

Region 9 Board of Directors Meeting Agenda

Thursday, Sept 28, 2023, 9am – 1:30pm

Hybrid – Durango Recreation Center, 2700 Main Ave. Durango

ZOOM:

<https://us06web.zoom.us/j/84701553228>

	Time	Page
A. Call Region 9 EDD Quarterly Meeting to Order - Willy Tookey	9:00am	
1. Welcome and Introductions		
B. Amendments to the Agenda		
C. Board Member Terms		3
D. Consent Agenda <i>(Action Required)</i>		
1. Board of Director's Quarterly Meeting Minutes from July 27, 2023		14
2. Executive Committee Minutes from September 11, 2023		30
3. Proposed 2024 Board meeting dates		
4. Resolution #23-18 EDA-RLF Plan Recertification		42
E. Financial Report - Shirley Jones	9:15 am	
1. Approve Financial Statements through August 31, 2023 <i>(Action Required)</i>		43
2. Adoption of FY 23-24 Budget <i>(Action Required)</i>		63
3. Alignment of SWCCOG and Region 9 fiscal year update		
F. Business Loan Fund - Jenny Stollar & Brian Rose	9:35 am	
(Possible Executive Session, C.R.S. Section 24-6-402-(4)(e))		
1. Portfolio and Delinquency Report <i>(Confidential)</i> and New Loans		67
2. Production Tracking Spreadsheet		
3. Loan Policy Addendum #17 <i>(Action Required)</i>		
G. Executive Director Report	9:45 am	
1. Executive Director evaluation <i>(Action Required)</i>		71
2. Funding and Grant Update		
3. Economic Development Leader of the Year nominations <i>(Action Required)</i>		
4. Policy updates per All Hazards Audit		
H. Program Reports	10:30 am	
1. SCAPE Program Update – Elizabeth Marsh		
2. Enterprise Zone – Terry Blair Burton		
a. Resolution #23-13 - Aspen House <i>(Action Required)</i>		
b. Resolution #23-14 – Pagosa Springs Community Development Corp. <i>(Action Required)</i>		

c. Resolution #23-15 - Mercy Health Foundation <i>(Action Required)</i>	110
d. Resolution #23-16 - Pagosa Springs Medical Center Foundation <i>(Action Required)</i>	120
e. Resolution #23-17 – Axis Health System <i>(Action Required)</i>	132
f. Resolution #23-19 – Durango Arts Center <i>(Action Required)</i>	151
3. Regional Projects- Shak Powers	
a. Broadband	161
b. Housing	
c. Transportation	
4. Economic Development - Heather Otter	
a. SWORD Council	
i. contract staff	180
b. CDAP two-year updates	
c. Economic Development Updates	
I. Adjourn Region 9 Meeting	11:45 am
Lunch will be served and meeting will reconvene for SWCCOG business	

SWCCOG Board of Directors Meeting Agenda

A. Call SWCCOG Meeting to Order – Jennifer Green, Chair	12:15 pm
B. Amendments to the Agenda	
C. Financial Report	
1. SWCCOG Financial Statements – Aug. 31, 2023 <i>(Action Required)</i>	183
2. SWCCOG 2022 audit progress	184
D. Director’s Report	
1. Update on SWCCOG programs	
2. SWCCOG All Hazards Audit	185
3. Intent for new MOU	197
E. Other Business	12:30 pm
1. Next Region 9/SWCCOG Board Meeting: January 25, 2024	
2. Region 9 Executive/Audit Committee meeting will be scheduled	
3. SWCCOG Executive Committee meeting will be scheduled in fall	
4. Community and Economic Development Round Robin Updates	
E. Adjourn SWCCOG Meeting	

SW Colorado Council of Governments
Balance Sheet
As of August 31, 2023

	<u>Aug 31, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
1040- Alpine 7350- Checking	5,169.95
Alpine ending 7883 Money Fund	20,868.42
Total Checking/Savings	<u>26,038.37</u>
Accounts Receivable	
1200- Accounts Receivable	139,321.82
Total Accounts Receivable	<u>139,321.82</u>
Total Current Assets	<u>165,360.19</u>
TOTAL ASSETS	<u>165,360.19</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	34,320.00
Total Accounts Payable	<u>34,320.00</u>
Other Current Liabilities	
2001 - Payroll Liabilities	5,637.73
2100 - All Payroll- Other	5,265.21
2120 - AP Other	64.78
Total Other Current Liabilities	<u>10,967.72</u>
Total Current Liabilities	<u>45,287.72</u>
Total Liabilities	45,287.72
Equity	
Unrestricted Net Assets	63,011.32
Net Income	57,061.15
Total Equity	<u>120,072.47</u>
TOTAL LIABILITIES & EQUITY	<u>165,360.19</u>

SW Colorado Council of Governments
Profit & Loss by Class
January through August 2023

