the assigned Facilitator. The Human Resources Division will verify that the card applicant is a full-time employee.

Employee Procurement Card Agreement – Potential Cardholder, Executive Team Member, and Approving Officials (usually the Division Director/Budget Manager) must acknowledge spending limit and sign this agreement.

JP Morgan Chase Procurement Card Application – All the highlighted areas must be completely filled out. The "Home Address" section must be the actual address of the employee. Do not sign this form; only the P-Card Administrator will sign and process this form.

Reminder: No Cardholder shall be allowed to be his or her own "approving official". The Executive Team Member must assign a knowledgeable individual acting in a supervisory capacity as the Approving Official. (See section 11.0 for a description of Approving Official Roles and Duties). If the cardholder is the only employee of a particular department, the next level of authority (Executive Team Member) must be assigned as the Approving Official.

4.2 Complete P-Card Training

Training is mandatory for all P-Card roles: Cardholder, Executive Team Members, Approving Officials, and P-Card Facilitator. Once all required documents have been submitted to the P-Card Administrator, the Cardholder will be scheduled for training. If any of the aforementioned employees have not completed training, they will also be scheduled. Cards will not be disbursed until training has been completed.

4.3 Sign the P-Card Receipt and Acknowledgement Form

Upon receipt of the new card, the cardholder is required to sign the P-Card Receipt and Acknowledgement Form (Attachment B) in Informed K12. By signing this form, the Cardholder acknowledges:

- Receipt of the P-Card Manual
- Training received regarding all P-Card matters and fully understand all the procedures and regulations outlined in the manual; including procedures for P-Card expenditures, reconciliation of monthly expense reports, what constitutes proper supporting documentation, and consequences for P-Card violations
- Receipt of the P-Card

4.4 Complete Refresher Training

P-Card "refresher" training will be required annually or as required by the Procurement Services Division. The Cardholder, Executive Team Member, Approving Official, and those individuals holding Facilitator roles will be required to complete a refresher training course in order to maintain P-Card privileges. Failure to complete training within thirty (30) days of notice will result in suspension of P-Card privileges until such time as the training has been successfully completed. Instructions for completion of the refresher training will be provided by the Procurement Services Division to the individuals holding the various P-Card roles.

5.0 Spending Limits

All P-Cards have monthly cardholder spending limits. These limits automatically refresh each month. Limits vary for each Cardholder and are established by the Director of Procurement Services (as indicated in the P-Card Request Form). Increases to the limits on any card must be made in writing via a P-Card Maintenance Form (Attachment D). The increase must be approved by the Approving Official, Executive Team Member, and the Assistant Superintendent of Business Services. If the limit increase request is approved, the Program Administrator will adjust the card purchasing limit and the adjustment is effective immediately.

5.1 P-Card Controls

Cardholders act as purchasing agents for HCDE; therefore, expenditures made with the P-Card must be only for those items that are for official HCDE business and furthermore, for those items allowed to be purchased using a P-Card as outlined in this manual. Additional controls have been added to each P-Card in order to assist in keeping charges within HCDE monetary spending limits. These spending limits are embedded in each P-Card via the magnetic strip and are imposed at the point of sale when the card is swiped.

5.2 Cardholder Spending Limits

The available limits on a P-Card include:

$$ per transaction – Single Transaction Limit (STL)

$$ per month – Credit Limit (CL) – this is a monthly limit

The Department's maximum limit on P-Card purchases is $5,000 per transaction.

The established standard monthly credit card limit is based on the Cardholder's budgetary responsibility not to exceed $10,000 per month. If a cardholder requires a higher monthly limit, the Cardholder's Division Director may request, with appropriate justification, an exception. All monthly limits, including those above $5,000, are reviewed on an annual basis to determine if there is still a need for the higher limit.

Your judicious review/sign-off of transactions is important to maintain purchasing capacity; however, your timely and prudent evaluation of purchases also serves to validate the Department's ability to utilize the P-Card within the parameters of policy and procedures

5.3 Merchant Activity Type Limits

Specific types of businesses are identified by a Standard Industrial Classification (SIC) Code, commonly referred to as Merchant Category Code (MCC). Based on the nature of some categories, specific MCC codes may be restricted for use on the card. If you have difficulty using your card with any particular vendor, please contact the P-Card Administrator.

6.0 Acceptable Purchases (Things I Can Buy)

All purchases made with the P-Card must be for official HCDE business and must NEVER be used for personal purchases (intentional or unintentional), regardless of the circumstance. The P-Card may be used to purchase supplies and materials, non-inventoried equipment, and various services valued at $3,499 or less, including shipping or handling charges, insurance, etc. provided there is no requirement to sign a contract or agreement.

Your P-Card is not intended to bypass established purchasing or payment procedures. Procurement bidding procedure requirements should be utilized as required and appropriate. The P-Card is intended to complement the existing processes available and is not intended for after-the fact-payment.

Some Allowable Items Include:

P-Card holders must identify a brief business purpose on the receipt or expense description section of the P-Card report (i.e. Supplies for Principal Meeting, Refreshments for May 1 School Meeting, app fee for report preparation, etc.)

- Airfare (flight can be added as part of your Request to Attend if there is doubt about attendance)
- Airfare accommodation for economy seats (due to personnel accommodation) is allowed and must be taken into account at the time of reservation for price comparison and not at the time of check in.
- Travel Airfare must be scheduled through the conference time and any subsequent changes made due to taking vacation time after a travel time will not be allowed. The employee will incur personal costs incurred after a travel return.
- Parking at airports or nearby parking locations is restricted to **$50** per day. If the total cost for ground transportation services (Uber, Lift) from home to airport and back is less than the daily parking fee, this could be a convenient option.
- Travel and Lodging

- Car rentals to attend a conference are not allowed. If a car rental is requested and approved through a Request to Attend, the cardholder must pick-up and drop-off the unit at the conference location. Driving or flying are the authorized methods of transportation.
- Business Meals - An agenda must be attached to the documentation (i.e. Rotary Meetings and for Client Development). Staff meeting meals are only allowed to be catered in the HCDE division location. For Outside retreats, these can be held at outside locations, but only one annual retreat per division.
- Business Meals for grants are not allowed subject to 2 cfr 200 requirements

  Note: Employees receive per diem reimbursement when attending conferences/training (out of county/state). For this reason, business meals must not be paid with the P-Card to avoid duplicate meal reimbursement.
- Food for meal preparation for Division Culture Improvement is allowed once a year with prior written ELT Member approval (Sign in sheets are required and agenda)(i.el. Special Schools)
- Payments for contracted services under $1,000 are allowed, supporting documentation is required along with the contract signed by the Assistant Superintendent for Business Services. Vendors who have direct contact with students must undergo the fingerprinting proces.
- PayPal or Bank ZELLE payments under $2,500 require: (1) an itemized quote and (2) receipt, (3) a W-9 form from the vendor, and (4) contract signed by the Assistant Superintendent for Business Services prior to the payment. NO increase in limits will be allowed as PO is the preferred purchasing method. If payment requires contract with children, no payments are allowed until the individual contractor is fingerprinted and cleared by HR.
- Registration Fees
- Workshop Materials; including books, tapes and CD's
- E-Commerce (ordering from electronic vendors) up to a maximum of $3,499

  (i.e. apps, ppt templates, etc.) (Note: no sales tax allowed)

  (Advertisement on Google, Facebook or other platform up to $3,499 and if recurring in more than one month, it requires the quotes to be attached to the P-Card expense report).
- Amazon purchases. Submit itemized receipt and/or delivery confirmation of your purchase with your expense report. Items must be delivered to an HCDE location.
- Promotional Items. Promotional items are those items that bear the HCDE/Division logo and is used for promotional purposes
- Fuel for equipment such as mowers or shop equipment
- Fuel as part of rental vehicle contract
- Payment of convention booth fees (i.e. TASB, TASBO) up to $4,999
- Flower arrangements for events (i.e. graduations, general in-service) up to $500
- Plan or permit fees to a city or a county (i.e. COH or Harris County) **as necessary**
- Review fees for documents sent to GFOA, TASBO, ASBO or other association
- Permit or license fees (i.e. CPA, Engineer, etc.)
- Memberships to associations (i.e. TASA TASB, GFOA, ASBO, TSCPA, AICPA, Rotary, or other professional organizations up to $5,000 per transaction
- Excess luggage/baggage payment traveling by airplane – for presentation brochures or other booth materials up to $500
- Valet parking is allowed when unloading materials at conference sites/hotels, or is a safety matter for the HCDE employee, self-parking is not available at the hotel, and it may not exceed **$60** per day.

- **Payment of utilities through the Accounts Payable Office for emergency situations or as approved by Asst. Supt** for Business. (utilities such as water, electricity, cable, or gas)
- Authorized transactions by Asst. Supt for Business in order to pay an HCDE debt which requires expediency and within the allowed budget and CH Local.

  Purchases from Vendors for the following categories:
  - Office or General Supplies up to a maximum of $1,500 from other misc. vendors.
    - Choice Vendors – **$4,999** i.e. listed on choice vendor website. Purchase should include RFP/contract number on the receipt.
  - Catering Services for business functions up to **$4,999 with signed contract by Asst Supt for Business**
  - Technology Items – See "Allowed Technology Items Purchases" below
  - Purchase of parts up to a maximum of $3,499 (must include part # for a vehicle or building location)

6.1 Technology Items

The Technology Support Services division participates in the acquisition process of HCDE technology-related purchases, as necessary. One of the goals of the Technology Division is to ensure that HCDE technology standards are consistently adhered to; however, realizing that there are a few items that should not require Technology approval. To assist you with expediting your technology purchases, the list below contains approved items that P-Card users are allowed to purchase without consulting Technology (items must not exceed **$1,500**):

- Cameras (photo equipment)
- Web cameras
- Small printers
- Scanners
- Monitors
- Headsets
- Multi USB hubs
- Keyboards
- Mouse and Trackballs
- Printer Toner (you are responsible to get correct model; refurbished is not allowed)
- Various USB Cables (Network Cables are prohibited)
- Cell Phone Accessories if you have an HCDE provided phone
- Laptop chargers & Connectors
- Speakers
- Surge Protectors
- Pen (Flash) Drives
- CD/DVD Media (Blanks)

Purchases of any and all technology-related items not listed above require either the approval and/or assistance of Technology Support Services staff. The method of approval can be an interoffice memo or email from the Technology Director.

Cumulative purchases above $1,500 per month on this list may not be purchased. These purchases must be purchased via a Purchase Order. Splitting purchases intentionally will be deemed to be non-compliance and will trigger cancellation of the P-Card in the first instance.

Note: Any other technology needs such as computers, printers, scanners and software must also be pre-approved by Technology Support Services. The pre-approval for these items is needed to resolve concerns about connectivity, compatibility and license compliance.

6.2 iPad, cameras, or other sensitive equipment- regardless of the cost must be tagged by technology prior to providing to the division or employee.

7.0 Unacceptable Purchases and Practices

7.1 Unallowable Purchases (Things I Cannot Buy)

- Any purchase that exceeds **$4,999** per month (including shipping, handling and set-up); except if prior written approval has been obtained through the Assistant Superintendent for Business Services
- Adult Entertainment
- Alcohol, alcoholic beverages and tobacco products
- Antique shops and antique reproductions
- ATM Machines withdrawals
- Betting/Track/Casino/Lotto
- Cash advances, Cash Refunds or "Store Credits" held on account with vendor
- Computer/Electronic Equipment not in the list above and/or without Technology Division approval
- Conference and or workshops for non-employees/independent contractors
- Dating Services
- Door Prizes: Door prizes is defined as any prize awarded by lottery to a holder of a ticket or a drawing where names (i.e. business cards) are selected and a prize is awarded
- Donations: A donation is defined as giving of financial gifts, contributions, presents and pledges
- E-Bay
- Escort Services
- Escrow Accounts
- Furrier and Fur Shops
- Gasoline for personal motor vehicles
- Gift Cards of any kind, for any reason (including gift certificates, stored value cards, calling cards, pre-paid cards, or similar products and other equivalent forms of cash)
- Goods or Services for personal use
- Groupon purchases
- International purchases
- Jewelry stores
- Leases or other contractual agreements regardless of the cost
- Payments to individuals, consultants, employees and/or sole proprietors are strictly prohibited. These payments will require immediate reimbursement to HCDE.
- Contracted services of any kind subject to procurement
- Contracted services that may require fingerprinting review. Services must be procured through a purchase order
- Upgrades of airline seats (except if pre-approved through an RTA by the division ELT member)

- Use of P-Card for Education Foundation, PFC, and other entity purchases
- Food at restaurants not to exceed $50 per person. The Superintendent and Leadership Members conducting business on behalf of HCDE should use their discretion.
- Maintenance/Service Agreements (that require a signed contract)
- Massage Parlors
- Merit Awards/Student gifts in the excess of $50.00
- Money Orders or Convenience Checks
- Office furniture
- Outstanding invoices against active purchase orders
- Pawn shop purchases
- Personal services (hair salon, doctor visits, hospitalization, etc.)
- Special occasion items for personnel or personal use (flowers, fruit baskets, candy, balloons, etc.)
- Sponsorships. Sponsorship is defined as offering financial assistance, support, patronage or funding to an entity or person such as golf tournaments, galas, etc.
- Wire transfers
- Any purchase prohibited by another HCDE policy

7.2 Unallowable P-Card Practices

Inappropriate use of the P-Card or failure to abide by the P-Card Program and Procedures will result in revocation of the card and appropriate disciplinary action, including termination of employment.

A. Splitting Orders/Making Sequential Purchases

Splitting orders/transactions or making sequential purchases with the Department P-Card is prohibited. Ensure that individual transaction limits are never exceeded. Transaction splitting is the practice of committing multiple P-Card transactions to circumvent the Cardholder's one-time transaction limit, bypass HCDE competitive bidding requirements, or avoid the card's monthly card limit. Sequential purchases mean purchases, made over a period, of items that in normal purchasing practices would be purchased in one transaction.

B. Single Purchases of $5,000 or More

The P-Card is intended for small dollar transactions. Single purchases of **$5,000** or more are required to be done via a purchase order. Exceptions may be made with prior written approval from the Assistant Superintendent for Business Services.

C. Using the P-Card to Pay Outstanding Invoices Against Active Purchase Orders

The P-Card should never be used to pay any type of outstanding purchase order or items that were ordered but not processed through a requisition.

D. Store Credits

If purchased items need to be returned, the cardholder is responsible to request vendor to credit P-Card. Store credits are not allowed in any way or form. Please ensure to provide adequate documentation of the transaction with your P-Card expense report.

E. Conflict-of-Interest Policy

Cardholders must not make P-Card purchases from friends or relatives where the Cardholder has a financial interest. Additionally, the Cardholder must not accept any gift or gratuity from any source when it is offered, or appears to be offered, to influence your decision in making a

P-Card purchase. The use of coupons, rebates, or rewards programs from vendors, banks, or other institutions that offer free/promotional items for the benefit of the Cardholder are not allowed when purchasing items with the P-Card. Any items received as a direct result of using the P-Card must be for the benefit of the Department and are expected to remain on HCDE premises. For example: An office supply vendor has a rewards program that allows a customer to earn free items based on accumulated points/dollars spent.

F. P-Card Sharing

Only that person named on the P-Card is the authorized user. P-Card sharing is prohibited and will result in immediate termination of the P-Card and all P-Card privileges. P-Card sharing is the practice of allowing an individual other than the cardholder whose name appears on the front of the P-Card to have access to the P-Card or P-Card number to initiate or complete a transaction. P-Card sharing increases the risk of fraud and cardholder liability.

Best practices to prevent fraud and misuse include NOT allowing an individual other than the Cardholder to:

- have physical possession of the P-Card to make payments to point of sale vendors;
- have access to the P-Card number and expiration date to make payments via telephone, internet, or in person;
- have access to receipts or invoices that display the complete P-Card number and expiration date.

G. Using the P-Card for Personal Use

The use of the P-Card for personal expenditures is strictly prohibited. Cardholders who violate this rule must ***immediately*** report the personal use and reimburse the funds within fifteen (15) working days. The Procurement Services Division is required to report the misuse, regardless of the cardholder's intent to reimburse the Department, to the Assistant Superintendent for Business, Executive Team Member, and Human Resources Division.

Personal purchases are considered a misappropriation of HCDE funds, a criminal offense, and will be reported to the appropriate authorities. An example would be when a cardholder includes a personal purchase with a departmental order to take advantage of free shipping, tax exemption status or pricing discounts.

All personal use (intentional or unintentional) of the P-Card must be handled by the cardholder as follows:

- Immediately report the purchase to the Division Director and the Procurement Services Division P-Card Administrator by completing the "P-Card Reporting form"
- Attach a memo on letterhead explaining the circumstance of what happened (including a timeline of the incident) and include a copy of the receipt and/or other supporting documentation
- Submit a check payable to Harris County Department of Education within fifteen (15) working days of transaction to the Business Services Division
- Submit receipt of your payment and the entire package to the Procurement Services Division

H. Exceeding the Single Transaction Limit

Every P-Card has an assigned Single Transaction Limit that has been approved by the Executive Team Member. Cardholders are cautioned to avoid exceeding this limit. While this limit is embedded in the magnetic strip in the card, vendors who do not swipe the card may exceed the single transaction limit. If the cardholder allows the vendor to exceed the single transaction limit, this will be considered a violation of the P-Card Manual.

I. Reimbursing Unauthorized Charges

Cardholders may be held personally responsible for unauthorized purchases using the p-card including, but not limited to:

- Paying for personal purchases
- Payment of sales tax
- Unauthorized gratuities

A personal check or money order must be submitted for such transactions to the Business Services Division with fifteen (15) working days of notification to the cardholder. Failure to reimburse HCDE within this timeframe will result in action from the HCDE superintendent.

8.0 How to Make Purchases with Your P-Card

Only the individual to whom the card has been issued may use the card. When purchasing an item, the following procedures should be followed:

8.1 Approval Procedure

Always follow proper internal departmental procedures in obtaining approval for the purchase. If unsure as to whether an item to be purchased does or does not fall within HCDE P-Card guidelines, please contact the Facilitator within the Division or the P-Card Administrator before making the purchase. Cardholders must notify the P-Card Administrator and the Procurement Services Division if they are being directed by their supervisor to execute or approve unallowable transactions. All reports will be handled without retribution.

8.2 Provide Vendor with Request/Required Card Information

Be prepared to provide the vendor with any or all of the following information: card number, name, expiration date, billing address, billing phone number, and the three-digit credit card security/verification code that is located in the signature block of the card.

HCDE's billing address must be on all receipts and backup documentation and not the Cardholder's address. HCDE's address is:

Harris County Department of Education
6300 Irvington Boulevard
Houston, TX 77022

8.3 Tax Exempt Status

Inform the vendor that the Department is exempt from sales tax. If the vendor requests a tax exemption certificate, use the one provided in Attachment F. Although HCDE does not pay Texas sales tax, we are required to pay hotel occupancy taxes and airport parking taxes.

If the Cardholder gets charged Texas sales taxes, the Cardholder will be personally liable for reimbursement of the tax to HCDE.

8.4 Shipping Instructions

Give the merchant detailed shipping instructions which must include the following:

1. Your Name, Department Name
2. Building, Room Number
3. Street Address
4. City, State, Zip Code
5. Phone Number

P-Card purchases should be delivered directly to the individual Cardholder's place of work; otherwise, arrangements should be made to pick up the merchandise at the vendor's place of

business. In instances where delivery must be through the warehouse, the Cardholder is responsible for immediately notifying the warehouse that goods are expected to arrive.

8.5 Maintain Transaction Log (Recommended)

As P-Card transactions occur, Cardholders are recommended to record all purchases and credits on a transaction log. Transaction logs help to keep a running tally of monthly charges and identify outstanding transactions not yet appearing on the monthly expense report. Maintaining these logs will assist the cardholder in staying within the established purchasing limits of the card. The log may also be used to verify receipt of the correct quantity and product along with verification of billing in the correct price. Cardholders may use a format which contains the following information:

- Purchase made by the cardholder
- Vendor's name
- Detailed description of item(s) purchased
- Date of purchase
- Date item(s) received
- Date item(s) billed on the bank statement
- Amount of the purchase (including freight)
- Name of the employee making the purchase
- Budget accounts
- Business purpose for the purchase

Transaction logs although not required, assist Facilitators in cases where the Cardholder does not prepare his/her own monthly expense report.

8.6 Ensure Adequate Documentation is Obtained and Exists

If receipts do not provide sufficient detail to identify what the purchase is and what the business reason is for the purchase, the Cardholder should include additional details documented on the P-Card report expense description section, receipt, transaction log or other supporting documentation. If adequate documentation is unavailable, a Missing Receipt Affidavit form (Attachment G) must be completed, signed, and submitted with the monthly expense report. A pattern of missing receipts, which is defined as more than three (3) times in one fiscal year, will result in suspension of P-Card privileges.

8.7 Security

Cardholders are responsible for safeguarding the P-Card and account number at all times. To prevent unauthorized use and limit the potential for fraud, the cardholder should use basic security measures, as outlined below:

- Keep the P-Card and account number in a secure location and safeguard it as if it were your own personal credit card
- Do not loan or share the P-card with others, including co-workers within the department
- If purchasing by phone, caution the vendor to refrain from placing the P-Card number on the shipping label or anywhere on the outside of the package
- Review transactions in SmartData in a timely manner to detect unauthorized transactions
- Review the monthly bank statements immediately upon receipt, to detect unauthorized transactions

- Before placing an order with an online merchant, make sure the site is secure before entering your account information. The URL, or web site address, should begin with https. A graphic, such as a lock, should appear in the bottom right corner of your browser bar
- Lost, stolen, or fraudulently used P-Cards must be reported immediately to JPMorgan Chase by calling 1-800-890-0669 within 24 hours of discovering the loss, theft, or fraudulent use. The Cardholder's Approving Official and the P-Card Administrators in Procurement must also be notified immediately in writing.
    - JP Morgan Chase will send the Cardholder an Affidavit of Fraud in which the Cardholder is to identify the fraudulent charges, sign and date the Affidavit.
    - The Cardholder must submit the Affidavit of Fraud to JPMorgan Chase and a copy to the P-Card Administrator.
    - A fraud case can't be investigated without receipt of the affidavit by JPMorgan Chase. It is the cardholder's responsibility to keep in contact with JP Morgan Chase and report those findings to the P-Card Administrator in regard to the fraudulent charges.

8.8 Obtain Best Value

All purchases must comply with the purchasing requirements as outlined in HCDE's Financial Operating Guidelines. When purchasing goods and/or services, the following is the order of precedence which should be followed: HCDE contracts, Choice Partners Cooperative contracts, other cooperative contracts in which HCDE participates (with approval of Procurement Services Division), and then open market. After verifying that the item is not available on an CDE/Choice Partners contract, the Cardholder must utilize lowest price based on requirements, quality, and availability to obtain the maximum value of each dollar expended.

9.0 Resolve Disputes

The Cardholder is responsible for resolving disputes with the vendor such as incorrect pricing, delivery problems, incorrect items received, damaged items, etc. A fraudulent charge is not handled in the same manner as a dispute. See Section 8.7 (last paragraph) for the correct method of handling fraudulent charges.

Most disputes can be resolved by calling the vendor and having them issue a credit back to the P-Card account. Never accept cash, store credits, or gift cards in lieu of a credit to the P-Card account. Please contact the P-Card Administrators for guidance if a vendor insists on providing a credit in a form other than a credit back to the P-Card.

If the vendor fails to promptly credit your account, file a dispute with JPMorgan Chase within thirty (30) days of the billing issue date. Document all correspondence including dates, individuals involved, and a brief description of the problem and keep this form in your records, filed with the expense report. If no resolution can be achieved between the Cardholder and the vendor, follow the procedures below:

- Report the dispute to JPMorgan Chase by contacting the Dispute Department at 866-491-9432. At such time, they will try to clear the dispute on the spot; however, if they cannot resolve it via telephone, the Cardholder will be required to provide JPMorgan Chase with a narrative of the disputed transaction via fax to the attention of Merchant Dispute Department at 888-297-0768. The transaction will be set aside until the dispute is resolved; please note that the Merchant has 45 days to respond; if no response has been received, then the transaction will be credited.
- Send a copy of the completed dispute form to the P-Card Administrator and the individual responsible for compiling the reconciliation package.
- Add a comment in SmartData noting that the charge has been disputed and that either a credit is expected or that a dispute form has been faxed to the bank
- Contact the P-Card Administrators for additional assistance if JPMorgan Chase is unable to resolve a dispute

- Note: All sign offs must still occur within SmartData and the monthly expense report. Sign off does not indicate approval of the charge provided comments are entered in SmartData to indicate that a dispute has been filed

10.0 Reconciliation of Monthly Expense Reports and Billing Statements

A reconciliation of the monthly expense reports to receipts, invoices, and other supporting documentation must occur on a monthly basis. The following steps must be completed when performing the monthly reconciliation process:

Step 1: Compile the monthly reconciliation package. This "package", which consists of all original documentation, including receipts, credits, records of disputed transactions and other supporting documentation must be reconciled and attached to the Monthly Expense Report. Departments may use the suggested Monthly Reconciliation Checklist (Attachment H) to assist in completing the monthly reconciliation.

Step 2: The Cardholder must review the reconciliation package and sign and date the monthly expense report to indicate that a review of the reconciliation package has been conducted. Cardholder must ensure that funds are available on the account where the expense is being coded. If no funds are available, a budget transfer must be initiated to cover these expenses. The reconciliation package should be submitted to the Approving Official or Facilitator in a timely manner so that the package can be reviewed and approved by the Approving Official.

Step 3: A propriety review of each Cardholder's transactions must occur to ensure that the purchase was reasonable, appropriate and necessary while also in compliance with P-Card rules and regulations. This review may be completed by a Facilitator or the Approving Official; however, the Approving Official is responsible for ensuring that a propriety review has been conducted. The individual conducting the propriety review must sign the monthly expense report package to indicate that the propriety review has been performed.

Step 4: The Approving Official must review the reconciled expense report package on a monthly basis. This review must be evidenced by a signature of the Approving Official on the JPMorgan Chase SmartData Expense Report for the assigned cardholder.

Step 5: The Cardholder and/or Facilitator must send the signed expense report package to the Procurement Card Specialist and retain a copy for their records (see Section 14.8 for Retention Period requirements). The P-Card Specialist reconciles the expense reports to the monthly billing statements and ensures that all purchases were conducted in accordance to P-Card guidelines.

11.0 Departmental Roles/Duties within the P-Card Program

There are three mandatory roles listed below that must be assigned for each P-Card. Each role has mandatory duties associated with that role. Please note that the Approving Official and the Executive Team Member may be the same individual.

Cardholder

This role is assigned by the Executive Team Member. The Cardholder is the individual to whom the P-Card is issued. All cardholders must be permanent (full-time) employees of the Department whose job duties require the use of a P-Card. Cards are issued to individual employees and never to a specific department or division. No more than one (1) card may be issued to an employee. Note: The Cardholder must never be his/her own "approving official".

Mandatory Duties:

- Attend initial training prior to receipt of a new P-Card
- Complete refresher training annually or as often as directed by the Procurement Office
- Sign the **Conflict of Interest Disclosure Forms**

- Record each transaction on a transaction log as the purchase (or credit) occurs – *this is a recommended practice and not mandatory*
- Provide adequate documentation for each transaction for inclusion with the monthly expense report. Submit documentation to the Approving Official or Facilitator for inclusion in the reconciled monthly expense report.
- Sign and date the monthly reconciled expense report and assure that funding is available when posting the transaction to the general ledger.
- If the Cardholder is no longer employed at HCDE or has transferred to a different department, they are responsible for ensuring that:
    1. All P-Card violations and expense reports associated with the account have been resolved.
    2. All transactions have been recorded in SmartData and adequate documentation exists for each transaction.
    3. The P-Card Maintenance Form (Attachment D) has been completed and submitted via Informed K12 to initiate the immediate cancellation of the card and closure of the account.
    4. The card has been returned to the P-Card Administrators in Procurement Services.
- If a personal charge has accidentally been made on the P-Card, the item must immediately be paid in full by personal check made payable to the Harris County Department of Education from the Cardholder. (See Section 7.2, Subsection F).

If terminating employment with the Department or transferring to another department, the Cardholder must notify the Approving Official, Executive Team Member, and the P-Card Administrator in Procurement in writing and turn in the P-Card immediately to one of these individuals.

Approving Official (Division Directors/Budget Managers)

The Executive Team Member must assign a knowledgeable individual acting in a supervisory capacity (to the Cardholder) as the Approving Official. Once this role is assigned, the duties of this position may not be delegated. Note: The Approving Official may also be the Executive Team Member and may perform other mandatory functions associated with P-Cards.

Mandatory Duties:

- Attend initial training prior to assuming the role of Approving Official
- Complete refresher training annually or as often as directed by the Procurement Office
- Sign the **Conflict of Interest Disclosure Form**
- Review the P-Card purchases of assigned Cardholders on at least a monthly basis to verify that all transactions were properly authorized and that a propriety review was conducted to ensure that charges were appropriate and directly related to HCDE business as well as sufficiently supported with documentation that describes the nature and purpose of each transaction. Evidence that a propriety statement with a signature or with comments added in SmartData.
- Sufficient documentation and description generally means that an external reviewer, with access only to the statement and supporting documentation, could identify the following:
    - Detailed list of items(s) purchased
    - Intended business use of items purchased
    - Date and amount of the purchase
    - Vendor Name
- Ensure that the Cardholder has signed and dated the monthly expense report.
- Sign the monthly expense report to show evidence that a reconciliation and review of transactions has been completed. Ensure that the supporting documentation which includes receipts, invoices, and dispute forms are attached to the signed expense report.

- Identify any policy violations and discuss with the Cardholder to provide additional instruction. If a violation occurs (even if unintentional or if a credit was received), Approving Officials must report the situation in writing using the P-Card Reporting Form (Attachment E). Please forward a copy to the Executive Team Member.
- If the Cardholder is no longer employed at HCDE or has transferred to a different department, the Approving Official is responsible for ensuring that:
    1. All P-Card violations and expense reports associated with the account have been resolved.
    2. All transactions have been recorded in SmartData and adequate documentation exists for each transaction.
    3. The P-Card Maintenance Form (Attachment D) has been completed and submitted via Informed K12 to initiate the immediate cancellation of the card and closure of the account.
    4. The card has been returned to the P-Card Administrators in Procurement Services.
- Notify the P-Card Administrator immediately upon change in cardholder's employment status including:
    - Change of Department
    - Change of Position, Role or Title
    - Leaves of Absence
    - Termination, resignation or retirement – The Approving Official must notify the P-Card Administrator immediately so that the card can be deactivated promptly

If desired, the Approving Official may also monitor P-Card purchases on a more frequent basis in the SmartData program. Please contact the P-Card Administrators for assistance in setting up "view only" access in SmartData.

Note: Signature authority for the P-Card approval process may not be delegated.

Executive Team Member

This role has sole authority for assignment of P-Cards and roles. This responsibility to assign cards and roles may not be delegated (even to those individuals holding signature authority). The Executive Team Member has overall budgetary responsibility for the department's P-Card program and is responsible for following sound business practices. The Executive Team Member approves the issuance of new cards which includes setting the single transaction and monthly credit limits. This individual also assigns P-Card roles to employees within the department, balancing control and operating convenience in those designations. The Executive Team Member may also act as an Approving Official.

Please note: Contact the P-Card Administrator or someone in the Business Services Division if guidance is needed in determining who should serve as the Executive Team Member for your division.

Mandatory Duties:

- Complete required training and refresher training annually
- Sign the **Conflict of Interest Disclosure Forms**
- Approve and Monitor the Issuance of P-Cards:
    - Approve new P-Card requests via the P-Card Request Form (Attachment A) to establish cardholder single transaction/monthly credit limits and default accounts.
    - Ensure that only permanent (regular) employees whose duties require purchasing card use are issued P-Cards
    - For every P-Card issued, assign an Approving Official who acts in a supervisory capacity to the cardholder.
    - Assign individuals to act as Facilitators, as needed, to perform various other mandatory duties (multiple Facilitators may be assigned)

- Periodically assess the continuing business need for each card issued within the department at least annually
- Re-evaluate transaction and spending limits periodically
- Approve Cardholder profile change requests as needed using the P-Card Maintenance Form (Attachment D). This form addresses changes to the single transaction limit, monthly credit limit, role assignment changes and other changes.
- Notify the P-Card Administrator if the Cardholder leaves the department or is no longer an employee of the Department.

- Ensure Monthly Review and Segregation of Duties:
  - Assign a knowledgeable individual acting in a supervisory capacity (usually the Division Director/Budget Manager) to the cardholder as the Approving Official for each card. Sufficient internal controls must be established and implemented to ensure that this knowledgeable individual review the monthly expense report package, including receipts and other supporting documentation for approval in a timely manner during regularly scheduled billing cycles.
- Establish and Maintain Internal Controls as specified in Policy CAA (Local) – Fiscal Management Goals and Objectives – Financial Ethics.

Other Mandatory Duties/Functions

The following duties/functions listed below may be performed by individual's other than the Cardholder, Approving Official or Executive Team Member. If someone other than an individual holding one of the three mandatory roles is completing these duties, this person is considered to be performing the role of a **"Facilitator"** and must be assigned by the Executive Team Member (See Attachments L and M for Facilitator forms).

In order to ensure that transactions are recorded correctly and reviewed on a timely basis, the person completing these duties must perform the following:

- Facilitators must also receive the same training as Cardholders and complete refresher training annually.
- Sign the **Conflict of Interest Disclosure Forms**
- Enter detailed comments in SmartData that describe the item/service purchased including the reason for the purchase. The website for logging in to SmartData can be found at: https://sdol.mastercard.com/jpmorganchase.
- Enter the budget account codes and ensure that there are sufficient funds in the general ledger. If you need guidance regarding a particular account to use, please contact the staff in the Business Services Division.
- Reconcile the monthly expense report to the receipts, invoices and other supporting documentation. (See Section 10.0 Reconciliation of Expense reports)
- Ensure that a propriety review has occurred and is documented. A propriety review indicates that the purchase was reasonable, appropriate and necessary while also in compliance with P-Card rules and regulations.
- Sign the P-Card Monthly Review form and send the reconciliation package (complete reconciled monthly expense report with signatures and attached documentation) to the P-Card Specialist in the Procurement Services Division and retain a copy for your records.

Facilitators assist Cardholders in preparing their expense reports. This does not excuse cardholders from their responsibilities.

12.0 Compliance: Administration, Reviews and Violations

12.1 Program Administration

The Procurement Office is responsible for the overall administration of the P-Card program. Administrative roles within the P-Card program include the Procurement Director and P-Card Administrator, the P-Card Specialist within the Procurement Department, and the Assistant Superintendent for Business Services in the Business Services Division.

12.2 Business Services Division Review

The Business Services Division will conduct random post-audit reviews and compliance inspections of P-Card transactions to ensure compliance with all P-Card policies and procedures and identify improper use of the P-Card such as unallowable purchases, purchases in excess of single transaction limits, split-orders, payment of sales tax, purchases from "high risk" vendors, excessive purchasing activity, etc. Inactive accounts (those with little or no activity over the past 12 months) will also be reviewed and may be deactivated or cancelled. The P-Card Administrators will discuss the status of inactive accounts with Approving Officials or Executive Team Members prior to deactivation or cancellation. Statistics regarding P-Card compliance will be provided to the Assistant Superintendent for Business Services on a routine basis.

The individual assigned the responsibility for retaining P-Card documentation must submit receipts and any other supporting documentation upon request. Providing detailed comments in SmartData and submitting documentation as quickly as possible will help to facilitate this review process.

Failure to provide documentation i.e. invoice, receipt or other supporting documentation detailing specific transactions may result in the cancellation or restriction of a department's P-Card privileges. Cardholders will be required to reimburse the Department for purchases that have not been appropriately documented. In addition, approving officials may also be required to reimburse the department if the Approving Official approved the purchase.

13.0 Violations, Fraud, Waste and Abuse

13.1 Violations and Written Notices

Violations of rules governing the use of P-Cards can be the result of noncompliance with policy or procedure or can be as severe as misuse which could result in disciplinary actions up to and including employment termination and civil and criminal charges.

Violations of policies and procedures governing use of the procurement card can be classified as minor or major. The action taken is dependent upon the type of violation and the number of previous occurrences. The Director of Procurement Services and the P-Card Administrator can suspend a cardholder's privileges with or without input from the cardholder's department. All other actions are determined at the appropriate level. Any alleged violation or questionable transaction could result in an immediate suspension of card privileges pending a review to determine what, if any, action is appropriate.

Minor Violations

Minor violations are instances that are "accidental" and without willful intent or associated with a delinquent reconciliation of the Monthly Expense Report. Examples include but are not limited to:

1. Purchases that should have been made through a purchase order
2. Failure to reconcile and return the Monthly Expense Report in a timely manner
3. Payment of sales tax
4. Not obtaining prior approvals for purchases

Cardholders will receive a minor violation in the form of an electronic memo from the P-Card Specialist. A copy of the violation memo will be sent to the Cardholder's immediate supervisor, Executive Team Member, and budget manager (if applicable). Repetitive violations of any type in a 12-month period will result in a major violation being issued.

Major Violations

Major violations are instances that show disregard for established policy and procedures, whether intentional or not. Examples include but are not limited to:

1. Purchasing unauthorized or restricted items
2. Splitting orders to avoid the single transaction limit
3. Allowing others to use your card
4. Any and all personal purchases, even without willful intent
5. Accumulating minor violations as defined above (3 minor violations equates to 1 major violation)

Any major violation will result in immediate temporary suspension of the cardholder's privileges and notification to their department. If no fraud or theft is involved, reinstatement of the P-Card privileges can be made after 30 days at the request of the cardholder's supervisor, with the approval of the Assistant Superintendent of Business Services. If a second suspension is required, it will be permanent.

13.2 Detection and Prevention of Fraud

The Department is responsible for ensuring that the institution's assets are safeguarded from fraud, waste, and abuse. The Department will seek restitution for any inappropriate charges made to the P-Card. Fraudulent or intentional misuse of the card will result in revocation of the card and/or possible criminal charges, including termination. Any employee of the Department who knowingly:

a. uses a purchasing card for personal gain;
b. purchases items on such purchasing card that are not authorized for purchase by such employee;
c. purchases items in violation of this manual; or
d. retains for such employee´s personal use a rebate or refund from a vendor, bank, or other financial institution for a purchase or the use of a purchasing card

shall be subject to immediate termination of employment, restitution for the amount of the improper purchases, and criminal prosecution.

An employee´s supervisor who knowingly intentionally, willfully, wantonly, or recklessly allows or who conspires with an employee who is issued a purchasing card to violate any p-card procedures shall also be subject to immediate termination of employment and criminal prosecution.

An employee may report improper activities through their supervisor, or to the Procurement Services Division by completing a P-Card Reporting Form (Attachment E).

14.0 Documentation Needed to Prepare the Monthly Expense Report Package

Section 10 describes the steps needed to prepare the monthly expense report package. Cardholders are required to submit an expense report to the P-Card Specialist the Procurement Services Division on a monthly basis. Lists of cut-off dates for submission are included in the Business Services calendar and the P-Card Specialist sends monthly reminders. It is the Cardholders responsibility to ensure the timely submission of all documentation to the Procurement Services Division.

Failure to Submit Timely Expense Reports – Cardholders that fail to submit the report by the deadline may be subject to either (1) temporary loss of the card or (2) permanent loss of the card. It is each division's responsibility to ensure that a backup person and/or facilitator has been selected to address the the monthly completion and submission of monthly expense reports in the event that the primary person is absent or unavailable. It is also the division's responsibility to assign an authorized person who has signature authority to sign the monthly expense report in the event the budget manager is absent or unavailable. The

signature authorization form on file with the Business Office may need to be updated to reflect that the appropriate person is authorized to submit the monthly expense report package.

If a Cardholder does not have any purchases for the month, a "Financial Transaction Summary" should be printed out, signed by the cardholder, Approving Official and sent to the P-Card Specialist in the Procurement Services Division.

The following are general guidelines to assist you in documenting and preparing your monthly expense report(s):

14.1 Receipts

Original, itemized (detailed) receipts of all P-Card transactions must accompany the Monthly Expense Report Package. A credit card charge slip is not considered adequate documentation.

14.2 Lost Receipts

If a receipt is lost or stolen, the Cardholder should make every attempt to obtain a duplicate copy of the receipt from the vendor. If unable to obtain a receipt, the charges will become the personal liability of the Cardholders. A check or money order payable to Harris County Department of Education must be submitted within 30 days of the purchase to the Business Services Division for the full transaction amount. A Cardholder may also make arrangements with the Business Office for payroll deductions.

14.3 Travel Expenses (6411 – 6414)

All travel-related expenses (parking, airfare, meals, toll roads, rental cars, hotel, etc.) must comply with HCDE Travel Reimbursement procedures which can be found in the Financial Operating Guidelines.

A copy of your Request to Attend and the Travel Reimbursement Request form is required for each trip along with the agenda or notice of the trip/event. The link to the Request to attend is as follows:

https://hcdeportal.hcde-texas.org/Nintex/SitePages/RTA%20and%20Travel%20Reimbursement.aspx

The Request to Attend and Travel Reimbursement forms must be attached behind the airline, hotel, or conference transaction receipts from the trip. In cases where transactions occur and are billed prior to the actual trip (i.e. registration fees, airline tickets, etc.) a copy of the Request to Attend must be attached behind the receipts for charges made prior to the actual trip.

Airfare – HCDE is not exempt from paying airfare taxes. The HCDE Airfare Quote Form (see Attachment I) should be completed by the Cardholder to ensure that HCDE is getting the best value when flying. Three (3) quotes must be procured from any airline company that accepts MasterCard as a form of payment. Quotes must be from different airlines. The form and airline quotes must accompany the airfare receipt when submitting the monthly expense report. For locations that are not serviced by more than one airline (i.e. Dallas Love Field from Houston Bush Airport, document that the other quotes are not available.) Avoid paying a premium by booking your flights fourteen days or more in advance. It is highly recommended to insure your flight in case of unforeseen circumstances or emergency cancellations. Flight insurance is an allowable expense at the time of purchase.

The P-Card may be used to pay for baggage fees; however, Accounts Payable will only reimburse the cardholder for the first checked bag if a fee is assessed. Any additional baggage or overweight baggage fees will be the responsibility of the traveler and HCDE will have to be reimbursed by the traveler unless is to carry materials to conduct business on behalf of HCDE.

Hotel – Please note that HCDE is not exempt from paying hotel occupancy taxes. When booking a hotel ensure that you are obtaining the best value for your money and factor other incidental expenses such as parking fees, distance to venue, taxis, etc. It is recommended that the bill include HCDE in the name; for instance, reserve as John Doe/HCDE.

Valet parking is allowed under certain circumstances:

(1) When the employee traveling has multiple luggage and conference or booth materials and

(2) When the individual safety is at risk

Fuel (Gas) and Meals – Fuel purchases are only allowable for HCDE vehicles and rental cars being used for business purposes. Note that fuel for your personal vehicle and meals during your trip are not allowable P-Card expenses. The cost of gas is reimbursed on a mileage rate basis and meals are reimbursed on a per diem basis by submitting a Travel Reimbursement Request to the business office.

Tips - Reimbursements for tips/gratuities for the following services are considered personal services and are unallowable for reimbursements: maid service; valet parking; baggage handler; bell hopper; restroom attendant; and concierge services.

Ground Transportation – HCDE allows to tip a minimum of $2.00 and a maximum of 10% of the transaction total for taxi, uber, shuttle, and other ground transportation services. Since these payments are processed electronically, and in most cases the vendor does not provide a hard copy of the receipt, the cardholder will be responsible to download and submit a receipt showing the trip purpose and total transaction amount with their P-Card expense report.

Cancellations- Employees cancelling travel costs must provide adequate documentation prior to the travel beginning in order to get a refund or a cancellation. The P-Card user must secure the supervisor's approval prior to the cancellation. Failure to secure cancellation may require reimbursement to HCDE. Emergency situations are allowed, but after returning to work, the P-Card user must secure approval for the cancellation due to family emergency.

Note: The P-Card user will be responsible to notify the Procurement Services Division if travel arrangements have been postponed or canceled, and to provide adequate documentation if these have been rescheduled, refunded or an allowance has been provided to use at a future date.

Non -employees: Travel expense payments are allowed for non HCDE employees under the following circumstances:

A copy of the grant or contract and the approved board agenda allowing or requiring the travel must be attached. The P card user will be held liable for any misappropriation or misusage by the non HCDE employee.

14.4 Business Meals

Business meals are allowed only when entertaining HCDE business clients. A meeting agenda and sign-in sheet must be submitted for meeting meals/refreshment expenses.

The original itemized meal receipt (list of food items purchased) and the credit card payment authorization slip (total charged to credit card) must be turned in along with a notation of the reason for meeting and a list of people in attendance. When dining in a restaurant, taxes will be applied to the total charge of your meal. It is the cardholder's prerogative to request the tax exemption to the vendor.

Tips – Follow the Tips and Gratuities policy in the Financial Operating Guidelines for guidance on maximum tip amount allowed. Cardholders will be required to reimburse HCDE for tips more than the maximum amount allowed.

Tips for Meals:

For the purpose of business meetings, HCDE allows up to a maximum of **15% of the meal expense as a gratuity to the waitperson for excellent service.** Gratuities established by a restaurant for parties over a certain number of persons are allowable and will be reimbursed in full providing that the request for reimbursement accompany documents and or receipts that

substantiates (time, date, purpose and a list of the attendees) the business meeting. For example, if an establishment accesses an 18-25% gratuity (usually for larger parties) the employee will be reimbursed for the total of the bill.

Catering & Delivery

It is allowable to have food catered and or delivered when conducting business on behalf of HCDE. A meeting agenda and sign in sheet must be submitted for meeting meals/refreshment expenses.

The original itemized meal receipt (list of food items purchased) and the credit card payment authorization slip (total charged to credit card) must be turned in along with a notation of the reason for meeting and a list of people in attendance.

Tips – Follow the Tips and Gratuities policy in the Financial Operating Guidelines for guidance on maximum tip amount allowed. Cardholders will be required to reimburse HCDE for tips in excess of the maximum amount allowed.

Tips for Catering/Food Delivery:

The delivery fee for food often covers the expenses for delivery such as vehicle fuel and use, insurance expense and 'to go' supplies (containers, etc.) and not a gratuity for the delivery person. HCDE allows a maximum of **15% of the food** total to be paid for catering/food delivery expenses. For example,

Invoice total:	$ 75.00
LESS Delivery fee:	- 10.00
Food Total:	$ 65.00
Maximum allowable tip:	$ 9.75

Retirement Celebration

Employees retiring from Harris County Department of Education (HCDE) may be honored with a reception. The Human Resources Division allocates $300.00 for the purpose of purchasing refreshments for the reception and a small bouquet of flowers. Additional expenses incurred by the division for the retirement celebration will be considered out of pocket costs. Gifts for the retiree may not be purchased using the P-Card. The Department has pre-selected gifts allotted for retirees (See HCDE Retiree's Gift Brochure) available through the Human Resources division. The Department does not sponsor private (division only) receptions.

The documentation for the reception cost should include:

- Retirement letter from the employee that was submitted to the Human Resources Division and the Division Director indicating their intent to retire
- Retirement Celebration P-Card Authorization Form (Attachment N) approved by the Human Resources Executive Director
- Original itemized receipts
- JP Morgan Chase Smart Data Expense Report with signatures from both the P-Card Approving Official and the Human Resources Executive Director

The following object code should be used when entering the transaction into the JP Morgan Chase Smart Data: **64160025 Retirement Reception.** The description should identify the Retirees Name-Retirement Reception.

14.5 Split Purchases

Split budget transactions are allowed. Written authorization from the other division's budget manager must be submitted along with the monthly expense report in order to use another division's budget code.

14.6 Budget Codes

Ensure that budget codes are correct; double-check all information on the report before turning it in each month.

14.7 Finalizing the Expense Report Package

1. Place all supporting documentation in the order that it appears on the Expense Report
2. Highlight backup quotes on airlines
3. Explain why, if any, purchases were delivered to a location other than 6300 Irvington
4. Explain reasons for credits issued
5. Do not tape over ink on receipts as the ink will disappear over time

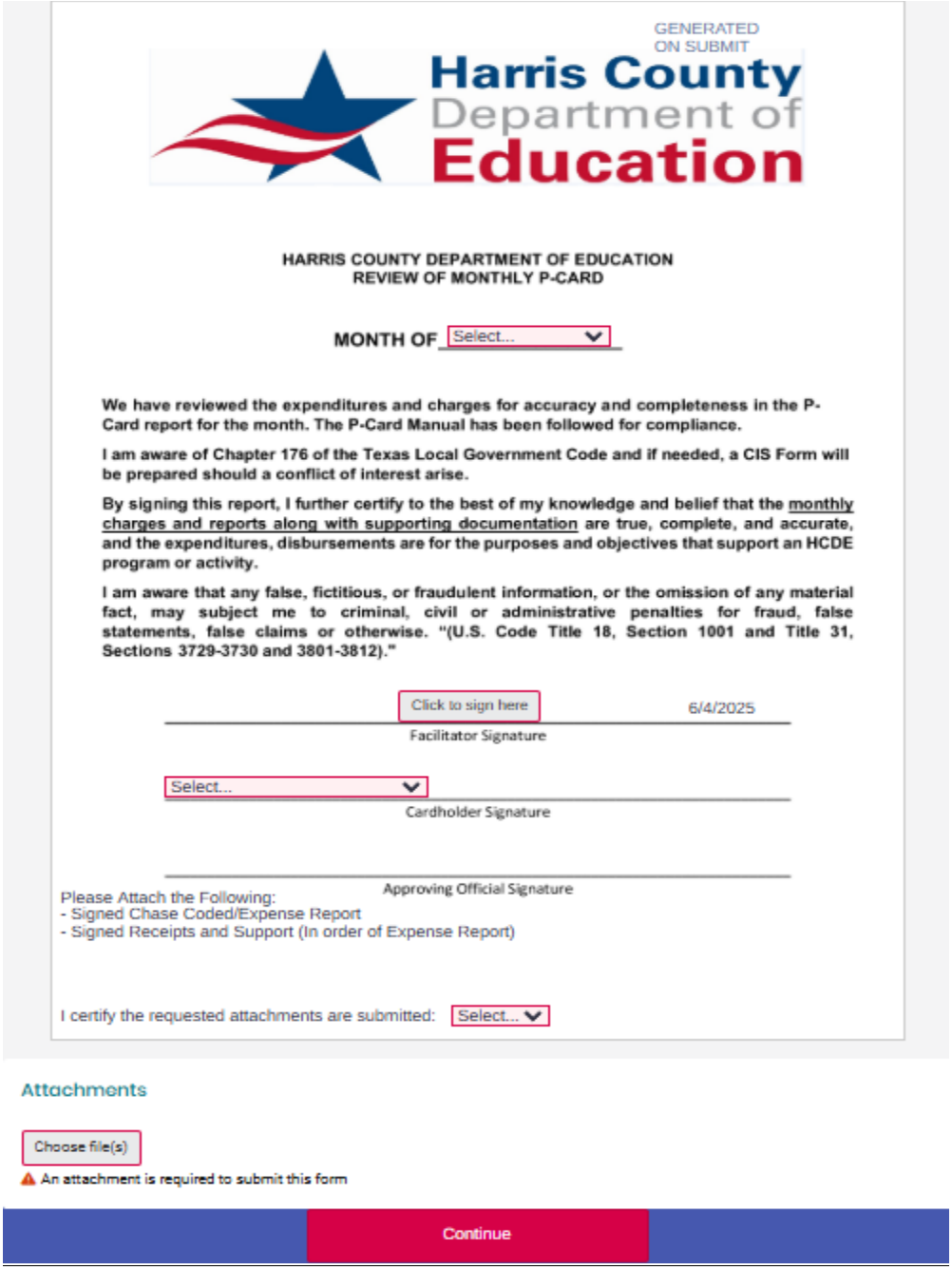
14.8 Retention Period

The retention requirements for receipts must follow at least three (3) years from the date of the expenditure. Cardholders and/or Facilitators must keep copies of the P-Card expense reports and receipts on the HCDE OneDrive under your division. If you have any other retention location, please provide it to the Quality Assurance Specialist.

Follow these steps in preparing your monthly expense report package:

1. Immediately following the end of the billing cycle, a Smart Data report should be ran for the FULL billing cycle.
2. Place all supporting documentation in the order that it appears on the Expense Report
3. All documentation is fed through an imaging scanner; therefore:
   a. RECEIPTS SHOULD NOT BE ATTACHED WITH STAPLES OR PAPER CLIPS.
   b. Receipts smaller than 8 ½" by 11" should be taped **securely** to a sheet of paper.
   c. All receipts should lay flat on the paper.
4. DO NOT write on the reverse side of a receipt.
5. Ensure that all backup documentation is attached for travel-related and meal expenses as described in this section
6. Facilitator, cardholder, and supervisor must each sign and date the **Monthly Expense Report**.
7. Send expense reports directly to p-cards@hcde-texas.org including the cardholder name and billing cycle in the subject line.

Note: If you are traveling at the time of the deadline and are unable to submit your documentation, it is **the cardholder responsibility** to inform their supervisor, so that proper arrangements can be made for the timely submission of the expense report to Procurement Services Division.



The **Review of Monthly P-Card** form has been added to Informed K12 and the new process for uploading signed P-Card expense reports is as follows:

- Select the appropriate billing cycle in the “Month Of” section (May, June, July, etc.)
- Sign on the “Facilitator” field (this applies to cardholders as well)
- Choose the Cardholder Name from the list.
- Click on “Choose file(s)” and upload signed expense report along with all supporting documentation.
- Certify that all required attachments have been included.
- Submit the complete report to P-Card Specialist for review by clicking on “Continue”.
- If the P-Card expense report is accurate, the P-Card Specialist will forward the report to the cardholder who must obtain their Approving Official’s signature.

Harris County Department of Education

HARRIS COUNTY DEPARTMENT OF EDUCATION
REVIEW OF MONTHLY P-CARD

_____ BILLING CYCLE

We have reviewed the expenditures and charges for accuracy and completeness in the P-Card report for the month. The P-Card Manual has been followed for compliance.

By signing this report, I further certify to the best of my knowledge and belief that the monthly charges and reports along with supporting documentation are true, complete, and accurate, and the expenditures, disbursements are for the purposes and objectives that support an HCDE program or activity.

I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. "(U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."

_____

Procurement Card Specialist

_____

Contract Specialist

_____

Director of Procurement Services

_____

Jesus J. Amezcua, PhD, CPA, RTSBA, Assistant Superintendent for Business Services

Harris County Department of Education

P-CARD ANNUAL TRAINING

☐ Cardholder ☐ Facilitator ☐ Director

☐ Executive Team Member ☐ Support Staff

1. I have reviewed the requirements for the P-Card expense report in the P-Card Manual for the current fiscal year posted on our website and the HCDE Portal.

2. I am aware of Chapter 176 of the Texas Local Government Code and the requirement of completing a Conflict of Interest Statement (CIS form) annually. I further agree to disclose any conflict of interest that may arise throughout the year.

3. By signing this report, I further certify that I have received training on P-Card rules and regulations.

4. I am aware that I must submit a monthly report of P-Card expenditures by the established date, and it needs to be reviewed and signed by my facilitator (if applicable) and supervisor.

5. I am aware that if a violation of law or P Card policy occurs, that I must address it to resolve it within five days of notification to the Business or Procurement Office. Your Executive Team Member will be notified of the violation. Moreover, the HR Office and the Superintendent will be notified for further review for failure to resolve within five days.

Cardholder: _____ Date_____

Facilitator: _____ Date_____

Approving Official: _____ Date_____

Executive Team Member: _____ Date_____

Support Staff: _____ Date_____

Procurement Services P-Card Trainer: _____ Date_____

Budget

The Budget Manager, or Division Manager, or Principal, is responsible for ensuring that all monies due to HCDE have been received, deposited and spent in compliance with all state, local and federal regulations.

Harris County Department of Education	**BUDGET PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED:		REVISED DATE: 05/23/22
SUBJECT: BUDGET FINANCIAL GUIDELINES		

Budgeting is a year-round activity, from the proposed budget estimates to the final amended budget and expenditures in the annual financial report. The Budget Development Process is comprised of three major phases: planning, implementation, and evaluation.

The HCDE fiscal year is September 1st through August 31st. The budget planning phase includes a Budget Planning Calendar that is approved by the HCDE Board in December. Budget Managers are trained and requested budgets are submitted. The Budget Return packages are approved by the appropriate Assistant Superintendent and include: eFinance forms, web-based forms, and other required forms, including the HR Position listing. Once the Planning, Preparation & Submission, and Review & Coordination phases of the budget process have been completed, the HCDE budget is ready for adoption.

Administration presents an official budget to the Board of Trustees annually at the June or July board meetings for approval for the succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them (estimated revenues). The budget is presented in relation to Department and division goals, and highlights of the budget are discussed in the Executive Budget Summary report in the Budget Book which is posted in the HCDE web site.

Final budget allocations are formally approved by the Board, which subsequently establishes a tax rate sufficient to support the approved budget.

RESOURCES AVAILABLE ON THE HCDE PORTAL / DIVISIONS / BUSINESS SERVICES / BUDGET PLANNING

- Budget Planning Workbook
- Budget Planning Calendar
- Account Codes folder
- Step by Step Process for Entering the Budget
- Budget Books - available posted on HCDE website under Financial / Budget Archives

INDIRECT COSTS: Use the FY 23 certified rate of 12.836% to estimate the indirect costs for your FY 2022-23 grants.

The Structure of HCDE accounting and Budget codes are as follows:

ACCOUNT NUMBER							
BUDGET CODE						ACCOUNT CODE	
Fund Code	FY Code	Function Code	Location Code	Program Code	Budget Manager Code	Object Code	Sub Object Code
NUMBER OF DIGITS:							
(3)	(1)	(2)	(3)	(2)	(3)	(4)	(4)

FY = Fiscal Year. The Fiscal Year Code is the last digit of the fiscal year. For example: for fiscal year (FY) 2020-21, the fiscal year code is 1.

BUDGET MONITORING - MONTHLY BUDGET REPORTS

Budget Managers should have access to their budget reports on the EFinance financial system, and have the security clearance to run the following reports:

- Detail Revenue Status Report
- Detail Expenditure Status Report
- Revenue Audit Trail Report
- Expenditure Audit Trail Report

Instructions for printing these reports are available on the **HCDE Portal / Business Services / Reports in eFinance.**

New Budget Managers must complete the eFinancePlus Request form on line indicating the type of access requested which requires budget manager's approval. This form also requires the Business Services approval. Once all approvals have been obtained, Technology staff will grant the access requested.

Harris County Department of Education	**BUDGET PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED:		REVISED DATE: 5/23/22
SUBJECT: BUDGET TRANSFER & AMENDMENT PROCEDURES		

Introduction
A budget is an estimate of planned expenditures and expected revenues. Many changes can take place between estimating for the proposed budget in February and the start of the new fiscal year in September. Program and operational changes will mean budget changes. It is essential, for planning, control and management objectives, to revise the budget as it becomes necessary. These changes to the budget are made in the form of (I) Budget Transfers or (II) Budget Amendments.

Budget Transfers are submitted online and require budget managers approval. Budget Amendments require board approval when the change is over $200,000 and are presented to the board on a monthly basis. Budget Amendments for $1 – $199,999 requires the signature of Assistant Superintendent for Business Services.

Responsibility for budget development and budget performance rests with the Budget Managers.

I. BUDGET TRANSFER

When to Prepare a Budget Transfer
A budget transfer is required when funds need to be moved from one account to another to cover operating costs. Below are possible scenarios that cause budget transfers:

1. An expenditure is greater than estimated, and will cause the account to be overdrawn. Funds from a different account are used to cover the increase.
2. The program plan for your division has changed, resulting in the need to move funds from one account to another.
3. A requisition amount is over the budget amount. Funds from a different account are used to cover the difference.

If funds are not available in a particular line item, no transactions can be done until a budget transfer is processed and allows sufficient funds for the transaction to be processed.

Harris County Department of Education	**BUDGET PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED:		REVISED DATE: 8-13-20
SUBJECT: BUDGET TRANSFER & AMENDMENT PROCEDURES		

Budget Transfer Approval Signature Requirements
Budget transfer are processed on line and require the following signatures:

1. Budget Manager (should be Director level or above) approval signature.
2. Accounting Staff Approval Signature.
3. Chief Accounting Officer approval signature up to $24,999
4. Assistant Superintendent for Business Services signature is required for all transfers over $25,000.

II. BUDGET AMENDMENT

When to Prepare a Budget Amendment
Budget amendments should be processed if either the revenues or expenditure allocation need to change. Below are possible scenarios that cause budget amendments:

1. A new contract is obtained and it will result in higher revenues and expenditures than originally budgeted.
2. The program is reduced, resulting in both estimated revenues and budgeted expenditures being less than originally budgeted.

   A detailed reason for the amendment must be included.

Budget Amendments Approval Signature Requirements
Budget amendments for locally-funded budgets always required Budget Manager, Business Services and Board approval.

Budget amendments require special approval, as follows:

1. If the budget is state - or federally funded, the budget amendment must be approved by grantor agency before it can go the HCDE board for approval if the grant regulations require their approval first.
   Refer to the application and amendment instructions.
2. Superintendent approval is required anytime funds are appropriated from fund balance, before it goes to the HCDE board for approval. Each request is reviewed for merit and need.
3. In addition, check with the Executive Team supervisor to see if your budget amendments require their approval and or signature.

Harris County Department of Education	**BUDGET PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED:	REVISED DATE: 8-13-20	
SUBJECT: BUDGET TRANSFER & AMENDMENT PROCEDURES		

Processing a Budget Amendment

The budget manager initiates the budget amendment.

- If the amendment does not require one of the 'special approvals' listed above, forward it directly to the staff accountant.
- If the budget adjustment requires 'special approval' (as previously described), please obtain the necessary approvals.
- If the budget amendment is $200,000 or more, it requires HCDE Board approval. Therefore, it must be forwarded to Business Services in plenty of time for it to be included in the Budget Amendment Report for the next board meeting agenda. Check the Business Services monthly calendar for due dates.

Business Services will review the budget amendment to assure that appropriate approvals have been obtained, that the budget codes are correct, and that adequate funds are available for any accounts being decreased.

Amendment Guidelines for State and Federal Grants through TEA

Budget managers may transfer within the approved budget to meet unanticipated required expenditures and to make limited changes to the previously approved budget. However, certain types of changes require prior approval from TEA.

An amendment is necessary when:

- The proposed revision would result in the need for additional funding except as noted in the guidelines for specific programs, cumulative transfers among direct cost categories exceed (at any time during the grant period) 25%* of the total current approved budget for the program. The cumulative total is defined as the total amount of additions to any class-object code not including deletions. (*Check your grant for the applicable percentages.)
- Any transfer of funds allotted for training costs, i.e. from direct payments to trainers to other expense categories.
- Any budget amendment to a grant containing construction costs.
- Any revision to the scope or objectives of the grant (regardless of the necessity of an amendment to the associated budget)
- A request to extend the period of the grant.
- An increase in the quantity of capital outlay items requested.
- An increase/decrease in the number of positions approved on Schedule #3B-Payroll Costs.

Harris County Department of Education	**BUDGET PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED:	REVISED DATE: 8-13-20	
SUBJECT: BUDGET TRANSFER & AMENDMENT PROCEDURES		

- Adding an item which requires prior approval.
- Adding a new class/object code not previously budgeted.
- Any other unspecified reason.

Under no circumstances may the total expenditures exceed the total amount approved. Also, budget amendments must be approved by TEA and the notice of grant award (NOGA) from TEA received in Business Services before they are presented to the HCDE Board for approval.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 04/01/2006		REVISED DATE: 8/11/20
SUBJECT: Budgeting for Replacement Assets		

Some assets (i.e., land) will last a lifetime. Others are replaced according to a replacement schedule or when the asset becomes too expensive to repair. Funds for major replacements items come out of the Reserve Fund Balance. **Funds budgeted for replacement of assets cannot be used for any other purchase.**

The following steps will guide you in including these replacements in your proposed budget.

1. You will be given a report titled Replacement Asset Listing in your budget packet. Review the report for assets that are scheduled to be replaced during the next fiscal year. This report is generated by the computer system, based on the estimated useful life of the asset. **If you did not get the report, no assets are scheduled for replacement this year.** Call Business Analyst if you have any questions about this.

2. Evaluate the 'REPLACEMENT DATE' for each asset listed on your report. If you believe that the expected life should be increased, change the replacement date on the list by lining through the printed dated and printing the new date just above it. Business Services will review your recommend-dations for updating the estimated useful life for the assets you marked.

   Now you can concentrate on those assets that need to be replaced during the budget process.

3. Estimate the cost of replacing an item using current price catalogs (Butler, Hallmark, Office Depot, etc.). If you are unsure of any aspect of replacing a particular item, contact Purchasing Support for assistance. For technology items, do a Helpdesk request for quotes on these items. Items should be considered individually and not in groups when using these criteria.

4. Highlight the items you wish to replace and put replacement costs into your proposed budget using the appropriate expenditure object codes.

   664X-XXXX - Replacement capital assets are identified as an item having a value of $5,000.00 or more and an expected useful life of more than one year.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 04/01/2006		REVISED DATE: 8/11/20
SUBJECT: Budgeting for Replacement Assets		

6394-XXXX - Replacement assets having a value of $1,000.00 or more, including sensitive items, but less than $5,000.00 - unit cost, should use object code 6394 (Replacement) and the appropriate sub-object code.

6399-XXXX - All other assets (desks, file cabinets, etc.) under $1,000.00 should be charged to general supply object code 6399 except sensitive items.

NOTE: The 6399 account code expenditures are not offset by Reserved Fund Balance.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)*
DATE DEVELOPED: 10/30/08		REVISED DATE: 8/11/20
SUBJECT: Processing accounting journal entries for inter-division contracted services		

Purpose

To provide guidelines for accounting for revenues and expenditures from contracts between HCDE divisions.

Procedure

The procedure for making accounting transfers and adjustments to division costs includes the following steps.

Contracting Division

The contracting division is the division which has a need for services and contracts for such services with other divisions. The contracting division will develop an inter-division contract or other form of agreement. This contract should be signed by the division director or budget manager. It must be sent to the Purchasing Division for contract processing.

The contracting division should also provide the account code that will be used to provide payment to the division. If the division is providing a service by a consultant, the code should be 6299 for consultants.

Provider Division

The provider division is the division delivering the services, and it should send the contracting division a written invoice after the services are completed.

Once the contracting division reviews and approved the invoice, it must be submitted to the Business Service for processing. A journal entry will be prepared charging the expenditure to the contracting division and crediting the revenue to the provider division.

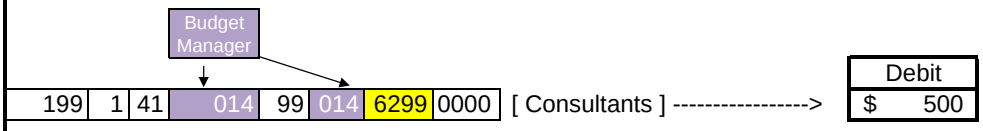
Sample Procedure:

A division contracts with another division to provide a service(s) within GENERAL FUND:

Steps

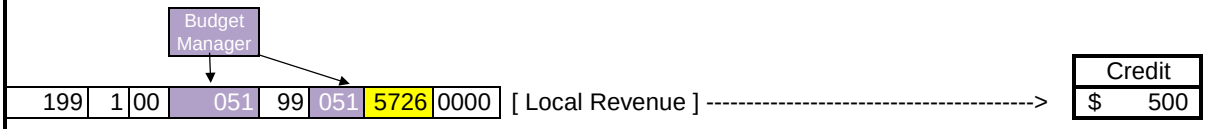
1. Determine the amount to be charged to the division for the service.
2. Identify the revenue budget code and budget manager
3. Once services has been completed, the provider need to send invoice to the contracting division
4. Send explanation memo describing the agreement to the Chief Accounting Officer so that a journal entry can be processed in the general ledger.
   The memo should explain which Budget Manager is providing the services and which Budget Manager is being charged the cost.
   The contracting division is the division that needs the service.
   The provider division is the division which delivers the service.

Contracting Division



Debit
$ 500

Provider Division

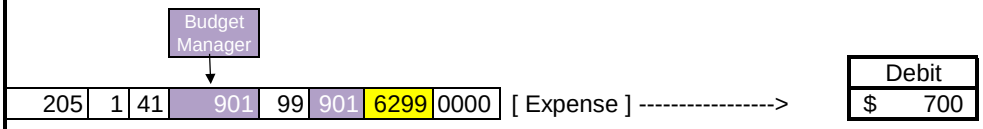


Credit
$ 500

A division contracts with another division to provide a service between Funds - for example: GENERAL FUND and HEAD START FUND

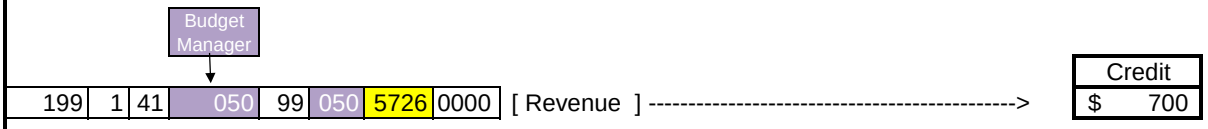
Note: Offsetting Cash or Due to/from.

Contracting Division



Debit
$ 700

Provider Division



Credit
$ 700

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)*
DATE DEVELOPED: 10-19-2009		REVISED DATE: 08-13-20
SUBJECT: Request for Access to General Ledger Account Codes		

Purpose

To provide guidelines for requesting access to HCDE's accounting system and electronic requisitioning system: This includes the following:

1) Access to account codes for their division
2) Access to electronic purchasing requisition
3) Access to print accounting reports

Procedures

By Division Supervisor

Each Division Supervisor shall submit an "**eFinanceplus Request Form**" online requesting access. The request can be in the HCDE Portal. At the Portal, please go under "Helpful Links" on the right side and under it to "Payroll and Finance" It will be the third from the last. The request must include the following information:

1) Name of the employee
2) Budget Manager Name and Division Budget Number to which they are seeking access
3) Identify the access requested

By Assistant Superintendent for Business Services

The Assistant Superintendent for Business Services will review the eFinanceplus request form online for appropriate segregation of duties. Access can only be requested by employees within the supervision of a division manager. Once the form is approved, the Technology division will process the request.

