

## AMENDATORY AGREEMENT

**THIS AMENDATORY AGREEMENT** is made and entered into by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the “City”) and **CLAYTON EARLY LEARNING, TRUSTEE, GEORGE W. CLAYTON TRUST**, a Colorado not-for-profit corporation, whose address is 3801 East Martin Luther King Boulevard, Denver, Colorado 80205 (the “Contractor”) collectively “the parties”.

### RECITALS:

**A.** The parties entered into an Agreement dated June 11, 2019, to provide comprehensive Head Start services for program year 2019-2020 (the “Agreement”).

**B.** The City and the Contractor wish to amend the Agreement to modify the budget exhibits, the maximum contract amount, and the total amount of non-federal share to be provided by the Contractor.

The Parties agree as follows:

**1.** Effective July 1, 2019, all references in the Agreement to “Exhibit B” are amended to read as “Exhibits B and B-1.” Exhibit B-1 is attached and incorporated into the Agreement by this reference. Effective as of July 1, 2019, Exhibit B-1 will supersede and replace Exhibit B. All payments and match contributions under Exhibit B-1 are retroactive to July 1, 2019.

**2.** Subparagraph D. (1) of Article 7, entitled “**Maximum Contract Amount**”, is amended by deleting and replacing it with the following:

**“D. Maximum Contract Amount:**

(1) Notwithstanding any other provision of the Agreement, the City’s maximum payment obligation will not exceed **One Million Three Hundred Nineteen Thousand Nine Hundred Ninety-Five Dollars and Zero Cents (\$1,319,995.00)** (the “Maximum Contract Amount”). The City is not obligated to execute an Agreement or any amendments for any further services, including any services performed by Contractor beyond that specifically described in Exhibit A. Any services performed beyond those in Exhibit A are performed at Contractor’s risk and without authorization under the Agreement.”

3. Subparagraph F. of Article 7, entitled “**Non-Federal Share Match**” is amended by deleting and replacing it with the following:

“F. **Non-Federal Share Match**. The Contractor will provide its proportionate share of non-federal funds through cash or in-kind, fairly evaluated, contributions. The phrase “fairly evaluated” referenced in the preceding sentence will be interpreted in accordance with 45 C.F.R. Part 74.23 and/or 45 C.F.R. Part 92.24 as well as any other applicable federal regulations pertaining to match and cost sharing requirements for the Head Start program. Contractor’s contribution under this Agreement will be **Three Hundred Twenty-Nine Thousand Nine Hundred Ninety-Nine and Dollars and Zero Cents (\$329,999.00)** as set forth in more detail in Exhibits B and B-1, as applicable. The Contractor will report in writing to the City, within thirty (30) calendar days from the date of receipt thereof, any cash or other funds to be applied toward the non-federal match that Contractor receives. Contractor will be responsible for documenting and maintaining accurate records to the reasonable satisfaction of the City for both Contractors' non-federal share contributions and the contributions of Subdelegates and any Vendor designated by the Director. Such contributions will be recorded on each expenditure variance report and in written reports forwarded to the City on a monthly basis. Each monthly report will list all contributions provided by Contractor and/or its Subdelegates and/or any Vendor for each respective quarter and will list the total amount of contributions made as of the date of the monthly report. The City reserves the right to withhold, adjust and/or reallocate subsequent Grant funds whenever it determines that Contractor’s current spending is inconsistent with amounts and categories listed on Exhibits B and B-1, as applicable, the purposes identified in Exhibit A, or if reports of non-federal share contributions, in whole or in part, are not provided by Contractor on a timely basis.”

4. This Amendatory Agreement is not effective or binding on the City until it has been fully executed by all required signatories of the City and County of Denver, and if required by Charter, approved by the City Council.

5. Except as amended here, the Agreement is affirmed and ratified in each and every particular.

**END**

**Signature pages and Exhibit B-1 follow this page**

**Contract Control Number:**  
**Contractor Name:**  
W. CLAYTON TRUST

MOEAI-201950749-01/Alfresco: 201948396-01  
CLAYTON EARLY LEARNING, TRUSTEE, GEORGE

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at  
Denver, Colorado as of:

**SEAL**

**CITY AND COUNTY OF DENVER:**

**ATTEST:**  
  
\_\_\_\_\_

By: \_\_\_\_\_

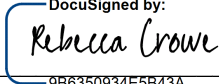
**APPROVED AS TO FORM:**  
  
Attorney for the City and County of Denver  
  
By: \_\_\_\_\_

**REGISTERED AND COUNTERSIGNED:**  
  
By: \_\_\_\_\_

By: \_\_\_\_\_

**Contract Control Number:**  
**Contractor Name:**  
W. CLAYTON TRUST

MOEAI-201950749-01/Alfresco: 201948396-01  
CLAYTON EARLY LEARNING, TRUSTEE, GEORGE

By:   
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Name: Rebecca Crowe  
(please print)

Title: President and CEO  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

Exhibit B-1  
Head Start Budget

**Budget/Budget Narrative Funds Requested Grant term: July 1, 2019 - June 30, 2020**

You may change the name of any category to fit your organizations needs.

Budget Category	Head Start Dollars (City of Denver)	Non-Federal Share	Overall Total
Staff Salaries	\$799,047		\$799,047
Staff Fringe Benefits	\$199,734		\$199,734
Program Supplies/Materials	\$34,364		\$34,364
Equipment			\$0
Contractual Funds	\$121,000		\$121,000
Rent/Space			\$0
Indirect Rate (DCA Letter Required)			\$0
Other	\$165,850	\$329,999	\$495,849
<b>Totals</b>	<b>\$1,319,995</b>	<b>\$329,999</b>	<b>\$1,649,994</b>

**Section II. Budget and Budget Justification** Clayton Early Learning is requesting \$1,319,995 for FY 2019-20; \$1,311,145 in base grant funding and \$8,850 in training and technical assistance funding to serve 201 Head Start children and families in a variety of options based on community need. Clayton will provide non-federal matching funds in the amount of \$329,999 as required in the application.