	AH- 2020	AH-2019	AH-2021	AH-2022	Broadband	CDOT-CDL	CDOT- Transit 5310	CNL	Dark Fiber	Grants Navigator	Operations	Shared Service	SWIMT	SWTPR	TOTAL
Ordinary Income/Expense															
Income															
4010 - Grants - Admin	0.00	1,252.71	0.00	117.42	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,370.13
4020 - Grants - Program	7,648.29	67,436.79	15,479.47	0.00	0.00	1,250.00	702.00	143,005.36	0.00	15,183.06	0.00	0.00	1,189.00	18,017.01	269,910.98
4090 - Membership Dues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,853.00	3,853.00
4170 - Match	0.00	0.00	0.00	0.00	0.00	0.00	0.00	131,625.16	0.00	0.00	0.00	0.00	0.00	0.00	131,625.16
4400 - Fee for Shared Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	42,174.44	0.00	0.00	42,174.44
4910 -Dark Fiber Leases	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	52,206.70	0.00	0.00	0.00	0.00	0.00	52,206.70
4960 - Region 9 support	0.00	0.00	0.00	60,000.00	0.00	0.00	0.00	1,935.99	0.00	0.00	60,000.00	0.00	0.00	0.00	121,935.99
Total Income	7,648.29	68,689.50	15,479.47	60,117.42	0.00	1,250.00	702.00	276,566.51	52,206.70	15,183.06	60,000.00	42,174.44	1,189.00	21,870.01	623,076.40
Gross Profit	7,648.29	68,689.50	15,479.47	60,117.42	0.00	1,250.00	702.00	276,566.51	52,206.70	15,183.06	60,000.00	42,174.44	1,189.00	21,870.01	623,076.40
Expense															
5110 - Wages	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,927.86	0.00	5,035.06	0.00	0.00	0.00	7,402.60	14,365.52
5120 - Payroll Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	266.48	266.48
5135 - Retirement Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100.47	100.47
5140 - Workers' Comp Insurance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-101.00	0.00	0.00	13.18	-87.82
5145-FAMLI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.07	15.07
5150 - Health Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	433.44	433.44
5335 - Grant Expense	7,600.02	9,018.19	88,198.45	18,672.42	0.00	16,000.00	0.00	0.00	0.00	0.00	0.00	0.00	5,158.00	0.00	144,647.08
5410 - Rent Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00
5426 Fiber lease expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,783.77	0.00	0.00	0.00	0.00	0.00	14,783.77
5510 - Travel Expense	80.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,637.58	187.20	5,904.78
5512 - Meeting Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	215.27	215.27
5515 - Legal Fees	0.00	0.00	0.00	0.00	1,642.50	0.00	0.00	0.00	0.00	0.00	576.00	0.00	0.00	126.00	2,344.50
5520 -Advertising and Promotion	0.00	0.00	0.00	0.00	0.00	0.00	24.39	23.32	0.00	0.00	0.00	0.00	0.00	0.00	47.71
5525 - Audit Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,000.00	0.00	0.00	0.00	5,000.00
5527 Internet/Computer/Software	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,276.91	43,295.42	0.00	550.00	45,122.33
5530 - Telephone Expense	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-129.00	0.00	0.00	0.00	-129.00
5532 - Postage & Delivery	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.13	0.00	0.00	0.00	0.00	0.00	0.00	8.13
5540 - Memberships/Subs	0.00	0.00	0.00	0.00	17,593.44	0.00	0.00	0.00	0.00	0.00	0.00	-2,209.20	0.00	2,209.20	17,593.44
5550 - Supplies	140.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	140.00
5635 -Shared Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,710.00	0.00	0.00	6,710.00
5640 - Other Consulting Fees	6,670.00	710.00	0.00	0.00	17,118.75	0.00	0.00	274,136.73	0.00	10,148.00	0.00	0.00	0.00	0.00	308,783.48
Total Expense	14,490.02	9,728.19	88,198.45	18,672.42	36,354.69	16,000.00	24.39	276,097.04	14,783.77	15,183.06	6,622.91	47,796.22	10,795.58	11,518.91	566,265.65
Net Ordinary Income	-6,841.73	58,961.31	-72,718.98	41,445.00	-36,354.69	-14,750.00	677.61	469.47	37,422.93	0.00	53,377.09	-5,621.78	-9,606.58	10,351.10	56,810.75
Other Income/Expense															
Other Income															
1310- Interest	0.00	0.00	0.00	0.00	250.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.40
Total Other Income	0.00	0.00	0.00	0.00	250.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.40
Net Other Income	0.00	0.00	0.00	0.00	250.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250.40
Net Income	-6,841.73	58,961.31	-72,718.98	41,445.00	-36,104.29	-14,750.00	677.61	469.47	37,422.93	0.00	53,377.09	-5,621.78	-9,606.58	10,351.10	57,061.15

November 1, 2021

Miriam Gillow-Wiles, Director
Southwest Colorado Council of Governments
295 Girard Street
Durango, CO 81303

**Re: DHSEM Monitoring Site Visit Initial Results for SWCCOG - Observations Identified -
RESPONSE REQUIRED**

Dear Ms. Gillow-Wiles:

On behalf of the Colorado Department of Public Safety, Division of Homeland Security & Emergency Management (DHSEM), we would like to thank you for your cooperation with the monitoring visit on July 21, 2021. The reason for the site visit was not to perform an audit, but rather to conduct a monitoring review of your federally funded grant programs (administered by DHSEM), the related processes/procedures, and the quality of documentation being maintained to support program activities. Our goal of this review was to help you prepare for and respond to future audits and/or reviews.

Our monitoring visit was required by the Federal Office of Management and Budget (OMB) Title 2 of the Code of Federal Regulations § 200.331(e), as applicable, which states that DHSEM, as a pass-through entity of federal funding, is responsible for performing on-site reviews of your program operations to ensure proper accountability and compliance with program requirements and achievement of performance goals.

During our visit, we examined certain functions of your organization related to the administration of funds under the following grant programs and the compliance requirements applicable to your grant(s) and associated project(s):

- Incident Management Team (IMT) - State Grant
- Homeland Security Grant Program (HSGP) - Assistance Listing 97.067

The administrative requirements and cost principles from Title 2 of the Code of Federal Regulations apply to all federal grants awarded to DHSEM after December 26, 2014. Audit requirements for all grant programs are governed by Title 2 of the Code of Federal Regulations for fiscal years beginning after December 26, 2014 regardless of award date.

The objective of these monitoring activities was to assess performance towards project objectives and an evaluation of compliance towards program requirements. The observations, risks, and recommendations detailed in *Attachment 2* and *Attachment 3* of this letter are based on the fieldwork conducted by our team. *Attachment 1* provides the categories and general scope reviewed during our on-site monitoring visit. *Attachment 2* highlights areas of improvement that require your follow up. *Attachment 3* highlights leading practice recommendations that do not require follow up but are provided for your benefit. *Attachment 4* provides additional guidance on the observations, risks and recommendation included in Attachments 2 and 3. Please submit a corrective action plan in the "Subrecipient's Response" section below for each observation noted in *Attachment 2*.

The corrective action plan should contain your organization's plans to implement the recommendations listed. Your response should include scheduled dates of implementation and the names of responsible

parties. Additionally, please include a detailed response and plan if you intend to present alternative solutions to address the observations reported. Please submit your response to CDPS_SRM@state.co.us by December 1, 2021 to ensure compliance with DHSEM requirements. Based on your response, we will either accept or decline your plan of action.