Approval on division codes - requisitions

The access to approve as a division manager is designated by the respective Executive Team member. Only professional staff or managers are authorized to approve as division managers. Other staff can initiate requisitions and inquire on the accounts.

By Technology Division

The Technology division will review the request and update the access as requested.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)*
DATE DEVELOPED: 10-19-2009		REVISED DATE: 08-13-20
SUBJECT: Request for Access to General Ledger Account Codes		

Annual Compliance Requirement

Each year, at the beginning of the fiscal year, all staff with access to budget accounts and approval to initiate a request MUST complete the following forms:

1. Authorization Signature Form: This form is available in the HUB under Business Services / Forms – Business Services / Accounting Forms / Authorized Signature Form.
2. Conflict of Interest Form: Under the HUB in the front page, under “Helpful Links” there is an option: “Director’s Conflict of Interest Survey” that will take you to an electronic survey. Even though the ling says Directors, anyone with Budget Approval must complete the survey.

Under the HUB there is a Fraud Awareness Package under Business Services / Forms Business Services / Accounting Forms / Fraud Prevention Packet that compiles all the related documents for your reference.

ACCOUNT CODE STRUCTURE – efinance plus SYSTEM

The complete Account Code looks as follows:

199 **3**-41-050-99-**050 63990000** is the **Supplies & Materials** code in the **Business Services** budget.

BUDGET CODE:						**ACCOUNT CODE:**	
____	___	___	____	___	____	_____	_____
Fund Code	FY Code	Function Code	Location Code	Program Code	Budget Manager Code	Class Object Code	Sub-Object Code
NUMBER OF DIGITS:							
(3)	(1)	(2)	(3)	(2)	(3)	(4)	(4)

FY = Fiscal Year. The Fiscal Year Code is the last digit of the fiscal year. For example: For fiscal year (FY) 2022-23, the fiscal year code is **3**

Instructions for accessing account codes are in **HCDE Portal.**

Complete lists of codes and descriptions can be found on:

HCDE Portal\Business Services\Account Codes

They include:

- Fund Codes
- Function Codes
- Location Codes
- Program Codes
- Budget Manager Codes
- Object Codes: Revenues and Expenditures

HCDE FUND CODES

100 - GENERAL FUND	**400 - LOCAL GRANTS - CONT.**
199-GENERAL FUND	475-EARLY HEAD START IN-KIND
200 - FEDERAL GRANTS	479-HEADSTART INKIND
205-HEAD START	479-LOC HEAD START IN-KIND
206-HEAD START TRAINING	491-STOP SCHL VIOLENCE-INKIND
207-HEAD START DISASTER ASSIS	495-HOGG GRANT - MENTAL HEALT
208-EDUCATORS & FAMILIES ENGL	496-LOC-HOGG FOUNDATION-YR 2
209-HS - COOLWOOD CONSTRUCTIO	496-LOC-HOGG FOUNDATION-YR 3
210-STOP SCHOOL VIOLENCE GRNT	497-STAR REIMAGINED
213-TECQ/ AUDUBON	498-LOC-OTHER LOCAL GRANTS
214-EARLY HEADSTART START-UP	**500 - DEBT SERVICE**
215-EARLY HEADSTART OPERATION	599-DEBT SERVICE ADMIN
216-EARLY HEADSTART T&TA	**600 - CAPITAL PROJECT FUNDS**
218-HS - COOLWOOD LAND ACQUI	693-DISASTER RELIEF FUND
221-DIST. LEARNING CAP. BUILD	694-CAPITAL PROJECTS - PFC
222-CDBG AEL GRANT	695-CAPITAL PROJ LOCAL FUNDS
223-FED-ADULT ED TANF	696-LA PORTE HS CONSTRUCTION
230-FED ADULT ED REGULAR	697-CAPITAL PROJECT FUND
230-FEDERAL ADULT ED REGULAR	698-PFC REFUNDING BONDS
234-FED-ADULT ED-EL/CIVICS	699-PUBLIC FACILITIES CORP
265-21ST CENTURY - CYCLE 11	**700 - PROPRIETARY FUNDS**
267-FED 21ST CENTURY CYC 9	711-CHOICE PARTNERS
268-FED 21ST CENTURY CYCLE 10	753-ISF-WORKERS COMPENSATION
286-TX COUNCIL DEV DISABILITY	799-ISF-FACILITIES
288-FED-AFTER SCHOOL PTNRSHIP	**800 - FIDUCIARY - TRUST/CUSTODIAL FUNDS**
400 - LOCAL GRANTS	811-HIGHPOINT EAST ACTIVITY
427-DISASTER RECOVERY	814-HIGHPOINT NORTH ACTIVITY
437-HS - DISASTER RELIEF COVI	815-COURTESY COMMITTEE
451-DCF - EPP GRANT	829-BLAIR ENDOWMENT FUND
463-LOC-HOUSTON ENDOWMNET	**900 - ACCOUNT GROUPS**
464-JAMS GRANT YEAR 1	901-GENERAL CAPITAL ASSETS
467-LOC-CITY OF HOUSTON	902-PFC CAPITAL ASSETS
468-COUNTY CONNECTION PROGRAM	903-LONG TERM DEBT
474-JAMS IN-KIND YEAR 1	904-LONG TERM DEBT PFC

HARRIS COUNTY DEPARTMENT OF EDUCATION

FY 2023 Function Codes

CODE	TITLE
11	Instruction and Instruction Related Services
12	Instructional Resources and Media Services
13	Curriculum Development and Instructional Staff Development
21	Instructional Leadership
23	School Leadership
31	Guidance, Counseling and Evaluation Services
32	Social Work Services
33	Health Services
34	Student Transportation
35	Food Services
41	General Administration
51	Facilities Maintenance and Operations
52	Security and Monitoring Services
53	Data Processing Services
61	Community Services
62	School District Administrative Support Services
71	Debt Service
81	Facilities Acquisition and Construction
93	Payments to Fiscal Agent or Member Districts of Shared Services Arrangements
99	Other Intergovernmental Charges

HARRIS COUNTY DEPARTMENT OF EDUCATION

FY 2023 Location Codes

BM CODE	BUDGET NAME	LOCATION CODE
001	Superintendent's Office	001
005	Ctr for Safe and Secure Schools	005
010	Board of Trustees	010
011	Asst Superintendent - Academic	011
012	Asst Superintendent - Educational	012
014	Educator Certification	014
030	Human Resources	030
050	Business Support Services	050
052	Debt Service	052
083	Facilities Support Services	070
089	Job Order Contracts-also CFP	070
083	Facilities-Central Support	071
083	Facilities-Caplin Warehouse	078
086	Facilities-Construction	079
083	Facilities-Risk Management	080
083	Facilities-Irvington Warehouse	083
083	Facilities-Melbourne Warehouse	084
088	Facilities-Building Replace Schedule	088
083	Facilities-North Post Oak	089
090	Technology Support Services	090
091	Digital Learning and Instr Technology	091
092	Marketing Services	092
093	Chief Information Officer	093
094	External Relations Officer	094
095	QZAB and Maint Tax Notes Fund	095
098	Department Wide	098
099	Retirement Leave Benefits	099
101	State TRS On Behalf Payments	101
102	State TEA Emp Portion Health Ins	102
103	State TEA Supplemental Comp	103
111	Special Education Therapy Services	111
301	TLC - Division Wide	301
302	TLC - Math	302
303	TLC - Science	303
304	TLC - Bilingual Education	304
306	TLC - Early Childhood	306
307	TLC - English Language Arts	307
308	TLC - Social Studies	308
309	TLC - EC Winter Conference	309
312	Scholastic Arts and Writing Program	312
313	TLC - Special Education	313
314	TLC - Speaker Series	314
315	TLC - Professional Development	315
501	Special Schools Administration	501
131	ABC-East	601
084	Facilities-ABC East	601
132	ABC-West	602
084	Facilities-ABC West	602
084	Facilities-ABC West - 12772 Medfield Dr.	604
800	Fortis Academy	608
084	Facilities-Highpoint East	607
970	Highpoint-East	607
901	Head Start-Turning Bsasin	610
901	Head Start-Sheffield Center	611
901	Head Start-Tidwell Center	612
901	Head Start-Coolwood Center	621
901	Head Start-Port Houston	622
901	Head Start-Clinton Park Center	623
	2629 King Street	629

BM CODE	BUDGET NAME	LOCATION CODE
901	Head Start-Humble Center	631
901	Head Start-Compton Center	641
901	Head Start-Dogan Center	642
901	Head Start-Fifth Ward Center	643
901	Head Start-Barrett Station Center	644
901	Head Start-Pugh Center	646
901	Head Start-Baytown Center	651
901	Head Start-J D Walker Center	652
901	Head Start - Channelview	657
901	Head Start - San Jacinto	658
901	Head Start-La Porte Center	661
901	Head Start - Fonwood	663
	3811 Caplin Warehouse	666
083	Facilities-Print Shop Crosstimbers	670
083	Facilities-RMS-Crosstimbers	671
954	Records Management Services	671
201	Adult Education	672
083	Facilities-Adult Education	672
	ECI-11920 Walters Rd 77067	673
	625 King Street	674
	Balt Junction, Block 65	675
	Adult Ed - 626 Lindale	676
	629 King Street	677
	Adult Ed - Baytown	678
	Adult Ed - Galena Park	679
	Adult Ed - Alief	680
	Adult Ed - Spring Branch	681
	Adulkt Ed - South Houston	682
	Adult Ed - Sunset Methodist	683
	Adult Ed - St. Tim Episcopal	684
	Adult Ed - NW Ministries	685
	Adult Ed - Chinise Comm. Ctr.	686
	Adult Ed - Parsonage	687
	Admin. Bldg on Irvington	701
	6200 Irvington	702
	Parking Garage / Conf. Center	703
901	EHS-Community Partners	706
	EHS-Successful Learners	707
	EHS-Irvington	710
	EHS-Baytown	751
	EHS-Lets Learn Christ Lrng	754
	EHS-Kool Kids	755
083	La Marque ISD - Bus.Services	883
920	Education Foundation	920
922	Co-op for After School Enrichment	922
923	Resource Development	923
924	Research and Evaluation	924
925	Comm and Public Information	925
926	TX Center for Grants Development	926
927	Research Institute of Texas	927
950	Purchasing Support Services	950
951	Purchasing Co-op	951
955	Gulf Coast Food Cooperative	955
	Westview Location	980
	709 Melbourne Warehouse	981
	Misc-All Location	982
087	Facilities-Local Construction	VARIOUS

HARRIS COUNTY DEPARTMENT OF EDUCATION
FY2023 Program Codes

USE WITH REVENUE OBJECT CODES ONLY

00 – Undistributed

USE WITH EXPENDITURE OBJECT CODES

99 - Undistributed

HARRIS COUNTY DEPARTMENT OF EDUCATION

FY23 Budget Manager Codes

RESPONSIBLE	BM CODE	HR	FUND	BUDGET NAME	BUDGET MANAGER
James Colbert, Jr.	001		199	Superintendent's Office	James Colbert, Jr.
James Colbert, Jr.	010		199	Board of Trustees	James Colbert, Jr.
CJ Rodgers	012		199	Assistant Superintendent for Education and Enrichment	CJ Rodgers
CJ Rodgers	005		199	Center for Safe and Secure Schools	Julia Andrews
CJ Rodgers	014		199	Educator Certification and Professional Advancement	Vacant
CJ Rodgers	201		199	Adult Education	Stephanie Ross
CJ Rodgers	923		199	Center for Grants Development	Joyce Akins
CJ Rodgers	924		199	Research and Evaluation	Darlene Breaux
CJ Rodgers	109		199	TLC - Digital Learning & Instructional Technology	Cynthia Brunswick
CJ Rodgers	190		199	TLC - Digital Education & Innovation	Cynthia Brunswick
CJ Rodgers	301		199	TLC - Instructional Support Services - Division Wide	Cynthia Brunswick
CJ Rodgers	302		199	TLC - Math	Cynthia Brunswick
CJ Rodgers	303		199	TLC - Science	Cynthia Brunswick
CJ Rodgers	304		199	TLC - Bilingual Education	Cynthia Brunswick
CJ Rodgers	307		199	TLC - English Language Arts	Cynthia Brunswick
CJ Rodgers	308		199	TLC - Social Studies	Cynthia Brunswick
CJ Rodgers	309		199	TLC - Early Childhood Winter Conference	Cynthia Brunswick
CJ Rodgers	312		199	TLC - Scholastic Arts and Writing Program	Cynthia Brunswick
CJ Rodgers	313		199	TLC - Special Education	Cynthia Brunswick
CJ Rodgers	314		199	TLC - Speaker Series	Cynthia Brunswick
CJ Rodgers	315		199	TLC - Professional Development	Cynthia Brunswick
Danielle Bartz	094		199	Chief of Staff	Danielle Bartz
Danielle Bartz	920		199	Education Foundation	Danielle Bartz
Danielle Bartz	922		199	Cooperative for After School Enrichment (CASE)	Lisa Thompson Caruthers
Richard Vela	083		799	Facilities Support Services	Richard Vela
Richard Vela	084		799	Facilities Maintenance	John Prestigiacomo
Richard Vela	086		199	Facilities Construction (Location 079)	Joe Carreon
Richard Vela	087		199	Local Construction	Joe Carreon
Richard Vela	088		199	Facilities & Technology Replacement Asset Schedule	Danielle Clark
Richard Vela	954		199	Records Management Services	Curtis W. Davis

HARRIS COUNTY DEPARTMENT OF EDUCATION

FY23 Budget Manager Codes

RESPONSIBLE	BM CODE	HR	FUND	BUDGET NAME	BUDGET MANAGER
Richard Vela	089		711	Choice Facility Partners	Jeffrey Drury
Richard Vela	951		711	Choice Partners - Purchasing Co-Op	Jeffrey Drury
Richard Vela	955		711	Choice Partners - Gulf Coast Food (Purchasing) Co-op	Jeffrey Drury
Jesus Amezcua	050		199	Business Support Services	Marcia Leiva
Jesus Amezcua	052		599	Debt Service	Jesus J. Amezcua / Marcia Leiva
Jesus Amezcua	053		199	ISF - Workers Comp	Jesus J. Amezcua / Marcia Leiva
Jesus Amezcua	098		199	Department Wide	Jesus J. Amezcua / Marcia Leiva
Jesus Amezcua	099		190	Retirement Leave Benefits Fund	Natasha Truitt
Jesus Amezcua	101		199	State TRS On Behalf Payments	Marcia Leiva
Jesus Amezcua	102		199	State TEA Employee Portion Health Insurance	Marcia Leiva
Jesus Amezcua	103		199	State TEA Supplemental Compensation	Marcia Leiva
Jesus Amezcua	950		199	Purchasing Support Services	Kendra Jackson
Danielle Clark	088		199	Facilities Asset Replacement Schedule	Danielle Clark
Danielle Clark	090		199	Technology Support Services	Lowell Ballard
Danielle Clark	092		199	Client Engagement	Stephanie de los Santos
Danielle Clark	093		199	Chief Communications Officer	Danielle Clark
Danielle Clark	925		199	Communications and Public Information	Dave Einsel
Natasha Truitt	030		199	Human Resources	Natasha Truitt
Jonathan Parker	011		199	Assistant Superintendent Academic Support Services	Jonathan Parker
Jonathan Parker	111		199	Special Education Therapy Services	Carie Crabb
Jonathan Parker	901		205	Head Start / Early Head Start	Venetia L. Peacock
Jonathan Parker	501		199	Special Schools Administration	Charles Ned
Jonathan Parker	131		199	ABS East	Donna Trevino-Jones
Jonathan Parker	132		199	ABS West	Victor Keys
Jonathan Parker	970		199	Highpoint East	Courtney Waters
Jonathan Parker	800		199	Fortis Academy - (Recovery School)	Travita Godfrey

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the Portal.

Payroll Costs 61XX-XXXX

You may NOT amend the accounts in 61XX Class without first contacting the Business Office.

All 61XX-XXXX codes are for HCDE employees only.

6112 0000 Teacher Substitutes
Pay teacher substitutes when teachers are absent due to sickness, jury duty, staff development, etc.

6113 0000 Stipends
Pay lump sum for teachers performing extra duties, such as tutoring, or after-school programs.

6114 0000 Recruitment Incentives
Used in hiring new teachers- Used only Human Resources

6115 0000 Salaries - Professional Part-Time
Pay salaries for professional employees who are working part-time.

6116 0000 Salaries-Summer Pay
Payment of salaries during the summer.

6117 0000 In-service Pay-Professional
Payment of non-instructional extra pay to professional instructors.

6118 0000 Instructors-P/T Degreed
Salaries to part-time instructors with degrees.

6119 0000 Salaries - Professional Personnel
Salaries expense for teachers, counselors, principals, assistant principals, librarians, nurses, and other professional employees.

6121 0000 Overtime
Payment to any employee authorized to work overtime.

6122 0000 Substitutes - Teacher Assts
Pay substitutes when teacher assistants are absent due to sickness, jury duty, staff development, etc.

6123 0000 In-service Pay-Aides
Payment of non-instructional extra pay to aides.

6124 0000 Salaries-Instructional Aides
Payment of part-time wages to instructional aides.

6125 0000 Part-Time Help

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

Pay for part-time instructors teaching classes, clerical and support staff substitutes and additional help in the office. For outside Temporary Services, use 6215-0000.

6126 0000 Wages-Summer Pay-Aides
Payment of wages during the summer.

6127 0000 Wages-Custodial Staff
Pay wages of custodial staff employees.

6128 0000 Wages-Technical Staff
Pay salaries of technical staff employees.

6129 0000 Wages - Support Staff
Pay salaries of support staff employees, such as administrative assistants, campus clerical staff, and other clerical support staff.

6139 0000 Employee Allowances
Payment of employee allowances.

6141 0000 FICA / Medicare
Social Security and Medicare employer contribution.

6142 0000 Group Health & Life Insurance
This is the Department's portion of the Health Insurance Plan.

6143 0000 Workers Compensation
Workers' Compensation expenditures for Department employees.

6144 0000 Teacher Retirement System (TRS) On-Behalf Payments
Represents payments into TRS from the State on behalf of the Department.

6145 0000 Unemployment Compensation
Payment of unemployment benefits for employees that have left the Department.

6146 0000 Teacher Retirement System
Payments to Texas Retirement System-ALL FEDERAL GRANT PROGRAMS.
GENERAL FUND: FIRST 90 DAYS NEW EMPLOYEES.

6147 0000 TRS Care Administration Fee
Payment of TRS Care administrative fee charges required by the State.

6148 0000 Cafeteria Plan Administration Fee
Fee that covers the cost of administering the cafeteria plan.

6149 0000 Employee Assistance Plan
Fee for the cost of the Employee Assistance Program.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

6199 0000 Retirement Leave Benefits
Payment of sick leave and personal leave remaining upon retirement.

Professional & Contracted Services 62XX-XXXX

6211 0000 Legal Services
Payment of attorney fees for legal work done for the Department.
FOR BUSINESS SERVICES USE ONLY. DO NOT AMEND.

6212 0000 Audit Services
Payment of audit services used by the Department, such as the annual audit of financial records.

6213 0000 Tax Appraisal and Collection Fees
Payment of tax appraisal and collection fees assessed by Harris County Appraisal District based on the Department's property values and Harris County Tax Office.

6214 0000 Security Services
Payment for security services at the Administration building and the campuses.

6215 0000 Temporary Services
Payment for temporary services from outside employment agencies.

6219 0000 Professional Services

This code is used to classify expenditures/expenses for professional services rendered by personnel who are not on the payroll of the school district. Government Code 2254.002 defines professional services to be the following:

Architecture	Optometry
Landscape architecture	Professional engineering
Land surveying	Real estate appraising
Medicine	Professional nursing

Accounting (audit services belong in object code 6212). These professionals are required to be licensed or registered with the state. Professional services are delivered by an independent contractor (individual, entity or firm) that offers its services to the public. Such services are paid on a fee basis for specialized services that are usually considered to be temporary or short-term in nature, normally in areas that supplement the expertise of the school district. This includes all related expenditures/expenses covered by a professional services contract, if the contracted service is not detailed in object codes 6211 through 6214.

6225 0000 Lobbying
This code is used to classify fees, associated travel, and other related costs for lobbying services. Refer to the Texas Ethics Commission for guidelines regarding what is considered lobbying.

6239 0000 Media Fees-Region IV ESC
Payment of contracted media services from the service center.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

6243 0000 Contracted Maintenance & Repair - Disaster Recovery
Payment of contracted services for normal upkeep, repairs, maintenance and renovation of the disaster recovery system.

6244 0000 Contracted Maintenance & Repair - Electrical
Payment of contracted services for normal upkeep, repairs, maintenance, and renovation of all electrical pertaining to buildings.

6245 0000 Contracted Maintenance & Repair - Networks
Payment of contracted services for normal upkeep, repairs, maintenance, and renovation of data processing equipment. This includes data drops and data cabling installation made by outside companies.

6246 0000 Contracted Maintenance & Repair - Buildings & Grounds
Payment for normal upkeep, maintenance, and renovation of buildings and grounds, including repairs to elevators, buildings, heating and cooling components, electrical, plumbing, fire equipment and liquid waste removal.

6247 0000 Contracted Maintenance & Repair - Vehicles
Payments for normal upkeep, maintenance, and renovations of vehicles.

6248 0000 Contracted Maintenance & Repair - Equipment
Payments for normal upkeep, maintenance, and renovation of equipment.

6249 0000 Contracted Maintenance & Repairs - All
Payments for the normal upkeep, maintenance, and renovation of other equipment, including copier maintenance agreements.

6255 0000 Utilities-Water
Payments for water usage, wastewater treatment and garbage disposal.

6256 0000 Telephones, Cell & Pagers
Payment of telephone and telecommunication charges, including monthly phone line charges, cellular phones, pagers, local area and wide area network connection charges.

6257 0000 Utilities-Electricity
Payments of monthly electricity usage.

6258 0000 Utilities-Gas
Payment of monthly natural gas usage.

6259 0000 Data Lines-Technology
Payments for data lines and other utilities not listed in the 625X series.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

6264 0000 Improvement-Leased Property
Payment of improvements made to leased property.

6265 0000 Rental Space-Events
Payment of rental space for events and conferences.

6266 0000 Leases & Rentals-Equipment
Payment of the leasing and/or rental of equipment.

6267 0000 Rentals-Buses
Payment for bus rentals.

6268 0000 Leases & Rentals-Buildings
Payment for building rentals and leasing of office space.

6269 0000 Leases & Rentals-Copiers
Payment of copier leases and rentals.

6291 0000 Consulting Services
Payment for consultants not included in 6219-0000

6298 0000 Microfilm Services
Payment of contracted microfilming services.

6299 0000 Miscellaneous Contracted Services -
Miscellaneous Contracted Services This code is used to classify expenditures/expenses for miscellaneous contracted services not specified elsewhere. Any local option codes that are used at the local option are to be converted to account 6299 for PEIMS reporting.
Payment of all contracted services not listed in above 629X series.

Supplies & Materials 63XX-XXXX

6311 0000 Gasoline & Other Fuels
Purchase of gasoline, motor oil and other fuels needed to operate vehicles and machinery.

6315 0000 Building Supplies & Materials
Payment for supplies and materials used to maintain and operate Department buildings, including telecommunications, extermination, air conditioning, heating and electrical, plumbing, roof repair, and fire equipment.

6317 0000 Vehicle Parts & Supplies
Payment for parts and materials used to maintain and operate vehicles.

6318 0000 Custodial Supplies & Materials
Charges to campuses for custodial supplies.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

6319 0000 Maintenance Supplies
Supplies needed to maintain and operate Department equipment and buildings; everything not listed in the above 631X series.

6321 0000 Textbooks
Textbooks used by the Department and furnished free to students.

6329 0000 Reading Materials
Purchase of reading materials, including reference books, subscriptions for periodicals and magazines and other reading materials.

6339 0000 Testing Materials
Purchase of student testing materials, including testing forms, booklets, tutorial materials and books.

6341 0000 Food Purchases for Cafeterias
Special Schools & Head Start Only - Purchase of food used to feed students food prepared in kitchens or cafeterias at their locations. Incudes Head Start students Use 6398 for purchasing of snacks or drinks for after school programs or classrooms. Use 6418 for refreshments at meetings.

6342 0000 Non-Food-Kitchen Supplies
SP Schools & Head Start Only. Purchase of non-food items, such as napkins, brooms, straws, small equipment purchases, marketing materials, and any other non-food items.
All other campuses and divisions should use 6399 for these items.

6344 0000 USDA Commodities
Purchase of USDA commodities for the Head Start Program.

6391 0000 Instructional Materials
Purchase of classroom and instructional supplies and materials, including pens, pencils, paper, workbooks and other classroom items.

6392 0000 Records Storage Boxes from Records Management Services
Purchase of records storage boxes needed by Records Management division.

6393 **0001** New Purchase-Equipment <$5,000
Purchase of equipment whose unit cost is less than $5,000. Items less than $1,000 unit cost should be charged to 6399 General Supplies.

6393 **0002** New Purchase-Technology <$5,000
Purchase of technology equipment whose unit cost is less than $5,000. Items less than $1,000 unit cost should be charged to 6399 General Supplies.

6393 **0003** New Purchase-Furniture <$5,000
Purchase of furniture whose unit cost is less than $5,000. Items less than $1,000 unit cost should be charged to 6399 General Supplies.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

6393 **0004** New Purchase-Other <$5,000
Purchase of equipment other than above whose unit cost is less than $5,000.
Items less than $1,000 unit cost should be charged to 6399 General Supplies.

6394 **0001** Replacement-Equipment <$5,000
Purchase of replacement equipment whose unit cost is less than $5,000.
Items less than $1,000 unit cost should be charged to 6399 General Supplies.
BUDGET ACCESS BY BUSINESS SERVICES ONLY

6394 **0002** Replacement-Technology <$5,000
Purchase of replacement technology equipment whose unit cost is less than $5,000.
Items less than $1,000 unit cost should be charged to 6399 General Supplies.
BUDGET ACCESS BY BUSINESS SERVICES ONLY

6394 **0003** Replacement-Furniture <$5,000
Purchase of replacement furniture whose unit cost is less than $5,000.
Items less than $1,000 unit cost should be charged to 6399 General Supplies.
BUDGET ACCESS BY BUSINESS SERVICES ONLY

6394 **0004** Replacement-Other <$5,000
Purchase of other types of equipment whose unit cost is less than $5,000.
Items less than $1,000 unit cost should be charged to 6399 General Supplies.
BUDGET ACCESS BY BUSINESS SERVICES ONLY

6395 0000 Copier Charges
Charges for copier usage per division.

6396 0000 Printing & Forms
Charges for printing and pre-printed forms.

6397 0000 Software Purchases
Purchase of computer software including site license, applications, and anything associated with the software.

6398 0000 Food-Classrooms on Campus
Purchase of snacks/food for students at the campus classroom level.

6399 0000 General Supplies
Purchase of general supplies and materials not listed above in the 639X series, including supplies for a satellite dish, technology supplies and any other supplies.

6399 0006

Purchases under $1,000 such as Projectors, Computers, Laptopts, Tablets Monitors, TV's, Printers and Scanners over $500 unit cost. Still tagged with eFinance.

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

Miscellaneous Operating Costs 64XX-XXXX

6411 0000 Employee Travel-Lodging
Payment of lodging expenses associated with employee business travel outside the county. Lodging in the HCDE service area is not typically allowed. Discuss with the CFO. Refer to allowable travel reimbursement expenses.

6412 0000 Employee Travel-Meals
Payment of employee meal expenses associated with employee travel.

6413 0000 Employee Travel-Transportation
Payment of airline fares and mileage associated with out of town employee travel. Covers the cost of an airline ticket or total mileage driven to and from the conference/seminar city. Local miles driven inside the city to/from campuses and other districts should be charged to Object Code 6417-In County Mileage.

6414 0000 Employee Travel-Conference Registration Fees
Payment of or reimbursement for out-of-town conference registration fees. Use 6494 for local training or workshop fees.

6415 0000 Food-Business Meetings
Payment of food for various working meetings such as the cabinet meeting, steering committees, division retreats, trainings, workshops, and business meals with HCDE clients.

6416 0000 Food-Receptions
Payment of food for various receptions held at the Department for retirements, holiday festivities, Board Member Recognition, etc.
UNALLOWABLE: Division celebrations for birthdays, holidays, etc. are not business expenses and will not be paid for by HCDE.

6417 0000 Local Daily Mileage/Parking/Toll Charges
Payment of local mileage travel within the Department service area for travel between campuses, other admin buildings, other business locations.
Use code 6413 for mileage travel outside the county.

6418 0000 Refreshments-Meetings
Payment for the cost of providing refreshments, such as coffee, tea, sodas, etc., and snacks at meetings, professional development, and training.

Board Travel
Payment for or reimbursement to board members for expenses incurred attending professional conferences and other travel on official HCDE business. Does not include any expenses for Board family members.

6419 0000 Board Travel-Lodging

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

6419 0001 Board Travel-Meals

6419 0002 Board Travel-Transportation

6419 0003 Board Travel-Conference Registration

Non-Employee Travel
Payment for or reimbursement to non employees for expenses incurred attending professional conferences and other travel allowed by Federal and State grants.

6419 0004 Non-Employee Travel-Lodging

6419 0005 Non-Employee Travel-Meals

6419 0006 Non-Employee Travel-Transportation

6419 0007 Non-Employee Travel-Conference Registration

6421 0000 Public Notice
This code is used to classify budgeted and actual expenditures for amounts paid by the school district or its representative to publish statutorily required public notices in a newspaper in accordance with Texas Local Government Code §140.0045

6427 0000 Auto Insurance
1) Payment of all types of insurance for HCDE vehicles; called BUSINESS AUTO or AUTOMOBILE.
2) Premium overpayments get deposited here.

6428 0000 Liability Insurance
1) Payment of all liability insurance, NOT including vehicles; called GENERAL or SCHOOL PROFESSIONAL LIABILITY.
2) Premium overpayments get deposited here.

6429 0000 Property Insurance & Bonding
1) Payment of property insurance premiums covering buildings, equipment, and any other property requiring insurance to safeguard the district's assets; called PROPERTY & CASUALTY, FLOOD INSURANCE.
2) Also bonding insurance costs for employees who deal with large sums of money; called BONDING, CRIME, COMMERCIAL CRIME, or E & O COVERAGE.
3) Premium overpayments get deposited here.

6427 **0001** Insurance Deductibles-Auto
Payments to insurance company for policy deductibles.

6428 **0001** Insurance Deductibles-Liability

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

Payments to insurance company for policy deductibles.

6429 **0001** Insurance Deductibles-Property
Payments to insurance company for policy deductibles.

6487 0000 Facility Support Charges
Charged to divisions based on square footage used or individual facility campus budget.
FOR BUSINESS SERVICES USE ONLY. DO NOT AMEND.

6488 0000 Respite Care
USED BY ECI KEEP PACE PROGRAM ONLY.

6489 0000 In Kind-Donated Services/Supplies
For recording any in-kind services and supplies received by the Head Start program.

6491 0000 Records Management Fees
Recording records storage fees charged to budgets by Records Management Services.

6492 0000 Permits & Fees
Payment of various fees required for maintaining the facilities.

6493 0000 Expenditures-Shared Service Arrangements
Payments for reimbursement of expenses incurred by school districts participating in a shared services arrangement with HCDE.
FEDERAL OR STATE GRANTS ONLY.

6494 0000 Workshop Registration Fees
Payment of local workshop and registration fees. Use 6414 for out of town workshop and registration fees.

6495 0000 Awards Recognition
Payments for plaques and other types of awards given to employees as service awards, incentive awards and retirement awards, for example.
Included here is the $25 per employee recognition per fiscal year.

6496 0000 Advertising, Bids & Notices
Purchase of newspaper space to post bid notices, employment openings, and any other type of advertising.

6497 0000 Membership Dues
Payment of membership and organization dues and fees such as TASBO, TASA, TASB, etc.

6498 0000 Postage
Recording postage costs.

6499 0000 Miscellaneous Operating Costs

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

Payment of anything else not covered in the above 64XX series.

Debt Service Costs 65XX-XXXX

6511 0000 Bond Principal
Payment to retire bond principal.

6519 0000 Debt Principal
Payment to retire debt principal other than in 6511 above.

6520 0000 Bond Interest
Payment of bond interest.

6529 0000 Interest Expense
Payment of interest other than in 6520 above.

6599 0000 Other Debt Service Fees
Payment of allowable fees related to debt service activity, including fiscal agent fees.

Capital Outlay 66XX-XXXX

6611 0000 Land Purchases
Payment made for land purchases acquired by HCDE.

6619 0000 Land Improvements
Payment of land purchase, land improvement other than buildings and associated fees, including costs necessary to alter the land for its intended use.

6621 0000 Buildings-Materials Other Than Construction
Pay for supplies & materials not directly associated with building improvements.

6622 0000 Building Construction-Architect Fees
Pay for architect fees associated with building renovations or erecting a building.

6623 0000 Building Construction-Demolition
Pay for building demolition associated with the purchase of a previously owned building.

6627 0000 Building Construction-Fees
Pay for permit fees and other fees associated with building a new building or renovations made to a purchased building.

6628 0000 Construction in Progress
Expenditures of an on-going construction project not to be recognized as a capital asset until completion.

6629 0000 Building Purchase, Construction & Improvements
Purchase of a building or for materials and labor to construct a new building,

HARRIS COUNTY DEPARTMENT OF EDUCATION

Expenditure Codes with Descriptions

This is the list of account codes customized for use in HCDE only. There is a more comprehensive listing of account codes and definitions from TEA also available on the P Drive.

including expenditures for substantial alteration or remodeling of existing buildings that materially increases the building life and/or usefulness. Also, architect fees and any other fees associated with building construction or purchase.

6631 0000 Vehicle Purchase >$5,000
Purchase of vehicles over $5,000 unit cost and a useful life of more than one year.

6635 0000 Equipment Purchase >$5,000
Purchase of equipment over $5,000 unit cost and a useful life of more than one year, including telephone systems, intercommunication and telecommunication systems, high-capacity copiers and large sized equipment.

6636 0000 Technology Purchase >$5,000
Purchase of technology equipment over $5,000 unit cost and a useful life of more than one year, including mainframes and mini-computers.

6639 0000 Other Equipment Purchase >$5,000
Purchase of all other types of equipment over $5,000 unit cost not listed in the 663X series. Also includes the purchase of mainframe computer software applications, such as a financial software package needed for accounting.

6644 0000 Replacement-Equipment >$5,000
Purchase of replacement equipment over $5,000 unit cost.
FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY

6645 0000 Replacement-Buildings >$5,000
Replacement of buildings over $5,000 unit cost.
FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY

6646 0000 Replacement-Technology Equipment >$5,000
Purchase of replacement technology equipment over $5,000 unit cost.
FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY

6647 0000 Replacement-Vehicles >$5,000
Purchase of replacement vehicles over $5,000 unit cost.
FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY

6648 0000 Replacement-Furniture >$5,000
Purchase of replacement furniture over $5,000 unit cost.
FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY

6649 0000 Replacement-Other Items >$5,000
Purchase of any other replacement items not listed above in the 664X series.
FUND BALANCE RESERVE: BUDGET ACCESS BY BUSINESS SERVICES ONLY

HARRIS COUNTY DEPARTMENT OF EDUCATION

Revenue Codes

Code	Description
Other Resources & Operating Transfers In	
5611 0000	Issuance of Bonds
5615 0000	Operating Transfers In
5649 0000	Other Sources
Local Revenues-Tax Revenues	
5711 0000	*Taxes - Current Year Levy*
5711 0099	Distribution Current Tax Rev.
5712 0000	*Taxes - Prior Years*
5713 0000	Taxes - Special Assessments
5717 0000	Payment in Lieu of Taxes
5718 0000	Revenue - Misc. Collections
5719 0000	Tax Penalties & Interest
Local Revenues-Tuition & Fees from School Districts	
5725 0000	Tuition-Schools-In County
5725 0001	Tuition-Schools-Out of County
5726 0000	Fees for Svcs-In County
5726 0001	Fees for Svcs-Out of County
5726 0002	Storage Fees
5726 0003	Storage Fees - Out of County
5726 0004	Elec Vault Fees - In County
5726 0005	Elec Vault Fees - Out of County
5726 0007	CASE Training Revenues
5726 0009	Revenue - GEMS
5726 0065	Loc Revenue - Lone Star CC Proj
5726 0080	Fees - HC Plus
5727 0000	Staff Development-In County
5727 0001	Staff Development-Out of County
5728 0000	Vendor Participation Fees
5728 0002	GCC Food Co-op Expo
5728 0003	Catalog Discount Program
5728 0004	Participation Fees - ISD's
5728 0006	Participation Fees - Other
5728 0007	Supply Catalog
5728 0014	Partic. Fees - ISD's Out County
5728 0016	Partic. Fees - Other Out County
5728 0150	Contracted Services - ISD's
5729 0000	Misc Tuit & Fees-In County
5729 0001	Misc Tuit & Fees-Out of County
5729 0003	Digitizing Fees - In County
5729 0004	Digitizing Fees - Out of County
5729 0005	Memebership Fees - RMS
5729 0006	Memebership Fees - Out of County
5729 0150	Contracted Services - Other
Local Revenues-Tuition & Fees from Entities Other than School Districts	
5736 0000	Fees for Services
5737 0000	Staff Developmnt Revenues
5739 0000	Misc Tuition & Fees Revenues

Code	Description
Local Revenues-Other Revenues	
5742 0000	*Earning from Temporary Deposits and Investments*
5742 0001	Investment Pool Earnings
5742 0002	Investment Security Revenues
5743 0000	*Rent*
5744 0000	*Revenue from Foundations, Gifts and Bequests*
5744 0038	Loc-Gifts & Donations-SF
5745 0000	Insurance Recovery
5748 0000	In Kind Revenue
5748 0001	In-Kind-HS Healthy Livin
5749 0000	Other Local Revenues
5749 0007	Product Exhibit
5749 0008	Suppy Boxes In-County
5749 0011	Loc Rev-Refunds Prior Yr
5749 0015	Supply Boxes Out-County
5759 0000	Workers Comp Contributio
Local Revenues-Local Grants	
5797 0000	Interdepartamental Revenue
5798 0000	Local Grant
5798 0067	Local Grant - EFHC - Ecobot
5798 0601	Local Grant - HS Supermentor
5798 0652	Local Grant - HS JD Walker
5799 0000	Local Indirect Cost
5799 0002	Local Ind Cost - Houston Endowment
5799 0003	Local IC Hogg Foundation
State Revenues	
5812 0000	State Rev-Found Schl Prog-Comp
5829 0000	State Rev-TEA Distributed
5831 0000	TRS On-Behalf Payments
5832 0000	TRS Active Care Supplemental
5839 0000	State Rev-State Agency Distributed
5899 0001	State-Ind Cost-Grants
5899 0099	Ind Cost Distribute Offs
Federal Revenues	
5929 0000	Fed Rev-TEA Distributed
5932 0000	Medicaid Adm Claim (MAC)-ECI
5939 0000	Fed Rev-State Agency Distributed
5949 0000	Fed Rev-U.S. Govt Direct
5949 0001	Fed Revenue-USDA
5999 0001	Ind Cost-Fed Adult Ed Reg
5999 0006	Ind Cost-HS Jan-Aug
5999 0007	Ind Cost-HS Sept-Dec
5999 0008	Ind Cost-Adult Ed TANF
5999 0023	Ind Cost-21st Century Cycle 8
5999 0035	IC Adult Ed TWC Grant
5999 0042	IC-21st Century Cycle 9
5999 0099	Ind Cost - Distrib Offset
5999 0106	IC-EHS/CCP Jan-Aug DHHS
5999 0107	IC-EHS/CCP

Compliance

Responsibility of the Administrator in Charge of Compliance:

- Ensuring that HCDE is in compliance with written procedures; board policies; local, state, and federal laws; and regulations.
- Ensuring that HCDE internal controls are comprehensive and effective and that the written procedures are updated as necessary and followed throughout the Department;
- Ensuring that HCDE stays current and in compliance with all taxing responsibilities involving equalization tax revenues and the payment of applicable local and state taxes.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CAA Local*
DATE DEVELOPED: 5/15/2009	REVISED DATE: 05/17/2022	
SUBJECT: INTERNAL CONTROLS		

Purpose

To provide guidelines for HCDE organization-wide internal controls.

Procedure

Internal controls have been established by HCDE's financial management to provide reasonable assurance that assets of HCDE are being properly safeguarded, financial records are fairly and accurately maintained, and governing statutes and policies are correctly followed. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state, and local grant funding, HCDE is also responsible for ensuring that an adequate internal control structure is in place to guarantee and document compliance with applicable laws and regulations related to these programs.

Each year HCDE is audited by an independent audit firm. The firm looks at sample financial transactions from the fiscal year under audit, the internal controls in place, and the annual financial report. Transactions are sampled to ascertain whether accounting processes and procedures are being followed correctly and consistently. Internal controls are reviewed to determine if they adequately and effectively safeguard the assets (financial, physical and human assets) of the Department. The audit report is reviewed to ensure that it is free from material misstatements and that the financial results at fiscal yearend are fairly presented.

As part of the HCDE single audit, tests are made of its internal control structure and its compliance with applicable laws and regulations, including those related to federal financial assistance programs.

Purchases of fixed assets are controlled by purchasing procedures, and the safekeeping of fixed assets is controlled by inventory procedures.

Fraud Prevention Model and Awareness Program

In reaction to accounting scandals at Enron, WorldCom, Tyco, etc., the American Institute of Certified Public Accountants' (AICPA) Auditing Standards Board issued Statement of Auditing Standard, No. 99 (SAS #99): CONSIDERATION OF FRAUD IN A FINANCIAL STATEMENT AUDIT in October 2002 and it became effective for audits of financial statements for periods beginning on or after December 15, 2002.

SAS #99 requires the auditor to gather information necessary to identify risks of material misstatement due to fraud by the following:

- Making inquiries of management and others within HCDE
- Considering the results of analytical procedures performed in planning the audit
- Considering FRAUD risk factors
- Considering certain other information

The HCDE Fraud Prevention Model and Awareness Program supports SAS #99 by communicating to management and others an awareness and understanding of fraud, and educating management about fraud and the types of controls that will deter and detect fraud.

The Business Office alone cannot prevent and/or detect all the types of fraud that may be perpetrated within the Department. It takes all HCDE employees being aware and being knowledgeable that fraud could occur to possibly prevent fraud from occurring or even detecting a fraud that has occurred.

All personnel, especially management personnel, have the responsibility to (1) safeguard HCDE assets: financial, physical, and human, and to (2) be aware of the risks of fraud. This Program is a great way to bring awareness to management personnel of their responsibilities in this area. This Program is also one of the ways the independent auditors have to evaluate HCDE internal controls.

The HCDE Risk Awareness Process provides an organization-wide process to address internal control and risk-based standards and to satisfy an audit requirement per Statement of Auditing Standards No. 115. Communicating Internal Control Related Matters, from the AICPA. Risk Awareness reports are prepared at the beginning of the fiscal year and subsequent evaluation of risk process are done by the executive team at year end.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CE Local* *CFC Legal*
DATE DEVELOPED: 5/15/2009	REVISED DATE: 05/19/2022	
SUBJECT: AUDIT		

Purpose

To provide guidelines for the performance of an annual independent financial audit.

Procedure

Requirements

HCDE is required by state law, federal law, and local board policy to perform an annual audit. The audit shall be a financial audit (as distinguished from a performance audit). A financial statement audit is performed to determine whether the financial statements present fairly the financial position, results, of operations, and cash flows or changes in financial position of HCDE, and whether HCDE has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements. The Business Services Division prepares a Comprehensive Annual Financial Report ("CAFR") to satisfy this requirement. The purpose of the report is to provide the Board of Trustees, management, staff, grantor agencies, citizens, the business community, and other interested parties with detailed information reflecting the Department's financial condition. This report is prepared in accordance with Generally Accepted Accounting Principles and reporting standards as promulgated by the Governmental Accounting Standards Board.

A single audit must be performed in all instances when HCDE expends $750,000 or more from federal awards. Financial related audits (including "single audit") include determining if the financial information is presented in accordance with established or stated criteria, if HCDE has adhered to specific financial compliance requirements, and if HCDE internal controls over financial reporting and safeguarding assets is suitably designed and implemented to achieve the control objective.

Frequency

State law requires the annual financial report to be completed within 180 days after the fiscal year end. The HCDE fiscal year end is August 31.

Funding

Audit costs are paid from local funds.

Selection of Audit Services

Several factors besides price are to be considered when HCDE selects an independent external auditor, including the experience of the proposer, availability of staff with the appropriate qualifications, and the results of the proposer's external quality control ("peer") reviews. The selection process should consist of re-engaging the prior-year auditor or seeking new auditors through the request for proposal process. Before entering into an agreement with HCDE, the proposer may request to survey the financial records and/or have discussions with management to identify issues or problem areas which may affect the performance of the audit.

Engagement Letter

Prior to the engagement, the HCDE Board of Trustees require the auditors to provide a written proposal or an engagement letter. An engagement letter is an annual written agreement that is binding upon both HCDE and the public accounting firm. It is intended to set forth the terms for the current year's audit. The engagement letter should be an integral part of the auditor's file and will be attached to or referred to in the board minutes concerning auditor selection.

Audits Conducted by GAAS and GAGAS

Auditing standards provide measures of quality that can be used to judge the effectiveness of the tests and procedures used to meet the audit objectives. Standards for traditional financial audits are known as generally accepted auditing standards (GAAS) and are promulgated by the American Institute of Certified Accountants through the Auditing Standards Board. Supplemental standards for financial audits of governments, as well as standards for public sector performance auditing, have been established by the U. S. General Accounting Office in its publication *Government Auditing Standards*, commonly referred to as 'the Yellow Book.' These standards form generally accepted government auditing standards (GAGAS). While GAAS and GAGAS are fundamentally similar, GAGAS goes beyond GAAS in setting additional standards for public sector audits. When an auditor performs a financial audit in accordance with GAGAS, the engagement letter should specify this requirement. When auditors are engaged to perform a single audit (in accordance with the Single Audit Act Amendments of 1996), they must perform the audit in accordance with GAGAS in addition to GAAS.

Performing the Audit

The external auditor will be appointed as far in advance as possible of the close of the fiscal year to be audited. An understanding should be reached regarding the scope of the audit (which must meet applicable professional standards and requirements of the HCDE board). After an agreement is reached, the auditor will be granted as much latitude as necessary to assure that records are in order, that the accounting system meets required standards, and that proper internal controls are in place.

Audit Work Papers

Federal law requires the retention of audit work papers for three years. U.S. Department of Education regulations require retention of supporting documentation for federal programs for at least five years. Thus, HCDE will require their auditors to retain their audit work papers for at least five years. This requirement should be included in the engagement letter. Although the work papers are subject to review by auditors from the General Accounting Office and other applicable governmental agencies, they are not otherwise considered to be records open to the general public.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CCG Legal* *CCG Local* *CE Local*
DATE DEVELOPED: 5/15/2009		REVISED DATE: 05/19/2022
SUBJECT: PROPERTY TAX		

Purpose

To provide an overview of property appraisal, levying the tax rate and the assessment and collection of property taxes for the purpose of education equalization.

Procedures

Tax Code and County-Wide Appraisal Department

The Texas Tax Code ("Tax Code"), Title 1. Property Tax Code provides for county-wide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board responsible for appraising property for all taxable units within the county. The Harris County Appraisal District ("HCAD") is responsible for appraising property within Harris County, Texas, generally as of January 1 of each year. The appraisal values set by HCAD are subject to review and change by the Appraisal Review Board. Such appraisal rolls and estimated tax revenues, as approved by the Appraisal Review Board, are used by the Department in establishing its tax rate.

Property Subject to Taxation by the Department

Except for certain exemptions provided by Texas law, all real and certain tangible personal property with a tax status within the Department's taxing authority, which is Harris County, Texas, is subject to taxation by the Department. Principal categories of exempt property (including certain exemptions which are subject to local option by the Board of Trustees) include:

- property owned by the State of Texas or its political subdivisions if the property is used for public purposes;
- property exempt from ad valorem taxation by federal law;
- certain improvements to real property and certain tangible personal property located in designated reinvestment zones on which the Department has agreed to abate ad valorem taxes;
- so-called "Freeport property" including property detained within the Department's taxing authority for up to 175 days for purpose of assembly or other processing;

- certain household goods, family supplies and personal effects;
- farm products owned by the producers;
- certain property of a nonprofit corporation used in scientific research and educational activities benefiting a college or university;
- designated historic sites;
- tangible personal property not held or used for production of income;
- solar and wind powered energy devices;
- most individually owned automobiles;
- an exemption from $5,000 up to $12,000 for property owned by disabled veterans or the surviving spouses or children of a deceased veteran who died while on active duty in the armed forces; and
- certain classes of intangible property.

A constitutional amendment was approved by the voters on November 6, 2007, that authorizes the Texas Legislature to enact legislation to reduce the frozen amount of taxes for taxpayers 65 years of age or older and the disabled, so that the frozen tax amount will be proportionate to the reduction in local ad valorem taxes under the Reform Legislation. Legislation to implement the constitutional amendment has been passed by the 80th Legislature and signed by the Governor. Owners of agricultural and open space land, under certain circumstances, may request valuation of such land on the basis of productive capacity rather than market value.

A city or a county may create a tax increment financing district ("TIF") within the city or county, as applicable, with defined boundaries and establish a base value of taxable property in the TIF at the time of its creation. Overlapping taxing units may agree with the city or county to contribute all or part of future ad valorem taxes levied and collected against the "incremental value" (taxable value in excess of the base value) of taxable real property in the TIF to pay or finance the costs of certain public improvements in the TIF, and such taxes levied and collected for and on behalf of the TIF are not available for general use by such contributing taxing units.

Article VIII, Section 1-j of the Texas Constitution provides for an exemption from ad valorem taxation for "Freeport property," which is defined as goods detained in the state for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication. Taxing units that took action prior to April 1, 1990 may continue to tax Freeport property and decisions to continue to tax Freeport property may be reversed in the future. However, decisions to exempt Freeport property are not subject to reversal.

Article VIII, Section 1-n of the Texas Constitution provides for the exemption from taxation of "goods-in-transit." "Goods-in-transit" is defined by a provision of the Tax Code, which is effective for tax years 2008 and thereafter, as personal property acquired or imported into Texas and transported to another location in the State or outside of the State within 175 days of the date the property was acquired or imported into Texas. The exemption excludes oil, natural gas, petroleum products, aircraft and special inventory, including motor vehicle, vessel and out-board motor, heavy

equipment and manufactured housing inventory. The Tax Code provision permits local governmental entities, on a local option basis, to take official action by January 1 of the year preceding a tax year, after holding a public hearing, to tax goods-in-transit during the following tax year. A taxpayer may receive only one of the Freeport exemptions or the goods-in-transit exemptions for items of personal property.

Residential Homestead Exemption

The Texas Constitution permits the exemption of certain percentages of the market value of residential homesteads from ad valorem taxation. The Constitution authorizes the governing body of each political subdivision in the state to exempt up to twenty percent (20%) of the market value of all residential homesteads from ad valorem taxation, and permits an additional optional homestead exemption for taxpayers 65 years of age or older and disabled persons.

The Department has granted an exemption of $5,000 or 20%, whichever is greater, of the assessed value of the regular residence homesteads. Additionally, the Department has granted an additional exemption of the first $160,000 of the assessed value of the resident homestead of persons disabled OR over 65 years of age.

Valuation of Property for Taxation

Generally, property in the Department must be appraised by HCAD at 100% market value as of January 1 of each year. In determining the market value of property, different methods of appraisal may be used, including the cost method of appraisal, the income method of appraisal and market data comparison method of appraisal. The chief appraiser for HCAD determines the method to be used. Once an appraisal roll is prepared and finally approved by the Appraisal Review Boards, it is used by the Department in establishing its tax rate. Appraisals under the Tax Code are based on one hundred percent (100%) of market value, except as described below, and no appraisal ratio can be applied.

State law further limits the appraised value of a residence homestead for a tax year to an amount not to exceed the lesser of (1) the market value of the property or (2) 110% of the appraised value of the resident homestead for the preceding tax year plus the market value of all new improvements to the property. The Tax Code permits land designated for agricultural use, open space or timberland to be appraised at its value based on the land’s capacity to produce agricultural or timber products rather than at its fair market value. Landowners wishing to avail themselves of the agricultural use designation must apply for the designation, and the appraiser is required by the Tax Code to act on each claimant’s right to the designation individually. If a claimant receives the designation and later loses it by changing the use of the property or selling it to an unqualified owner, the Department can collect taxes for previous years based on the new value, including three years for agricultural use and five years for agricultural open-space land and timberland prior to the loss of the designation.

Property Appraisals-Department and Taxpayer Remedies

Under certain circumstances, taxpayers and taxing units, including the Department, may appeal an order of the Appraisal Review Boards by filing a petition for review in district court within 45 days after notice is received that a final order has been entered. In such event, the property value in question may be determined by the court, or by a jury, if requested by any party, or through binding arbitration, if requested by the taxpayer. Additionally, taxing units may bring suit against HCAD to compel compliance with the Tax Code.

Also, if taxpayers believe the Department has not calculated and published the rates or other required information in good faith, they may ask a district court to stop the Department from adopting a tax rate until it complies with the law.

Setting the Tax Rate

Section 26.05 of the Property Tax Code provides that the governing body of a taxing unit is required to adopt the annual tax rate for the unit before the later of September 30 or the 60th day after the date the certified appraisal roll is received by the taxing unit, and a failure to adopt a tax rate by such required date will result in the tax rate for the taxing unit for the tax year to be the lower of the effective tax rate calculated for that tax year or the tax rate adopted by the taxing unit for the preceding tax year.

By each September 30 or as soon thereafter as practicable, HCDE's Board of Trustees adopts a tax rate per $100 taxable value for the current year. Before adopting its annual tax rate, a public meeting must be held for the purpose of adopting a budget for the succeeding year. A notice of public meeting to discuss budget and proposed tax rate must be published by the legally required date.

HCDE adheres to the Texas Constitution and the Property Tax Code and complies with the guidance provided by the Texas Comptroller Public Accounts' *Truth-In-Taxation* guide with certain steps in adopting the tax rate, including calculating and setting its tax rate, holding the required series of Board of Trustee hearings, and publishing the required newspaper notices.

The tax rate may consist of two components: (1) "M & O" rate for funding of maintenance and operation expenditures, and (2) "I & S" interest and sinking rate for the payment of debt. The Department has an M & O tax rate; the Department does not currently have an I & S tax rate.

Levy and Collection of Taxes

The Harris County Tax Assessor-Collector is responsible for the collection of taxes for HCDE. By September 30 or the 60th day, whichever is later, after the Department receives the certified appraisal roll from the Harris County Appraisal District, HCDE's Board of Trustees must set the tax rate based upon the valuation of property within the

Department as of the preceding January 1. Taxes are due October 1 or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty from six percent (6%) to twelve percent (12%) of the amount of the tax, depending on the time of payment and accrued interest at the rate of one percent (1%) per month. If the tax is not paid by the following July 1, an additional penalty of up to twenty percent (20%) may be imposed by the Department.

The Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances. The Department, however, does not permit split payments and discounts are not allowed.

Department's Rights in the Event of Tax Delinquencies

Taxes levied by the Department are a personal obligation of the owner of the property. The Department has no lien for unpaid taxes on personal property but does have a lien for unpaid taxes upon real property, which lien is discharged upon payment. On January 1 of each year, such tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed for the year on the property. The Department's tax lien is on parity with the tax liens of other such taxing units. A tax lien on real property taxes takes priority over the claims of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

Except with respect to taxpayers who are 65 years of age or older, at any time after taxes on property become delinquent, the Department may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the Department must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights, or by bankruptcy proceedings which restrict the collection of taxpayer debts.

Tax Rate Limitations

The Department is authorized by law, pursuant to an election held in Harris County in 1937, to levy an annual tax upon all taxable property within its boundaries, within the limits prescribed by law, for the equalization of educational opportunities in Harris County and the payment of all administration expenses. The Department has levied such tax and ordered such tax to be assessed and collected on all taxable property in Harris County.

Under Article VII, Section 3 of the Texas Constitution, the Department may levy an ad valorem tax only if such tax has been approved by voters within the boundaries of the Department at an election. The Department's ad valorem tax was authorized pursuant to Chapter 18, Acts of the 44th Legislature (1935), and Article 2790e, Vernon's Texas Civil Statutes (codified as Chapter 18, Texas Education Code), and an election held within Harris County on April 3, 1937. Such tax is limited to $.01 per $100 of assessed valuation.

Department Application of Tax Code

By law, for tax rate calculation and reporting purposes, HCDE is a local government and is treated as a large county taxing agency.

HCDE adheres to the Texas Constitution and the Property Tax Code and complies with the guidance provided by the Texas Comptroller Public Accounts' *Truth-In-Taxation* guide with certain steps in adopting the tax rate, including calculating and setting its tax rate, holding the required series of Board of Trustee hearings, and publishing the required newspaper notices.

The Department has granted an exemption of $5,000 or 20%, whichever is greater, of the assessed value of the regular residence homesteads. Additionally, the Department has granted an additional exemption of the first $160,000 of the assessed value of the resident homestead of persons disabled OR over 65 years of age.

The Department does not tax non-business personal property. The Department does not permit split payments and discounts are not allowed. The Department does not tax Freeport property.

The Department has a Maintenance and Operations (M & O) tax rate; the Department does not have an Interest and Sinking (I & S) tax rate for the payment of debt.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	*Reference:* CAA Local CH Legal CH Local
DATE DEVELOPED: 5/15/2009	REVISED DATE: 05/19/2022	
SUBJECT: FRAUD PREVENTION MODEL AND AWARENESS PROGRAM		

Purpose

To provide guidelines for the annual program to safeguard assets and prevent fraudulent activity.

Procedure

The American Institute of Certified Public Accountants' (*AICPA*) Auditing Standards Board (*ASB*) issued Statement of Auditing Standard, No. 99 (*SAS #99*): CONSIDERATION OF FRAUD IN A FINANCIAL STATEMENT AUDIT in October 2002 and it became effective for audits of financial statements for periods beginning on or after December 15, 2002.

SAS #99 defines FRAUD as an intentional act that results in a material misstatement in financial statements. There are **2 types of FRAUD** considered:

1. Misstatements arising from fraudulent financial reporting (e.g. falsification of accounting records); and
2. Misstatements arising from the misappropriation of assets (e.g. theft of assets or fraudulent expenditures).

SAS #99 requires the auditor to gather information necessary to identify risks of material misstatement due to FRAUD by the following:

- Making inquiries of management and others within HCDE
- Considering the results of analytical procedures performed in planning the audit
- Considering FRAUD risk factors
- Considering other information

The HCDE Fraud Prevention Model and Awareness Program supports SAS #99 by communicating to management and others an awareness and understanding of FRAUD, and educating management about FRAUD and the types of controls that will deter and detect FRAUD. The Business Office alone cannot prevent and/or detect all the types of FRAUD that may be perpetrated within the Department. It takes all HCDE

employees being aware and being knowledgeable that FRAUD could occur to possibly prevent FRAUD from occurring or even detecting a FRAUD that has occurred.
All personnel, especially management personnel, have the responsibility to

- safeguard HCDE resources: financial, physical and human, and
- be aware of the risks of FRAUD.

This Program is a great way to bring awareness to management personnel of their responsibilities in this area. This Program is also one of the ways the independent auditors have to evaluate HCDE internal controls.

The HCDE Fraud Prevention Model and Awareness Program goes hand in hand with the Risk Awareness Program.

Responsibility of the Administrator in Charge:

1. Receive annual training from Business Services on how to establish internal controls
2. Provide training to internal staff
3. Conduct annual Risk Awareness Program
4. Document annual review
5. Safeguard Department assets
6. Maintain and monitor internal controls

Responsibility of Business Services:

1. Provide training to campuses and divisions on internal controls
2. Conduct risk awareness program Department-wide
3. Document annual reviews

The HCDE Fraud Prevention Model and Awareness Program document can be found on the HCDE website. Likewise, the Risk Awareness Program can be found on the HCDE website.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	*Reference:* *CAA Local*
DATE DEVELOPED: 3/29/2010		REVISED DATE: 5/19/2022
SUBJECT: RISK AWARENESS PROCESS		

Purpose

To provide an organization-wide RISK ASSESSMENT process to address internal control and risk-based standards and to satisfy an audit requirement per Statement of Auditing Standards No. 115. *Communicating Internal Control Related Matters*, from the American Institute of Certified Public Accountants.

Internal controls are the foundation of financial reporting; the management of risks to financial, and human assets throughout the organization is the business of all division directors. The finished product, the packet of *Return Forms*, will be provided to the independent auditors for their review.

Procedure

In September 2009 Business Services began to develop a formalized process for increasing risk awareness organization-wide. This process includes training, one-on-one meetings with division directors, the worksheets and a calendar.

The **MID-YEAR REVIEW** is to be completed by February 28th. The Accounting, Reporting and Compliance Officer will be working with you to keep you on track to meet this deadline.

The **YEAR-END REVIEW** deadline of September 1st. You will be contacted ahead of the date with reminders to help you meet this deadline.

Central to the Process are the following:

- ✓ Instructions
- ✓ *Return Forms* Checklist
- ✓ Form 1. Division Inventory
- ✓ Form 2. Planning Form
- ✓ Form 3. Self-Evaluation of Risk Awareness (SERA) Worksheet
- ✓ Form 4. SERA Risk Factors #1 - #8

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH Local* *CH Legal*
DATE DEVELOPED: 6/2/08		REVISED DATE: 5/23/2022
SUBJECT: CONTRACTS-INCLUDING GRANTS-MONITORING AND COMPLIANCE		

Purpose

To provide a procedure for contracting for the benefit of the Department.

Procedure

Performed by Superintendent:

1. Implement an organizational structure and assign functions to the Executive Team.

2. Assign and evaluate job descriptions to include contract management for their respective functions in each of the job descriptions of each member of Executive Team.

3. Assign the Assistant Superintendent for Business Services the development of a contract management system and internal controls for the Department and assign the authority to enforce the requirement of internal controls by division directors for contract management.

Performed by Division Director-Contracts:

1. Receive assignment of contract management via the job description and via his or her function in the Department within the organizational structure.

2. Implement an annual evaluation of the function, its related contract management responsibilities, and internal controls with the organizational structure.

3. Implement a system of contract management system and internal controls for all program functions under the oversight of the administrator.

4. Receive annual training on financial guidelines to include procurement policies and procedures by the Purchasing Department and the Business Services.

5. Authorized personnel to sign on contracts:

   ➔ Superintendent

➔ Assistant Superintendent for Business Services

6. Review contract requirements. Implement procedures to make sure requirements are met.

7. Follow up on timeline of contract renewal at least 3 months prior to expiration and meet with purchasing staff to initiate the purchasing process and contract renewal process.

Performed by Division Director-Purchasing:

1. Process purchase orders prior to commencing work or receiving goods. All purchases must be made via a duly authorized purchase order as per local policy.

    a. Prepare an electronic requisition to encumber the contract and get purchase order from the Purchasing Department.
    b. Check the coding of expenditures to make sure that the FASRG is followed.
    c. Follow this principle: No funds, no purchase order.
    d. Obtain approvals as required.

2. To facilitate payment of purchase orders:

    a. Make sure invoices from the vendor are sent directly to Accounts Payable.
    b. Return scanned invoices from Accounts Payable in a timely manner, with appropriate signatures and date
    c. Payment date is according to the Business Services calendar

3. Request query access to Pentamation from Technology Support Services to track purchase orders.

4. Follow up with Accounts Payable to make sure that payment is made on time within the contract timelines.

Performed by Division Director-Grants:

1. Utilize the Attestation Form for the purpose of certifying that all regulations and procedures have been followed before requesting a signature from the Superintendent, or submitting an application, grant contract, or report to the agency.

2. Adhere to the federal and state guidelines for record retention.

Performed by Business Services-Contracts, Purchasing, and Grants:

1. Provide annual training to division personnel on financial guidelines to include contracts, purchasing policies and procedures, and grants by the Purchasing Department and the Business Office.

2. To facilitate payment of purchase orders:
    a. Make sure invoices from the vendor are sent directly to Accounts Payable.
    b. Return scanned invoices from Accounts Payable will scan invoices to the division for signature in a timely manner
    c. When all appropriate document on the purchase order is complete, pay according to the Business Services calendar

3. Adhere to the federal and state guidelines for record retention for bank records.

Failure to adhere to established guidelines may lead to disciplinary action in accordance with HCDE Personnel Policies and Procedures.

For questions regarding any of these procedures, call the Business Office.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH Local* *CH Legal*
DATE DEVELOPED: 6/2/08		REVISED DATE: 5.23.2022
SUBJECT: GRANT MONITORING AND COMPLIANCE		

Purpose

To provide a procedure for grant administration for the benefit of the Department.

Procedure

Source of Policy:

- CH Legal
- CH Local
- Texas Education Code
- Texas Education Agency – Financial Accountability System Resource Guide, and Commissioner's Rules
- Financial Operating Guidelines, as updated

Required Documents:

The grant award or agreement from the State agency, federal agency or local grantor, including non-profit groups, AND approved by the Board of Trustees must be sent to the Business Office and a copy may be kept in the division.

Performed by Division Director:

1. Receive annual training on financial operating guidelines to include purchasing policies and procedures and grant guidelines by the Business Office.

2. Review the grant requirements.

3. Implement procedures to make sure grant requirements are met.

4. Follow purchasing policies and procedures and contract monitoring procedures.

5. Coordinate efforts with other divisions and/or campuses to achieve the grant objectives.

6. Maintain a grant file with proper documentation as required by EDGAR for federal funds and the Financial Operating Guidelines for state and local funds.

7. Prepare regulatory reports as required by the grant agreement, the grantor agency (TEA, for example), and the Superintendent

8. Seek approvals as required-immediate supervisor and or Executive Team Management-for grant expenditures.

9. Follow up with Accounts Payable to make sure that payments are made on time and within the grant timelines.

10. Request query access to E-Finance Module from Technology Support Services.

11. Access E-Finance to check payments made to vendors and status of encumbrances.

12. Follow up on timeline of grant renewal at least 3 months prior to expiration of grant; meet with Center for Grants Development and Financial Management staff to initiate the grant application and grant renewal process.

13. Utilize the Attestation Form for the purpose of certifying that all regulations and procedures have been followed before requesting a signature from the Superintendent, or submitting an application, grant contract, or report to the agency.

14. Adhere to the federal and state guidelines for record retention for grant records.

Failure to adhere to established guidelines may lead to disciplinary action in accordance with HCDE Personnel Policies and Procedures.

For questions regarding this procedure, call the Business Office.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH Local* *CH Legal*
DATE DEVELOPED: 6/2/08		REVISED DATE: 05.23.2022
SUBJECT: AUTHORIZATION FOR ELECTRONIC PURCHASING PROCEDURE		

Purpose

To provide a procedure for processing electronic purchase orders.

Procedure

The E-Finance System is an electronic requisitioning system designed to automate the request for purchases and prepare a purchase order. Levels of approval are required and act as internal controls over the purchasing requests.

Performed by the Division Director:

1. Receive annual training on purchasing policies and procedures by Purchasing Department and Business Office.

2. Provide training to division staff as needed. Please contact Purchasing or the Business Office if you want one-on-one training.

3. Accountability for purchases lies with the administrator in charge. This accountability cannot be assigned or delegated.

4. Approval for purchases may be delegated, but final responsibility still lies with the administrator in charge.

5. Two alternative approval processes are shown in **EXHIBIT 1**. Any additional approval level must be communicated to the Technology Department for implementation.

6. Submit requests for purchases-the requisition-prior to beginning work or ordering goods. All purchases must be made via a duly authorized purchase order as per local policy.

7. Check the coding of expenditures to make sure that the Texas Education Agency's *Financial Accountability System Resource Guide* is followed. Guidance for budget numbers is available in the *Financial Operating Guidelines* and is also available from the Business Office.

8. Follow this principle: No funds, no purchase order. Amend you budget as necessary before inputting a requisition.

9. Follow up with Purchasing Staff to check the status on purchases.

10. Follow up with Accounts Payable to make sure that payment is made on time and within contract timelines. Payments are made per the Business Services calendar.

11. Check E-Finance for payments made to the vendor and the status of encumbrances.

12. Every year, each division director and administrator must identify the approval authorizations for purchases and complete and submit the following:

    To be sent to the Business Office Services at the beginning of the fiscal year or when a new staff begins with the division:

    - ➔ The Signature Authority Form-Finance
      Sample: See **EXHIBIT 2**; Form is also available on the 'hcdeportal'

    - ➔ The Conflict of Interest Disclosure
      Sample: See **Conflict of Interest Disclosure** within Budget Section; Form also available on the 'hcdeportal'

    To be sent to Technology Support Services at the beginning of the fiscal year or when a new staff begins with the division:

    - ➔ The Authorization for Electronic Purchasing Form is available on the 'hcdeportal'

    Directions:
    1) On HCDE Intranet Main Site, select 'Technology' under the '**Divisions**' heading.
    2) On the Technology page, select '**Forms**'
    3) On the Forms page, eFinanceplus AccessRequest Form

13. Adhere to state guidelines for record retention for purchasing records.

Failure to adhere to established guidelines may lead to disciplinary action in accordance with HCDE personnel Policies and Procedures.