**Budget Methodology.** Clayton Early Learning has identified certain operating expenses specifically aligned with the Head Start Program initiatives. The budget and narrative is summarized into four key budget categories including, Personnel, Fringe Benefits, Contractual and Other. Personnel costs include 24 teachers and support staff, both full time and part time, and an allocation for fringe benefits at 25% of salaries. The Contractual category includes outsourced services such as nutrition and health and consultation services for families not provided by Clayton staff. Also included are expenses for on-call temporary staffing and a contract with Early Success Academy to assist 15 children under the grant agreement. The Other budget category includes other indirect operating expenses for maintaining the classrooms including, commercial insurance, building and maintenance and information technology and network support expenses. Clayton is able to provide non-federal match resources as itemized in the budget (Table 5) calculated at 25% of the program budget.

**Financial Management.** Clayton Early Learning demonstrates financial stewardship by adhering to sound accounting standards and principles and internal controls. Fiscal reports are reviewed on a regular basis by staff, the governing body, and the Finance, Investment and Real Estate Committee. An annual audit under OMB A-133 is conducted by an independent auditor. The fiscal department, under the direction of the Chief Financial Officer, follows policies and operating procedures as set forth by the Office of Head Start, the Office of Management

and Budget and the Board of Trustees. Services provided include accounting and budgeting support, grants and asset management, payroll and financial statement reporting. These services are used to help meet the required non-federal match and are itemized in the budget as “Clayton in-kind services”. The detailed budget and budget narrative is summarized in Table 5. Also included is a summary of Non-Federal Match resources .

### **Cost of Living (COLA Adjustment)**

Clayton Early Learning requests \$22,804 to permanently increase the EHS pay scale and staff salaries 1.77%, pay expenses associated with the cost of fringe benefits and pay other expenses associated with program operations. Clayton also request \$8,850 T/TA to support with staff professional development. The program’s salary ranges will be permanently increased by the 1.77% COLA increase.

**Table 5: FY 2018 -19 Budget and Narrative**

	<b>Head Start</b>	<b>Other Program Income</b>	<b>T&amp;TA</b>	<b>Narrative</b>
<b>Operating Revenue</b>				
Early Childhood Education – Denver Public Schools		\$ 312,543		
Denver Preschool Program		\$ 251,400		
Colorado Preschool Program		\$158,301		
Child & Adult Care Food Program (CACFP)		\$81,600		
Other funding (MIECHV)		\$135,633		
Parent co-pays		\$90,000		

HS Federal Grant	\$ 1,311,145			
HS Training T&TA	\$ 8,850			
<b>Total Revenue</b>	<b>\$ 1,319,995</b>			
<b>Expenditures</b>				
<b>a. Personnel</b>	\$ 799,047			A total of 24 teachers and support staff, both full time and part time are included in the budget
<b>b. Fringe Benefits</b>	\$ 199,734			A fringe rate of 25.0% of salaries and wages is used to cover employee benefits including health, dental, life insurance; short and long-term disability insurance; worker's compensation; federal and state unemployment; FICA; and 401(K) Employer Match
<b>f. Contractual</b>				
Temporary Employee Services	\$11,000			On-call teachers to provide substitute services
Health/Disabilities Services	\$ 35,000			Consultation services including nutrition and health through Denver Health & Hospitals, Children's Hospital; disability and mental health through Denver Children's Advocacy Center
Community Contracts	\$ 75,000			15 preschool slots at Early success Academy
<b>h. OTHER</b>				
Local Travel	\$ 10,000			Staff mileage reimbursement at the IRS approved rate.
Insurance	\$10,000			Commercial liability insurance including property, liability, umbrella, employee dishonesty, student



				accident and D&O
IT Expenses	\$62,000			Computer licenses; network/hardware/software purchases; IT support; website development and network systems maintenance
Building Maintenance & facilities	\$75,000			Maintenance and repair including carpet and window cleaning; sewer repair; commercial equipment and HVAC repairs, inspections and exterminating expenses
Training & Staff Development			\$8,850	Training expenses
Other (Office Supplies)	\$4,364			General office supplies: paper, pens, lamination film, folders, binders, etc.)
Other (Child & Family Services Supplies)	\$15,000			Classroom materials, furnishing, individual accommodations, parent/child activities & family events supplies
Other (Food Services supplies)	\$5,000			Food, cups, plates, silverware, etc.
Other (Other Supplies)	\$10,000			Toothbrushes, toothpaste, gloves, first aid kits, etc.
<b>Total Expenditures</b>	<b>\$1,311,145</b>			
<b>T&amp;TA Training</b>	<b>\$8,850</b>			
<b>Total Expenditures</b>	<b>\$1,319,995</b>			
<b>Non- Federal Share</b>				
Depreciation	\$83,000			32,800 square feet of classroom, office and storage space divided appropriately between EHS and HS
Clayton In-Kind Services	\$246,999			General and administrative personnel expenses including

				Accounting, Human Resources and Building and Grounds
<b>Total Non- Federal Share</b>	<b>\$ 329,999</b>			
<b>% Non- Federal Share</b>	<b>25%</b>			
<b>Total Program Budget</b>	<b><u>\$ 1,649,99</u> <u>4</u></b>			