If you should have any questions regarding this letter, please contact the Subrecipient Monitoring Team at CDPS_SRM@state.co.us or contact Justine Willman at 720.595.6119. We thank you again for your cooperation and will continue to provide assistance to ensure that your entity and the State continue to comply with all federal grant requirements.

Sincerely,



M. Justine Willman
Grant Compliance Manager

cc: Lori Johnson, HSGP Coordinator (previous)
Jessica Laitsch
Vicki Shaffer, HSGP Coordinator (current)

Attachment 1: Scope Activities Performed

The objective of the Subrecipient Monitoring visit was to assess your organization's ability to maintain compliance with the regulations governing the federal grants you have received through DHSEM. The following categories and general scope were reviewed during our on-site monitoring visit as applicable:

Category	Scope
Control Environment	<p>Our assessment of your organization's control environment included a review of the following:</p> <ul style="list-style-type: none"> ✓ Overall internal control structure (e.g. policies and procedures, reporting lines, etc.) ✓ Code of ethics, Conflict of interest certifications ✓ Prior experience with management of grant programs and Federal funding ✓ Familiarity with DHSEM points of contact ✓ Implementation of corrective action resulting from audits and other monitoring activities ✓ Segregation of duties for grant management functions
Allowable Activities / Costs / Expenditures	<p>Our assessment of your organization's expenditures included a review of the following:</p> <ul style="list-style-type: none"> ✓ Procedures for ensuring expenditures comply with cost principles ✓ Process for valuing in-kind contributions and donated resources ✓ Allowability and review of travel and per-diem expenses ✓ Proper controls in the expenditure cycle (e.g. approval processes for expenditures)
Accounting	<p>Our assessment of your organization's grant accounting included a review of the following:</p> <ul style="list-style-type: none"> ✓ Validating use of cost centers for grant projects ✓ Maintenance of a chart of accounts for federal, state, and insurance funding ✓ Review of reconciliation practices and procedures ✓ Process for reconciling budget overruns and variances
Reporting	<p>Our assessment of your organization's reporting practices included a review of the following:</p> <ul style="list-style-type: none"> ✓ Policies and procedures governing reporting practices ✓ Supporting documentation for reported milestones and expenditures ✓ Communication of passed through funding to DHSEM and Federal agencies
Cash Management And Advances	<p>Our assessment of your organization's cash management practices included a review of the following:</p> <ul style="list-style-type: none"> ✓ Processes established to manage cash advances in accordance with regulations ✓ Policies or procedures for timely payment of vendors ✓ Verifying that in-kind contributions are used only for local match amounts
Equipment & Inventory	<p>Our assessment of your organization's equipment management practices included a review of the following:</p> <ul style="list-style-type: none"> ✓ Policies and procedures in place to manage equipment purchased with grant funding ✓ Maintenance of property records that reflect required data points ✓ Controls to protect equipment from theft, loss, or damage ✓ Tagging of assets ✓ Validation of proper disposition practices and policies ✓ Inventory practices ✓ Depreciation of assets in line with organizational depreciation schedules ✓ Documentation of maintenance procedures

Labor & Time Accounting	<p>Our assessment of your organization's labor and time accounting practices included a review of the following:</p> <ul style="list-style-type: none"> ✓ Documentation of Job descriptions for employees splitting time between grant and non-grant activities ✓ Review of salary and fringe benefit allocations to grant projects ✓ Support for administrative time and force account labor (timesheets) ✓ Compliance with Davis Bacon (as applicable)
Procurement & Contracts	<p>Our assessment of your organization's procurement practices included a review of the following:</p> <ul style="list-style-type: none"> ✓ Documentation of policies and procedures for procurement ✓ Review of contract types used under Federal grants ✓ Review of supporting procurement documentation and bid tabulations ✓ Review of contracts with vendors for proper flow down provisions ✓ Verification of use of debarment and suspension lists ✓ Utilization of minority and women owned businesses ✓ Use of geographical preference in bid criteria ✓ Use of contract management systems for managing vendors
Subrecipient Monitoring (Subaward)	<p>Our assessment of your organization's subrecipient monitoring included a review of the following:</p> <ul style="list-style-type: none"> ✓ Determination of contract vs. subaward ✓ Proper documentation of pass through funding ✓ Compliance with FFATA, Single audit reporting ✓ Review of single audit results ✓ Follow up on subrecipient's corrective action plans ✓ Verification of subrecipient's use of grant flow down provisions
Project Progress	<p>Our assessment of your organization's project progress monitoring included a review of the following:</p> <ul style="list-style-type: none"> ✓ Processes for accurately reporting project progress ✓ Documentation of why established goals were not met ✓ Comparison of actual project progress vs. reported progress
Record Retention	<p>Our assessment of your organization's record retention practices included a review of the following:</p> <ul style="list-style-type: none"> ✓ Documented record retention policies and procedures ✓ Backup and secure storage of documentation ✓ Organization of supporting files
Other	<p>In addition to the reviews listed, the following may have been reviewed or discussed:</p> <ul style="list-style-type: none"> ✓ Follow up on variances from quarterly reports ✓ Feedback for DHSEM related to program administration ✓ Technical training on EMGrants Pro platform ✓ Need for in person training or guidance for grant programs ✓ Compliance with Title VI of the Civil Rights Act of 1964 and Title II of the American's with Disabilities Act, 28 CFR 35.101 et seq., as applicable

Attachment 2: Summary of Guidance Observations

Observations related to required guidance require your organization's response. Responses can be given as either an observation resolution, or a corrective action plan. An observation resolution outlines an action that has already been taken to address the guidance observation, and must include supporting documentation illustrating the implementation of the corrective action. A corrective action plan states the corrective action that will be taken in the future, the estimated date of completion of said action, and the individual responsible for owning the action. NOTE: The Subrecipient Monitoring Team will follow up on the implementation of the corrective action plan at a future point in time, if a corrective action plan is provided.

Please note this response in the "Subrecipient's Response & Corrective Action Plan."