EXHIBIT 1

Authorization for Electronic Purchasing Procedure
eFinancePlus Access Request Form
(Authorization by Administrator in Charge)

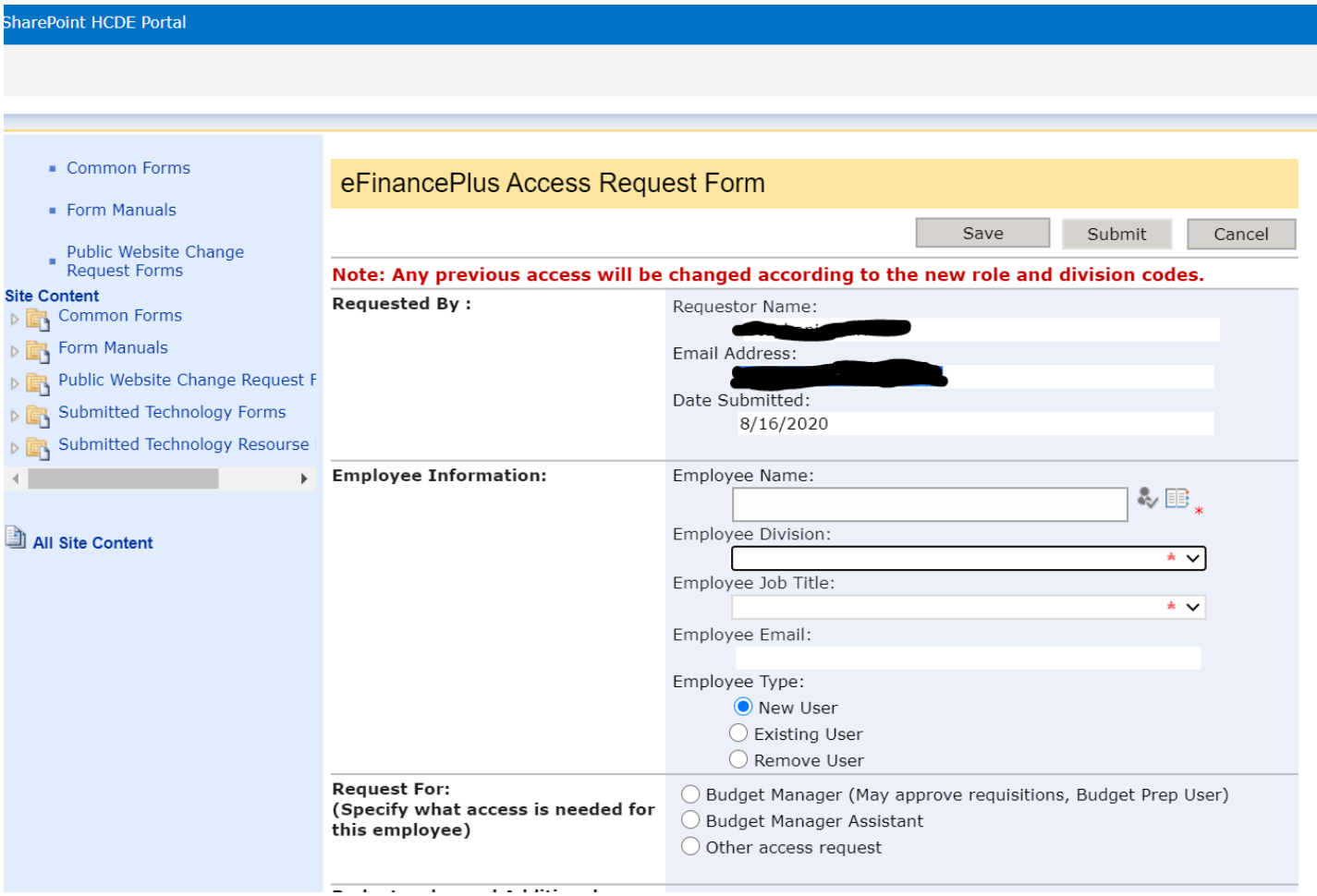


EXHIBIT 2

Harris County Department of Education

SIGNATURE AUTHORITY FORM FY 2022-2023

Please complete the form by having authorized employees print and sign under the "Alternate Authorized Signatures" section. Each individual must also complete the Conflict-of-Interest Disclosure. This authorization allows assigned designees to sign payment authorizations, requests to attend, mileage reimbursements, travel reimbursements, invoices, purchase orders, procurement card, budget amendments, budget transfer, timesheets, and overtime/compensatory time approval. This form also must be signed by the division director/manager authorizing the other signees to sign. Please return to Business Services. If you have questions about the form, please call Business Service Executive Assistant at (713) 696-8249

Fund _____ Budget Mgr. _____

Division: _____

Division Manager _____ Signature _____

Contact Person _____

Alternate Authorized Signatures - All Financial Paperwork:

1. Name _____ Signature _____

   Position _____

2. Name _____ Signature _____

   Position _____

3. Name _____ Signature _____

   Position _____

4. Name _____ Signature _____

   Position _____

Payroll Contact Person:	Accounts Payable Contact Person:
Name _____	Name _____
Signature _____	Signature _____

Business Office

Date Received: _____

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: CVLEGAL
DATE DEVELOPED: 5/18/2010	REVISED DATE: 05.23.2022	
SUBJECT: COMPLIANCE WITH PREVAILING WAGES REQUIREMENT		

Memorandum Notice to Contractors

To:	**Contractors subject to the Davis Bacon Act**
From:	**HCDE Compliance Officer**
Ref:	**Procedures to meet requirements under the Davis Bacon Act**
Date:	**FY 2022-2023**

Purpose:

The purpose of this document is to provide guidance to contractors performing construction work related to a project funded through federal funds received by Harris County Department of Education.

To establish the process, we need to identify a series of definitions as follows:

1.0 Source of Federal law:

Davis Bacon Act is approved under **PUBLIC LAW 107-217-AUG. 21, 2002 [as amended.** The Davis-Bacon Act, referred to in par. (1), is act of Mar. 3, 1931, ch. 411, 46 Stat. 1494, as amended, which was classified generally to sections 276a to 276a-5 of former Title 40, Public Buildings, Property, and Works, and was repealed and reenacted as sections ***3141-3144, 3146, and 3147 of this title by Pub. L. 107-217, Secs. 1, 6(b), Aug. 21, 2002, 116 Stat. 1062, 1304***.

2.0 Source of State Law (CV Legal):

A worker, laborer, or mechanic employed on a public work, exclusive of maintenance work, by or on behalf of a district shall be paid not less than the general prevailing rate of per diem wages. The general prevailing rate of per diem wages is the rate of per diem wages for work of a similar character in the locality in which the work is performed, and also includes the rate of per diem wages for legal holiday and overtime work. A worker is employed on a public work if the worker is employed by a contractor or subcontractor in the execution of a contract for public work with a district. ***Gov't Code 2258.001, 2258.021***

CV Legal (Continued)

A board shall determine, as a sum certain, the general prevailing rate of per diem
wages in a district for each craft or type of worker needed to execute the contract and also for legal holiday and over-time work. To ascertain the general prevailing rate of per diem wages, a board shall either conduct a survey of the wages received by classes of workers, laborers, and mechanics employed on projects of a character like the contract work in a district or adopt the prevailing wage rate as determined by the U. S. Department of Labor. A board shall specify the prevailing rate of per diem

wages in the call for bids and in the contract itself. A board's determination of the general prevailing rates of per diem wages shall be final. *Gov't. Code 2258.001,2258.022*

HCDE has adopted the General Wage Determinations through the procurement process. The Business Office and the division receiving federal funds will provide applicable wage determinations to the contractors.

3.0 Davis Bacon Act requirements:

While completion of Form WH-347 is optional, **it is mandatory** for covered contractors and subcontractors performing work on Federally financed or assisted construction contracts **to respond to the information collection** contained in 29 C.F.R. §§ 3.3, 5.5(a).

The Copeland Act (40 U.S.C. § 3145) requires contractors and subcontractors performing work on Federally financed or assisted construction contracts **to "furnish weekly a statement with respect to the wages paid each employee during the preceding week**."

U.S. Department of Labor (DOL) Regulations at 29 C.F.R. § 5.5(a)(3)(ii) require contractors to submit weekly a copy of all payrolls to the Federal agency contracting for or financing the construction project, accompanied by **a signed "Statement of Compliance" indicating that the payrolls are correct and complete,** and that each laborer or mechanic has been paid not less than the proper Davis-Bacon prevailing wage rate for the work performed.

DOL and federal contracting agencies (i.e., HCDE) receiving this information review the information to determine that employees have received legally required wages and fringe benefits.

Under the Davis-Bacon and related Acts, the contractor is **required to pay not less than prevailing wage, including fringe benefits,** as predetermined by the Department of Labor. The contractor's obligation to pay fringe benefits may be met either by payment of the fringe benefits to bona fide benefit plans, funds, or programs or by making payments to the covered workers (laborers and mechanics) as cash in lieu of fringe benefits.

This payroll provides for the contractor to **show on the face of the payroll** all monies to each worker, whether as basic rates or as cash in lieu of fringe benefits and provides for the contractor's representation in the statement of compliance on the payroll (as shown on page 2) that he/she is paying for fringe benefits required by the contract and not paid as cash in lieu of fringe benefits.

The advertised **specifications for every contract in excess of $2,000**, to which the Federal Government or the District of Columbia is a party, **for construction, alteration, or repair, including painting and decorating, of public buildings and public works** of the Government or the District of Columbia that are located in a State or the District of Columbia and which requires or involves the **employment of mechanics or laborers** shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics.

4.0 Federal Funds received by HCDE:

HCDE receives federal funds and often appropriates funds for the purpose of payment of construction projects that are subject to the Davis Bacon Act.

5.0 Applicable Projects:

Projects are identified by the Division receiving federal funds and the Purchasing Division. This identification will be facilitation through the budget coding system. All projects subject to the Davis

Bacon Act will be coded internally by HCDE under budget object code 6200 contracted services and budget code object 6600 capital outlay.

To comply with the Davis Bacon Act, the contractor must comply with the following:

(1) Identify the appropriate wage determination and
(2) Report the wages to comply with the wage determination.

6.0 Wage Determination:

A "wage determination" is the listing of wage rates and fringe benefit rates for each classification of laborers and mechanics which the WHD Administrator has determined to be prevailing in each area (usually a county) for a particular type of construction.

7.0 Wage Determination website:

On September 26, 2005, the Wage Determinations online website **(http://www.wdol.gov)** became the official site for all Davis-Bacon GWDs.

8.0 Type of construction: Projects of A Similar Character:

As a matter of longstanding policy, DOL has distinguished four general types of construction for purposes of making prevailing wage determinations: building construction, residential construction, heavy construction, and highway construction. All Agency Memoranda Nos. 130 and 131 provide guidance in the application of this policy. Generally, for wage determination purposes, a project consists of all construction necessary to complete a facility regardless of the number of contracts involved, so long as all contracts awarded are closely related in purpose, time, and place.

All Agency Memorandum No. 130 -- "Application of The Standard Of Comparison 'Projects of a Character Similar' Under the Davis-Bacon And Related Acts" provides general descriptions of each general type of construction and includes lists of examples in each general category. In brief:

Building Construction includes the construction, rehabilitation, and repair of sheltered enclosures with walk-in access for the purpose of housing persons, machinery, equipment, or supplies.

Residential Construction includes the construction, rehabilitation, and repair of single-family houses, townhouses, and apartment buildings of no more than four (4) stories in height.

Highway Construction includes the construction, alteration or repair of roads, streets, highways, runways, parking areas and most other paving work not incidental to building or heavy construction.

Heavy Construction is a "catch-all" category which includes those projects which cannot be classified as Building, Residential or Highway. Heavy construction is often further distinguished based on the characteristics of projects, such as dredging, water and sewer line, dams, major bridges and flood control projects.

9.0 How to Locate GWDs (General Wage Determinations):

The WDOL web site (**http://www.wdol.gov**) contains all current wage determinations as well as previous modifications to the wage determinations (archived wage determinations) and a listing of the wage determinations to be modified in the next publication cycle.

Current, archived, or due to be revised Davis-Bacon wage determinations can be found by selecting one of these options from the "Davis Bacon Act" main menu:

• Selecting DBA WDs
• Archived WDs
• WDs to be revised

10.0 Requirement to complete Form WH-347 by Contractors:

The Certified Payroll Report is an optional form for use by contractors and sub-contractors on federally financed or assisted construction contracts in attesting those laborers and mechanics were paid prevailing wages and fringe benefits in accordance with requirements of the Davis Bacon and Related Acts (DBRA) and the Copeland "Anti-Kickback" Act. The properly completed form may be used to provide required payroll information to contracting agencies for review. The form can be downloaded from http://www.dol.gov/whd/forms/wh347.pdf

HCDE requires that this form be submitted before payment is finalized on each project applicable to the Davis Bacon Act.

11.0 Instructions to complete Form WH 347:

Instructions to complete the form are attached in a pdf format. The source of these instructions is the U.S. Wage and Hour Division. Instructions can be downloaded from http://www.dol.gov/whd/forms/wh347instr.htm

12.0 Reports submitted to the Accounting, Reporting and Compliance Officer:

Reports are required to be submitted to the Accounting, Reporting and Compliance Officer in the Business Office. The Contractor should seal the WH 347 Reports. The Business Office will date and stamp the reports received. The Business Office will open the reports and review them with the Compliance Officer and the division receiving federal funds.

13.0 Review of WH 347 Reports:

The reports will be reviewed for compliance. Failure to submit the reports will delay and-or prevent the payment of funds for the project.

14.0 Failure to pay prevailing wage rates:

Upon review of the payrolls, the Accounting, Reporting and Compliance Officer will determine whether the contractor is in compliance with the prevailing wage rates in the GWD General Wage Determination.

If the contractor did not comply, a letter will be sent to the contractor. The letter will state that the contractor is required to cure the requirements and show documentation of compliance.

15.0 Clarifications and questions:

For any clarifications and questions regarding these requirements, contact the Compliance Office at 713-696-1344

Useful websites and sources

GWD

Form WH 347

Form WH 347 Instructions

Davis Bacon Act Law

State Law- CV Legal:

Davis Bacon Act Guide

Prevailing Wage Rate Resource Book

Wage and Hour Division –ARRA 2009 Information

Harris County Department of Education	**DESK PROCEDURE** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *Bank Reconciliations*
DATE DEVELOPED: 11/11/2016		REVISED DATE: 05/23/2022
SUBJECT: Bank Accounts Reconciliations		

Purpose:

To document the bank reconciliation responsibilities and internal controls

Procedure:

All bank accounts cash reconciliations are prepared on a monthly basis once the bank statements are available.

Responsible Parties:

An Accountant is responsible for preparing the bank reconciliations for the Operating, Payroll, Accounts Payable, Workers Compensation, Miscellaneous, HPE, Investment and BOK accounts.

The bank statements are available on line by the second working day of the month. The statements are downloaded and saved on the “S” drive. Once the cash reconciliations are completed, the Chief Accounting Officer reviews and approves all reconciliations.

Separation of Duties

In order to maintain strong internal controls, the individual responsible for collecting and depositing cash to the Operating cash account will not prepare the cash reconciliations for this particular account. The Staff Accountant prepares all deposits to the Operating cash account and the Jr. Accountant prepares the cash reconciliations.

Handling open records (TPIA) requests by the Business and Purchasing Offices

Harris County Department of Education

Effective 7-15 -16



STEP # 1 - Requests

1.0 All requests received by the Business Office or the Purchasing Office must be reviewed by the Asst. Supt for Business in order to make sure that adequate resources are devoted to provide the information in a timely manner.

1.1 Thus, if a staff member in the Business Office OR the Purchasing Office receives a request, you are required to review it with the Asst. Supt for Business PRIOR to begin working on it.

STEP # 2 Procedures

2.0 The appropriate staff will be assigned to prepare the documentation – If the information is available electronically, it must be provided through email to the Asst. Supt for Business.

2.1 If the information is available in paper form, then every effort must be made to convert it to pdf format.

2.2 Once the information is identified, it should go through a quality review by either the Purchasing Director or the Chief Accounting Officer depending on the nature of the request.

2.3 Only requested information must be copied and submitted. Documents not responsive should not be included in the response.

2.4 Staff must keep record and submit the amount of time taken to prepare the response.

STEP # 3 Responses

3.0 All emails regarding the response must be archived and maintained by each staff member handling the open records.

3.1 Questions on extraordinary requests will be sent for review by the Asst. Supt to the department's counsel.

3.2 All responses must be redacted for personal information and confidential data such as bank account numbers, etc.

3.3 The Assistant Superintendent-Business Services will review the information prior to submitting it to the Communication Division.

Harris County Department of Education

SIGNATURE AUTHORITY FORM
Head Start Funds
FY 2024-2025

Please complete the form by having authorized employees print and sign under the "Alternate Authorized Signatures" section. Everyone must also complete the Conflict-of-Interest Disclosure. This authorization allows assigned designees to sign payment authorizations, requests to attend, mileage reimbursements, travel reimbursements, invoices, purchase orders, procurement card, budget amendments, budget transfer, **timesheets, and overtime/compensatory time approval**. This form also must be signed by the division director/manager authorizing the other signees to sign. Please return to Business Services. If you have questions about the form, please call Business Service Executive Assistant at (713) 696-8249.

By signing, I attest that these purchases are allowable, reasonable, necessary an allocable as specified under 2 CFR 200 Subpart E, and that I have reviewed and compiled with any "Additional Procurement Requirements" if applicable.

These items are restricted for this individual. (see attached)

Fund _____ Budget Mgr. _____

Division: _____

Division Manager _____ Signature _____

Contact Person _____

Alternate Authorized Signatures - All Financial Paperwork:

1. Name _____ Signature _____

   Position _____

2. Name _____ Signature _____

   Position _____

3. Name _____ Signature _____

   Position _____

4. Name _____ Signature _____

   Position _____

Payroll Contact Person:	Accounts Payable Contact Person:
Name _____	Name _____
Signature _____	Signature _____

Business Office

Date Received: _____

Grants

The Grant Managers are responsible for ensuring that all employee wages and all other grant expenditures are accounted for, distributed and in compliance with all state, local and federal regulations.

Harris County Department of Education	**RESOURCE DEVELOPMENT PROCEDURES** **HARRIS COUNTY DEPARTMENT OF EDUCATION**	Reference:
EFFECTIVE DATE: July 26, 2005	REVISED DATE: May 19, 2022	
SUBJECT: Acceptance of Donations		

Purpose: To implement a donor-relations initiative that encompasses the effective acknowledgement and stewardship of donors; and internal record-keeping and communication processes that meet HCDE policy.

Donation is defined as the act of giving to a fund or cause, or a gift or grant. HCDE defines a donation as any cash or in-kind gift a division or program of HCDE receives that benefits HCDE and/or its clients or students.

Goals:

- Adhere to HCDE policy that requires that the Board is notified of all donations
- Provide donors with documentation of a gift
- Acknowledge donors in a timely manner
- Recognize donors in the manner appropriate to their level of gift
- Eliminate duplicate requests to the same donor

Before a donation is accepted, the person receiving the gift on behalf of HCDE and/or its clients must ensure that steps 1 through 3 are completed as follows. Steps 4 and 5 must occur within five working days of receipt of the gift. Steps 6 and 7 will occur prior to the next board meeting after receipt of the gift.

Step 1: Donor/staff complete a Donation Receipt form (triplicate NCR form) which includes donor name, address, telephone number, email, descriptions of the items donated, their value and what program area they are supporting. (Refer to Donations/Gift Form) - Donor may specify on the form if they wish their donation anonymous.
HCDE Donation Receipt Forms in triplicate NCR format may be obtained from Resource Development division.
Note: Staff may also use the Donation Receipt form found on the portal at http://hcdeportal. If used, make a copy for division files, and send copy to the Resource Development division. Disregard Steps 2 through 5.

Step 2: When the donor completes the form, have the donor return form to the HCDE staff – person accepting a gift.

Step 3: HCDE staff tears off the back page (pink) of the triplicate Donation Receipt Form and give it to the donor.

Step 4: HCDE staff tears off the remaining back page (yellow) for filing with the division.

Step 5: HCDE staff sends the front page (white) to Resource Development (RD). If more than one donation, staff will compile all in one batch and send to RD.

Step 6: As receipts are received, RD prepares and mails acknowledgement letters signed by the HCDE Superintendent to the donor.

Step 7: RD uses the information on the forms to prepare and maintain an Excel worksheet, reporting monthly donor activity.

Step 8: RD staff uses the forms to maintain donor information by division within a contact management database.

Step 9: RD prepares the donation report for donations over $50.00 and submits to Superintendent Secretary an information item for the board and Business Services to include in their report to the board.

Step 10: RD coordinates with relevant divisions and Communications and Public Information on donor stewardship activities.

Harris County Department of Education	**RESOURCE DEVELOPMENT PROCEDURES** **HARRIS COUNTY DEPARTMENT OF EDUCATION**	Reference:
EFFECTIVE DATE: July 26, 2005		REVISED DATE: 05.23.2022
SUBJECT: Commitment of Resources and Grant Submissions		

All forms of commitment* including grant submissions (new and continuation) require

1. **Prior approval from the Executive Team including the Superintendent and**
2. **Prior approval of the HCDE Board, when feasible or**
3. **Ratification after submission by the HCDE board.**

*Commitments may include but are not limited to, those with universities, governmental entities, grantors, school districts, for-profit, not-for-profit, non-profit, community- and faith-based organizations, and the Education Foundation of Harris County.

Commitments that generate revenues and/or provide in-kind support of HCDE resources through participation in an initiative or grant may be reflected in two forms:

1. **Written agreements; or**
2. **Verbal promises.**

Grants submissions may include, but are not limited to,

1. **Federal grants;**
2. **State grants;**
3. **Local grants; and**
4. **Private and corporate foundation grants.**

PROCEDURE

Divisions are responsible for notifying HCDE leadership of proposed commitments. They must ensure that reviews are completed by Resource Development, Executive Team, Business Services, Human Resources, and relevant Assistant Superintendent. HCDE division directors **must** obtain Executive Team approval and the Superintendent or their designee's signature on relevant documentation prior to committing HCDE resources.

Commitment of Resources

1. During preliminary planning, the division Director coordinates plans to commit to an initiative:
    a. Presents a draft plan including 1) a final overview of the proposed commitment(s) and 2) associated in-kind contributions with a breakdown of costs for Resource Development consideration; and

b. Obtains Executive Team approval with Resource Development's assistance.

Note: Notify and provide Resource Development with the requested documentation **at least ten working days** before the final commitment is needed. This will allow time to schedule with the Executive Team and obtain the necessary approvals.

2. If a division plans to commit HCDE resources **in support of another organization's initiative**, they must prepare and submit the following to Resource Development:
    a. an abstract or project summary; **and**
        - draft letter of commitment; **or**
        - draft memorandum of agreement/understanding; **plus**
    b. associated costs

Note: These documents are to be prepared in such a way as to share with the public.

3. Resource Development reviews each and consolidates proposed division commitments for presentation to the Executive Team and invites the relevant division to participate in the presentation.
    a. Divisions will answer questions as to whether additional personnel and/or space are needed, and if a match is required/requested.
    b. RD prepares a memo attaching the submitted division summaries; letters of commitment/MOUs; and budget information for ET review.
    c. RD and/or division directors attend ET meetings and respond to questions as posed by members.

Note: In many cases, RD will prepare an email with the required information and attachments for ET consideration and decision as follows. (Refer to attached email format)

4. If HCDE leadership does not have an Executive Team meeting within the required timeframe and projects have tight deadlines, Resource Development will conduct an email approval process.
    a. Utilizing division data as described above, RD will create an email with a table reflecting proposed commitment; space – yes/no; personnel – yes/no; and match – yes/no embedded in the message.
    b. RD will attach the submitted division summaries and other relevant information.
    c. RD will use Outlook email options (yes; no) as responses from ET members; division contacts are also included to receive the responses, as they occur.

5. RD will work with the division and Superintendent's office to prepare and obtain signatures on the letters of commitments/memorandum of understanding.

Note: Signatures will occur after official approval from ET is obtained.

6. Executive Team determines what level of board communication the commitment will require:

a. Friday Board Packet
b. Information item on board agenda
c. Action item on board agenda – approval or ratification

7. Resource Development will notify the division of the Executive Team's determination.

8. Divisions will prepare supporting documentation for each level of communication - Friday board packet, information items and action items.

9. Obtain Board Approval or Ratification* after Resource Development review and Executive Team determination that an action item for the board is required.
    a. Division director prepares and submits an anticipated agenda item form for approval or ratification of commitment of HCDE Resources to Resource Development, supervisor, and Superintendent's secretary.
    b. Division Director will forward the supporting documentation in the order below as a PDF to Resource Development to prepare a consolidated action/information item for the monthly board agenda as follows:
        - Copy of form of commitment (letter, MOU, etc.)
        - Copy of the summary budget, if applicable
        - Executive summary or abstract
    c. Resource Development staff prepares and submits a hard copy and electronic version (**PDF**) of the draft board agenda item(s), with a copy of the supporting documentation provided by the division to Assistant Superintendents for approval.
    d. Upon approval, the Director of Resource Development submits the item to the Superintendent's Secretary for placement on the board agenda.
    e. On board date, the Director and relevant Division Director present the proposed plan to the HCDE board of trustees for their approval/ratification.

* Division will follow board agenda item guidance provided by the Superintendent's office, ensuring timely delivery of supporting documentation.

Grant Submissions

Resource Development and/or the division completing the grant* will present **prospective grant submissions** to Executive Team and other relevant divisions for approval.

* Resource Development works with various divisions to submit grant proposals and follows the stated procedures. Some proposals are completed and submitted by program divisions. In these cases, the relevant division must also implement the procedures as follows:

1. As the preliminary project design is developed and prior to submission of the proposal, the division director/project coordinator will present relevant sections of the proposal to the following for their input and approval.

a. **Business Services** – including budget and budget narrative, maintenance of effort, and indirect cost
b. **Human Resources** – personnel strategy and proposed job descriptions
c. **Technology** – use of technology and personnel, and supply needs
d. **Facilities** – anticipated office space needs, staffing plan, and support needs
e. **Assistant Superintendent** – proposed program design and budget and HCDE contributions (requires the use of tax revenues?), if any.

2. During preliminary planning, the division Director coordinating the submission of a proposal must:
   a. Present a draft plan including 1) an overview of the proposed grant submission and 2) a breakdown of relevant costs including any match amounts to Resource Development for their assistance in obtaining Executive Team approval.

Note: Notify and provide Resource Development with required documentation **at least ten days** before the final proposal is submitted. This will allow time to schedule with the Executive Team and obtain the necessary approvals.

3. Resource Development reviews each and consolidates proposed grant submission commitments for presentation to the Executive Team and invites the relevant division to participate in the presentation.
   a. Divisions will answer questions as to whether additional personnel and/or space are needed, and if a match is required/requested.
   b. RD prepares a memo attaching the submitted division summaries; letters of commitment/MOUs; and budget information for ET review.
   c. RD and/or division directors attend ET meetings and respond to questions as posed by members.

Note: In many cases, RD will prepare an email with the required information and attachments for ET consideration and decision as follows. (Refer to attached email format)

4. If HCDE leadership does not have an Executive Team meeting within the required timeframe and projects have tight deadlines, Resource Development will conduct an email approval process.
   a. Utilizing division data as described above, RD will create an email with a table reflecting proposed grant submission; space – yes/no; personnel – yes/no; and match – yes/no embedded in the message.
   b. RD will attach the submitted division summaries and other relevant information.
   c. RD will use Outlook email options (yes; no) as responses from ET members; division contacts are also included to receive the responses, as they occur.

5. The division director will coordinate the Proposal Development team reviews and edits. This team will review the narrative sections of the proposal individually and as a whole as they are completed. Proposal Development team may include, but is not limited to,
   - division director and staff,

- division supervisor,
- Resource Development,
- Technology,
- Facilities,
- Business Services,
- Human Resources and
- Assistant Superintendent.

Note: Responsibility for completion of review process lies with the division submitting the proposal.

The complexity of the proposal and potential impact of the grant on the organization determines the involvement of the team members. For instance, initial applications for Head Start and Early Childhood Intervention required meetings that included all aforementioned participant divisions.

6. The division Director provides a copy of the proposal for Resource Development staff review **at least one week** prior to submission.

7. Resource Development will conduct a proposal review and comment and report the findings to the division director/project coordinator prior to submission of the grant.
   - In the case that the deadline of submission of a continuation grant conflicts with timing for a proposal review, the deadline takes precedence.
   - If this were to occur, the director submitting the proposal must continue through Steps I, II AND III.

8. Obtain Board Approval or Ratification

   d. Division director prepares and submits an anticipated agenda item form for approval or ratification of grants submission or commitment of HCDE Resources to Resource Development, supervisor and Superintendent's secretary.

   e. Division Director will forward supporting documentation in the order below as a **PDF** to Resource Development to prepare a consolidated action/information item for the monthly board agenda as follows.
      - Copy of the cover page with signature of authorizing official
      - Copy of the project budget summary
      - Executive summary or abstract

   c. Resource Development staff prepares and submits a hard copy and electronic version of the draft board agenda item(s), with a copy of the supporting documentation provided by the division to Assistant Superintendents for approval.

   d. Upon approval, the Director submits the item to the Superintendent's Secretary for placement on the board agenda.

e. On board date, the Director and relevant Division Director present the proposed plan to the HCDE board of trustees for their approval/ratification.

7. Distribute Submitted Proposals

   a. The Division that submits the final signed proposal will create and email a PDF version of the proposal to Resource Development for distribution to the following:

      County School Superintendent
      Assistant Superintendents (3)
      Chief Information Officer
      Consultant to the HCDE Board
      Director, Resource Development

   b. Resource Development will save the PDF within two shared drives. One drive shares all division proposals and the other shares proposals with Executive Team. RD will email the “HCDE Submitted Proposals” link to the ET distribution list, highlighting recently added proposals.

	PROCUREMENT PROCEDURES HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH (LOCAL)*
DATE DEVELOPED: 1/7/~~0~~2009 ~~1/7/09~~087/~~13~~19/2020	REVISED	DATE:
SUBJECT: Processing of Grant Awards with Education Foundation of Harris County		

Purpose

To provide guidelines for the processing of notice of award ~~NOGA's (what?)~~ from the Education Foundation of Harris County (EFHC).

Procedure

The procedure for processing the EFHC grant awards will include the following steps.

Education Foundation of Harris County

When ~~The~~ EFHC generates restricted funds from the private sector, it is usua~~l~~ually for specific HCDE programs; in these cases, EFHC acts to allocate ~~and distributes some of these~~ funds realized (minus a 1~~0~~% administrative fee, as allowed by funder) to the HCDE division connected to the originating grant request.~~ through HCDE's divisional programs.~~

EFHC Role~~:~~

Step 1: Award Letter ~~sent~~received ~~f~~to EFHC ~~f~~rom company/organization ~~to~~by HCDE EFHC Liaison. ~~-~~

Step 2: ~~-~~EFHC writes an Award Letter,~~n~~ a simple a~~A~~greement~~,~~ based on the originating grant request, which shall govern the use of these funds by HCDE; the signing of this Agreement, by Jesus Amezcu~~uca~~ and EFHC ~~Douglas Kleiner~~Board President ~~,~~enables EFHC to provide monies to HCDE~~will distribute these funds as appropriate to various HCDE divisions.~~

Step 3: ~~-~~EFHC shall provide any restrictions on the Award Letter ~~so~~to ensure that HCDE is ~~able to be~~ in compliance ~~EFHC will create an award letter for these funds (minus the EFHC's 10% administration fee).~~with donor requirements. Once the Award Letter is signed by EFHC and HCDE Assistant Superintendent for Business, the check and the Letter should be sent to the Business Office with a copy to the originating/recipient division.

HCDE Role~~:~~

Step 4: ~~HCDE distributes the funds to the appropriate HCDE division based on the Agreement.This award letter will be signed by Doug Kleiner and sent to division receiving the award.~~

~~Step 5:~~ HCDE Division will complete a contract processing form and submit one (1) original and two (2) copies of the award letter to c~~C~~ontract c~~C~~oordinator's office. ~~Has nothing to do with EFHC – sounds internal to HCDE~~

Formatted: Left

Formatted: Left

Formatted: Left

Formatted: Font: Bold, Underline

Formatted: Centered

Formatted: Left, Indent: Left: 0", Hanging: 0.56"

Formatted: Left, Indent: Left: 0", Hanging: 0.56"

Formatted: Left

Formatted: Font: Bold, Underline

Formatted: Centered

Formatted: Left

Step 6: HCDE Contract Coordinator will log the ~~NOGA~~ Award Letter into the contract database and process the letter for appropriate signatures from HCDE authorized agents.~~Has nothing to do with EFHC, etc~~

Step 7: Once Award ~~l~~Letter has been signed by both parties, HCDE Contract Coordinator will file original in contract database and return one (1) copy to EFHC and one (1) copy to ~~appropriate~~ recipient HCDE division.

~~has nothing to do with EFHC, etc – but, EFHC is not handing over any money in the absence of a signed Agreement – see #2~~

Step 8: HCDE Division will create anticipated agenda item (~~LIKE,~~ ACCEPTANCE OF FUNDS ~~THE MONEY!!~~) for next board meeting and attach ~~send to~~ the Award Letter ~~appropriate personnel (?) along with copy of signed award letter as backup~~as supporting documentation.~~.~~

Step 9: HCDE Business will amend the budget as necessary and record revenues as necessary.

Formatted: Left

Formatted: Left

Formatted: Left

Formatted: Left

Formatted: Indent: Left: 0", First line: 0"

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 04/01/2006		REVISED DATE: 05/24/2022
SUBJECT: Grant Indirect Cost-Definition, Establishing the Rate, Limits & Accounting for Indirect Cost (IC)		

Purpose

Business Services will establish an annual indirect cost rate and operate as a part of the grant team to lend its expertise to the development of grant applications and reporting. Total Federal grant program costs, multiplied by the indirect cost rate, equals total indirect costs.

Approved indirect cost rates are valid for one year July 1-June 30.

Responsibility

Accountant assigned to grant

Definition

Indirect cost revenues recognized in the General Fund are intended to defray the cost of providing certain services (including but not limited to accounting, auditing, payroll processing, technology support, and HR) to grant programs. These business costs are incurred by HCDE as a whole, and an attempt to maintain separate time and effort accounting for each specific grant would be prohibitive. By calculating and using an indirect cost rate, indirect cost revenues can be transferred from the grant to the general fund to compensate HCDE for department-wide expenditures used to facilitate the grant.

It is not necessary to track the use of indirect cost revenues once they are transferred to the General Fund. Once earned, the revenues may be used for any education-related expenditure, including administrative costs and fixed costs incurred in administrating the grant.

Establishing the IC Rate

Indirect cost rates are established to determine the amount of indirect cost revenue that can be recorded in the General Fund.

Business Services will complete the necessary process to obtain an indirect cost rate from the Texas Education Agency (TEA). TEA, in cooperation with the U.S. Department

of Education, has developed an indirect cost plan to be used by school districts in Texas. This plan includes HCDE.

OMB Circular A-87, which establishes cost principles and standards for federally funded grants, is a key resource for indirect cost information. The Circular includes provisions for determining indirect cost rates for grantees and sub-grantees of federal grants and contracts.

The rate will be communicated to other HCDE personnel-including but not limited to Resource Development, federal grant budget managers, and Executive Team-as soon as it is received.

Limits

There are three major limitations affecting how much indirect cost may be recovered:

- Federal law or grant conditions may limit the amount of indirect cost that can be earned. For example, if HCDE has a rate of 7.5% and the law only allows 5%, then HCDE can recover indirect costs equal to only 5% of the direct costs. Some grants may contain terms and conditions that limit the amount of indirect cost allowable or prohibit any recovery of indirect costs.

- Recovery of indirect costs on grants is subject to the availability of funds. The total direct costs for the grant plus the indirect costs earned cannot exceed the maximum grant entitlement.

- Indirect costs can be recovered only to the extent that HCDE makes direct program expenditures. The indirect cost rate is applied to the eligible direct cost amount expended not to the amount of the grant award.

Accounting for IC

Various programs use the indirect cost rate when they apply for federal grants. If a grant award period is longer than the 7/1-6/30 indirect cost-effective period, then more than one rate will apply.

Reimbursement Requests: When indirect cost revenues are earned as a result of a reimbursement request, a journal entry will be prepared and entered to record the receipt of IC in the General Fund.

Final Expenditure Report: Indirect cost revenues receivable as a result of the final report will be posted to the General Fund when the final report is prepared; indirect cost revenues will be posted to receivables upon receipt at year-end.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 04/01/2006		REVISED DATE: 05/24/2022
SUBJECT: Grant Indirect Cost Calculation		

Purpose

Divisions will use the restricted indirect cost rate approved by the Texas Education Agency in preparing grant applications. Total grant program costs, multiplied by the indirect cost rate, equals total indirect costs. HCDE policy requires budget managers to budget the maximum indirect cost allowable under the grant.

Indirect cost rates are valid for one year July 1-June 30. More than one indirect cost rate must be used to calculate indirect cost when a grant period is longer than this period.

Instructions

NOTE: Given an indirect cost rate of 8%.

Grant Award Total:		$ 100,000	(A)
Less Non-Allowable Costs: (*Double check your specific grant*.)			
Tuition	$ 0		
Food	0		
Non-employee Stipends	1,000		
Payments to SSAs *	31,500		
Debt Service	0		
Building Improvements	0		
Capital Outlay	15,000		
Total Non-Allowable Costs:	- 47,500		(B)
Total Allowable Costs Before Indirect Cost:		$ 52,500	(C)
Total Allowable Costs After Indirect Cost: 'Total Allowable Costs Before Indirect Cost' divided by 1.08, then **round up** to the next whole dollar: ($52,500.00/1.08 = $48,611.11)			
Total Allowable Costs After Indirect Cost:		- 48,612	(D)
Total Indirect Cost: (C) less (D)		$ 3,888	(E)

CALCULATION RECAP

Total Non-Allowable Costs	$ 47,500	(B)
+ Total Allowable Costs After Indirect Cost	48,612	(D)
+ Total Indirect Costs	+ 3,888	(E)
= Grant Award Total	$ 100,000	(A)

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 07/18/2018	REVISED DATE: 05/24/2022	
SUBJECT: Grant Indirect Distribution in General Fund		

Purpose

Indirect cost earned from grants is recorded in the General Fund, and it is used to fund part of the Human Resources, Business Service, Technology and Adult Education expenditures.

Grants Indirect Cost calculations

Divisions will use the restricted indirect cost rate approved by the Texas Education Agency in preparing grant applications or the maximum rate allowed by the grantor. Total grant program costs, multiplied by the indirect cost rate, equals total indirect costs. HCDE policy requires budget managers to budget the maximum indirect cost allowable under the grant.

Indirect cost rates are valid for one year July 1-June 30. More than one indirect cost rate must be used to calculate indirect cost when a grant period is longer than this period.

Indirect cost distribution

When the grant drawdowns are prepared in a monthly basis, the indirect cost earn is calculated. When the monies are received, a journal entry is prepared to record the cash received. The indirect cost amount is recorded in the general fund as revenue in the department wide budget manager division. When all the monthly transactions are recorded, the monthly indirect cost earned is distributed to the Human Resources, Business Service, Technology and Adult Education divisions as follows:

- The first allocation is to the Adult Education Division. The year to date expenditure report is printed and is compared to the year to date revenue for this division. If there is difference, indirect cost is allocated to cover the difference.
- Once the Adult Ed allocation is done, the remainder of the monthly indirect cost is allocated to Human Resources, Business Service and Technology is based on the divisions annual expenditure budget.
- This distribution is calculated each month.
- At fiscal year-end once all accruals and expenditures have been posted, the final indirect cost distribution is done based on actual expenditure percentages between Human Resources, Business Service and Technology rather than expenditure budgets. Adult Education expenditures will always be covered first and the remainder will be allocated to the other three divisions.
- The following excel spreadsheet is used for the distribution of the indirect cost:

Indirect Cost Distribution and Reconciliation
FY 2019-2020
(Run Detail Revenue Status Report-Loc 098)

Grant Name			Ad Ed-Reg	Ad Ed-State	HS-Jan-Aug	HS-Sept-Dec	HS Disaster Relief	ECI-DARS	Stop Viol	HS-Healthy liv	Case Cy9 Yr1	Case Cy9 Yr10	EHS/CCP Jan-Aug	EHS/CCP Sep-Dec	Totals
Account Number			**59990001**	**58990001**	**59990006**	**59990007**	**59990031**	**59990009**	**59990044**	**59990027**	**59990042**	**59990043**	**59990106**	**59990107**	
July Indirect Cost Collected			26,170.40		-	58,564.61			890.40		208.34	118.59	19,633.02	-	105,585.36
Adult Ed - BM 201	100%	135,723.59	9,171.29	-											9,171.29
			16,999.11												
Human Resources - BM 030	17%		2,889.85	-	-	9,955.98	-	-	151.37	-	35.42	20.16	3,337.61	-	16,390.39
Business Services - BM 050	31%		5,269.72	-	-	18,155.03	-	-	276.02	-	64.59	36.76	6,086.24	-	29,888.36
Technology - BM 090	52%		8,839.54	-	-	30,453.60	-	-	463.01	-	108.34	61.67	10,209.17	-	50,135.32
Totals:			26,170.40	-	-	58,564.61	-	-	890.40	-	208.34	118.59	19,633.02	-	105,585.36
Grand Total Year-to-Date			**206,319.92**	**-**	**595,781.89**	**524,691.49**	**1,652.57**	**2,593.43**	**9,960.67**	**727.00**	**1,633.17**	**2,191.32**	**24,546.08**	**149,589.15**	**1,519,686.69**

Sample Procedure:

Last Reviewed: 05.24.2022

A division contracts with another division to provide a service(s) within GENERAL FUND:

Steps

1 Determine the amount to be charged to the division for the service.
2 Identify the revenue budget code and budget manager
3 Once services has been completed, the provider need to send invoice to the contracting division
4 Send explanation memo describing the agreement to the Chief Accounting Officer so that a journal entry can be processed in the general ledger.
The memo should explain which Budget Manager is providing the services and which Budget Manager is being charged the cost.
The contracting division is the division that needs the service.
The provider division is the division which delivers the service.

Contracting Division

BMgr -

									Debit	Credit
								Charge		
199	1	41	014	99	014	6299	0000	[Consultants] ---------->	$ 600	

BMgr -

Provider Division

199	1	00	051	99	051	5726	0000	[Local Revenue] ---------->		$ 600

A division contracts with another division to provide a service between Funds -say GENERAL FUND and HEAD START FUND

Note: Offsetting Cash or Due to/from.

Contracting Division

BMgr -

									Debit	Credit
								Charge		
205	1	41	901	99	901	6299	0000	[Expense] ---------->	$ 600	

Provider Division

BMgr -

								Increase		
199	1	41	050	99	050	5726	0000	[Revenue] ---------->		$ 600

GRANT MANAGEMENT AND ACCOUNTING
for all Federal and State Grants
List of Contents

TITLE

Program Overview…….
Financial Management Overview……..……..……...
Allowable Costs……..…….……
Expenditure Obligations…….……
Administrative Costs…….……..…
Indirect Cost…….……..
Cost Allocation Method…….……
Cash Management…….……..……
Budgeting & Monitoring…….…….....
Financial Reporting…… …….
Contractual & Lease Requirements…….
Travel Guidelines…….…….
Records Management…….……..……
Property Management…….…….....
Procurement ……
Audit Requirements…….……

Program Overview: Head Start

What Is Head Start Area 1?

Head Start Area 1 is one of many federally-funded programs for which the Harris County Department of Education (HCDE) serves as grantee. Head Start is a comprehensive child development program with a goal of school readiness and an emphasis on parent participation. It is designed for children in low-income families and those with special needs such as disabilities or difficult family circumstances. Head Start provides services to 3 and 4 years old children to help prepare them for kindergarten and beyond. Area 1 Head Start supports the geographical areas located within the boundaries on the north, south, east and west of Harris County.

Services Provided

The Head Start program is a national program administered by the Department of Health and Human Services. Head Start offers services in Education and Early Child Development, Health, Nutrition, Family Services, Mental Wellness and Disability services for all eligible children and family members. Families who meet eligibility requirements may apply for Head Start services at no charge.

Purpose of Policy and Procedure Manual

The purpose of this manual is to define and interpret the standards, rules and regulations set-forth by the Department of Health and Human Services. It is an effort to provide guidelines for all Head Start staff and interested parties to insure adequate financial management of grant funds required by the Department of Health and Human Services as well as HCDE.

All questions and concerns should be directed to:

Venetia Peacock
Senior Director of Head Start
6300 Irvington Boulevard
Houston, Texas 77022
(713) 672-9343

Or

Jesus J. Amezcua, Ph.D., CPA, RTSBA
Assistant Superintendent for Business Support Services
6300 Irvington Boulevard
Houston, Texas 77022
(713) 696-1371

Program Overview: Adult Ed Program

Adult Education Programs Services

The Adult Ed Division of the Harris County Department of Education (LMISD) serves as contractor to the Houston-Galveston Area Council (HGAC) for the Adult Education and Literacy state and federal grants. Adult Ed provides services for GED and ESL classes and other coursework with the goal of improving the educational attainment of the Harris County and Liberty County workforce.

It is designed for adults that need to receive their GED Certificate, improve basic academic skills, learn English and pass the citizenship exam. Adult Ed services are provided to adults above 17 years old. Adult Education Program supports the geographical areas located within the boundaries on the North, South, East and West of Harris County and all of Liberty County.

Services Provided

The Adult Ed program is a national program administered by the Texas Workforce Commission. Adult Ed offers services in adult education classes for all eligible adults and family members. Adults who meet eligibility requirements may apply for Adult Ed services at no charge.

Purpose of Policy and Procedure Manual

The purpose of this manual is to define and interpret the standards, rules, and regulations set-forth by the Uniform Grant Guidance as effective Dec 2014. It is an effort to provide guidelines for all Adult Ed staff and interested parties to insure adequate financial management of grant funds required by the HCDE and the Texas Workforce Commission as well as LMISD.

All questions and concerns should be directed to:

Stephanie Ross
Director of Adult Education
6005 Westview (Temporary Location)
Houston, Texas 77055
(713) 691-8765

Or

Jesus J. Amezcua, Ph.D., CPA, RTSBA
Assistant Superintendent for Business Support Services
6300 Irvington Boulevard
Houston, Texas 77022
(713) 696-1371

Program Overview: After School Programs

After School Programs Services

The CASE Division is one of many programs for which the Harris County Department of Education (HCDE) serves as grantee. CASE provides services for after school programs with the intent to improve the education of Harris County students.

It is designed for K-12 schools that need to implement after school programs. CASE programs services are provided to students above 4 years old. CASE Program supports the geographical areas located within the boundaries on the Harris County.

Services Provided

The CASE program is a program funded by multiple sources. Among these are the Houston Endowment, HGAC, TEA, City of Houston, and others. CASE offers services in after school programming for all eligible students who meet eligibility requirements at no charge.

Purpose of Policy and Procedure Manual

The purpose of this manual is to define and interpret the standards, rules, and regulations set-forth by the Uniform Grant Guidance as effective Dec 2014. It is an effort to provide guidelines for all CASE staff and interested parties to insure adequate financial management of grant funds required by the Department of Education and the various funding sources as well as HCDE.

All questions and concerns should be directed to:

Lisa Caruthers, Ph.D.
CASE Director
6005 West View
Houston, Texas 77055
(713) 696-1336

Or

Jesus J. Amezcua, Ph.D., CPA, RTSBA
Assistant Superintendent for Business Support Services
6300 Irvington Boulevard
Houston, Texas 77022
(713) 696-1371

Program Overview: Misc Grant Programs

MISC grant programs services

Various divisions receive miscellaneous grants from other organizations, and HCDE Harris County Department of Education (HCDE) serves as grantee. Each Division receiving grants provides services with the intent to improve the education of Harris County students.

A description of each grant is received from the funding organization, and the services established through a letter of award. See HCDE Financial Operating Guide for grants.

Purpose of Policy and Procedure Manual

The purpose of this manual is to define and interpret the standards, rules, and regulations set-forth by the Uniform Grant Guidance as effective Dec 2014. It is an effort to provide guidelines for all division staff and interested parties to insure adequate financial management of grant funds required by the respective granting agency and the various funding sources as well as HCDE.

All questions and concerns should be directed to the Business Office who will identify the respective program manager or director as necessary:

Jesus J. Amezcua, Ph.D., CPA, RTSBA
Assistant Superintendent for Business Support Services
6300 Irvington Boulevard
Houston, Texas 77022
(713) 696-1371

Financial Management Overview
To ensure prudent financial management of the various programs, all federal rules, regulations, and standards must be adhered to maintain and continue funding. HCDE is committed to ensuring that adequate internal controls are in place to satisfy the requirements of governing bodies.

Uniform Grant Guidance
HCDE will follow the uniform grant guidance as approved by the federal government on December 2014. Any updates from the Office of Management and Budget will be incorporated into the manual as applicable from the respective granting federal agency.

Respective granting agency can be (but not limited to):

1. Corporation for National Community Service
2. Health and Human Services
3. Department of Education
4. National Aeronautics and Space Agency NASA
5. Department of Agriculture USDA

The uniform grant guidance includes adhering to all applicable areas and in specific with **title 2 of the federal code regulations subtitle A, Chapter II, Part 200.** The contents include the following:
Subpart A are the definitions 200.0 to 200.99 **(HCDE)**
Subpart B are general provisions 200.100 to 200.113 **(HCDE)**
Subpart C are pre-award requirements and contents of federal awards – (granting agency)
Subpart D are the Post Federal Award Requirements (granting Agency)
Subpart E are the Cost Principles **(HCDE)**
Subpart F are the Audit requirements **(Auditor-HCDE)**

As described in §200.110 Effective/applicability date, **this part supersedes the following OMB guidance documents and regulations** under Title 2 of the Code of Federal Regulations:

(a) A-21, "Cost Principles for Educational Institutions" (2 CFR part 220);
(b) A-87, "Cost Principles for State, Local and Indian Tribal Governments" (2 CFR part 225) and also FEDERAL REGISTER notice 51 FR 552 (January 6, 1986);
(c) A-89, "Federal Domestic Assistance Program Information";
(d) A-102, "Grant Awards and Cooperative Agreements with State and Local Governments";
(e) A-110, "Uniform Administrative Requirements for Awards and Other Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations" (codified at 2 CFR 215);
(f) A-122, "Cost Principles for Non-Profit Organizations" (2 CFR part 230);
(g) A-133, "Audits of States, Local Governments and Non-Profit Organizations"; and
(h) Those sections of A-50 related to audits performed under Subpart F—Audit Requirements of this part.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75882, **Dec. 19, 2014**]

Contents

Subpart A—Acronyms and Definitions

ACRONYMS
§200.0 Acronyms.
§200.1 Definitions.
§200.2 Acquisition cost.
§200.3 Advance payment.
§200.4 Allocation.
§200.5 Audit finding.
§200.6 Auditee.
§200.7 Auditor.
§200.8 Budget.
§200.9 Central service cost allocation plan.
§200.10 Catalog of Federal Domestic Assistance (CFDA) number.
§200.11 CFDA program title.
§200.12 Capital assets.
§200.13 Capital expenditures.
§200.14 Claim.
§200.15 Class of Federal awards.
§200.16 Closeout.
§200.17 Cluster of programs.
§200.18 Cognizant agency for audit.
§200.19 Cognizant agency for indirect costs.
§200.20 Computing devices.
§200.21 Compliance supplement.
§200.22 Contract.
§200.23 Contractor.
§200.24 Cooperative agreement.
§200.25 Cooperative audit resolution.
§200.26 Corrective action.
§200.27 Cost allocation plan.
§200.28 Cost objective.
§200.29 Cost sharing or matching.
§200.30 Cross-cutting audit finding.
§200.31 Disallowed costs.
§200.32 [Reserved]
§200.33 Equipment.

Equipment means tangible personal property (including information technology systems) having a useful life of more **than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000.** See also §§200.12 Capital assets, 200.20 Computing devices, 200.48 General purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies.

HCDE has a capitalization policy of more than $5000 in accordance with CFB Local Policy.

§200.34 Expenditures.
§200.35 Federal Agency.
§200.36 Federal Audit Clearinghouse (FAC).
§200.37 Federal Awarding agency.
§200.38 Federal Award.
§200.39 Federal Award date.
§200.40 Federal financial assistance.
§200.41 Federal interest.
§200.42 Federal program.
§200.43 Federal share.
§200.44 Final cost objective.
§200.45 Fixed amount awards.
§200.46 Foreign public entity.
§200.47 Foreign organization.
§200.48 General purpose equipment.
§200.49 Generally Accepted Accounting Principles (GAAP).
§200.50 Generally Accepted Government Auditing Standards (GAGAS).
§200.51 Grant agreement.
§200.52 Hospital.
§200.53 Improper payment.
§200.54 Indian tribe (or "federally recognized Indian tribe").
§200.55 Institutions of Higher Education (IHEs).
§200.56 Indirect (facilities & administrative (F&A)) costs.
§200.57 Indirect cost rate proposal.
§200.58 Information technology systems.
§200.59 Intangible property.
§200.60 Intermediate cost objective.
§200.61 Internal controls.
§200.62 Internal control over compliance requirements for Federal awards.
§200.63 Loan.
§200.64 Local government.
§200.65 Major program.
§200.66 Management decision.
§200.67 Micro-purchase.

Micro-purchase means a purchase of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold. Micro-purchase procedures comprise a subset of a non-Federal entity's small purchase procedures. The non-Federal entity uses such procedures in order to expedite the completion of its lowest-dollar small purchase transactions and minimize the associated administrative burden and cost. The micro-purchase threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions). It is **$3,000** except as otherwise discussed in Subpart 2.1 of that regulation, but this threshold is periodically adjusted for inflation.

HCDE has a more restrictive policy at $2,500.

§200.68 Modified Total Direct Cost (MTDC).
§200.69 Non-Federal entity.
§200.70 Nonprofit organization.
§200.71 Obligations.
§200.72 Office of Management and Budget (OMB).
§200.73 Oversight agency for audit.
§200.74 Pass-through entity.
§200.75 Participant support costs.
§200.76 Performance goal.
§200.77 Period of performance.
§200.78 Personal property.
§200.79 Personally Identifiable Information (PII).
§200.80 Program income.
§200.81 Property.
§200.82 Protected Personally Identifiable Information (Protected PII).
§200.83 Project cost.
§200.84 Questioned cost.
§200.85 Real property.
§200.86 Recipient.
§200.87 Research and Development (R&D).

§200.88 Simplified acquisition threshold.
Simplified acquisition threshold means the dollar amount below which a non-Federal entity may purchase property or services using small purchase methods. Non-Federal entities adopt small purchase procedures in order to expedite the purchase of items costing less than the simplified acquisition threshold. The simplified acquisition threshold is set by the Federal Acquisition Regulation at 48 CFR Subpart 2.1 (Definitions) and in accordance with 41 U.S.C. 1908. As of the publication of this part, the simplified acquisition threshold is **$150,000**, but this threshold is periodically adjusted for inflation. (Also see definition of §200.67 Micro-purchase.)
NOTE: HCDE uses a more restrictive threshold under policies CH Legal and CH Local.

§200.89 Special purpose equipment.
§200.90 State.
§200.91 Student Financial Aid (SFA).
§200.92 Sub-award.
§200.93 Sub-recipient.
§200.94 Supplies.
§200.95 Termination.
§200.96 Third-party in-kind contributions.
§200.97 Un-liquidated obligations.
§200.98 Unobligated balance.
§200.99 Voluntary committed cost sharing.

Subpart B—General Provisions

§200.100 Purpose.	As noted in subtitle.
§200.101 Applicability.	As noted in subtitle.
§200.102 Exceptions.	As noted in subtitle.
§200.103 Authorities.	As noted in subtitle.
§200.104 Supersession.	As noted in subtitle.
§200.105 Effect on other issuances.	As noted in subtitle.
§200.106 Agency implementation.	As noted in subtitle.
§200.107 OMB responsibilities.	As noted in subtitle.
§200.108 Inquiries.	As noted in subtitle.
§200.109 Review date.	As noted in subtitle.
§200.110 Effective/applicability date.	As noted in subtitle.
§200.111 English language.	**HCDE will make the provision available in English and prevailing languages.**

§200.112 Conflict of interest.

The Federal awarding agency must establish conflict of interest policies for Federal awards. The non-Federal entity must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy.

HCDE has incorporated this section into policy BBFA Local.

§200.113 Mandatory disclosures.

The non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in §200.338 Remedies for noncompliance, including suspension or debarment. (See also 2 CFR part 180 and 31 U.S.C. 3321).

HCDE has incorporated this section into policy BBFA Local.

Subpart C—Pre-Federal Award Requirements and Contents of Federal Awards

For Granting Agencies

§200.200 Purpose.
§200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts.
§200.202 Requirement to provide public notice of Federal financial assistance programs.
§200.203 Notices of funding opportunities.
§200.204 Federal awarding agency review of merit of proposals.
§200.205 Federal awarding agency review of risk posed by applicants.
§200.206 Standard application requirements.
§200.207 Specific conditions.
§200.208 Certifications and representations.

§200.209 Pre-award costs.
§200.210 Information contained in a Federal award.
§200.211 Public access to Federal award information.
§200.212 Suspension and debarment.

Subpart D—Post Federal Award Requirements

STANDARDS FOR FINANCIAL AND PROGRAM MANAGEMENT

§200.300 Statutory and national policy requirements. As outlined by subtitle.
§200.301 Performance measurement. As outlined by subtitle.
§200.302 Financial management.

(a) **HCDE has established Financial Management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, in order to prepare reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. HCDE has assigns a fund code for all state and federal funds and reports each month the financial results for each fund. A general ledger is also maintained and it supports the financial reports and drawdowns for each grant.**

(b) The financial management system of each non-Federal entity must provide for the following (see also §§200.333 Retention requirements for records, 200.334 Requests for transfer of records, 200.335 Methods for collection, transmission and storage of information, 200.336 Access to records, and 200.337 Restrictions on public access to records):

(1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the CFDA title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any. **HCDE assigns a fund code for each State and Federal grant.**

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§200.327 Financial reporting and 200.328 Monitoring and reporting program performance. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand. **HCDE uses modified accrual basis of accounting as required by GAAP and GASB standards. However, accrual information is also submitted to the granting agency as needed.**

(3) Records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

(4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See §200.303 Internal controls. **HCDE maintains accountability of all funds, property and assets as needed.**

(5) Comparison of expenditures with budget amounts for each Federal award. **HCDE tracks budget to actual amounts each month in a financial report**.

(6) Written procedures to implement the requirements of §200.305 Payment. **HCDE implements a reimbursement procedure and not an advance procedure for submitting drawdowns. All funds are expended first and then drawn down from the granting agency.**

(7) Written procedures for determining the allowability of costs in accordance with Subpart E—Cost Principles of this part and the terms and conditions of the Federal award. **HCDE has implemented a financial operating guide to make sure that all Staff is provided with guidance to determine the allowability of expenditures**.

§200.303 Internal controls.

HCDE has:

(a) Established and maintained effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States or the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). **HCDE has implemented grant procedures and internal processes to make sure that grant requirements are adhered to by the various divisions. Program Directors are required to implement controls at the program delivery level, and the Business Office is required to implement controls at the financial management and reporting level. HCDE further implements a risk assessment process, and it is updated every six months.**

(b) Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards. **See letter (a) above.**

(c) Evaluate and monitor the non-Federal entity's compliance with statutes, regulations and the terms and conditions of Federal awards. **See letter (a) above.**

(d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings. **See letter (a) above.**

(e) Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality. **See letter (a) above.**

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75883, Dec. 19, 2014]

§200.304 Bonds. As outlined by subtitle.

§200.305 Payment.

HCDE uses a reimbursement method for payment, thus all expenditures have been made prior to the drawdown request.

§200.306 Cost sharing or matching. As outlined by subtitle.

§200.307 Program income.

HCDE often generates program income and or in-kind donations to meet federal matching. HCDE documents such activity as necessary and in accordance with the guidance.

§200.308 Revision of budget and program plans.

HCDE works with the granting agency for any budget revisions or changes to the scope of work. Such changes are approved by the HCDE Board of Trustees through budget amendments.

§200.309 Period of performance. As outlined by subtitle.

PROPERTY STANDARDS

§200.310 Insurance coverage.

The non-Federal entity must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the non-Federal entity. Federally-owned property need not be insured unless required by the terms and conditions of the Federal award. **HCDE maintains insurance on all property subject to deductibles**.

See CRB Legal and Local

§200.311 Real property.

When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from the Federal awarding agency or pass-through entity. The instructions must provide for one of the following alternatives:

(1) Retain title after compensating the Federal awarding agency.
(2) Sell the property and compensate the Federal awarding agency.
(3) Transfer title to the Federal awarding agency or to a third party designated/approved by the Federal awarding agency. [78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75884, Dec. 19, 2014]
HCDE follows disposition of property in accordance with this section's requirements. See CI Local.

§200.312 Federally-owned and exempt property.

In accordance with federal requirements, the non-federal entity must submit annually an inventory listing of federally-owned property in its custody to the Federal awarding agency. Upon completion of the Federal award or when the property is no longer needed, the non-Federal entity must report the property to the Federal awarding agency for further Federal agency utilization. **HCDE follows disposition of property in accordance with this section's requirements. See CI Local.**

§200.313 Equipment.

HCDE follows disposition of equipment in accordance with this section's requirements. All items under $5,000 can be disposed with no further federal requirements. See CI Local.

§200.314 Supplies.

HCDE follows the use of supplies in accordance with this section's requirements. Supplies are used only for the grant objective and not used to provide services for a fee.

§200.315 Intangible property.

HCDE follows the use of intangible property in accordance with this section's requirements.

§200.316 Property trust relationship. As outlined by subtitle.

PROCUREMENT STANDARDS

§200.317 Procurements by states.

When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with §200.322 Procurement of recovered *materials* and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. All other non-Federal entities, including sub-recipients of a state, will follow §§200.318 General procurement standards through 200.326 Contract provisions.

HCDE follows a more restrictive procurement policy than the requirement under 200. 318. HCDE follows policies CH Legal and CH Local which requires procurement in cumulative contracts with vendors above $50,000, and policies CV Legal and CV Local for construction projects.

§200.318 General procurement standards.

(a) The Non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part. **HCDE uses its procurement policies under policies CH legal and CH Local.**

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders. **HCDE has implemented financial operating guidelines for grant staff to follow in administering grants.**

(c)(1) The Non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

HCDE has amended policy CH Local as follows:

No employee, officer, or agent may participate in the selection, award, or administration of a contract if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization

which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

The officers, employees, and agents of HCDE may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, HCDE has set a demininis amount of less than $50 per year for items that are unsolicited and of minimal and promotional items.

Violations of this standard by an employee will be reported to the Superintendent's Office and addressed through our personnel policies. Violations of this standard by an officer or the Superintendent shall be addressed to the Board President and addressed through the board policies.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization. **HCDE procurement policies and procedures apply to all HCDE divisions.**

(d) The Non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach. **HCDE performs a needs assessment and evaluation by each program director prior to recommending the requisition. The culmination of such assessment is the program director's signature. Often the program director also conducts analysis to determine the best value to HCDE when making a recommendation for purchase.**

(e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services. **HCDE participates in purchasing cooperatives and shared service arrangements in order to get the best value for divisions and grants.**

(f) The Non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs. **HCDE uses policies CH Legal and CH Local to purchase goods. One of the allowable methods is inter local agreements which include agencies and local governments, federal and state entities. As available and feasible, HCDE utilizes this method of purchasing equipment and property.**

(g) The Non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost. **HCDE uses policies CV Legal and CV Local to procure construction projects. Some of the allowable methods are CCSP and CM-At-Risk, and Design Build, which include often utilize value engineering in the negotiations to arrive at the best price.**

(h) The Non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.212 Suspension and debarment. **HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value.**

(i) The Non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price. **HCDE uses a procurement process that maintains the history of the selection process, the contract, and the basis of the contract price. The financial operating guidelines outlines the process, and the information regarding the bid process is maintained electronically in the HCDE ebid system (powered by Ionwave systems)**

(j)(1) The Non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:

(i) The actual cost of materials; and

(ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls. **HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and the method of procurement and contract.**

(k) The Non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all

contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or federal authority having proper jurisdiction. **HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and procurement and contract. All contracts are signed either by the Superintendent or the Assistant Superintendent for Business.**

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

§200.319 Competition.

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

(1) Placing unreasonable requirements on firms in order for them to qualify to do business;
(2) Requiring unnecessary experience and excessive bonding;
(3) Noncompetitive pricing practices between firms or between affiliated companies;
(4) Noncompetitive contracts to consultants that are on retainer contracts;
(5) Organizational conflicts of interest;
(6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
(7) Any arbitrary action in the procurement process.

HCDE develops all requests for proposals internally and does not allow a consultant or external entity to participate in the development of request for proposals.

(b) The Non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference.

HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and the method of procurement and contract. While policy CH Legal has a local preference meaning the state of Texas, it does not apply to federal purchases in accordance with Government Code 2251.001-004.

Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The Non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

(1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and

(2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The Non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and the method of procurement and contract. HCDE also has operating guidelines covering the procurement process.

§200.320 Methods of procurement to be followed.

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable. **HCDE uses policies CH Legal and CH Local which is more restrictive.**

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources. **HCDE uses policies CH Legal and CH Local which are more restrictive.**

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

(i) A complete, adequate, and realistic specification or purchase description is available;

(ii) Two or more responsible bidders are willing and able to compete effectively for the business; and

(iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:

(i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for state, local, and tribal governments, the invitation for bids must be publically advertised;

(ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

(iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

(iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and the method of procurement and contract. HCDE also has operating guidelines covering the procurement process.

HCDE follows a more restrictive procurement policy than the requirement under 200. 318. HCDE follows policies CH Legal and CH Local which requires procurement in cumulative contracts with vendors above $50,000, and policies CV Legal and CV Local for construction projects.

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

(2) Proposals must be solicited from an adequate number of qualified sources;

(3) The Non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

(4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(5) The Non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and the method of procurement and contract. HCDE also has operating guidelines covering the procurement process. Professional Services are also procured under Chapter 44.031 or Chapter 2252.003.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

(1) The item is available only from a single source**; According to policy CH Legal or Chapter 44.031, single source is an allowed method of procurement provided that the vendor is able to provide a sole source letter.**

(2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation; **According to policy CH Legal or Chapter 44.031, emergency purchases are allowed as an allowed method of procurement provided that the purchases meets the requirements of 44.031(h)**

(3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or **In situations that the awarding agency authorizes the non competitive process, HCDE will document the approval.**

(4) After solicitation of a number of sources, competition is determined inadequate.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

a) The Non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

(6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and the method of procurement and contract. HCDE

also has operating guidelines covering the procurement process. Part of the evaluation factors in policy CH Legal include (minority and women owned) historically underutilized businesses.

§200.322 Procurement of recovered materials.

A non-Federal entity that is a state agency or agency of a political subdivision of a state and 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.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and the method of procurement and contract. HCDE also has operating guidelines covering the procurement process. Part of the request for proposal terms and conditions are to adhere to all applicable federal, state and local laws.

§200.323 Contract cost and price.

(a) The Non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

(b) The Non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost

Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

(d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and the method of procurement and contract. HCDE also has operating guidelines covering the procurement process. Part of the selection process and evaluation, HCDE staff performs budget estimates for prospective purchases. During the evaluation phase, HCDE conducts tabulations to compare and arrive at the best value.

§200.324 Federal awarding agency or pass-through entity review.

(a) The Non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(b) The Non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

(1) The Non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;

(2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;

(3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a “brand name” product;

(4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

(c) The Non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

(1) The Non-Federal entity may request that its procurement system be reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third-party contracts are awarded on a regular basis;

(2) The Non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-Federal entity that it is complying with these standards. The non-Federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

HCDE uses policies CH Legal and CH Local which identify the factors in determining the best value and the method of procurement and contract. HCDE also has operating guidelines covering the procurement process. HCDE maintains records of all processes available for review and all procurements have a right to audit clause.

§200.325 Bonding requirements.

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold (Which is **$150,000**), the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

(b) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(c) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

HCDE uses policies CV Legal and CV Local which identify the factors in determining the best value and the method of procurement and contract for construction projects. Policy CV Legal requires performance bonds above $100,000 and $25,000 for payment bonds.

§200.326 Contract provisions.

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

All HCDE contracts and request for proposals have termination clauses, breach of contract clauses and the following provisions:

1. **Davis-Bacon Act, as amended (40 U.S.C. 3141-3148).**
2. **Equal Employment Opportunity**
3. **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).**
4. **Rights to Inventions Made Under a Contract or Agreement**
5. **Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended**
6. **Debarment and Suspension (Executive Orders 12549 and 12689)**
7. **Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)**

PERFORMANCE AND FINANCIAL MONITORING AND REPORTING

§200.327 Financial reporting.

Unless otherwise approved by OMB, the Federal awarding agency may solicit only the standard, OMB-approved government wide data elements for collection of financial information (at time of publication the Federal Financial Report or such future collections as may be approved by OMB and listed on the OMB Web site). This information must be collected with the frequency required by the terms and conditions of the Federal award, but no less frequently than annually nor more frequently than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes, and preferably in coordination with performance reporting
HCDE adheres to reporting requirements in accordance with the federal packet on an annual basis.

§200.328 Monitoring and reporting program performance.

(a) *Monitoring by the non-Federal entity.* The non-Federal entity is responsible for oversight of the operations of the Federal award supported activities. The non-Federal entity must monitor its activities under Federal awards to assure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring by the non-Federal entity must cover each program, function or activity. See

also §200.331 Requirements for pass-through *entities.* **HCDE has assigned a program director for each grant to make sure that grant requirements are met.**

(b) *Non-construction performance reports.* The Federal awarding agency must use standard, OMB-approved data elements for collection of performance information (including performance progress reports, Research Performance Progress Report, or such future collections as may be approved by OMB and listed on the OMB Web site).

HCDE adheres to the required program reports as outlined by the granting agency.

(1) The Non-Federal entity must submit performance reports at the interval required by the Federal awarding agency or pass-through entity to best inform improvements in program outcomes and productivity. Intervals must be no less frequent than annually nor more frequent than quarterly except in unusual circumstances, for example where more frequent reporting is necessary for the effective monitoring of the Federal award or could significantly affect program outcomes. Annual reports must be due 90 calendar days after the reporting period; quarterly or semiannual reports must be due 30 calendar days after the reporting period. Alternatively, the Federal awarding agency or pass-through entity may require annual reports before the anniversary dates of multiple year Federal awards. The final performance report will be due 90 calendar days after the period of performance end date. If a justified request is submitted by a non-Federal entity, the Federal agency may extend the due date for any performance report.

HCDE adheres to the required program reports as outlined by the granting agency.

(2) The Non-Federal entity must submit performance reports using OMB-approved government wide standard information collections when providing performance information. As appropriate in accordance with above mentioned information collections, these reports will contain, for each Federal award, brief information on the following unless other collections are approved by OMB:

HCDE adheres to the required program reports as outlined by the granting agency.

(i) A comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal award can be quantified, a computation of the cost (for example, related to units of accomplishment) may be required if that information will be useful. Where performance trend data and analysis would be informative to the Federal awarding agency program, the Federal awarding agency should include this as a performance reporting requirement.

(ii) The reasons why established goals were not met, if appropriate.

(iii) Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

(c) *Construction performance reports.* For the most part, onsite technical inspections and certified percentage of completion data are relied on heavily by Federal awarding agencies and pass-through entities to monitor progress under Federal awards and sub awards for construction. The Federal awarding agency may require additional performance reports only when considered necessary.

HCDE adheres to the required program reports as outlined by the granting agency.