Note: During our on-site monitoring visit, we provided initial results during our exit meeting based on the documentation reviewed and interviews conducted. Since that time, it is possible that observations below were made during the final review of documentation that were not discussed during the exit meeting.

Guidance Observation #1	
Area of Review:	A.1 & A.5 – General Entity-Level Standards
Applicable Programs:	HSGP & IMT
Observations:	It was noted during the interview with the Southwest Colorado Council of Governments ("SWCCOG"), that the SWCCOG does not have a Protection of Personally Identifiable Information policy (PII).
Compliance Requirement:	<p>2 CFR 200.82 Protected PII means an individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal, medical and financial records, educational transcripts. This does not include PII that is required by law to be disclosed. (See also 2 CFR 200.79)</p> <p>2 CFR 200.303(e) The Non-Federal entity must 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.</p>
Risks:	<p>Failure to maintain a comprehensive policy for PII may result in a weak control environment and could pose potential operational or financial risk to the organization should a breach occur and not be immediately and appropriately addressed.</p> <p>There are two types of data loss: accidental and malicious. Human error or carelessness as well as a lack of data security processes in an organization can lead to accidental loss, including something as simple as sending an email attachment containing PII to the wrong recipient. Malicious data breaches, on the</p>

	other hand, are deliberate internal or external attacks on an organization's data systems.
Recommendations:	The SWCCOG should adopt a comprehensive PII policy that includes actions to take in the event of a breach resulting in the unauthorized release of PII. <i>Also see Attachment 4, Exhibit A</i>
Subrecipient's Response & Corrective Action Plan:	INSTRUCTIONS: Please provide one of the following in your response: <ul style="list-style-type: none"> • A corrective action plan that identifies the action to be taken, an owner of the corrective action plan, and a forecasted implementation date; OR • Confirmation that the corrective action has already been taken and supporting documentation to verify the implementation of the action

Guidance Observation #2	
Area of Review:	G.3 Procurement - Geographical Preference and Affirmative Steps
Applicable Programs:	HSGP
Observations:	During the discussion with the SWCCOG, it was determined that the SWCCOG does not have a policy that addresses Geographical preferences and Affirmative Steps. Please note that this is a repeat guidance observation from our previous site visit in August 2019.
Compliance Requirement:	2 200.321 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.
Risks:	Inclusion of small, minority, and women-owned firms in the procurement process is required under Federal grants. Failure to consider these organizations for grant-funded projects may result in disallowed costs or de-obligated funding and may affect the subrecipient's eligibility for future grants. Failure to verify licensure with the Secretary of State could lead to issues with reimbursable grant costs.

Recommendations:	When soliciting contractors for grant-funded projects, the organization should ensure that affirmative steps are taken to assure small, minority-owned, women-owned, and labor area surplus firms are used when possible by adding language to their procurement policy and detailing how consideration was given in practice to these firms for each procurement opportunity as detailed in the Code of Federal Regulations. Additionally, the organization should document their consideration of these respective entities in the grant file to evidence compliance with the regulation.
Subrecipient's Response & Corrective Action Plan:	<p>INSTRUCTIONS: Please provide one of the following in your response:</p> <ul style="list-style-type: none"> • A corrective action plan that identifies the action to be taken, an owner of the corrective action plan, and a forecasted implementation date; OR • Confirmation that the corrective action has already been taken and supporting documentation to verify the implementation of the action

Guidance Observation #3	
Area of Review:	G.3, G.4 & G.9 - Procurement
Applicable Programs:	HSGP and IMT
Observations:	<p>During the conversation with SWCCOG, it was discussed that the previous Guidance Observations have not been updated within a policy. These observations include:</p> <ul style="list-style-type: none"> • SAM.gov check • Flow-down provisions within contracts <p>Please note that this is a repeat guidance observation from our previous site visit in August 2019.</p>
Compliance Requirement:	<p>2 CFR 180.125 (a) To protect the public interest, the Federal Government ensures the integrity of Federal programs by conducting business only with responsible persons.</p> <p>(b) A Federal agency uses the nonprocurement debarment and suspension system to exclude from Federal programs persons who are not presently responsible.</p> <p>(c) An exclusion is a serious action that a Federal agency may take only to protect the public interest. A Federal agency may not exclude a person or commodity for the purposes of punishment.</p> <p>2 CFR 180.130 With the exceptions stated in §§180.135, 315, and 420, a person who is excluded by any Federal agency may not:</p> <p>(a) Be a participant in a Federal agency transaction that is a covered transaction; or (b) Act as a principal of a person participating in one of those covered transactions.</p> <p>2 CFR 180.155 Check the Governmentwide System for Award Management Exclusions (SAM Exclusions) to determine whether a person is excluded. The General Services Administration (GSA) maintains the SAM Exclusions and makes it available, as detailed in Subpart E of this part. When a Federal agency takes an action to exclude a person under the nonprocurement or procurement debarment and suspension system, the agency enters the information about the excluded person into the SAM Exclusions.</p>

	<p>2 200.318(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: a. Rationale for the method of procurement, b. Selection of contract type. c. Contractor selection or rejection. d. Basis for the contract price</p> <p>2 CFR 200.333 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.</p>
Risks:	<p>Failure to consider these organizations for grant-funded projects may result in disallowed costs or de-obligated funding and may affect the subrecipient's eligibility for future grants</p> <p>Failure to verify contractor status in SAM.gov could lead to issues with performance and quality of service and could lead to ineligible costs.</p> <p>Failure to follow proper procurement standards as mandated by grant requirements could lead to ineligible costs.</p>
Recommendations:	<p>While not required to verify licensure for each contractor, leading practices recommend that policies and procedures include steps to verify that contractors are licensed in the applicable city and state and document the verification.</p> <p>It is recommended that organizations verify SAM.gov for "Exclusion" status of contractors to avoid issues with reimbursable grant costs. Verification needs to be documented.</p> <p>It is recommended that management review procurement procedures to verify that they are in accordance with organizational procedures and Federal guidance.</p>
Subrecipient's Response & Corrective Action Plan:	<p>INSTRUCTIONS: Please provide one of the following in your response:</p> <ul style="list-style-type: none"> • A corrective action plan that identifies the action to be taken, an owner of the corrective action plan, and a forecasted implementation date; OR • Confirmation that the corrective action has already been taken and supporting documentation to verify the implementation of the action

Guidance Observation #4	
Area of Review:	K.3, K.5 & K.7 - Monitoring
Applicable Programs:	HSGP
Observations:	During the conversation with SWCCOG, the entities that received purchased items from SWCCOG only have inventory reviewed every two years (at a minimum). No check is performed to ensure that equipment is on the transferred entities General Ledger, depreciation schedule and that they understand that maintenance, repair,

	etc. is the responsibility of the agency receiving the transferred equipment (per the transfer form).
Compliance Requirement:	<p>2 CFR 170.200 If funds are passed through to a subrecipient, the agency must ensure that their subgrantees have necessary processes and systems in place to comply with the reporting requirements</p> <p>2 CFR 200.330 The non-Federal entity may concurrently receive Federal awards as a recipient, a subrecipient, 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.</p> <p>2 CFR 200.331(e) If the subrecipient does not have award agreements for pass through entities, the Compliance Analyst should provide the Subrecipient with available resources to assist in the creation of clearly defined subgrantee award files.</p> <p>2 CFR 200.331(d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. Pass-through entity monitoring of the subrecipient must include:</p> <p>(1) Reviewing financial and performance reports required by the pass-through entity.</p> <p>(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.</p> <p>(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.</p>
Risks:	<p>Failing to comply with program requirements as required by the Code of Federal Regulations exposes the organization to potential disciplinary actions including de-obligation of current funding resulting from non-compliance with provisions or potential disallowance of costs incurred.</p> <p>Failure to maintain an agreement detailing Federal requirement and award identification information can lead to noncompliance from the subrecipient, generating financial and legal risk for your organization.</p> <p>Failure to monitor subrecipient performance can lead to noncompliance with program requirements, generating additional financial and legal risk for your organization.</p>
Recommendations:	<p>It is recommended that SWCCOG develop agreements detailing the Federal requirements with any active subrecipients.</p> <p>It is recommended that SWCCOG monitor subrecipient performance to ensure compliance with program requirements and Federal guidance.</p>

Subrecipient's Response & Corrective Action Plan:	<p>INSTRUCTIONS: Please provide one of the following in your response:</p> <ul style="list-style-type: none"> • A corrective action plan that identifies the action to be taken, an owner of the corrective action plan, and a forecasted implementation date; OR • Confirmation that the corrective action has already been taken and supporting documentation to verify the implementation of the action
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Attachment 3: Summary of Leading Practice Observations

Responses to observations related to Leading Practices are optional. These recommendations are derived from leading practices and interpretations of federal guidance and are provided for your consideration.

Leading Practice Observation #1	
Area of Review:	A.1 - General Entity-Level Standards
Applicable Programs:	HSGP & IMT
Observations:	<p>It was discussed during the interview with the SWCCOG, that while the Board does have a code of conduct/ethics that they follow and the employees have the Standards of Conduct in the personnel policy, neither are signed on a yearly basis.</p> <p>It was also discussed that the Record Retention policy needs to be updated.</p>
Compliance Requirement:	<p>2 CFR 200.206(2) At a minimum, the information in the system for a prior Federal award recipient must demonstrate a satisfactory record of executing programs or activities under Federal grants, cooperative agreements, or procurement awards; and integrity and business ethics.</p> <p>2 CFR 200.303 Internal controls. The non-Federal entity must: (a) Establish and maintain 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).</p>
Risks:	Failure to properly communicate updated policies and procedures to employees could lead to action that is inconsistent with federal regulations. Failure to maintain a regularly-updated Code of Ethics may result in a weak control environment and could pose potential operational or financial risk to the organization should employees not act in an ethical manner.
Recommendations:	The SWCCOG should ensure that all staff are made aware of any policy and/or procedure updates regularly. Establish a formal process to review and update their Code of Ethics on an annual basis.
Subrecipient's Response & Corrective Action Plan:	NOTE: A response to the Leading Practice Observation is OPTIONAL.

Attachment 4: Guidance for Observations

Exhibit A - Protection of Personally Identifiable Information (PII)

FEDERAL GUIDANCE

PII means information that can be used to distinguish or trace an individual's identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. Some information that is considered to be PII is available in public sources such as telephone books, public Web sites, and university listings. This type of information is considered to be Public PII and includes, for example, first and last name, address, work telephone number, email address, home telephone number, and general educational credentials. The definition of PII is not anchored to any single category of information or technology. Rather, it requires a case-by-case assessment of the specific risk that an individual can be identified. Non-PII can become PII whenever additional information is made publicly available, in any medium and from any source, that, when combined with other available information, could be used to identify an individual.

2 CFR §200.82 Protected Personally Identifiable Information (Protected PII)

Protected PII means an individual's first name or first initial and last name in combination with any one or more of types of information, including, but not limited to, social security number, passport number, credit card numbers, clearances, bank numbers, biometrics, date and place of birth, mother's maiden name, criminal, medical and financial records, educational transcripts. This does not include PII that is required by law to be disclosed. (See also §200.79 Personally Identifiable Information (PII)).

Six areas that an organization might consider while preparing a PII policy:

1. Restrict access to sensitive information for hard-copy and electronic files
2. Require employees to report lost or stolen files and computer technology
3. Implement response procedures for IT security breaches
4. Require supervisory approval before submitting documents with potentially sensitive information
5. Do not use Social Security Numbers, when possible
6. Maintain documentation of what constitutes PII and educate employees about that

Department of Homeland Security (DHS)

For a list of best practices for safeguarding sensitive PII, read the DHS "Handbook for Safeguarding Sensitive Personally Identifiable Information" from December 2017. This handbook reviews the difference between PII and sensitive PII, safeguarding sensitive PII (broken down by electronic and hard-copy format), and privacy incident reporting. There is also an Appendix of Frequently Asked Questions.