(d) *Significant developments.* Events may occur between the scheduled performance reporting dates that have significant impact upon the supported activity. In such cases, the non-Federal entity must inform the Federal awarding agency or pass-through entity as soon as the following types of conditions become known:

HCDE adheres to the required program reports as outlined by the granting agency.

(1) Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and any assistance needed to resolve the situation.

(2) Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned.

(e) The Federal awarding agency may make site visits as warranted by program needs.

(f) The Federal awarding agency may waive any performance report required by this part if not needed.

§200.329 Reporting on real property.

The Federal awarding agency or pass-through entity must require a non-Federal entity to submit reports at least annually on the status of real property in which the Federal Government retains an interest, unless the Federal interest in the real property extends 15 years or longer. In those instances where the Federal interest attached is for a period of 15 years or more, the Federal awarding agency or pass-through entity, at its option, may require the non-Federal entity to report at various multi-year frequencies (e.g., every two years or every three years, not to exceed a five-year reporting period; or a Federal awarding agency or pass-through entity may require annual reporting for the first three years of a Federal award and thereafter require reporting every five years).

HCDE adheres to the required program reports as outlined by the granting agency.

§200.330 Sub-recipient and contractor determinations.

The non-Federal entity may concurrently receive Federal awards as a recipient, a sub recipient, and a contractor, depending on the substance of its agreements with Federal awarding agencies and pass-through entities. Therefore, a pass-through entity must make **case-by-case determinations** whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds **in the role of** a subrecipient or a contractor. The Federal awarding agency may supply and require recipients to comply with additional guidance to support these determinations provided such guidance does not conflict with this section.

(a) ***Subrecipients***. A sub award is for the purpose of carrying out a portion of a Federal award and creates a Federal assistance relationship with the subrecipient. See §200.92 Sub award. Characteristics which support the classification of the non-Federal entity as a subrecipient include when the non-Federal entity:

(1) Determines who is eligible to receive what Federal assistance;

(2) Has its performance measured in relation to whether objectives of a Federal program were met;

(3) Has responsibility for programmatic decision making;

(4) Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and

(5) In accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.

(b) ***Contractors.*** A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the contractor. See §200.22 Contract. Characteristics indicative of a procurement relationship between the non-Federal entity and a contractor are when the non-Federal entity receiving the Federal funds:

(1) Provides the goods and services within normal business operations;

(2) Provides similar goods or services to many different purchasers;

(3) Normally operates in a competitive environment;

(4) Provides goods or services that are ancillary to the operation of the Federal program; and

(5) Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.

(c) *Use of judgment in making determination.* In determining whether an agreement between a pass-through entity and another non-Federal entity casts the latter as a subrecipient or a contractor, **the substance of the relationship** is more important than the form of the agreement. All of the characteristics listed above may not be present in all cases, and the pass-through entity must use judgment in classifying each agreement as a sub award or a procurement contract.

HCDE makes determinations on sub recipients and contractors in accordance with this section, and contracts are determined as such.

§200.331 Requirements for pass-through entities.

All pass-through entities must:

(a) Ensure that every sub award is clearly identified to the subrecipient as a sub award and includes the following information at the time of the sub award and if any of these data elements change, include the changes in subsequent sub award modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the Federal award and sub award. Required information includes:

(1) Federal Award Identification.

(i) Subrecipient name (which must match the name associated with its unique entity identifier);

(ii) Subrecipient's unique entity identifier;

(iii) Federal Award Identification Number (FAIN);

(iv) Federal Award Date (see §200.39 Federal award date);

(v) Sub award Period of Performance Start and End Date;

(vi) Amount of Federal Funds Obligated by this action;

(vii) Total Amount of Federal Funds Obligated to the subrecipient;

(viii) Total Amount of the Federal Award;

(ix) Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);

(x) Name of Federal awarding agency, pass-through entity, and contact information for awarding official,

(xi) CFDA Number and Name; the pass-through entity must identify the dollar amount made available under each Federal award and the CFDA number at time of disbursement;

(xii) Identification of whether the award is R&D; and

(xiii) Indirect cost rate for the Federal award (including if the de minimis rate is charged per §200.414 Indirect (F&A) costs).

(2) All requirements imposed by the pass-through entity on the subrecipient so that the Federal award is used in accordance with Federal statutes, regulations and the terms and conditions of the Federal award.

(3) Any additional requirements that the pass-through entity imposes on the subrecipient in order for the pass-through entity to meet its own responsibility to the Federal awarding agency including identification of any required financial and performance reports;

(4) An approved federally recognized indirect cost rate negotiated between the subrecipient and the Federal Government or, if no such rate exists, either a rate negotiated between the pass-through entity and the subrecipient (in compliance with this part), or a de minimis indirect cost rate as defined in §200.414 Indirect (F&A) costs, paragraph (f) of this part.

(5) A requirement that the subrecipient permit the pass-through entity and auditors to have access to the subrecipient's records and financial statements as necessary for the pass-through entity to meet the requirements of this part; and

(6) Appropriate terms and conditions concerning closeout of the sub award.

(b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the sub award for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section, which may include consideration of such factors as:

(1) The subrecipient's prior experience with the same or similar sub awards;

(2) The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with Subpart F—Audit Requirements of this part, and the extent to which the same or similar sub award has been audited as a major program;

(3) Whether the subrecipient has new personnel or new or substantially changed systems; and

(4) The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).

(c) Consider imposing specific sub award conditions upon a subrecipient if appropriate as described in §200.207 Specific conditions.

(d) Monitor the activities of the subrecipient as necessary to ensure that the sub award is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the sub award; and that sub award performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:

(1) Reviewing financial and performance reports required by the pass-through entity.

(2) Following-up and ensuring that the subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means.

(3) Issuing a management decision for audit findings pertaining to the Federal award provided to the subrecipient from the pass-through entity as required by §200.521 Management decision.

(e) Depending upon the pass-through entity's assessment of risk posed by the subrecipient (as described in paragraph (b) of this section), the following monitoring tools may be useful for the pass-through entity to ensure proper accountability and compliance with program requirements and achievement of performance goals:

(1) Providing subrecipients with training and technical assistance on program-related matters; and

(2) Performing on-site reviews of the subrecipient's program operations;

(3) Arranging for agreed-upon-procedures engagements as described in §200.425 Audit services.

(f) Verify that every subrecipient is audited as required by Subpart F—Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements.

(g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records.

(h) Consider taking enforcement action against noncompliant subrecipients as described in §200.338 Remedies for noncompliance of this part and in program regulations.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE makes determinations on sub recipients and contractors in accordance with this section, and contracts are determined as such.

§200.332 Fixed amount sub-awards.

With prior written approval from the Federal awarding agency, a pass-through entity may provide sub awards based on fixed amounts up to the Simplified Acquisition Threshold, provided that the sub awards meet the requirements for fixed amount awards in §200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts.

HCDE makes determinations on sub recipients and contractors in accordance with this section, and contracts are determined as such.

RECORD RETENTION AND ACCESS

§200.333 Retention requirements for records.

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of **three years** from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

(a) If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.

(b) When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.

(c) Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.

(d) When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.

(e) Records for program income transactions after the period of performance. In some cases, recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the

earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.

(f) Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).

(1) *If submitted for negotiation.* If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.

(2) *If not submitted for negotiation.* If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

HCDE complies with the State of Texas requirements which are more extensive than the federal requirements.

§200.334 Requests for transfer of records.

The Federal awarding agency must request transfer of certain records to its custody from the non-Federal entity when it determines that the records possess long-term retention value. However, in order to avoid duplicate recordkeeping, the Federal awarding agency may make arrangements for the non-Federal entity to retain any records that are continuously needed for joint use.

HCDE complies with the State of Texas requirements which are more extensive than the federal requirements.

§200.335 Methods for collection, transmission and storage of information.

In accordance with the May 2013 Executive Order on Making Open and Machine Readable the New Default for Government Information, the Federal awarding agency and the non-Federal entity should, whenever practicable, collect, transmit, and store Federal award-related information in open and machine-readable formats rather than in closed formats or on paper. The Federal awarding agency or pass-through entity must always provide or accept paper versions of Federal award-related information to and from the non-Federal entity upon request. If paper copies are submitted, the Federal awarding agency or pass-through entity must not require more than an original and two copies. When original records are electronic and cannot be altered, there is no need to create and retain paper copies. When original records are paper, electronic versions

may be substituted through the use of duplication or other forms of electronic media provided that they are subject to periodic quality control reviews, provide reasonable safeguards against alteration, and remain readable.

HCDE complies with the State of Texas retention requirements which are more extensive than the federal requirements.

§200.336 Access to records.

(a) Records of non-Federal entities. The Federal awarding agency, Inspectors General, the Comptroller General of the United States, and the pass-through entity, or any of their authorized representatives, must have the right of access to any documents, papers, or other records of the non-Federal entity which are pertinent to the Federal award, in order to make audits, examinations, excerpts, and transcripts. The right also includes timely and reasonable access to the non-Federal entity's personnel for the purpose of interview and discussion related to such documents.

(b) Only under extraordinary and rare circumstances would such access include review of the true name of victims of a crime. Routine monitoring cannot be considered extraordinary and rare circumstances that would necessitate access to this information. When access to the true name of victims of a crime is necessary, appropriate steps to protect this sensitive information must be taken by both the non-Federal entity and the Federal awarding agency. Any such access, other than under a court order or subpoena pursuant to a bona fide confidential investigation, must be approved by the head of the Federal awarding agency or delegate.

(c) Expiration of right of access. The rights of access in this section are not limited to the required retention period but last as long as the records are retained. Federal awarding agencies and pass-through entities must not impose any other access requirements upon non-Federal entities.

HCDE complies with the State of Texas retention requirements which are more extensive than the federal requirements. Access is provided to grant auditors as needed on an annual basis. In addition, the terms and conditions of all bid notification and contracts include a right to audit clause.

§200.337 Restrictions on public access to records.

No Federal awarding agency may place restrictions on the non-Federal entity that limit public access to the records of the non-Federal entity pertinent to a Federal award, except for protected personally identifiable information (PII) or when the Federal awarding agency can demonstrate that such records will be kept confidential and would have been exempted from disclosure pursuant to the Freedom of Information Act (5 U.S.C. 552) or controlled unclassified information pursuant to Executive Order 13556 if the records had belonged to the Federal awarding agency. The Freedom of Information Act (5 U.S.C. 552) (FOIA) does not apply to those records that remain under a non-Federal entity's control except as required under §200.315 Intangible property. Unless required by Federal, state, local, and tribal statute, non-Federal entities are not required

to permit public access to their records. The non-Federal entity's records provided to a Federal agency generally will be subject to FOIA and applicable exemptions.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE complies with the State of Texas retention requirements and Open Records Act requirements as necessary.

REMEDIES FOR NONCOMPLIANCE

§200.338 Remedies for noncompliance.

If a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in §200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

(a) Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.

(b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.

(c) Wholly or partly suspend or terminate the Federal award.

(d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).

(e) Withhold further Federal awards for the project or program.

(f) Take other remedies that may be legally available.

HCDE has implemented procedures to make sure grant requirements are met.

§200.339 Termination.

As outlined by subtitle.

HCDE has implemented procedures to make sure grant requirements are met.

§200.340 Notification of termination requirement.

As outlined by subtitle.

HCDE has implemented procedures to make sure grant requirements are met.

§200.341 Opportunities to object, hearings and appeals. As outlined by subtitle.

As outlined by subtitle.

HCDE has implemented procedures to make sure grant requirements are met.

§200.342 Effects of suspension and termination.

HCDE has implemented procedures to make sure grant requirements are met.

CLOSEOUT

§200.343 Closeout.

The Federal awarding agency or pass-through entity will close-out the Federal award when it determines that all applicable administrative actions and all required work of the Federal award have been completed by the non-Federal entity. This section specifies the actions the non-Federal entity and Federal awarding agency or pass-through entity must take to complete this process at the end of the period of performance.

(a) The Non-Federal entity must submit, no later than **90 calendar days** after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by the non-Federal entity.

(b) Unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must **liquidate all obligations** incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.

(c) The Federal awarding agency or pass-through entity must make prompt payments to the non-Federal entity for allowable reimbursable costs under the Federal award being closed out.

(d) The Non-Federal entity must promptly refund any balances of unobligated cash that the Federal awarding agency or pass-through entity paid in advance or paid and that are not authorized to be retained by the non-Federal entity for use in other projects. See OMB Circular A-129 and see §200.345 Collection of amounts due, for requirements regarding unreturned amounts that become delinquent debts.

(e) Consistent with the terms and conditions of the Federal award, the Federal awarding agency or pass-through entity must make a settlement for any upward or downward adjustments to the Federal share of costs after closeout reports are received.

(f) The Non-Federal entity must account for any real and personal property acquired with Federal funds or received from the Federal Government in accordance with §§200.310 Insurance coverage through 200.316 Property trust relationship and 200.329 Reporting on real property.

(g) The Federal awarding agency or pass-through entity should complete all closeout actions for Federal awards no later than one year after receipt and acceptance of all required final reports.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE has procedures in place to make sure that all grants are closed out and all payments made by the 90th day.

POST-CLOSEOUT ADJUSTMENTS AND CONTINUING RESPONSIBILITIES

§200.344 Post-closeout adjustments and continuing responsibilities.

(a) The closeout of a Federal award does not affect any of the following:

(1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.

(2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

(3) Audit requirements in Subpart F—Audit Requirements of this part.

(4) Property management and disposition requirements in Subpart D—Post Federal Award Requirements of this part, §§200.310 Insurance Coverage through 200.316 Property trust relationship.

(5) Records retention as required in Subpart D—Post Federal Award Requirements of this part, §§200.333 Retention requirements for records through 200.337 Restrictions on public access to records.

(b) After closeout of the Federal award, a relationship created under the Federal award may be modified or ended in whole or in part with the consent of the Federal awarding agency or pass-through entity and the non-Federal entity, provided the

responsibilities of the non-Federal entity referred to in paragraph (a) of this section, including those for property management as applicable, are considered and provisions made for continuing responsibilities of the non-Federal entity, as appropriate.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE has procedures to make sure that grant requirements are met, and all funds are audited on an annual basis in accordance with federal, state and local guidelines.

COLLECTION OF AMOUNTS DUE

§200.345 Collection of amounts due. As outlined by subtitle.

HCDE has implemented procedures to make sure grant requirements are met.

Subpart E—Cost Principles

General Provisions

§200.400 Policy guide. As outlined by the subtitle.

§200.401 Application. As outlined by the subtitle.

Basic Considerations

§200.402 Composition of costs. As outlined by the subtitle.

Total cost. The total cost of a Federal award is the sum of the allowable direct and allocable indirect costs less any applicable credits.

§200.403 Factors affecting allowability of costs. As outlined by the subtitle.

Except where otherwise authorized by statute, costs must meet the following general criteria in order to be allowable under Federal awards:

(a) **Be necessary and reasonable** for the performance of the Federal award and be allocable thereto under these principles.

HCDE documents this through the certification of expenditures and approval by each program manager.

(b) **Conform to any limitations or exclusions** set forth in these principles or in the Federal award as to types or amount of cost items.

HCDE documents this through the certification of expenditures and approval by each program manager.

(c) **Be consistent with policies and procedures** that apply uniformly to both federally-financed and other activities of the non-Federal entity.

HCDE documents this through the certification of expenditures and approval by each program manager.

(d) Be accorded **consistent treatment**. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.

HCDE documents this through the certification of expenditures and approval by each program manager. In addition, all expenditures are reviewed by the Business Office for consistent treatment.

(e) Be determined in accordance with **generally accepted accounting principles** (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.

HCDE documents this through the certification of expenditures and approval by each program manager. The Business Office establishes financial operating guidelines that follow GAAP for local governments.

(f) **Not be included** as a cost or used to meet cost sharing or matching requirements **of any other federally-financed program** in either the current or a prior period. See also §200.306 Cost sharing or matching paragraph (b).

HCDE does not use federal dollars to match other federal dollars.

Be adequately documented. See also §§200.300 Statutory and national policy requirements through 200.309 Period of performance of this part.

HCDE maintains documents for all expenditures and signatures are included from program manager and the Business Office as needed.

§200.404 Reasonable costs.

As outlined by the subtitle

A cost is reasonable if, in its nature and amount, it does not exceed **that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.** The question of reasonableness is particularly important when the non-Federal entity is predominantly federally-funded. In determining **reasonableness of a given cost**, consideration must be given to:

(a) Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the non-Federal entity or the proper and efficient performance of the Federal award.

(b) The restraints or requirements imposed by such factors as: sound business practices; **arm's-length bargaining**; Federal, state, local, tribal, and other laws and regulations; and terms and conditions of the Federal award.

(c) **Market prices** for comparable goods or services for the geographic area.

(d) Whether the individuals **concerned acted with prudence** in the circumstances considering their responsibilities to the non-Federal entity, its employees, where applicable its students or membership, the public at large, and the Federal Government.

(e) Whether the non-Federal entity significantly **deviates from its established practices and policies regarding the incurrence of costs**, which may unjustifiably increase the Federal award's cost.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE procures goods and services to arrive at best value and determines that reasonable costs are used to charge to the all cost objectives whether federal or non–federal.

§200.405 Allocable costs.

As outlined by the subtitle

(a) A cost is allocable to a particular Federal award **or other cost objective** if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. This standard is met if the cost:

(1) Is **incurred specifically** for the Federal award;

(2) Benefits both the Federal award and other work of the non-Federal entity and **can be distributed in proportions that may be approximated using reasonable methods**; and

(3) **Is necessary to the overall operation** of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in this subpart.

(b) All activities which benefit from the non-Federal entity's indirect (F&A) cost, including unallowable activities and donated services by the non-Federal entity or third parties, will receive **an appropriate allocation of indirect costs**.

(c) Any cost allocable to a particular Federal award under the principles provided for in this part may **not be charged to other Federal awards** to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. However, this prohibition would not preclude the non-Federal entity from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.

(d) **Direct cost allocation principles**. If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects **based on the proportional benefit**. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding paragraph (c) of this

section, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. See also §§200.310 Insurance coverage through 200.316 Property trust relationship and 200.439 Equipment and other capital expenditures.

(e) If the contract is subject to CAS, costs must be allocated to the contract pursuant to the Cost Accounting Standards. To the extent that CAS is applicable, the allocation of costs in accordance with CAS takes precedence over the allocation provisions in this part.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014

HCDE has adopted cost allocation plans that meet the allocable requirements. Program managers review all expenditures and determine whether the cost is allocable to the cost objective.

§200.406 Applicable credits.

As outlined by the subtitle

(a) Applicable credits refer to those **receipts or reduction-of-expenditure-type** transactions that offset or reduce expense items allocable to the Federal award as direct or indirect (F&A) costs. Examples of such transactions are: purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, and adjustments of overpayments or erroneous charges. To the extent that such credits accruing to or received by the non-Federal entity relate to allowable costs, they must be credited to the Federal award either as a cost reduction or cash refund, as appropriate.

(b) In some instances, the amounts received from the Federal Government to finance activities or service operations of the non-Federal entity should be treated as applicable credits. Specifically, the concept of **netting such credit items** (including any amounts used to meet cost sharing or matching requirements) must be recognized in determining the rates or amounts to be charged to the Federal award. (See §§200.436 Depreciation and 200.468 Specialized service facilities, for areas of potential application in the matter of Federal financing of activities.)

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE applies all rebates and credits that are applicable to each cost objective.

§200.407 Prior written approval (prior approval).

As outlined by the subtitle

Under any given Federal award, the reasonableness and allocability of certain items of costs may be difficult to determine. In order to avoid subsequent disallowance or dispute based on unreasonableness or no allocability, the non-Federal entity may **seek the prior written approval of the cognizant agency for indirect costs or the Federal awarding agency in advance of the incurrence of special or unusual costs**. Prior written approval should include the timeframe or scope of the agreement. The absence of prior written approval on any element of cost will not, in itself, affect the reasonableness or allocability of that element, unless prior approval is specifically required for allowability as described under **certain circumstances in the following sections of this part:**

(a) §200.201 Use of grant agreements (including fixed amount awards), cooperative agreements, and contracts, paragraph (b)(5);

(b) §200.306 Cost sharing or matching;

(c) §200.307 Program income;

(d) §200.308 Revision of budget and program plans;

(e) §200.311 Real property;

(f) §200.313 Equipment;

(g) §200.332 Fixed amount sub awards;

(h) §200.413 Direct costs, paragraph (c);

(i) §200.430 Compensation—personal services, paragraph (h);

(j) §200.431 Compensation—fringe benefits;

(k) §200.438 Entertainment costs;

(l) §200.439 Equipment and other capital expenditures;

(m) §200.440 Exchange rates;

(n) §200.441 Fines, penalties, damages and other settlements;

(o) §200.442 Fund raising and investment management costs;

(p) §200.445 Goods or services for personal use;

(q) §200.447 Insurance and indemnification;

(r) §200.454 Memberships, subscriptions, and professional activity costs, paragraph (c);

(s) §200.455 Organization costs;

(t) §200.456 Participant support costs;

(u) §200.458 Pre-award costs;

(v) §200.462 Rearrangement and reconversion costs;

(w) §200.467 Selling and marketing costs;

(x) §200.470 Taxes (including Value Added Tax); and

(y) §200.474 Travel costs.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE reviews grant requirements and seeks approval as necessary from granting agency.

§200.408 Limitation on allowance of costs. As outlined by the subtitle

§200.409 Special considerations. As outlined by the subtitle

§200.410 Collection of unallowable costs. As outlined by the subtitle

§200.411 Adjustment of previously negotiated indirect (F&A) cost rates containing unallowable costs. As outlined by the subtitle

DIRECT AND INDIRECT (F&A) COSTS

§200.412 Classification of costs. As outlined by the subtitle

There is no universal rule for classifying certain costs as either direct or indirect (F&A) under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost incurred for the same purpose be treated consistently in like circumstances either as a direct or an indirect (F&A) cost in order to avoid possible double-charging of Federal awards. Guidelines for determining direct and indirect (F&A) costs charged to Federal awards are provided in this subpart.

HCDE allocates cost and classifies costs according to each cost objective, and the program manager reviews, determines and certifies all costs prior to the expenditure being incurred.

§200.413 Direct costs.

As outlined by the subtitle

a) *General.* Direct costs are those costs that can be identified specifically with a particular final cost objective, such as a Federal award, or other internally or externally funded activity, or that can be directly assigned to such activities relatively easily with a high degree of accuracy. Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect (F&A) costs. See also §200.405 Allocable costs.

HCDE determines which costs are direct and documents approval from the program manager through their review and certification (approval) on expenditures.

(b) *Application to Federal awards.* Identification with the Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (F&A) costs of Federal awards. Typical costs charged directly to a Federal award are the compensation of employees who work on that award, their related fringe benefit costs, the costs of materials and other items of expense incurred for the Federal award. If directly related to a specific award, certain costs that otherwise would be treated as indirect costs may also include extraordinary utility consumption, the cost of materials supplied from stock or services rendered by specialized facilities or other institutional service operations.

(c) The salaries of administrative and clerical staff should normally be treated as indirect (F&A) costs. Direct charging of these costs may be appropriate only if all of the following conditions are met:

(1) Administrative or clerical services are integral to a project or activity;

(2) Individuals involved can be specifically identified with the project or activity;

(3) Such costs are explicitly included in the budget or have the prior written approval of the Federal awarding agency; and

(4) The costs are not also recovered as indirect costs.

HCDE identifies the cost that is associated with the federal grant in order to determine the nature of the direct or indirect cost.

(d) *Minor items.* Any direct cost of minor amount may be treated as an indirect (F&A) cost for reasons of practicality where such accounting treatment for that item of cost is consistently applied to all Federal and non-Federal cost objectives.

(e) The costs of certain activities are not allowable as charges to Federal awards. However, even though these costs are unallowable for purposes of computing charges to Federal awards, they nonetheless must be treated as direct costs for purposes of determining indirect (F&A) cost rates and be allocated their equitable share of the non-Federal entity's indirect costs if they represent activities which:

(1) Include the salaries of personnel,

(2) Occupy space, and

(3) Benefit from the non-Federal entity's indirect (F&A) costs.

HCDE calculates indirect costs according to the federal requirements, and the calculation is sent to TEA (granting agency) for review and approval.

(f) For nonprofit organizations, the costs of activities performed by the non-Federal entity primarily as a service to members, clients, or the general public when significant and necessary to the non-Federal entity's mission must be treated as direct costs whether or not allowable, and be allocated an equitable share of indirect (F&A) costs. Some examples of these types of activities include:

(1) Maintenance of membership rolls, subscriptions, publications, and related functions. See also §200.454 Memberships, subscriptions, and professional activity costs.

(2) Providing services and information to members, legislative or administrative bodies, or the public. See also §§200.454 Memberships, subscriptions, and professional activity costs and 200.450 Lobbying.

(3) Promotion, lobbying, and other forms of public relations. See also §§200.421 Advertising and public relations and 200.450 Lobbying.

(4) Conferences except those held to conduct the general administration of the non-Federal entity. See also §200.432 Conferences.

(5) Maintenance, protection, and investment of special funds not used in operation of the non-Federal entity. See also §200.442 Fund raising and investment management costs.

(6) Administration of group benefits on behalf of members or clients, including life and hospital insurance, annuity or retirement plans, and financial aid. See also §200.431 Compensation—fringe benefits.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

HCDE is a local government and not a non for profit organization.

§200.414 Indirect (F&A) costs. As outlined by the subtitle

(a) *Facilities and Administration Classification.* For major IHEs and major nonprofit organizations, indirect (F&A) costs must be classified within two broad categories: "Facilities" and "Administration." "*Facilities*" is defined as depreciation on buildings, equipment and capital improvement, interest on debt associated with certain buildings, equipment and capital improvements, and operations and maintenance expenses. *"Administration*" is defined as general administration and general expenses such as the director's office, accounting, personnel and all other types of expenditures not listed specifically under one of the subcategories of "Facilities" (including cross allocations from other pools, where applicable). For nonprofit organizations, library expenses are included in the "Administration" category; for institutions of higher education, they are included in the "Facilities" category. Major IHEs are defined as those required to use the Standard Format for Submission as noted in Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs) paragraph C. 11. Major nonprofit organizations are those which receive more than $10 million dollars in direct Federal funding.

(b) *Diversity of nonprofit organizations.* Because of the diverse characteristics and accounting practices of nonprofit organizations, it is not possible to specify the types of cost which may be classified as indirect (F&A) cost in all situations. Identification with a Federal award rather than the nature of the goods and services involved is the determining factor in distinguishing direct from indirect (F&A) costs of Federal awards. However, typical examples of indirect (F&A) cost for many nonprofit organizations may include depreciation on buildings and equipment, the costs of operating and maintaining facilities, and general administration and general expenses, such as the salaries and expenses of executive officers, personnel administration, and accounting.

(c) *Federal Agency Acceptance of Negotiated Indirect Cost Rates.* (See also §200.306 Cost sharing or matching.)

(1) The negotiated rates must be accepted by all Federal awarding agencies. A Federal awarding agency may use a rate different from the negotiated rate for a class of Federal awards or a single Federal award only when required by Federal statute or regulation, or when approved by a Federal awarding agency head or delegate based on documented justification as described in paragraph (c)(3) of this section.

(2) The Federal awarding agency head or delegate must notify OMB of any approved deviations.

(3) The Federal awarding agency must implement, and make publicly available, the policies, procedures and general decision-making criteria that their programs will follow to seek and justify deviations from negotiated rates.

(4) As required under §200.203 Notices of funding opportunities, the Federal awarding agency must include in the notice of funding opportunity the policies relating to indirect cost rate reimbursement, matching, or cost share as approved under paragraph

(e)(1) of this section. As appropriate, the Federal agency should incorporate discussion of these policies into Federal awarding agency outreach activities with non-Federal entities prior to the posting of a notice of funding opportunity.

(d) Pass-through entities are subject to the requirements in §200.331 Requirements for pass-through entities, paragraph (a)(4).

(e) Requirements for development and submission of indirect (F&A) cost rate proposals and cost allocation plans are contained in Appendices III-VII and Appendix IX as follows:

(1) Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs);

(2) Appendix IV to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations;

(3) Appendix V to Part 200—State/Local Governmentwide Central Service Cost Allocation Plans;

(4) Appendix VI to Part 200—Public Assistance Cost Allocation Plans;

(5) Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals; and

(6) Appendix IX to Part 200—Hospital Cost Principles.

(f) In addition to the procedures outlined in the appendices in paragraph (e) of this section, any non-Federal entity that has never received a negotiated indirect cost rate, except for those non-Federal entities described in Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals, paragraph D.1.b, may elect to charge a de minimis rate of 10% of modified total direct costs (MTDC) which may be used indefinitely. As described in §200.403 Factors affecting allowability of costs, costs must be consistently charged as either indirect or direct costs, but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.

(g) Any Non-Federal entity that has a current federally negotiated indirect cost rate may apply for a one-time extension of the rates in that agreement for a period of up to four years. This extension will be subject to the review and approval of the cognizant agency for indirect costs. If an extension is granted the non-Federal entity may not request a rate review until the extension period ends. At the end of the 4-year extension, the non-Federal entity must re-apply to negotiate a rate. Subsequent one-time extensions (up to four years) are permitted if a renegotiation is completed between each extension request.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75886, Dec. 19, 2014]

HCDE calculates indirect costs according to the federal requirements, and the calculation is sent to TEA (granting agency) for review and approval.

§200.415 Required certifications.

As outlined by the subtitle

Required certifications include:

(a) To assure that expenditures are proper and in accordance with the terms and conditions of the Federal award and approved project budgets, the annual and final fiscal reports or vouchers requesting payment under the agreements must include a certification, signed by an official who is authorized to legally bind the non-Federal entity, which reads as follows**: "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."**

HCDE has implemented a certification for all draw down payments in the Business Office. The Program Director, the Staff Accountant, the Chief Accounting Officer and the Assistant Supt for Business will sign.

(b) Certification of cost allocation plan or indirect (F&A) cost rate proposal. Each cost allocation plan or indirect (F&A) **cost rate proposal must comply** with the following:

(1) A proposal to establish a cost allocation plan or an indirect (F&A) cost rate, whether submitted to a Federal cognizant agency for indirect costs or maintained on file by the non-Federal entity, must be certified by the non-Federal entity using the Certificate of Cost Allocation Plan or Certificate of Indirect Costs as set forth in Appendices III through VII, and Appendix IX. **The certificate must be signed on behalf of the non-Federal entity by an individual at a level no lower than vice president or chief financial officer of the non-Federal entity that submits the proposal. HCDE has implemented this requirement as part of the submission for the rate.**

(2) Unless the non-Federal entity has elected the option under §200.414 Indirect (F&A) costs, paragraph (f), the Federal Government may either disallow all indirect (F&A) costs or unilaterally establish such a plan or rate when the non-Federal entity fails to submit a certified proposal for establishing such a plan or rate in accordance with the requirements. Such a plan or rate may be based upon audited historical data or such other data that have been furnished to the cognizant agency for indirect costs and for which it can be demonstrated that all unallowable costs have been excluded. When a

cost allocation plan or indirect cost rate is unilaterally established by the Federal Government because the non-Federal entity failed to submit a certified proposal, the plan or rate established will be set to ensure that potentially unallowable costs will not be reimbursed.

(c) Certifications by non-profit organizations as appropriate that they did not meet the definition of a major nonprofit organization as defined in §200.414 Indirect (F&A) costs, paragraph (a).

(d) See also §200.450 Lobbying for another required certification.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75886, Dec. 19, 2014]

SPECIAL CONSIDERATIONS FOR STATES, LOCAL GOVERNMENTS AND INDIAN TRIBES

§200.416 Cost allocation plans and indirect cost proposals. As outlined by the subtitle

(a) For states, local governments and Indian tribes, certain services, such as motor pools, computer centers, purchasing, accounting, etc., are provided to operating agencies on a centralized basis. Since Federal awards are performed within the individual operating agencies, **there needs to be a process whereby these central service costs can be identified and assigned to benefitted activities on a reasonable and consistent basis.** The central service cost allocation plan provides that process.

(b) Individual operating agencies (governmental department or agency), normally charge Federal awards for indirect costs through an indirect cost rate. A separate indirect cost rate(s) proposal for each operating agency is usually necessary to claim indirect costs under Federal awards. Indirect costs include:

(1) The indirect costs originating in each department or agency of the governmental unit carrying out Federal awards and

(2) The costs of central governmental services distributed through the central service cost allocation plan and not otherwise treated as direct costs.

(c) The requirements for development and submission of cost allocation plans (for central service costs and public assistance programs) and indirect cost rate proposals are contained in appendices IV, V and VI to this part.

HCDE prepares an indirect cost proposal and uses it to charge indirect costs.

§200.417 Interagency service. As outlined by the subtitle

The cost of services provided by one agency to another within the governmental unit may include allowable direct costs of the service plus a pro-rated share of indirect costs. A standard indirect cost allowance equal to ten percent of the direct salary and wage cost of providing the service (excluding overtime, shift premiums, and fringe benefits) may be used in lieu of determining the actual indirect costs of the service. These services do not include centralized services included in central service cost allocation plans as described in Appendix V to Part 200—State/Local Government and Indian Tribe-Wide Central Service Cost Allocation Plans.

HCDE prepares an indirect cost proposal and uses it to charge indirect costs.

SPECIAL CONSIDERATIONS FOR INSTITUTIONS OF HIGHER EDUCATION

§200.418 Costs incurred by states and local governments. As outlined by the subtitle

§200.419 Cost accounting standards and disclosure statement. As outlined by the subtitle

GENERAL PROVISIONS FOR SELECTED ITEMS OF COST

§200.420 Considerations for selected items of cost.

§200.421 Advertising and public relations.

(a) The term advertising costs means the costs of advertising media and corollary administrative costs. **Advertising media include magazines, newspapers, radio and television, direct mail, exhibits, electronic or computer transmittals, and the like.**

(b) The **only allowable advertising costs** are those which are solely for:

(1) The recruitment of personnel required by the non-Federal entity for performance of a Federal award (See also §200.463 Recruiting costs); **(HCDE uses advertising, but it is charged part of indirect costs).**

(2) The procurement of goods and services for the performance of a Federal award; **(HCDE uses advertising, but it is charged part of indirect costs).**

(3) The disposal of scrap or surplus materials acquired in the performance of a Federal award except when non-Federal entities are reimbursed for disposal costs at a predetermined amount; or **(HCDE uses advertising, but it is charged part of indirect costs).**

(4) Program outreach and other specific purposes necessary to meet the requirements of the Federal award. **(HCDE uses advertising, and it is charged to the direct program cost.**

(c) The term "**public relations" includes** community relations and means those activities dedicated to maintaining the image of the non-Federal entity or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.

(d) The **only allowable public relations costs** are:

(1) Costs specifically required by the Federal award; **(HCDE uses public realations, and it is charged to the direct program cost.**

(2) Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of the Federal award (these costs are considered necessary as part of the outreach effort for the Federal award); or **(HCDE uses public relations costs, but they are charged part of indirect costs).**

(3) Costs of conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern, such as notices of funding opportunities, financial matters, etc. **(HCDE uses public relations costs, but they are charged part of indirect costs).**

(e) **Unallowable advertising and public relations costs** include the following:

(1) All advertising and public relations costs other than as specified in paragraphs (b) and (d) of this section;

(2) Costs of meetings, conventions, convocations, or other events related to other activities of the entity (see also §200.432 Conferences), including:

(i) Costs of displays, demonstrations, and exhibits;

(ii) Costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events; and

(iii) Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings;

(3) Costs of promotional items and memorabilia, including models, gifts, and souvenirs;

(4) Costs of advertising and public relations designed solely to promote the non-Federal entity.

HCDE does not allow these costs to be paid through federal funds in accordance with this section.

§200.422 Advisory councils.

Costs incurred by advisory councils or committees **are unallowable** unless authorized by statute, the Federal awarding agency or as an indirect cost where allocable to Federal awards. See §200.444 General costs of government, applicable to states, local governments and Indian tribes.

HCDE does not allow these costs to be paid through federal funds in accordance with this section unless they are authorized and documented in the federal application.

§200.423 Alcoholic beverages. Unallowable

§200.424 Alumni/ae activities. Unallowable

§200.425 Audit services.

(a) A reasonably proportionate share of the costs of audits required by, and performed in accordance with, the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507), as implemented by requirements of this part, are allowable. However, the following audit costs are unallowable:

(1) Any costs when audits required by the Single Audit Act and Subpart F—Audit Requirements of this part have not been conducted or have been conducted but not in accordance therewith; and

(2) Any costs of auditing a non-Federal entity that is exempted from having an audit conducted under the Single Audit Act and Subpart F—Audit Requirements of this part because its expenditures under Federal awards are less than $750,000 during the non-Federal entity's fiscal year.

(b) The costs of a financial statement audit of a non-Federal entity that does not currently have a Federal award may be included in the indirect cost pool for a cost allocation plan or indirect cost proposal.

(c) Pass-through entities may charge Federal awards for the cost of agreed-upon-procedures engagements to monitor subrecipients (in accordance with Subpart D—Post Federal Award Requirements of this part, §§200.330 Subrecipient and contractor determinations through 200.332 Fixed Amount Sub awards) who are exempted from the requirements of the Single Audit Act and Subpart F—Audit Requirements of this part. This cost is allowable only if the agreed-upon-procedures engagements are:

(1) Conducted in accordance with GAGAS attestation standards;

(2) Paid for and arranged by the pass-through entity; and

(3) Limited in scope to one or more of the following types of compliance requirements: activities allowed or unallowed; allowable costs/cost principles; eligibility; and reporting.

(HCDE uses audit costs, but they are charged part of indirect costs).

§200.426 Bad debts. Unallowable

§200.427 Bonding costs.

(a) Bonding costs arise when the Federal awarding agency requires assurance against financial loss to itself or others by reason of the act or default of the non-Federal entity. They arise also in instances where the non-Federal entity requires similar assurance, including: bonds as bid, performance, payment, advance payment, infringement, and fidelity bonds for employees and officials.

(b) Costs of bonding required pursuant to the terms and conditions of the Federal award are allowable.

(c) Costs of bonding required by the non-Federal entity in the general conduct of its operations are allowable as an indirect cost to the extent that such bonding is in accordance with sound business practice and the rates and premiums are reasonable under the circumstances.

(HCDE uses bonding costs, but they are charged part of indirect costs).

§200.428 Collections of improper payments.

The costs incurred by a non-Federal entity to recover improper payments are allowable as either direct or indirect costs, as appropriate. Amounts collected may be used by the non-Federal entity in accordance with cash management standards set forth in §200.305 *Payment.*

(HCDE uses collections of receivables costs, but they are charged part of indirect costs).

§200.429 Commencement and convocation costs. Unallowable

§200.430 Compensation—personal services.

(a) *General.* Compensation for personal services includes all remuneration, paid currently or accrued, for services of employees rendered during the period of performance under the Federal award, including but not necessarily limited to wages and salaries. Compensation for personal services may also include fringe benefits

which are addressed in §200.431 Compensation—fringe benefits. Costs of compensation are allowable to the extent that they satisfy the specific requirements of this part, and that the total compensation for individual employees:

(1) Is reasonable for the services rendered and conforms to the established written policy of the non-Federal entity consistently applied to both Federal and non-Federal activities;

(2) Follows an appointment made in accordance with a non-Federal entity's laws and/or rules or written policies and meets the requirements of Federal statute, where applicable; and

(3) Is determined and supported as provided in paragraph (i) of this section, Standards for Documentation of Personnel Expenses, when applicable.

(b) *Reasonableness.* Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity. In cases where the kinds of employees required for Federal awards are not found in the other activities of the non-Federal entity, compensation will be considered reasonable to the extent that it is comparable to that paid for similar work in the labor market in which the non-Federal entity competes for the kind of employees involved.

(c) ***Professional activities outside the non-Federal entity.*** Unless an arrangement is specifically authorized by a Federal awarding agency, a non-Federal entity must follow its written non-Federal entity-wide policies and practices concerning the permissible extent of professional services that can be provided outside the non-Federal entity for non-organizational compensation. Where such non-Federal entity-wide written policies do not exist, or do not adequately define the permissible extent of consulting or other non-organizational activities undertaken for extra outside pay, the Federal Government may require that the effort of professional staff working on Federal awards be allocated between:

(1) Non-Federal entity activities, and

(2) Non-organizational professional activities. If the Federal awarding agency considers the extent of non-organizational professional effort excessive or inconsistent with the conflicts-of-interest terms and conditions of the Federal award, appropriate arrangements governing compensation will be negotiated on a case-by-case basis.

(d) *Unallowable costs.* (1) Costs which are unallowable under other sections of these principles must not be allowable under this section solely on the basis that they constitute personnel compensation.

(2) The allowable compensation for certain employees is subject to a ceiling in accordance with statute. For the amount of the ceiling for cost-reimbursement contracts, the covered compensation subject to the ceiling, the covered employees, and other

relevant provisions, see 10 U.S.C. 2324(e)(1)(P), and 41 U.S.C. 1127 and 4304(a)(16). For other types of Federal awards, other statutory ceilings may apply.

(e) *Special considerations.* Special considerations in determining allowability of compensation will be given to any change in a non-Federal entity's compensation policy resulting in a substantial increase in its employees' level of compensation (particularly when the change was concurrent with an increase in the ratio of Federal awards to other activities) or any change in the treatment of allowability of specific types of compensation due to changes in Federal policy.

(f) *Incentive compensation.* Incentive compensation to employees based on cost reduction, or efficient performance, suggestion awards, safety awards, etc., is allowable to the extent that the overall compensation is determined to be reasonable and such costs are paid or accrued pursuant to an agreement entered into in good faith between the non-Federal entity and the employees before the services were rendered, or pursuant to an established plan followed by the non-Federal entity so consistently as to imply, in effect, an agreement to make such payment.

(g) *Nonprofit organizations.* For compensation to members of nonprofit organizations, trustees, directors, associates, officers, or the immediate families thereof, determination must be made that such compensation is reasonable for the actual personal services rendered rather than a distribution of earnings in excess of costs. This may include directors and executive committee member's fees, incentive awards, allowances for off-site pay, incentive pay, location allowances, hardship pay, and cost-of-living differentials.

(h) *Institutions of higher education (IHEs).* (1) Certain conditions require special consideration and possible limitations in determining allowable personnel compensation costs under Federal awards. Among such conditions are the following:

(i) Allowable activities. Charges to Federal awards may include reasonable amounts for activities contributing and directly related to work under an agreement, such as delivering special lectures about specific aspects of the ongoing activity, writing reports and articles, developing and maintaining protocols (human, animals, etc.), managing substances/chemicals, managing and securing project-specific data, coordinating research subjects, participating in appropriate seminars, consulting with colleagues and graduate students, and attending meetings and conferences.

(ii) Incidental activities. Incidental activities for which supplemental compensation is allowable under written institutional policy (at a rate not to exceed institutional base salary) need not be included in the records described in paragraph (i) of this section to directly charge payments of incidental activities, such activities must either be specifically provided for in the Federal award budget or receive prior written approval by the Federal awarding agency.

(2) *Salary basis.* Charges for work performed on Federal awards by faculty members during the academic year are allowable at the IBS rate. Except as noted in

paragraph (h)(1)(ii) of this section, in no event will charges to Federal awards, irrespective of the basis of computation, exceed the proportionate share of the IBS for that period. This principle applies to all members of faculty at an institution. IBS is defined as the annual compensation paid by an IHE for an individual's appointment, whether that individual's time is spent on research, instruction, administration, or other activities. IBS excludes any income that an individual earns outside of duties performed for the IHE. Unless there is prior approval by the Federal awarding agency, charges of a faculty member's salary to a Federal award must not exceed the proportionate share of the IBS for the period during which the faculty member worked on the award.

(3) *Intra-Institution of Higher Education (IHE) consulting.* Intra-IHE consulting by faculty is assumed to be undertaken as an IHE obligation requiring no compensation in addition to IBS. However, in unusual cases where consultation is across departmental lines or involves a separate or remote operation, and the work performed by the faculty member is in addition to his or her regular responsibilities, any charges for such work representing additional compensation above IBS are allowable provided that such consulting arrangements are specifically provided for in the Federal award or approved in writing by the Federal awarding agency.

(4) Extra Service Pay normally represents overload compensation, subject to institutional compensation policies for services above and beyond IBS. Where extra service pay is a result of Intra-IHE consulting, it is subject to the same requirements of paragraph (b) above. It is allowable if all of the following conditions are met:

(i) The Non-Federal entity establishes consistent written policies which apply uniformly to all faculty members, not just those working on Federal awards.

(ii) The Non-Federal entity establishes a consistent written definition of work covered by IBS which is specific enough to determine conclusively when work beyond that level has occurred. This may be described in appointment letters or other documentations.

(iii) The supplementation amount paid is commensurate with the IBS rate of pay and the amount of additional work performed. See paragraph (h)(2) of this section.

(iv) The salaries, as supplemented, fall within the salary structure and pay ranges established by and documented in writing or otherwise applicable to the non-Federal entity.

(v) The total salaries charged to Federal awards including extra service pay are subject to the Standards of Documentation as described in paragraph (i) of this section.

(5) *Periods outside the academic year.* (i) Except as specified for teaching activity in paragraph (h)(5)(ii) of this section, charges for work performed by faculty members on Federal awards during periods not included in the base salary period will be at a rate not in excess of the IBS.

(ii) Charges for teaching activities performed by faculty members on Federal awards during periods not included in IBS period will be based on the normal written policy of the IHE governing compensation to faculty members for teaching assignments during such periods.

(6) *Part-time faculty.* Charges for work performed on Federal awards by faculty members having only part-time appointments will be determined at a rate not in excess of that regularly paid for part-time assignments.

(7) *Sabbatical leave costs.* Rules for sabbatical leave are as follow:

(i) Costs of leaves of absence by employees for performance of graduate work or sabbatical study, travel, or research are allowable provided the IHE has a uniform written policy on sabbatical leave for persons engaged in instruction and persons engaged in research. Such costs will be allocated on an equitable basis among all related activities of the IHE.

(ii) Where sabbatical leave is included in fringe benefits for which a cost is determined for assessment as a direct charge, the aggregate amount of such assessments applicable to all work of the institution during the base period must be reasonable in relation to the IHE's actual experience under its sabbatical leave policy.

(8) *Salary rates for non-faculty members.* Non-faculty full-time professional personnel may also earn “extra service pay” in accordance with the non-Federal entity's written policy and consistent with paragraph (h)(1)(i) of this section.

(i) *Standards for Documentation of Personnel Expenses* (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

(i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;

(ii) Be incorporated into the official records of the non-Federal entity;

(iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities (for IHE, this per the IHE's definition of IBS);

(iv) Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;

(v) Comply with the established accounting policies and practices of the non-Federal entity (See paragraph (h)(1)(ii) above for treatment of incidental work for IHEs.); and

(vi) [Reserved]

(vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.

(viii) Budget estimates (i.e., estimates determined before the services are performed) alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes, provided that:

(A) The system for establishing the estimates produces reasonable approximations of the activity actually performed;

(B) Significant changes in the corresponding work activity (as defined by the non-Federal entity's written policies) are identified and entered into the records in a timely manner. Short term (such as one or two months) fluctuation between workload categories need not be considered as long as the distribution of salaries and wages is reasonable over the longer term; and

(C) The Non-Federal entity's system of internal controls includes processes to review after-the-fact interim charges made to a Federal awards based on budget estimates. All necessary adjustment must be made such that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

(ix) Because practices vary as to the activity constituting a full workload (for IHEs, IBS), records may reflect categories of activities expressed as a percentage distribution of total activities.

(x) It is recognized that teaching, research, service, and administration are often inextricably intermingled in an academic setting. When recording salaries and wages charged to Federal awards for IHEs, a precise assessment of factors that contribute to costs is therefore not always feasible, nor is it expected.

(2) For records which meet the standards required in paragraph (i)(1) of this section, the non-Federal entity will not be required to provide additional support or documentation for the work performed, other than that referenced in paragraph (i)(3) of this section.

(3) In accordance with Department of Labor regulations implementing the Fair Labor Standards Act (FLSA) (29 CFR part 516), charges for the salaries and wages of nonexempt employees, in addition to the supporting documentation described in this section, must also be supported by records indicating the total number of hours worked each day.

(4) Salaries and wages of employees used in meeting cost sharing or matching requirements on Federal awards must be supported in the same manner as salaries and wages claimed for reimbursement from Federal awards.

(5) For states, local governments and Indian tribes, substitute processes or systems for allocating salaries and wages to Federal awards may be used in place of or in addition to the records described in paragraph (1) if approved by the cognizant agency for indirect cost. Such systems may include, but are not limited to, random moment sampling, “rolling” time studies, case counts, or other quantifiable measures of work performed.

(i) Substitute systems which use sampling methods (primarily for Temporary Assistance for Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP), Medicaid, and other public assistance programs) must meet acceptable statistical sampling standards including:

(A) The sampling universe must include all of the employees whose salaries and wages are to be allocated based on sample results except as provided in paragraph (i)(5)(iii) of this section;

(B) The entire time period involved must be covered by the sample; and

(C) The results must be statistically valid and applied to the period being sampled.

(ii) Allocating charges for the sampled employees' supervisors, clerical and support staffs, based on the results of the sampled employees, will be acceptable.

(iii) Less than full compliance with the statistical sampling standards noted in subsection (5)(i) may be accepted by the cognizant agency for indirect costs if it concludes that the amounts to be allocated to Federal awards will be minimal, or if it concludes that the system proposed by the non-Federal entity will result in lower costs to Federal awards than a system which complies with the standards.

(6) Cognizant agencies for indirect costs are encouraged to approve alternative proposals based on outcomes and milestones for program performance where these are clearly documented. Where approved by the Federal cognizant agency for indirect costs, these plans are acceptable as an alternative to the requirements of paragraph (i)(1) of this section.

(7) For Federal awards of similar purpose activity or instances of approved blended funding, a non-Federal entity may submit performance plans that incorporate funds from multiple Federal awards and account for their combined use based on performance-oriented metrics, provided that such plans are approved in advance by all involved Federal awarding agencies. In these instances, the non-Federal entity must submit a request for waiver of the requirements based on documentation that describes the method of charging costs, relates the charging of costs to the specific activity that is

applicable to all fund sources, and is based on quantifiable measures of the activity in relation to time charged.

(8) For a non-Federal entity where the records do not meet the standards described in this section, the Federal Government may require personnel activity reports, including prescribed certifications, or equivalent documentation that support the records as required in this section.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75886, Dec. 19, 2014]

(HCDE uses personnel costs, and they are charged part of direct costs as allowed under this section.

§200.431 Compensation—fringe benefits.

(a) Fringe benefits are allowances and services provided by employers to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave (vacation, family-related, sick or military), employee insurance, pensions, and unemployment benefit plans. Except as provided elsewhere in these principles, the costs of fringe benefits are allowable provided that the benefits are reasonable and are required by law, non-Federal entity-employee agreement, or an established policy of the non-Federal entity.

HCDE allocates fringe benefits in accordance with policies consistent to federal and non-federal cost objectives.

(b) *Leave.* The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, family-related leave, sick leave, holidays, court leave, military leave, administrative leave, and other similar benefits, are allowable if all of the following criteria are met:

(1) They are provided under established written leave policies; **HCDE applies all personnel policies consistently to all employees.**

(2) The costs are equitably allocated to all related activities, including Federal awards; and, **HCDE applies all personnel policies consistently to all employees.**

(3) The accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the non-Federal entity or specified grouping of employees. **HCDE uses modified accrual basis of accounting as required by GASB standards. For drawdown purposes, HCDE uses cash basis which means that it pays for costs and then is reimbursed from the grant.**

(i) When a non-Federal entity uses the cash basis of accounting, the cost of leave is recognized in the period that the leave is taken and paid for. Payments for unused leave when an employee retires or terminates employment are allowable in the year of payment. **For drawdown purposes, HCDE uses cash basis which means that it pays for costs and then is reimbursed from the grant.**

(ii) The accrual basis may be only used for those types of leave for which a liability as defined by GAAP exists when the leave is earned. When a non-Federal entity uses the accrual basis of accounting, allowable leave costs are the lesser of the amount accrued or funded.

For drawdown purposes, HCDE uses cash basis which means that it pays for costs and then is reimbursed from the grant.

(c) The cost of fringe benefits in the form of employer contributions or expenses for social security; employee life, health, unemployment, and worker's compensation insurance (except as indicated in §200.447 Insurance and indemnification); pension plan costs (see paragraph (i) of this section); and other similar benefits are allowable, provided such benefits are granted under established written policies. Such benefits, must be allocated to Federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such Federal awards and other activities, and charged as direct or indirect costs in accordance with the non-Federal entity's accounting practices. **HCDE grants fringe benefits in accordance with established policies.**

(d) Fringe benefits may be assigned to cost objectives by identifying specific benefits to specific individual employees or by allocating on the basis of entity-wide salaries and wages of the employees receiving the benefits. When the allocation method is used, separate allocations must be made to selective groupings of employees, unless the non-Federal entity demonstrates that costs in relationship to salaries and wages do not differ significantly for different groups of employees.

HCDE allocates fringe benefits in accordance with policies consistent to federal and non-federal cost objectives.

(e) *Insurance.* See also §200.447 Insurance and indemnification, paragraphs (d)(1) and (2).

(1) Provisions for a reserve under a self-insurance program for unemployment compensation or workers' compensation are allowable to the extent that the provisions represent reasonable estimates of the liabilities for such compensation, and the types of coverage, extent of coverage, and rates and premiums would have been allowable had insurance been purchased to cover the risks. However, provisions for self-insured liabilities which do not become payable for more than one year after the provision is made must not exceed the present value of the liability.

HCDE allocates worker's comp. costs in accordance with policies consistent to federal and non-federal cost objectives.

(2) Costs of insurance on the lives of trustees, officers, or other employees holding positions of similar responsibility are allowable only to the extent that the insurance represents additional compensation. The costs of such insurance when the non-Federal entity is named as beneficiary are unallowable.

HCDE provides life insurance coverage to all employees consistent with personnel policies.

(3) Actual claims paid to or on behalf of employees or former employees for workers' compensation, unemployment compensation, severance pay, and similar employee benefits (e.g., post-retirement health benefits), are allowable in the year of payment provided that the non-Federal entity follows a consistent costing policy.

HCDE allocates insurance costs in accordance with policies consistent to federal and non-federal cost objectives.

(f) *Automobiles.* That portion of automobile costs furnished by the entity that relates to personal use by employees (including transportation to and from work) **is unallowable** as fringe benefit or indirect (F&A) costs regardless of whether the cost is reported as taxable income to the employees.

HCDE does not provide auto allowances for employees charged to federal grants.

(g) *Pension Plan Costs.* Pension plan costs which are incurred in accordance with the established policies of the non-Federal entity are allowable, provided that:

(1) Such policies meet the test of reasonableness.

(2) The methods of cost allocation are not discriminatory.

(3) For entities using accrual based accounting, the cost assigned to each fiscal year is determined in accordance with GAAP.

(4) The costs assigned to a given fiscal year are funded for all plan participants within six months after the end of that year. However, increases to normal and past service pension costs caused by a delay in funding the actuarial liability beyond 30 calendar days after each quarter of the year to which such costs are assignable are unallowable. Non-Federal entity may elect to follow the "Cost Accounting Standard for Composition and Measurement of Pension Costs" (48 CFR 9904.412).

(5) Pension plan termination insurance premiums paid pursuant to the Employee Retirement Income Security Act (ERISA) of 1974 (29 U.S.C. 1301-1461) are allowable. Late payment charges on such premiums are unallowable. Excise taxes on

accumulated funding deficiencies and other penalties imposed under ERISA are unallowable.

(6) Pension plan costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the non-Federal entity.

(i) For pension plans financed on a pay-as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries.

(ii) Pension costs calculated using an actuarial cost-based method recognized by GAAP are allowable for a given fiscal year if they are funded for that year within six months after the end of that year. Costs funded after the six-month period (or a later period agreed to by the cognizant agency for indirect costs) are allowable in the year funded. The cognizant agency for indirect costs may agree to an extension of the six-month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal Government and related Federal reimbursement and the non-Federal entity's contribution to the pension fund. Adjustments may be made by cash refund or other equitable procedures to compensate the Federal Government for the time value of Federal reimbursements in excess of contributions to the pension fund.

(iii) Amounts funded by the non-Federal entity in excess of the actuarially determined amount for a fiscal year may be used as the non-Federal entity's contribution in future periods.

(iv) When a non-Federal entity converts to an acceptable actuarial cost method, as defined by GAAP, and funds pension costs in accordance with this method, the unfunded liability at the time of conversion is allowable if amortized over a period of years in accordance with GAAP.

(v) The Federal Government must receive an equitable share of any previously allowed pension costs (including earnings thereon) which revert or inure to the non-Federal entity in the form of a refund, withdrawal, or other credit.

HCDE allocates pension costs in accordance with policies consistent to federal and non-federal cost objectives.

(h) *Post-Retirement Health.* Post-retirement health plans (PRHP) refers to costs of health insurance or health services not included in a pension plan covered by paragraph (g) of this section for retirees and their spouses, dependents, and survivors. PRHP costs may be computed using a pay-as-you-go method or an acceptable actuarial cost method in accordance with established written policies of the non-Federal entity.

HCDE does not provide post-retirement health costs.

(1) For PRHP financed on a pay-as-you-go method, allowable costs will be limited to those representing actual payments to retirees or their beneficiaries.

(2) PRHP costs calculated using an actuarial cost method recognized by GAAP are allowable if they are funded for that year within six months after the end of that year. Costs funded after the six-month period (or a later period agreed to by the cognizant agency) are allowable in the year funded. The Federal cognizant agency for indirect costs may agree to an extension of the six-month period if an appropriate adjustment is made to compensate for the timing of the charges to the Federal Government and related Federal reimbursements and the non-Federal entity's contributions to the PRHP fund. Adjustments may be made by cash refund, reduction in current year's PRHP costs, or other equitable procedures to compensate the Federal Government for the time value of Federal reimbursements in excess of contributions to the PRHP fund.

(3) Amounts funded in excess of the actuarially determined amount for a fiscal year may be used as the Federal Government's contribution in a future period.

(4) When a non-Federal entity converts to an acceptable actuarial cost method and funds PRHP costs in accordance with this method, the initial unfunded liability attributable to prior years is allowable if amortized over a period of years in accordance with GAAP, or, if no such GAAP period exists, over a period negotiated with the cognizant agency for indirect costs.

(5) To be allowable in the current year, the PRHP costs must be paid either to:

(i) An insurer or other benefit provider as current year costs or premiums, or

(ii) An insurer or trustee to maintain a trust fund or reserve for the sole purpose of providing post-retirement benefits to retirees and other beneficiaries.

(6) The Federal Government must receive an equitable share of any amounts of previously allowed post-retirement benefit costs (including earnings thereon) which revert or inure to the non-Federal entity in the form of a refund, withdrawal, or other credit.

HCDE does not provide post-retirement benefits

(i) *Severance Pay.* (1) Severance pay, also commonly referred to as dismissal wages, is a payment in addition to regular salaries and wages, by non-Federal entities to workers whose employment is being terminated. Costs of severance pay are allowable only to the extent that in each case, it is required by (a) law, (b) employer-employee agreement, (c) established policy that constitutes, in effect, an implied agreement on the non-Federal entity's part, or (d) circumstances of the particular employment.

(2) Costs of severance payments are divided into two categories as follows:

(i) Actual normal turnover severance payments must be allocated to all activities; or, where the non-Federal entity provides for a reserve for normal severances, such method will be acceptable if the charge to current operations is reasonable in light of

payments actually made for normal severances over a representative past period, and if amounts charged are allocated to all activities of the non-Federal entity.

(ii) Measurement of costs of abnormal or mass severance pay by means of an accrual will not achieve equity to both parties. Thus, accruals for this purpose are not allowable. However, the Federal Government recognizes its obligation to participate, to the extent of its fair share, in any specific payment. Prior approval by the Federal awarding agency or cognizant agency for indirect cost, as appropriate, is required.

(3) Costs incurred in certain severance pay packages which are in an amount in excess of the normal severance pay paid by the non-Federal entity to an employee upon termination of employment and are paid to the employee contingent upon a change in management control over, or ownership of, the non-Federal entity's assets, are unallowable.

(4) Severance payments to foreign nationals employed by the non-Federal entity outside the United States, to the extent that the amount exceeds the customary or prevailing practices for the non-Federal entity in the United States, are unallowable, unless they are necessary for the performance of Federal programs and approved by the Federal awarding agency.

HCDE adheres to this section when severance pay is paid in accordance with personnel policies.

(5) Severance payments to foreign nationals employed by the non-Federal entity outside the United States due to the termination of the foreign national as a result of the closing of, or curtailment of activities by, the non-Federal entity in that country, are unallowable, unless they are necessary for the performance of Federal programs and approved by the Federal awarding agency.

HCDE adheres to this section when severance pay is paid in accordance with personnel policies.

(j)(1) *For IHEs only.* Fringe benefits in the form of tuition or remission of tuition for individual employees are allowable, provided such benefits are granted in accordance with established non-Federal entity policies, and are distributed to all non-Federal entity activities on an equitable basis. Tuition benefits for family members other than the employee is unallowable.

(2) Fringe benefits in the form of tuition or remission of tuition for individual employees not employed by IHEs are limited to the tax-free amount allowed per section 127 of the Internal Revenue Code as amended.

(3) IHEs may offer employees tuition waivers or tuition reductions for undergraduate education under IRC Section 117(d) as amended, provided that the benefit does not discriminate in favor of highly compensated employees. Federal reimbursement of tuition or remission of tuition is also limited to the institution for which

the employee works. See §200.466 Scholarships and student aid costs, for treatment of tuition remission provided to students.

(k) For IHEs whose costs are paid by state or local governments, fringe benefit programs (such as pension costs and FICA) and any other benefits costs specifically incurred on behalf of, and in direct benefit to, the non-Federal entity, are allowable costs of such non-Federal entities whether or not these costs are recorded in the accounting records of the non-Federal entities, subject to the following:

(1) The costs meet the requirements of Basic Considerations in §§200.402 Composition of costs through 200.411 Adjustment of previously negotiated indirect (F&A) cost rates containing unallowable costs of this subpart;

(2) The costs are properly supported by approved cost allocation plans in accordance with applicable Federal cost accounting principles; and

(3) The costs are not otherwise borne directly or indirectly by the Federal Government.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75886, Dec. 19, 2014]

HCDE charges fringe benefits costs to the grant as part of direct costs as allowed under this section.

§200.432 Conferences.

A conference is defined as a meeting, retreat, seminar, symposium, workshop or event whose primary purpose is the dissemination of technical information beyond the non-Federal entity and is necessary and reasonable for successful performance under the Federal award.

Allowable conference costs paid by the non-Federal entity as a sponsor or host of the conference may include rental of facilities, speakers' fees, costs of meals and refreshments, local transportation, and other items incidental to such conferences unless further restricted by the terms and conditions of the Federal award. As needed, the costs of identifying, but not providing, locally available dependent-care resources are allowable.

Conference hosts/sponsors must exercise discretion and judgment in ensuring that conference costs are appropriate, necessary and managed in a manner that minimizes costs to the Federal award.

The Federal awarding agency may authorize exceptions where appropriate for programs including Indian tribes, children, and the elderly. See also §§200.438 Entertainment costs, 200.456 Participant support costs, 200.474 Travel costs, and 200.475 Trustees.

HCDE adheres to these guidelines and charges costs as direct costs as necessary.

§200.433 Contingency provisions. Unallowable
§200.434 Contributions and donations. Unallowable
§200.435 Defense and prosecution of criminal and civil proceedings, Unallowable
claims, appeals and patent infringements. Unallowable
§200.436 Depreciation. Allowable
§200.437 Employee health and welfare costs. Allowable

(a) Costs incurred in accordance with the non-Federal entity's documented policies for the improvement of working conditions, employer-employee relations, employee health, and employee performance are allowable.

(b) Such costs will be equitably apportioned to all activities of the non-Federal entity. Income generated from any of these activities will be credited to the cost thereof unless such income has been irrevocably sent to employee welfare organizations.

(c) Losses resulting from operating food services are allowable only if the non-Federal entity's objective is to operate such services on a break-even basis. Losses sustained because of operating objectives other than the above are allowable only:

(1) Where the non-Federal entity can demonstrate unusual circumstances; and

(2) With the approval of the cognizant agency for indirect costs.

HCDE adheres to this section when severance pay is paid in accordance with personnel policies. Health insurance is allocated based on rates paid to insurance provider.

§200.438 Entertainment costs. Unallowable

Costs of entertainment, including amusement, diversion, and social activities and any associated costs are unallowable, **except where specific costs** that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the Federal award or with prior written approval of the Federal awarding agency.

HCDE does not charge entertainment costs, except as identified in the grant.

§200.439 Equipment and other capital expenditures. Allowable if in the grant.

§200.440 Exchange rates. **Allowable**
§200.441 Fines, penalties, damages and other settlements. **Unallowable**

§200.442 Fund raising and investment management costs. **Unallowable**
§200.443 Gains and losses on disposition of depreciable assets. **Allowable – net of expenditure**
§200.444 General costs of government. **Unallowable**

§200.445 Goods or services for personal use. **Unallowable**
§200.446 Idle facilities and idle capacity. **Allowable**
§200.447 Insurance and indemnification. **Allowable**
§200.448 Intellectual property. **Unallowable**
§200.449 Interest. **Allowable**
§200.450 Lobbying. **Unallowable**
§200.451 Losses on other awards or contracts. **Unallowable**
§200.452 Maintenance and repair costs. **Allowable**
§200.453 Materials and supplies costs, including costs of computing devices. **Allowable**
§200.454 Memberships, subscriptions, and professional activity costs. **Allowable**
§200.455 Organization costs. **Unallowable**
§200.456 Participant support costs. **Allowable**
§200.457 Plant and security costs. **Allowable**
§200.458 Pre-award costs. **Allowable**
§200.459 Professional service costs.

(a) Costs of professional and consultant services rendered by persons who are members of a particular profession or possess a special skill, and who are not officers or employees of the non-Federal entity, **are allowable,** subject to paragraphs (b) and (c) when reasonable in relation to the services rendered and when not contingent upon recovery of the costs from the Federal Government. In addition, legal and related services are limited under §200.435 Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringements.

(b) In determining the allowability of costs in a particular case, no single factor or any special combination of factors is necessarily determinative. However, the following factors are relevant:

(1) The nature and scope of the service rendered in relation to the service required.

(2) The necessity of contracting for the service, considering the non-Federal entity's capability in the particular area.

(3) The past pattern of such costs, particularly in the years prior to Federal awards.

(4) The impact of Federal awards on the non-Federal entity's business (i.e., what new problems have arisen).

(5) Whether the proportion of Federal work to the non-Federal entity's total business is such as to influence the non-Federal entity in favor of incurring the cost, particularly where the services rendered are not of a continuing nature and have little relationship to work under Federal awards.

(6) Whether the service can be performed more economically by direct employment rather than contracting.

(7) The qualifications of the individual or concern rendering the service and the customary fees charged, especially on non-federally funded activities.

(8) Adequacy of the contractual agreement for the service (e.g., description of the service, estimate of time required, rate of compensation, and termination provisions).

(c) In addition to the factors in paragraph (b) of this section, to be allowable, retainer fees must be supported by evidence of bona fide services available or rendered.

HCDE has consultant and professional services guidelines to include evaluation of consultant versus employee determination.

§200.460 Proposal costs.

Proposal costs are the costs of preparing bids, proposals, or applications on potential Federal and non-Federal awards or projects, including the development of data necessary to support the non-Federal entity's bids or proposals. Proposal costs of the current accounting period of both successful and unsuccessful bids and proposals normally should be treated as indirect (F&A) costs and allocated currently to all activities of the non-Federal entity. No proposal costs of past accounting periods will be allocable to the current period.

HCDE charges proposal costs to indirect costs.

§200.461 Publication and printing costs. Allowable
§200.462 Rearrangement and reconversion costs. Allowable
§200.463 Recruiting costs. Allowable
§200.464 Relocation costs of employees. Allowable
§200.465 Rental costs of real property and equipment. Allowable

§200.466 Scholarships and student aid costs. Allowable
§200.467 Selling and marketing costs. Unallowable
§200.468 Specialized service facilities. Allowable
§200.469 Student activity costs. Unallowable
§200.470 Taxes (including Value Added Tax). Allowable
§200.471 Termination costs. Unallowable
§200.472 Training and education costs. Allowable
§200.473 Transportation costs. Allowable
§200.474 Travel costs.

200.474 Travel costs.

(a) *General.* Travel costs are the expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-Federal entity. **Such costs may be charged** on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the non-Federal entity's non-federally-funded activities and in accordance with non-Federal entity's written travel reimbursement policies. Notwithstanding the provisions of §200.444 General costs of government, travel costs of officials covered by that section are allowable with the prior written approval of the Federal awarding agency or pass-through entity when they are specifically related to the Federal award.

(b) *Lodging and subsistence.* Costs incurred by employees and officers for travel, including costs of lodging, other subsistence, and incidental expenses, must be considered reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the non-Federal entity in its regular operations as the result of the non-Federal entity's written travel policy. In addition, if these costs are charged directly to the Federal award documentation **must justify that:**

(1) Participation of the individual is necessary to the Federal award; and

(2) The costs are reasonable and consistent with non-Federal entity's established travel policy.

(c)(1) Temporary dependent care costs (as dependent is defined in 26 U.S.C. 152) above and beyond regular dependent care that directly results from travel to conferences is allowable provided that:

(i) The costs are a direct result of the individual's travel for the Federal award;

(ii) The costs are consistent with the non-Federal entity's documented travel policy for all entity travel; and

(iii) Are only temporary during the travel period.

(2) Travel costs for dependents are unallowable, except for travel of duration of six months or more with prior approval of the Federal awarding agency. See also §200.432 Conferences.

(d) In the absence of an acceptable, written non-Federal entity policy regarding travel costs, the rates and amounts established under 5 U.S.C. 5701-11, ("Travel and Subsistence Expenses; Mileage Allowances"), or by the Administrator of General Services, or by the President (or his or her designee) pursuant to any provisions of such subchapter must apply to travel under Federal awards (48 CFR 31.205-46(a)).

(e) *Commercial air travel.* (1) Airfare costs in excess of the basic least expensive unrestricted accommodations class offered by commercial airlines are unallowable except when such accommodations would:

(i) Require circuitous routing;

(ii) Require travel during unreasonable hours;

(iii) Excessively prolong travel;

(iv) Result in additional costs that would offset the transportation savings; or

(v) Offer accommodations not reasonably adequate for the traveler's medical needs. The non-Federal entity must justify and document these conditions on a case-by-case basis in order for the use of first-class or business-class airfare to be allowable in such cases.