Link:

<https://www.dhs.gov/publication/handbook-safeguarding-sensitive-personally-identifiable-information>

**AGREEMENT BETWEEN
REGION 9 ECONOMIC DEVELOPMENT DISTRICT OF SOUTHWEST COLORADO
AND
THE SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS**

THIS AGREEMENT (the “Agreement”) is entered effective the 1st day of January, 2023, by and between the REGION 9 ECONOMIC DEVELOPMENT DISTRICT OF SOUTHWEST COLORADO (“Region 9” or “Contractor”) whose address is 135 Burnett Dr, Unit 1, Durango, CO 81301, and the SOUTHWEST COLORADO COUNCIL OF GOVERNMENTS (“SWCCOG”), whose address is 135 Burnett Dr, Unit 1, Durango, CO 81301 (hereinafter referred to as the “SWCCOG”) (and collectively, the “Parties”).

RECITALS

WHEREAS, the SWCCOG is in need of certain contract performance, administrative, management and oversight services as set forth in Exhibit A and whereas REGION 9 would provide those services; and

WHEREAS, it is the mutual desire of the Parties to set forth their understanding and agreement, in writing, with respect to said obligations:

NOW, THEREFORE, the parties agree as follows:

1. *Retention of Contractor.* SWCCOG hereby retains REGION 9 to provide certain Services on the terms herein provided.

2. *Term of Agreement.* Unless terminated earlier by either party hereto, the initial term during which Contractor shall provide services to SWCCOG under this Agreement shall be from **1 January 2023 until 31 December 2023. The Agreement will be automatically extended for successive calendar years after the expiration of the initial term, unless either party gives 60-day notice prior to the end of the term of its intent not to extend the agreement.** The Parties shall review the terms of the Agreement annually and may amend the scope of work set forth in the agreement. The Agreement may also be terminated as provided below.

3. *Termination.* This Agreement may also be terminated by either Party, with or without cause, by providing at least 60 days’ written notice to the other Party.

SWCCOG may terminate this Agreement immediately without prior notice if any of the following occurs:

- a. Contractor commits a material breach of any provision of this Agreement and does not rectify within thirty days of notice; or
- b. Contractor commits an act of fraud, dishonesty or any other act of gross negligent, reckless or willful misconduct in providing the services to the SWCCOG or violates any other provision of law; or

- c. Contractor fails to commence the work within the SWCCOG calendar dates, or in the opinion of SWCCOG the Contractor fails to perform the work with sufficient workers and equipment or with sufficient materials to assure the prompt completion of said work; or
- d. Contractor discontinues the work; or
- e. Contractor fails to resume work which has been discontinued within a reasonable time after notice to do so.

REGION 9 may terminate this Agreement with 30 day's prior notice if any of the following occurs:

- a. SWCCOG Board fails to provide direction, information, and other relevant information needed by REGION 9 to provide services in Exhibit A; or
- b. SWCCOG commits a material breach of any provision of this Agreement that remains uncured for 30 days after notice is provided by REGION 9.

Upon termination, SWCCOG shall issue REGION 9 any payments owed for the annual period, however pro-rated to the date of termination, and REGION 9 shall return to SWCCOG all of SWCCOG property, correspondence and records (including copies of SWCCOG computer files), and the parties shall thereafter be relieved from further obligations under this Contract, except for provisions concerning governing law and enforcement, indemnification, and shall maintain confidentiality of SWCCOG passwords, bank accounts, work product, contracts and otherwise maintain confidentiality as per SWCCOG policies, which shall survive termination.

4. *Contractor's Duties.* Contractor shall furnish the Services to SWCCOG as described in Exhibit A, Scope of Services. The SWCCOG agrees that it will at any time, and from time to time, execute and deliver all documents and instruments, and take all actions as may reasonably be required by the REGION 9 in order for REGION 9 to effectuate and fully carry out its obligations in accordance with the terms of this Agreement.

5. *Consideration for agreement.* The consideration for the agreement is the mutual covenants and promises made herein, there is no monetary compensation tied to this Agreement.

6. *Agreement to Perform Services as an Independent Contractor.* It is understood that SWCCOG is contracting with Contractor to provide specific services and this Agreement should in no way be interpreted that Contractor is an employee of SWCCOG.

Contractor shall perform said services in its own way in the pursuit of its independent calling and not as an employee of SWCCOG and shall be solely responsible for the means and methods and the proper performance of the services in compliance with the terms, requirements, and specifications of this Agreement, however under the general direction of the SWCCOG Board of Directors. Contractor and any persons employed or retained by Contractor for the performance of services hereunder shall be independent contractors and not employees or agents of SWCCOG. Contractor shall not be under the control of SWCCOG as to the means or manner by which such result is to be accomplished.

Contractor shall have no claim against SWCCOG hereunder or otherwise for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. Contractor shall be solely responsible for meeting all applicable withholding, tax, and insurance requirements.

7. *Notices.* Any notice this Agreement requires must be written, hand-delivered or sent by U.S. Certified mail, return receipt requested, or electronically to the parties at the address listed above and also via email, to the following e-mail addresses:

If to REGION 9: laura@region9edd.org

If to SWCCOG: by e-mail to each of the current SWCCOG Officers, with a copy to David Liberman, at dliberman@animas.net.

8. *Assignment.* Neither party shall have the right to assign this Agreement except with the express written consent of the other.

9. *Enforceability.* If any term or provision of this Agreement shall be adjudicated to be invalid, illegal, or unenforceable, this Agreement shall be deemed amended to delete the term or provision thus adjudicated to be invalid, illegal or unenforceable and the validity of the other terms and provisions of this Agreement shall not be affected thereby so long as the purposes of this contract can be met.

10. *Governing Law and Enforcement.* The terms and conditions of this Agreement shall be construed, interpreted and enforced in accordance with the applicable laws of the State of Colorado. Any dispute concerning the performance or interpretation of the agreement which cannot be resolved by the designated points of contact, or their immediate superiors shall be referred to the party's board of directors. If the matter is not resolved within 45 days after referral, either party may file legal action. If any legal action is necessary to enforce the terms and conditions of this Agreement, the parties agree that exclusive jurisdiction and venue for bringing such action shall be in the appropriate court in La Plata County, Colorado.