(2) Unless a pattern of avoidance is detected, the Federal Government will generally not question a non-Federal entity's determinations that customary standard airfare or other discount airfare is unavailable for specific trips if the non-Federal entity can demonstrate that such airfare was not available in the specific case.

(f) *Air travel by other than commercial carrier.* Costs of travel by non-Federal entity-owned, -leased, or -chartered aircraft include the cost of lease, charter, operation (including personnel costs), maintenance, depreciation, insurance, and other related costs. The portion of such costs that exceeds the cost of airfare as provided for in paragraph (d) of this section, is unallowable.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75887, Dec. 19, 2014]

HCDE has a travel policy that meets this section's requirements.

§200.475 Trustees. Allowable

Subpart F—Audit Requirements

GENERAL

§200.500 Purpose.

AUDITS

§200.501 Audit requirements.
§200.502 Basis for determining Federal awards expended.
§200.503 Relation to other audit requirements.
§200.504 Frequency of audits.
§200.505 Sanctions.
§200.506 Audit costs.
§200.507 Program-specific audits.

AUDITEES

§200.508 Auditee responsibilities.
§200.509 Auditor selection.
§200.510 Financial statements.

(a) *Financial statements.* The auditee must prepare financial statements that reflect its financial position, results of operations or changes in net assets, and, where appropriate, cash flows for the fiscal year audited. The financial statements must be for the same organizational unit and fiscal year that is chosen to meet the requirements of this part. However, non-Federal entity-wide financial statements may also include departments, agencies, and other organizational units that have separate audits in accordance with §200.514 Scope of audit, paragraph (a) and prepare separate financial statements.

(b) *Schedule of expenditures of Federal awards.* The auditee must also prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with §200.502 Basis for determining Federal awards expended. While not required, the auditee may choose to provide information requested by Federal awarding agencies and pass-through entities to make the schedule easier to use. For example, when a Federal program has multiple Federal award years, the auditee may list the number of Federal awards expended for each Federal award year separately. At a minimum, the schedule must:

(1) List individual Federal programs by Federal agency. For a cluster of programs, provide the cluster name, list individual Federal programs within the cluster of programs, and provide the applicable Federal agency name. For R&D, total Federal awards expended must be shown either by individual Federal award or by Federal agency and major subdivision within the Federal agency. For example, the National Institutes of Health is a major subdivision in the Department of Health and Human Services.

(2) For Federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.

(3) Provide total Federal awards expended for each individual Federal program and the CFDA number or other identifying number when the CFDA information is not available. For a cluster of programs also provide the total for the cluster.

(4) Include the total amount provided to subrecipients from each Federal program.

(5) For loan or loan guarantee programs described in §200.502 Basis for determining Federal awards expended, paragraph (b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total Federal awards expended for loan or loan guarantee programs in the schedule.

(6) Include notes that describe that significant accounting policies used in preparing the schedule, and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75887, Dec. 19, 2014]

HCDE prepares monthly financial statements and reports all activity as required.

§200.511 Audit findings follow-up.
§200.512 Report submission.

FEDERAL AGENCIES

§200.513 Responsibilities.

AUDITORS

§200.514 Scope of audit.
§200.515 Audit reporting.
§200.516 Audit findings.
§200.517 Audit documentation.
§200.518 Major program determination.
§200.519 Criteria for Federal program risk.
§200.520 Criteria for a low-risk auditee.

MANAGEMENT DECISIONS

§200.521 Management decision.
Appendix I to Part 200—Full Text of Notice of Funding Opportunity
Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under

Federal Awards
Appendix III to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Institutions of Higher Education (IHEs)
Appendix IV to Part 200—Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations
Appendix V to Part 200—State/Local Government-wide Central Service Cost Allocation Plans
Appendix VI to Part 200—Public Assistance Cost Allocation Plans
Appendix VII to Part 200—States and Local Government and Indian Tribe Indirect Cost Proposals
Appendix VIII to Part 200—Nonprofit Organizations Exempted From Subpart E—Cost Principles of Part 200
Appendix IX to Part 200—Hospital Cost Principles
Appendix X to Part 200—Data Collection Form (Form SF-SAC)
Appendix XI to Part 200—Compliance Supplement

Standards

Financial Management Standards consist of the application of fiscal controls and written accounting procedures used in managing the program funds. Federal regulations require that (1) financial reporting be accurate, current and disclosed in accordance with the requirements set forth by the respective granting agency; (2) accounting records be maintained and include all documentation pertaining to the source and application of funds provided in the grant award; (3) effective controls over and accountability for all funds must be adequately maintained; (4) financial reports regarding the actual expenditure or outlays compared with budget must be produced monthly; (5) cash management provides assurance for safeguarding funds in an effective and efficient manner; (6) procedures in determining the reasonableness, allocability, and allowability of costs are followed in accordance with the provisions applicable to the federal cost principles and (7) all accounting records and documentation support the procurement of all assets funded by the grant.

Requirements

A federal review of various grant programs will be conducted at least once every **year by the HCDE Business Office**. The fiscal portion of the review is designed to monitor the performances of the grantee's (HCDE) financial management of program funds. In addition to this mandated review, a targeted on-site review may be performed whenever necessary and deemed by the Business Office.

References

All federal rules, regulations and standards for the program are cited by the Uniform Grant Compliance and other related federal legislative correspondence.

Allowable Costs

Determinate of allowable costs

All costs charged to the program grant must meet the following requirements: (1) be approved by authorized personnel (director, supervisor, etc.); (2) determined as reasonable; (3) allocable to the program for which the grant was awarded; (4) permitted under the appropriate cost principles prescribed in **Title 2 of the federal regulations, Subtitle A, Part 200.** 5) not restricted or prohibited by the terms and conditions of the grant and (6) be in accordance with generally accepted accounting principles (GAAP).

Procedures and Prohibited Costs

All requests to charge **any cost** to the program must follow all procedures as stated in the HCDE Financial Operating Guidelines. Obtaining proper authorizations and signatures is important to ensure adequate internal controls. Refer to **Title 2 of the federal regulations, Subtitle A, Part 200** for a list of prohibited costs.

Costs should be allocable to the program if they benefit the project either directly or indirectly. Costs are considered direct if they are for a specific activity, program or project. Costs are considered indirect if they are necessary for the operation of the organization, but are not incurred for a specific activity, program or project.

Under no circumstances should any cost be charged to the program if it is not an allowable cost or if the cost has not been approved by the granting agency.

HCDE account code structure emphasizes the use of line-item budgeting that specifically identifies the type of cost that is charged. All programs are required to use that same code structure.

Expenditure Obligations

Definition
Only allowable costs associated with the grant period may be charged to the grant award. Funds awarded are available for obligation at any time during the budget period. No funds are to be obligated after the grant ends (meaning after the expiration of the grant funding period or termination of the grant funds).

When Obligation Occurs
Grant funds may not be used for obligations or expenditures made prior to the beginning date of an initial grant without prior written approval by the granting agency.

The following types of goods and/or services are considered to be obligated during the availability of funds:

- Services by an employee are obligated on the date the services are performed.
- Services by a contractor are obligated on the date of a binding written commitment or the date the services are received.
- Accrued vacations are obligated on the date the leave is earned.
- Public utility services are obligated on the date services are received.
- Travel is obligated on the date the travel is taken.
- Acquisition of real property is obligated on the date of a binding written commitment or the date the property is received.
- Rental of real or personal property is obligated when property is used.
- Acquisition of supplies, equipment and other personal property are obligated on the date the goods or services were ordered from the vendor or on the date of a binding written commitment.

Compliance Requirements
To insure compliance with federal regulations and the policies and procedures addressed in **Title 2 of the federal regulations, Subtitle A, Part 200**, all obligations must be incurred before the end of the project period and must be liquidated within no more than 90 days after the end of the project period. The final SF-425 Federal Financial Report (FFR) should reflect the liquidation of any obligations which remained outstanding at the time the previous report was submitted. Any situation that will delay full liquidation of obligations after the 90-day period must have prior written approval from the granting agency for unobligated balances.

Administrative Costs

Definition

Administrative costs are those costs related to organization-wide management functions plus the costs of management functions for each individual program within the organization. These costs can be in both the personnel and non-personnel categories. All management functions such as planning; coordination and direction; budgeting, accounting, auditing and management of payroll, personnel, purchasing and property are considered administrative costs.

Identification

Program administrative cost is currently identified and denoted within the account code structure. It is used as one of the program components in conjunction with the cost center. For example, all cost generated by the Program Director is categorized as administrative cost. The expenditure will be identified in the chart of accounts as 41-610. The "41" represents the function for Administration costs and the "610" represents the cost center for Irvington.

Each program also identifies costs that may be associated with more than one program component and cost center. This cost is called "dual benefit costs". During the budget process cost is allocated in two distinctive categories: personnel and non-personnel expenditures. Personnel expenditures for program managers, coordinators, center managers and some specialists are allocated based on "dual benefit costs". Others are either 100% charged to a specific program or to administration. Non-personnel expenditures are allocated 100% based on the program, the location and the cost category. For instance, if a Head Start center is in need of repairs for any area of the facility, that cost will be allocated to a program-wide cost category for facilities and the specified location. For example, under the current account code structure, it will be denoted in the chart of accounts as "51-641". The "51" represents the function for Facilities Maintenance and Operation, the "641" represents the cost center for a particular Head Start center (in this example, "641" denotes Compton Head Start Center). All Head Start centers will have a budget for personnel and non-personnel expenditures.

Monitoring

The amount of allowable administrative cost that may be incurred during any given grant period can not exceed 15% of the total annual approved costs of the program, unless a temporary waiver was granted by the granting agency. Periodic calculations should be made to ensure that the maximum administrative cost is not exceeded. Monitoring of administrative cost calculations should be communicated with the Program Director or included in all financial reports whether generated by the accounting system or some form of spreadsheet. All supporting documentation of calculations should accompany.

Indirect Cost

Definition

Indirect Costs are costs incurred by the individual program that are not readily identifiable with a particular project or program but are necessary for the operation and performance of the program. Examples of indirect cost include business services, human resources, purchasing and technology support services, operating and maintaining facilities and depreciation.

Indirect Cost Rate Agreement

HCDE indirect cost rate agreement is established by the Texas Education Agency and is effective for the period July through June of the fiscal year. Each program uses the effective rate for the current grant period. Calculation of indirect cost is obtained with the use of a cash drawdown spreadsheet.

Calculation

The cash drawdown spreadsheet calculates the indirect cost based on the total of all allowable and allocable cost minus any reimbursements and capital outlay. The spreadsheet is designed to keep track and monitor the total cash outlays, the amount of cash received and the total amount of indirect cost recorded.

Cost Allocation Method

Method Used

The cost allocation method currently used by each program is practiced as stated:

The total approved budget is divided into two categories: personnel and non-personnel expenditures. The personnel expenditures are further divided into administrative and program cost percentages, where applicable.

Cost allocation rates are determined through a review of all positions that are paid by each grant. On a periodic basis, HCDE and Program Management review the activities and scope of each job to ensure costs are allocated appropriately. **In addition, each program director shall be required to review payroll distributions each month. All payroll distributions shall be approved by the applicable business office staff accountant and the program director.**

Non-personnel expenditures such as postage, facilities maintenance, utilities, etc. are charged depending on the location usage. All education related goods or services will be charged to the education program. The utilities for a particular location will be charged to a program-wide code identifying that particular location.

All efforts are made to ensure that each program component receives equitable funds to carry out its objectives and to run a smooth program. Budgeted line-items may be adjusted periodically, not to exceed the total budget, as needed by the individual programs.

Cash Management

Cash Drawdowns

All program obligations are paid on a reimbursement basis. Cash drawdowns are initiated and requested electronically through the Payment Management System. Drawdowns (or other drawdowns as identified by the respective grant) should be requested at least monthly to cover prior expenditures. All efforts should be made to minimize idle cash in the bank. **In addition, each program director will be asked to review drawdowns and approve them.**

Prohibited Cash Transactions

At no time should program monies be used to cover expenditures for other activities not related to the respective program. All interfund loans are strictly prohibited.

Settling of Due To and Due From Transactions

The current accounting system automatically generates due to (receivables) and due from (payables) transactions, as necessary. Due To and Due From transactions are settled on a monthly basis.

Internal Controls

All efforts should be made to ensure that all funds are adequately insured at all times. Bank deposits and collateral coverages are monitored on a daily basis by the Accounting Manager. Bank reconciliations should be done on a monthly basis and should be reviewed and signed by an authorized party.

Interest Earnings

All bank interest earnings are transferred to the general operating fund.

Budgeting & Monitoring

Compliance

To comply with **Title 2 of the federal regulations, Subtitle A, Part 200**, and HCDE board policy, actual expenditures or outlays must be compared with budgeted amounts. Program monthly budget reports are generated and distributed to the program director and HCDE Board of Directors.

Budget Preparation

The Budget is prepared by the Program Director in conjunction with the Business Office Staff Accountant. The approved Budget is forwarded to the Business Office to be entered into the accounting system by the Staff Accountant.

Responsible Parties

The Staff Accountant is responsible for monitoring and preparing all budget amendments for the program grant.

Additional financial reports are prepared by the Staff Accountant to further define cost and to monitor spending.

Authorizations

All forms of payment authorizations requiring the use of program funds and the reduction of the budget require the signature of the Program Director AND the Staff Accountant. This will insure that all goods and/or services are reviewed and determined to be allowable, reasonable and allocable as described in the cost principle guidelines **Title 2 of the federal regulations, Subtitle A, Part 200.**

Although the Program budget is prepared outside the planning and preparation of the overall HCDE budget, all policies and procedures in regard to budget maintenance should adhere to those set forth by HCDE. Refer to HCDE Budget requirements.

Financial Reporting

HCDE is committed to exercising sound financial and business management practices for all funds, including all grants, to ensure that the organization's overall objectives are met.

Preparation
All financial reporting must be completed on the appropriate form provided by the granting agency. There are two main reports that are required to be submitted during each grant period.

Requirements
SF-425 Federal Financial Report (FFR) is used to report the status of the grant funds. This report is required to be submitted within 30 days after the end of the first and last six months of each annual budget period. A final report must be submitted no later than 90 days after the end of each budget period. This report should accompany all documentation used to report the financial status of the grant and should be reconcilable to the accounting records. Additional information required should include (1) all reimbursements by USDA; (2) all cost related to Training & Technical Assistance and (3) all cost related to Disabilities services and (4) all cost related to Administrative costs. The submission of this report is done online at www.grantsolutions.gov.

Federal Financial Report (FFR) is also used to report all cash disbursements of the grant funds.

This report is required to be submitted within 30 days after the end of each quarter (Mar, June, Aug and Dec) during the budget period. The FFR is created online via the internet through the Payment Management System. Once the FFR is created online, the Assistant Superintendent for Business Services logs into the Payment Management System and certifies the report.

Other Reporting Requirements
Other applicable financial reports prepared monthly and distributed to the Program include:

(1) Overall Budget/Expense Reports, by all budgeted line items
(2) Budget/Expense Reports for each location and grant
(3) Budget/Expense Report for Training & Technical Assistance

All financial reports should be submitted at least one week before the due date if circumstances permit.

Contractual & Lease Requirements

Provisions for entering into contractual or lease agreements with outside parties will be followed according to those policy and procedures of HCDE. Any Head Start funds used to execute any contract or lease agreement must comply with those policies. Refer to HCDE Contracts.

Travel Guidelines

Travel costs for transportation, lodging, subsistence, and related items (materials related to the program) are allowable so long as they are reasonable, necessary and consistent within the guidelines set forth in HCDE Travel Policy and Procedures.

Records Management

Compliance

In order to comply with federal regulations **Title 2 of the federal regulations, Subtitle A, Part 200,** all accounting records must be accurate, current and complete in disclosing the financial results of the respective grant program.

Requirements

All business transactions made with program funds should accompany supporting documentation. A copy of the Notice of Award (NOA) and NOA Amendments for any additional funds, all budget amendments, indirect cost rates, SF-425 FFR reports, records regarding all contracts and leases and documentation of all purchases should be maintained for review by any authorized person(s). Non-federal share matching cost (In kind) should be posted as received and supporting documentation should accompany.

Records Retention

All financial records (manual or computerized) for all grant programs must be retained for a period of at least **3 years** from the date of submission of the annual financial report. These records must be readily accessible to the granting agency or any other authorized representatives of that agency for review.

Property Management

Requirements

All real and personal property and other assets acquired in whole or in part with program grant funds must be accountable and safeguarded with effective internal controls until disposed. As prescribed in **Title 2 of the federal regulations, Subtitle A, Part 200**, real property, equipment, supplies and intangible assets (copyrights, patents, etc) should meet the following requirements:

Identification Requirements

All property records must include a description of the property, a serial number or other identification number, the source of property, who holds the title, the acquisition date, the cost of the property, the location, percentage of federal cost, the use and condition of the property and the anticipated disposition date.

Monitoring Inventory

A physical inventory must be taken and reconciled to the ledger at least every two years.

Insurance Coverage

Adequate insurance coverage must be maintained on all property.

In addition to the above property management requirements, all property acquisitions should follow the guidelines set forth in HCDE Fixed Assets.

Procurement

Compliance

In compliance with **Title 2 of the federal regulations, Subtitle A, Part 200**, procurement of all goods, property or services under the respective grant must follow the guidelines set forth in HCDE Purchasing. **The State and local procurement requirements under policies CH Legal and CH Local are more restrictive than the procurement standards under the uniform grant guidance. Thus, all grant program directors and staff are required to follow the CH Legal and CH Local policies.**

However, the following requirements should be incorporated in all purchasing decisions:

(1) All requisitions should be authorized and signed by an authorized person. The authorized person should make a determination of whether or not the goods or services are allowable, necessary and reasonable cost.
(2) All authorized purchases should meet the appropriate guidelines set forth in HCDE Purchasing.
(3) All supporting documentation is attached to the purchase order online.

Audit Requirements

An audit of the HCDE financial transactions, including all grants, will be performed by an independent auditor at least once a year. The audit must be completed and submitted to the Texas Education Agency no later than 150 days after the close of the fiscal year. Refer to HCDE Audit.

In addition to the required independent audit performed annually, an audit of all grant funds will be audited by the granting agency as necessary.

Appendix Two to Section 200

APPENDIX II TO PART 200—CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at **$150,000**, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate. **All HCDE contracts and request for proposals have a clause with breach contract terms.**

(B) All contracts in excess of **$10,000** must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement. **All HCDE contracts and request for proposals have a termination clause.**

(C) **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 must 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." **All HCDE contracts and request for proposals have this clause.**

(D) **Davis-Bacon Act, as amended (40 U.S.C. 3141-3148).** When required by Federal program legislation, all prime construction contracts in excess of $2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage

determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. **All HCDE contracts and request for proposals have this clause.**

(E) **Contract Work Hours and Safety Standards Act** (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of $100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence. **All HCDE contracts and request for proposals have this clause.**

(F) **Rights to Inventions Made Under a Contract or Agreement.** If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the 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," the 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 awarding agency. **All HCDE contracts and request for proposals have this clause.**

(G) **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 award 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). **All HCDE contracts and request for proposals have this clause.**

(H) **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 governmentwide 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. **All HCDE contracts and request for proposals have this clause.**

(I) **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. **All HCDE contracts and request for proposals have this clause.**

(J) See §200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

Revenue Contracts

	Contract Types	Grants		Subcontracts	Inter Local Agreement or Fee for Service contract	MOU
		Grant with HCDE as direct recipient	Sub-recipient of another organization's grant	Contract with an agency that received a grant, but DOES not have grant requirements	Contract with an agency to provide services based on division fees schedule	Contract with an agency to provide services at no fee
A	Defining Factors	1) Develop or receive contract 2) Receipt of NOGA 3) Must follow government and grant requirements under Circular A-133 (Note: clause included in the contract	1) Develop or receive contract 2) Receipt of NOGA Equivalent 3) Must follow government and grant requirements under Circular A-133 (Note: clause included in the contract	1) Develop or receive contract 2) N/A 3) N/A	1) Develop or receive contract 2) N/A 3) N/A	1) Develop or receive MOU 2) N/A 3) N/A
B	Contract Processing	1) Contract Processing Form 2) NOGA with statement of work 3) Attachments and assurances and certifications 4) Contract - Grant Agreement 5) Attorney review (if needed)	1) Contract Processing Form 2) NOGA Equiv. with statement of work 3) Attachments and assurances and certifications 4) Contract - Grant Agreement 5) Attorney review (if needed)	1) Contract Processing Form 2) Statement of Work 3) N/A 4) Contract 5) Attorney review (if needed)	1) Contract Processing Form 2) Statement of Work 3) N/A 4) Contract 5) Attorney review (if needed)	1) Contract Processing Form 2) Statement of Work 3) N/A 4) Memorandum of Understanding 5) Attorney review (if needed)
C	Board Reporting	1) Agenda item for grant acceptance (Submit through Purchasing Office) Items needed are: a) NOGA b) Attachments and assurances and certifications c) Grant Agreement (Contract) d) Budget Amendment needed if not included in adopted budget e) FTE personnel position approval, if applicable	1) Agenda item for grant acceptance (Submit through Purchasing Office) Items needed are: a) NOGA Equivalent b) Attachments and assurances and certifications c) Grant Agreement (Contract) d) Budget Amendment needed if not included in adopted budget e) FTE personnel position approval if applicable	1) Agenda item for contract acceptance (Submit through Purchasing Office) Items needed are: a) Statement of work b) N/A c) Contract d) Budget Amendment needed if not included in adopted budget e) FTE personnel position approval if applicable	1) Agenda item for contract acceptance (Submit through Purchasing Office) Items needed are: a) Statement of work b) N/A c) Contract d) Budget Amendment needed if not included in adopted budget e) N/A	1) Agenda item for MOU acceptance (Submit through Purchasing Office) Items needed are: a) Statement of work b) N/A c) Memorandum of Understanding d) N/A e) N/A
D	General Ledger Account Set up	1) Budget Amendment needed if not included in adopted budget 2) Special Revenue account	1) Budget Amendment needed if not included in adopted budget 2) Special Revenue account	1) Budget Amendment needed if not included in adopted budget 2) Local account	1) Budget Amendment needed if not included in adopted budget 2) Local account	1) N/A 2) No account needed
E	Reporting requirements	1) Monthly Drawdowns 2) Monthly operation reports and financial reports 3) Quarterly reports 4) Annual report and close out 5) A-133 Audit	1) Monthly Billing 2) Monthly operation reports and financial reports, as applicable 3) Quaterly reports, as applicable 4) Annual report and close out, as applicable 5) A-133 Audit	1) Monthly Billing 2) Monthly operation reports and financial reports, as applicable 3) Quarterly reports, as applicable 4) Annual report and close out, as applicable 5) N/A	1) Monthly Billing 2) Reports as agreed in contract 3) N/A 4) N/A 5) N/A	1) N/A 2) Reports as agreed in MOU 3) N/A 4) N/A 5) N/A

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: DEC (LOCAL)
DATE DEVELOPED: 07/13/15		REVISED DATE: 05/26/2022
SUBJECT: Grant reimbursement procedures		

Purpose

To provide guidelines on recording of grant reimbursements to the general ledger.

Procedure

The grant drawdowns are prepared by the accountants by the 15th of the month for the prior month (or earlier if required by the grant) and supported with expenditure reports generated from the E-Finance system. If the drawdown is based on expenses incurred, the following entry will be prepared to record the monies received:

Dr	Cash	0.00
Cr	Revenue	0.00

At year end, receivables are recorded and when the grant reimbursement is received, the following entry will be done to record the monies received:

Dr	Cash	0.00
Cr	Due from other governments or accounts receivable	0.00

If the grant reimbursement is received and the expenditures have not occurred, the following entry will be done to record the monies received:

Dr	Cash	0.00
Cr	Deferred	0.00

Once the expenditure has occurred, the following entry will be done:

Dr	Deferred	0.00
Cr	Revenue	0.00

The grant drawdown spreadsheet and the supporting documentation is emailed to the grant manager or designee for review and approval. The grant manager will sign the certification form and return it to the assigned accountant for processing. The Chief Accounting Officer and the Assistant Superintendent for Business Services signature is also required. The assigned accountant will maintain the entire executed packet on file for audit purposes.



State & Federal Grants Manual

2018-2019

Contents

General Information 4

Business Department Mission 4

Business Department Staff 4

Organizational Chart 5

General Ledger Maintenance(†) 6

Journal Entries(†) 6

Data Entry and Validation(†) 7

General Ledger Transaction (Minimum Data Required) – (†) 7

End of Month Process 8

End of Fiscal Year Process 8

Segregation of Duties(†) 9

Retention of Records(†) 10

Data System Security & Access to Records(†) 10

Assignment of Access and Passwords(†) 11

Revoking Access(†) 11

Business Staff Training(†) 11

State and Federal Grant Management(†) 12

900 – State and Federal Programs/Grants(†) 16

901 State Programs – Allotments 16

902 Federal Grants 17

902.1 Grant Application Process 18

902.2 General Provisions and Assurances 20

902.3 Budgeting Grant Funds 21

902.4 Standards for Financial and Program Management 22

902.41 Financial Management 23

902.42 Internal Controls 23

902.43 Bonds 24

902.44 Payment 24

902.45 Cost sharing or matching funds 24

902.46 Program Income 25

902.47 Period of performance (Obligations) 25

902.5 Procurement Standards/Expenditure of Grant Funds 26
902.51 General Procurement Standards 26
902.52 Vendor Competition 28
902.53 Procurement Methods 29
902.6 Property Standards 32
902.7 Cost Principles 35
902.78 Preparing Expenditure Reports & Draw Down of Funds 50
902.8 Grant Compliance Areas 53
902.85 Reporting Requirements 54
902.86 Grant Monitoring and Accountability 55
902.9 Grant Awards 56
List of Grant Awards (including Grant Manager, grant funding source, grant period, and grant amount] 56

General Information

HCDE has established fiscal procedures that apply to all financial transactions regardless of the funding source. **Procedures that relate directly and/or indirectly to federal and state grant compliance are indicated with a (†).** A separate section in this Business Operations Manual will include specific procedures related to acquiring, expending, and managing grant funds.

In accordance with **HCDE Board Policy, BP Local**, the Superintendent and administrative staff shall be responsible for developing and enforcing procedures for the operation of the Department. These procedures shall constitute the administrative regulations of the HCDE and shall consist of guidelines, handbooks, manuals, forms, and any other documents defining standard operating procedures**. The Superintendent** shall approve this State and Federal Grants Manual on an **annual basis**, or as appropriate, if federal, state or local changes in regulations or policy warrant immediate changes. **Administrative regulations [procedures] are subject to Board review but shall not be adopted by the Board.**

HCDE Mission

The mission is:

Harris County Department of Education supports Harris County by enriching educational opportunities and providing value through services.
Goals:

1. Impact education by responding to the evolving needs of Harris County
2. Deliver value to Harris County by utilizing resources in an ethical, transparent, and fiscally responsible manner
3. Advocate for all learners by using innovative methods to maximize students' potential.
4. Provide cost-savings to school districts by leveraging tax dollars
5. Recruit and maintain a high-quality professional staff

The Business Division's primary goal is to protect the assets of the and to ensure that all financial transactions are performed in accordance with generally accepted accounting practices and to maximize the use of human and fiscal resources.

Business Department Staff

The Business Department staff shall perform multiple roles; however, adequate controls of separation of duties shall be maintained at all times. The staff consists of:

- **Jesus J. Amezcua, Ph.D., CPA, RTSBA, Assistant Supt for Business/CFO**
- **Marcia Leiva, RTSBA, Chief Accounting Officer**
- **Yolanda Davis, MBA, RTSBA, Accounting Manager**
- **Julia Watts, Senior Accountant**

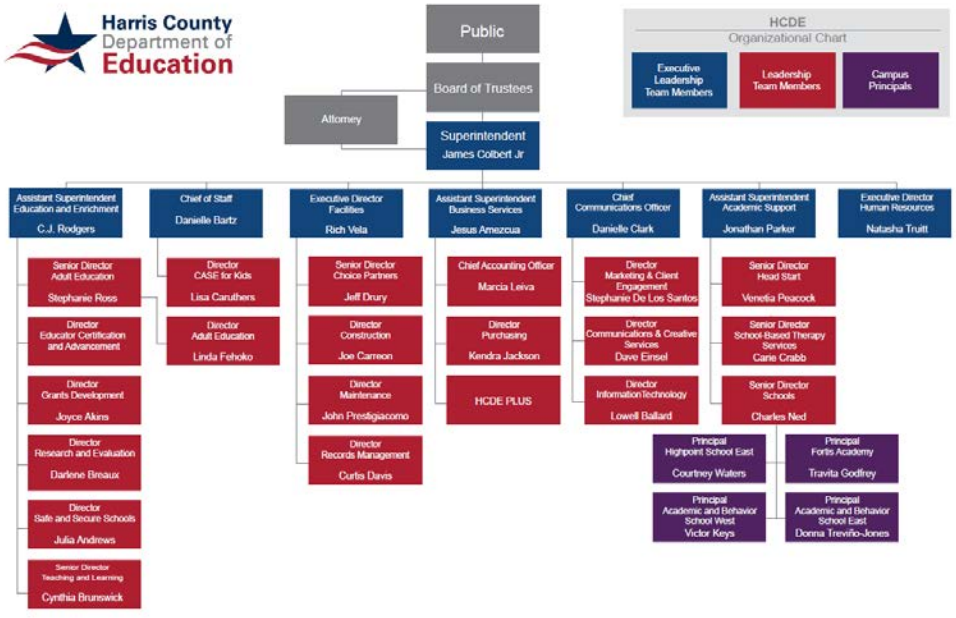
- **Griselda Sandoval, Senior Grant Accountant**
- **Vacant, Staff Accountant**
- **Rubi Platero, Staff Accountant II**
- **Lynette Adams, Staff Accountant II**
- **Thalia Copaus, Junior Accountant**
- **Priscilla Hines, Payroll Specialist**
- **Deanna Garcia, Payroll Specialist**
- **Ana Munoz, Accounts Payable Specialist**
- **Desirae Deleon, Accounts Payable Specialist**
- **Brandy Bullock, Accounts Payable Specialist**
- **Shequaia Harris, Accounts Receivable Specialist**

All Business Department staff are expected to comply with the:

- **Code of Ethics and Standard Practices for Texas Educators [Board Policy DH (Exhibit),**
- **Board Policy CAA Local regarding fraud,**
- **HCDE Code of Conduct (Employee Handbook),**
- **Confidentiality Agreement,**
- **HCDE Business Office Conflict of Interest Policies, and**
- **HCDE Acceptable Use Guidelines.**

Each staff member shall have an up-to-date job description on file in the Human Resources Department. In addition, each staff member should receive and sign a job description and corresponding evaluation instrument during the annual evaluation process. Changes to job descriptions should be made when substantial changes occur in job duties or responsibilities.

Organizational Chart



General Ledger Maintenance (†)

General ledger entries shall be made on an on-going basis as needed. End-of-the-month and end-of-the-year entries shall be made on a timely basis. End-of-the-year entries shall be made prior to the audit field work by the department external audit firm.

Assistant Supt for Business/CFO shall be responsible for monitoring the general ledger maintenance on a monthly basis. The general ledger shall be reviewed for accuracy in areas such as, but not limited to the following:

- Cash and investment balances equal the respective bank or investment monthly statements
- Aged purchase orders, receivables and payables
- Verify that fund accounts are in balance
- Verify that bank account reconciling items are posted to the general ledger

Journal Entries (†)

All general ledger entries shall be in balance (debits shall equal credits). **A Journal entry** form shall be used to document all entries. All journal entries shall be numbered for tracking purposes. An auto-numbering system shall be utilized by the department. Accounting Staff shall be authorized to create journal entries and Assistant Supt for Business/CFO shall be authorized to post journal entries to the general ledger.

All payroll general journals shall be interfaced to the finance system by the payroll department. The **Accounting Manager** shall verify that the pre-post payroll general journals and the finance payroll general journals in balance and posted accurately to the general ledger. All payroll general journals must be posted to the finance general ledger no later than the actual pay date.

All changes to the general ledger should be posted within the same month as the changes occurred, if possible, or as soon as practicable. At times, prior to closing the month, additional reconciling journal entries may be posted in accordance with the creation and approval guidelines.

Board Reports and a detailed check payment report for the previous month should be generated and forwarded to the Superintendent for board review. The financial statements and check register shall be provided to the board each month.

All reports should be posted on the HCDE website for audit purposes including, but not limited to, the following:

- Financial Highlights
- Financial Statements (Interim and Annual)
- Disbursement Report: Check Payments & Check Register
- Budget Amendments
- Budget document
- Investment Report
- Tax Report

The **Chief Accounting Officer and appropriate Staff Accountant** shall review a Summary General Ledger on a monthly basis to ensure the accuracy of fund accounting.

Data Entry and Validation (†)

All data entry shall be from the appropriate source document(s). All data entry shall be validated (verified) with the source documents. A system of checks and balance shall be in place to ensure that all postings to the general ledger result in the desired outcome with adequate supporting documentation. For example, a cash receipt journal shall be validated to ensure that the total amount deposit matches the posted cash receipt journal.

Ongoing, daily data entry validation greatly increases the accuracy of the fund accounting and facilitates reconciliation of the monthly bank statements with the general ledger.

General Ledger Transaction (Minimum Data Required) – (†)

All general ledger financial transactions shall require the following minimum data:

- **Date of the general ledger transaction** – the date of the transaction should be within the posting month and within the posting fiscal year.
- **Account code(s)** – the proper account code shall be used for all transactions
- **Journal [transaction] number** – the number assigned should be manually or automatically assigned in a sequential order. A log of the journal numbers utilized each fiscal year should be available in a manual or automated form. Automated, system-generated general ledger entries shall be easily distinguished from manual general ledger entries.
- **The credit and debit amounts**– the total debits must match the total credits
- **Reason for the general ledger transaction** – the reason should explain the reason for the transaction such as cash receipt number, adjustment to budget/expense, etc.
- **Supporting document** – supporting documentation shall be attached to the journal entry form for audit tracking purposes

All general ledger payroll transactions shall require the following minimum data:

- **Check date –** the system-generated general ledger transaction should reflect the check date as part of the journal entry number
- **Account code(s) –** the account codes charged for all payroll disbursements, including liability accounts, should exist in the general ledger prior to posting the system-generated journal entries. [Note: During the payroll posting process, the payroll department must print and verify that all payroll accounts exist on the general ledger. If accounts do not exist on the general ledger, the accounts should be verified for accuracy and if accurate, the list of account codes must be submitted to **Senior Accountant (Alternate Chief Accounting Officer)** to ensure that the appropriate accounts are created in the finance system.

End of Month Process

Within **30 days** after the end of the month, all end-of-month reports should be printed and verified and the end-of-month process completed. There are **four (4) steps** in completing the End-of-Month process as listed below:

- Reconciliation of all bank accounts
- EOM Activities (Report Generation & Verification)
- Run EOM Reports (archival purposes)
- Process the EOM Close

The Finance EOM Checklist and Procedures should be utilized to ensure that all critical steps are followed during the EOM Process.

End of Fiscal Year Process

All changes to the general ledger should be posted within the same month as the changes occurred, if possible, or as soon as practicable. Within **90 days** after the fiscal year or as soon as feasible, all end-of-fiscal year reports should be printed and verified for audit purposes.

All end-of-fiscal year adjustments should be posted to the general ledger prior to closing out the fiscal year. Prior to the start of the audit field work, the following adjustments shall be posted to the general ledger:

- **Reconcile all cash and investment accounts –** all cash and investment accounts shall match the corresponding bank or investment general ledger balances as of August 31st, as reflected on the respective monthly statement.
- **Reconcile all revenue accounts with amounts received and/or earned as of August 31st –** All measurable revenue should be posted to the general ledger. For example, all state aid earned as of the most recent Summary of Finance report from TEA shall be posted to the appropriate state revenue accounts.
- **Reconcile all grant revenue and expenditures –** the revenue and expenditures in every grant program (state and federal) should equal. The excess revenue if any should be reclassified to a payable to the granting agency, unless the excess revenue is an advance payment (deferred revenue). If expenditures exceed revenue, the amount due from the granting agency should be posted to the revenue account and accounts receivable accounts.
- **Reconcile the final amended budget –** verify that all budget amendments (at the department level) have been posted to the general ledger. The sum of the original budget, plus all budget amendments during the fiscal year shall equal the final amended budget.
- **Reconcile and post all accounts receivables –** all funds due from other sources, as of August 31st, shall be posted to the general ledger. The receivables shall be measurable and expected to be received within 60 days after the end of the fiscal year in accordance with the department's accounting standards.

- **Reconcile and post all accounts payables –** all payables due to others (vendors especially), as of August 31st, shall be posted to the general ledger. The amounts due for all goods and/or services received as of August 31st are classified as accounts payable and paid during the next fiscal year. HCDE has established a September 30th cut-off for prior year accounts payables, unless the accounts payable expense exceeds $10,000 and is known prior to the end of the audit field work. [Note. The accounts payable account (2110) in the prior fiscal year and the next fiscal year must be in balance.]
- **Reconcile all accrued wages and benefits as of August 31st –** All accrued wages and benefits shall be posted to the general ledger, especially for all wages earned in August but scheduled to be paid in the next fiscal year (after September 1st).
- **Reconcile all prepaid expenses as of August 31st –** All prepaid expenses shall be posted to the general ledger to object code 1410. A prepaid expense is typically one that is represents a disbursement of funds (payment) for goods or services that will be received or utilized in the next fiscal year. For example, a maintenance agreement that has a term of January 1st through December 31st, would have an expense for 6 months in the current fiscal and a prepaid expense of 6 months at the end of the fiscal year. [Note. The prepaid expenses should be cleared in the next fiscal year by posting the expense to the appropriate expense account code(s).
- **Reconcile the fixed assets ledger with all fixed asset additions, deletions, or changes –** All assets (as defined in the Fixed Asset Procedures) acquired during the fiscal year shall be added to the fixed asset ledger (database or Excel spreadsheet). All assets disposed of (sold or lost) shall be removed from the fixed asset ledger. Changes, if any, to the location, value, or category of assets shall be posted to the fixed asset ledger in Fund Code 901.
- **Reconcile the fund balance as of August 31st –** All changes, reductions, additions, and/or designations [restricted, committed, assigned, etc.] of fund balance accounts shall be posted to the general ledger. All budgetary fund balance accounts (object code 3700) shall be posted to the appropriate fund balance account (typically object code 3600). [Note. Changes to the budgeted and committed fund balances should be supported by minutes of Board approval. The Superintendent and Assistant Supt for Business Service/CFO are authorized by the Board to assign fund balances.]

Segregation of Duties (†)

At a minimum, the business office staff shall operate under a segregation of duties, including but not limited to the following:

- **Endorsement of checks –** The same staff member shall not prepare **and** endorse accounts payable or payroll checks.
- **Bank reconciliations –** The same staff member shall not prepare cash disbursements, cash deposits, or other cash transactions **and** reconcile the district's bank accounts.
- **Maintain non-cash accounting records –** The same staff member shall not prepare non-cash general ledger transactions **and** post the transactions to the general ledger.
- **Purchasing and Receiving functions –** The same staff member shall not serve as the final approver of a purchase order **and** verify receipt of the goods.
- **Contract Management –** The same staff member shall not approve a contract for goods or services **and** have sole approval authority to disburse the payment for the contracted goods or services.

Retention of Records (†)

All financial records for the current fiscal year shall be retained for audit purposes in accordance with the HCDE Local Records Retention Schedule. Destruction of records, at the expiration of the records, shall also be in accordance with the department's Local Records Retention Schedule. Note: The Destruction Schedule [list of all records destroyed] is a permanent document. Unless a record that has been destroyed is specifically listed on a Destruction Schedule, it is presumed to still exist.

HCDE shall maintain grant-related records in a combination of paper and electronic formats. The following records shall be maintained in paper format:

- **Budget Amendments**
- **Check payments and support**
- **Personnel Action Forms**

The following records shall be maintained in electronic format:

- **Monthly Financial statements**
- **Financial Operating Guidelines**
- **Annual Budget**
- **Annul Financial Report**
- **Annual Financial Management Report**

In accordance with federal regulations, HCDE shall maintain the grant-related records in an open and machine readable format. Specifically, HCDE shall use the following formats to store electronic data.

- Microsoft products such as Word, Excel, Access, etc.
- Financial Management System, SunGard, HR, Assets, Purchasing, etc. modules

The Records Custodian for the financial records of HCDE is the **Superintendent**. All questions related to the retention, destruction, and/or addition of new record series shall be directed to the department's Records Management Officer (RMO), (**Records Management Director**).

Data System Security & Access to Records (†)

Business department staff handles and/or processes a substantial amount of confidential information. All staff is strictly prohibited from revealing confidential information to an unauthorized individual. Unless required by Federal, state, and local statute, HCDE is not required to permit public access to their records. HCDE shall make all grant-related records available for access to the federal granting agency and/or pass-through entity upon request.

All business office staff shall sign a Confidentiality Agreement on an annual basis. Among the most critical information is documentation related to employee's Personally-Identifiable Information (PII) such as health, benefits, financial, family members, or other personal information. Violators will be subject to discipline, employment termination, and/or may be reported to the appropriate legal

authorities. Violations of some protected information, such as health or medical information, is also protected by federal laws, such as HIPPA.

Unless notified otherwise by the federal granting agency, HCDE shall retain all financial and program records related to the grant award in accordance with the federal grant. Upon request from the federal granting agency, HCDE shall transfer the records to the requesting federal agency.

The business office staff shall be authorized to access the departments financial and/or payroll system(s) for job-related purposes only. Use of the systems for personal reasons or benefit will result in disciplinary action, up to and including employment termination.

Each staff member shall take appropriate steps to ensure that their respective computer system is managed in a control environment to prevent unauthorized access.

Assignment of Access and Passwords (†)

Access to data systems shall be based on the specific job duties and responsibilities of each staff member. Except for limited exceptions, staff will not be given unilateral access to all modules in the financial and payroll system. For example, a payroll staff member will not have access to the human resources system unless the access is limited in scope and "read-only". These restrictions to unilateral access are designed to prevent complete autonomy which could lead to fraud.

Each staff member shall be responsible for securing their assigned (selected) password. At no time shall passwords be shared with others or posted in visible locations within the staff member's work space. Violators of this restriction shall be subject to disciplinary action, including but not limited to employment termination.

Data system access to the authorized modules, shall be determined by the **Assistant Supt for Business/CFO (alternate: Chief Accounting Officer)**. Each staff member shall have access to their respective database(s) and tabs within a database based on their position. Security roles will be established and assigned with the specific access to each module. In the event that a staff member gains access, due to human or software error, that he/she is not entitled to, it is the responsibility and duty of the staff member to notify the Security Administrator, or IT Coordinator, regarding the ability to access the restricted database or module(s).

Revoking Access (†)

Access to data systems are subject to change and/or revocation when changes occur to a staff member's position, duties or responsibilities. Access to data systems are also subject to revocation when a staff member violations the Responsible Use Guidelines. Each staff member shall sign a Responsible Use Guidelines every fiscal year.

Business Staff Training (†)

Every staff member will be scheduled to attend at least **one** training and/or conference opportunity per year.

An annual training calendar shall be developed that may include, but is not limited to, topics in the following areas:

- **Account coding**
- **Payroll and Human Resources Compliance Issues**
- **GASB**
- **Audit requirements**
- **Legal changes, such as Purchasing**
- **State and Federal Grants Management**
- **Data system (software)**
- **Travel Guidelines**

Additional training requests should be submitted to the **Department Director**. It is the employee's responsibility to request additional training that he/she feels will be beneficial in performing the assigned job tasks. At times, the immediate supervisor may also recommend or direct that a staff member attend specific training to improve their skills or comply with a Growth Plan.

In an effort to support compliance of fiscal policies and procedures, the business office shall conduct annual training for department administrative and support staff, as appropriate. **Assistant Supt for Business/CFO** shall be responsible for developing the training calendar. Critical training areas shall include, but not be limited to:

- **Accounting Management**
- **Budget Development Process**
- **Cash Management**
- **State and Federal Grants Management**

State and Federal Grant Management (†)

The Office for Grants and Fiscal Compliance (GFC) at Texas Education Agency is responsible for managing all discretionary and formula grants, ensuring the agency's compliance with federal grant requirements, and conducting audits and reviews of all local educational agencies (LEAs). The department houses the following divisions:

- Division of Grants Administration
  (formerly the Division of Discretionary Grants and the Division of Formula Funding)
- Division of Federal Program Compliance
  (formerly the Fiscal Accountability and Federal Reporting Unit)
- Division of Financial Compliance
  (formerly housed in the Office for Accreditation)

Compliance with all federal and state grant requirements is essential to ensure that all granted funds remain with the department. Failure to comply with grant requirements may result in denial of reimbursement requests and/or requests from the granting agency to return a portion or in some cases all grant funds.

Federal Regulations for Federal Grant Awards

All federal grant funds are subject to the compliance with Administrative (EDGAR) and Programmatic (NSLP, IDEA, etc.) regulations for each federal grant award. Title 34, Code of Federal Regulations (CFR), Parts 75-79, 81 to 86 and 97-99 EDGAR is currently in transition. For awards made prior to 12/26/2014, EDGAR Parts 74 and 80 still apply. For awards made on or after 12/26/2014, 2 CFR Part 200, which includes the substance formerly in parts 74 and 80, applies. For state-administered federal grants, TEA shall notify HCDE on the Notice of Grant Award (NOGA) of the applicable administrative regulations. The State and Federal Grants Addendum contains guidance for pre-December 26, 2014 federal grant awards. The date of the award to HCDE (or pass-through entity such as TEA) shall determine the appropriate regulations.

When the department's local policies and/or procedures conflict with the federal regulations, HCDE shall comply with the more restrictive regulations, shall be adhered to in all aspects of federal and state grants management.

Overview of the Education Department General Administrative Regulations (EDGAR). The EDGAR, as amended on December 26, 2014, includes five (5) subparts under 2 CFR Part 200 of EDGAR as noted below:

- Subpart A – Acronyms and Definitions
- Subpart B – General Provisions
- Subpart C – Pre-award Requirements
- Subpart D – Post-award Requirements
- Subpart E – Cost Principles
- Subpart F – Audit Requirements
- Appendices – I through XI

The EDGAR in its entirety can be accessed at:
http://www2.ed.gov/policy/fund/reg/edgarReg/edgar.html.

To ensure consistency with the EDGAR, HCDE shall utilize the acronyms and definitions included in the EDGAR for general terms related to the management of federal grant funds. The EDGAR Acronyms and Definitions can be found in CFR 200.0 through 200.99.

Programmatic regulations are for each of the department's federal grant awards are hyperlinked in the List of Grant Awards for easy access to the Fiscal Guidelines, Allowable Costs, and/or other programmatic regulations.

At HCDE, managing State and Federal Grants shall be a collaborative process between the **Finance (Accounting, Budgeting, Purchasing, Payroll, etc.), Human Resources and Grant Management Departments**. Each respective department shall be responsible for their duties and responsibilities as they relate to the management of state and/or federal grants. The duties of each department are listed below in general terms. Additional, specific duties and responsibilities may be listed within an area of compliance within this Manual.

Business Office

- Assisting the Grant Manager with budgeting grants funds. Preparing and posting the initial budget and all amendments to the general ledger.
- Assisting the Human Resources department with determining the payroll distribution code(s) for all grant-funded staff.
- Preparing all grant-related financial reports (monthly, quarterly and/or annual).
- Preparing all financial records for the annual financial audit and single audit, as appropriate.
- Ensuring compliance with the FASRG in coding all payroll and non-payroll expenditures as applicable.
- Adjusting the general ledger, as appropriate, after the Grant Manager's reconciliation of the time and effort reports, as appropriate if adjustments are necessary
- Managing the day-to-day cash needs for grant expenditures and drawing-down cash reimbursements, as appropriate
- Managing all purchasing and contractual commitments in compliance with the grant periods and allowable cost principles
- Retaining all financial records for the required length of time (5 years) for audit purposes
- Managing all fixed assets and ensuring compliance with the inventory and disposition federal guidelines

Human Resources Department

- Assisting the Grant Manager with the recruitment and hiring of all grant-funded staff
- Ensuring that all grant-funded staff meet the Highly Qualified Staff federal guidelines, as appropriate (And, all state certification requirements)
- Ensuring that all grant-funded staff have a job description with the grant-related duties and funding. (And, that all grant-funded staff sign a job description on an annual basis)
- Preparing the Highly Qualified Staff Annual Report and conducting the required public notice or hearing, as appropriate

- Maintaining audit-ready HR employee files for financial audit or single audit purposes, as appropriate
- Developing and maintaining all salary schedules to ensure consistency between local and non-local pay rates (Includes base salaries, stipends and extra-duty rates of pay)
- Assisting the Grant Manager with determining the position title, Role ID and other salary information for use in completing the grant application
- Retaining all personnel records for the required length of time (5 years) for audit purposes

Grant Management or Special Program Department

- Working cooperatively with the administrative staff to ensure that all grant activities are collaboratively planned and appropriate to each department.
- Providing supporting documentation for budgeted grants funds. And, submitting all grant amendments to the finance department to facilitate budget amendments.
- Assisting the Human Resources department with determining the payroll distribution code(s) for all grant-funded staff.
- Preparing all grant-related programmatic (evaluation) reports (monthly, quarterly and/or annual).
- Ensuring compliance with the FASRG in coding all payroll and non-payroll expenditures as applicable.
- Receiving and monitoring the time and effort reports, as appropriate, and submitting adjustments, if any, to the finance department
- Monitoring the spending thresholds throughout the grant period to ensure that the grant activities are being conducted systematically throughout the grant period
- Reviewing and approving all purchasing and contractual commitments in compliance with the grant periods and allowable cost principles
- Retaining all grant records for the required length of time (5 years) for audit purposes
- Providing information to the Human Resources department regarding the number and type of grant-funded positions approved in the grant application by the granting authority
- Verifying with the HR department that all grant-funded staff meet the Highly Qualified Staff federal guidelines, as appropriate (And, all state certification requirements)
- Verifying with the HR department that all grant-funded staff have a job description with the grant-related duties and funding. (And, that all grant-funded staff sign a job description on an annual basis)
- Verifying with the HR department that the Highly Qualified Staff Annual Report and conducting the required public notice or hearing, as appropriate
- Assisting the HR department with determining the position title, Role ID and other salary information for use in completing the grant application

All departments shall provide staff training for their respective staff and other staff, as appropriate, regarding the grant management duties and responsibilities for each staff member.

900 – State and Federal Programs/Grants (†)

901 State Programs – Allotments

HCDE also receives some state funds through the Texas Education Agency. Funding includes revenues from foundation fund for health insurance allotment. These funds are used to provide part of the health insurance to employees. Other state funds include the TRS on behalf payments for being a member of the TRS system.

State funds received also derived as follows:

- **Adult Ed funds – HCDE has a contract with HGAC as subcontractor and some of the funds used are state funds such as**

The Business Office, specifically the **Assistant Supt for Business/CFO**, shall be responsible for the financial compliance in each of these special programs. Financial compliance shall include, but not limited to: assist the grant manager with budgeting development, budget monitoring, approval of expenditures, financial reporting to TEA or granting agency, and financial audit.

At the beginning of each fiscal year, the **salaries of all staff** should be determined based on their position and assignment. Specifically, we need to know the following:

- What the employee will do? Determines the function code
- Where the employee will work? Determines the organization code (may be split)
- Who will benefit? Determines the population served or PIC (may be split)

Determining the correct payroll account distribution code(s) is critical to ensure that all payroll costs are expensed in the correct account code(s). This is extremely important for staff assigned on a partial or full-time basis to support a special program. Only the payroll costs for services whose intent is to serve one or more special program may be charged to the special program.

The **Grant Manager** will review all expenditures and determine that all costs are allowed and within the grant requirements.

902 Federal Grants

Acronyms and definitions related to federal grant management are listed in the EDGAR, Subpart A, 200.1 through 200.99 and may be accessed at: http://www.ecfr.gov/cgi-bin/text-idx?SID=bce3e6e14adb00a7863cc39935f3e35e&node=sg2.1.200.a.sg0&rgn=div7

These acronyms and definitions are used throughout this manual. One of the most critical definitions is that of a "non-federal entity". When this definition is used it refers to the "department", as a recipient of a federal grant award.

General Provisions:

HCDE shall comply with all General Provisions of EDGAR (Subpart B). Specific areas of compliance are noted below:

1. HCDE has established a conflict of interest policy for all federal grant awards and shall disclose in writing any potential conflict of interest to the granting agency. The administrative conflict of interest questionnaire shall be utilized for compliance with this provision. The Conflicts of Interest Disclosure Statement shall be completed by all HCDE staff involved in federal grant awards: **Superintendent, Assistant Supt for Business/CFO, Human Resources, Grant Manager, and Supervisors authorizing transactions**. Conflicts of interest, if any are reported, shall be posted on the HCDE's website and reported to the granting agency. The **Assistant Supt for Business/CFO** shall be responsible for overseeing and collecting the conflict of interest questionnaires.
2. HCDE shall comply with all additional conflict of interest requirements required by the federal granting agency and/or the pass-through entity (TEA).
3. HCDE shall disclose in writing to the granting agency and/or pass-through entities any violations of federal criminal law including fraud, bribery or gratuity violations affecting a federal grant award. Upon detection of any fraud, abuse or waste with federal grant funds, HCDE shall promptly notify the proper legal authorities and pursue appropriate criminal and/or civil actions. In addition, HCDE shall report to the granting agency and pass-through entity, the extent of the fraud or violations. In addition, HCDE shall reclassify fraudulent expenditures made with federal grant awards to local HCDE funds, i.e. the General Fund. The **Assistant Supt for Business/CFO** shall be responsible for overseeing, reporting and documenting any fraud, abuse or waste of federal grant funds.

All HCDE employees are prohibited from soliciting gifts or tokens from vendors or other parties who are affected by (or have an interest in) a federal grant award. **CH Local policy has been changed to implement this requirement.**

In addition, **all HCDE employees are prohibited** from accepting unsolicited gifts or tokens from vendors or other parties who are affected by (or have an interest in) a federal grant award that exceed an

nominal (individual) value of **$50.00** Current Conflict of Interest limit in a fiscal year. **The unsolicited gifts or tokens may not include the** following:

- Items prohibited at a public elementary and secondary schools such as drugs, tobacco or alcohol products
- Any weapons or illegal items
- Any items from an illicit business

HCDE employees who violate this administrative directive shall be subject to disciplinary action, up to and including termination of employment with the department. Violations that exceed the federal Conflict of Interest thresholds shall be reported to the federal granting agency and/or pass-through entity by the **Superintendent.**

Pre-Federal Award Requirements:

The federal awarding agency and pass-through entities are required to evaluate the risk of **HCDE** in respect to financial stability, quality of management system, history of performance (grants), audit reports and ability to effectively implement the grant program.

HCDE shall implement strategies as noted below to ensure that its risk level for federal grants management is determined to be "low":

1. Timely submission of all required programmatic and financial reports
2. Complying with the federal grant award fiscal guidelines and allowable cost principles
3. Ensuring that all grant-related staff are properly trained in their respective grants management role on at least an annual basis.
4. Implementing grant management procedures and internal controls

If **HCDE** is determined to be a "high risk" department, it shall comply with all of the additional requirements as imposed by the federal granting agency and/or pass-through entity. In addition, **HCDE** shall develop and implement strategies to correct the identified deficiencies in an effort to move to a "low risk" entity status.

No pre-award expenses shall be made by HCDE prior to the approval of the federal granting agency or pass-through entity. Non-authorized pre-award expenses, if any, shall be paid from **local HCDE funds, i.e. the General Fund.**

902.1 Grant Application Process

HCDE may be eligible to apply for "entitlement" or "competitive" federal grant funds.

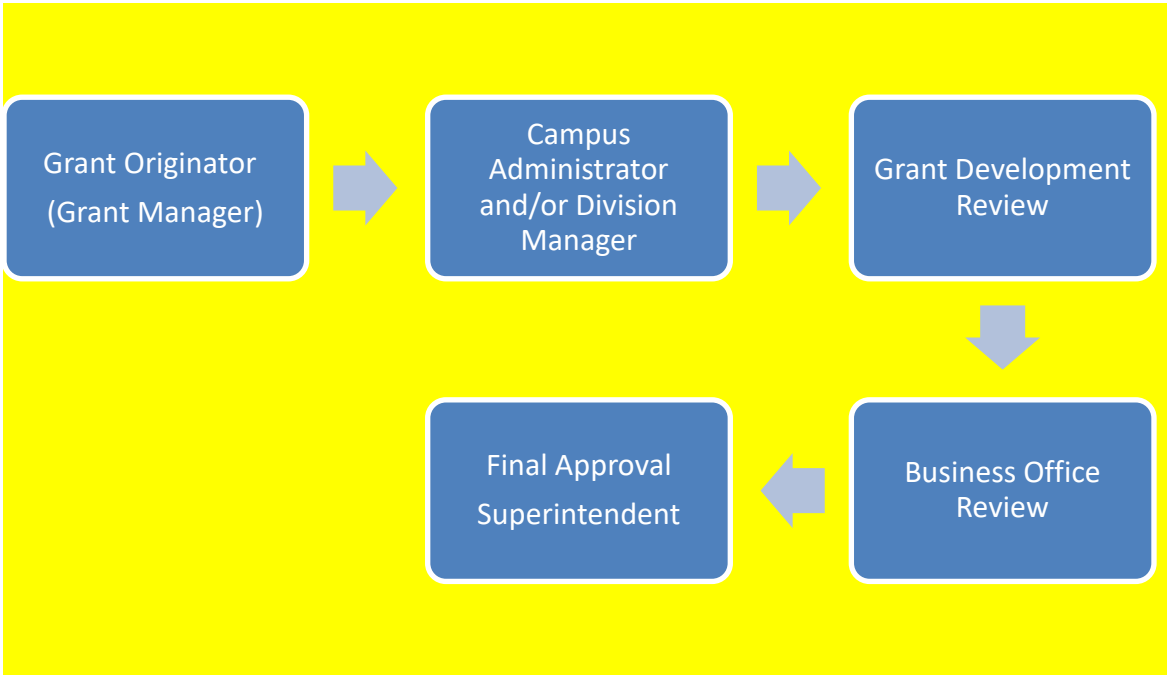
Federal entitlement grant funds include, but are not limited to, Head Start Funds, Adult Ed Grants,

After School Program- 21 century grants and other federal grants. The "maximum" and/or "final" entitlement awards for HCDE are posted on the granting agency site or are maintained on the HCDE Portal. The appropriate grant manager shall obtain the grant available amounts and begin the grant development process with the appropriate stakeholders.

A list of competitive grants administered by the granting agency are also posted on the granting entity's website. Grant managers will work with the resource development division to obtain the competitive grant information to determine whether the grant(s) is appropriate for HCDE. Some competitive grants may have matching-funds and/or in-kind payment requirements which may place a burden on the HCDE's available financial resources.

All HCDE staff involved in the management of federal grant awards shall be aware of these resources.

HCDE's grant application process for federal grants is illustrated below on a flowchart. As noted on the flowchart, all grant applications must be **reviewed by** the **business office, grant manager and grants management department**.



The final approval of a grant application shall be the **Superintendent.**

The **Grants Manager** shall work collaboratively with business office to ensure that all grant budget schedules are completed using the correct account code structure (as appropriate); the departments purchasing, travel and other procedures; and are adequately documented if prior approval is required by the granting agency or pass-through entity (TEA).

The **Grants Manager** shall obtain pre-approval for the following activities which have been identified by the granting agency or pass-through entity (TEA);

- Student field trips

- Hosting conferences
- Out-of-state travel

Grants that require matching or in-kind HCDE contributions shall be evaluated for overall impact on the current and future department's local funds.

No federal grant funds shall be budgeted, encumbered, or spent until either of the following has occurred:

- grant has been approved by the granting agency and a Notice of Grant Award (NOGA) has been issued to the department; or
- the entitlement grant has been received by HCDE and the grant application has been submitted to TEA

[NOTE: TEA allows federal grant expenditures from the grant application "stamp-in date"; however, expenditures that require TEA's specific approval and not approved until the NOGA is issued.]

The business office shall notify the grants management department or grant manager when the funds have been budgeted and are ready for expenditure by the appropriate division.

902.2 General Provisions and Assurances

General Provisions and Assurances apply to all grants administered by TEA. Additional provisions and assurances may apply to specific grants. The **grants management department** shall inform all staff involved in the expenditure of grant funds of the provisions and assurances for each grant program, as appropriate.

902.21 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion

HCDE must not award a contract to a vendor which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal grant award programs.

The **business office /purchasing** shall verify the eligibility of each vendor with this certification requirement by requesting that the vendor execute a Certification Form before awarding a contract and/or issuing a purchase order. A copy of the Certification Form shall be maintained with the contract and/or purchase order for audit purposes.

The **business office /purchasing** shall monitor ongoing contracts to verify the contractor's compliance with the debarment, suspension, ineligibility and voluntary exclusion provisions. In the event that a vendor is suspended or debarred during a contract, HCDE shall continue the contract in force until the contract lapses. The contract term shall not include any extensions to the original term of the contract.

902.22 Lobbying Certification

For all federal grants in **excess of $100,000**, HCDE shall certify on the grant application that no federal grant funds are expended for the purpose of lobbying. The **grants management and business office** shall jointly execute a *Lobbying Certification Form [Standard Form – LLL: Disclosure of Lobbying Activities], as applicable,* if HCDE used funds other than federal grant funds for lobbying activities.

The **Assistant Supt for Business/CFO and Purchasing Director** shall ensure that all **contract award documents** with federal grant funds contain the appropriate lobbying certification language.

902.3 Budgeting Grant Funds

The **business office** shall budget grant funds in the appropriate fund code as authorized by Financial Accountability System Resource Guide, or the granting agency, as appropriate. In addition, the object expenditure codes noted on the grant application shall be consistent with the budgeted account codes.

Federal grant funds shall be budgeted and available for use no later **than 30 days**/after receipt of the NOGA or from the stamp-in date except where there is no board meeting held.

For example, if the grant application included $2,000 for "6219 Professional Services", the budget shall include an appropriation for Professional Services in object code 6219. However, if the intent was to expend funds to pay a Math Consultant, the grant application may need to be amended to move the "6219 Professional Services" funds to the correct object code "6299 Other Professional Services". All expenditures shall be made from the correct FASRG object code.

Budget amendments, if any, shall be approved by the grants management department, or grant manager assigned, to ensure that the reclassification of funds is allowable under the grant management guidelines related to budget amendments. Some grants allow a transfer of funds, up to 25% of the grant award, but only within the same object class and if the new object code does not require specific approval from the granting agency.

The TEA Grants Division has developed guidance related to "When to Amend" grants administered by the TEA. The guidance document is posted on the TEA website at: http://tea.texas.gov/Finance_and_Grants/Administering_a_Grant.aspx.

The guidance document contains the following guidance:

1. Use Table 1 for federally funded grants and for grants funded from both federal and state sources.
2. Use Table 2 for state-funded grants. Refer to the "Select Grantees" column if the NOGA is for over $1 million.

In addition to TEA's guidelines, federal regulations require that HCDE amend the grant application when we deviate from the original scope or grant objectives. Other amendments may be necessary when

HCDE changes the designated Grant Manager, disengages from grant activities for more than three (3) months, or a 25% reduction in the time devoted by a grant manager.

The Grant Manager shall monitor the need for amendments at least quarterly throughout the grant period and at least one (1) month prior to the grant amendment deadline, if applicable. If an amendment is necessary for any of the reasons specified by the pass-through entity (TEA) or in federal regulations, the Grant Manager shall initiate the amendment process and collaborate with the finance department prior to submission of the grant amendment. The **approval process of a grant amendment** shall be the same as the grant application process, i.e. the Superintendent shall approve all federal grant amendments.

The **Assistant Supt for Business/CFO** and the **Grant Manager** shall be responsible for ensuring that the finance system budget corresponds to the most recent grant NOGA.

902.4 Standards for Financial and Program Management

HCDE must comply with all requirements of federal grant awards including the provisions of the Federal Funding Accountability and Transparency Act (FFATA) and the Financial Assistance Use of Universal Identifier and Central Contractor Registration (CCR).

FFATA Reporting

HCDE shall report the following for all federal grant awards, as appropriate. The **Assistant Supt for Business/CFO** shall be responsible for collecting and reporting the information.

1. The following data about sub-awards greater than **$25,000**
    a. Name of entity receiving award [entity = district]
    b. Amount of award
    c. Funding agency
    d. NAICS code for contracts / CFDA program number for grants
    e. Program source
    f. Award title descriptive of the purpose of the funding action
    g. Location of the entity (including congressional district)
    h. Place of performance (including congressional district)
    i. Unique identifier of the entity and its parent; and
    j. Total compensation and names of top five executives (same thresholds as for primes)
2. The Total Compensation and Names of the top five executives if:
    a. More than 80% of annual gross revenues from the federal government, and those revenues are greater than **$25M annually** and
    b. Compensation information is not already available through reporting to the SEC.

902.41Financial Management

HCDE financial management system**, SunGard System**, shall be utilized to expend and track all federal grant expenditures. The financial management system shall be maintained in a manner that provides adequate internal controls over the data integrity, security and accuracy of the financial data.

The financial management system must contain information pertaining to all federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation. **All expenditures of federal grant funds** shall be in accordance with the department's written procedures such as cash management, accounts payable, purchasing, travel, allowable costs, capital asset tracking, contract management, and other procedures, as appropriate.

Records Retention

The financial management system shall be utilized to store, maintain, and report all required federal grant information. Consequently, HCDE shall ensure that access to the data is restricted to authorized individuals in accordance with the department's Data Security and Access policies. In addition, HCDE shall retain all federal grant records for a period of **five (5) years** in accordance with the district's Local Records Retention Plan. [Note: HCDE's retention period exceeds the three (3) year retention period required in the EDGAR.] The department's Record Management Officer (RMO), **Superintendent**, shall be responsible to ensure that all records are retained, stored and accessible, as appropriate.

List of Federal Grant Awards

A list of all federal grant awards shall be maintained to include all EDGAR required data (denoted with an *) and district-required information listed below: [List of all federal grant awards with the required identification information is included in the Exhibit Section]

- The CFDA title and number*,
- Federal award identification number and year*,
- Name of the Federal agency*, and
- Name of the pass-through entity*, if any.
- Grant manager for each grant
- Subgrants, if any
- TEA-assigned risk level for each grant, as appropriate

On at least a monthly basis, the **Assistant Supt for Business/CFO and the Chief Accounting Officer** shall review the status of each federal grant fund. The review shall include a comparison of budget to expenditures. The Grant Manager will be provided with monthly financial statements.

902.42Internal Controls

HCDE's internal control procedures over financial management, developed in accordance with the Internal Control Integrated Framework (COSO), shall be made available to all staff involved in the management of federal grant funds. The internal control procedures shall be reviewed on at least an annual basis and updated as appropriate. If any weakness in an internal control is detected, the internal

control procedures shall be revised to incorporate the weakness (es) at either the annual review or as the need arises dependent upon the severity (materiality) of the weakness.

A copy of HCDE's Internal Control Procedures is embedded with this manual and available from the business department. The **Assistant Supt for Business/CFO** shall be responsible for the annual review and update of the Internal Control Procedures.

902.43Bonds

If the granting agency requires that HCDE obtain bonding and/or insurance for a specific project, HCDE shall ensure that the bonds are obtained from a company that holds a certificate of authority as specific in 31 CFR Part 223, Surety Companies Doing Business with the United States. **Assistant Supt for Business/CFO** shall be responsible for obtaining insurance and/or bonding, as appropriate.

902.44Payment

Payments to vendors shall be made promptly in accordance with federal regulations and state law. Specifically, in accordance with the Texas Prompt Payment Act, HCDE shall pay all invoices within 30 days of receipt of the goods/services and the invoice, whichever is later.

In the event that HCDE receives an advance payment from a federal granting agency, HCDE shall ensure that it expends the advanced funds in a timely manner. Excess funds may earn interest, which may require return to the federal granting agency if the interest meets the federal threshold.

HCDE has determined that it will not accept advanced payments for federal grant funds.

HCDE shall seek reimbursement for federal grant expenditures, rather than using an advanced payment method. Consequently, HCDE shall prepare and submit a "draw-down" of federal grant funds only after the payments have been made and distributed to the vendor via mail, e-payables or other delivery method. The draw-down of expended funds shall be net of all rebates, refunds, contract settlements, audit recoveries and interest earned, as appropriate. The **Grant Accountant** shall be responsible for preparing the draw-down of federal grant funds. All draw-downs shall be posted to the general ledger upon receipt of money. At year, drawdown amounts received after year end shall be accrued as a receivable.

902.45 Cost sharing or matching funds

The **Grant Manager** over each federal grant award shall ensure that requirements for cost sharing and/or matching funds are approved through the grant approval process prior to the submission of the grant. At a minimum, the **Grant Manager and the Assistant Supt for Business/CFO** must approve the commitment of all cost sharing and matching grant funds.

If cost sharing or matching funds are required as part of a federal grant award, the required direct or in-kind expenditures should be recorded and tracked on the general ledger. If matching grant funds are required in the General Fund (Fund 199), HCDE shall utilize a **sub-object** to separately track the expenditures for reporting and compliance purposes.

All staff paid with cost sharing and matching funds, shall be subject to the Time and Effort Documentation requirements.

Cost sharing and matching funds that are as a result of donated services or supplies, shall be recorded and tracked in accordance with the federal regulations (CFR 200.306).

902.46 Program Income

HCDE will not generate any program income as part of a federal grant award.

Federal regulations (CFR 200.307) allow HCDE to generate program income to offset federal grant award costs. Income earned, if any, must be expended in accordance with the grant requirements. All recommendations for program income activities shall be reviewed and approved by the Grant Manager.

If program income activities are approved, the **Grant Manager** over the activities shall ensure that the costs of generating the program income are not federal grant funds, are nominal in cost, are offset from the program income and meet all of the federal requirements.

HCDE will not retain any program income earned through a federal grant program.

902.47 Period of performance (Obligations)

All allowable grant expenditures shall be incurred during the grant period, i.e. begin date and end date of the federal grant award as designated on the Notice of Grant Award (NOGA). The Grant Manager shall notify the appropriate departments, such as **Purchasing, Human Resources, Business, Payroll, etc.** of the grant periods for each federal grant award to ensure compliance as noted below:

- No employee shall be hired and paid from federal grant funds except **during** the federal grant period
- No purchase obligation shall be made from federal grant funds except **during** the federal grant period
- No payroll or non-payroll expenditures shall be made from federal grant funds except **during** the federal grant period.