11. *Entire Agreement.* The parties agree that this Agreement constitutes the entire Agreement between the parties and supersedes any and all prior oral representations, promises, covenants, understandings and other agreements, if any, between the parties and their agents, and this Agreement may not be modified in any manner except by an instrument in writing executed by both parties.

12. *Waiver.* No failure by either party to exercise any right it may have shall be deemed to be a waiver of that right or of the right to demand exact compliance with the terms of this Agreement.

13. *Construction.* This Agreement's final form resulted from review and negotiations among the parties and/or their attorneys and no part of this Agreement shall be construed against any party on the basis of authorship.

14. *Signatory's Authority.* Each person signing this Agreement in a representative capacity expressly represents that the signatory has the subject party's authority to so sign and that the subject party will be bound by the signatory's execution of this Agreement.

15. *Third Party Beneficiaries.* The parties to this Agreement do not intend to benefit any person not a party to this Agreement. No person or entity, other than the parties to this Agreement shall have any right, legal or equitable, to enforce any provision of this Agreement.

16. *Breach of Contract.* The prevailing party to any litigation arising out of this agreement shall be entitled to all costs of that action, including reasonable attorney's fees. Notwithstanding, neither party shall be liable for any damages for loss of profits, loss of revenues, loss of goodwill, loss of anticipated savings, loss of data or cost of purchasing replacement services, or any indirect, incidental, special, consequential, exemplary or punitive damages arising out of its performance or failure to perform under this agreement.

17. *Liability Insurance.* REGION 9 and SWCCOG shall maintain all required insurance in accordance with generally accepted industry standards, and grant requirements during the term of this contract.

18. *Indemnification.* Each party, to the extent authorized by law, shall indemnify and hold the other harmless, their agents, employees, and Directors from and against any claim, damages, losses and expenses, including but not limited to attorney's fees and court costs, arising out of or related to that party's own failure to properly perform under this agreement, but only to the extent the failure to perform is caused in whole or in part by the negligent acts or omission of that party, or anyone directly or indirectly employed by that party, and so long as that party did not cause, in whole or in part, the other party not to properly perform. Notwithstanding the foregoing, REGION 9 shall not be responsible for any errors, omissions, or inaccuracies in books, records, or other materials maintained by SWCCOG and provided to REGION 9 under this Agreement.

19. *Intent.* It is the intent of the Parties that all contractual and statutory obligations of the SWCCOG remain those of the SWCCOG and are not assigned to REGION 9 and do not become the obligation of REGION 9. This Agreement does not create a joint venture or partnership or merger of the Parties. SWCCOG is and shall remain a separate and distinct entity from REGION 9. The business operations of SWCCOG shall in no way combine with the business operations of REGION 9. The role of the REGION 9 is merely to assist the SWCCOG Board by supplying it with the contract performance, administrative, management, and oversight support as set forth in this Agreement. REGION 9 is not responsible for the SWCCOG's actions or inactions.

20. *Immunity, Multi-Year Obligation, No Financial Obligation Not supported by Current Appropriation.* By executing this agreement, the parties do not waive any immunity or limit liability contained in the Colorado Governmental Immunity Act, do not create a multi-year financial obligation, and do not create any other financial obligation not supported by a current appropriation. This agreement is subject to annual appropriation of the SWCCOG.

21. *List of Exhibits*
Exhibit A – Scope of Services

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first above written.

SWCCOG

By: _____
Andrea Phillips
Chair
Date: _____

REGION 9

By: _____
Laura Lewis Marchino
Executive Director
Date: _____

EXHIBIT A
SCOPE OF SERVICES & COMPENSATION

SERVICES PROVIDED BY REGION 9

Financial Support and Oversight. REGION 9 will provide financial support and oversight for SWCCOG, such as approving payments, receiving mail and issuing and documenting check payments, as well as deposits. REGION 9 will assist the SWCCOG by providing it a record showing the amounts authorized by appropriation of the SWCCOG and the draws against the same, as well as a record of transfer of moneys and any additional expenditures. REGION 9 will keep at all times, and provide the SWCCOG unexpended balance in each SWCCOG fund. REGION 9 will ensure that no money should be paid in excess of amounts available as shown by said record or report. REGION 9 will report to the SWCCOG on financial matters as required by its Board. REGION 9 will assist the SWCCOG by arranging for its annual audit as determined by the SWCCOG Board, provide financials as needed, be knowledgeable about SWCCOG budget and provide support for SWCCOG budget oversight.

REGION 9 will assist SWCCOG in contracting and obtaining an annual audit of the financial statements of the local government for each fiscal year. The audit shall be made by CPA and filed with state auditor no later than thirty days after the report is received. Each audit must be completed within 6 months of the close of the fiscal year. One copy of audit must be kept at principal office of the SWCCOG, and available for inspection at all reasonable times.

Financial Support and Oversight also includes:

- Providing bookkeeping services utilizing GAAP accounting processes
- Maintaining SWCCOG books from date of execution of this Agreement and reconciliation of bank statements.
- Providing financial statements including Balance Sheet, Profit & Loss, and Budget to Annual statements to the SWCCOG Board in the Board Packets
- Assist the SWCCOG Board in scheduling the annual audit, as necessary, to be performed by an Audit Firm selected by SWCCOG Board. Facilitate the audit by providing records in its possession as requested. Assist in supplying auditor's requests for information
- Assisting the SWCCOG Board in preparing an annual budget for approval by the Board, when approved by the SWCCOG Board file the budget and budget amendments with any additional agencies or persons as directed by SWCCOG.
- Meet with SWCCOG Treasurer to review financials as needed.

Board /Organizational Support. REGION 9 will lead/coordinate/oversee SWCCOG meetings and report on activities assigned to Region 9 pursuant to this Agreement and provide organizational support, including:

- Filing any necessary papers at SWCCOG Board's direction such as the SWCCOG's insurance policy(s) in the amount including errors and omissions coverage, to ensure no lapse in coverage, the costs of the same to be paid by SWCCOG.
- Collecting and opening mail and email correspondence of SWCCOG and forwarding the correspondence to SWCCOG's Board. REGION 9 will assist SWCCOG in transmitting SWCCOG Board responses to correspondence.
- Supporting SWCCOG Board Meetings including:
 - Per the direction of the SWCCOG Board Chair, creating an agenda and supporting documentation.
 - Distributing the agenda to the Board.
 - Taking minutes and drafting minutes of the meeting which will be presented at the following regularly scheduled Board Meeting.
- Maintaining SWCCOG board meeting minutes and financial records obtained during the time of this Agreement. REGION 9 does not know the status of the SWCCOG's records prior to the original contract execution date hereof and is not responsible therefor.
- REGION 9 shall be the official Custodian of the SWCCOG's records. REGION 9 will assist SWCCOG in responding to any record requests made of the organization under applicable Colorado law. The cost of the same, including the payment of any necessary legal fees or court costs in complying with same or replying to record requests shall be promptly paid by SWCCOG to REGION 9 in addition to the annual payments. Files provided by SWCCOG to REGION 9 shall be kept in a locked and secure location.
- Update bank signatories
- Posting public notices of meetings, budget hearings, and other items required by Colorado Revised Statutes.
- Assisting SWCCOG in meeting its deadlines identified in the important dates.

Contractor oversight. REGION 9 will supervise SWCCOG contractors to ensure that the contractors are performing their scope of work in a timely manner and billing SWCCOG appropriately. REGION 9 may assist in RFP/Q/I development, review, and contract negotiations as requested by the Board.

Shared information. REGION 9 will have access to SWCCOG's administrative passwords, bank accounts, emails, work product, contracts, and documents reasonably necessary for Region 9 to perform its obligations under this Agreement. REGION 9 will respect separateness of the SWCCOG organization and retain confidentiality of SWCCOG passwords, bank accounts, work product, contracts and otherwise maintain confidentiality as per SWCCOG policies.

Contract Performance and Project Oversight. SWCCOG is involved in the following programs and has contracts with following entities and REGION 9 will provide contract performance and project oversight with regard to the following contracts/ projects/ programs:

- Southwest Region All Hazards Advisory Council (All Hazards)
- Southwest Transportation Planning Region (TPR)

- Southwest Transit Coordinating Council
- Southwest Incident Management Team (SWIMT)

REGION 9 will also attend meetings on behalf of SWCCOG and the above entities as needed.

Grant oversight. REGION 9 will provide grant performance and oversight and support to SWCCOG grants including and not limited to the below to ensure that all grant related requirements are met.

- Annual CDOT SWTPR Planning grant
- CDOT 5310 FY2022
- Annual and open DHSEM All Hazards grants
- Annual DHSEM SWIMT grants
- DOLA 8824 CDL Development
- DOLA -BBFS 22-005 La Plata County Carrier Neutral Location

REGION 9 will ensure SWCCOG grant compliance, billing, and engagement with all grants.

For future grants awarded to SWCCOG, REGION 9 role will include consultation with SWCCOG Board on determining capacity for fulfilling grant obligations prior to SWCCOG contracting for the grant. If it is determined that additional contractors will need to be hired for grant purposes, such request will be brought by REGION 9 to the SWCCOG board for approval.

Presently, the SWCCOG Board anticipates that SWCCOG, through this agreement with REGION 9, will perform under its current contracts until such contracts either expire, or the contracts are assigned to REGION 9. The only future SWCCOG anticipated contracts or grants will either be DOLA or other entity grants that REGION 9 could not qualify to obtain on its own, or alternatively are SWCCOG contracts related to fulfilling SWCCOG's own governmental requirements and compliance.

REGION 9 will ensure SWCCOG compliance with the following SWCCOG important dates:

- No later than January 31: Certified copy of Adopted Budget filed with Department of Local Affairs
- January/February: Set audit date with Auditors (when applicable)
- March/April: Conduct audit (when applicable)
- May/June: Audit presentation to Board and Accept Audit
- No later than June 30, audit must be complete
- No Later than July 31: audit must be filed with Office of the State Auditor
- August: CIRSA Insurance renewal application, signed and returned by October 1

- No later than September 1, the proposed budget must be presented to SWCCOG Board Per Bylaw. (Statutory requirement is no later than October 15)
- Notice of Budget must be published in advance of September Board Meeting
- No later than December 15: SWCCOG Board adopt annual Budget per Bylaw (Statutory requirement is no later than December 31)
- Notice of Meeting must be published in advance of December Board Meeting

REGION 9 will assist SWCCOG in complying with the Local Government Budget Law of Colorado, Colo. Rev. Stat. § 29-1-101 *et seq.*, the Colorado Local Government Audit Law, Colo. Rev. Stat. § 29-1-601 and Colorado Local Government Uniform Accounting Law, Colo. Rev. Stat. § 29-1-501 *et seq.*, to establish SWCCOG financial policies, and to arrange for a systematic and continuous record of SWCCOG financial affairs and transactions. REGION 9 will assist SWCCOG in obtaining a third party review of SWCCOG financial transactions and expenditures that comply with state and federal audit law and generally accepted accounting principles.

REGION 9 will assist SWCCOG in compliance with the Colorado Open Meetings Law, CRS 24-6-401 *et seq.*, including that SWCCOG needs to have open meetings any time a quorum of its board will consider adoption of any policy, position, resolution, rule, regulation or formal action that may occur. REGION 9 will assist SWCCOG in giving full and timely notice of public meetings, and notice must be posted in a designated place within the SWCCOG boundaries no less than twenty-four hours prior to a meeting. The public place for posting of notice will be designated annually by SWCCOG.

REGION 9 will assist SWCCOG in following the Colorado Open Records Act at CRS 24-72-201 *et seq.* Region 9 will be the official custodian of SWCCOG records for Open Records Request compliance and requests, and will maintain SWCCOG records, and follow the SWCCOG open records request policies.

Such services provided in this scope of work shall include labor costs, rent, liability insurance, utilities, telephone, office supplies, and computer hardware and software. Other costs that the SWCCOG may incur including, but not limited, to legal fees and costs, audit fees, PO Box costs, postage, mileage and travel (as authorized by the SWCCOG Board), liability insurance renewal, payment of SWCCOG Vendors and SWCCOG invoices, are the responsibility of the SWCCOG.