All obligations with federal grant funds must occur during the grant period. Obligations that occur before or after the grant period are not allowable costs. The obligations must be liquidated in accordance with the grant deadlines, especially as they relate to the final draw-down of federal grant funds. Guidance regarding the obligation of federal grants funds can be found in TEA's General and Fiscal Guidelines.

The **Grant Manager** shall monitor the expenditures during the grant period to ensure that the funds are spent in a systematic and timely manner to accomplish the grant purpose and activities. **The following timeline shall be used as a general guide for spending thresholds for a grant period of 15 months**. The optimal spending thresholds noted below may be adjusted based on programmatic needs. For example,

if the federal grant will be used for summer activities such as summer school, a larger percentage of the grant may need to be withheld for those specific activities.

- Within 3 months of the grant start date 25%
- Within 6 months of the grant start date 50%
- Within 9 months of the grant start date 75%
- Within 12 months of the grant start date 100%

902.5 Procurement Standards/Expenditure of Grant Funds

Expenditures of grant funds shall be through the **Business Office** (**purchasing, business, accounts payable or payroll)** processes in place for non-grant funds, but shall have additional requirements as noted below to ensure full compliance with federal cost principles.

902.51General Procurement Standards

HCDE shall comply with the general procurement requirement of the EDGAR (2 CFR 200).

HCDE shall utilize a purchase order and encumbrance system to manage the expenditure of all federal grant funds unless other methods such as credit cards, petty cash, direct payments, etc. are authorized in HCDE's operating procedures. All purchases shall be in accordance with HCDE's Board Policies (CH Legal and Local) and HCDE's **Purchasing Procedures** **(Exhibit Section). The HCDE purchasing procedures shall comply with all federal, state and local procurement requirements.**

The **Assistant Supt for Business/CFO** shall be responsible for ensuring compliance with all federal, state and local procurement requirements and for ensuring that HCDE maintains an up-to-date procurement history to include, but not limited to, the information below:

- List of all procurements by type
- Advertisement date(s) of the procurement
- Release date of the procurement specifications
- Selection criteria for vendors
- Opening date of the procurement
- List of vendors submitting a proposal/bid
- Selection of Vendor
- Date of contract award
- Begin date of contract
- End date of contract

The procurement history records and other procurement records shall be retained in accordance with the federal, state and/or local retention periods, whichever is greater. The procurement records shall be made available to the federal granting agency, pass-through entity (TEA), and auditors, as appropriate.

Purchasing Efficiency Strategies

All purchases with federal grant purchases shall be in accordance with the federal regulations, specifically CFR 200.318. All purchases shall be purchased from a variety of qualified vendors with the ability to perform successfully under the terms and conditions of a proposed procurement. HCDE shall strive to avoid acquisition of unnecessary or duplicative items. **HCDE shall implement the following strategies to maximize federal grant funds:**

- Consolidation of purchases to obtain volume pricing, as appropriate
- Evaluate the cost efficiencies of leases versus purchases of equipment
- Utilize cooperative purchasing agreements, as appropriate, to obtain volume pricing
- Utilize federal or state excess/surplus property supplies or equipment in lieu of purchasing new supplies or equipment, as appropriate
- Utilizing value-engineering in construction projects to seek cost reductions
- Develop vendor selection criteria to select the best vendor
- Develop a tracking system of all informal and formal procurements
- Avoid "time and materials" contracts if other alternatives exist
- Monitor vendor performance to ensure that the vendor provides the services and/or goods, as appropriate
- Ensure that all contract and vendor disputes are resolved in the most advantageous manner
- Minimize the risk of jurisdictional issues by ensuring that all contracts would be litigated in a court within the county, city and/or state, as appropriate

HCDE shall complete a review of the procurement system on an **annual basis** to self-certify that the procurement system is efficient and effective. The **Assistant Supt for Business/CFO and the Purchasing Director** shall oversee the completion of the self-certification. The results of the certification shall be distributed to all grant management staff. If deficiencies are noted, the **Assistant Supt for Business/CFO** shall develop a Corrective Action Plan to remedy the deficiencies, as appropriate.

Conflict of Interest

The Superintendent shall execute an Organizational Conflict of Interest document to disclose if any conflicts exist in the application, receipt of, or expenditure of federal grant funds.

The **Grant Manager, Assistant Supt for Business/CFO, and grant employees** shall each execute a Conflict of Interest Form to disclose a conflict of interest, as appropriate, related to the awarding of a contract or substantial expenditures with federal grant funds. Substantial expenditures shall be defined as a purchase in excess of **$100** .**No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. In addition, no employee, officer or agent of HCDE may neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to subcontractors. All employees shall comply with the Educators' Code of Ethics (DH Exhibit).**

Violators of the Code of Ethics shall be subject to disciplinary action, including but not limited to, termination of employment with the department.

902.52Vendor Competition

The **Business Office /purchasing department** shall be responsible for selecting and awarding contracts to vendors that are qualified to provide the goods and/or services to be purchased with federal grant funds. The vendor selection process shall ensure that HCDE does not restrict competition among qualified vendors.

Vendor Selection Criteria

HCDE has selected vendor qualification criteria that includes, but is not limited to, the following:

- Past experience with the district
- Cost of goods and services, including future costs of maintenance
- Vendor's financial stability and position as it relates to the ability to provide the goods and/or services
- Small, minority, woman-owned, or labor surplus area firms
- Other criteria under CH legal.

HCDE shall not restrict vendor competition by requiring any of the following as selection criteria:

- Unreasonable requirements, such as excessive experience or bonding, brand name products or geographic preferences that would unduly restrict competition among qualified vendors
- Arbitrary restrictions that are not essential to the bid/proposal specifications

A vendor database shall be maintained by the **Purchasing Department.** The department's **Adding/Renewing Vendors Procedures** shall be adhered to for all purchases. Vendor selection shall include the following criteria:

- **Has not been debarred or suspended from contracting under federal grants**
- **Has completed the vendor packet**
- **Does not have a conflict of interest**
- **Does not have a history of deficient performance or illegal activity**

All vendors shall complete the appropriate **vendor forms** as required by federal or state regulations and the department. HCDE requires that every vendor have the following documents on file:

- Vendor application file (new vendors)
- Form W-9
- Conflict of Interest Questionnaire
- Felony Conviction Notice
- Fingerprinting (If working directly with students)
- SB9 Form

- Vendor provisions form for (EDGAR)

HCDE shall develop written bid/proposal specifications that are provided to every qualified vendor to ensure consistency in the procurement process. At no time shall HCDE allow a specific vendor to develop the bid/proposal specifications as this may provide a barrier to open, competition among the qualified vendors. The bid/proposal documents must include guidance to vendors regarding the following:

- Time, date and place of bid/proposal opening
- Anticipated award date, as applicable
- Written specifications and addendums, as appropriate
- List of all bid/proposal required documents such as CIQ, Felony Conviction Notice, etc.
- Bid/Proposal Sheet
- Bid/Proposal evaluation criteria, including the weights, as applicable
- Other documents

The **Assistant Supt for Business/CFO** shall oversee all bid/proposal documents before release to the vendor to ensure the documents comply with the federal requirements.

902.53Procurement Methods

HCDE shall use one of the procurement methods allowed by federal regulations to procure goods and services with federal grant funds. In addition, HCDE shall comply with state purchasing laws and local Board Policy, CH Legal and Local.

The procurement method shall be determined based on the type of goods or services to be purchased with federal grant funds. The **Assistant Supt for Business/CFO** shall be responsible for selecting the appropriate procurement method for each procurement.

Micro-Purchase Procedures

The **Procurement by Micro-purchase** may be most frequently used method due to the frequent purchase of goods or services that are **less than $3,000**, as defined in CFR 200.67. The HCDE shall purchase goods and services under this method from among qualified vendors, but will not competitively procure the micro-purchases, unless in the aggregate in a 12-month period (fiscal year), the HCDE exceeds the state law thresholds, or the district's threshold in Board Policy CH Legal or Local. The **Purchasing Department** shall distribute micro-purchases equitably among qualified vendors.

Small Purchase Procedures

The **Procurement by Small Purchase Procedures** shall be used by HCDE when the purchase of goods or services does not **exceed $50,000**, the Simplified Acquisition Threshold (CFR 200.88). The purchasing department shall require written, emailed or faxed quotations from at least three (3) qualified vendors for all small purchases, i.e. purchases **that do not exceed $50,000**. HCDE shall strive to obtain small

purchases from qualified vendors under a Cooperative Purchasing Program. HCDE is currently participating in the following cooperative purchasing programs:

- **TASB Buy Board**
- **TCPN**
- **ESC Centers**
- **Choice Partners**
- **TIPS-TAPS**
- **Other Inter-local agreements**

Sealed Bid Procedures

The **Procurement by Sealed Bids** method shall be used by HCDE when the purchase of goods or services **exceed $50,000** if the acquisition of the goods or services lends itself to a fixed price contract and the selection of the successful bidder can be made principally on the basis of price. HCDE shall comply with the sealed bid requirements, as defined by the EDGAR, as noted below:

- The Department will conduct an **independent estimate determination** prior to the issuance of the sealed bids.
- Bids must be solicited from an adequate number of bidders.
- Bids must be publicly advertised and bidders shall be provided an adequate amount of time to prepare and submit their bid.
    - HCDE shall publicly advertise all bids in accordance with state law, i.e. at least two (2) times in two separate weeks
    - HCDE shall provide no less than ten (10) days for bidders to prepare and submit their bids
- Bids must contain detailed specifications to ensure that bidders have a clear understanding of the goods or services that the HCDE is seeking to purchase
- Bids must specify the time, date and HCDE location where bids will be opened publicly
- Bids must be awarded based on a fixed price contract to the lowest responsive and responsible bidder. HCDE shall consider discounts, transportation costs and life cycle costs only if these factors were included in the bid specifications. HCDE **will** consider payment discounts because HCDE **does** routinely take advantage of payment discounts.
- Bids will be evaluated, ranked and a recommendation for award made to the Board at a regularly scheduled board meeting.
    - If no bidder is recommended, HCDE shall reject all bids and evaluate whether to modify the bid specifications to initiate a new bid process
    - The Department will conduct a determination of cost and price analysis for reasonableness.
- HCDE shall notify the successful bidder and process the contract documents and/or purchase orders, as appropriate

- HCDE shall notify all of the unsuccessful bidders to ensure that qualified bidders are encouraged to submit bids during future bid opportunities

Competitive Proposal Procedures

The **Procurement by Competitive Proposal** method shall be used by HCDE when the acquisition of the goods or services **exceeds $50,000** and does not lend itself to a fixed price contract. HCDE shall comply with the sealed bid requirements, as defined by the EDGAR, as noted below:

- The Department will conduct an **independent estimate determination** prior to the issuance of the proposal
- Requests for Proposals (RPF) must be publicly advertised
- The RFP shall identify the evaluation factors and their weight in awarding the proposal
- Proposals shall be solicited from an adequate number of bidders, but no less than two (2) qualified vendors
- Proposals shall be evaluated, ranked and a recommendation for award made to the Board at a regularly scheduled board meeting
    - HCDE shall develop an instrument to evaluate each proposal and rank the proposals based on the evaluation scores
    - HCDE shall evaluate each proposal by committee or no less than two (2) HCDE staff with knowledge of the RFP specifications
    - In accordance with state law, the vendor who is ranked highest as providing the "proposal most advantageous to the district" shall be notified of the potential award
        - HCDE may negotiate with the vendor only as it relates to potential cost savings
        - If HCDE and vendor ceases to negotiate, HCDE shall notify the vendor in writing before starting to negotiate with the 2nd highest ranked vendor.
    - The Department will conduct a determination of cost and price analysis for reasonableness.

Noncompetitive Proposal Procedures

The **Procurement by Noncompetitive Proposal** method shall be used by HCDE when the purchase of goods or services is from a "sole source vendor". A sole source vendor is defined as a vendor that meets the following requirements:

- The Department will conduct an **independent estimate determination** prior to the review of sole source determination.
- The goods or services are only available from a single source
    - HCDE shall acquire and maintain a copy of a vendor's sole source letter which specifies the statutory or other reason for its sole source status
- A public exigency or emergency will not permit a delay resulting from the competitive solicitation process

- HCDE shall declare a public exigency or emergency prior to making such as purchase of goods or services under this method

- The granting agency or pass-through entity authorized the use of a non-competitive proposal method
  - HCDE shall obtain written approval/authorization from the granting agency or pass-through entity.
- After solicitation of a number of sources, competition is determined to be inadequate
  - HCDE shall determine that competition is inadequate if after two (2) solicitations of bids and/or proposal, only one vendor is responsive to the solicitations
  - The Department will conduct a determination of cost and price analysis for reasonableness.

Other Procurement Guidelines

Regardless of the procurement method, HCDE shall encourage small, minority, woman-owned and labor surplus area firms to compete with other qualified vendors by implementing strategies to encourage their participation.

HCDE shall comply with the federal regulations related to the procurement of recovered materials (CFR 200.322) and the Solid Waste Disposal Act.

For all purchases that exceed the Simplified Acquisition Threshold of $150,000, HCDE shall perform a **cost or price analysis with every procurement. HCDE will use price quote tabulations to document the analysis.** Secondly, all purchases that exceed this threshold shall comply with federal bonding requirements such as:

- Bid guarantee from each bidder of five percent (5%) of the contract price
- Performance bond on the part of the contractor for 100% of the contract price
- Payment bond on the part of the contractor for 100% of the contract price.

The **Assistant Supt for Business/CFO** shall be responsible to ensure that all purchases above this threshold are guaranteed with the appropriate bid guarantee, performance bond and payment bond.

All contracts for services and/or goods purchased with federal grant funds shall be subjected to the same review and approval process as all other HCDE contracts. **The Contract Procedures and Checklist are applicable to all federally funded contracts.**

HCDE shall retain all records related to the procurement of goods and services in accordance with federal, state and local requirements. In addition, all procurement records shall be available for inspection and/or audit during the life of the records. HCDE shall maintain all procurement records for **five (5) years** in accordance with HCDE's Local Records Retention Schedule.

902.6 Property Standards

HCDE shall safeguard all property (assets and inventory) purchased with federal grant funds under the same guidelines as property purchased with local funds. Additional insurance for property purchased

with federal grant funds shall be acquired if specifically required by a federal grant award. The **Assistant Supt for Business/CFO** shall oversee the acquisition of insurance for all federally funded property.

Real Property

HCDE has not and will not use federal grant funds to purchase real property.

Equipment and Supplies

HCDE shall use federal grant funds to purchase equipment and supplies. HCDE shall not use federal grant funds to purchase intangible property. [Note. This is an option, subject to the CFR 200.315] The federally-funded equipment shall be used only for the authorized purposes and shall be disposed of, at the end of the useful life or end of the grant period, in accordance with the grant award guidelines. HCDE shall/shall not use the federally-funded equipment to generate program income. The federally-funded supplies shall be used only for the authorized purposes. Any residual (unused) supplies, in excess of $5,000 in total aggregate value, at the end of the grant program or project may be used for any other federal grant program. Otherwise, the supplies shall be retained by HCDE or sold, but must reimburse the granting agency for the HCDE use or sell of the supplies. HCDE shall implement purchasing deadlines for the purchase of federally-funded supplies to ensure that residual supplies are not available at the end of the grant period or project. The purchasing deadlines are posted on the purchasing webpage at www.hcde-texas.org

Capitalization Policy and Definitions

HCDE shall utilize the same capitalization policy for non-grant and grant-funded asset purchases. The department's capitalization threshold for assets is **$5,000 per unit cost**. HCDE has adopted the EDGAR (CFR 200.12) definitions of property as noted below:

- *Capital assets* means tangible or intangible assets used in operations having a useful life of more than one year which are capitalized in accordance with GAAP. (CFR 200.12).
- *Equipment* means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000. (CFR 200.33)
- *Computing devices* means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or "peripherals") for printing, transmitting and receiving, or storing electronic information. (CFR 200.20)
- *General purpose equipment* means equipment which is not limited to research, medical, scientific or other technical activities.
    - Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles.
- *Information technology systems* means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. (CFR 200.58)
- *Special purpose equipment* means equipment which is used only for research, medical, scientific, or other technical activities.

- Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers.

- *Supplies* means all tangible personal property other than those described in §200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or $5,000, regardless of the length of its useful life. (CFR 200.94)

Acquisition Cost

HCDE has also adopted the EDGAR definition of Acquisition cost as noted below:

- *Acquisition cost* means the cost of the asset including the cost to ready the asset for its intended use. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired. Acquisition costs for software includes those development costs capitalized in accordance with generally accepted accounting principles (GAAP). Ancillary charges, such as taxes, duty, protective in transit insurance, freight, and installation may be included in or excluded from the acquisition cost in accordance with the non-Federal entity's regular accounting practices. (CFR 200.2)

HCDE shall utilize the invoice cost, an all related costs, to record the cost of the equipment on the fixed asset database.

HCDE has also defined "inventory items" as items with a unit cost between $1,000 and $4,999. These items shall have a tag affixed to the item for inventory tracking and insurance purposes only. Inventory items shall include computing devices within these costs. HCDE shall track these items for insurance purposes and shall conduct an annual inventory of these items to the extent possible.

HCDE has also defined technology-related "walkable" or "personal use" items with a unit cost less than $1,000 as the following (these items shall be tracked by each division.

- I-Pads
- Kindle/Nook
- Computers with a cost under $1,000

902.61 Identifying and Tracking Federally-Funded Assets

Title to federally funded equipment and supply purchases shall be retained by the department, unless otherwise notified by the granting agency. As HCDE property, HCDE shall affix a tag, inventory, and dispose of all assets (non-grant and grant-funded) according to the department's fixed asset procedures. [**Fixed Asset Procedures in Exhibit Section**] HCDE procedures shall include the recording of all assets on a database with the following information:

1) Department-issued tag (or identification number)
2) Date of acquisition
3) Description of asset
4) Serial number, or other identifying number

5) Funding source, i.e. fund code
6) Federal use of asset (percentage)
7) Cost of asset (acquisition cost)
8) Use and condition of the asset (New, Used, etc.)
9) Life of asset
10) Location of asset (building and room number)
11) Depreciation of asset
12) Owner of asset title, typically the department

Maintaining Asset Inventory & Records

All federally-funded assets shall be maintained in an operable state. If repairs are necessary, HCDE may pay for the repairs of the federally-funded assets with federal grant funds, unless expressly restricted by the granting agency.

HCDE fixed asset procedures shall include an **annual inventory** (or more frequently if required by a granting agency) of all assets and reconciliation of the inventory reports. [Note. Federal requirements CFR 200.313 requires an inventory at least once every 2 years.] The department's annual inventory of assets shall be conducted **annually** each fiscal year. Lost, damaged, or stolen assets shall be recorded on the fixed assets database with the date of the loss. The disposition records such as the loss report (police report for thefts) shall be maintained with the asset records.

In addition, HCDE shall track all grant-funded asset purchases by grant, or fund code, as appropriate. The disposal of grant-funded assets shall be in accordance with federal guidelines and grant-specific guidelines, if any. At a minimum, the disposition date, reason and sale price of all federally-funded assets shall be recorded in the fixed assets database.

During the life of the asset, HCDE shall ensure that all assets purchased with federal grant funds are insured against loss. The costs to insure and maintain (repair) assets purchased with federal grant funds are generally allowable costs, unless specifically prohibited by a granting agency.

The **Executive Director of Facilities** shall be responsible for maintaining the fixed asset database of all HCDE assets, including all federally-funded assets.

902.7 Cost Principles

All grant expenditures must be allowable under the Federal Cost Principles (2 CFR 200 – Subpart E), the grant application program assurances, the granting agency's policies, and HCDE policies and procedures.

HCDE shall adhere to the Cost Principles for federal grants [EDGAR SUBPART E] and any additional grant-specific cost principles. The general principles of EDGAR state that:

- Costs must be reasonable and necessary

    - A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.
    - Necessary is defined as costs needed to carry out the grant activities
- Be allocable to Federal awards
- Be authorized or not prohibited under State or local laws or regulations.
- Conform to any limitations or exclusions set forth in these principles, Federal laws, terms and conditions of the Federal award, or other governing regulations as to types or amounts of cost items.
- Be consistent with policies, regulations, and procedures that apply uniformly to both Federal awards and other activities of the governmental unit.
- Be accorded consistent treatment. A cost may not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- Except as otherwise provided for in EDGAR, be determined in accordance with generally accepted accounting principles.
- Not be included as a cost or used to meet cost sharing or matching requirements of any other Federal award in either the current or a prior period, except as specifically provided by Federal law or regulation.
- Be the net of all applicable credits.
- Be adequately documented.

HCDE shall utilize the **Allowability/Allocability of Costs Worksheet** to verify that all proposed obligations and expenditures meet the Cost Principles. If the Worksheet reflects that the proposed obligation and/or expenditure is not allowable and/or allocable to a federal grant award, HCDE shall not make the obligation/purchase with the federal grant funds. Other funds, such as local funds, may be used to make the obligation/expenditure, as appropriate.

The **total cost** of a federal award is the sum of allowable direct and allocable indirect costs less any applicable credits. All refunds, rebates, discounts or other credits to grant expenditures shall be posted to the finance general ledger as soon as the credit is known. HCDE shall ensure that all known credits have been posted to the general ledger prior to the drawdown on federal grant reimbursements. [Note. It is essential to post all credits to the general ledger on a timely basis to ensure that HCDE does not draw-down grant expenditures in excess of actual expenditures net of all credits. Otherwise, HCDE may be considered to have drawn-down funds under an advanced cash method.] The **Assistant Supt for Business/CFO** shall ensure that all applicable credits have been posted to the general ledger prior to preparing and submitting a federal grant draw-down request from the granting or pass-through entity.

A cost allocation plan or an indirect (F&A) cost rate, whether submitted to a Federal cognizant agency for indirect costs or maintained on file by the department, must be certified by HCDE using the **Certificate of Cost Allocation Plan or Certificate of Indirect Costs** as set forth in Appendices III through VII, and Appendix IX. The certificate must be signed on behalf of HCDE **by Assistant Supt for Business/CFO.** All HCDE costs with federal grant funds, whether direct or indirect, shall meet the minimum requirements of allowability as specified in the 2 CFR 200.403. In addition, the costs must meet the general provisions for selected items of cost (2 CFR 200.420). Specific items not listed within these procedures shall be evaluated by the Grant Manager and Finance Department on case-by-case basis for allowability. The general cost allowability rules for specific items of cost listed within these

procedures shall apply to all federal grant funds, unless more restrictive allowability rules are required by a particular federal grant award. **HCDE shall adhere to the more restrictive allowability rules when a conflict arises between the general allowability rules, the program-specific allowability rules and the department's allowability rules.**

Selected Items of Costs

HCDE costs generally fall under two major categories: 1) compensation/benefits; and 2) non-compensation (supplies, services, travel or equipment). HCDE has elected to use federal grant funds for both compensation/benefits and non-compensation expenditures.

902.71 Compensation & Benefits – Employee (Payroll Expenditures)

Compensation and benefits (payroll expenditures) are allowable costs for personal services rendered by HCDE employees during the period of performance under the federal grants.

Compensation Costs

All payroll expenditures shall be paid in accordance with the federal cost principles. First and foremost, the payroll expenditures must be authorized on the grant application and the duties assigned must be directly related to grant activities. In addition, compensation costs shall be allowable if:

- The costs are reasonable for the services rendered and conforms to the established HCDE compensation and benefit plans for expenditures with all other funds, i.e. local funds,
- The employees have been employed in accordance with the department's established **Hiring Procedures**, and
- The costs are supported by the appropriate timekeeping, absence tracking, time & effort certifications or other documentation, as appropriate,
- Federally-funded employees shall report all outside employment or professional services rendered to other entities. The external employment and/or professional services shall not conflict with the federally-funded activities with the department,
- Incentive compensation, such as stipends, awards, early resignation incentive, attendance incentive, etc. in accordance with the department's written plans for each of these incentives,
- Stipend compensation for other non-federal grant award duties shall be supported by a **Supplemental Duties Job Description/Pay Notice**. The additional duties shall not conflict with the federally-funded activities with the department.

Benefit Costs

HCDE costs for fringe benefits for federally-funded staff shall be allowable as noted below:

- All benefit costs shall be in accordance with the department's written **Summary of Employee Benefits**

- All leave benefits shall be in accordance with the department's written **Leaves and Absences Policy (DEC Local)**
- The benefit costs shall be distributed equitably at the same allocation rate (percentage) as the base compensation
- The benefit costs were earned and paid during the grant period
- All benefit costs shall be allowable under the Internal Revenue Service, Fringe Benefits Guide (as subjected to taxes, as required by federal statute)

HCDE shall not charge any benefit costs to a federally-funded grant if the benefit costs are not in accordance with department's written **Summary of Employee Benefits, Board Policy**, or other written benefit plan(s). HCDE has established the following as **non-allowable** benefit costs:

- Severance or settlement agreement payouts to current and/or previous federally-funded grant staff [NOTE. These costs are allowed subject to strict guidelines – HCDE option to include or exclude.]
- Optional pension plans (other than the mandatory Teacher Retirement System of Texas contributions). [NOTE. These costs are allowed subject to strict guidelines – HCDE option to include or exclude.]
- Automobile costs or allowance

Documentation of Compensation and Benefit Costs

In addition, to the time and effort reporting requirements, HCDE shall support all compensation and benefit costs paid with federal grant funds shall be supported by the following documentation:

- **Exempt staff**
    - Employment agreement, contract, or reasonable assurance, as appropriate
    - Job description signed by the employee with language similar to: *Funded by Title I, Part A with the primary purpose of supporting grant activities aimed at improving academic achievement for students struggling to meet state standards.*
    - *Supplemental duties, if any, shall be supported by a* Supplemental Duties Job Description/Pay Notice
    - Absence records, if any
    - Time and Effort documentation, as appropriate (Semi-Annual Certification, Periodic Time and Effort, or the Substitute System for Time and Effort)
- Non-Exempt staff
    - Employment agreement, contract, or reasonable assurance, as appropriate
    - Job description signed by the employee with language similar to: *Funded by Title I, Part A with the primary purpose of supporting grant activities aimed at improving academic achievement for students struggling to meet state standards.*
    - Absence records, if any

- Time and Effort documentation, as appropriate (Semi-Annual Certification, Periodic Time and Effort, or the Substitute System for Time and Effort)
- Timekeeping records (actual work hours per workweek) in accordance with the FLSA and the department's **Timekeeping Procedures.**

902.72 Selection of Grant-Funded Staff

The **Grants Manager** shall work collaboratively with the appropriate stakeholders (departments) to identify all staff needed to accomplish the grant activities. The Grant Manager shall work collaboratively with the Business Office to obtain estimated salaries for proposed grant-funded staff prior to the completion of the grant application. And, the Grant Manager shall provide a copy of the Payroll Summary of each grant program to each of the departments noted above upon approval of the grant application.

The process of approving payroll expenditures from grant funds shall be a collaborative process between the department, Human Resources, Grants Management, and Finance [Purchasing, Budgeting, Accounting and Payroll] departments. Each department plays an essential role in ensuring that all federal grant requirements are met.

The Board Approved **Teacher Hiring** and **Mid-Point Pay Scale** (compensation plan) shall be used to compensate all HCDE staff whether paid from local, state or federal grant funds. In addition, HCDE shall provide the same employer-provided benefits for all HCDE staff whether paid from local, state or federal grant funds.

The compensation for grant-funded staff shall be allocated to the respective grant program (fund) based on the single and/or multiple cost objectives performed by the grant-funded staff. If a grant-funded staff member performs non-grant activities during the day or beyond the normal work day, the compensation for the non-grant activities shall be paid from non-grant funds. Grant-funded staff with more than one cost objective, shall comply with the Time and Effort documentation requirements. Incentive payments, such as performance, perfect attendance, safety, etc. for grant-funded staff shall be allowable with federal grant funds if they are based on the same criteria as non-federal grant funded staff.

<u>New Positions</u>

New grant-funded positions shall be created only when a job description has been developed and approved by the <u>Human Resources</u> and the <u>Grant Manager</u>. The <u>Grant Manager</u> shall ensure that the position is approved on the grant application and that adequate funds exist to fill the position. The **Business Office and payroll departments** shall be notified to ensure that the position is budgeted on the general ledger and the position is paid using the correct payroll account distribution codes.

<u>New Hires</u>

New staff hired for work in positions that are wholly or partially funded with federal grant funds, shall be hired when a position and funding are both available. Upon separation of an employee, the home department of the position shall initiate a request to replace the position. [NOTE: A Personnel Action Form]

The **Grants Manager** shall review the request to ensure that the position is still authorized and necessary. Changes to the job description, if any, shall be made at this time. The **Business Office** shall review the request to ensure that adequate funds exist in the appropriate account code(s). If funds do not exist, the **Business Office** shall notify the **Grants Manager** to determine if funds will be re-appropriated to the account code(s). After approval from the **Grants Manager** and **Assistant Supt for Business/CFO**, the **Human Resources department** shall advertise the position.

The screening and selection process shall include a review of the recommended applicant to ensure that he/she meets the highly qualified requirements under the No Child Left Behind Act (NCLB), as appropriate, or any other grant-specific credentials. [NOTE: A Personnel Recommendation may be used to start the process.]

Upon employment, the new hire shall receive and sign a copy of his/her respective job description to include the grant funding source. NOTE: If the position is funded with a short-term grant fund, the employee shall be notified in writing when the grant funding will lapse, especially if their position will lapse at the end of the grant.

Transfer of Personnel

When staff in a position funded with grant funds is recommended for transfer to another department, or assignment, the grants management, human resources, and finance departments shall work collaboratively to ensure that the appropriate staff allocations and funding changes are made at the time of the transfer.

Substitute Teachers

Salary expenditures for substitute teacher are allowable for approved teacher positions. The finance and payroll departments shall ensure that the expenditures for substitute teacher costs are budgeted and expensed from the appropriate account code(s). **The Board approved substitute pay scale shall be used to compensation all substitute teachers whether paid from local, state or federal grant funds.**

Stipends and Extra Duty Pay

Stipend and extra duty pay expenditures are allowable for authorized and approved activities. A schedule or work log shall be maintained to substantiate the stipend and/or extra duty pay. NOTE: It is recommended by TEA that a job description for each stipend role include the duties related to the grant purpose and the grant funding source. **[Note. A sample Supplemental Pay Notice-Job Description is included in the Exhibit Section.]** The Board approved **Stipend and Extra Duty Pay Schedule** shall be used to compensation all substitute teachers whether paid from local, state or federal grant funds.

The **Business Office** shall ensure that the expenditures for stipend and extra duty pay are budgeted and expensed from the appropriate account code(s). The stipend and extra duty pay rates shall be the same as the rates used for similar locally funded activities. For example, if a teacher stipend for attending a 1-day professional development activity funded through local funds during a non-scheduled work day is **$150 per day**, the teacher stipend for attending a federally-funded 1-day professional development activity should be **$150 per day**, too. **[The Stipend and Extra Duty Pay Scale (adopted by the School Board) is included in the Exhibit Section.]**

902.73 Time and Effort Documentation

HCDE staff funded wholly or partially with federal grant funds shall comply with federal guidelines related to time and effort. The grant funded staff, their immediate supervisors, grants management, human resources, and finance departments shall be aware of the federal guidelines related to time and effort documentation. On a least an **annual basis**, all impacted staff shall be trained by the grants management department and/or attend appropriate training from an outside source.

HCDE shall collect and monitor time and effort documentation for HCDE employees only. **Time and effort documentation does not apply to Independent Contractors.**

HCDE shall comply with all federal time and effort documentation guidelines. The following requirements shall apply to all HCDE staff funded wholly or partially from federal grant funds, including staff funded through non-federal grant funds as part of a cost sharing or matching requirement.

Job description for all grant funded staff

HCDE shall develop and distribute a job description to all HCDE staff that is wholly or partially funded with grant funds. The job description shall include the **funding source** and the job duties as they relate to the grant position. The grant-funded staff shall **sign the job description** at employment and on an annual basis, or at a minimum, when the funding source, job title or other change occurs in the employment or assignment of the staff member.

Roster of all grant funded staff

The **Grant Manager** shall maintain an up-to-date roster of all grant funded staff to include the position title, annual salary, and funding source(s) by percentage. The roster of grant funded staff shall include all staff paid with non-federal grant funds whose compensation/benefits are paid as part of a matching or cost sharing requirement of a federal grant fund.

The **department, human resources**, and **business office** shall work collaboratively to ensure that the roster accurately reflects that data maintained in their respective area of responsibility. Discrepancies, if any, in the roster shall be brought to the attention of the grants management department.

The review of the roster shall include, but not be limited to the following:

1) Department – ensure that the grant funded staff are assigned in the position title as noted on the roster. The assignment of instructional staff must support the position title and funding source.
2) Human Resources – ensure that the position title and salary are correct. In addition, the HR department shall ensure that each grant funded staff member has a signed job description on file for the position title, and, the HR department shall ensure that all grant-funded staff meet the state's Certification or are Highly Qualified, as appropriate.
3) Finance – ensure that the funding source(s) and salary are correct. In addition, the finance department shall ensure that the payroll distribution account code(s) are in accordance with the FASRG.
4) Grant Manager – ensure that the positions are authorized on the grant application**. The review shall occur on at least a quarterly basis throughout the fiscal year.**

Budgeting of grant funded staff

The roster of grant funded staff shall be the basis for budgeting of grant funded staff. The percentage of time in each funding source shall be utilized by the **business office** to create and enter the salary portion of the grant budget. The percentages shall also be utilized by the **payroll department** to enter the payroll distribution account code(s).

In addition, the **business office** shall ensure that the Grant Personnel Schedule of the grant application matches the budget and payroll account code(s).

The **grants management, human resources and business office** shall work collaboratively to adjust the budget and payroll account code distributions of grant funded staff if the time and effort documentation consistently reflects that the percentage(s) across the funding source(s) is not a true reflection of the normal work schedule.

Time and effort requirements for staff funded 100% from one grant (or working 100% of their time in a single cost objective)

The staff funded 100% from one grant source do not have to maintain periodic time and effort records. However, all employees must certify in writing, at least semi-annually, that they worked solely on the program for the period covered by the certification. The employee and his/her immediate supervisor must sign the **Semi-Annual Certification Form** (sample in Exhibit Section).

The timeline for semi-annual certifications shall be twice per year. The immediate supervisor shall submit all signed semi-annual certifications to the grant management department as noted below:

1) **1st Certification – due July**
2) **2nd Certification –due January**

The **Grant Manager** review shall consist of the following:

1) A review of the certification forms to ensure that every staff member and supervisor has certified that their schedule is 100% grant related
2) A test sampling of staff assignments, i.e. master schedule, duty schedule, etc. to verify the schedule is 100% grant related

The **Grant Manager** shall collect and review all Semi-Annual Certification Forms. Any certifications that reflect a percentage other than **100%** shall be forwarded to the **business office** for adjustment of the grant payroll expenditures for the certification period. NOTE: Steps should also be taken to ensure that the staff member's work schedule is adjusted to 100% grant related, or is changed from the semi-annual certification method to time and effort reporting.].The **Grant Manager** shall file the certifications for audit purposes.

The **business office** shall prepare a journal ledger entry to correct the account distribution code(s) as appropriate**. The Business Manager** shall post the entry to the finance general ledger.

Time and effort requirements for staff split funded (funded from more than one (1) cost objective and/or grant programs)

Time and effort applies to employees who do one of the following:
1) Do not work 100% of their time in a single grant program
2) Work under multiple grant programs
3) Work under multiple cost objectives

These employees are required to maintain a **Time and Effort Worksheet** [Refer to Exhibit Section] or to account for their time under a substitute system. Employees must prepare time and effort reports at least monthly to coincide with the HCDE pay periods. Such reports must reflect an *after-the-fact* distribution of 100 percent of the *actual* time spent on each activity and must be signed by the employee and their immediate supervisor. Charges to payroll must be adjusted to coincide with preparation and submittal of the expenditure reports required by the granting agency.

Grant-funded staff under this category shall complete a Time and Effort Worksheet (sample in Exhibit Section) to include the date, grant source, percentage worked in the grant source per day and the summary for the month (or pay cycle). The staff member and his/her immediate supervisor shall sign the time and effort report. The timeline for time and effort reports shall be **once per month** to coincide with the **monthly payroll cycles** as noted below:

1) **Semi-monthly payroll [15th& 31st of month] – Time & Effort reports are due by the 5th and 20th of the month.**

The immediate supervisor shall submit all signed time and effort reports to the Grant Manager.
The **Grant Manager** review shall consist of the following:

1) A review of the time and effort reports to compare the summary percentage of grant-related work per funding source to the budgeted percentage utilized to charge the monthly (or semi-monthly) payroll charges
2) A test sampling of staff assignments, i.e. project schedule, duty schedule, etc. to verify the percentage of grant-related work per funding source
3) If the time and effort report reflects the same percentage, the report may be filed for audit purposes
4) If the time and effort report reflects a different percentage, the report shall be reconciled to reflect the correct payroll charges by grant funding source and forward the reconciliation to the **business office** for adjustment of the payroll charges on the general ledger.

The **business office/Staff Accountant** shall work with the Human Resources to update payroll distribution to reclassify the expenditures as noted on the reconciliation of the time and effort report(s). According to federal regulations, the final amount charged to each grant award must be accurate, allowable and properly allocated. Business office shall post all variances greater than **10%** to the general ledger; otherwise, the variances shall be posted prior to the final expenditure report. NOTE: The business office should use caution to avoid excess drawdown of grant funds due to unallowable payroll costs if timely adjustments to the general ledger are not posted prior to the drawdown of funds.]

Time and Effort Substitute System

The US Department of Education (USDE) and the Texas Education Agency (TEA) have authorized the use of a substitute system for time and effort.

The HCDE has not opted to use the Time and Effort Substitute System at this time.

902.74 Non-Payroll Expenditures

Direct non-payroll expenditures include contracted services, supplies, travel and equipment. The expenditure of federal grant funds for non-payroll costs shall adhere to the department's purchasing policies and procedures. In addition to the normal purchasing process, all grant funds must be approved by the **Grants Manager** for each respective grant program, as appropriate.

The **grants manager** with approval authority for each federal grant is listed in the Schedule of Federal Expenditures Award.

TEA Guidelines Related to Specific Costs

HCDE shall adhere to TEA's Guidelines Related to Specific Costs as published to the TEA website (as applicable). A copy of the guidelines shall be made available to all staff with authority to initiate and/or authorize a purchase or expenditure with federal grant funds. In addition, all staff with authority to initiate and/or authorize a purchase or expenditure, such as department administrators, business office staff, and grant department staff shall receive a copy of the latest guidelines. The guidelines shall be

incorporated in the annual training for all of these staff members. **These guidelines shall be posted on the department's website as a resource when expending federal grant funds.**

Local Guidelines Related to Unallowable Costs

HCDE has developed local guidelines related to unallowable costs with federal grant funds. Although some of these costs may be allowable under the federal or state regulations, HCDE has determined that expenditures shall be unallowable with federal grant funds. **The unallowable costs are noted on the uniform grant guidance.**

Selected Items of Cost – Professional Services

902.75 Contracts and Professional Services with Grant Funds

All contracts and professional services agreements shall be reviewed and approved in accordance with HCDE guidelines for all non-grant funds. For example, if Board Policy requires that all contracts that exceed $50,000 be approved by the Board of Trustees, all federal grant contracts that exceed $50,000 shall also The department's **Contract Management Procedures (Exhibit Section)** shall be adhered to in procuring, evaluating, selecting and awarding contracts. The vendor shall complete the **Vendor Application Package** to include, at a minimum, the following documents:

- Vendor application
- W-9 Form for vendor identification and tax purposes
- Conflict of Interest Questionnaire
- Felony Conviction Notice
- Criminal Background and Fingerprinting (if working directly or indirectly with students)
- Certificate of Insurance (with HCDE as additional insured) if services will be rendered on HCDE property

In addition, **the Grant Manager** shall review and approve all consultant services agreements for compliance with federal regulations regarding professional service costs (2 CFR 200.459).

The **Grant Manager** and **Business Office** review shall consist of the following:

1) Consultant and/or contractor has not been suspended or debarred
2) The contract and/or funds have been approved in the grant application, if specific approval is required from the granting agency
3) The contract's nature and scope of service is directly related to the federal grant award activities
4) The past pattern of costs, particularly in the years prior to federal awards
5) The contract does not contain any proposal costs [not allowable under federal regulations]
6) Whether the proposed contracted services can be performed more economically by direct employment rather than contracting

7) Capability of the proposed vendor to perform the required services
8) The qualifications of the contracting firm or individual and the customary fees charged by the proposed vendor [A Resume, Vita or Statement of Qualifications shall be required for all contracts with Independent Contractors.]
9) The contract and/or consultant agreement meets the allowable costs principles.
10) A contract subject to Davis Bacon has the appropriate contract language
The contract and/or consultant agreement fee for services do not exceed any federal grant or local limits.

The **Superintendent and/or the Assistant Supt for Business/CFO** shall review and approve all contracts. The review shall consist of the department's **Contract Review Checklist** and any other requirements specific to the contract and/or federal grants.

The final approval authority for all contracts shall be the **Superintendent and/or the Assistant Supt for Business/CFO**, unless the contract is over **$50,000,** then the final approval authority shall be the Board of Trustees through approval at a regularly scheduled board meeting.

The date that HCDE executes (signs) a contract for professional services shall be defined as the "obligation date". Since the HCDE cannot obligate federal grant funds, except during the grant period, HCDE shall not execute a contract prior to, or after, a grant period; otherwise, the costs of the professional services shall be unallowable under the federal cost principles.

HCDE **will not** execute a Letter of Intent with a third party prior to the issuance of a Notice of Grant Award (NOGA), as deemed appropriate.

All HCDE contracts for professional services to be funded through a federal grant award shall comply with the following contract provisions as recommended in the Texas Education Agency's Guidance and Best Practices for Professional Services Contracts:

- The contract is only effective upon receipt by HCDE of the NOGA from the awarding agency.
- The contract period is aligned to the grant period of availability as stated on the NOGA from the awarding agency (period of availability).
- All services will be completed during the effective dates of the contract.
- All services will be invoiced monthly after services are received (rather than paid lump sum at the beginning of the period of availability before services are rendered) and paid upon verification of receipt of services.
- The regulations for procurement in 2 CFR §§200.318-323 are followed in issuing the contract.
- All professional services provided under the contract will follow the provisions of 2 CFR 200.459 Professional service costs.
- The contract identifies the funding sources that will be charged for the services provided, including the specific amount and/or percentage of the total contract amount to be charged to each funding source.

- The contract identifies and lists only reasonable, necessary, and allocable services to be provided during the period of availability of the funding sources listed in the contract.
- The administrative costs charged to the grant in the contract must comply with any limitations for administrative costs for funding sources (if applicable).
- The contract specifies that the invoice provided by the contractor will include the list of services provided, dates of services, and location(s) where services were provided during the billing period.

Additional HCDE contract provisions shall include:

- The contract shall not have multi-year extensions without a "non-appropriation of funds" cancellation clause
- The contract extensions, if included, shall restrict the contract renewals and/or extensions to either a "sole discretion of the department" or "mutual agreement" and not an "automatic renewal".
- All products created as a result of HCDE shall be vested in the HCDE and HCDE shall retain all intellectual property rights

902.76 Approval of Grant Purchases and Expenditures

HCDE shall adhere to the normal approval path for purchase orders with non-grant funds.
In addition, all purchase orders with grant funds shall be reviewed and approved by the appropriate Grant Manager.

The **Grant Manager** review shall consist of the following:

1) The expenditure is *reasonable* and *necessary* (as defined in federal grant guidelines). (NOTE: A test of whether an expense is necessary may include the verification that the expenditure is to perform a strategy or activity in HCDE department improvement plans.)
2) The expenditure is not required by state law or local policy.
3) The expenditure has been approved in the grant application, if specific approval is required from the granting agency
4) The expenditure meets the allowable costs principles.
5) The expenditure is allowable and approved in the grant application and is consistent with the grant purpose
6) The expenditure is supplemental and not supplanting a local expenditure (NOTE: Refer to compliance issues related to supplement and supplant for additional guidance)
7) The expenditure has been competitively procured as required by law, as appropriate.
8) The expenditure has been approved by the governing body, as appropriate [Note. Board Policy CH Local has established the threshold of contract approval by the Board **at $50,000**

In an effort to meet all obligation and liquidation requirements of grant funds, the following purchase order deadlines shall be adhered to by all purchase order originators.

Purchase order deadlines by grant fund shall be 30 days prior to the end of the grant.

In addition to the normal approval path of HCDE expenditures, all grant expenditures shall be approved by the Grant Manager under the following circumstances:

1) Invoice amount exceeds the purchase order
2) Payment of an invoice will be paid by an account code(s) other than the original account code(s) that were used to encumber the purchase order
3) Travel expenditures, if not encumbered through the purchase order system
4) Non-purchase order payment such as petty cash, credit card, direct invoice, reimbursement, etc.
5) Reclassification of a prior expenditure from one account code(s) to another

All finance department staff (accounts payable staff) shall adhere to the Accounts Payable Procedures for all check disbursements. Specifically, all checks issued by HCDE shall be verified**,** recorded, approved, issued and reconciled by multiple individuals to ensure segregation of duties. **[Accounts Payable Procedures in the Exhibit Section.]**

Credit Card Purchases with Grant Funds

HCDE **shall** use district-issued credit cards to make purchases with federal grant funds.

An original, detailed receipt shall be required for all credit card purchases with federal funds. If the purchaser does not submit an original, detailed receipt for audit purposes, the expenditure and/or reimbursement may not be charged to a federal fund. At no time shall HCDE credit cards be used to withdraw cash.

The **Grant Manager** shall review and approve all credit card expenditures.

The Grant Manager administrative review shall consist of the following:

1) Original, detailed receipt includes an itemized list of what was purchased
2) The purchaser has documented a valid reason for the purchase which is consistent with the grant guidelines
3) The credit card purchase meets the allowable costs principles.

Fraudulent credit cards purchases made with federal grant funds shall be grounds for disciplinary action, up to and including termination of employment. The appropriate legal authorities shall also be notified for criminal prosecution, as appropriate. Accidental use of a credit card to make an unauthorized purchase with federal grant funds may be subject to similar disciplinary action but shall require immediate (within 2 days from date of discovery) restitution to the department. **[Note. The fraudulent or accidental charges may not be charged to a federal grant fund, nor drawn-down as expenditures.]**

Petty Cash Purchases with Grant Funds

HCDE **may** use a petty cash account to make purchases with federal grant funds.

An original, detailed receipt shall be required for all petty cash purchases with federal funds. If the purchaser does not submit an original, detailed receipt for audit purposes, the expenditure and/or reimbursement may not be charged to a federal fund.

The Grant Manager shall review and approve all petty cash expenditures.

The grant administrative review shall consist of the following:

1) Original, detailed receipt includes an itemized list of what was purchased
2) The purchaser has documented a valid reason for the purchase which is consistent with the grant guidelines
3) The petty cash purchase meets the allowable costs principles.

NOTE: HCDE **may** reimburse any purchases made with personal cash funds, except for travel-related expenditures, as appropriate.

902.77 Travel Expenditures with Grant Funds (Students & Staff)

HCDE may use federal grant funds for travel costs. All travel-related expenditures from grant funds shall comply with the allowable federal cost principles, the State Tex-Travel Guidelines, Board Policy and the department's travel guidelines**. [TravelGuidelines in Exhibit Section].** The allowable rates of reimbursement shall be the lesser of the federal rates or local rates**. For example**, if the federal rate of reimbursement for mileage is .575 cents but the local rate established in Board Policy DEE Local is 28 cents, the maximum rate of reimbursement for mileage with federal funds shall be the local rate of 28 cents.

The travel-related expenditures with grant funds shall fall within the grant period, unless a specific exception is allowable by the granting agency.

The following guidelines shall apply to the expenditure of grant funds for staff, student and/or parent travel, as appropriate.

- A completed **Travel Authorization/Settlement form** for all travel
- Registration fees – registration fees shall be allowable if the event is related to grant activities. Registration fees may be paid from the current grant period for an event during the next grant period **only if** there is an absolute deadline to register for the event and if allowed by the grant. Early registration deadlines shall not apply. Recreational or social events subject to an additional fee, above and beyond the registration fee, shall not be allowed with grant funds.

- Meals – meal expenses for overnight travel (in accordance with local travel guidelines) shall be allowed for HCDE employees and students. Non-overnight travel meals expenses shall be paid through payroll and taxed as appropriate. HCDE shall reimburse meal expenses, subject to the GSA limits, on an *accountable* per diem basis only. The traveler shall submit a written certification [Travel Authorization/Settlement Form] with **the actual meal costs** for work-related meals, or shall return the unused meal funds to the department**. The written certification (Travel Settlement) shall be required in lieu of actual receipts.** The meal per diems shall be adjusted in accordance with IRS regulations regarding the day of departure/return and meals provided without cost as part of the registration fee.
- Lodging – lodging expenses for overnight travel (in accordance with local travel guidelines) shall be allowed. CDE shall pay for lodging expenses up to the GSA limits. Receipts shall be required for all lodging expenses. Recreational or personal services such as gyms, spas, etc. shall not be allowed with grant funds.
- Transportation – transportation expenses shall be allowed for *reasonable* expenses such as flight, rental car, taxi, shuttle, mileage reimbursement, etc. (in accordance with local travel guidelines). Receipts shall be required for all transportation expenses to the extent that a receipt is available. Transportation expenses shall be reasonable and limited to the guidance in the cost principles.

No grant funds shall be used for travel expenditures of non-HCDE staff such as spouses. HCDE **shall not allow** any "family-friendly" travel expenditures, such as dependent care travel costs, with federal grant funds.

The Grant Manager shall review and approve all travel-related expenditures paid with federal grant funds.

The **Grant Manager** review shall consist of the following:

1. All original, detailed receipts include an itemized list of what was purchased
2. The traveler has documented a valid reason for the travel which is consistent with the grant guidelines and purpose
3. The travel expenditures meet the allowable cost time and principles.
4. The travel is not for the Superintendent or other individual (non-employee such as family member, Board, etc.).
5. The travel is for students during an educational field trip or other approved activity in accordance with grant guidelines and purpose
6. The travel is not for a contractor or consultant for the*ir* professional development
7. The travel was approved by the granting agency, as appropriate (for example: out-of-the-country travel)

902.78 Preparing Expenditure Reports & Draw Down of Funds

902.41 Draw-down of Grant Funds

HCDE shall on **at least monthly basis**, or as allowed or required by the grant guidelines, draw-down grant funds that have been spent in accordance with the grant guidelines. The draw-down shall be for all expenditures to date, less grant funds received to date, as verified by a financial general ledger. NOTE: The expenditures shall be net of all refunds, rebates, discounts, credits, and other adjustments, if any. In addition, the HCDE may not draw down more cash than necessary to meet **3 days' cash needs** if HCDE has opted to operate under the cash advancement program guidelines.

If HCDE has opted to operate under a cash reimbursement program guideline, HCDE shall submit a draw-down of federal grant funds only when the following has occurred:

- The expenditure has been made as evidenced by distribution of a paycheck to a grant funded staff member or mailing, e-paying, or delivering a payment to a vendor.

At no time shall HCDE draw-down any "advanced" cash payments, unless specifically allowed by the granting agency.

The draw-down of grant funds from the granting agency shall be initiated by the business office. A detailed summary general ledger of each grant fund should be generated to determine if HCDE is entitled to draw-down funds, i.e. if the granting agency owes HCDE any funds. If HCDE has funds available for draw-down, a detailed general ledger plus any other appropriate documentation should be generated and forwarded to the Grant Manager for their review and approval.

If a grant has a matching requirement, HCDE shall draw-down only the allowable amount after verifying compliance with the level of matching expenditures.

The Grant Manager review shall consist of the following:

1) A review of the detailed general ledger for any unusual charges or reclassification of expenditures
2) A test sampling of either unusual or large expenditures to ensure that the expenditures were reviewed and approved by all designated staff
3) Monitor the percentage of expenditures-to-date to ensure that the grant funds are expended on a timely basis throughout the grant period. [NOTE: TEA may disallow grant fund expenditures that appear to be made outside of the grant period or so late in the grant period that HCDE and its student did not benefit from the delayed expenditure.]
4) Authorize [in writing] the finance department to draw-down the available grant funds

Upon approval from the Grants Manager, the **Assistant Supt for Business/CFO** shall prepare the paper or electronic draw-down request. A copy of all supporting documentation such as the detailed general ledger, approval from the grant management department, and other supporting documentation shall be filed for audit purposes. **Staff Accountant** shall prepare the journal ledger entry upon receipt of the reimbursement and the **Chief Accounting Officer** shall post the to the finance general ledger.

If manual approval of an electronic draw-down is required by the granting agency, the finance department shall comply with the manual requirements. For example, TEA at times requests supportive information related to a drawn down such as a detailed general ledger, narrative justification, or summary of expenditures by object code. Upon a request from the TEA, the **Assistant Supt for Business/CFO** shall respond to the request within the allotted time to avoid designation as a "high risk" grantee.

The **Assistant Supt for Business/CFO** shall be responsible to ensure that the requested draw down amount does not exceed a grant-specific draw down amount, or percentage as applicable.

The final draw-down of grant funds from the granting agency shall be made within the allowable timeframe. The grant liquidation guidelines shall be adhered to in making final payment for all goods and services received and *placed into service* before the end of the grant period. The draw down process shall be the same as a monthly or periodic draw down, except that all refunds, rebates, credits, discounts or other adjustments to the general ledger must be recorded in the general ledger prior to submitting the final draw down request. [NOTE: There shall be no outstanding purchase orders or pending liquidations at the time of the final draw down of grant funds.] The final draw-down shall be reviewed and approved in the same manner as a periodic draw-down.

Federal regulations (CFR 200.415) requires that HCDE certify the accuracy of the annual and fiscal reports or vouchers requesting payments be signed by the authorized individual(s). The **Grant Manager** and **Assistant Supt for Business/CFO** shall jointly certify every draw-down of funds, including the final expenditure report (draw-down of funds) as noted below:

> *By signing this report, we certify to the best of our knowledge and belief that the reports is true, complete and accurate, and the expenditures, disbursements and cash receipts are the purposes and objectives set forth in the terms and conditions of the federal award. We are aware that any false, fictitious, or fraudulent information or omission of any material fact, may subject us to criminal, civil, or administrative penalties for fraud, false statements, false claims or otherwise.*

If a final draw down deadline is missed, the **Assistant Supt for Business/CFO**, shall contact the granting agency to determine if a process exists to request a filing deadline extension. [NOTE: TEA has developed procedures to request an extension for filing expenditure reports. The request form must be completed, signed by the Superintendent and filed with TEA within 30 days of the final expenditure report deadline.]

Receipt of Grant Funds

All HCDE staff, especially those assigned with federal grant duties, shall adhere to the Cash Management Procedures. Specifically, all cash received by HCDE shall be deposited, recorded reconciled by multiple individuals to ensure segregation of duties. [Cash Management Procedures in the Exhibit Section.]

HCDE shall record all grant fund drawdowns upon receipt from the granting agency. The receipt of grant funds shall be posted to the general ledger to the appropriate revenue account code. In the event that the grant funds received do not match the recorded receivable, the **Assistant Supt for Business/CFO** shall contact the granting agency to determine the discrepancy. If the granting agency has reduced and/or increased the grant funds paid to the department, a general ledger adjustment shall be posted to the appropriate revenue and receivable accounts. The **Staff Accountant** shall prepare the adjusting journal ledger entry with appropriate supporting documentation and the Chief **Accounting Officer** shall post the entry to the finance general ledger.

HCDE (will not) maintain grant funds in a separate bank account.

HCDE has elected to draw down federal grant funds under the cash reimbursement program guidelines, i.e. after the delivery of the payment to the payee. No interest shall be earned, recorded, nor returned to the granting agency as a result of the cash reimbursement program.

Tracking and Recording Receivables

On at least a monthly basis, **the Assistant Supt for Business/CFO** shall review all pending receivables. Aged receivables, defined as **greater than 60 days from the date of recording**, shall be investigated and resolved by contacting the granting agency.

At the end of the fiscal year, all known and measurable receivables shall be recorded to the general ledger to the appropriate grant code. The **Staff Accountant** shall prepare the journal ledger entry with appropriate supporting documentation and the **Chief Accounting Officer** shall post the entry to the finance general ledger.

902.8 Grant Compliance Areas

HCDE shall ensure that it is in compliance with all provisions and assurances of all grant programs. In addition, HCDE shall comply with grant requirements such as *supplement not supplant*, indirect cost.

902.81 Supplement, Not Supplant

The term —supplement, not supplant is a provision common to many federal statutes authorizing education grant programs. There is no single supplement, not supplant provision. Rather, the wording of the provision varies depending on the statute that contains it.

Although the definition may change from statute to statute, supplement not supplant provisions basically require that grantees use state or local funds for all services required by state law, State Board of Education (SBOE) rule, or local policy and prohibit those funds from being diverted for other purposes when federal funds are available. Federal funds must supplement—add to, enhance, expand, increase, extend—the programs and services offered with state and local funds. Federal funds are not permitted to be used to supplant—take the place of, replace—the state and local funds used to offer those programs and services. [TEA Supplement, Not Supplant Handbook, 2013]

HCDE process to ensure that all grant funded activities are supplemental shall be a collaborative effort between the grants management and Business office [purchasing] departments. Both departments shall receive training and be aware of the supplement not supplant provisions.

The **Grants Manager** shall review and approve all purchase orders (and non-purchase order payments). The **Grant Manager** review shall include a determination if the planned purchase and/or expenditure meet one of the following guidelines:

1) The grant funds will be used to enhance, expand, or extend required activities. Examples may include before/after tutoring, additional research-based instructional programs, or other supplemental expenditures not required by state law or local policy.
2) The grant funds will be used for specific grant activities included the grant application that are above and beyond the activities funded with local funds
3) The grant funds will be used to supplemental grant activities as noted on the DIP or a CIP.

Program-specific supplement, not supplant provisions shall be complied with in addition to the overall federal funds requirements.

902.82 Comparability – This section is not applicable to HCDE.

902.83 Indirect Cost

Grantees must have a current, approved federal indirect cost rate to charge indirect costs to the grant. The indirect cost rate is calculated using costs specified in the grantee's indirect cost plan. Those specified costs may not be charged as direct costs to the grant under any circumstances. [TEA Indirect Cost Handbook, 2014]

The HCDE has applied for an Indirect Cost Rate extension through the pass-through entity (TEA) for a fiscal -year period, from September 1 2015 to August 31, 2020. After the extension period, HCDE shall apply for an indirect cost rate through the federal granting agency or pass-through entity (TEA) in accordance with the current regulations. The **Assistant Supt for Business/CFO** shall complete and submit an Indirect Cost Rate Proposal by the established deadline as specified by the pass-through entity (TEA) on the Indirect Cost webpage at: http://tea.texas.gov/index4.aspx?id=3842

The HCDE Indirect Cost Rate, or the maximum allowable rate, whichever is less shall be used to post Indirect Costs for federal funds to the General Fund. **Staff Accountant** shall prepare a general ledger entry for the indirect costs with appropriate supporting documentation. The **Chief Accounting Officer** shall post the entry to the finance general ledger.

902.84 Maintenance of Effort – This section does not apply to HCDE.

902.85 Reporting Requirements

HCDE shall ensure that all reporting requirements for grant programs are met within the established timelines. A master list of all activity, progress, evaluation, and expenditure reports shall be created to

include the grant program, report due, responsible person(s), and due date. Completion of the reports may require the collaboration of several departments; however, the ultimate responsibility for the reporting requirement shall be as noted below:

1) **Programmatic reports such as activity, progress and evaluations – Grants Management department**
2) **Expenditure reports such as interim, draw down and final expenditure reports – Business Office**
3) **Compliance reports such as Indirect Cost, etc. –Business Office,**
4) **Highly Qualified Staff reports – Human Resources Department, Executive Dir for HR**

The **Grant Manager and the Business Office** shall monitor the overall master list to ensure that all reporting requirements have been completed by the appropriate department.

902.86 Grant Monitoring and Accountability

HCDE shall ensure that all grant funds are consistently monitored throughout the grant period. The monitoring shall include, but not be limited to:

- Compliance with federal requirements such as cost principles, audit, reporting requirements, etc.
- Monitoring of grant expenditures are properly documented and meet all allowable costs
- Monitor grant performance such as internal controls, audit findings, over/under expenditures, etc.
- Implement strategies to deter, mitigate and eliminate waste and fraud in the expenditure of grant funds

The **Grant Manager** for each federal grant shall be responsible for the programmatic and evaluation compliance and the **Assistant Supt for Business/CFO** shall be responsible for the financial compliance. A list of the Grant Managers by federal grant is included in the Exhibit section. The use of "Grant Manager" throughout this document shall refer to the specific Grant Manager by federal grant as listed on Schedule of Federal Expenditures Award.

The **Grant Manager** shall monitor the timing of grant activities throughout the grant period, especially as they relate to the desired outcomes. The **Business Office** shall monitor the timing of grant expenditures, especially as they relate to the period of availability of grant funds. If either the grant activities or grant expenditures reflect that HCDE will not accomplish the grant activities during the grant period, the **Grant Manager and Business Office** shall work collaboratively to develop an action plan to ensure that the federal grant goals are met. The oversight of grant activities and expenditures shall include, but not be limited to, the following:

- Cost overruns or high unit costs
- Construction projects – certification of project completeness (as evidenced by the AIA)

- Significant developments that may result in an inability to complete the grant activities

HCDE shall maintain documentation to support all grant expenditures and provide the documentation upon request to the department's external auditors, granting agency or other oversight agency, as appropriate.

Auditing findings or deficiencies shall be addressed in a timely manner upon receipt of the notification. The **business office, human resources and grant management staff** shall work collaboratively to develop and implement a Corrective Action Plan to resolve the findings or deficiencies. The **Superintendent**, or designee, shall approve the Corrective Action Plan and monitor the timely implementation of corrective strategies.

HCDE shall disclose to the granting agency if any federal grant funds have been subject to fraud to HCDE staff and/or contractors (vendors). Corrective actions, as appropriate, shall be implemented to remedy the loss of grant funds due to fraud.

Remedies for Non-Compliance

HCDE may be subject to consequences due to non-compliance with federal regulations. HCDE shall strive to maintain compliance, but shall respond appropriately to all notifications of non-compliance from the federal granting agency or pass-through agency (TEA).

Grant Closeout Procedures

HCDE shall submit all grant closeout documents to the granting agency or pass-through agency, as appropriate. Grant closeout procedures shall include, but not be limited to:

- Ensure that no obligations are made after the grant period end date
- Liquidate all obligations incurred during the grant period
- Submit the final grant program performance report, if any
- Submit the final grant expenditure report, if any
- Drawdown all the expended grant funds (reimbursement request) – Match the grant expenditure draw-downs with the finance general ledger
- Certify that the final drawdown of federal grant funds are accurate (Certification)
- Refund any excess grant funds, interest, or other payables to the granting agency or pass-through agency
- Account for any real and/or personal property on hand at the end of the grant period

902.9 Grant Awards

List of Grant Awards (including Grant Manager, grant funding source, grant period, and grant amount]

HARRIS COUNTY DEPARTMENT OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2017

(1) Federal Grantor/ Pass Through Grantor/Program Title	(2) Federal CFDA Number	(2A) Pass Through Entity Identifying Number	(3) Federal Expenditures and Indirect Costs	(4) Passed Through to Others
U. S. Department of Agriculture				
Passed Through Texas Department of Agriculture:				
Child and Adult Care Food Program	10.558	TX-1010326	$ 289,308	
Child and Adult Care Food Program	10.558	TX-1010326	369,523	
Total U. S. Department of Agriculture			658,831	-
National Aeronautics and Space Administration				
Passed Through Universities Space and Research Association (USRA):				
URSA Earth & Space Science Trainer Program	43.001	NNX12AC7AG	5,825	
Total National Aeronautics and Space Administration			5,825	-
U. S. Department of Education				
Passed Through Houston-Galveston Area Council:				
Adult Education Basic Grants to States - Regular	84.002A	212-16	214,400	
Adult Education Basic Grants to States - Regular	84.002A	212-17	2,533,308	
Youth Demonstration Project	84.002A	212-17	87,273	
Adult Education Basic Grants to States - English Literacy & Civics Education	84.002A	212-16	30,021	
Adult Education Basic Grants to States - English Literacy & Civics Education	84.002A	212-17	216,676	
Total Passed Through Houston-Galveston Area Council			3,081,678	-
Passed Through Education Service Center Region VI				
Adult Basic Education (ABE) Federal	84.002A	215-16	2,353	
Adult Basic Education (ABE) Federal	84.002A	215-17	3,012	
Total Passed Through Education Service Center Region VI			5,365	-
Passed Through Texas Workforce Commission				
AEL Site-Based Workplace Literacy Project	84.002A	2816AEL005	205,324	
Total Passed Through Texas Workforce Commission			205,324	-
Passed Through Texas Education Agency:				
21st Century Community Learning Centers	84.287C	176950197110013	2,063,419	1,820,967
21st Century Community Learning Centers	84.287C	186950197110013	13,163	
21st Century Community Learning Centers	84.287C	176950247110015	1,617,929	1,415,912
21st Century Community Learning Centers	84.287C	186950247110015	12,776	
Total Passed Through Texas Education Agency			3,707,287	3,236,879

HARRIS COUNTY DEPARTMENT OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)
FOR THE YEAR ENDED AUGUST 31, 2017

(1) Federal Grantor/ Pass Through Grantor/Program Title	(2) Federal CFDA Number	(2A) Pass Through Entity Identifying Number	(3) Federal Expenditures and Indirect Costs	Passed Through to Others
Passed Through The Ohio State University:				
Transition to Teaching Program - National	84.350C	U350C110001	$ 57,500	
Total Passed Through The Ohio State University			57,500	-
Total U.S. Department of Education			**7,057,154**	**3,236,879**
U.S. Department of Health and Human Services				
Passed Through Houston-Galveston Area Council:				
*Temporary Assistance for Needy Families (TANF)**	93.558	212-16	23,465	
*Temporary Assistance for Needy Families (TANF)**	93.558	212-17	171,167	
Total Passed Through Houston-Galveston Area Council:			194,632	-
Passed Through Gulf Coast Workforce Solutions Board:				
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	2816CCMC24	504,388	10
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	2817CCMC24	915,204	620,326
Total Passed Through Gulf Coast Workforce Solutions Board			1,419,592	620,336
Direct:				
Head Start	93.600	06CH7177/02	4,490,550	
Head Start	93.600	06CH7177/03	7,587,917	
Early Head Start/Child Care Partnership	93.600	06HP0028/01	5,544	
Early Head Start/Child Care Partnership	93.600	06HP0028/02	1,943,181	
Total Direct CFDA Number 93.600			14,027,192	-
Total U.S. Department of Health and Human Services			**15,641,416**	**620,336**
Total Expenditures of Federal Awards			**$ 23,363,226**	**$ 3,857,215**

Forms, Exhibits & Procedures

Forms	Page #	Procedures	Page #
Confidentiality Agreement		End of Month Procedures	
Journal Voucher Form		Fixed Asset Procedures	
Responsible Use Form (RUG)		Internal Control Procedures	
Sample Staff FTE Report		Purchasing Procedures	
Conflict of Interest Form for budget managers		Adding/Renewing Vendors Procedures	
Local Government Officer Conflict of Interest Form		Contract Management Procedures	
Lobbying Certification Form LLL		Timekeeping Procedures	
Vendor Application Form/Package		Accounts Payable Procedures	
IRS Form W-9		Travel Guidelines & Procedures	
Conflict of Interest Questionnaire		Cash Management Procedures	
Felony Conviction Form			
Fingerprinting Form – Vendors			
Contract Review Checklist			
Allowability/Allocability Costs Worksheet			
Supplemental Duties Job Description and Pay Notice			
Summary of Employee Benefits			
Teacher Hiring Schedule			
Mid-Point Pay Scale			
Personnel Requisition Form			
Personnel Recommendation Form			
Stipend & Extra Duty Pay Scale			
Semi-Annual Certification of Time and Effort			
Time & Effort Worksheet			
Travel Authorization/Settlement Form			
Petty Cash Voucher/Payment Authorization			
Procurement Card Transaction Report			

	ACCOUNTING PROCEDURES HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH Local*
DATE DEVELOPED: 06-02-08		REVISED DATE: 08-20-2020
SUBJECT: **HCDE Contract and Grant Monitoring and Compliance Procedures**		

HCDE Procedures
For contract monitoring and compliance

Source of Policy

- CH Legal and Chapter 44 of the Texas Education Code
- CH Local Board Policies
- Financial Guidelines

Required Documents

- Copy of **contract** as approved by the Board or the Superintendent

Performed by Superintendent:

1. Implement an organizational structure and assign functions to the executive team.

2. Assign and evaluate job descriptions to include contract management for their respective functions in each of the job descriptions of each member of Executive Team.

3. Assign the Assistant Superintendent for Business the development of a contract management system and internal controls in the department and assign the authority to enforce the requirement of internal controls by program directors across the department for contract management.

Performed by Administrator in Charge

1. Receive assignment of contract management via the job description and via his or her function in the department within the organizational structure.

2. Implement an annual evaluation of the function, its related contract management responsibilities and internal controls with the organizational structure.

3. Implement a contract management system and internal controls for all program functions under the oversight of the administrator.

Received and Reviewed by _____Title_____Date_____

4. Receive annual training on financial guidelines to include procurement policies and procedures by Purchasing Office and the Compliance Office.

5. Authorized personnel on contracts are as follows: Superintendent or Assistant Supt for Business

For consultant contracts: function authority approval by
- ➔ Superintendent
- ➔ Assistant Superintendent for Business

6. Review the contract requirements.

7. Submit requests for purchases prior to commencing work or receiving goods. All purchases must be made via a duly authorized purchase order as per local policy (CH Legal and CH Local).

8. Check the coding of expenditures to make sure that the FASRG is followed.

9. Follow this principle: No funds, no purchase order, unless pre-approved by the Asst. Supt for Business.

10. Implement procedures to make sure requirements are met

11. Prepare an electronic requisition to encumber the contract and get purchase order from the Procurement Department.

12. Submit receiving report and invoice and reference the purchase order number under the contract at least 7 days before the payment is due.

13. Submit required documentation: (1) a request from the administrator certifying that HCDE receive value for services (ok to pay); (2) attach original or copy of invoices, (3) make sure funds are available in budget code; and (4) get proper approvals from supervisor(s). Note: original invoices must be sent to Accounts Payable by vendor.

14. Seek approvals as required (immediate supervisor and or Senior Level Management).

15. Follow up with Accounts Payable to make sure that payment is made on time within the contract timelines.

Received and Reviewed by _____Title_____Date_____

16. Request inquiry access to efinance Module from Technology Support Services via online using efinance access form.

17. Verify the efinance system to check payments made to the prospective vendor and the status of encumbrances.

18. Follow up on timeline of contract renewal at least three months prior to expiration and meet with Procurement Staff to initiate the purchasing process and contract renewal process.

19. Utilize the *certification form* for the purpose of certifying that all regulations and procedures have been followed before submitting a report to the agency, grant contracts (contract processing form) or application and-or requesting a signature from the Superintendent.

20. Adhere to the state or 2 CFR 200 federal guidelines for record retention for grant documents.

21. Failure to adhere to established guidelines may lead to disciplinary action in accordance with HCDE Personnel Policies and Procedures.

For questions regarding any of these procedures, call the Business Office or send an email to Chief Accounting Officer or Assistant Supt for Business.

Received and Reviewed by _____Title_____Date_____

	ACCOUNTING PROCEDURES HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH Local*
DATE DEVELOPED: 06-02-08		REVISED DATE: 08-20-2020
SUBJECT: **HCDE Contract and Grant Monitoring and Compliance Procedures**		

HCDE Procedures
For grant monitoring and compliance

Source of Policy

- CH Legal
- Texas Education Code
- Texas Education Agency –FASRG, Commissioner's Rules
- CH Local Board Policies
- Financial Guidelines

Required Documents

- Copy of **grant agreement** as approved by the Board or the State agency, federal agency or non-profit group.

Performed by Administrator in Charge

1. Receive annual training on financial guidelines to include procurement policies and procedures and grant guidelines by the Business Office.
2. Review the grant requirements.
3. Implement procedures to make sure grant requirements are met.
4. Follow the purchasing policies and procedures and contract monitoring procedures.
5. Coordinate efforts with other divisions and campuses to achieve the grant mission and include activity in the Division Accountability Objectives.
6. Maintain a grant file with proper documentation as required by 2 CFR 200 for federal funds and the Financial Guidelines for state and local funds.
7. Prepare regulatory reports as required by the grant agreement, the awarding agency (i.e TEA), the Superintendent and or the public through (Texas Open Meetings Act -TOMA) and open records requests.

Received and Reviewed by _____Title_____Date_____

8. Seek approvals as required (immediate supervisor and or Senior Level Management) for grant expenditures.

9. Follow up with Accounts Payable Dept. to make sure that payments are made on time and within the grant timelines.

10. Request inquiry access to efinance Module from Technology Support Services via the online efinance request form.

11. Access the efinance system to check payments made to the prospective vendors and the status of encumbrances.

12. Follow up on timeline of grant renewal at least three months prior to expiration of grant and meet with Resource Development and Financial Management Staff to initiate the grant application and grant renewal process.

13. Utilize the certification Form for the purpose of certifying that all regulations and procedures have been followed before submitting a report to the agency, grant contract (contract processing form) or application and-or requesting a signature from the Superintendent.

14. Adhere to the state or 2 CFR 200 federal guidelines for record retention for grant records.

15. Failure to adhere to established guidelines may lead to disciplinary action in accordance with HCDE Personnel Policies and Procedures.

For questions regarding any of these procedures, call the Business Office or send an email to Chief Accounting Officer or Assistant Supt for Business.

Received and Reviewed by _____Title_____Date_____

	ACCOUNTING PROCEDURES HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *CH Local*
DATE DEVELOPED: 06-02-08		REVISED DATE: 08-20-2020
SUBJECT: **HCDE Contract and Grant Monitoring and Compliance Procedures**		

HCDE Procedures for Grant Accountant

Communicate at all times with division program director

A. Record any adjustments to clear beginning of the year receivables and deferred accounts.

1. Review all accounts for assets and liabilities
2. Review revenue and expenditure accounts to check for proper postings.
3. Review distributions to determine that payroll is appropriately posted for authorized personnel.
4. Maintain a grant file to include:

    a. NOGA, Budget and Amendments
    b. Drawdowns
    c. Program Reports
    d. Spreadsheets
    e. Communication and other docs

5. Review requisitions, check coding and budget availability, compliance and allowability of costs
6. Run expenditures and prepare spreadsheet to determine monthly drawdown, get approval and then submit drawdown as required
7. Prepare financial statements as required and assist in preparation of year end reports.
8. Prepare required reports for program and divisions as needed, (i.e. SF 425, Cash Reports or certification reports).
9. Follow up with cash account and reconciliation to determine that cash was received.

B. Review year general ledger accounts for receivables and deferred to determine year end schedules

10. Update the SEFA report and provide to the Chief Accounting Officer

For questions regarding any of these procedures, call the Business Office or send an email to Chief Accounting Officer or Assistant Supt for Business.

Received and Reviewed by _____Title_____Date_____

Harris County Department of Education

Federal Grant/Contract Salary Reporting
100% Time and Effort (T&E) Certification

DIVISION: _____

FEDERAL GRANT AWARD TITLE: _____

_____ _____
AWARD GRANT PERIOD **NOGA ID #**

PROCEDURE:

a. Responsibility for timely completion of this form, submission of forms to the payroll office, and retention of this information lies with the division.
b. T&E Certification must be completed following the close of each six months based on grant/ contract period.
c. T&E reporting must be kept on file in the division along with grant/contract records.
d. Following completion of the grant period, T&E records must be retained according to program specifications.

By authority of 2 CFR 200, Cost Principles for State, Local and Indian Tribal Governments, the purpose of this Certification is to provide reasonable assurance that work performed is commensurate with salary charged to the grant/contract budget.

(1) EMPLOYEE STATEMENT I, _____, understand and certify that 100% of my duties and responsibilities are performed for the grant.

Signature/Date: _____

Position: _____

OR

(2) SUPERVISOR STATEMENT I, _____, supervise _____ and I certify that 100% of his/her duties and responsibilities are performed for the grant.

Signature/Date: _____

Position: _____

	RESOURCE DEVELOPMENT PROCEDURES **HARRIS COUNTY DEPARTMENT OF EDUCATION**	Reference:
EFFECTIVE DATE: February 1, 2010		REVISED DATE: May 26, 2022
SUBJECT: **Employee Annual Giving Program**		

HCDE, as a tax-exempt agency, receives contributions/donations from individuals, businesses, and community-based organizations, including HCDE employees. HCDE established the GIVING FUND to offer HCDE employees the opportunity to contribute to HCDE divisions in an effort to enhance or support existing initiatives.

Each employee working at least 20 hours per week wishing to contribute to the fund will complete an election form at the beginning of each year or at the time of new hire. (Refer to form below.) The employee can select an annual or semi-monthly contribution to the fund. The employee can also select up to two divisions/programs they would like to support with the monies they contribute. The employee will submit the form to the Human Resources division.

Human Resources will input the post-tax contribution into the Payroll/HR computer system and maintain a log for annual account reconciliation.

HR will provide a monthly log of contributions to Center for Grants Development (CGD). CGD will include reported contributions on the Donation/Sponsor Report presented to the board at each meeting. (Refer to Acceptance of Donation/Sponsorship procedures.) If an employee wishes to remain anonymous, the amount, not their name, will be listed on the report.

CGD will also prepare and send an acknowledgement letter to the employee donor that is signed by the County School Superintendent. One-time annual contributions will receive a letter as they occur. Semi-monthly contributions will receive an acknowledgement letter by January 31st of the following year. The letters will be sent to the employee using interoffice mail.

HCDE EMPLOYEE ANNUAL GIVING FUND
Election Form

❑ I would like to make a post-tax contribution totaling $_____ for the current school year to the HCDE Employee Annual Giving Fund. I authorize Harris County Department of Education to take my contribution as a payroll deduction upon receipt of this election.

- ❑ Each pay period at a rate of $_____; minimum of $1 per pay period.
- ❑ One payment at the beginning of the school year for $_____.

Select program(s) - (no more than two) - for support:

- □ Adult Education
- □ Alternative Educator Certification
- □ CASE for Kids
- □ Center for Safe and Secure Schools
- □ Digital Education and Innovation
- □ Education Foundation of Harris County
- □ Head Start/Early Head Start
- □ TLC – Bilingual
- □ TLC – Digital Learning
- □ TLC – Early Childhood Winter Conference
- □ TLC – Mathematics
- □ TLC – Scholastic Art and Writing Awards
- □ TLC – Science
- □ TLC – Social Studies
- □ Special Schools
- □ Therapy Services
- □ Other: Specify _____

Please specify how you would like to designate the funds as to the identified division's goals:

- ❑ Restricted Funds [(identify specific purpose(s)] _____ (Refer to list on back page)
- ❑ Unrestricted (any public purpose)

Thank you for your generosity.

_____
Printed Name *(First, Middle Initial, Last)*

_____
Signature/Date

_____
Employee ID Number

❑ I wish to remain anonymous.

HCDE, as a political subdivision of the state, is considered a charitable organization. All donations are tax-deductible to the fullest extent allowed by IRS law.

Return this form to Human Resources.

File:

List of Suggested Purposes by Division

Division	Purpose
Adult Education	GED Test Fees, mobile labs, incentives for student retention, classroom tech upgrades
Alternative Educator Certification	Online teacher certification courses, online learning instructor, textbooks, presenter fees, program coordinator, part-time secretary, marketing expenses
Center for Safe and Secure Schools	Administrative staff person; Teen CERT scholarships; food and water donations for Teen CERT drills
CASE for Kids	Kids' Days; special events; service projects and professional development for AmeriCorps members
Education Foundation of Harris County	EcoBot, Energy City; operations
Head Start/Early Head Start	Reading mentor project; Sheffield Center lease operations; Tidwell Center relocation; Family Day; The Arts Show
TLC – Bilingual	6+1 Spanish Traits training
TLC – Digital Learning	Professional development for online teachers; online course design; curriculum materials for online training modules
TLC – Early Childhood Winter/Summer Conferences	Conference expenses (facility, speakers, food, participant tote bags); workshop expenses for special education workshops and speakers series
TLC – English/Language Arts	Columbia University Teacher College registration fees
TLC – Mathematics	Development of STAAR practice questions; financial literacy initiative
TLC – The Scholastic Art and Writing Awards	Imprint publication; student travel awards; Community Partnership Awards
TLC – Science	Workshop series using children's literature to teach science concepts
TLC – Social Studies	Presenter fees; workshop supplies
Special Schools	Vocational training; credit recovery; extra duty pay; school store incentives; drug intervention programs; Autism Centers; school bus; communication and transitional devices
Therapy Services	Stipends for OT and PT students, incentives for mentors, therapeutic resources for children in need; development of tools/resources for school-based OT's and PT's

Updated by Center for Grants Development

GUIDELINES FOR CONTRIBUTION USE

Funds are designed to support the division's current operations with the option to enhance programs while maintaining the total budget. These funds should reflect one-time, not long-term commitments, such as creating division positions.

Acceptable Use of Employee Contributions:

- Support existing program budget
- Implement pilot projects
- Client travel to award ceremonies
- Project materials and supplies
- Student educational excursions
- Contractual agreements for project implementation
- Refreshments for program participants

Non-acceptable Use of Employee Contributions:

- Expansion of division/program budget
- Entertainment
- Personal services
- Personal purchases
- Items for personal birthday, anniversary or retirement parties
- Gift cards

	Center for Grants Development Procedures HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
EFFECTIVE DATE: May 2005		REVISED DATE: August 24, 2020
SUBJECT: PROPOSAL DEVELOPMENT FOR PUBLIC FUNDING APPLICATIONS		

- HCDE division director is notified of public funding opportunity by Center for Grants Development via weekly e-blast highlighting relevant announcements by division.
- HCDE program division director decides to move forward with a public funding application to establish a new program, enhance or expand existing services
  - Division Director/program staff meets with their ELT member to obtain the ELT member's approval to initiate the Grant Feasibility Review process
  - Once approved by the relevant ELT member, the division notifies the Center for Grants Development Director
- Once the signed ELT Item is sent to CGD, the following occurs:

ORGANIZATIONAL ASSESSMENT

- **Conduct a Grant Feasibility Review**
  - When the division expresses interest in the funding opportunity and obtains their Executive Leadership Team (ELT) member's approval to move forward, Center for Grants Development's Director will assess the organization's/division's likelihood of meeting the requirements of the RFP. The CGD Director will determine if a Grant Feasibility Review is necessary.
  - If HCDE is considered an eligible organization and meets the capacity requirements of the RFP, the CGD Director/project lead will meet with the interested division to discuss how the division and the conceptual framework of the proposed project meets the requirements of the RFP.
  - CGD Director will document the discussions based on the following questions:
    - Purpose and goals of the RFP tie closely to HCDE's mission statement? Purpose and goals of the RFP tie closely with division vision and goals?
    - HCDE's organization type(s) is listed as eligible for funding?
    - Review of previous grantees reflects that HCDE is a good candidate for funding?
    - HCDE/Division is the best possible lead for the grant project?
    - Prospective project clients are eligible beneficiaries of the funding?
    - Proposed project meets priorities identified for extra points?
    - HCDE's already has relevant collaborative relationships that can assist in the implementation of the project and leveraging of dollars for the project (if applicable)?
    - Division has the human and financial (match) resources to administer the grant project in a timely and effective manner?
    - Proposed project meets requirement for identified evaluator (if applicable)?
    - Proposed project design is in alignment with the funds available? Project design includes only allowable costs?
- Center for Grants Development Director forwards the funding guidance and Grant Feasibility Review to Executive Leadership Team for their decision on whether or not to proceed with preparing the proposal for submission.
- If ELT approves moving forward with the application/proposal, then CGD Director will assign a CGD project lead for the proposal development process.

PREPARATION

- **Create Request for Proposal (RFP) Overview***
  - Center for Grants Development project lead will create overview including the following common contents:
    - Purpose of funding
    - Average and maximum amounts
    - Deadline
    - Eligibility requirements
    - Restrictions
    - Special requirements – programmatic, budgetary, reporting
    - Background of project

**Note:* May use existing funding announcement if content covers these elements. One may use a combined overview for multiple requests, if relevant. (If so, note on checklist.) On each overview, include statement "I have read and understand that I _____ will be responsible for grants administration, including program and financial management, and reporting as specified in the funding announcement if the grant is awarded." Include a signature line at bottom of page for both the director and proposed project supervisor.

- **Prepare Preliminary Budget Breakdown**
  - Using the Request for Proposal (RFP) scoring structure and overview, CGD lead will prepare preliminary breakdown of budget costs for service delivery, evaluation and indirect costs using an Excel worksheet which is provided to division staff for completion.
- **Prepare Proposal Outline**
  - CGD lead will use the RFP evaluation criteria, checklist, standard application forms, and/or RFP Table of Contents to prepare the proposal outline.

Generate Proposal Checklist*

- CGD lead will use RFP and other guidelines to construct a proposal development and submission checklist. The checklist will include any table of contents, required attachments, submission requirements, signatures, etc.

**Note:* Consider using funding announcement/guidance if it provides a detailed checklist or if you find that deadline prohibits completion of the tasks. You may use a combined overview/outline/ checklist for multiple requests.

PROPOSAL DEVELOPMENT STRATEGY

- **Determine and Compile Proposal Development Team**
  - CGD Manager and/or CGD Project Lead, and Division Director/Executive Leadership Team member (as applicable) will determine members of the team based on complexity of the project and collaborative structure
  - Required skills may include, but are not limited to:
    - Budget and Finance
    - Program Plan and Design
    - Proposal Review and Edit
    - Human Resources
    - Evaluation
    - Facility Management
    - Technology
    - Division Leadership
  - The team will define those members who must meet regularly and those who will function as resources.
- **Conduct Proposal Development Team Meetings**
  - CGD will prepare Meeting Agenda that covers overview, preliminary budget breakdown and outline to assess team's capacity to complete the proposal in the timeframe allowed.

**Note:* Send all members of the team a copy of the RFP, Frequently Asked Questions, prepared overview and preliminary budget breakdown.

- Creation of the proposal development strategy with activities, responsibilities and deadlines
  - Needs/problem statement
  - Program design development – goals, objectives, strategies, tasks, etc.
  - Evaluation plan
  - Budget and budget narrative
  - Graphics plan – cover sheet, maps, charts, tabs (if applicable)
  - Collaborative partnerships – letters of commitment
  - Submission requirements – formatting, binding and mailing or electronic submission

**Note:* Proposal development strategy is derived from the Request for Proposal or funder guidelines.

- Assignments of activities based on roles
  - Division leadership and staff – content and program design experts
  - Human Resources – personnel and policies experts
  - Business Services – budgetary experts
  - Research and Evaluation – project evaluation plan experts
  - Center for Grants Development staff – compilation and review of attachments, narrative, budget, and appendices to ensure that content links within each section; review and revise narrative based on RFP guidance to ensure that the funder's questions are answered; edit and revise narrative for formatting, grammatical and spelling accuracy; compile and submit proposal by deadline.

* *Note:* CGD Project Lead and other CGD staff staff may also write or rewrite sections of the proposal; prepare the budget narrative; create attachments; etc. to ensure that it meets the requirements of the RFP. This will occur in conjunction with the division point person as a support to the proposal development project.

- Performance of brainstorming activities during multiple meetings to:
  - Identify client need for the project
  - Create project vision, philosophies, beliefs, assumptions, and priorities, if relevant
  - Identify project partners
  - Create project goals and measurable objectives
  - Conceptualize project design, management plan and budget (Logic Model)
  - Develop evaluation and dissemination plan
  - Create sustainability plan

**Note:* When evaluation planning required by RFP, involve Research and Evaluation Institute from the beginning of the project, ensuring that they are involved in objectives, project design and measurements.

- Creation of Request for Information (RFI)/letter of commitment for district and/or community partners, if applicable.
  - CGD Project Lead will prepare a Request for Information that is adapted from the prospective grantor's Request for Proposal and includes the district/campus and/or community-based organization's information necessary to complete the proposal.
  - CGD Project Lead will prepare a letter of commitment template for collaborative partners which will briefly describe the organization and identify what the organization will offer to the project, as a cost and/or as in-kind contributions
- CGD Project Lead will send proposal outline/template plus RFP guidelines to team members assigned to proposal sections.
- CGD Project Lead will create meeting summaries and send to meeting participants. Meeting summaries should reflect the elements above plus next steps described during the meeting and any assignments accepted.

- Develop Proposal Development Timeline – ***critical to completion of project***
  - As a result of these meetings, CGD Project Lead and division director/program staff will develop proposal development timeline which will define action steps plus persons

responsible for completing them with identified dates (refer to sample project timelines). A timeline is created working back from a minimum of two (2) days prior to the actual deadline to allow for tracking of the submitted document once it is mailed overnight or submitted online.

Note: Submission of proposals (online or mail) must occur during working hours (7:00 – 4:30 pm - this ensures access to authorized officials for online signatures when necessary).

- Implement Proposal Development Strategy – as proposal project is implemented, CGD Project Lead will use the original timeline to track completed items as they occur **(deadline dates are not to change during the process)**. CGD Project Lead will note the date of completion and by whom under the activity/task column in blue type. CGD Project Lead will distribute the updated timeline to project participants throughout the project, at a minimum once a week.
- **Task Assignment and Completion**
  - CGD Project Lead completes their assigned tasks and facilitates and ensures the completion of other proposal development team member tasks.
    - Division – program design narrative sections and line-item budget*, logic model development, letters of commitment from identified partners*
    - Finance – budget review/narrative sections*
    - Human Resources – personnel schedules for line-item budget
    - Research and Evaluation Institute – formative and summative evaluation plan
    - Center for Grants Development – management, project personnel and organizational capacity sections

* Task assignment takes into consideration team member expertise and accessibility.

  - CGD Project Lead will host team meetings and maintain communication with team members as updates become available. CGD Project Lead will prepare meeting summaries after each team meeting, specifying next steps and those responsible.
- **Conduct District/Community-Based Organization Information Session, if collaborative project**
  - CGD Project Lead and division host an information session for prospective partners/collaborators, if applicable.
    - CGD Project Lead prepares and mails an invitation letter addressed to Organization's Authorizing Official (District Superintendents; CEO/Presidents of nonprofits; etc) and cc: division organization contacts. HCDE's County Schools Superintendent signs the letter.
    - CGD Project Lead prepares and presents the RFP overview, collaborative strategy and Request for Information or letter of commitment template. The RFI informs collaborators of information needed from them to submit the proposal. The collaborative strategy is created in conjunction with the relevant HCDE division prior to the meeting. This may include a model for the narrative plus strategy for how all can collaborate with roles and responsibilities.

  **Note:* it is imperative that the team considers the requirements of the RFP, including project design and budgetary restrictions when selecting collaborators. Having the strategy fleshed out prior to meeting with the collaborators limits misconceptions as to collaborator roles in the project.

    - Division presents overview of services linking them to their capacity to administer the proposed project and describes the preliminary strategy based on the requirements of the RFP.
    - CGD Project Lead asks contacts to submit authorized approval (letter of intent) for participation in the proposal within 72 hours of notification, i.e. identified campuses, number of eligible/targeted participants, etc.
    - Collaborators submit RFI/letter of commitment to CGD within approximately 2 weeks of the session, if not required sooner.

ADMINISTRATIVE REVIEWS AND APPROVALS

- **Public and Private Funding – Approval and Distribution Procedures**

All public and private funding requests (new and continuation) require prior approval from the Executive Leadership Team including the Superintendent and prior approval or ratification after submission from HCDE board**. (Refer to HCDE Board Policy CB Local)**
Public and private funding may include, but is not limited to, federal, state and local grants, private and corporate foundations, and formal commitments to perform services.

- Complete reviews by Center for Grants Development, Executive Team, Business Services, Facilities, Human Resources, Technology, and Assistant Superintendent as relevant to the request.
- During preliminary proposal planning, the CGD Director and/or division Director coordinating submission of the proposal presents the draft plan for Executive Leadership Team consideration and approval.
  - ☐As the preliminary project design is developed and prior to submission of the proposal, the division director/project coordinator will present relevant sections of the proposal to Business Services, Human Resources, Technology, Facilities, and Assistant Superintendent for their input and approval.
    - Business Services – including budget (Excel budget worksheet) and budget narrative, maintenance of effort and indirect cost
    - Human Resources – personnel strategy and proposed job descriptions
    - Technology – use of technology and personnel, equipment and supply needs
    - Facilities – anticipated office space needs, staffing plan and support needs
    - Assistant Superintendent – proposed program design and budget and HCDE contributions (requires use of tax revenues?), if any.
- Proposal Development team reviews and edits the narrative sections of the proposal individually and as a whole as they are completed. CGD Project Lead asks that the division have two or more of their staff review the proposal before it is submitted to others for review, including CGD staff.
- Proposal Development team may include, but is not limited to, division director and staff, division supervisor, Center for Grants Development, Technology, Facilities, Business Services, Human Resources and Assistant Superintendent.
- The complexity of the proposal and potential impact of the grant on the organization determines the involvement of the team members. For instance, initial applications for CASE for Kids and Head Start required meetings that included all aforementioned participant divisions.

- In addition to the roles during the proposal development process, Center for Grants Development will conduct a proposal review and comment and report findings to the team prior to submission of the grant. IGS must have sufficient time to conduct a full review or at least three days prior to the deadline – this is referenced in the development of the timeline.

- In case the deadline of submission of a *continuation* grant conflicts with timing for a proposal review, the deadline takes precedence.

- If this were to occur, the director of the division submitting the proposal must continue through the initial three steps.

- A competitive application will require full proposal review and edits prior to submission.

- **Compile and Submit Completed Proposal**
  - CGD Project Lead requests and compiles the necessary supporting documentation for the Attachment or Appendices sections of the proposal.

- Common supporting documentation
  - Resumes/vitae
  - Job descriptions
  - Evaluation reports
  - Financial statements/audit – Comprehensive Annual Financial Report; Popular Annual Financial Report
  - Organizational and project management charts
  - Service location maps
  - Board lists
- CGD Project Lead compiles revised narrative sections and line-item budget plus supporting documentation in what is called a "dummy." Blank pages are placed to demonstrate missing pieces.
- CGD Project Lead fills out "grant-related forms" such as the SF424 – Application for Federal Assistance, SF524A&B-Non-Construction Budget, Assurances and Certifications, and other required forms (Budget based on project line-item budget). State funding agencies also have forms that require completion and signatures.
- CGD Project Lead obtains the signature of an authorized individual, HCDE County School Superintendent or Board President. Staff will ensure that all required forms are submitted in the requested format (e.g. three original dated signatures in blue ink) (Refer to HCDE Board Policy CB Local)
- CGD Project Lead completes and acquires signatures on any grant-required supplements, such as the Table of Contents, abstract or executive summary, GEPA 427 Equitable Access, etc.
- CGD Project Lead compiles final original document for review by team, including page numbers. CGD Project Lead staff will inform reviewers of any limitations, such as formatting, space, etc. CGD Project Lead staff will make revisions until which time they must compile the proposal for submission. Any revisions that arrive after this timeframe will not be included in the proposal.
- CGD Project Lead compiles final original narrative document plus attachments or appendices. CGD Project Lead reviews RFP guidelines to ensure that required formatting is addressed, such as margins, page limits, spacing, page numbers, and font size.
- CGD Project Lead reviews proposal checklist to ensure that all supporting documents are enclosed in the order they are requested, such as those listed above under "Common Supporting Documentation."
- CGD Project Lead with acquire signatures – in person or via Adobe Sign as required by the funding guidance.
- If mailed, CGD makes required number of copies with one hard-copy and one scanned version for division distribution. CGD Secretary will complete page numbers and required copies.

Note: CGD Project Lead must ensure that a final original to copy review is conducted prior to submission – this includes all documents submitted in any format (hard copy; online; CD; etc.).

- CGD Project Lead submits the original proposal including attachments and other required items plus copies for receipt a minimum of two days prior to deadline date. If online application, CGD Project Lead or designated authorized official clicks the required button.

Note: Submission of proposals (online or mail) must occur during working hours (7:00 – 4:30 p.m.).

SUBMISSION CONFIRMATION

- To ensure receipt, CGD Project Lead submits the proposal a minimum of two days in advance using an overnight mail service or online system. For online applications, the receipt is typically immediate. For overnight mail submission, the CGD Secretary will track online to ensure receipt of the proposal within the required timeline. If not received by afternoon, a second mailing is made. If funding entity is within driving distance, CGD or other HCDE staff will transport the application. On rare and discouraged occasions, transportation for submission on the deadline date may be necessary.
- The CGD Secretary maintains copies of mail carrier receipts and/or tracking forms that are saved as PDFs within project folder.
- CGD Secretary creates/scans and emails PDF of each submitted proposal – (cover to backing) to CGD Project Lead who saves the proposal within the shared earth folder - CGD
- CGD Project Lead e-mails a copy of the proposal in PDF and MS Word (when requested) to division director/project point person.
- CGD Project Lead saves the file on an earth drive under Submitted Proposals for Executive Leadership Team access.CGD Director sends an email monthly to Executive Leadership Team with a list of proposals they can access that were submitted during the previous month.

- **Obtain Board Approval or Ratification**
  - CGD Project Lead or division director prepares and submits draft agenda item for approval or ratification of grants submission via AgendaQuick Program by required deadline date. It is recommended that items are entered shortly after submission of proposal.

Note: Division director should only prepare board agenda item when they are submitting the proposal on their own behalf with the exception of Head Start grants. CGD Project Lead submits the board agenda item in all other cases.

  - For ratification of grant submissions, CGD Project Lead/Division Director chooses Grant Submission as the Item on 1st page of the agenda item; then chooses "Information Item". For those grants requiring board approval prior to submission, choose "Non-Consensus" then "Approval."
  - Division Director/CGD Project Lead attaches supporting documentation in the order below as a **PDF** to action/information item for the monthly board agenda as follows:
    - Copy of the summary budget and detailed personnel budget, if applicable
    - Copy of the signed cover page
    - Executive summary or abstract
  - The pending board agenda items are forwarded to Director of Center for Grants Development for review and approval via AgendaQuick program (Board Agenda Submission System).
  - Within 48 hours, Director of Center for Grants Development will review and make any necessary changes to the item to ensure placement on the board agenda.
  - On the board date, the CGD Director and relevant Division Director are available to answer questions from the HCDE board of trustees for their approval/ratification, when applicable.

IF AWARDED

- County School Superintendent, Assistant Superintendent of Business Services and Division Project Director receives a Notice of Grant Award (NOGA); Grant Award Notification (GAN); or letter of award. Superintendent's Office forwards award notification to CGD Director and division contact.
- CGD Director will work with CGD Project Lead to prepare required organization and grantor next steps instruction and send via email.
- If needed, CGD Director will coordinate a meeting with awarded division to discuss the next steps required to ensure compliance with organizational processes and grant objectives/ requirements.

Harris County Department of Education
Donation/Sponsorship Receipt

Date	_____
Donor/Sponsor Name (As you would like to appear on all printed material)	_____
Company and Title (If applicable)	_____
Address	_____
City, State and Zip	_____
Phone | Email	_____
	☐ I wish to remain anonymous.
Type of Donation/Sponsorship	☐ Cash ☐ Merchandise/In-Kind (describe below)
Description	_____ _____ _____ _____
Fair Market Value Donations: Harris County Department of Education (HCDE) does not place a value on donations; that is the privilege and responsibility of the donor. Corporate Sponsorships: HCDE will let sponsors know the value of goods and services received, when applicable.	☐ Donation ☐ Sponsorship $ _____ $_____
Designation Program	☐ Adult Education ☐ Area 1 Head Start ☐ Business Services ☐ CASE for Kids ☐ Center for Grants Development ☐ Center for Safe & Secure Schools ☐ Choice Partners ☐ Educator Certification & Advancement ☐ Human Resources ☐ Purchasing ☐ Records Management ☐ Research and Evaluation Institute ☐ School-based Therapy Service ☐ Schools: Academic and Behavior East ☐ Schools: Academic and Behavior West ☐ Schools: Highpoint East ☐ Schools: Fortis Academy High School ☐ Teaching and Learning Center ☐ Technology Support Services ☐ Other _____
Special Restrictions	_____ _____ _____ _____ _____

Thank you for your generous support!

HCDE Use Only

	RESOURCE DEVELOPMENT PROCEDURES HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
EFFECTIVE DATE: July 26, 2005		REVISED DATE: August 20, 2020
SUBJECT: Acceptance of Donations/Sponsorships		

Purpose: To implement a donor/sponsor-relations initiative that encompasses the effective acknowledgement and stewardship of donors/sponsors; and internal record-keeping and communication processes that meet HCDE policy.

Donation is defined as the act of giving to a fund or cause, or a gift or grant. HCDE defines a donation as any cash or in-kind gift a division or program of HCDE receives that benefits HCDE and/or its clients or students.

Sponsorship is defined as when a corporation pays for all or some of the costs associated with a project or program in exchange for recognition.

Goals:

- Adhere to HCDE Policy that requires that the Board is notified of all donations
- Provide donors/sponsors with documentation of contribution
- Acknowledge donors/sponsors in a timely manner
- Recognize donors/sponsors in the manner appropriate to their level of contribution
- Eliminate duplicate requests to the same donor/sponsor

Before a donation/sponsorship is accepted, the person receiving the contribution on behalf of HCDE and/or its clients must ensure that steps 1 through 3 are completed as follows. Steps 4 and 5 must occur within five working days of receipt of the gift. Steps 6 and 7 will occur prior to the next board meeting after receipt of the gift.

Step 1: Donor/staff complete a Donation Receipt form which includes date, donor/sponsor name, address, telephone number, email, descriptions of the items donated, their value and what program area they are supporting. (Refer to Donation/Sponsor Receipt Form). Donor/sponsor may specify on the form if they wish their donation anonymous.
Note: Staff may also use the Donation Receipt form found on the portal at http://hcdeportal. If used, make a copy for division files and send original to Center for Grants Development division.

Step 2: When donor completes form, have donor return form to HCDE staff – person accepting gift.

Step 3: HCDE staff sends Donation/Sponsor Receipt form to Center for Grants Development (CGD). If more than one donation, staff will compile all in one batch and send to CGD.

Step 4: As receipts are received, CGD prepares and mails acknowledgement letters signed by the HCDE Superintendent to the donor/sponsor.

Step 5: CGD uses the information on the forms to prepare and maintain an Excel worksheet, reporting monthly donor/sponsor activity.

Step 6: CGD director sends the prepared monthly donation/sponsor report to HCDE divisions for their review and approval.

Step 7: CGD director creates a board agenda item (information item) via the Board Agenda Submission System attaching the monthly donation/sponsor report for board review.

Step 8: CGD director sends the donation/sponsor report to Business Services to include in their report to the board.

Step 9: CGD coordinates with relevant divisions and Communications and Public Information on donor stewardship activities.

Step 10: CGD staff uses the forms to maintain donor/sponsor information by division.

	CENTER FOR GRANTS DEVELOPMENT PROCEDURES **HARRIS COUNTY DEPARTMENT OF EDUCATION**	Reference:
EFFECTIVE DATE: July 26, 2005		REVISED DATE: August 25, 2020
SUBJECT: Commitment of Resources and Grant Submissions		

All forms of commitment* including grant submissions (new and continuation) require

1. **Prior approval from the Executive Leadership Team member including Superintendent and**
2. **Prior approval of the HCDE Board, when feasible or**
3. **Ratification after submission by the HCDE board.**

*Commitments may include, but are not limited to, those with universities, governmental entities, grantors, school districts, for-profit, not-for-profit, non-profit, community- and faith-based organizations and the Education Foundation of Harris County.

Commitments that generate revenues and/or provide in-kind support of HCDE resources through participation in an initiative or grant may be reflected in two forms:

1. **Written agreements; or**
2. **Verbal promises.**

Grants submissions may include, but are not limited to,

1. **Federal grants;**
2. **State grants;**
3. **Local grants; and**
4. **Private and corporate foundation grants.**

PROCEDURE

Divisions are responsible for submitting proposed commitments to their Executive Leadership Team Member in an effort to acquire Executive Leadership Team approval. Division will ensure that relevant Executive Leadership Team, Business Services, Human Resources and Technology reviews occur, as appropriate. Division will obtain Executive Leadership Team Member approval and the Superintendent or designee's signature on relevant documentation prior to committing HCDE resources.

A. Commitment of Resources

1. During preliminary planning, the division Director coordinating plans to commit to an initiative:

a. Presents a draft plan including 1) a final overview of the proposed commitment(s); and 2) associated in-kind contributions with a breakdown of costs; and
b. Obtains Executive Leadership Team member approval.

2. If a division plans to commit HCDE resources **in support of another organization's initiative/grant**, they must prepare and send the following to their ELT member:
    a. draft letter of commitment; **or**
    b. draft memorandum of agreement/understanding **plus** associated costs/matches

Note: These documents are prepared in such a way as to share with the public. **Division may choose to have CGD to review their documentation and forward to Superintendent's office for signature.**

3. Division directors provide letters of commitment/MOU's; and budget information to ELT member for review. Division will acquire County School Superintendent or his designee's signature and maintain signed letter/MOU in its records.

Note: MOU's may require processing via Purchasing for placement on the board agenda and to acquire relevant signatures.

4. Division directors need to be prepared to answer questions as to whether additional personnel and/or space are needed; and if a match is required/requested.

5. Divisions will prepare supporting documentation for levels of communication – Connections newsletter, information items and action items.

B. Grant Submissions (Refer to CB Local)

Center for Grants Development (CGD) will present **prospective grant submissions (new and continuation)** to Executive Leadership Team (ELT) and other relevant divisions for approval. Divisions preparing proposals on their division's behalf will submit required information to CGD to acquire ELT approval.

1. CGD Director will work with division to acquire ELT member approvals to proceed with grant submission.
    a. Division director will acquire approval from their supervisor to begin the review and full ELT member approval process
    b. CGD will create an email with a table reflecting proposed grant submission; space – yes/no; personnel – yes/no; and match – yes/no embedded in the message (Refer to attached email format).
    c. Prior to submitting grant submission for ELT approval, CGD director and division director and relevant staff will meet to conduct a Grant Feasibility Review. These are conducted when a division is considering pursuing a public grant proposal of any amount or foundation proposal over $25,000.

d. CGD will attach the division-submitted ELT item, RFP or funding guidance, Grant Feasibility Review and other relevant information to aforementioned email.
e. CGD will use Outlook email options (yes; no) as responses from ELT members; division contacts are also included to receive the responses as they occur.
f. CGD director will notify the division of Executive Leadership Team's determination regarding proceeding with grant submission.

2. As the preliminary project design is developed and prior to submission of the proposal, the division director/project lead will present relevant sections of the proposal to the following for their input and approval.
    a. **Business Services** – including budget and budget narrative, maintenance of effort and indirect cost
    b. **Human Resources** – personnel strategy and proposed job descriptions
    c. **Technology** – use of technology and personnel, and supply needs
    d. **Facilities** – anticipated office space needs, staffing plan and support needs
    e. **Assistant Superintendent** – proposed program design and budget and HCDE contributions (requires use of tax revenues?), if any.

3. The division director and CDG project lead will coordinate the Proposal Development team reviews and edits. The team will review the narrative sections of the proposal individually and as a whole as they are completed. Proposal Development team may include, but is not limited to,
    - division director and staff
    - division supervisor
    - Center for Grants Development
    - Research and Evaluation
    - Technology
    - Facilities
    - Business Services
    - Human Resources
    - Assistant Superintendent

Note: Responsibility for completion of review process lies with the division submitting the proposal.

The complexity of the proposal and potential impact of the grant on the organization determines the involvement of the team members. For instance, initial applications for Head Start and Early Childhood Intervention required meetings that included all aforementioned participant divisions.

4. In most cases, CGD staff leads the proposal development process. In other cases when the divisions propose to submit themselves, then the division Director or designee provides a copy of the proposal for Center for Grants Development staff review **at least one week** prior to submission.

5. CGD will conduct a proposal review and comment and report the findings to the division director/project lead prior to submission of the grant.
    - In the case that the deadline of submission of a continuation grant conflicts with timing for a proposal review, the deadline takes precedence.
    - If this were to occur, the director submitting the proposal must continue through Steps I, II AND III.

6. Obtain Board Approval or Ratification of Grant Submissions – Information Items
    a. Shortly after submission, divisions who prepare their own proposals (new or continuation) will submit a final copy of the proposal to Director of CGD so CGD staff can create board agenda item.
    b. CGD project lead prepares and submits draft agenda item form for ratification of grants submission (as information item) via Board Agenda Submission System (BASS) by required deadline date. It is recommended that CGD project lead submit the items shortly after submission of proposal for grant ratification. (Refer to sample agenda item)

    Note: Resolutions requiring board approval are submitted in advance of grant submission in order to ensure that they are signed by the board president and included in grant application.

    c. CGD staff will attach supporting documentation in the order below as a **PDF** to action/information item for the monthly board agenda as follows:
        - Copy of the cover page with signature of authorizing official
        - Copy of the project budget summary
        - Executive summary or abstract (pages from proposal including this information)
    d. The pending board agenda item is forwarded to Director of Center for Grants Development for approval via BASS.
    e. Within 48 hours, Director of Center for Grants Development will review and make any necessary changes before approval. CGD director will note the changes in the comment section of the item, print out the agenda page and PDF. These documents will be scanned and sent to staff for future use. CGD director will approve/disapprove the item within the required timeframe.
    f. On board date, the CGD Director and relevant Division Director are available to answer questions of the HCDE board of trustees.

7. Distribute Submitted Proposals
    a. CGD Director will ensure that the final signed PDF version of the proposal provided by the division is distributed to the following:

        County School Superintendent
        Assistant Superintendents (3)
        Chief Information Officer
        Executive Director, Human Resources
        Executive Director, Facilities

Chief Communications Officer
Chief of Staff

b. CGD Director will save the PDF within two shared drives – CGD division drive for centralized filing; and a drive that shares all proposals with Executive Leadership Team. CGD director will email the "HCDE Submitted Proposals" link to the ELT distribution list, highlighting recently added proposals.

Email Template
Executive Team Item
Request for Consideration and Decision

Executive Team:

I am presenting on behalf of (division/program), the following proposal submission for Executive Leadership Team consideration and decision. I have attached the (announcement, program guidelines, information item, Grant Feasibility Review, etc.) for your review. If interested, you can locate a link on the (announcement letter, RFA, RFP, etc.) that takes you to all supporting documents on the (grantor) website.

Grant Submission	**New/Renewal**	**Match Required* – Yes/No**	**Addt Space Needed – Yes/No**	**Addt Personnel Needed**
(Division) – proposal to (grantor) to implement (grant title)				

Please click on the 'yes" or "no" links above. If you have any questions, please contact division director at email@hcde-texas.org.

	CENTER FOR GRANTS DEVELOPMENT PROCEDURES **HARRIS COUNTY DEPARTMENT OF EDUCATION**	Reference:
EFFECTIVE DATE: October 3, 2006		REVISED DATE: August 24, 2020
SUBJECT: **Proposal Development Procedures for Private Funding Proposals**		

Center for Grants Development (CGD) works directly with nine HCDE external service divisions* to develop fund development plans for the solicitation of private foundations. The plan covers suggested/current program initiatives; chart of division's expressed needs for funding; potential fund development strategies; and chart of foundation prospects by division.

* Divisions include Adult Education, CASE for Kids, Center for Safe and Secure Schools, Educator Certification and Advancement, Head Start, Research and Evaluation Institute, Schools, School-based Therapy Services, and Teaching and Learning Center. Throughout the year, CGD may identify funding relevant to other HCDE divisions and will work with those divisions to pursue that funding.

CGD reviews the list of foundation prospects for HCDE pursuit with Executive Leadership Team including the liaison for the Education Foundation of Harris County (EFHC) to eliminate duplicate requests for funding unless allowable by private foundation. CGD obtains approval from HCDE Executive Leadership Team before moving forward with the HCDE division and EFHC on proposals. This occurs with the initial foundation solicitation listing/plan and subsequently with new identified private funding opportunities as they occur.

Those requests exceeding ***$25,000 and/or requiring match resources*** will require approval by relevant Executive Leadership Team member. The submission of this approval to CGD Director will generate a Grant Feasibility Review as described below.

ORGANIZATIONAL ASSESSMENT – REQUIRED FOR REQUESTS OVER $25,000

- **Conduct a Grant Feasibility Review**
  - When the division or CGD staff obtains the relevant ELT member's approval to move forward, CGD Director will assess the organization's/division's likelihood of meeting the requirements of the funding guidance.
  - If EFHC/HCDE is considered an eligible organization and meets the capacity requirements of the guidance, CGD Director and CGD Project Lead will meet with the division to discuss how the division and the conceptual framework of the proposed project meets the requirements of the funder.
  - CGD Director and division staff will document team deliberations based on the following questions:
    - Purpose and goals of the private foundation tie closely to EFHC/HCDE's mission statement? Purpose and goals of the guidance tie closely with division vision and goals?
    - EFHC's organization type is listed as eligible for funding?

Prepared by: Gayla Rawlinson Maynard, Director
Center for Grants Development

- Review of previous grantees reflects that EFHC/HCDE is a good candidate for funding?
- EFHC/HCDE Division is the best possible lead for the grant project?
- Prospective project clients are eligible beneficiaries of the funding?
- EFHC/HCDE already has relevant collaborative relationships that can assist in the implementation of the project and leveraging of dollars for the project (if applicable)?
- Division has the human and financial (match) resources to administer the grant project in a timely and effective manner?
- Proposed project meets requirement for identified evaluator (if applicable)?
- Proposed project design is in alignment with the funds available? Project design includes only allowable costs?
- Division can sustain the project after the funding ends?

- Center for Grants Development Director forwards the Grant Feasibility Review and funding guidance, when available, to Executive Leadership Team for their decision on whether or not to proceed with preparing the proposal for submission.

PREPARATION

- **Obtain Foundation Guidelines**
  - Center for Grants Development (CGD) will use existing foundation guidelines for preparation of the proposal. When available, CGD will research the foundation's website and IRS 990 form to determine types of projects the foundation typically funds; the average grant amount by organization type; and application process.
  - If the guidelines are unavailable via customary channels such as websites, CGD will contact the foundation for assistance (if available). Staff preparing proposals is encouraged to contact the foundation directly to inquire about the types of projects the foundation typically funds and the recommended dollar amount for the proposal.
  - If guidelines and contact are unavailable, then CGD will create proposals based on acceptable guidelines for a letter or foundation proposal.

- **Prepare Proposal Outline**
  - CGD will use the foundation guidelines** and/or application forms to prepare the proposal outline.

**Note: May not be necessary if guidelines provide a detailed outline/checklist. CGD may use a combined outline for multiple requests if similar requests to varied private foundations.

- **Obtain and/or Prepare Program Description**
  - Division will share with CGD the program description including goals, objectives, activities, and evaluation plan
  - CGD works with each division and the EFHC to prepare and submit proposals according to guidelines available. EFHC will handle foundation relations, reporting and stewardship activities, in conjunction with HCDE divisions, when appropriate. Some HCDE divisions have existing projects that are fully designed, requiring less work by the division or CGD. CGD will use that existing information to prepare proposals, when available.

Prepared by: Gayla Rawlinson Maynard, Director
Center for Grants Development

PROPOSAL DEVELOPMENT STRATEGY

- **Compile Proposal Development and Review Team**
  - Although foundation proposals are usually less complex than government grants, CGD and the division director may still need to establish a proposal development team for new or larger projects. Division director and CGD Director/staff will determine members of the team based on complexity of the project.
    - Required skills may include, but are not limited to,
      - Budget and Finance
      - Division Leadership
      - Human Resources
      - Evaluation
      - Facility Management
      - Program Plan, Design and Implementation
      - Proposal Review and Edit
      - Technology
  - The team will define those members who must meet regularly and those who are available as resources – always include division leadership and designated dedicated division staff on the team.

- **Conduct Proposal Development Team Meetings, when necessary**
  - Team reviews foundation guidelines and proposed project and how it aligns with foundation giving.
  - Team will make assignments based on roles and relevance
    - Education Foundation of Harris County – EFHC organization information
    - Division leadership and staff – content and program design experts
    - Human Resources – personnel and policies experts
    - Business Services – budgetary experts
    - Research and Evaluation Institute – project evaluation plan
    - CGD staff – customization of proposal to meet foundation guidelines; compilation and review of attachments; narrative; budget; and appendices; submission of proposal
    - Education Foundation of Harris County Liaison, Director of CGD and Division Director – review and edit proposal based on foundation guidance to ensure that questions are fully answered.

- **Develop Proposal Development Timeline**
  - CGD and division director/program staff will develop proposal development timeline for each project which will define action steps plus persons responsible for completing them.

- **Implement Proposal Development Strategy**
  - Task Assignment and Completion:
    - CGD completes their assigned tasks and facilitates and ensures the completion of other proposal development team member tasks.
      - If new HCDE project,
        - Division – program design narrative sections and line-item budget, letters of commitment from identified partners*
        - Finance – budget review/narrative sections*

Prepared by: Gayla Rawlinson Maynard, Director
Center for Grants Development

- Human Resources – personnel schedules for line-item budget*
- Center for Grants Development – management, project personnel and organizational capacity sections*

* Task assignment takes into consideration team member expertise and accessibility. Assignments are only provided when necessary to complete the proposal.

- CGD staff host team meetings and maintain communication with team members as updates become available.

ADMINISTRATIVE AND PARTNER REVIEW

- **Private Funding – Approval and Distribution Procedures**

All private funding requests (new and continuation) require prior approval from the Executive Leadership Team including the Superintendent with items presented as information on the HCDE board agenda each month.

- Complete reviews by Center for Grants Development, Executive Leadership Team***, Business Services***, Facilities***, Human Resources***, Technology***, and Assistant Superintendent as relevant to the request

*** If the project is new or expanded or will impact the organization's infrastructure.

- Prior to submission of the proposal and if the project is large enough to impact the organization, the division director/project coordinator or CGD will present relevant sections of the proposal to Business Services, Human Resources, Technology, Facilities, and Assistant Superintendent for their input and approval.
  - Business Services – including budget and budget narrative, maintenance of effort/match and indirect costs
  - Human Resources – personnel strategy and proposed job descriptions
  - Technology – use of technology and personnel, and supply needs
  - Facilities – anticipated office space needs, staffing plan and support needs
  - Assistant Superintendent – proposed program design and budget and HCDE contributions (requires use of tax revenues?), if any.
- Proposal Development team reviews and edits the proposal as it is completed.
- Proposal Development team may include, but is not limited to, division director and staff, division supervisor and Center for Grants Development.

FINAL COMPLETED PROPOSAL

- **Compile and Submit Completed Proposal**
  - CGD prepares the final narrative with requested attachments. If online, documents may require uploading or typing directly into the grantor's online system. If so, print out narrative for review. Ask others to review the application on the webpage as well.
  - CGD requests and compiles the necessary supporting documentation for the Attachment or Appendices sections of the proposal.
    - *Common supporting documentation*
      - 501(c)(3) Letter of Determination; proof of tax-exempt status
      - List of current board members
      - Most recently audited financial statements
      - IRS Form 990
      - Current organizational budget

Prepared by: Gayla Rawlinson Maynard, Director
Center for Grants Development

- CGD obtains the signature of an authorized individual, Board Chair of the Education Foundation or County School Superintendent, when necessary. These signatures are obtained in person or via Adobe Sign, as needed.
- CGD compiles final original narrative document plus attachments or appendices. CGD reviews guidelines to ensure that required formatting is addressed, if applicable.
- CGD reviews guidelines to ensure that all supporting documents are enclosed in the order they are requested, such as those listed above under "*Common Supporting Documentation.*"
- Development Coordinator provides an electronic copy of the final proposal to the division and to the Education Foundation, when appropriate. If online submission, print an original, then provide copies as specified to division and Education Foundation, preferably electronically.

- If applicable, CGD submits the original proposal and copies for receipt by deadline date. CGD or Education Foundation will send proposal by certified mail, hand delivery or online delivery, whichever is allowable.

- **Notify Board of Submission**
  - As required by policy, Center for Grants Development staff prepares and submits a grant submission agenda item via the Board Agenda Submission System.

SUBMISSION CONFIRMATION

- Fifth to seventh day after submission by mail, CGD will call or email the foundation contact to ensure receipt of the proposal even though the certified card should have been returned. If not received via mail, CGD or Education Foundation will resubmit. If online, print out, scan and save confirmation notice or save email notification of receipt in electronic folder as documentation of submission.
- The Secretary maintains copies of mail carrier receipts and/or tracking forms. CGD Project Lead saves the receipt confirmation in the respective project folders under Submission Confirmation.
- Secretary or other CGD staff creates a PDF version of each submitted proposal – cover to backing--- and saves it in the project folder.
- CGD Director will save proposals within earth folder "Recently Submitted Proposals" for distribution to Executive Leadership Team.

Prepared by: Gayla Rawlinson Maynard, Director
Center for Grants Development

YR 2021-2022

Fund	Code	BM Code	Descriptions	Budget Manager
214, 215, 216	ALL	901	EHS - Assitant Directors	Venetia Peacock
205, 206, 207, 289, 427, 496, 498	ALL	901	Head Start - Assitant Directors	Venetia Peacock
207,209		901	Head Start - Disaster relief	Venetia Peacock
205, 215, 289, 427		901	Head Start - Managers Irvington	Venetia Peacock
205, 289, 427	644	901	Head Start-Barrett Station Center	Venetia Peacock
205, 289, 427	651	901	Head Start-Baytown Center	Venetia Peacock
205, 289, 427	751	901	EHS-Baytown (Massey)	Venetia Peacock
205, 289, 427	657	901	Head Start - Channelview	Venetia Peacock
205, 289, 427	641	901	Head Start-Compton Center	Venetia Peacock
205, 289, 427	621	901	Head Start-Coolwood Center	Venetia Peacock
205, 289, 427	642	901	Head Start- Dogan Center	Venetia Peacock
205, 427, 437, 479	643	901	Head Start-Fifth Ward Center	Venetia Peacock
205, 289, 427	663	901	Head Start - Fonwood	Venetia Peacock
205, 427, 437, 479	631	901	Head Start-Humble Center	Venetia Peacock
	731	901	EHS-Humble	Venetia Peacock
205, 289, 427	652	901	Head Start-J D Walker Center	Venetia Peacock
205, 289, 427,437, 479	661	901	Head Start-La Porte Center	Venetia Peacock
205, 289, 427,437, 479	661	901	EHS-La Porte Center	Venetia Peacock
205, 427, 437, 479	646	901	Head Start-Pugh Center	Venetia Peacock
205, 427, 437,479	611	901	Head Start-Sheffield Center	Venetia Peacock
205, 289, 427, 437, 479	612	901	Head Start-Tidwell Center	Venetia Peacock
205, 289, 427, 437, 479	612	901	EHS-Tidwell Center	Venetia Peacock
205, 215, 427, 437	ALL	901	Head Start	Venetia Peacock
215, 427, 437	ALL	901	Head Start	Venetia Peacock
205, 215, 289, 427	ALL	901	Head Start	Venetia Peacock
205, 215, 427, 437	ALL	901	Head Start Compliance	Venetia Peacock
205, 215, 427, 437	ALL	901	Head Start Education & Special Svs	Venetia Peacock

Alternate Signature	Alternate Signature	Alternate Signature	Alternate Signature	Alternate Signature
Lisa Boone	Gulshan Rahman	Jamese Stancill		
Armando Rodriguez	Gino Kamaya Rodriguez	Pamela Jones-Lee	Suzanne Cates	Sandra Pearson
Norma Starr	Suzanne Cates	Lisa Boone	Kathy Greenway	
Norma Starr	Tonna Clay	Suzanne Cates	Lisa Boone	
Norma Starr	Selena Lindley	Suzanne Cates	Lisa Boone	
Cynthia Johnson	Debbie Jones	Suzanne Cates	Lisa Boone	
Merevonna R Daniel	Bridgette Carrier	Suzanne Cates	Lisa Boone	
Valerie Stephens	Amanda Jackson Griffin	Suzanne Cates	Lisa Boone	
Maria Angelica Barcus	Maria Cruz	Suzanne Cates	Lisa Boone	
Traci Houston	Mary Akubue	Suzanne Cates	Lisa Boone	
Markeysha Hinderman	Sheneika Hines	Suzanne Cates	Lisa Boone	
Lisa Manuel Ntabaazi	Scarlett Stredic	Suzanne Cates	Lisa Boone	
Lisa Wells	Suzanne Cates	Lisa Boone		
Nadia Epps	Tonna Clay	Suzanne Cates	Lisa Boone	
Nadia Epps	Tonna Clay	Suzanne Cates	Lisa Boone	
Catherine Jones	Suzanne Cates	Lisa Boone		
Sherry Eagleton	Cindy Blake	Suzanne Cates	Lisa Boone	
Carla LeVeaux	Adrian Singleton	Suzanne Cates	Lisa Boone	
Carla LeVeaux	Adrian Singleton	Suzanne Cates	Lisa Boone	
Armando Rodriguez	Gulshan Rahman	Jamese Stancill	Lisa Boone	
Valerie Stephens	Selena Lindley	Suzanne Cates	Lisa Boone	
Jasmine Imo				
Rodrigue Gino Kamaya	Gulshan Rahman	Lisa Boone		
Lisa Boone	Pamela Jones Lee	Gulshan Rahman		

Payroll Contact	AP Contact
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche
Nancy Argueta / Sharon Mc Bride	Cecile Porche

Fixed Assets

Fixed Assets are the responsibility of each division manager. Account coding is very important in determining the type of fixed asset.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 05/15/2009		REVISED DATE: 05/23/2022
SUBJECT: Fixed Assets		

Fixed Assets-Definition

1. Personal or real property with a unit cost of $1,000 or more.
2. Sensitive items such as laptops, tablets, and cameras, with a unit cost under $1,000 must be coded to 6399-0006 and tagged.
3. Printers with a unit cost over $500 but under $1,000 must be coded to 6399-0006 and tagged.
4. Lasts longer than one year (estimated useful life).
5. Retains its original shape and appearance with use.
6. Does not lose its identity through incorporation into a different or more complex unit or substance.
7. If several parts are purchased to assemble into one unit, the total unit cost determines if the item is a fixed asset. For example, 2 standard poles plus 2 weight bases and 1 net make up one volleyball net system. If the total cost is over $1,000, then the unit is a fixed asset. When the net is replaced the following year, the expense will be charged to supplies account code.

Responsibility

The Budget Manager is the custodian of the fixed assets within their division.

Fixed Asset Recordkeeping

The Fixed Asset Listing includes all assets with a unit price equal to or over $1,000 for insurance purposes. Assets with a unit cost equal to or over $5,000 are capitalized and depreciated (as required by GASB 34) by the Business Services Division.

Accounting for Fixed Assets

Items costing less than $1,000 are expensed to the Supplies & Materials account code 6399-0000, except sensitive items identified below.

Assets with unit costs from $1,000 to $4,999.99 are charged to account codes 6393 (New) or 6394 (Replacement). Also, use the appropriate sub-object codes.

Assets with a unit cost equal to or over $5,000 are charged to 663X (New) or 664X (Replacement) accounts. A complete list of accounts is available in the Budget

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 05/15/2009		REVISED DATE: 05/23/2022
SUBJECT: Fixed Assets		

Planning Workbook located on the HCDE Portal under Business Services / Budget Planning / FY21 – Budget Planning Book V3, Section 10, page 149.

Fixed Asset Transfers

See accompanying instructions on the Fixed Asset Transfer Form.

Annual Inventory

An annual inventory will be completed. It is the responsibility of the Asset Inventory Clerk to generate the Fixed Asset Inventory Worksheet, an inventory of assets with a unit cost of $1,000 to less than $5,000 including sensitive items. The Asset Inventory Clerk provides each Budget Manager with their fixed asset inventory worksheet.

The Fixed Asset Inventory Worksheet of items including sensitive items, is provided to each campus / division and each campus / division is responsible for locating each asset and marking the report per the instructions. Campuses / divisions will clearly mark any assets not found (missing, lost or stolen) and add to the list any asset(s) not already on the list and their fixed asset number(s). Budget Managers will return the Fixed Asset Inventory Worksheet to the Asset Inventory Clerk when they are due, along with all the other documents related to the Inventory Request.

The Asset Inventory Clerk (Facilities Support Services) is responsible for inventorying fixed assets following this policy. Every time a fixed asset is purchased, it must be delivered to the warehouse where they will contact the Asset Inventory Clerk to tag every asset. Once the asset is tagged, it can be transferred to the campus / division that requested it.

Auction

Items which are no longer working or cannot be repaired and/or used by another campus/division can be sent to surplus for auction. The Fixed Assets Transfer Form must be completed and signed. Follow the instructions on the Fixed Assets Transfer Form.

Computers or computer equipment must be verified non-usable by the Technology Support Services Division before being sent to surplus for auction.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 05/15/2009		REVISED DATE: 05/23/2022
SUBJECT: Fixed Assets		

Donations

Donations to the Department come in two forms: new items and used items. Whether new or used, each item donated to the Department must have the approval of the Superintendent. The person in the division normally responsible for purchasing fixed assets should see if the item meets the following criteria:

1. It is safe and acceptable for use by students and employees.
2. It meets the requirements of the instructional program (if applicable).
3. There is a true, justifiable need for the item.
4. The item is in good working order and is compatible with related equipment.
5. The item is within the guidelines of the Department technology plan (if applicable).
6. It meets the Department criteria for a fixed asset.

If a donation meets all the criteria listed above, then:

Information regarding the donation should be sent to Center for Grants Development. The procedure for accepting donations and the form to complete is on their page on the HCDE Portal.

The receiving campus / division should be willing, if requested, to ascertain the fair market value of the donation. The “fair market value” is a reasonable approximation of the market value at the time of donation and not necessarily the original price paid for the item. For equipment donations, information should also be forwarded to the asset inventory clerk so it can be added to the Fixed Asset Inventory.

Installation of permanent equipment, such as playground equipment, shelving, etc., should be coordinated with Facilities Support Services.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 05/15/2009		REVISED DATE: 05/23/2022
SUBJECT: Fixed Assets		

Repair or Replacement

The Budget Manager is responsible to determine if an item needs repair or replacement. Keep the following guideline in mind when considering an item for repair or replacement. **Fixed assets requiring repair should be evaluated to determine if it is more feasible to replace the item than to continue to repair it.**

Stolen/Lost Items

1) A **police report** must be filed with the Police Department on any stolen item costing $1,000 or more.
2) A hard copy of the police report should be sent promptly to the Facilities Support Services Executive Director.
3) If funds are received from the insurance coverage, these funds may be used to replace the stolen/lost item(s). Should the campus / division wish to "upgrade" the item being replaced, the campus / division will be responsible for providing the additional funds to purchase the "upgrade."

Reconciliation of Fixed Assets to the General Ledger

At year end, Business Services will perform a reconciliation of fixed assets, greater than $5,000, to the general ledger.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 04/01/2006		REVISED DATE: 5/23/22
SUBJECT: Budgeting for Replacement Assets		

Some assets (i.e., land) will last a lifetime. Others are replaced according to a replacement schedule or when the asset becomes too expensive to repair. Funds for major replacements items come out of the Reserve Fund Balance. **Funds budgeted for replacement of assets cannot be used for any other purchase.**

The following steps will guide you in including these replacements in your proposed budget.

1. You will be given a report titled Replacement Asset Listing in your budget packet. Review the report for assets that are scheduled to be replaced during the next fiscal year. This report is generated by the computer system, based on the estimated useful life of the asset. **If you did not get the report, no assets are scheduled for replacement this year.** Call Business Services if you have any questions about this.

2. Evaluate the 'REPLACEMENT DATE' for each asset listed on your report. If you believe that the expected life should be increased, change the replacement date on the list by lining through the printed date and writing the new date just above it. Business Services will review your recommend-dations for updating the estimated useful life for the assets you marked.

   Now you can concentrate on those assets that need to be replaced during the budget process.

3. Estimate the cost of replacing an item using current price catalogs (Butler, Hallmark, Office Depot, etc.). If you are unsure of any aspect of replacing a particular item, contact Procurement Services for assistance. For technology items, do a Helpdesk request for quotes on these items. Items should be considered individually and not in groups when using these criteria.

4. Highlight the items you wish to replace and put replacement costs into your proposed budget using the appropriate expenditure object codes.

   664X-XXXX - Replacement capital assets are identified as an item having a value of $5,000.00 or more and an expected useful life of more than one year.

Harris County Department of Education	**ACCOUNTING PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 04/01/2006		REVISED DATE: 5/23/22
SUBJECT: Budgeting for Replacement Assets		

6394-XXXX - Replacement assets having a value of $1,000 or more, including sensitive items, but less than $5,000.00 - unit cost, should use object code 6394 (Replacement) and the appropriate sub-object code.

6399-XXXX - All other assets (desks, file cabinets, etc.) under $1,000 should be charged to general supply object code 6399 except sensitive items.

NOTE: The 6399 account code expenditures are not offset by Reserved Fund Balance.

DRAFT

HARRIS COUNTY DEPARTMENT OF EDUCATION
Fixed Asset Transfer Form

Date: _____

Please type or print legibly. Use a separate form for each item.
Incomplete forms will be returned for further clarification.

Instructions:
Facilities is responsible for physically moving assets.
If the Division is discarding a computer, Technology must wipe the hard drive before the computer is transferred to surplus for auction.

(1) RELEASING DIVISION fills out the ASSET INFORMATION SECTION completely.
(2) RELEASING DIVISION fills out the RELEASING DIVISION SECTION completely.
Director of RELEASING DIVISION signs the Transfer form.
RELEASING DIVISION sends the Transfer form to the RECEIVING DIVISION.
(3) RECEIVING DIVISION fills out the RECEIVING DIVISION SECTION completely.
Director of RECEIVING DIVISION signs the Transfer form.
RECEIVING DIVISION sends the Transfer form to the Asset Inventory Clerk.
In the case of replacement of technology items, the Technology Division requires a completed form to remove computers that are being replaced.
(4) The Asset Inventory Clerk will process the form and forward a copy to Facilities for moving the asset(s).
(5) A Facilities staff will pick up the asset(s), sign the form and return it the Asset Inventory Clerk.

(1)

ASSET INFORMATION SECTION	
Item Description:	HCDE tag #:
Model #:	Serial #:
Status / **Check One**: ☐ New ☐ Good ☐ Worn / Poor ☐ Needs Repair ☐ Obsolete / Broken / Unusable	

(2)

RELEASING DIVISION SECTION	
Location (Address):	Room #:
Division:	Director's Signature:

(3)

RECEIVING DIVISION SECTION	
Location (Address):	Room #:
Division:	Director's Signature:

PROPERTY TRANSFER SECTION			
(4) ASSET INVENTORY CLERK		**(5) FACILITIES DIVISION**	
Date Posted:	Signature or Initials:	Date Transferred:	Signature or Initials:

HCDE ASSET TAGGING PROCESS

Items delivered to WAREHOUSE:

- Any item >$1,000 - Check Coding 6393, 6394 or 6600 account based on description or value. NEW-Sensitive items coding.

- The following Technology Sensitive Assets (even if not >$1,000):
  - Projectors - Computers - Laptops
  - Tablets - Monitors - TVs
  - Rack mounted switchers and servers
  - Printers and scanners >$500

Items delivered to HELP DESK directly:

- Any item >$1000 – Check Coding Check Coding 6393, 6394 or 6600 account based on description or value. NEW - Sensitive items coding.

- The following Technology Sensitive Assets (even if not >$1,000):
  - Projectors - Computers -Laptops
  - Tablets - Monitors -TVs
  - Rack mounted switchers and servers
  - Printers and scanners >$500

Procedures by The Help Desk:

- Send information to Facilities - Fixed Asset (Thomas Flapp) tracking including:
  - Tag number
  - Description of item
  - Serial number
  - Copy of PO

Procedures by Facilities - Fixed Assets (Mr. Thomas Plapp) will:

- Identify what equipment should be tagged by Help Desk as supply vs. capital asset
- Provide appropriate tags to Help Desk
- Enter all tag info (both from warehouse and Help Desk) in efinance system
- Provide reports to the Business Office each month of all items tagged.
- Reconcile the reports to the Fixed Asset System
- Changes in asset locations will be processed by the Fixed Asset Staff after division approval
- Year-end Inventory will be facilitated through the Business Office

HCDE ASSET TAGGING PROCESS

Coding for assets

Account Code	New/Replacement	Type	Unit Cost
6399-0000	New or Replacement	General Supplies	Under $1,000
6393-0001	New Purchase	Equipment	$1,000-$5,000
6393-0002	New Purchase	Technology	$1,000-$5,000
6393-0003	New Purchase	Furniture	$1,000-$5,000
6393-0004	New Purchase	Other Items	$1,000-$5,000
6394-0001	Replacement	Equipment	$1,000-$5,000
6394-0002	Replacement	Technology	$1,000-$5,000
6394-0003	Replacement	Furniture	$1,000-$5,000
6394-0004	Replacement	Other Items	$1,000-$5,000
6399-006	Sensitive Assets		Under $1,000
6631-0000	New Purchase	Vehicle	Over $5,000
6635-0000	New Purchase	Equipment	Over $5,000
6636-0000	New Purchase	Technology	Over $5,000
6639-0000	New Purchase	Other Equipment	Over $5,000
6644-0000	Replacement	Equipment	Over $5,000
6645-0000	Replacement	Buildings	Over $5,000
6646-0000	Replacement	Tech Equipment	Over $5,000
6647-0000	Replacement	Vehicle	Over $5,000
6648-0000	Replacement	Furniture	Over $5,000
6649-0000	Replacement	Other Items	Over $5,000

Personnel

This section is intended to serve as an introduction to the approved Personnel Policies of Harris County Department of education.

Harris County Department of Education	**ACCESS PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference: *GKD Legal and Local*
DATE DEVELOPED: 7/1/2015	REVISED DATE: 7/1/2015	
SUBJECT: Badge Access Security Procedures		

Badge Access Security Procedures

1. Badges are provided to employees to access various locations in the department. Badges are required to be worn at all times while on duty.

2. Employees who lose their badge should report to the HR Office to seek a replacement for a nominal fee ($10.00).

3. Employees who forgot their badge at home or without a badge need to contact the front desk so that they are provided with access each time.

4. Employees shall have access to HCDE locations between the hours of 6:30 AM to 6:30 PM.

5. Employees who will leave the organization must turn in their badge to their supervisor prior to the last day of employment. This is required even if the employee is transferring or hired at another division. The access needs to be reset according to the new role; thus, it is important that access be removed from the previous division. As the new hire starts, the first action in the new division is to visit the Human Resources Division to get a new card with the role with the Supervisor's written approval to get access to physical locations and or to the various computer systems.

Below are additional guidelines regarding the access by **non-employees:**

1. **Visitors** – All visitors must obtain a Raptor (sticky) badge issued by the front desk and they must wear it each day that they are in the building. They will be escorted in the building by contacting the front desk. Temporary badges will not be created.

2. **Interns**: there must be an effective end date. Divisions should identify how long they will be in the building. There will be a picture taken and the division badge name will say **INTERN**. This includes work study student INTERNS.

3. **Consultants**: These vendors must obtain a Raptor (sticky) badge issued by the front desk and they must be worn. They will be escorted. No badges created. No exemptions made.

4. **Temporary employees**: (for a couple weeks or even filling in while someone is out on FMLA) Temporary employees must obtain a Raptor (sticky) badge issued by the front desk and they must wear it at all times. They will be escorted. No badges created

5. **Long-term Contractors**: (2 in Technology) – Vendors will be allowed to service the technology division. They must have an effective end date. Technology will identify how long they will be in the building, and provide the information to the Human Resources Office.

   There will be a picture taken and the badge division name will say **CONTRACTOR.** They will have access to the elevators at Irvington only (no secure locations). The Technology Division will monitor these contractors and request that staff coming into the building have a background check cleared through the Human Resources Office prior to issuing a badge to the individual.

6. **Auditors** - Vendors who are auditors or program reviewers, or similar roles must obtain a Raptor (sticky) badge issued by the front desk and they must wear it each day that they are in the building. They will be escorted in the building by contacting the front desk. No badges created.

7. **The front desk Security Guard** will escort individuals, such as temporary staff to the elevator and use his/her badge to access the appropriate floor (and press the elevator key).

8. **Exemptions** to any guidelines must be pre-approved by the Facilities Department and coordinated through the Human Resource Office.

9. **Changes** to the guidelines will be provided to all staff and reviewed periodically and as necessary.

10. Review Guidelines Committee:

Executive Director for Facilities
Human Resources Executive Director
Chief Information Officer
Asst. Supt for Business

Harris County Department of Education

2025-2026 Salary Schedule

Harris County Department of Education
6300 Irvington Boulevard ★ Houston, Texas 77022 ★ Tel: 713.694.6300 ★ www.hcde-texas.org

Harris County Department of Education

FY 2025-2026 Salary Schedule

New Certified Instructional Staff Salary Schedule

New Hire Certified Teachers	
YEARS EXPERIENCE	**191 DAY SALARY**
0	$72,750
1	73,350
2	73,850
3	74,300
4	74,750
5	75,200
6	75,900
7	76,700
8	77,200
9	77,886
10	78,564
11	78,964
12	79,364
13	79,764
14	80,164
15	80,564
16	80,964
17	81,362
18	81,762
19	82,181
20	82,592
21	83,004
22	83,364
23	83,804
24	84,204
25	84,604
26	85,004
27	85,404
28	85,804
29	86,204
30	86,604

This schedule shows minimum salaries only. Some employees are paid more than these amounts for additional duty days or stipends. Salary schedules are developed for one year only. Future salaries cannot be predicted from this schedule.

This schedule is used for Chapter 21 contract teachers and transition specialists employed in the Schools division.

Harris County Department of Education

FY 2025-2026 Budget Book

Administrative Salary Schedule

A-1		MINIMUM	MIDPOINT	MAXIMUM
	Daily	175.23	215.00	254.78
	240 Days	42,055	51,600	61,147
	Job Titles: Site Coordinator - CASE			

A-2		MINIMUM	MIDPOINT	MAXIMUM
	Daily	211.67	259.72	307.77
	240 Days	50,801	62,333	73,865
	Job Titles: Analyst – Compliance – Business Services Coordinator – Family Engagement Grants Development Associate Junior Staff Accountant – Business Services Program Coordinator – CASE Project-Based Learning Associate Project Coordinator – Provider Support			

A-3		MINIMUM	MIDPOINT	MAXIMUM
	Daily	258.24	316.86	375.48
	190 Days	49,066	60,203	71,341
	210 Days	54,230	66,541	78,851
	240 Days	61,978	76,046	90,115
	Job Titles: Career Navigator (Core AEFLA) – Adult Education Career Navigator (IELCE) – Adult Education Coordinator – Benefits Coordinator -- Civic Engagement Project Coordinator – Contract – Choice Partners Coordinator – Creative Services Coordinator – Events Coordinator – Food Contract Coordinator – Grants Development Coordinator – Human Resources Coordinator – Marketing & Client Engagement Coordinator – Membership & Business Development Coop – Choice Coordinator – Operations – Facilities Coordinator – Performance & Accountability - Adult Education Coordinator – Procurement Services Coordinator -- Professional Development & Digital Literacy – Adult Ed Coordinator - Project -- CASE			

Coordinator – Research & Evaluation Coordinator - Resource – CASE Coordinator - Special Events & Project – CASE Coordinator – Translations - Marketing & Client Engagement Coordinator -- Workforce Manager - Records Operations Recovery Coach – Fortis Academy Parent Comm Engagement Liaison – Schools Specialist - Instruction & Curriculum (Core AEFLA) – Adult Education Specialist - Instruction & Curriculum (IELCE) – Adult Education Staff Accountant I – Business Services Teacher (FT) – Adult Education

A-4		**MINIMUM**	**MIDPOINT**	**MAXIMUM**
	Daily	302.14	370.73	439.32
	240 Days	72,514	88,975	105,437
	Job Titles: Analyst – Compensation -- Human Resources Coordinator – Grants & Budget Compliance - Adult Education Coordinator -- Quality Assurance – Adult Education Manager - Assessment - CES Manager – Center for Grants Development Manager – Communications and Creative Services Manager – Community Resources Manager – Compliance -- Center for Educator Success Manager – Contract II – Choice Partners Manager -- Contract – Food Coop Manager – Contract Procurement - Choice Partners Manager – Federal Programs & Compliance Manager – Marketing & Client Services Manager – Procurement Services Manager -- Public Information and Policy Manager - Quality – CASE Manager – Recruitment -Center for Educator Success Manager - Research Manager - Teacher Advancement – Center for Educator Success Manager - Teacher Support – Center for Educator Success Officer -- Compliance – Business Services Specialist - Contract Compliance – Choice Partners Specialist -- Grants Development – Center for Grants Development Specialist – Risk Management - Human Resources Specialist -- Special Projects Workflow Staff Accountant II			

A-5		MINIMUM	MIDPOINT	MAXIMUM
	Daily	356.53	437.46	518.39
	210 Days	74,871	91,867	108,862
	240 Days	85,567	104,990	124,414
	Job Titles: Accountant - Senior – Business Services Assistant Director – CASE Assistant Director – Facilities Assistant Director – Human Resources Assistant Director – Marketing and Client Engagement Assistant Principal – Schools Compliance & Technical Support Officer – Schools Manager - Accounting – Business Services Manager – Career Pathways – Adult Education Manager - Client Account – Choice Partners Manager – Adult Education Manager - Senior Contract – Choice Partners Specialist - School Climate and Culture – CSSS Specialist - School Safety and Security – CSSS			

A-6		MINIMUM	MIDPOINT	MAXIMUM
	Daily	420.07	503.08	586.09
	240 Days	100,817	120,739	140,662
	Job Titles: Director – Education Foundation Officer – Business & Revenue - CP Officer - Certification & Assessments – CES Officer – Compliance & Construction - CP Officer - Elementary Education – CES Officer – Food & Nutrition - CP Officer - Leadership & Development – CES Officer - Partnerships & Certification – CES Officer - Professional Learning/Student Recognition – CES Officer - Secondary Education – CES Officer - School Safety and Security – CSSS			

A-7		MINIMUM	MIDPOINT	MAXIMUM
	Daily	464.18	555.90	647.62
	240 Days	111,403	133,416	155,429
	Job Titles: Director – Adult Education Director – Center for Grants Development Director – Center for Safe and Secure Schools Director – Communications and Creative Services Director – Construction - Facilities Director – Curriculum and Compliance Services - Schools Director – Maintenance - Facilities Director – Marketing and Client Engagement Director – Procurement Services Director – Records Management			

	Director – Research and Evaluation Institute Principal – Schools

A-8		MINIMUM	MIDPOINT	MAXIMUM
	Daily	552.84	650.40	747.96
	240 Days	132,682	156,096	179,510
	Job Titles: Chief Accounting Officer – Business Services Senior Director – Adult Education Senior Director – CASE Senior Director – Center for Educator Success Senior Director – Choice Partners Senior Director – School-Based Therapy Services Senior Director – Schools			

A-9		MINIMUM	MIDPOINT	MAXIMUM
	Daily	647.20	760.97	874.74
	240 Days	155,328	182,633	209,938
	Job Titles: Chief Communications Officer Chief HR Officer Chief of Staff Chief Operations Officer – Facilities			

A-10		MINIMUM	MIDPOINT	MAXIMUM
	Daily	743.85	875.12	1,006.39
	240 Days	178,524	210,029	241,534
	Job Titles: Assistant Superintendent – Academic Support Services Assistant Superintendent – Business Services Assistant Superintendent – Education and Enrichment			

Harris County Department of Education

FY 2025-2026 Budget Book

Administrative Salary Schedule – Head Start

H-1		MINIMUM	MIDPOINT	MAXIMUM
	Daily	173.18	211.20	249.22
	230 Days	39,831	48,576	57,321
	Job Titles: Family Services Provider			

H-2		MINIMUM	MIDPOINT	MAXIMUM
	Daily	199.05	244.23	289.41
	230 Days	45,782	56,173	66,564
	Job Titles: Instructional Coach (non-certified)			

H-3		MINIMUM	MIDPOINT	MAXIMUM
	Daily	219.36	264.38	309.40
	230 Days	50,453	60,807	71,162
	Job Titles: Assistant Campus Manager			

H-4		MINIMUM	MIDPOINT	MAXIMUM
	Daily	247.68	302.05	356.42
	230 Days	56,966	69,472	81,977
	Job Titles: Campus Manager Coordinator - Compliance Coordinator - Data Coordinator - Education and Special Services Coordinator - Family Services Coordinator - Health Services Coordinator - Nutrition Services Coordinator - Operations Coordinator - Professional Development Coordinator - Special Education			

H-5		MINIMUM	MIDPOINT	MAXIMUM
	Daily	302.17	368.50	434.83
	230 Days	69,499	84,755	100,011
	240 Days	72,521	88,440	104,359
	Job Titles: Counselor Manager - Community Partnership Manager - Data Compliance Manager - Education and Special Services Manager - Health and Family Services Manager - Nutrition Services Manager - Operations			

H-6		MINIMUM	MIDPOINT	MAXIMUM
	Daily	355.59	428.42	501.25
	240 Days	85,342	102,821	120,300
	Job Titles: Assistant Director – Compliance/Family Services Assistant Director – Education/Operations			

H-7		MINIMUM	MIDPOINT	MAXIMUM
	Daily	517.72	609.08	700.44
	240 Days	124,253	146,179	168,106
	Job Titles: Senior Director			

Harris County Department of Education

FY 2025-2026 Budget Book

Professional Support Salary Schedule

P-1		Minimum	Midpoint	Maximum
	Daily	316.20	372.00	427.80
	162 Days	51,224	60,264	69,304
	180 Days	56,916	66,960	77,004
	Job Titles: Music Therapist			

P-2		Minimum	Midpoint	Maximum
	Daily	341.50	401.76	462.02
	191 Days	65,227	76,736	88,246
	200 Days	68,300	80,352	92,404
	210 Days	71,715	84,370	97,024
	213 Days	72,740	85,575	98,410
	Job Titles: Behavior Intervention Specialist Instructional Coach (certified) School Counselor School Counselor SEL School Nurse			

P-3		Minimum	Midpoint	Maximum
	Daily	387.15	466.44	545.73
	162 Days	62,718	75,563	88,408
	180 Days	69,687	83,959	98,231
	200 Days	77,430	93,288	109,146
	240 Days	92,916	111,946	130,975
	Job Titles: Licensed Specialist in School Psychology Occupational Therapist Physical Therapist Recovery Program Coordinator			

P-4		Minimum	Midpoint	Maximum
	Daily	456.83	550.40	643.97
	230 Days	105,074	126,592	148,113
	240 Days	109,639	132,096	154,553
	Job Titles: Manager, School-Based Therapy Services			

Harris County Department of Education

FY 2025-2026 Budget Book

Technology Salary Schedule

T-1		Minimum	Midpoint	Maximum
	Hourly	24.25	28.87	33.49
	Daily	194.00	230.96	267.92
	240 Days	46,560	55,430	64,304
	Job Titles: Help Desk Analyst I Help Desk Field Technician			

T-2		Minimum	Midpoint	Maximum
	Hourly	29.25	34.82	40.39
	Daily	234.00	278.56	323.12
	240 Days	56,160	66,854	77,549
	Job Titles: Coordinator – Creative Content Help Desk Analyst II			

T-3		Minimum	Midpoint	Maximum
	Daily	308.63	367.42	426.21
	240 Days	74,071	88,181	102,290
	Job Titles: Analyst - Application and Network Support Analyst – Infrastructure - Network Coordinator - Multimedia Content Coordinator - Multimedia Production			

T-4		Minimum	Midpoint	Maximum
	Daily	332.83	396.23	459.63
	240 Days	79,879	95,095	110,311
	Job Titles: Manager – Graphic Design Manager – Multimedia Manager – Product (Tech Training/Curriculum) Coordinator - Process Improvement Coordinator - Web Content Software Developer Systems Analyst Systems Engineer			

T-5		Minimum	Midpoint	Maximum
	Daily	397.07	472.70	548.33
	240 Days	95,297	113,448	131,599
	Job Titles: Information Security Officer Senior Software Developer Senior Systems Engineer Senior Systems Analyst			

T-6		Minimum	Midpoint	Maximum
	Daily	428.43	510.04	591.65
	240 Days	102,823	122,410	141,996
	Job Titles: Manager – Applications Manager – Operations Services Manager – Project Manager – Service Desk			

T-7		Minimum	Midpoint	Maximum
	Daily	480.32	571.81	663.30
	240 Days	115,277	137,234	159,192
	Job Titles: Director - Information Technology Services			

Harris County Department of Education

FY 2025-2026 Budget Book

Administrative Support Salary Schedule

S-1		Minimum	Midpoint	Maximum
	Hourly	15.00		
	Daily	-	-	-
	240 Days	-	-	-
	Job Titles: Non Instructional Aide – Head Start *(newly added)*			

S-2		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	16.00	19.76	23.52
	Daily	128.00	158.08	188.16
	210 Days	26,880	33,197	39,514
	230 Days	29,440	36,358	43,277
	240 Days	30,720	37,939	45,158
	Job Titles: Campus Clerk – Head Start Campus Clerk - Schools Clerk - Data - CASE Clerk - Special Initiatives - CASE Receptionist – Adult Education Receptionist - Facilities Specialist - Afterschool Program - CASE			

S-3		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	17.50	21.61	25.72
	Daily	140.00	172.88	205.76
	230 Days	32,200	39,762	47,325
	240 Days	33,600	41,491	49,382
	Job Titles: Administrative Assistant – CASE Administrative Assistant - CES Clerk - Community Partnership – Head Start Clerk - Customer Support/Imaging I – Records Management Clerk - Data – Adult Education Clerk - Education & Special Services – Head Start Clerk – General Office I – Adult Education			

	Clerk - Health & Family Services – Head Start Clerk - Imaging Quality Control – Records Management Clerk - Nutrition Services – Head Start Clerk - Operations – Head Start Project Assistant/Promotions - CASE

S-4		**MINIMUM**	**MIDPOINT**	**MAXIMUM**
	Hourly	19.00	23.46	27.92
	Daily	152.00	187.68	223.36
	230 Days	34,960	43,166	51,373
	240 Days	36,480	45,043	53,606
	Job Titles: Administrative Assistant - CCP Administrative Assistant – Compliance/Records Administrative Assistant – CSSS Administrative Assistant – Head Start Administrative Assistant - Marketing and Client Engagement Administrative Assistant to Director Admin Support Assistant Clerk – Business Services Clerk - Customer Support/Imaging II – Records Management Clerk - Fixed Assets Clerk – General Office II – Adult Education Financial Assistant Office Clerk – Professional Development/Technology Office Clerk – Staffing Secretary Secretary to Director Secretary – Head Start Secretary to Principal Specialist - Data Compliance – Head Start			

S-5		**MINIMUM**	**MIDPOINT**	**MAXIMUM**
	Hourly	21.50	26.54	31.58
	Daily	172.00	212.32	252.64
	230 Days	39,560	48,834	58,107
	240 Days	41,280	50,957	60,634
	Job Titles: Administrative Assistant – Chief HR Officer Administrative Assistant – Chief Operations Officer Administrative Assistant – Director Administrative Assistant – Events Administrative Assistant – Senior Director			

Assistant - Financial Assistant/Adm – Senior Director Assistant - Food Contract Secretary to Senior Director Specialist - Accounts Payable Specialist - Contract Billing – Choice Partners Specialist - Imaging & Content Support – Records Management Specialist - Payroll Specialist - Payroll/TRS Reporting Specialist - P-card Specialist - Procurement Services Specialist - Recruitment – Human Resources

S-6		**MINIMUM**	**MIDPOINT**	**MAXIMUM**
	Hourly	24.75	30.56	36.37
	Daily	198.00	244.48	290.96
	240 Days	47,520	58,675	69,830
	Job Titles: Executive Assistant – Assistant Superintendent Executive Assistant – Board of Trustees Specialist – Benefits Specialist – Logistics Specialist - Payroll Lead Specialist - Records Contract Specialist - Senior Accounts Payable			

S-7		**MINIMUM**	**MIDPOINT**	**MAXIMUM**
	Hourly	28.50	35.19	41.88
	Daily	228.00	281.52	335.04
	162 Days	36,936	45,606	54,276
	180 Days	41,040	50,674	60,307
	Job Titles: Occupational Therapy Assistant Physical Therapist Assistant			

S-8		**MINIMUM**	**MIDPOINT**	**MAXIMUM**
	Hourly	34.50	42.60	50.70
	Daily	276.00	340.80	405.60
	240 Days	66,240	81,792	97,344
	Job Titles: Senior Executive Assistant – Superintendent			

Harris County Department of Education

FY 2025-2026 Budget Book

Instructional Support Salary Schedule

I-1		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	15.50	18.90	22.30
	Daily	124.00	151.20	178.40
	191 Days	23,684	28,879	34,074
	Job Titles: Educational Aide I - Schools			

I-2		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	16.75	20.43	24.11
	Daily	134.00	163.44	192.88
	191 Days	25,594	31,217	36,840
	Job Titles: Educational Aide II - Schools			

I-3		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	19.25	23.48	27.71
	Daily	154.00	187.84	221.68
	191 Days	29,414	35,877	42,341
	Job Titles: Educational Aide III - Schools			

Harris County Department of Education

FY 2025-2026 Budget Book

Instructional Support Salary Schedule – Head Start

E-1		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	15.50	18.90	22.30
	Daily	124.00	151.20	178.40
	200 Days	24,800	30,240	35,680
	Job Titles: Teaching Assistant Relief Teaching Assistant			

E-2		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	17.48	21.32	25.16
	Daily	139.83	170.55	201.27
	218 Days	30,483	37,180	43,877
	Job Titles: Early Childhood Teacher – pre-CDA			

E-3		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	20.39	24.87	29.35
	Daily	163.14	198.98	234.82
	200 Days	32,628	39,796	46,964
	218 Days	35,565	43,378	51,191
	Job Titles: Early Childhood Teacher – CDA Teacher – CDA			

E-4		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	23.31	28.42	33.54
	Daily	186.44	227.37	268.30
	200 Days	37,288	45,474	53,660
	218 Days	40,644	49,567	58,489
	Job Titles: Early Childhood Teacher - AA Teacher - AA			

E-5		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	26.22	31.97	37.73
	Daily	209.73	255.77	301.81
	200 Days	41,946	51,154	60,362
	218 Days	45,721	55,758	65,795
	Job Titles:			

	Early Childhood Teacher - BS Teacher - BS

Harris County Department of Education

FY 2025-2026 Budget Book

Operations Support Salary Schedule

O-1		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	15.50	18.90	22.30
	Daily	124.00	151.20	178.40
	190 Days	23,560	28,728	33,896
	218 Days	27,032	32,962	38,891
	240 Days	29,760	36,288	42,816
	Job Titles: Cook – Head Start Custodian – Adult Education Custodian – Head Start Custodian – Facilities Custodian - Schools			

O-2		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	16.50	20.13	23.76
	Daily	132.00	161.04	190.08
	210 Days	27,720	33,818	39,917
	230 Days	30,360	37,039	43,718
	240 Days	31,680	38,650	45,619
	Job Titles: Courier - Facilities Courier – Head Start Clerk - Food Services - Schools Clerk – Mail - Facilities Parking Monitor - Facilities			

O-3		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	17.75	21.64	25.53
	Daily	142.00	173.12	204.24
	240 Days	34,080	41,549	49,018
	Job Titles: Maintenance Worker Warehouseman			

O-4		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	20.75	25.30	29.85
	Daily	166.00	202.40	238.80
	240 Days	39,840	48,576	57,312
	Job Titles:			

	Bus Driver Technician - Maintenance I Technician - Records Center Specialist - Construction Environmental - Facilities

O-5		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	24.25	29.57	34.89
	Daily	194.00	236.56	279.12
	240 Days	46,560	56,774	66,989
	Job Titles: Specialist - Senior Customer Support/Imaging Center Technician - Maintenance II Technician - Transportation Utility Craftsman II			

O-6		MINIMUM	MIDPOINT	MAXIMUM
	Hourly	27.75	33.84	39.93
	Daily	222.00	270.72	319.44
	240 Days	53,280	64,973	76,666
	Job Titles: Technician - Maintenance III Technician - Senior Records Center			

Harris County Department of Education

FY 2025-2026 Budget Book

Stipends

Certified Instructional Teachers	
Advanced Degree* (Subject Area)	$1,000
HCDE Identified Critical Needs Stipends:	
Bilingual	$4,200
Board Certified Behavior Analyst	5,000
Math	3,500
Reading	2,000
Science	3,500
Special Education	2,000
Additional Certificate	150
Certified SBEC Counselors	
Special Education	$2,000
STAAR/EOC Testing	1,000
Certified SBEC Assistant Principals	
Special Education	$2,000
Response Team Member	
Assigned AB Campus Staff	$3,000

Academic & Behavior School Special Education Assignment	
Certified Teacher	$5,250
Educational Aide	$4,000

*Effective August 1, 2011, the Advanced Degree Stipend will only be awarded to certified teachers hired on or after August 1, 2011 who possess an advanced degree specific to his/her assigned subject area.

A stipend shall not be paid to an employee unless it is part of the Board of Trustees' approved Salary Schedule for certified instructional teachers, counselors, and assistant principals. All of the following recommendations for employee stipends must be made directly to the Board: certification, additional work duties, added assignments, or any other requests.

Harris County Department of Education

FY 2025-2026 Budget Book

Substitute Pay Chart

POSITION	Pay Rate
Educational Aide	$125/day
Teacher (Degree Only)	$200/day
Teacher (TX Teacher Certificate)	$260/day
Assistant Principal	$375/day
Nurse	$300/day
Bus Driver	$20/hour

Relief Instructor Pay Chart

POSITION	Pay Rate
Teacher (Degree Only)	$200/day
Teacher (TX Teacher Certificate)	$260/day

Harris County Department of Education

FY 2025-2026 Budget Book

Supplemental Salary Chart

Adult Education	
Aide with High School Diploma	$16.00/hour
Aide with 12 College Credit Hours	$16.50/hour
Career Pathways Instructor	$40.00/hour
Clerk	$16.00/hour
Craft Instructor	$40.00/hour
Program Assistant	$33.00/hour
Substitute Teacher	$25.00/hour
Teacher	$30.00/hour
Transition Specialist/Career Navigator	$30.00/hour
Head Start	
Assistant Cook	$2,000/year
Cook Supplemental Pay	$1.75/hour
Early Head Start Center Management	$3,000/year
Healthy Living Catering/Policy Council	$2,000/year
Substitute Teaching Assistant	$15.00/hour
Teaching Assistant Supplemental Pay	$1.61/hour
Translator – Policy Council	$25.00/hour
Special Schools	
Administrator – Summer/Extra Duty Pay	$35.00/hour
Bus Aide	$17.00/hour
Bus Driver	$500/year
Counselor – Summer/Extra Duty Pay	$32.00/hour
Educational Aide – Summer/Extra Duty Pay	$21.00/hour
Home Bound Student Services	$40.00/hour
School Nurse – Summer/Extra Duty Pay	$32.00/hour
Teacher – Summer/Extra Duty Pay	$32.00/hour
Trainer Pay – Boys Town and Love & Logic	$38.00/hour
Interns	
High School Student	$15.00/hour

College Student	$17.00/hour

Harris County Department of Education

FY 2025-2026 Budget Book

Adult Education Professional Development Stipend

Eligibility: part-time staff only

Position	Required Hours	Category of Required Professional Development	Stipend
• Teacher • Substitute Teacher • Program Assistant	15	3 hours – Principles of Adult Learning 6 hours – Literacy 6 hours – Other	$450
• Clerk • Aide • Transition Specialist • Career Navigator	3	3 hours – Other	$45
Additional training	N/A	Paid at hourly rate if required and approved. Excludes full-time positions.	

Staff required to complete only half of the professional development hours will receive half of the stipend amount.

Harris County Department of Education

FY 2025-2026 Budget Book

Employee Benefits

HCDE provides the following Employer-Paid Benefits:

- Employee Assistance Program (EAP)
  HCDE's EAP program with Alliance Work Partners, provides for eight counseling sessions per issue/per year for benefits eligible employees and their family members. Issues can range from family problems, stress, alcohol/drug abuse, depression, anxiety, legal, and/or financial problems. HCDE pays $1.99 per month (or $23.88 annually) per employee.

- Life Insurance
  A basic $20,000 life and accidental death policy is provided to all benefits eligible employees. HCDE's monthly cost for these policies is $1.20 (or $14.40 annually) per employee.

- Medical Insurance
  HCDE participates in the TRS ActiveCare Plan. Coverage is provided by Blue Cross Blue Shield. Employees may select coverage under TRS ActiveCare-HD, ActiveCare Primary or ActiveCare Primary Plus for coverage of the Employee, Employee & Spouse, Employee & Children, or Family. Employees already enrolled in TRS ActiveCare 2 may remain in the plan, but it is closed to new enrollments. All employees working 20 or more hours per week are eligible to enroll and receive employer contributions. HCDE contributes for employee coverage up to $501.00 per month (or $6,012 annually) for enrollees in the TRS Active Care plans.

- Social Security and Medicare Tax
  All HCDE employees must participate in the Social Security System. The tax rate is 6.2% for Social Security and 1.45% for Medicare for both the employee and the employer.

- Teacher Retirement System (TRS)
  In addition to the Social Security System, HCDE also participates in the Teacher Retirement System. Participation is mandatory for all HCDE employees working 20 or more hours per week in a TRS eligible position. Employees contribute 8.25% to their TRS retirement account and 0.65% to TRS-Care. TRS-Care is a program designed to provide health benefits to eligible HCDE employees upon retirement. HCDE pays 0.75% of gross salary of each TRS active employee to TRS-Care. HCDE also contributes 2.0% of all eligible TRS compensation for the reporting entity payment for non-OASDI members.

- Unemployment Insurance
  HCDE provides unemployment insurance for all employees. HCDE pays a contribution on wages at a rate of 0.39%. Claims are managed by Experian.

- Workers Compensation Insurance
  All employees are protected by workers' compensation insurance. HCDE is insured with the Texas Association of School Boards. The amount paid is determined by a percentage of the gross wages paid to employees in each of the above classifications. Coverage is provided for four classifications of employees:
    1. Professional (school or student associated personnel)
    2. Clerical (non-school or student associated personnel)
    3. All others (maintenance, custodial, couriers, cooks and records)
    4. School Bus Driver

HCDE offers the following Employee Optional Benefits:

- Flexible Spending Account (FSA)
  As part of our Cafeteria Plan, employees may set aside pre-tax money to pay for out-of-pocket medical or dependent care expenses.

- Health Savings Account (HSA)
  Employees enrolled in the high deductible health plan may set aside pre-tax money to pay for out-of-pocket medical expenses.

- Voluntary & Permanent Life Insurance
  Full time employees may purchase additional life insurance for themselves and their dependents.

- Retirement Plan (Voluntary)
  Employees may participate in the 403(b)-retirement savings plan and/or a 457-retirement savings plan. In both plans, money is set aside on a pretax basis to be invested in annuities and mutual funds.

- Vision Coverage
  Coverage includes a routine eye exam, glasses or contact lenses every 12 months.

- Dental Coverage
  Coverage has two plans to select from (DHMO and PPO) and includes routine preventative, restorative and periodontal services.

- Cancer Protection
  Supplemental coverage to provide cash benefits should an employee be diagnosed with cancer. Two levels of coverage are available.

- Disability Insurance
  Coverage provides long term salary protection when an employee is unable to work due to a disability.

- Prepaid Legal

The plan provides services including wills, power of attorney, living trusts for employees and their spouses, traffic ticket defense (except DUI) contract review, assistance with identity issues, real estate and family matters.

- Identity Theft Protection
  Coverage has two levels of protections from which to select. Plans include credit monitoring, cyber alert internet surveillance, and full-service identity restoration.

- Accident Plan
  The plan has two levels of coverage from which to select. Coverage provides for some financial benefit to help with out-of-pocket costs associated with the emergency treatment of or hospitalization for a covered accident.

- Hospital Indemnity Plan
  The plan has two levels of coverage from which to select. Coverage provides for some financial benefit to help with out-of-pocket costs associated with the hospitalization for a covered illness or accident.

- Telemedicine
  The plan provides for virtual healthcare for common conditions and illnesses such as allergies, sinus, cold & flu, and bladder infection. Access to a doctor is available 24/7 by phone, mobile app or online portal.

Administrative Guidelines

Compensation Policy

Refer to board policies DEA, DEAA, and DEAB Legal and Local for all policies and state and federal regulations governing employee pay practices.

The superintendent shall recommend an annual compensation plan for all employees to the board for approval. The employee compensation plan may include wage and salary structures, stipends, benefits, and incentive pay plans.

The superintendent and designees shall administer the compensation plans consistent with board policies, the annual budget approved by the board, and these administrative guidelines.

Description of Pay Systems

Employee pay systems are designed and administered for the purpose of attracting and retaining qualified employees to achieve the goals of the department. Human Resources is responsible for the maintenance and administration of employee pay systems. Teachers will be paid according to a salary schedule that correlates salaries with total years of creditable service in education. Other jobs will be assigned to a pay grade and range structure that sets the range of pay for the position.

The pay plan includes:

- Teachers
- Administrative Exempt Staff
- Professional Support Exempt Staff
- Technology Exempt and Nonexempt Staff
- Admin Support Nonexempt Staff
- Instructional Support Nonexempt Staff
- Operations Nonexempt Staff

Pay ranges and salary schedules are reviewed and adjusted periodically. Employee pay is adjusted based on the pay increase budget and guidelines approved by the board annually.

Job Description

Job documentation is an essential function in the administration of the compensation system. Accurate and complete job documentation will be collected and maintained by Human Resources with input from job supervisors. Job descriptions will define job qualifications, job purpose, major duties and responsibilities, working conditions, and exemption status. Job titles are assigned by Human Resources to accurately reflect the level and nature of work and the departmental structure of the department.

Job descriptions will be updated by Human Resources with input from supervisors. Supervisors should review job descriptions at least every three years and at each vacancy. Employees will sign off on their job description when hired and when the job description changes, acknowledging and agreeing to the general responsibilities of the job.

Duty Calendars

Duty calendars are determined based on the business needs of the department and will align with pay cycles. The department will strive to maintain few duty calendar variations. A duty calendar will be maintained for each position.

Pay Schedule

Employees are paid semi-monthly (the 15th and the last workday of each month). Each pay period, annualized income will be equivalent to 1/24th of the annual salary. Employees who began work after the start date for their assigned position will have their pay calculated based on the number of workdays remaining in the school year. This prorated amount will be divided by the number of pay periods remaining in the school year and will become the employee's semi-monthly salary through the duration of that school year. Non-salaried employees or part-time employees who work from the 1st through the 15th of the month will receive their pay on the last workday of the month. Time worked between the 16th and the last day of the month will be paid on the 15th of the following month.

Exemption Status

All jobs will be classified as exempt or nonexempt in accordance with the requirements of the federal Fair Labor Standards Act (FLSA) and documented on the job description. Human Resources will determine the classification of each position based on a description of assigned job duties and weekly pay. In order to be exempt, the employee's primary duties must meet the requirements defined by federal regulations for the executive, administrative, professional, or computer employee exemption test or be a teacher, and the employee must meet applicable federal salary requirements. All employees who do not meet the legal requirements for exemption are classified as nonexempt.

Job Classification

Job classification determines the assigned pay range for a job. Job classification is based on job requirements, assigned duties, and market rates. All jobs are classified for pay based on the relative level of knowledge and skill requirements, scope and complexity of assigned duties, job accountability, and working conditions. Human Resources will collect job information, evaluate jobs for classification purposes, and assign jobs to pay grades.

Classification of New Positions

Prior to posting, new positions must have a written job description created collaboratively by the hiring supervisor and Human Resources. Human Resources will recommend to the superintendent the pay grade classification of new positions based on the description, qualifications required, and market value. New positions must be classified in the pay system prior to hiring new employees.

Job Reclassification
A job reclassification occurs when a job classification is changed to a higher or lower pay range. Jobs may be reclassified as a result of a significant and sustained change in job duties assigned, a need to improve internal pay equity with similar jobs, or a change in competitive market rates.

Procedures for Job Reclassification
Review of job reclassifications must be initiated by the division director or by Human Resources. Jobs previously submitted for review or FTEs added within the last school year are not eligible for review. Reviews will be conducted as follows:
A request for a job classification review must be submitted on a form provided by Human Resources that describes the rationale for reclassifying the position and provides an explanation of changes in job duties and responsibilities. The request also should include current and proposed job descriptions. The request must be approved by the division director before submitting to Human Resources.

Human Resources will review the request and obtain additional information, if needed. Additional information may be obtained from the supervisor, employee(s), and/or external job market pay data.

Human Resources will evaluate the job classification and prepare a recommendation for review by the superintendent or designee.

Salary Adjustments for Job Reclassification
A change in job classification will result in a greater or lesser potential for long-term pay advancement. Salary adjustments cannot be made for contract employees after the beginning of the contract term unless the job responsibilities have increased. Salary changes for contract employees are prohibited during the contract term. Human Resources should evaluate the need for salary adjustment for reclassified employees and use appropriate demotion or promotion procedures.

Salary placement for an employee who is reclassified will follow the guidelines for placement of a new hire with additional adjustments made as needed to achieve pay equity among peer employees.

- If the job is reclassified upward due to an increase in level of responsibilities, the procedure for promotion increases may be applied;
- If the job is reclassified due to departmental changes, there may be no immediate pay increase;
- If the job is reclassified due to a change in the competitive job market for hard-to-fill positions, equity adjustments may be made at the direction of the superintendent subject to contractual pay change restrictions;
- If the job is reclassified to a lower pay range based on a reduction in level of assigned responsibilities, the employee's pay may be reduced at the direction of the superintendent for the following school year. Refer to procedures on pay adjustments for reassignment to a lower pay grade.

General Pay Increases and Eligibility
Employee pay will be reviewed annually for adjustment. The general pay increase (GPI) may be recommended to the board by the superintendent each year. They are based on the annual

amount budgeted for pay raises and approved by the board. General pay increases provide the same dollar amount of increase to employees in the same pay grade. Teachers will be granted a GPI and reflected in the hiring schedule for the next year.

To receive a general pay increase, an employee must be in a paid status or on an approved leave of absence at the time of the first pay cycle reflecting the pay increase. Eligible employees must have received satisfactory evaluation in the preceding year.

Employees on Salary Schedules

Pay increases for jobs on salary schedules are calculated by applying the percent increase approved by the board each year to the market rate.

Annual Increase Example:	
Market Rate:	$55,000
% Increase	.02
Annual Increase	$1,100

Employees on Pay Ranges

General pay increases for employees on pay ranges are calculated by applying the percent increase approved by the board each year to the midpoint rate of the pay range. Employees in the same pay grade will receive the same rate of increase when pay increases are calculated as a percent of midpoint.

Hourly Rate Increase (midpoint x %)		Annual Increase (hourly rate increase x duty hours x duty days)	
Pay Range Midpoint:	$15.00	Duty Hours:	8.0
% Increase:	.02	Duty Days:	226
Hourly Rate Increase:	$0.30	Annual Increase:	$542.40

Head Start Cost of Living Adjustments

HCDE Head Start employees receive the Cost of Living Adjustment (COLA) from the Office of Head Start (OHS). Notice of the approved increase is generally received mid-calendar year. The COLA is effective January of the current budget year. In other words, the increase is usually retroactive, dating back to January 1 of the current year or as authorized by OHS . In order to receive the COLA when the increase is applied to the payroll, an employee must be currently employed with the Head Start Division. COLA adjustments are subject to any provisions specified by OHS.

Example: If increases are calculated and applied to the September 15 payroll, then the employee must be a current employee in the Head Start Division on this date. If employment is terminated (voluntary or involuntary), or if the employee transfers to another division prior to this date, then the employee is not eligible to receive the COLA.

Individual Equity Adjustments

The Superintendent may make special equity adjustments to individual employee salaries to correct identified internal or external pay equity problems. Equity adjustments are made only on as-needed basis at the direction of the Superintendent. Equity adjustments may be made to retain an employee who is at risk due to competitive pay problems; to correct an internal pay inequity;

or to compensate an employee for a significant change in job responsibilities that do not result in a job classification change. All special equity adjustments must be reported to the Board in the Human Resources Information section of the monthly board agenda by the next regular Board meeting.

Placement of New Hires

Salary Placement – Schedules for Teachers

Salaries for teachers who are new to the department will be determined by total creditable years of service in education and the department's salary schedule for the current year.

Creditable years of service will be determined by Human Resources as defined by state regulation at the time of employment (TAC Title 19, part II, 153.1021). New hires will receive salary credit for years of service up to a maximum of 30 years.

Salary Placement – Exempt and Nonexempt

Starting pay for a new hire in a pay range plan will be determined individually based on each person's job-related experience and qualifications, and salaries paid to peer employees in the same position with similar experience.

Peer equity. In multi-incumbent positions (e.g., classroom aide), starting pay for a new hire should not exceed rates being paid to other employees in the same job with similar experience and qualifications.

Placement credit for prior experience. Starting pay for exempt and nonexempt jobs that require prior experience may utilize the following guidelines for calculation, but will still be evaluated against peer equity and midpoint limits before a final amount is determined.

- *Percent increase*. Pay is calculated at 1 percent above minimum for each year of job experience directly related to job duties. Credit for teaching experience is limited to 30 years for salary placement for teachers promoted to a position that requires educator certification on the Administrative Professional pay schedule.
- *Placement scale*. Salary placement scales may be used to determine rates of pay for newly hired nonexempt employees. Individual employee placement may be based on job-related experience approved by the department. Credit will be given for years of experience granted by Human Resources based on the department's salary placement scale for nonexempt jobs. Current employees may be paid above the placement scale. Salary placement scales are reviewed and may be adjusted on an annual basis and salary advancement is not guaranteed.

Reassignments

Pay Adjustments for Reassignment to a Higher Pay Grade

A promotion occurs when an employee is moved to a different job in a higher pay grade.
Salary placement for an employee who is promoted to a job in a pay grade with a higher midpoint will follow the guidelines for placement of a new hire with additional adjustments made as needed to achieve pay equity among peer employees. Employees promoted internally will not be paid less than a new hire with similar experience.

Example of promotion from paraprofessional pay grade 1 to pay grade 2:

New Hire Pay Rate in PG 2		Minimum 3% Increase	
Employee Current Rate	$10.37	Employee Current Rate	$10.37
Credited Experience	3 years	3 Percent Increase	x 1.03
Calculated Hourly Rate	$12.00	Employee New Rate	$10.68

The higher of the two calculations becomes the new hourly rate: $12.00

Example of promotion from paraprofessional pay grade 3 to pay grade 4:

New Hire Pay Rate in PG 4		Minimum 3% Increase	
Employee Current Rate	$15.59	Employee Current Rate	$15.59
Credited Experience	7 years	3 Percent Increase	x 1.03
Calculated Hourly Rate	$16.26	Employee New Rate	$16.06

The higher of the two calculations becomes the new hourly rate: $16.26

Pay Adjustments for Reassignment to a Lower Pay Grade

Reassignment to a different job in a lower pay range is considered a demotion and a corresponding reduction in pay may result. A pay adjustment for reassignment to a lower pay range requires approval of the superintendent.

Contract employees. A reduction in pay as a result of a demotion will not be made during the current contract year, unless mutually agreed to by the employee and the department in writing. Demotions that become effective during the contract term may result in a pay reduction for the following school year provided notice of the reduction is given to the employee before the penalty-free resignation date (i.e., 45 days before the first day of instruction for the next school year). Pay reductions for contract employees are made at the direction of the superintendent and may follow the same guidelines as pay reductions for noncontract employees.

Noncontract employees. Subject to approval by the superintendent, a reduction in pay for a demotion will be made effective with the new assignment to a lower pay grade. The employee's base rate of pay (hourly or daily) may be calculated the same as a new hire's pay in the lower pay grade, with peer equity factored into the final determination.

Pay adjustments may also be made for a longer or shorter work year associated with the change in duty assignment. In the case of a demotion from a pay range structure to an experience-based placement scale, salary placement will be made according to years of experience.

Review and Adjustment of Pay Ranges

Human Resources will review pay structures annually and recommend adjustments as needed to maintain competitive alignment with external job markets and internal alignment of career pathways. Adjustments to pay ranges are made prior to the calculation of pay increases.
If no pay raise is approved by the board, no pay range adjustments will be made. Salary schedules will be adjusted only to update the years of service associated with a pay rate.

Reinstatement Following Break in Service

An employee who is rehired for the same position following a break-in-service that is less than 12 months shall be reinstated at the same pay rate previously held prior to the break-in-service, or according to the procedures for placement of new hires, whichever is greater.

If rehired at a different pay grade level or rehired following a break in service that is longer than 12 months, the employee's pay will be placed according to the procedures for placement of new hires.

Stipends and Allowances

A stipend shall not be paid to an employee unless it is part of the Board of Trustees' approved Salary Schedule for certified instructional teachers, counselors, and assistant principals. All of the following recommendations for employee stipends must be made directly to the Board: Certification, additional work duties, added assignments, or any other requests. The Superintendent is only authorized to provide allowances to employees for cell phones and travel. Refer to the Supplemental Salary Chart for supplemental pay rates approved by the Board of Trustees as part of the HCDE Salary Schedule.

General Guidelines: Job Classification Review

Job classification determines the assigned pay range for a job and is based on job requirements, assigned duties, and market rates. All jobs are classified for pay based on the relative level of knowledge and skill requirements, scope and complexity of assigned duties, job accountability, and working conditions.

A reclassification occurs when a job classification is changed to a higher or lower pay range. Job classification changes may be warranted for the following reasons:

- A substantial and sustained change in job duties assigned
- A significant change in the competitive price for the job
- Identification of an internal inequity related to other jobs

Administrative procedures should provide a process for reviewing job reclassifications. The procedures should identify:

- Who has authority to initiate a request for job reclassification
- What supporting information needs to be provided
- Who is responsible for analyzing the request and making a recommendation
- What is the timeline for receiving and completing reviews
- When is the effective date of a job reclassification
- Who has final approval authority and if there will be an option to appeal

Changing the pay grade classification for a job should be based on the work itself and not solely due to the request of the job incumbent or supervisor. Job classification changes should be limited and relatively infrequent. These infrastructure changes to the pay plan should not be a result of negotiation. Instead, changes should be based only on a review of job duties relative to other jobs in the department and market data.

Review of job reclassifications must be initiated by the division director or by Human Resources. Jobs previously submitted for review within the last 18 months and newly created jobs are usually not eligible for review.

A request for a job classification review must be submitted on a form provided by Human Resources that describes the rationale for reclassifying the position and provides an explanation of changes in job duties and responsibilities. The request must be approved by the division director before submitting to Human Resources.

Human Resources will evaluate the job reclassification and prepare a recommendation for review by the superintendent or designee.

Request for Job Classification Review

Request Date: _____ Job Title to Review: _____

Current Pay Grade: _____ Requesting Supervisor: _____

Requested Pay Grade: _____ Supervisor Job Title: _____

Job classification groups jobs of similar value into pay grades and pay ranges, and is based on the requirements of the job with the following factors taken into consideration:

- Knowledge (education and specialized experience)
- Effort (decision-making, complexity, communication responsibility)
- Responsibility (scope of impact, financial accountability, supervisory responsibility)
- Environment (exposure to hazardous working conditions)
- External Job Market Value

Requests should include a copy of the current job description and departmental chart.

1. Why do you feel that this job is assigned to the wrong pay grade level?

2. How has the job changed? What led to the change in job duties and responsibilities?

3. List core job responsibilities and percent time required for each (use additional pages if needed).

% time: _____

% time: _____

% time: _____

% time: _____

_____ _____

Signature of Division Director Date

Appendix

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 5/15/2009		REVISED DATE: 8/13/2020
SUBJECT: GLOSSARY OF ACCOUNTING TERMS		

AB School -Adaptive and Behavior School

Account Code – This is the second part of the eFinance Account Code. It is an eight-digit numerical sequence consisting of the 4-digit object code and 4-digit sub-object code used for accounting purposes. Follows the Budget Code. See **Object Code** and **Sub-object Code**.

Account Number (Budget Number) – Consists of the **Budget Code** and the **Account Code**; the numerical sequence necessary to reflect budget operations and conditions, such as estimate revenues, appropriations, and encumbrances, the net balance, and other related information.

Accounting Procedure. The arrangement of all processes that discover, record, and summarize financial information to produce financial statements and reports and to provide internal control.

Accounting System. The methods and records established to identify, assemble, analyze, classify, record, and report a government's transactions and to maintain accountability for the related assets and liabilities.

Accounting Period – A period at the end of which and for which financial statements are prepared; for example, September 1 through August 31.

Accrual Basis – Accrual accounting attempts to records the financial effects on an enterprise of transactions and other events and circumstances that have cash consequences for an enterprise in the periods in which those transactions, events, and circumstances occur rather than only in the periods in which cash is received or paid by the enterprise. Accrual accounting is concerned with the process by which cash expended on resources and activities is returned as more (or perhaps less) cash to the enterprise, not just with the beginning and end of that process. It recognizes that the buying, producing, selling, and other operations of an enterprise during a period, as well as other events that affect enterprise performance, often do not coincide with the cash receipts and payments of the period.

Adopted Tax Rate – The total adopted rate is composed of a maintenance and operation rate (M&O) and a debt service rate (sometimes referred to as the Interest and Sinking, or I&S, rate). Rates are expressed per $100 of taxable value.

Allocation – A part of a lump-sum appropriation, which is designated for expenditure by specific organization units and/or for special purposes, activities, or objects.

Appraisal – (1) The act of appraising; (2) The estimated value resulting from such action.

Appraise – To make an estimate of value, particularly of the value of property. Note: if the property is valued for purpose of taxation, the less-inclusive term "assess" is usually used.

Appropriation – Budget dollars that have been set aside for a particular use.

Appropriation Account – A budgetary account set up to record specific authorization to spend. The account is credited with original and any supplemental appropriations and is charged with expenditures and encumbrances.

Arbitrage – In the context of government finance, the reinvestment of the proceeds of tax- exempt securities in materially higher-yielding taxable securities.

Assess – To value property officially for the purpose of taxation. Note: the term is also sometimes used to denote the levy of taxes, but such usage is not correct because it fails to distinguish between the valuation process and the tax levy process.

Assessed Valuation – A valuation set upon real estate or other property by a government as a basis for levying taxes.

Assets/Personal Property – Property (fixed assets or capital assets) that is generally portable and owned by an entity (sometimes leased); which has a monetary value.

Assets/Real Property – Real estate or other property owned by an entity, which has a monetary value.

Balanced Budget – A budget with total expenditures not exceeding total revenues and monies available in the fund balance within an individual fund.

Bill – A term used to denote a law or statue passed by certain legislative bodies. A bill has greater legal formality and standing than a resolution.

Blended Component Unit. Presentation of the data of a component unit as though it were one or more fund(s) of the primary government. The Harris County Department of Education Public Facility Corporation is a blended component of Harris County Department of Education.

Board of Education – The elected or appointed body that has been created according to State law and vested with responsibilities for educational activities in each geographical area. These bodies are sometimes called school boards, governing boards, school trustees, etc.

Bond – A written promise, generally under seal, to pay a specified sum of money, called the face value, at a fixed time in the future, called the date of maturity, and carrying interest at a fixed rate, usually payable periodically. The difference between a note and a bond is that the latter usually runs for a longer period and requires greater legal formality.

Bonded Debt – The part of debt which is covered by outstanding bonds. Sometimes called "Bonded Indebtedness."

Bonds Issued – Bonds sold.

Bonds Payable – The face value of bonds issued and unpaid.

Budget – A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.

Budget Code – This is the first part of the eFinance Account Code. It is fourteen digit numerical sequence consisting of the 3-digit fund code, 1-digit year code, 2-digit function code, 3-digit location code, 2-digit program code, and the 3-digit budget manager code, used to accounting purposes; precedes the **Account Code**. See **Fund Code**, **Function Code**, **Location Code**, **Program Code**, and **Budget Manager Code**.

Budget Committee. Group of individuals assigned specific responsibility for addressing issues related to the preparation of the proposed budget on behalf of the entity.

Budget Manager Code – Denotes a program, purpose, or division applicable to the revenue or expenditure; part of the Budget Code: XXX-X-XX-XXX-XX-**XXX**.

CAFR-Comprehensive Annual Financial Report

Capital Asset – Same as **Fixed Asset.** Land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, and all other tangible or intangible assets that are used in operations and that have an initial useful life extending beyond a single reporting period. Usually depreciated in governmental accounting

Capital Budget – A plan of proposed capital outlays and the means of financing them for the fiscal period. It is usually a part of the current budget. A capital program is sometimes referred to as a capital budget.

Capital Outlay – Expenditures which result in the acquisition of or addition to fixed assets. A fixed asset is defined as a tangible item whose expected useful life is over one year and whose value is more than $1,000 and less than $5,000 per item. It is not depreciated. A capital asset is defined as a tangible item (fixed asset) whose expected useful life is over one year and whose value exceeds $5,000 per item. It is depreciated if applicable.

Capital Expenditure – charges for the acquisition at the delivered price including transportation, costs of equipment, land, buildings, or improvements of land or buildings, fixtures and other permanent improvements of land or buildings, fixtures, and other permanent improvements with a value in excess of $5,000 and a useful life expectancy of greater than 1 year.

Capital Project – A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from the long-term work program. It sets forth each project or other contemplated expenditure in which the local education agency is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

CASE – **Cooperative for After School Enrichment** – A division of Harris County Department of Education formed in 1999, to mobilize the community to work together to ensure that every child in Harris County has access to an after-school program.

CDA – A HCDE investment policy that covers all financial assets under the direct control of the Department. Transactions involving the purchase, sale, and maintenance of all Department financial investments are included within the jurisdiction of this policy.

CGD – Center for Grant Development – A program in HCDE's Resource Development Division.

CH – A HCDE policy in which the Board delegates to the Superintendent or the Superintendent's designee the authority to determine the method of purchasing, in accordance with CH(LEGAL), and to make budgeted purchases. However, any purchase that costs or aggregates to a cost of $50,000 or more shall require Board approval before a transaction is culminated.

Community Services – Those services, which are provided for the community, or some segment of the community and the activities are other than regular public education and adult basic education services.

Consultant – A resource person who aids the regular personnel through conference, demonstration, research, or other means.

Contracted Services – Labor, material, and other costs for services rendered by personnel who are not on the payroll of the local education agency.

CSSS-Center for Safe and Secure Schools

Current – As used in this manual, the term has reference to the fiscal year in progress.

Current Budget – The annual budget prepared for and effective during the present fiscal year.

Current Year's Tax Levy – Taxes levied for the current fiscal period.

Debt – An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of local education agencies include bonds, warrants, and notes, etc.

Debt Service Fund – A fund used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest on all bonds.

Deficit – The excess of the expenditures of a fund over the fund's resources.

Delinquent Taxes – Taxes remaining unpaid on and after the date on which they become delinquent by statue.

Depreciate/Depreciation – [Verb] to consider something as having less value each year over a fixed period, for the calculation of income tax; [Noun] the amount or percentage by which something decreases in value over time, usually one year.

Designated Fund Balance – Management's intended use of available expendable financial resources in governmental funds reflecting actual plans approved by the Education Board.

Direct Debt – Debt that is to be repaid by the reporting government itself rather than by an overlapping or underlying government.

Direct Costs/Direct Expenses. Expenses specifically traceable to specific goods, services, units, programs, activities, or functions.

EDGAR – the **Electronic Data Gathering, Analysis, and Retrieval** system, performs automated collection, validation, indexing, acceptance, and forwarding of submissions by companies and others who are required by law to file forms with the U.S. Securities and Exchange Commission (the "SEC"). The database is freely available to the public via the Internet.

EFT – Electronic Funds Transfer – Electronic payments and collections.

Effective Tax Rate – tax rate that will impose the same total taxes as last year if you compare properties taxed in both years. This tax rate will now be recognized as "no-new-revenue tax rate" **(NNR)**

Effectiveness. Term used by auditors to describe the degree to which an entity, program, or procedure is successful at achieving its goals and objectives

Efficiency. Term used by auditors to describe the degree to which an entity, program, or procedure is successful at achieving its goals and objectives with the least use of scarce resources.

Encumbrance – Commitments related to unperformed contracts for goods or services. These represent commitments related to contracts not yet performed and are used to control expenditures for the year and to enhance cash management. A purchase order is issued for the purchase of goods and services to be received in the future. When an invoice is received and paid, the encumbrance is reduced or liquidated by the amount of the invoice paid. If the whole purchase order is completed, it is closed and only the expenditure paid remains on the general ledger.

Enterprise Fund – Proprietary fund type used to report an activity for which a fee is charged to external users for goods and services.

Expenditures. These are defined as a decrease in net financial resources. Expenditures are accounted for using the modified accrual basis of accounting. In other words, an expenditure is usually recognized in the accounting period when an item has been received and the organization becomes liable for payment of the goods or services.

FASRG – Financial Accountability System Resource Guide – Describes the rules for financial accounting for Charter Schools, Education Service Centers and School Districts. Texas Administrative Code (TAC) §109.41.

Fiduciary Funds – A category of funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds.

Fiduciary Responsibility. Pertaining to the holding of something in trust; custody; care; to expect with assurance that public funds will be guarded and spent appropriately.

Final Amended Budget – Term used in connection with budgetary reporting. The original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

Financial Resources – Resources that are or will become available for spending.

Fiscal Year (FY) – A twelve-month period to which the annual budget applies and at the end of which the entity determines its financial position and the results of its operations.

Fixed Asset – A permanently owned thing; an asset of a business that is central to its operation and is not traded. Usually not depreciated in governmental accounting.

Food Service – Function 35; those activities that have as their purpose the preparation and serving of regular and incidental meals, lunches, or snacks in connection with school activities.

Full-time Equivalent (FTE) – is a ratio that represents the number of hours that an employee works compared to 40 hours.

Function Code – As applied to expenditures, this term has reference to an activity or service aimed at accomplishing a certain purpose; for example, Instruction, Administration, etc.; part of the **Budget Code**: XXX-X-**XX**-XXX-XX-XXX.

Fund – A sum of money or other resources set-aside for specific activities of a school district. The fund accounts constitute a complete entity and all the financial transactions for the fund are recorded in them.
Fund Code – 3-digit code assigned to accounts for funds with separate purposes, part of the Budget Code: **XXX**-X-XX-XXX-XX-XXX.

Fund Balance – The difference between assets and liabilities reported in a governmental fund.

Fund Balance:

Assigned – Amounts constrained by the state 's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. Intent should be expressed by the Texas Legislature, or a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.
Unassigned – represents fund balance that has not been assigned to other funds and has not been restricted, committed or assigned to specific purposes within the general fund **Committed** – Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Texas Legislature)
Restricted – constraints placed on the use of resources are either: Externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
Non-Spendable – classification includes amounts that cannot be spent because they are either: Not in spendable form, or legally or contractually required to be maintained intact.

GASB – **Governmental Accounting Standards Board –** An independent organization that establishes and improves standards of accounting and financial reporting for U.S. state and local governments.

General Fund – A fund used to finance the ordinary operations of the local education agency. It Is available for a legally authorized purpose and consists of money not specifically designated for some other particular purpose.

General Ledger. A record containing the accounts needed to reflect, in summary and in detail, the financial position and the results of operations of a government.

GFOA – **Government Finance Officers Association –** An association that educates professionals about financial policy, best practices, education, training, networking, and leadership.

Governmental Accounting. The composite activity of analyzing, recording, summarizing, reporting, and interpreting the financial transactions of governmental units and agencies.

Governmental Funds – A generic classification used by the GASB to refer to all funds other than proprietary and fiduciary funds. The General Fund, special revenue funds, capital projects funds, debt service funds, and permanent funds are the types of funds referred to as *governmental funds*.

Grant – A contribution, either money or material goods, made by an outside entity or a governmental unit to another unit and for which the contributing unit expects no repayment. Grants may be for specific or general purposes.

HCAD – **Harris County Appraisal District –** Establishes the appraisal value of property within Harris County. This is done to allocate taxes fairy among all taxpayers.

HCDE-Harris County Department of Education

HCOEM – **Harris County Office of Emergency Management –** Helps prepare the residents and property of Harris County for disasters with training, education, and preparedness.

HCTO – **Harris County Tax Office –** Manages automobile registration, titling, property tax services, and voter registration for Harris County.

Independent Auditor's report. In the financial audit, the independent auditor's report typically will offer (or disclaim) an opinion on whether a set of financial statements is fairly presented in conformity with generally accepted accounting principles.

Indirect Costs / Indirect Expenses. Expenses that cannot be specifically traceable to specific goods, services, units, programs, activities, or functions and so must be allocated on some systematic and rational basis.

Internal Service Funds – Proprietary fund type that may be used to report any activities that provides goods or services to other funds, departments, or agencies of the primary government and its component units, or to other governments, on a cost-reimbursement basis.

I & S Tax – Interest and sinking is a term that is used interchangeably with debt service fund in discussing the components of the tax rate.

IRB – **Institutional Review Board** – A committee designated to review, monitor, and approve research involving humans.

ISS-Instructional Support Services

ITB – **Invitation to Bid** – A request made by a purchaser to prospective suppliers for their competitive price quotations on goods or services.

Location Code – Denotes the physical address of the revenue or expenditure, part of the Budget Code: XXX-X-XX-**XXX**-XX-XXX.

Levy – [Verb] To impose taxes or special assessments. [Noun] The total of taxes or special assessments imposed by a governmental unit.

M & O Tax – Maintenance and operations is a term that is used interchangeably with general fund in discussing the components of the tax rate.

Major Fund – Governmental fund or enterprise fund reported as a separate column in the basic fund financial statements and subject to separate opinion in the independent auditor's report.
Matching Requirement. Requirement that a grant recipient contribute resources to a program that equal or exceed a predetermined percentage of amounts provided by the grantor.

Materiality. In the context of financial reporting, the notion that an omission or misstatement of accounting information is of such significance as to make it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Modified Accrual Basis - Under the modified accrual basis of accounting, required for use by governmental funds, revenues are recognized in the period in which they become available and measurable, and expenditures are recognized at the time a liability is incurred pursuant to appropriation authority.

No-New-Revenue Rate ("NNRR") – It replaced the Effective Tax Rate which is the tax rate that will impose the same total taxes as previous year if you compare properties taxed in both years.

Nominal Rate – the rate that appears on the tax bills

Object Code – As applied to expenditures, this term has reference to an article or services received; for example, payroll costs, or purchased and contracted services; part of the Account Code: **XXXX**-XXXX.

On-behalf Payments. Direct payments by one entity (the paying government) to a third-party recipient for the employees of another legally separate entity (the employer government). The situation with the State that pays into the Teacher Retirement System on behalf of the employees of HCDE (and school districts, etc.) based on a percentage of gross payroll costs.

Original Budget. First complete appropriated budget. The original budget may be adjusted by reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes before the beginning of the fiscal year. The original budget should also include actual appropriation amounts automatically carried over from prior years by law.

Other Resources – An increase in current financial resources that is reported separately from revenues to avoid distorting revenue trends.

Other Uses – A decrease in current financial resources that is reported separately from expenditures to avoid distorting expenditure trends.

P – Reference point for "Projected".

PAFR – Popular Annual Financial Report

EFinance Account Code – The EFinance Account Code is divided into two codes: The Budget Code (14-digit numerical sequence) and the Account Code (an 8-digit numerical sequence) these are both further described in this glossary.

Principal of Bonds – The face value of bonds.

Professional Staff – This is a full-time equivalent count of teachers, professional support staff, campus administrators, and central administrators.

Program Code – The definition of an effort to accomplish a specific objective or objectives consistent with funds or resources available; part of the Budget Code: XXX-X-XX-XXX-**XX**-XXX.

Proprietary Fund - Sometimes referred to as *income-determination, business-like, or commercial-type* fund of state or local government. Examples are enterprise funds and internal service funds.

PFC – stands for Public Facility Corporation

QZAB – Qualified Zone Academy Bonds – A Federal Grant Program that provides funding for schools to renovate building and developing curricular.

Refunding – The issuance of new debt whose proceeds are used to repay previously issued debt. The proceeds may be used immediately for this purpose or they may be placed with an escrow agent and invested until they are used to pay principal and interest on the old debt at a future time.

Reimbursement – Cash or other assets received as a repayment of the cost of work or services performed, or of other expenditures made for or on behalf of another governmental unit or department, or for an individual, firm, or corporation.

Reserve – An amount set aside for a specified purpose, or an account which records a portion of the fund balance that is to be segregated for some future use and, therefore, is not available for further appropriation and expenditure.

Revenues. These are defined as increases in current financial resources. Revenues are accounted for in a variety of revenues, including property taxes, user charges, grants, and other types of revenue. There are three major categories: Local and Intermediate Sources, State and Federal. Local revenues are property taxes collected, interest income, and other local resources. State revenues are received from the State of Texas or its agencies. Federal revenues are received from the federal government and its agencies, either directly or through the State of Texas.

Rollback Rate – tax rate is the highest tax rate the taxing unit can set before taxpayers can start tax rollback procedures. This rate will now be recognized as "voter-approval tax rate" **(VAR)**, after House Bill 3.

Sinking Fund – See Debt Service Fund

Special Education – This refers to the population served by programs for students with disabilities.

Special Revenue Fund – A governmental fund type used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specific purposes.

Sub-object Code – A subdivision within an expenditure object classification.

TASB – Texas Association of School Boards – A nonprofit statewide educational association that serves and represents local Texas school districts.

TEA – Texas Education Agency.

TMS-Travel Management System

TRS – The **T**eacher **R**etirement **S**ystem of Texas is a public employee retirement system that is a multiple employer defined benefit pension plan. Based on salary and wages, for FY 2019-20 State law provides for a

- Member Retirement Contribution 7.7%
- TRS-Care Contribution for Member .65% and for Reporting Entity .75%
- State or Federal grant contribution rate of 7.5%
- Federal TRS-Care 1.25%
- Public Education Employer Contribution (formerly RE Payment for Non-OASDI Members: 1.5%
- Pension Surcharge: 15.2% and
- TRS-Care Surcharge $535

Tax Rate Components – **See I & S Tax** (Interest and sinking) **M & O** (Maintenance and Operations) **Tax.**

Taxes – Compulsory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

Unreserved and Undesignated Fund Balance – Available expendable financial resources in a governmental fund that are not the object of tentative management plans.

Voter-approval Rate ("VAR"): It replaced the Rollback Rate tax rate which is the highest tax rate the taxing unit can set before taxpayers can start tax VAR procedures.

WMS-Workshop Management System

Harris County Department of Education	**PROCUREMENT PROCEDURES** HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 5/15/2009	REVISED DATE: 8/12/2020	
SUBJECT: GLOSSARY OF PURCHASING TERMS		

Annual Aggregate This pertains to the total amount of purchases made within a single category of items during a twelve-month period. The state does not prescribe on what date the period starts and stops, nor what a category is. Those decisions are the entity's.

As Is an expression signifying that goods offered for sale are without warranty or guarantee. The purchaser has no recourse with the vendor for the quality or condition of the goods.

Authorized Deviation Permission given to a supplier authorizing production or delivery of items within stated limits other than those specified originally.

Backorder The undelivered part of a previous order which the vendor re-enters for shipment at a later date.

Bid A formal response to a specified request for goods or services. Usually requested for contracts equal to or exceeding an annual aggregate of $50,000.

Bid Bond Bid bond guarantees an owner of property that a party bidding for a contract will, if his bid is accepted, enter into a contract and furnish performance and payment bonds for the carrying out of the work, or pay the owner the difference between the amount of his bid and that of the bid finally accepted.

Caveat Emptor "Let the buyer beware": The sale is at the buyer's risk.

Certified Check A check endorsed by a bank which guarantees its payment.

Change Order A purchaser's document used to modify or add to a purchase order.

Competitive Pricing Mechanism A term used to collectively describe the various methods the state has provided to meet bidding requirements for purchases equal to or greater than $50,000. These include bids, requests for proposal, catalogue purchases, Texas GSC contracts, Federal GSC contracts, and interlocal government contracts.

Delivery Schedule The agreed time or rate of future deliveries of purchased goods or services.

Discount An amount deducted from the selling price by the vendor. It is generally applied when a purchaser meets a stipulation that reduces the cost of the goods.

Expediting taking steps to speed up the process due to unusual circumstances.

Express Warranty Vendor's stated representations concerning the nature and use of goods, which he intends the buyer to rely on.

GSC In most cases this relates to the Texas General Services Commission. A federal GSC also exists and may be referenced in some contracts.

Inventory A stock of goods or an itemized list of a stock of goods on hand at a particular time. When ascertained by a physical count of the items it is a "physical inventory"; when determined from records maintained for routine business activities, it is a "book inventory."

Invitation to Bid A request made by a purchaser to prospective suppliers for their competitive price quotations on goods or services.

Invoice The vendor's itemized list of goods or services shipped which specifies price and terms of sale.

Knocked Down (k.d.) A term to indicate that the article described is delivered unassembled.

Lump Sum The price agreed upon between vendor and purchaser for a single job or a single purchase of merchandise in bulk.

Manufacturer One who produces or assembles items from raw materials or components.

Negligence The doing or omission of some act which a reasonable, prudent person would have omitted or done under the circumstances.

Open Account Purchase A purchase made by a buyer who has established credit with the seller. The transaction is charged to the purchaser's account, payment for which is to be made at some future date agreed upon by buyer and seller.

Original Equipment Manufacturer Seller's classification of a buyer whose purchases are incorporated into a product he manufactures, usually without changing the item that he acquires.

Payment Bond Payment Bond, often referred to as a Labor and Materials bond, guarantees that bills for labor and material used in the work project will be paid. This protects the workers and the suppliers.

Performance Bond Performance Bond guarantees the owner that work will be completed according to the contract specifications. This protects against the builder being unable to complete the project.

Purchase To acquire goods or services for a price.

Purchase Order A purchaser's formal written offer to a vendor containing all terms and conditions of a proposed transaction.

Purchase Requisition A formal request made to the Purchasing Department to procure goods or services form vendors.

Quotation A statement of price, terms of sale, and description of goods or services offered by a vendor to a prospective purchaser. When given in response to an inquiry, it is generally considered a sales proposal that states the current price of a commodity.

Rebate A form of discount in that the vendor returns, (or rebates) to a purchaser in consideration of the purchase of a specified quantity or value of goods usually within a stated interval.

Receiving Copy This is a receiving department document used to inform others of the receipt of purchased goods. Copies are usually distributed to the accounting department.

Request for Proposal (RFP) This is an alternate to the competitive bid process. The proposals are advertised and received in the same way as bids. Once opened, the District can select the best proposal and negotiate specific terms with the vendor to further lower the price or improve the contract.

Sample A small portion of goods taken as a specimen of quality.

Separate, Sequential, and Component Purchases Dividing a purchase into several parts or buying parts of a system on separate orders avoid having to use competitive pricing mechanisms to purchase goods and services.

Specification A comprehensive statement of the technical requirements descriptive of a good or a service, and of the procedure to be followed to ascertain if the requirements are met. A federal specification is a specification established in accordance with procedures prescribed by the Federal Specification Board and approved for use by all government agencies.

Stock The supply of goods maintained in a warehouse system to satisfy anticipated demand.

Terms of Payment The method of payment agreed upon in a sales contract

Tracer A request made to a carrier to trace a shipment for expediting purposes or to establish date of delivery.

Vendor A seller of goods or services.

Warranty An understanding, either express of implied, that certain facts regarding the subject matter of a contract is as it is declared or understood to be. Not to be confused with "guarantee," which entails contractual responsibility for the substandard performance or non-performance of another party.

Wholesaler A purchaser who buys goods for resale to a retailer or industrial user.

	PROCUREMENT PROCEDURES HARRIS COUNTY DEPARTMENT OF EDUCATION	Reference:
DATE DEVELOPED: 3/16/2006		REVISED DATE: 8/12/2020
SUBJECT: GLOSSARY OF CONTRACT TERMS		

TERM	DEFINITION
Amendment	A change, correction or alteration.
Appropriation	An authorization to spend funds.
Assignment	Transfer by one party to a contract of some or all of the rights to another person not a party to the original contract.
Acceptance	Compliance by one party with the terms and conditions of another's offer so that a contract becomes legally binding between them.
Breach of contract	To break an agreement.
Consideration	Something of value; money, an act or a promise.
Contract	Legal agreement; mutual understanding between two parties.
Force Majeure	Act of God; an unexpected or uncontrollable event.
Interlocal Contracts or Agreements	HCDE may enter into Interlocal Contracts/Agreements with: • Other State of Texas Local Governments • State of Texas State Agencies • ANY State Local Government, and • ANY State Agency
Modification	A change in the terms of the contract. See also Amendment.
Parties to a Contract	Participants to a contractual arrangement.
Performance Bond	A bond or a cashiers check from one party of a contract that is held by the other party to the contract guaranteeing contract completion. Used in construction.
Public Work Contract	Contract for constructing or altering or repairing a public building or carrying out or completing any public work.
Retainage	The part of the payments under a public works contract that are not required to be paid until project is accepted. Normally 5%.
Severability	To cut off from the whole; dissolvable; able to separate into legally distinct rights or obligations, as a Contract.
Venue	The locality where a cause of action occurs.
Warranty	The insured's guarantee that the acts are as stated or that specified conditions will be fulfilled to keep the contract effective.



This page was intentionally left blank.

Harris County Department of Education

TRANSPARENCY STAR
Texas Comptroller
CONTRACTS & PROCUREMENT

TRANSPARENCY STAR
Texas Comptroller
TRADITIONAL FINANCES

TRANSPARENCY STAR
Texas Comptroller
DEBT OBLIGATIONS

TRANSPARENCY STAR
Texas Comptroller
OPEN GOVERNMENT & COMPLIANCE

TRANSPARENCY STAR
Texas Comptroller
PUBLIC PENSIONS

It is the policy of Harris County Department of Education not to discriminate on the basis of race, color, national origin, gender, limited English proficiency, or handicapping condition(s) in its programs.

6300 IRVINGTON BLVD HOUSTON, TX 77022 713-696-6300 WWW.HCDE-TEXAS.ORG



It is the policy of Harris County Department of Education not to discriminate on the basis of race, color, national origin, gender, limited English proficiency, or handicapping condition(s) in its programs.

The Harris County Department of Education (HCDE) is dedicated to providing high-quality, cost-effective educational services to school districts, educators, government and non-profit organizations in Harris County.

Through schools for students with profound special needs, Head Start early childhood education, school-based therapy services and afterschool programs, HCDE supports all area school districts in meeting the needs of uniquely challenged learners while saving them millions of dollars each year through shared services. The Department is an innovative leader of literacy and workforce development programming for adult learners across the county. HCDE also provides various other educational support services including professional development for educators, school safety programs, educator certification, records management, and a national purchasing cooperative.

HCDE impacts an average of 150,000 students and educators each year. Using fees for service, grants, and the purchasing cooperative, HCDE turns one dollar of property taxes into five dollars of services.

HCDE is separate and distinct from other agencies of Harris County. The Department's primary service area covers 1,788 square miles but also provides support to school districts, education service centers and other governmental agencies across Texas and the nation.

6300 Irvington Blvd.
Houston, TX 77022
713-694-6300
www.hcde-texas.org